



華人置業集團

CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

Stock Code 股份代號: 127

2019年報

ANNUAL REPORT



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Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.
倘中英文版本出現歧義，概以英文版本為準。

Date of this annual report: 23 March 2020
本年報日期：二零二零年三月二十三日

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors:

Chan, Sze-wan (*Chief Executive Officer*)

Chan, Hoi-wan

Chan, Lok-wan

Lam, Kwong-wai

Non-executive Directors:

Lau, Ming-wai (*Chairman*)

Amy Lau, Yuk-wai

Independent Non-executive Directors:

Chan, Kwok-wai

Phillis Loh, Lai-ping

Ma, Tsz-chun

AUDIT COMMITTEE

Chan, Kwok-wai (*Chairman*)

Phillis Loh, Lai-ping

Ma, Tsz-chun

INVESTMENT COMMITTEE

Chan, Sze-wan (*Chairman*)

Lam, Kwong-wai (*Chief Investment Officer*)

Chan, Kwok-wai

Ma, Tsz-chun

NOMINATION COMMITTEE

Phillis Loh, Lai-ping (*Chairman*)

Chan, Kwok-wai

Ma, Tsz-chun

REMUNERATION COMMITTEE

Chan, Kwok-wai (*Chairman*)

Phillis Loh, Lai-ping

Ma, Tsz-chun

COMPANY SECRETARY

Lam, Kwong-wai

AUTHORISED REPRESENTATIVES

Chan, Sze-wan

Lam, Kwong-wai

董事

執行董事:

陳詩韻 (*行政總裁*)

陳凱韻

陳諾韻

林光蔚

非執行董事:

劉鳴煒 (*主席*)

劉玉慧

獨立非執行董事:

陳國偉

羅麗萍

馬時俊

審核委員會

陳國偉 (*主席*)

羅麗萍

馬時俊

投資委員會

陳詩韻 (*主席*)

林光蔚 (*投資總監*)

陳國偉

馬時俊

提名委員會

羅麗萍 (*主席*)

陳國偉

馬時俊

薪酬委員會

陳國偉 (*主席*)

羅麗萍

馬時俊

公司秘書

林光蔚

授權代表

陳詩韻

林光蔚

SOLICITORS

(Listed in alphabetical order)

King & Wood Mallesons
Reynolds Porter Chamberlain
S.Y. Wong & Co.

INDEPENDENT AUDITORS

HLB Hodgson Impey Cheng Limited

BANKERS

(Listed in alphabetical order)

China Construction Bank (Asia) Corporation Limited
Deutsche Bank AG, Singapore Branch
OCBC Wing Hang Bank Limited
Oversea-Chinese Banking Corporation Limited
The Bank of East Asia, Limited, London Branch

PLACE OF INCORPORATION

Bermuda

REGISTERED OFFICE

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

PRINCIPAL OFFICE IN HONG KONG

26th Floor, China Evergrande Centre
38 Gloucester Road
Wanchai, Hong Kong

Will be relocated in April 2020 to:

21st Floor, Chubb Tower
Windsor House
311 Gloucester Road
Causeway Bay, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

律師

(按字母順序排列)

金杜律師事務所
Reynolds Porter Chamberlain
黃倩儀律師事務所

獨立核數師

國衛會計師事務所有限公司

往來銀行

(按字母順序排列)

中國建設銀行(亞洲)股份有限公司
Deutsche Bank AG, Singapore Branch
華僑永亨銀行有限公司
Oversea-Chinese Banking Corporation Limited
東亞銀行有限公司(倫敦分行)

註冊成立地點

百慕達

註冊辦事處

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

香港主要辦事處

香港灣仔
告士打道38號
中國恆大中心26樓

將於二零二零年四月遷往：

香港銅鑼灣
告士打道311號
皇室大廈
安達人壽大樓21樓

主要過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990/(852) 2529 6087

香港過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712至1716號舖
電話：(852) 2862 8555
傳真：(852) 2865 0990/(852) 2529 6087

OFFICE IN THE PEOPLE'S REPUBLIC OF CHINA

Room 1003, 10th Floor, Oriental Place
No. 9 East Dongfang Road
North Dongsanhuan Road
Chaoyang District, Beijing, PRC
Post Code: 100027
Tel: (8610) 6466 0638
Fax: (8610) 6466 0238

中華人民共和國辦事處

中國北京市朝陽區
東三環北路
東方東路9號
東方國際大廈10樓1003室
郵編：100027
電話：(8610) 6466 0638
傳真：(8610) 6466 0238

WEBSITE

<http://www.chineseestates.com>

網址

<http://www.chineseestates.com>

STOCK CODE

127

股份代號

127

BOARD LOT

500 shares

買賣單位

500股

INVESTOR RELATIONS

For enquiries relating to investor relations, please contact:
Tel: (852) 2866 6999
Fax: (852) 2866 2822/(852) 2866 2833
E-mail: investor.relations@chineseestates.com

投資者關係

有關投資者關係之查詢，請聯絡：
電話：(852) 2866 6999
傳真：(852) 2866 2822/(852) 2866 2833
電郵：investor.relations@chineseestates.com

EXECUTIVE DIRECTORS

Ms. CHAN, Sze-wan, aged 41, joined the Group (the Company together with its subsidiaries, the "Group") in 2002 and has been appointed as an Executive Director of the Company since 2012. She acts as the Chief Executive Officer of the Company since 2015 and also acts as a director of certain subsidiaries of the Company. Ms. Chan is also the chairman of the investment committee of the Company. She is responsible for the Group's overall and day-to-day management including overseeing the Group's properties' sales and leasing affairs. Ms. Chan has over 17 years of experience in sales and marketing, management and operations. She is the elder sister of *Ms. Chan, Hoi-wan* and *Ms. Chan, Lok-wan*, and the aunt of *Mr. Lau, Ming-wai*. As at the date of this annual report, Ms. Chan is a director of certain substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO").

Ms. CHAN, Hoi-wan, aged 40, has been appointed as an Executive Director of the Company since 2017 and also acts as a director of certain subsidiaries of the Company. She had joined the then associate of the Group from 2002 to 2005 and participated in its cosmetics business, including Two Girls products. She also possessed of more than 3.5 years' work experience in media field in Hong Kong and gained experience in properties and securities investments through her investments. Ms. Chan is the younger sister of *Ms. Chan, Sze-wan*, the elder sister of *Ms. Chan, Lok-wan*, the step-mother of *Mr. Lau, Ming-wai* and the sister-in-law of *Ms. Amy Lau, Yuk-wai*. As at the date of this annual report, Ms. Chan is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

Ms. CHAN, Lok-wan, aged 35, joined the Group in 2008 and has been appointed as an Executive Director of the Company since 2015. She is the Manager of Sales and Leasing Department and also acts as a director of certain subsidiaries of the Company. Ms. Chan holds a Bachelor Degree of Science in Business and Management (Marketing) from Brunel University London and a Master Degree of Science in Communication, Information and Society from The London School of Economics and Political Science. She is responsible for the Group's marketing affairs, overseeing the Group's cosmetics business, including Two Girls products, and participated in the Group's properties' sales and leasing businesses. Ms. Chan has over 11 years of experience in sales and marketing. She is the younger sister of *Ms. Chan, Sze-wan* and *Ms. Chan, Hoi-wan*, and the aunt of *Mr. Lau, Ming-wai*.

執行董事

陳詩韻女士，現年41歲，於二零零二年加入本集團（本公司連同其附屬公司，統稱「本集團」），並自二零一二年起獲委任為本公司之執行董事。彼由二零一五年起出任本公司行政總裁，亦出任本公司若干附屬公司之董事。陳女士亦為本公司投資委員會主席。彼負責本集團整體及日常管理工作包括處理本集團之物業銷售及租務事宜。陳女士在營銷及市場推廣、企業管理及營運方面累積逾十七年經驗。彼為陳凱韻女士及陳諾韻女士之胞姊，及劉鳴煒先生之姨母。於本年報日期，陳女士為若干按香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部所述屬本公司主要股東之董事。

陳凱韻女士，現年40歲，自二零一七年起獲委任為本公司之執行董事，亦出任本公司若干附屬公司之董事。彼曾於二零零二年至二零零五年加入本集團當時之聯營公司並參與該公司之化妝品業務包括『雙妹嘜』產品。彼亦具有超逾三年半於香港之傳媒工作經驗及擁有個人物業及證券之投資經驗。陳女士為陳詩韻女士之胞妹、陳諾韻女士之胞姊、劉鳴煒先生之繼母及劉玉慧女士之嫂子。於本年報日期，陳女士為若干按證券及期貨條例第XV部所述屬本公司主要股東之董事。

陳諾韻女士，現年35歲，於二零零八年加入本集團，並自二零一五年起獲委任為本公司之執行董事。彼現任銷售及租務部經理，亦出任本公司若干附屬公司之董事。陳女士持有倫敦布魯內爾大學商業及管理（市場學）理學學士學位，以及倫敦經濟及政治科學學院傳意、資訊及社會理學碩士學位。彼負責本集團之市場推廣事宜及處理本集團化妝品業務包括『雙妹嘜』產品，並參與本集團物業銷售及租務業務。陳女士在營銷及市場推廣方面累積逾十一年經驗。彼為陳詩韻女士及陳凱韻女士之胞妹，及劉鳴煒先生之小姨。

EXECUTIVE DIRECTORS (Cont'd)

Mr. LAM, Kwong-wai, aged 64, joined the Group in 1989 and has been appointed as an Executive Director of the Company since 2012. Mr. Lam is the Group Financial Controller and Company Secretary of the Company and acts as a director of certain subsidiaries of the Company. He is also a member of the investment committee of the Company and acts as the chief investment officer. Mr. Lam is an independent non-executive director of Lifestyle China Group Limited, the shares of this company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Lam is a Certified Public Accountant (Practising) and holds a Master Degree of Business Administration from the University of Warwick, United Kingdom. He has over 42 years of experience in auditing, finance and accounting industries.

NON-EXECUTIVE DIRECTORS

Mr. LAU, Ming-wai, aged 39, has been appointed as a Director of the Company since 2006 and appointed as the Chairman of the board of Directors since 2014. Mr. Lau holds a Bachelor Degree of Laws from King's College London, a Master Degree of Laws from The London School of Economics and Political Science, and a Doctor Degree of Philosophy in Laws from King's College London. He worked at The Goldman Sachs Group, Inc. and Longview Partners LP, both in London prior to joining the Group. Mr. Lau is a registered attorney in the State of New York and a CFA (Chartered Financial Analyst) charterholder. He is the step-son of *Ms. Chan, Hoi-wan*, and the nephew of *Ms. Chan, Sze-wan*, *Ms. Chan, Lok-wan* and *Ms. Amy Lau, Yuk-wai*. As at the date of this annual report, Mr. Lau is a director of a substantial shareholder of the Company within the meaning of Part XV of the SFO.

Ms. Amy LAU, Yuk-wai, aged 67, has been appointed as a Non-executive Director of the Company since 2004. Ms. Lau is also a non-executive director of Lifestyle International Holdings Limited, the shares of this company are listed on the Main Board of the Stock Exchange. She was registered with the Royal College of Dental Surgeons of Ontario, Canada and is a retired dentist. Ms. Lau holds a Bachelor Degree of Science and a Doctor Degree of Dental Surgery from the University of Toronto, Canada. She is the sister-in-law of *Ms. Chan, Hoi-wan* and the aunt of *Mr. Lau, Ming-wai*.

執行董事 (續)

林光蔚先生，現年64歲，於一九八九年加入本集團，並自二零一二年起獲委任為本公司之執行董事。林先生現任本公司之集團財務總監及公司秘書，亦出任本公司若干附屬公司之董事。彼亦為本公司投資委員會成員及投資總監。林先生為利福中國集團有限公司之獨立非執行董事，該公司之股份於香港聯合交易所有限公司（「聯交所」）主板上市。林先生為執業會計師，持有英國華威大學工商管理學碩士學位。彼在核數、財務及會計方面累積逾四十二年經驗。

非執行董事

劉鳴煒先生，現年39歲，自二零零六年起獲委任為本公司之董事，並自二零一四年起獲委任為董事會主席。劉先生持有倫敦國王學院法律學士學位、倫敦經濟及政治科學學院法律碩士學位及倫敦國王學院法律哲學博士學位。彼在加入本集團之前，曾在倫敦 The Goldman Sachs Group, Inc.及Longview Partners LP任職。劉先生為紐約州註冊律師及特許財務分析師(Chartered Financial Analyst)特許持有人。彼為陳凱韻女士之繼子，陳詩韻女士及陳諾韻女士之姨甥，及劉玉慧女士之姪兒。於本年報日期，劉先生為一間按證券及期貨條例第XV部所述屬本公司主要股東之董事。

劉玉慧女士，現年67歲，自二零零四年起獲委任為本公司之非執行董事。劉女士亦為利福國際集團有限公司之非執行董事，該公司之股份於聯交所主板上市。彼曾於加拿大安大略省皇家牙科醫學院註冊，為退休牙科醫生。劉女士持有加拿大多倫多大學理學士學位及牙科博士學位。彼為陳凱韻女士之小姑及劉鳴煒先生之姑母。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN, Kwok-wai, aged 61, has been appointed as an Independent Non-executive Director of the Company since 2004. He is the chairman of the audit committee and remuneration committee, and a member of the nomination committee and investment committee of the Company. Mr. Chan holds a Bachelor Degree of Business Administration from the Monash University, Australia. He is also a member of CPA Australia and a member of the Hong Kong Securities and Investment Institute. He has over 40 years of experience in finance and accounting industries. Mr. Chan is currently a director of High Progress Consultants Limited. He is also an independent non-executive director of China Investments Holdings Limited, Far East Consortium International Limited, National Electronics Holdings Limited and Tern Properties Company Limited respectively, the shares of all these companies are listed on the Main Board of the Stock Exchange.

Ms. Phillis LOH, Lai-ping, aged 55, has been appointed as an Independent Non-executive Director of the Company since 2006. She is the chairman of the nomination committee, a member of the audit committee and remuneration committee of the Company. Ms. Loh is an independent non-executive director of In Technical Productions Holdings Limited, the shares of this company are listed on the Growth Enterprise Market of the Stock Exchange. Ms. Loh holds a Bachelor Degree of Laws and a Postgraduate Certificate in Laws, both from The University of Hong Kong. Ms. Loh was a practising solicitor from 1990 to 1997, and has since become a practising barrister-at-law after she was called to the Hong Kong Bar in 1998. She was admitted as a solicitor in Hong Kong (1990) and the United Kingdom (1991), and is also a barrister and solicitor in the Supreme Court of the Australian Capital Territory (since 1991). Ms. Loh is a CEDR (Centre for Effective Dispute Resolution) Accredited Mediator (2009) and an appointed member of the Board of Review (Inland Revenue Ordinance) (2018). She was appointed Deputy District Judge in 2014 and 2016, and Temporary Deputy Registrar of the High Court in 2018.

Mr. MA, Tsz-chun, aged 54, has been appointed as an Independent Non-executive Director of the Company since 2008. He is a member of the audit committee, remuneration committee, nomination committee and investment committee of the Company. Mr. Ma is a Certified Public Accountant (Practising) and has over 32 years of experience in auditing, finance and accounting industries. He is currently a director and the general manager of Sino-Bridge China Consulting Limited. Mr. Ma is an independent non-executive director of In Technical Productions Holdings Limited, the shares of this company are listed on the Growth Enterprise Market of the Stock Exchange. Mr. Ma holds a Master Degree in Business Administration and a Master of Science Degree in E-Commerce (Business Programme), both from The Chinese University of Hong Kong as well as a Master of Science Degree in China Business Studies from The Hong Kong Polytechnic University. Mr. Ma is a fellow member of The Association of Chartered Certified Accountants in the United Kingdom and an associate member of Hong Kong Institute of Certified Public Accountants.

獨立非執行董事

陳國偉先生，現年61歲，自二零零四年起獲委任為本公司之獨立非執行董事。彼為本公司審核委員會及薪酬委員會之主席，並為提名委員會及投資委員會之成員。陳先生持有澳洲蒙納士大學工商管理學士學位。彼亦為澳洲會計師公會會員及香港證券及投資學會會員。彼在財務及會計方面累積逾四十年經驗。陳先生現為勤達顧問有限公司之董事。彼亦分別為中國興業控股有限公司、Far East Consortium International Limited (遠東發展有限公司)、National Electronics Holdings Limited (樂聲電子有限公司)及太興置業有限公司之獨立非執行董事，上述所有公司之股份均於聯交所主板上市。

羅麗萍女士，現年55歲，自二零零六年起獲委任為本公司之獨立非執行董事。彼為本公司提名委員會主席、審核委員會及薪酬委員會之成員。羅女士為In Technical Productions Holdings Limited之獨立非執行董事，該公司之股份於聯交所創業板上市。羅女士持有香港大學法律學士學位及法學專業證書。羅女士由一九九零年至一九九七年為執業事務律師及自一九九八年獲頒香港大律師資格後成為執業大律師。彼分別於一九九零年及一九九一年獲頒香港及英國之事務律師資格，以及自一九九一年起為澳洲首府最高法院之大律師及事務律師。羅女士為CEDR (Centre for Effective Dispute Resolution)認可調解員(二零零九年)及為稅務上訴委員會委員(二零一八年)。彼曾於二零一四年以及於二零一六年被委任為區域法院暫委法官，及於二零一八年被委任為高等法院暫委副司法常務官。

馬時俊先生，現年54歲，自二零零八年起獲委任為本公司之獨立非執行董事。彼為本公司審核委員會、薪酬委員會、提名委員會及投資委員會之成員。馬先生為執業會計師，於核數、財務及會計方面累積逾三十二年經驗。彼現為龍躍中國顧問有限公司之董事及總經理。馬先生為In Technical Productions Holdings Limited之獨立非執行董事，該公司之股份於聯交所創業板上市。馬先生持有香港中文大學工商管理碩士學位及電子商貿管理理學碩士學位，並持有香港理工大學中國商貿管理理學碩士學位。馬先生為英國特許公認會計師公會資深會員及香港會計師公會會員。

PROFILES OF SENIOR EXECUTIVES

高級行政人員簡介

Ms. Connie CHEUNG, Mun-yi, aged 52, joined the Group (the Company together with its subsidiaries, the “Group”) in 2007 and is the Head of Legal Department. Ms. Cheung is a practising solicitor. She holds a Bachelor Degree of Laws and a Postgraduate Certificate in Laws, both from The University of Hong Kong. Before joining the Group, Ms. Cheung worked in both law firm as a solicitor and public sector as an in-house legal counsel. Ms. Cheung is responsible for overseeing the legal aspects of the Group’s various businesses, including project development, commercial investments, conveyancing and tenancy. She has over 28 years of legal experience.

Mr. Simon CHEUNG, Sung-fung, aged 38, joined the Group in 2007 and is the Head of Leasing Department. Mr. Cheung is a chartered surveyor. He holds a Bachelor Degree of Business Administration (Honours) in Marketing from the City University of Hong Kong and a Master Degree of Science in Real Estate from The University of Hong Kong. He is also a member of The Royal Institution of Chartered Surveyors. Mr. Cheung is responsible for the real estate asset management. He has over 16 years of relevant experience. Mr. Cheung also acts as a director of a subsidiary of the Company.

Ms. Hazel LAI, Ming-yan, aged 51, joined the Group in 2000 and is the Senior Manager—Contracts of Project Development Department. Ms. Lai is a registered professional surveyor. She holds a Bachelor Degree of Science in Building from the City University of Hong Kong and a Master Degree of Science in Construction and Real Estate from The Hong Kong Polytechnic University. She is also a member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors. Ms. Lai is responsible for the quantity surveying affairs. She has over 29 years of relevant experience.

Various businesses and functions of the Company are significantly under the direct responsibilities of the Executive Directors who are also regarded as senior executives of the Company.

張敏儀女士，現年52歲，於二零零七年加入本集團（本公司連同其附屬公司，統稱「本集團」），現任法律部主管。張女士為執業事務律師。彼持有香港大學法律學士學位及法學專業證書。在加入本集團之前，張女士曾於律師行任職事務律師及公營機構出任法律顧問。張女士負責處理本集團的各項業務之法律事宜，包括項目發展、商業投資、樓宇買賣及租務方面。彼在法律工作方面累積逾二十八年經驗。

張崇峰先生，現年38歲，於二零零七年加入本集團，現任租務部主管。張先生為特許測量師，彼持有香港城市大學市場學（榮譽）工商管理學士學位及香港大學理科碩士（房地產）學位。彼亦為英國皇家特許測量師學會會員。張先生負責房地產資產管理。彼累積逾十六年相關經驗。張先生亦出任本公司一間附屬公司之董事。

黎明欣女士，現年51歲，於二零零零年加入本集團，現任項目發展部高級經理—工程合同。黎女士為註冊專業測量師。彼持有香港城市大學建造學理學士學位及香港理工大學建築及房地產學理學碩士學位。彼亦為香港測量師學會及英國皇家特許測量師學會會員。黎女士負責工料測量事宜。彼累積逾二十九年相關經驗。

本公司各項業務及職責大部分由執行董事直接負責，彼等亦被視為本公司的高級行政人員。

I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2019 (the "Year") to the shareholders of the Company.

RESULTS

Profit for the Year attributable to owners of the Company was HK\$790.2 million as compared to HK\$1,015.3 million for last year. The decrease in profit for the Year was mainly due to (a) no dividend income (2018: HK\$1,106.8 million) was recognised from the shares of China Evergrande Group (stock code: 3333) during the Year; (b) the fair value changes of investment properties turning to loss of HK\$742.7 million as compared with gain of HK\$122.3 million; (c) recognition of an impairment loss of goodwill of HK\$322.9 million (2018: nil); and (d) no attributable property sales profit (2018: HK\$183.3 million) was recognised during the Year despite of the result from the segment of investments and treasury products at fair value through profit or loss turning to profit of HK\$1,798.9 million as compared with loss of HK\$710.8 million recorded in 2018. Earnings per share for the Year was HK\$0.41 (2018: HK\$0.53).

If the net loss on the major non-cash items of HK\$907.2 million (2018: net gain of HK\$297.0 million) is excluded, the Group will have a core profit for the Year attributable to owners of the Company of HK\$1,697.4 million (2018: HK\$718.3 million) and a core profit per share of HK\$0.89 (2018: HK\$0.38).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax from the Group and its associates and joint venture of HK\$584.3 million (2018: net gain of HK\$297.0 million) and impairment loss of goodwill of HK\$322.9 million (2018: nil).

DIVIDENDS

The board of directors of the Company (the "Directors" or the "Board") has recommended the payment of a final dividend of HK1 cent per share (2018: HK10 cents per share) for the Year (the "Final Dividend").

The Company had paid an interim dividend of HK1 cent per share on 27 August 2019 (2018: HK1 cent per share). Having considered the Company's dividend policy, to preserve more cash for the Group's future financial, property investment or securities investment opportunities, the Board has recommended the payment of the Final Dividend of HK1 cent per share (2018: HK10 cents per share).

本人欣然向本公司之股東呈報本公司及其附屬公司（「本集團」）截至二零一九年十二月三十一日止年度（「本年度」）之業績。

業績

本公司擁有人應佔本年度之溢利為790,200,000港元，相比去年為1,015,300,000港元。本年度溢利減少主要由於(a)於本年度並無確認來自中國恆大集團（股份代號：3333）股份之股息收入（二零一八年：1,106,800,000港元）；(b)投資物業之公平值變動轉為虧損742,700,000港元，相比去年之收益122,300,000港元；(c)商譽之確認減值虧損322,900,000港元（二零一八年：無）；及(d)於本年度並無確認應佔物業銷售溢利（二零一八年：183,300,000港元），儘管來自分類為通過損益以反映公平值之投資及財資產品轉為溢利1,798,900,000港元，相比二零一八年錄得虧損為710,800,000港元。本年度之每股盈利為0.41港元（二零一八年：0.53港元）。

如撇除主要非現金項目虧損淨額907,200,000港元（二零一八年：收益淨額297,000,000港元），本集團將錄得本公司擁有人應佔本年度之核心溢利1,697,400,000港元（二零一八年：718,300,000港元）及每股核心溢利為0.89港元（二零一八年：0.38港元）。

主要非現金項目乃指來自本集團以及其聯營公司及合資公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項共584,300,000港元（二零一八年：收益淨額297,000,000港元）以及商譽之減值虧損322,900,000港元（二零一八年：無）。

股息

本公司董事會（「董事」或「董事會」）建議派發本年度之末期股息每股1港仙（「末期股息」）（二零一八年：每股10港仙）。

本公司已於二零一九年八月二十七日支付中期股息每股1港仙（二零一八年：每股1港仙）。經考慮本公司之股息政策，為保留更多現金作本集團把握日後財務、物業投資或證券投資的機遇之需要，董事會建議派發末期股息每股1港仙（二零一八年：每股10港仙）。

DIVIDENDS (Cont'd)

Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 26 May 2020 (the "2020 AGM"), dividend warrants for the Final Dividend will be posted on or about 11 June 2020 to shareholders whose names appear on the register of members of the Company on 2 June 2020.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the members' eligibility to attend and vote at the 2020 AGM, and entitlement to the recommended Final Dividend, the register of members will be closed during the following periods respectively:

(1) For ascertaining eligibility to attend and vote at the 2020 AGM:

(1) 為確定出席二零二零年股東週年大會並於會上投票的資格：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	20.5.2020 16:30
Closure of register of members 暫停辦理股東登記手續	21.5.2020–26.5.2020 (both days inclusive) (包括首尾兩天)

(2) For ascertaining entitlement to the recommended Final Dividend:

(2) 為確定獲派建議末期股息的權利：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	29.5.2020 16:30
Closure of register of members 暫停辦理股東登記手續	1.6.2020–2.6.2020 (both days inclusive) (包括首尾兩天)
Record date 記錄日期	2.6.2020

To be eligible to attend and vote at the 2020 AGM, and to qualify for the recommended Final Dividend, all properly completed share transfers documents accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than the respective latest time as stated above.

股息 (續)

待股東於本公司將於二零二零年五月二十六日舉行之應屆股東週年大會（「二零二零年股東週年大會」）上批准，末期股息之股息單將於二零二零年六月十一日或前後寄發予於二零二零年六月二日名列本公司股東名冊之股東。

暫停辦理股東登記手續

為確定股東出席二零二零年股東週年大會並於會上投票的資格，及獲派建議末期股息的權利，本公司將分別於下列期間暫停辦理股東登記手續：

為符合資格出席二零二零年股東週年大會並於會上投票，及獲派建議末期股息，所有填妥的股份過戶文件連同有關股票必須於上述分別指明的最後時限前送達本公司於香港之過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

BUSINESS MODEL AND STRATEGIES

The Group's core businesses comprise property investments for rental and property development as well as securities investments.

The Group aims at enhancing value and recurrent revenue of investment properties through conceptualising and implementing redevelopment, renovation works and repackaging programmes for properties as well as actively managing a balanced tenant mix for retail properties to achieve long-term sustainable growth.

In Hong Kong, the Group participates in developing modern industrial properties.

The Group invested in office properties and hotel business in Mainland China and commercial and residential properties in the United Kingdom. All of them are located in the prestigious areas and generate stable and recurrent rental income for the Group.

The Group is actively grasping the opportunity for acquiring properties in Hong Kong and the United Kingdom.

The Group continues its strategy in quality partnerships with property developers or other parties to the extent commercially feasible and beneficial to the Group's development.

Apart from the aforesaid, the Group has conducted variety of securities investment business, such as equity investments, debt investments and other treasury products, with the aim to yield enhancement for treasury management.

The Group believes that the stable rental income from its investment properties, together with the property development and trading as well as securities investment, forms a diversified cash flow stream which allows the Group to weather the cyclicity of the real estate business.

業務模式及策略

本集團核心業務包括投資物業的租賃、物業發展及證券投資。

本集團致力透過物業重建、翻新及改造工程以提升旗下投資物業之價值及增加經常性收益。本集團亦積極管理及平衡零售物業租戶組合，以達致長期及可持續增長。

在香港，本集團參與發展現代化工廈。

本集團於中國內地持有寫字樓及投資於酒店業務，並於英國持有商業及住宅物業。該等物業及投資均位於優質地區，為本集團帶來穩定及經常性租金收入。

本集團正積極物色機會收購位於香港及英國之物業。

本集團秉持其策略，在商業上可行及有利於本集團發展之情況下與發展商或其他人士建立優質夥伴關係。

除上述所指外，本集團亦進行各種證券投資業務，如股本投資、債務投資及其他財資產品，為財資管理謀求增益。

本集團相信，投資物業之穩定租金收入，連同物業發展及買賣以及證券投資形成了多元化的現金流，使本集團能抵禦地產業務之週期性。

MANAGEMENT DISCUSSION AND ANALYSIS

Hong Kong Property Investment

Rentals from investment properties continued to be one of the major sources of our income.

As at 31 December 2019, the occupancy rate of the shops of Causeway Place was approximately 96.65%.

Olympian City 3 (25% interest), the retail mall in The Hermitage residences in West Kowloon, the occupancy rate was 100% as at 31 December 2019.

Coronation Circle (15% interest), the retail mall in The Coronation residences in West Kowloon, the occupancy rate was approximately 78.16% as at 31 December 2019.

During the Year, the average occupancy rate of the Group's office property, Harcourt House was approximately 88.96%.

No. 1 Hung To Road (33.33% interest), a 33-storey industrial building in Kwun Tong, the occupancy rate was approximately 98.80% as at 31 December 2019.

Nos. 14-18 Ma Kok Street (100% interest), an industrial building in Tsuen Wan was vacant as at 31 December 2019. It is planned to be redeveloped into a 26-storey (including G/F and 2 levels of basement) industrial building with a total gross floor area of approximately 228,000 square feet. The redevelopment is in planning and design stage which is expected to be completed by end of 2024. The Group's equity interest in the company holding Nos. 14-18 Ma Kok Street has been increased from 50% to 51% in December 2019 and further increased from 51% to 100% in February 2020.

Hong Kong Property Development

The Hermitage (25% interest) is one of the Group's joint venture development projects in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 964 residential units and retail properties with a total gross floor area of around 1,095,980 square feet. As at 31 December 2019, 99.79% of total units were sold.

管理層討論與分析

香港物業投資

投資物業之租金仍然是本集團之主要收入來源之一。

於二零一九年十二月三十一日，銅鑼灣地帶之商舖出租率約為96.65%。

奧海城三期（佔25%權益），位於西九龍帝峯•皇殿住宅之商場，於二零一九年十二月三十一日，出租率為100%。

中港薈（佔15%權益），位於西九龍御金•國峯住宅之商場，於二零一九年十二月三十一日，出租率約為78.16%。

於本年度內，本集團之辦公室物業—夏慤大廈之平均出租率約為88.96%。

鴻圖道1號（佔33.33%權益），位於觀塘之一幢33層工業大廈，於二零一九年十二月三十一日之出租率約為98.80%。

馬角街14至18號（佔100%權益），位於荃灣之一幢工業大廈，於二零一九年十二月三十一日為空置。計劃重建為一幢總樓面面積約228,000平方呎之26層工業大廈（包括地下及兩層地庫）。重建項目現處於規劃及設計階段，預期將於二零二四年底竣工。本集團於持有馬角街14至18號之公司之股權權益於二零一九年十二月由50%增至51%及其後於二零二零年二月由51%進一步增至100%。

香港物業發展

帝峯•皇殿（佔25%權益）為本集團其中一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共964個住宅單位及零售商舖，總樓面面積合共約1,095,980平方呎。於二零一九年十二月三十一日，已售出單位總數之99.79%。

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

Hong Kong Property Development (Cont'd)

The Coronation (15% interest) is another joint venture development project of the Group in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 740 residential units and retail properties with a total gross floor area of around 650,600 square feet. As at 31 December 2019, 99.86% of total units were sold.

Grand Central (10% interest) is a joint venture development project of the Group awarded by the Urban Renewal Authority. Its total site area is approximately 234,160 square feet. Total gross floor area of around 1,853,561 square feet will be developed. 4 residential tower blocks with 1,999 residential units in aggregate will be built in two phases. Up to 31 December 2019, 862 units of first phase and 772 units of second phase were presold. Superstructure works of both phases are in progress, the whole project will be completed in the first half of 2021.

Mainland China Property Investment

Hilton Beijing (50% interest), a five-star international hotel having 506 rooms. During the Year, 15th to 25th Floors of the main tower were under renovation, its average occupancy rate was approximately 52.35%.

Oriental Place (50% interest), a 10-storey office building next to Hilton Beijing. Its average occupancy rate was approximately 81.07% during the Year.

Overseas Property Investment

Overall, approximately 98.63% of the Group's investment property portfolio in the United Kingdom has been let out during the Year.

River Court is a freehold office building situated at 116-129 Fleet Street, London, United Kingdom. It provides a total net internal area of approximately 431,324 square feet, together with certain car parking spaces. During the Year, River Court was fully let. The anchor tenant will surrender the lease in the first quarter of 2020, and thereafter asset enhancement works will be carried out in due course when relevant study is completed and government approval is granted.

管理層討論與分析 (續)

香港物業發展 (續)

御金·國峯 (佔15%權益) 為本集團另一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共740個住宅單位及零售商舖，總樓面面積合共約650,600平方呎。於二零一九年十二月三十一日，已售出單位總數之99.86%。

凱匯 (佔10%權益) 為本集團獲市區重建局批予發展之合營發展項目。地盤面積合共約234,160平方呎，將發展之總樓面面積合共約1,853,561平方呎。分為兩期建成4座住宅大廈，合共提供1,999個住宅單位。截至二零一九年十二月三十一日止已預售第一期862個單位及第二期772個單位。兩期項目之上蓋建築工程現正進行。整個項目將於二零二一年上半年竣工。

中國內地物業投資

北京希爾頓酒店 (佔50%權益) 為一座設有506間客房的五星級國際酒店。於本年度內，其主樓之15至25樓層正進行翻新工程，平均入住率約為52.35%。

東方國際大廈 (佔50%權益) 為北京希爾頓酒店側的一幢樓高10層辦公樓，於本年度內之平均出租率約為81.07%。

海外物業投資

整體而言，於本年度內，本集團於英國之投資物業組合約98.63%獲承租。

River Court為一幢位於英國倫敦Fleet Street 116-129號之永久業權寫字樓。River Court提供總室內淨面積約431,324平方呎，連同若干泊車位。River Court之所有單位於本年度內均獲承租。主要租戶將於二零二零年首季退回租賃，而資產優化工程將於完成有關研究以及獲政府批准後施工。

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

Overseas Property Investment (Cont'd)

"14 St George Street" is a freehold office building located in London, United Kingdom. The building comprises approximately 51,861 square feet of office accommodation arranged over lower ground, ground and four upper floors. It was fully let during the Year.

"61-67 Oxford Street and 11-14 Soho Street" is a mixed use freehold building located in London, United Kingdom, comprising approximately 55,162 square feet in aggregate. The building provides retails, office and residential accommodation, occupying approximately 33,850 square feet, 13,735 square feet and 7,577 square feet respectively, over lower ground, ground and six upper floors, approximately 94.43% had been let out during the Year on average.

"11 and 12 St James's Square and 14 to 17 Ormond Yard" is a mixed use freehold building located in London, United Kingdom. The building provides around 80,000 square feet office accommodation arranged over lower ground, ground and six upper floors, approximately 93.26% had been let out during the Year on average.

Securities Investments

Securities investment is one of the principal activities of the Group.

The Group's strategy is to maintain securities investment portfolio for treasury management. As at 31 December 2019, the Group's securities investment portfolio mainly comprised of bonds and listed equity investments. The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company. The Group's strategy for future investment is to invest in a diversified portfolio to minimise risks with attractive yield, good liquidity and issuers from reputable entities, so as to maintain a healthy financial status and grasp every good investment chance.

The gain recognised from securities investments and treasury products for the Year was approximately HK\$1,685.7 million. Details of the performance of securities investments are disclosed in the "Financial Operation Review" of this annual report.

The Group will continue to closely monitor its portfolio of securities investment to achieve satisfactory returns.

管理層討論與分析 (續)

海外物業投資 (續)

「St George Street 14號」為一幢位於英國倫敦之永久業權寫字樓。該物業由面積合共約51,861平方呎分佈於地下低層、地下及樓上四層之寫字樓樓面組成。該物業之所有單位於本年度內均獲承租。

「Oxford Street 61-67號及Soho Street 11-14號」為一幢位於英國倫敦之永久業權綜合用途樓宇，面積合共約55,162平方呎。該物業提供零售、寫字樓及住宅單位，面積分別約33,850平方呎、13,735平方呎及7,577平方呎，由地下低層、地下及樓上六層組成。於本年度內平均約94.43%獲承租。

「St James's Square 11及12號以及Ormond Yard 14至17號」為一幢位於英國倫敦之永久業權綜合用途樓宇。該物業提供約80,000平方呎之寫字樓樓面，分佈於地下低層、地下及樓上六層。於本年度內平均約93.26%獲承租。

證券投資

證券投資乃本集團其中一項主要業務。

本集團的策略是維持證券投資組合的財資管理。於二零一九年十二月三十一日，本集團證券投資組合主要包括債券及上市股本投資。本集團管理資本之主要目標為保持本集團之實體持續經營之能力，以確保本集團能為本公司股東持續提供回報。本集團之未來投資策略是投資於具吸引收益率、充分流動性及由信譽良好之發行人發行之多元化投資組合以把風險降至最低，從而保持穩健的財務狀況，抓住每一個良好的投資機會。

本年度證券投資及財資產品確認之收益約1,685,700,000港元。證券投資表現之詳情於本年報「財務業務回顧」內披露。

本集團將繼續密切監察其證券投資組合，以取得令人滿意的回報。

OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD

Leasing of Windsor House – Connected Transaction and Continuing Connected Transactions

On 28 February 2019, the Group (as tenant) entered into (a) a tenancy agreement in relation to the leasing of the whole of 17th floor of Chubb Tower, Windsor House; and (b) an agreement for lease in relation to the leasing of the whole of 19th floor, the whole of 20th floor and the whole of 21st floor of Chubb Tower, Windsor House (the "Subsequent Tenancy"), with a company at that time indirectly owned by (i) Ms. Chan, Hoi-wan (an Executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children)), both in her capacity as a trustee of her minor children and in her own capacity; (ii) Mr. Lau, Ming-wai (a Non-executive Director, the Chairman of the Board and a substantial shareholder of the Company); and (iii) a family trust of Mr. Joseph Lau, Luen-hung (the spouse of Ms. Chan, Hoi-wan) (as landlord) (the "Transactions"), for the purpose of new headquarter of the Group. The Transactions constituted a connected transaction and continuing connected transactions for the Company under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") as more described in the Company's announcement dated 28 February 2019. A tenancy agreement in relation to the Subsequent Tenancy has been entered into on 18 October 2019.

Adoption of Dividend Policy

The Board has approved and adopted a dividend policy for the Company on 5 March 2019, details as disclosed in the "Corporate Governance Report" of the Company's 2018 annual report.

Change of Address of Registered Office in Bermuda

As announced on 15 July 2019, the address of the Company's registered office in Bermuda has been changed to Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda with effect from 15 July 2019.

Change of Address of Principal Registrar and Transfer Office in Bermuda

As announced on 19 July 2019, the address of MUFG Fund Services (Bermuda) Limited, the Company's principal registrar and transfer office in Bermuda, has been changed to 4th Floor North, Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda with effect from 19 July 2019.

其他資料及報告期末後事項

租賃皇室大廈 – 關連交易及持續關連交易

於二零一九年二月二十八日，本集團（作為租戶）與當時由(i)陳凱韻女士（執行董事及本公司之主要股東（彼之兩名未成年子女）之信託人）（以其未成年子女之信託人之身份及其本身之身份）、(ii)劉鳴煒先生（非執行董事、董事會主席及本公司之主要股東）、及(iii)劉鑾雄先生（陳凱韻女士之配偶）之家族信託間接持有之公司（作為業主）訂立(a)一份有關租賃皇室大廈安達人壽大樓17樓全層的租賃協議；及(b)一份有關租賃皇室大廈安達人壽大樓19樓全層、20樓全層及21樓全層（「其後租賃」）的同意租賃協議（「該等交易」），作為本集團之新總部。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」）該等交易構成本公司之關連交易及持續關連交易，詳情載列於本公司日期為二零一九年二月二十八日之公布內。其後租賃之相關的租賃協議已於二零一九年十月十八日簽訂。

採納股息政策

董事會已於二零一九年三月五日批准並採納本公司的股息政策，詳情於本公司二零一八年年報之「企業管治報告書」內披露。

百慕達註冊辦事處之地址變更

誠如二零一九年七月十五日發出之公布，自二零一九年七月十五日起，本公司於百慕達之註冊辦事處地址已變更為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda。

百慕達主要過戶登記處之地址變更

誠如二零一九年七月十九日發出之公布，自二零一九年七月十九日起，本公司於百慕達之主要過戶登記處MUFG Fund Services (Bermuda) Limited之地址已變更為4th Floor North, Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda。

OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD (Cont'd)

Subscription of Notes – Discloseable Transaction

On 15 November 2019, the Group entered into a placement and subscription agreement in relation to the subscription of the US\$100,000,000 9.75% senior notes due 2020 to be issued by Zhongliang Holdings Group Company Limited (the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2772)), an independent third party, at the issue price of US\$98,287,000 (equivalent to approximately HK\$770,305,000), representing 98.287% of the principal amount of the notes (the "Subscription"). The Subscription constituted a discloseable transaction for the Company as more described in the Company's announcement dated 26 November 2019.

Acquisition of Remaining Interest in Nos.14-18 Ma Kok Street, Tsuen Wan – Discloseable Transaction

As announced on 10 January 2020, the Group has on 10 January 2020 entered into a sale and purchase agreement with an independent third party in relation to, inter alia, the acquisition of the remaining 49% interest in Landrich (H.K.) Limited ("Landrich") (the owner of Tsuen Wan Town Lot No.128 situated at Nos.14-18 Ma Kok Street, Tsuen Wan, New Territories, Hong Kong and the building erected thereon) (the "Acquisition"). The Group initially acquired 50% interest in Landrich in March 2018 and further acquired 1% interest in Landrich in December 2019 (the "Previous Acquisitions"). Subsequent to the completion of the Acquisition on 28 February 2020, Landrich has become a wholly-owned subsidiary of the Company. The Acquisition (aggregated with the Previous Acquisitions) constituted a discloseable transaction of the Company under the Listing Rules.

Disposal of Debt Securities – Major and Connected Transaction

The Group has on 29 January 2020 entered into a disposal agreement with Ms. Chan, Hoi-wan (an Executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children)) in relation to, inter alia, the disposal of certain debt securities (the "Disposal"). The Disposal constituted a major and connected transaction of the Company under the Listing Rules. Details of the Disposal were set out in the Company's announcement dated 29 January 2020 and circular dated 28 February 2020. The Disposal was approved by the independent shareholders of the Company at the special general meeting of the Company held on 23 March 2020.

其他資料及報告期末後事項 (續)

認購票據 – 須予披露交易

於二零一九年十一月十五日，本集團訂立一份配售及認購協議，內容有關認購由中梁控股集團有限公司（其股份於聯交所主板上市（股份代號：2772））（獨立第三方）將發行之二零二零年到期100,000,000美元9.75厘之優先票據，發行價為98,287,000美元（相當於約770,305,000港元），相當於該票據本金額之98.287%（「該認購」）。該認購構成本公司之須予披露交易，詳情載列於本公司日期為二零一九年十一月二十六日之公布內。

收購荃灣馬角街14至18號餘下權益 – 須予披露交易

誠如二零二零年一月十日發出之公布，本集團與獨立第三方於二零二零年一月十日訂立一份買賣協議，內容有關（其中包括）收購隆裕（香港）有限公司（「隆裕」）（持有香港新界荃灣馬角街14至18號之荃灣市地段128號及其上蓋建築物）餘下49%權益（「該收購」）。本集團最初於二零一八年三月購入隆裕50%權益，並其後於二零一九年十二月進一步購入隆裕1%權益（「先前收購事項」）。該收購於二零二零年二月二十八日完成後，隆裕已成為本公司的全資擁有附屬公司。根據上市規則，該收購（與先前收購事項合併計算）構成本公司之須予披露交易。

出售債務證券 – 主要及關連交易

本集團於二零二零年一月二十九日與陳凱韻女士（執行董事及本公司之主要股東（彼之兩名未成年子女）之信託人）訂立出售協議，內容有關（其中包括）出售若干債務證券（「該出售」）。根據上市規則，該出售構成本公司之主要及關連交易。該出售之詳情載於本公司日期為二零二零年一月二十九日之公布及日期為二零二零年二月二十八日之通函內。該出售獲本公司獨立股東於二零二零年三月二十三日舉行之本公司股東特別大會上批准。

OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD (Cont'd)

Disposal of Perpetual Bond – Discloseable Transaction

On 19 March 2020, the Group disposed of the 7.5% fixed rate resetting perpetual subordinated contingent convertible securities issued by Standard Chartered PLC (the shares of which are listed on the London Stock Exchange, the Stock Exchange (stock code: 2888), the Bombay Stock Exchange in India and the National Stock Exchange in India) (the "Perpetual Bond") in the principal amount of US\$2,500,000 (equivalent to approximately HK\$19,490,000) through over-the-counter market for a consideration of approximately US\$2,265,000 (equivalent to approximately HK\$17,655,000) (inclusive of accrued interest) (the "Bond Disposal"). The Bond Disposal (when aggregated with the conditional disposal of the Perpetual Bond under the Disposal mentioned in the above paragraph) constituted a discloseable transaction for the Company under the Listing Rules as more described in the Company's announcement dated 20 March 2020.

Outbreak of Novel Coronavirus

Since December 2019, the outbreak of novel coronavirus ("COVID-19") has impact on the global business environment. Pending the development and spread of the epidemic subsequent to the date of this annual report, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of this annual report. The Group will pay close attention to the development of COVID-19 and evaluate its impact on the financial position and operating results of the Group.

INVESTOR RELATIONS

The Company is continuously committed to maintaining good communication with shareholders, investors and analysts in order to ensure their thorough understanding of the Group's strategies and business development, thereby enhancing transparency and investor relations.

The Company maintains a Company's website (www.chineseestates.com) to make the Company's information available on the internet, including the dissemination of statutory announcements and circulars etc., to facilitate its communication with shareholders and to provide important information to the investing public on corporate governance structure, policies and systems, profiles of the Directors and senior executives as well as terms of reference of Board committees.

其他資料及報告期末後事項 (續)

出售永續債券—須予披露交易

於二零二零年三月十九日，本集團透過場外交易市場出售由渣打集團有限公司（其股份於倫敦證券交易所、聯交所（股份代號：2888）以及印度孟買證券交易所及印度國家證券交易所上市）發行，本金額為2,500,000美元（相當於約19,490,000港元）之7.5厘固定利率可重設永續次級或然可換股證券（「永續債券」），代價為約2,265,000美元（相當於約17,655,000港元）（包括應計利息）（「債券出售」）。根據上市規則，債券出售（與前段提述之該出售項下有條件出售永續債券合併計算）構成本公司之須予披露交易，詳情載列於本公司日期為二零二零年三月二十日之公布內。

新型冠狀病毒爆發

2019冠狀病毒（「COVID-19」）自二零一九年十二月爆發後，全球營商環境受到影響。視乎疫情於本年報日期後之發展及蔓延情況，本集團之經濟狀況有可能因此進一步變動而對本集團之財務業績構成影響，其影響程度未能於本年報日期估計。本集團將密切留意COVID-19之發展，並評估其對本集團財務狀況及經營業績之影響。

投資者關係

本公司一貫致力與股東、投資者及分析員保持良好溝通，以確保彼等對本集團之策略及業務發展有透徹的理解，從而提高透明度及加強與投資者關係。

本公司設有公司網頁(www.chineseestates.com)，使股東可透過互聯網取得公司資料，包括法定公布及股東通函之發放等，加強與股東之溝通，並提供重要資料予公眾投資者了解企業管治架構、政策及制度、董事及高級行政人員簡介，以及董事會轄下委員會之職權範圍。

INVESTOR RELATIONS (Cont'd)

The up-to-date information of the Group is available for public access on the Company's website. The Company encourages its shareholders to take advantage of the Company's website and welcomes suggestions from investors and shareholders, and invites them to share their views and suggestions by contacting the Company at investor.relations@chineseestates.com.

Shareholders can raise their enquiries to the Board or the company secretary of the Company in writing by sending such written enquiries to the principal office of the Company in Hong Kong at the address disclosed in "Corporate Information" of this annual report or by email at investor.relations@chineseestates.com. Shareholders also have right to raise questions at general meetings.

PROSPECTS

The global economic outlook had turned optimistic in face of the signing of the Phase One Deal on the United States-China trade war, which affects not just the two countries, but most global economies. While the road ahead to the end point of the trade war is likely to be more challenging, it was at least been a positive sign for the market sentiments. Nonetheless, the markets are now faced with a new challenge – COVID-19, which has spread across many parts of the world speedily since the Chinese New Year. The sudden interest rate cut by 1.5% in aggregate and the resumption of quantitative easing by the Federal Reserve of the United States in early and mid of March 2020 posed much concerns on the impact of the virus to economic activities. Furthermore, the sharp decrease in oil price has brought more uncertainty to the world markets. In the short term, it is inevitable that global markets will be hit hard and with significant turbulence during the course.

Hong Kong economy has been hammered badly from protests and demonstrations that have taken place since mid-2019, with the first budget deficit in 15 years forthcoming. Coupled with the outbreak of COVID-19 and various measures including travel restrictions and new border control measures implemented in many countries to prevent the spread of the virus, local retail consumption and tourist arrivals are experiencing significant downward pressure. It is therefore expected that a longer time would be required for our investment properties to be fully healed.

投資者關係 (續)

有關本集團之最新資訊，本公司會於公司網站作出相應更新以讓公眾人士查閱。本公司鼓勵其股東善用本公司網站及歡迎投資者及股東提出意見，並誠邀彼等透過電郵investor.relations@chineseestates.com聯絡本公司，分享彼等之意見及建議。

股東可以書面方式向董事會或本公司之公司秘書作查詢，該書面查詢可送交至本公司香港主要辦事處，地址載於本年報「公司資料」內或電郵至investor.relations@chineseestates.com。股東亦有權於股東大會上作出提問。

展望

環球經濟展望隨著中美雙方簽署第一階段協議後轉趨樂觀，中美貿易戰不只影響中美兩國，更影響全球大部分經濟體。雖然結束貿易戰之前路充滿挑戰，但當前至少對市場氣氛有正面作用。然而，COVID-19自農曆新年起在全世界多個地區迅速傳播為市場帶來新挑戰。美國聯邦儲備局於二零二零年三月初及三月中突然減息共1.5厘及重新啟動量化寬鬆，顯示該病毒對經濟活動的影響帶來擔憂。此外，油價急劇下跌為環球市場帶來更多不確定性。短期而言，環球市場將無可避免地受到沉重打擊，並顯著波動。

香港經濟因受自二零一九年年中以來持續示威抗議活動影響遭嚴重打擊，並出現十五年來首次赤字預算。加上爆發COVID-19疫情以及多個國家實施不同措施（包括旅遊限制及新邊境管制措施）以防止病毒傳播，本地零售消費及抵港旅客數字正承受著重大下行壓力。因此，預期本集團的投資物業將需要更長時間完全復元。

PROSPECTS (Cont'd)

After over three years of uncertainty, the United Kingdom has officially left the European Union finally. While there will likely be hard negotiations between the United Kingdom and European Union on various trade and other arrangements over the next 10-month transition period, and hence market turbulence in the meantime is not unexpected, the official departure of the United Kingdom from the European Union has undoubtedly cleared the most significant uncertainty in investments in the United Kingdom. Since the Group has a long-term view for the United Kingdom, we are optimistic that her economy will be on the upside in the long run. The Group will continue to leverage on our expertise and experience in enhancing the values of our properties in the United Kingdom through asset enhancement works to take benefit of the expected economic upswing, albeit a short-term rental income plunge will occur as during the asset enhancement works.

In the short term, the stock markets are bound to be affected by the latest developments on COVID-19 situations, oil price movements, and monetary policies adopted by governments and hence likely to be volatile.

Looking ahead, the Group will continue to be watchful and cautious with our investment decisions. While there are positive signs as regards the long-dragged United States – China Trade War and Brexit, there are new challenges, especially locally in Hong Kong. We believe that our continuous watchful and cautious approach in looking for quality investments will benefit shareholders' value as a whole.

APPRECIATION

I would like to take this opportunity to express my gratitude to the shareholders for their continuing support. I would also like to express my sincere thanks to my fellow directors and all staff members for their dedication and hard work.

Lau, Ming-wai

Chairman

Hong Kong, 23 March 2020

展望 (續)

英國經過超過三年不明朗時期後終於正式脫離歐盟。雖然於未來十個月過渡期內英國與歐盟就不同貿易及其他安排之談判困難重重，不排除會帶來市場波動，但英國正式脫歐無疑掃除於英國投資之最主要不明朗因素。由於本集團對英國著眼長線，對其長遠經濟向好感到樂觀。本集團將繼續善用我們之專長及經驗並透過資產改善工程提升英國物業價值以受惠於預期經濟向上，儘管於資產改善工程過程中將出現短期租金收入下滑。

短期而言，股市將受COVID-19疫情最新發展、油價走勢及各國政府採取之貨幣政策所影響而很可能出現波動。

展望未來，本集團在作出投資決定時將保持警惕並審慎行事。雖然曠日持久之中美貿易戰及英國脫歐為市場帶來正面訊息，但新挑戰亦同時出現，尤其對於香港本地市場。我們相信，本集團以一貫保持警惕及審慎之態度尋找優質投資將有利於股東整體價值。

致謝

本人謹藉此機會對股東一直以來的鼎力支持與各位董事及全體員工的貢獻及竭誠工作表示謝意。

主席

劉鳴燁

香港，二零二零年三月二十三日

RESULTS

Revenue

Revenue for the year ended 31 December 2019 ("Year") amounted to HK\$539.0 million (2018: HK\$843.6 million), a decrease of 36.1% over last year and comprised gross rental income of HK\$523.0 million and others of HK\$16.0 million (2018: gross rental income of HK\$544.5 million, property sales of HK\$274.0 million and others of HK\$25.1 million). The decline in revenue was mainly due to no property sales recorded for the Year.

Gross Profit

Gross profit for the Year amounted to HK\$511.5 million (2018: HK\$719.1 million), a decrease of 28.9% as compared with last year which also mainly derived from no property sales profit for the Year (2018: HK\$177.7 million).

Property Leasing

For property leasing, the overall rental revenue in both non-retail and retail sections decreased to HK\$446.0 million and HK\$77.0 million respectively during the Year. The total rental income in revenue for the Year recorded a decrease of 4.0% to HK\$523.0 million as compared with last year of HK\$544.5 million.

Together with the attributable rental revenue generated from associates, a joint venture and an investee company of HK\$129.7 million (2018: HK\$139.3 million), the total attributable rental revenue to the Company (together with its subsidiaries, "Group") amounted to HK\$652.7 million (2018: HK\$683.8 million after non-controlling interests), which represents a decrease of 4.6% over last year.

Attributable net rental income for the Year showed HK\$597.5 million, a decrease of 4.6% over HK\$626.0 million in last year.

業績

收入

截至二零一九年十二月三十一日止年度（「本年度」）之收入為539,000,000港元（二零一八年：843,600,000港元），較去年減少36.1%，當中包括租金收入總額523,000,000港元及其他收入16,000,000港元（二零一八年：租金收入總額544,500,000港元、物業銷售274,000,000港元及其他收入25,100,000港元）。收入下降主要由於於本年度並無錄得物業銷售。

毛利

本年度之毛利為511,500,000港元（二零一八年：719,100,000港元），較去年減少28.9%，該減少主要由於於本年度並無物業銷售之溢利（二零一八年：177,700,000港元）。

物業租賃

在物業租賃方面，於本年度非零售及零售部分之整體租金收入分別減少至446,000,000港元及77,000,000港元。本年度之收入錄得之租金收入總額較去年之544,500,000港元減少4.0%至523,000,000港元。

連同應佔聯營公司、一間合資公司及一間接受投資公司租金收入129,700,000港元（二零一八年：139,300,000港元），本公司（連同其附屬公司，「本集團」）應佔租金收入總額652,700,000港元（二零一八年：扣除非控股權益後為683,800,000港元），相對去年減幅為4.6%。

本年度之應佔租金收入淨額為597,500,000港元，較去年之626,000,000港元減少4.6%。

RESULTS (Cont'd)

Property Development and Trading

During the Year, the Group did not dispose of any trading property. In 2018, the attributable property sales revenue and profit from the Group and its associates and investee company recorded HK\$270.8 million and HK\$183.3 million respectively, including (a) sales of 55 Conduit Road in Mid-Levels West (70% interest) contributed an attributable profit to the Group of HK\$125.4 million; (b) sales of a workshop unit at Kwong Kin Trade Centre in Tuen Mun (50% interest), a unit and two store rooms at Hing Wai Centre in Aberdeen (50% interest) and parking spaces at Greenville Residence in Yuen Long (50% interest) (properties held by associates) generated profit of HK\$1.9 million, HK\$1.7 million and HK\$0.3 million respectively, as reflected in the share of results of investments accounted for using the equity method; and (c) sale of parking spaces at The Coronation in West Kowloon (15% interest) had contributed HK\$54.0 million to investment income upon recognition of dividend income.

Securities Investments

The Group has in the ordinary and usual course of business conducted its securities investment activities, as at 31 December 2019, mainly comprised of bonds and listed equity investments. During the Year, the gain (excluding gain/loss recognised in financial assets measured at fair value through other comprehensive income ("FVTOCI") reserve) recognised from securities investments and treasury products was HK\$1,685.7 million (2018: HK\$280.8 million), comprised loss on listed equity investments at FVTOCI of HK\$113.2 million (2018: gain of HK\$991.6 million) and gain on investments and treasury products at fair value through profit or loss ("FVTPL") of HK\$1,798.9 million (2018: loss of HK\$710.8 million).

業績 (續)

物業發展及買賣

於本年度，本集團並無出售任何買賣物業。於二零一八年，本集團以及其聯營公司及接受投資公司之應佔物業銷售收入及溢利分別錄得270,800,000港元及183,300,000港元，包括(a)銷售位於半山區西部之琥珀(佔70%權益)為本集團帶來應佔溢利125,400,000港元；(b)銷售位於屯門之廣建貿易中心一個工場單位(佔50%權益)、位於香港仔之興偉中心一個單位及兩個儲物室(佔50%權益)以及位於元朗之逸翠軒車位(佔50%權益)(該等物業由聯營公司持有)分別帶來溢利1,900,000港元、1,700,000港元及300,000港元，已反映於攤佔以權益法入賬投資之業績內；以及(c)銷售位於西九龍之御金•國峯車位(佔15%權益)於確認股息收入時帶來54,000,000港元之投資收入。

證券投資

本集團在一般及日常業務過程中進行證券投資活動，於二零一九年十二月三十一日主要包括債券及上市股本投資。於本年度，來自證券投資及財資產品確認之收益(不包括於通過其他全面收益以反映公平值(「通過其他全面收益以反映公平值」)計量之金融資產之儲備內確認之收益/虧損)為1,685,700,000港元(二零一八年：280,800,000港元)，包括來自通過其他全面收益以反映公平值之上市股本投資之虧損為113,200,000港元(二零一八年：收益為991,600,000港元)及通過損益以反映公平值(「通過損益以反映公平值」)之投資及財資產品之收益為1,798,900,000港元(二零一八年：虧損為710,800,000港元)。

RESULTS (Cont'd)

Securities Investments (Cont'd)

During the Year, the Group did not dispose of any listed investments held-for-trading (2018: no disposal). The realised gain from sales of bonds of HK\$184.2 million (2018: realised loss of HK\$20.1 million) was recognised, mainly comprising the realised gain on bonds in the industry of the People's Republic of China ("PRC")-based real estate of HK\$82.0 million (2018: HK\$7.7 million) and the realised gain on bonds in the industry of overseas financial institutions of HK\$97.4 million (2018: realised loss of HK\$23.2 million), and no disposal of bonds in the industry of insurance (2018: realised loss of HK\$2.0 million). During the Year, the Group had acquired 19 bonds (2018: 11 bonds including those additions to the existing bonds) in the sum of HK\$3,436.7 million (2018: HK\$2,602.9 million), and disposed of/redeemed 19 bonds (2018: 40 bonds) (including those with partial disposal) with carrying amounts in the sum of HK\$2,309.4 million (2018: HK\$5,381.0 million). Bonds acquired were mainly in the industry of PRC-based real estate of 96.9% (2018: 47.6%) and overseas financial institutions of 3.1% (2018: 50.7%). In addition, realised losses on the fixed coupon notes ("FCN") and currency option totaling HK\$0.7 million were recorded during the Year.

Furthermore, the Group recorded an unrealised gain of HK\$978.5 million (2018: unrealised loss of HK\$1,255.1 million) representing the changes in fair value of bonds, which had no effect on the cash flow of the Group. The unrealised gain (2018: unrealised loss) from changes in fair value of bonds represented 34 bonds (2018: 25 bonds), mainly comprising the unrealised gain from the industry of overseas financial institutions of HK\$399.8 million or increase in fair value of 12.4% over the Year; and the unrealised gain from the industry of PRC-based real estate of HK\$518.9 million or increase in fair value of 11.5% over the Year (2018: unrealised loss from the industry of overseas financial institutions of HK\$489.4 million or decrease in fair value of 12.0% over the year; and the unrealised loss from the industry of PRC-based real estate of HK\$714.5 million or decrease in fair value of 20.4% over the year). The Group believes that the increase in price of bonds in PRC-based real estate sector in the Year, among others, was owing to the Federal Reserve of the United States cut the Federal funds rate 3 times totaling 0.75% on 31 July 2019, 18 September 2019 and 31 October 2019 which stimulate the investment market during the Year.

業績(續)

證券投資(續)

於本年度，本集團並無出售任何持作買賣之上市投資（二零一八年：並無出售）。出售債券確認之已變現收益為184,200,000港元（二零一八年：已變現虧損為20,100,000港元），主要包括來自中華人民共和國（「中國」）房地產行業之債券之已變現收益82,000,000港元（二零一八年：7,700,000港元），及海外金融機構行業之債券之已變現收益97,400,000港元（二零一八年：已變現虧損23,200,000港元）以及並無出售保險行業之債券（二零一八年：已變現虧損2,000,000港元）。於本年度，本集團購入19隻（二零一八年：11隻（包括增持現有之債券））債券總額為3,436,700,000港元（二零一八年：2,602,900,000港元），及出售／贖回19隻（二零一八年：40隻）債券（包括部分出售之債券）賬面值總額為2,309,400,000港元（二零一八年：5,381,000,000港元）。購入之債券主要來自中國房地產行業佔96.9%（二零一八年：47.6%）及海外金融機構行業佔3.1%（二零一八年：50.7%）。此外，於本年度來自固定息率票據（「固定息率票據」）及貨幣期權之已變現虧損錄得合共為700,000港元。

此外，本集團錄得債券之公平值變動之未變現收益為978,500,000港元（二零一八年：未變現虧損為1,255,100,000港元），對本集團現金流量並無影響。債券之公平值變動之未變現收益（二零一八年：未變現虧損）乃來自34隻（二零一八年：25隻）債券，主要包括來自海外金融機構行業之未變現收益399,800,000港元或於本年度之公平值增加12.4%；及中國房地產行業之未變現收益518,900,000港元或於本年度之公平值增加11.5%（二零一八年：來自海外金融機構行業之未變現虧損489,400,000港元或於年度之公平值減少12.0%；及中國房地產行業之未變現虧損714,500,000港元或於年度之公平值減少20.4%）。本集團相信於本年度中國房地產行業之債券價格上升，乃因（其中包括）美國聯邦儲備局於二零一九年七月三十一日、二零一九年九月十八日及二零一九年十月三十一日削減聯邦利率三次合共0.75厘，因而於本年度刺激投資市場。

RESULTS (Cont'd)

Securities Investments (Cont'd)

During the Year, interest income from bonds amounted to HK\$714.0 million (2018: HK\$623.4 million), represented 8.46% (2018: 8.72%) (before effect on leverage) return on average market value of bondholding during the Year. The interest income from the FCN amounted to HK\$1.9 million (2018: nil), represented 13.25% (before effect on leverage) return on average market value of the FCN holding during the Year.

Summing up the realised and unrealised gain/loss and adding the net income from interest income, other net investment income and net finance costs of HK\$523.7 million (2018: HK\$1,556.0 million (also included net dividend income)), the gain recognised from securities investments and treasury products was HK\$1,685.7 million (2018: HK\$280.8 million).

The respective income/expense from securities investments under different categories are further elaborated below:

Investments and Treasury Products at Fair Value Through Profit or Loss

The investments and treasury products at FVTPL recorded a profit before and after net finance costs of HK\$1,899.2 million and HK\$1,798.9 million (2018: loss before and after net finance costs of HK\$639.8 million and HK\$710.8 million) respectively for the Year.

Gain from the investments and treasury products at FVTPL reflected in the consolidated statement of comprehensive income for the Year comprised a realised gain on fair value changes of bonds of HK\$184.2 million and realised losses on fair value changes of the FCN and currency option totaling HK\$0.7 million (2018: realised loss of bonds of HK\$20.1 million), an unrealised gain on fair value changes of bonds of HK\$978.5 million (2018: unrealised loss of HK\$1,255.1 million), interest income of bonds and the FCN of HK\$715.9 million (2018: bonds of HK\$623.4 million) and other investment income of HK\$21.3 million (2018: HK\$12.0 million). Net relevant finance costs for the Year was HK\$100.3 million (2018: HK\$71.0 million) including interest expense of HK\$103.8 million (2018: HK\$79.8 million) and exchange gain of HK\$3.5 million (2018: HK\$8.8 million).

業績 (續)

證券投資 (續)

於本年度，債券之利息收入為714,000,000港元（二零一八年：623,400,000港元），於本年度持有債券按平均市值計算之回報為8.46%（二零一八年：8.72%）（槓桿影響前）。固定息率票據之利息收入為1,900,000港元（二零一八年：無），於本年度持有固定息率票據按平均市值計算之回報為13.25%（槓桿影響前）。

總括已變現及未變現收益／虧損以及加入利息收入、其他投資收入淨額及財務費用淨額之收入淨額為523,700,000港元（二零一八年：1,556,000,000港元（且包括股息收入淨額）），證券投資及財資產品確認之收益為1,685,700,000港元（二零一八年：280,800,000港元）。

以下就來自不同類別之證券投資收入／開支作進一步詳述：

通過損益以反映公平值之投資及財資產品

通過損益以反映公平值之投資及財資產品於本年度計入財務費用淨額前／後分別錄得溢利1,899,200,000港元及1,798,900,000港元（二零一八年：財務費用淨額前／後虧損639,800,000港元及710,800,000港元）。

於本年度，通過損益以反映公平值之投資及財資產品之收益反映於綜合全面收益報表內，包括債券之公平值變動之已變現收益184,200,000港元以及固定息率票據及貨幣期權之公平值變動之已變現虧損合共700,000港元（二零一八年：債券之已變現虧損20,100,000港元）、債券之公平值變動之未變現收益978,500,000港元（二零一八年：未變現虧損1,255,100,000港元）、債券及固定息率票據之利息收入715,900,000港元（二零一八年：債券利息收入623,400,000港元）以及其他投資收入21,300,000港元（二零一八年：12,000,000港元）。本年度相關財務費用淨額為100,300,000港元（二零一八年：71,000,000港元），包括利息開支103,800,000港元（二零一八年：79,800,000港元）及匯兌收益3,500,000港元（二零一八年：8,800,000港元）。

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

The table below summarises the performance of bonds and treasury products during the Year:

業績 (續)

證券投資 (續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過損益以反映公平值之投資及財資產品 (續)

下表概述本年度債券及財資產品之表現：

		Realised gain (loss) 已變現收益 (虧損)		Unrealised gain (loss) 未變現收益 (虧損)		Interest income 利息收入		Total profit (loss) 溢利 (虧損) 總額	
		2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元	2019 HK\$ million 百萬港元	2018 HK\$ million 百萬港元
Bond issuers by industry	按債券發行人之行業								
Overseas financial institutions	海外金融機構	97.4	(23.2)	399.8	(489.4)	278.7	304.2	775.9	(208.4)
PRC-based real estate	中國房地產	82.0	7.7	518.9	(714.5)	413.9	294.1	1,014.8	(412.7)
Insurance	保險	-	(2.0)	-	-	-	1.2	-	(0.8)
Others	其他	4.8	(2.6)	59.8	(51.2)	21.4	23.9	86.0	(29.9)
		184.2	(20.1)	978.5	(1,255.1)	714.0	623.4	1,876.7	(651.8)
Treasury products	財資產品								
FCN	固定息率票據	(0.4)	-	-	-	1.9	-	1.5	-
Currency option	貨幣期權	(0.3)	-	-	-	-	-	(0.3)	-
		(0.7)	-	-	-	1.9	-	1.2	-
		183.5	(20.1)	978.5	(1,255.1)	715.9	623.4	1,877.9	(651.8)
Other investment income	其他投資收入							21.3	12.0
Profit (loss) before net finance costs	財務費用淨額前之溢利 (虧損)							1,899.2	(639.8)
Net finance costs	財務費用淨額							(100.3)	(71.0)
Profit (loss) after net finance costs	財務費用淨額後之溢利 (虧損)							1,798.9	(710.8)

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income

(a) Implication on Profit or Loss for the Year

Dividend income (if any), other investment income and relevant finance costs of holding listed equity investments at FVTOCI were recognised in profit or loss for the Year. During the Year, no dividend income was recorded from holding of 860,000,000 shares of China Evergrande Group (stock code: 3333) ("China Evergrande") ("Evergrande Shares") and another listed equity investment at FVTOCI, hence the results from listed equity investments at FVTOCI recorded a net loss of HK\$113.2 million (2018: net gain of HK\$991.6 million) mainly represented its net relevant finance costs (2018: comprised net dividend income of HK\$1,106.5 million (after transaction costs), other investment income of HK\$0.7 million and net relevant finance costs of HK\$115.6 million). Subsequent to the end of the reporting period, the Group received dividend income from the Evergrande Shares of HK\$1,357.1 million which would be recorded in profit or loss for the year ending 31 December 2020.

(b) Implication on Other Comprehensive Expenses for the Year

During the Year, the unit share price of China Evergrande had dropped from HK\$23.45 as at 31 December 2018 to HK\$21.60 as at 31 December 2019, or 7.9% over the Year, hence an unrealised loss on fair value change of listed equity investment at FVTOCI of HK\$1,591.0 million (2018: HK\$3,052.2 million) was recognised in other comprehensive expenses. Together with unrealised gain on fair value change of another listed equity investment at FVTOCI of HK\$0.4 million (2018: nil), the total unrealised fair value change was loss of HK\$1,590.6 million (2018: HK\$3,052.2 million). Realised gain/loss on fair value change is a cash item while unrealised fair value change is a non-cash item and will not affect the cash flow of the Group. The Group believes that the decrease in share price of China Evergrande for the Year, among others, was owing to the unstable business environment in the PRC, and China Evergrande, a PRC-based company with United States dollar ("US\$") debt exposure against a weakened Renminbi ("RMB") currency, was adversely impacted.

業績 (續)

證券投資 (續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過其他全面收益以反映公平值之上市股本投資

(a) 本年度損益之影響

於本年度，持有通過其他全面收益以反映公平值之上市股本投資而產生之股息收入（如有）、其他投資收入及相關財務費用於損益內確認。於本年度，並無錄得來自持有860,000,000股中國恒大集團（股份代號：3333）（「中國恒大」）股份（「恒大股份」）及另一通過其他全面收益以反映公平值之上市股本投資之股息收入，因此通過其他全面收益以反映公平值之上市股本投資之業績錄得虧損淨額113,200,000港元（二零一八年：收益淨額991,600,000港元），主要為相關財務費用淨額（二零一八年：包括股息收入淨額1,106,500,000港元（扣除交易成本後）、其他投資收入700,000港元及相關財務費用淨額115,600,000港元）。於報告期末後，本集團已收取來自恒大股份之股息收入1,357,100,000港元，股息收入將計入截至二零二零年十二月三十一日止年度之損益內。

(b) 本年度其他全面支出之影響

於本年度，中國恒大每股股價由二零一八年十二月三十一日之23.45港元下跌至二零一九年十二月三十一日之21.60港元或於本年度下跌7.9%，因此通過其他全面收益以反映公平值之上市股本投資之公平值變動之未變現虧損1,591,000,000港元（二零一八年：3,052,200,000港元）於其他全面支出內確認。連同另一通過其他全面收益以反映公平值之上市股本投資之公平值變動之未變現收益400,000港元（二零一八年：無），未變現公平值變動總額為虧損1,590,600,000港元（二零一八年：3,052,200,000港元）。公平值變動之已變現收益／虧損乃現金項目，而未變現公平值變動乃非現金項目，對本集團現金流量並無構成影響。本集團相信於本年度中國恒大之股價下跌乃因（其中包括）中國營商環境不穩定，及人民幣（「人民幣」）疲弱使中國恒大（一間中國公司）面對美元（「美元」）債務風險以致有不利影響。

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income (Cont'd)

The table below summarises the performance of listed equity investments at FVTOCI during the Year:

業績 (續)

證券投資 (續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過其他全面收益以反映公平值之上市股本投資 (續)

下表概述於本年度通過其他全面收益以反映公平值之上市股本投資之表現：

	Stock code	Number of shares	Closing price (per share)	Recorded in consolidated statement of financial position 錄入綜合財務狀況報表		Recorded in consolidated statement of comprehensive income 錄入綜合全面收益報表	
				Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through other comprehensive income reserve	Loss for the Year	Other comprehensive expenses for the Year
	股份代號	股份數目	收市價 (每股)	通過其他全面收益以反映公平值計量之金融資產	通過其他全面收益以反映公平值計量之金融資產之儲備	本年度虧損	本年度其他全面支出
			HK\$ million 港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元
At 31 December 2018	於二零一八年十二月三十一日						
Purchase	3333 9988	860,000,000 12,800	23.45	20,167.0	6,571.0		
				2.3	-		
Unrealised fair value changes	3333			(1,591.0)	(1,591.0)	-	(1,591.0)
Unrealised fair value changes	9988			0.4	0.4	-	0.4
Net finance costs	財務費用淨額			(1,590.6)	(1,590.6)	(113.2)	(1,590.6)
Loss/other comprehensive expenses for the Year	本年度虧損／其他全面支出					(113.2)	(1,590.6)
At 31 December 2019	於二零一九年十二月三十一日			18,578.7	4,980.4		
Representing	3333 9988	860,000,000 12,800	21.60 207.20	18,576.0	4,980.0		
				2.7	0.4		
				18,578.7	4,980.4		
Percentage to total assets At 31 December 2019	估資產總額之百分比於二零一九年十二月三十一日			38.4%			
At 31 December 2018	於二零一八年十二月三十一日			41.4%			

RESULTS (Cont'd)

Other Income and Expenses

Other income for the Year, which mainly came from net building management fee income, rental services income, property management services, leasing administration services and property administration services income and overprovision of costs in respect of a development project, net, decreased to HK\$59.9 million (2018: HK\$173.1 million (also included consultancy fee income, exchange gain, net and reversal of impairment in respect of other receivable and interest thereon)), representing a decrease of 65.4%. The decrease was mainly due to absence of consultancy fee income and reversal of impairment in respect of other receivable and interest thereon for the Year while a total of HK\$104.0 million was recorded in 2018.

During the Year, administrative expenses increased by 5.5% to HK\$269.5 million (2018: HK\$255.5 million). Finance costs increased by 7.3% to HK\$370.2 million (2018: HK\$345.0 million) during the Year, including exchange gain of HK\$4.3 million (2018: HK\$9.5 million) on translation of foreign currency other borrowings hedged for foreign currency securities investments and exchange gain of HK\$9.5 million (2018: exchange loss of HK\$2.6 million) on translation of a foreign currency bank borrowing. The increase in finance costs was mainly due to the increase in interest rates during the Year.

Other gains and losses for the Year recorded a loss of HK\$12.3 million comprised loss on dissolution of subsidiaries of HK\$10.6 million, write-down of stock of properties of HK\$0.7 million and impairment loss recognised in respect of advances to associates of HK\$1.0 million (2018: HK\$2.6 million mainly comprised write-down of stock of properties of HK\$2.5 million). The Group recognised a full impairment loss of goodwill of HK\$322.9 million (2018: nil) attributable to the cash-generating unit operated in the United Kingdom for the Year, which includes an investment property in the United Kingdom (details are disclosed in Note 23 to the consolidated financial statements of this annual report). Recognition of impairment loss is a non-cash item and will not affect the cash flow of the Group.

業績 (續)

其他收入及開支

本年度之其他收入主要來自樓宇管理費收入淨額、租賃服務收入、物業管理服務、租務行政服務及物業行政服務收入以及就一項發展項目之成本超額撥備淨額，減少至59,900,000港元（二零一八年：173,100,000港元（且包括顧問費收入、匯兌收益淨額以及撥回其他應收賬項之減值及相關利息）），減幅為65.4%。該減少主要由於本年度不存在顧問費收入以及撥回其他應收賬項之減值及相關利息而於二零一八年合共錄得104,000,000港元。

於本年度，行政開支增加5.5%至269,500,000港元（二零一八年：255,500,000港元）。財務費用於本年度增加7.3%至370,200,000港元（二零一八年：345,000,000港元），當中包括外幣其他借貸用以對沖外幣證券投資所產生之匯兌收益4,300,000港元（二零一八年：9,500,000港元）及外幣銀行借貸所產生之匯兌收益9,500,000港元（二零一八年：匯兌虧損2,600,000港元）。財務費用之增加主要由於於本年度利率上升所致。

本年度其他收益及虧損錄得虧損12,300,000港元，包括附屬公司解散之虧損10,600,000港元、物業存貨之減值700,000港元以及就墊付聯營公司款項確認之減值虧損1,000,000港元（二零一八年：2,600,000港元）主要包含物業存貨之減值2,500,000港元。本集團於本年度就英國經營之現金產生單位（包括一項英國之投資物業）確認商譽之悉數減值虧損為322,900,000港元（二零一八年：無）（詳情已於本年報之綜合財務報表附註23內披露）。減值虧損之確認乃非現金項目，對本集團之現金流量並無構成影響。

RESULTS (Cont'd)

Investments Accounted for Using the Equity Method

The share of results of investments accounted for using the equity method for the Year recorded a profit of HK\$209.7 million (2018: HK\$232.3 million), comprised profit from the share of results of associates and a joint venture of HK\$5.0 million (2018: HK\$228.8 million) and HK\$204.7 million (2018: HK\$3.5 million) respectively. The decrease in profit from share of results of associates was mainly due to the decrease in fair value of investment properties held by associates while the increase in profit from share of result of a joint venture was mainly due to the increase in fair value of investment property held by the joint venture.

Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China were revalued at 31 December 2019 by B.I. Appraisals Limited ("B.I. Appraisals") whereas investment properties in the United Kingdom were revalued by Peak Vision Appraisals Limited ("Peak Vision Appraisals"). B.I. Appraisals and Peak Vision Appraisals are independent property valuers. An unrealised loss on fair value changes of investment properties of HK\$742.7 million (2018: gain of HK\$122.3 million) was recorded during the Year. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES

Profit

Profit for the Year attributable to owners of the Company was HK\$790.2 million as compared to HK\$1,015.3 million for last year. The decrease in profit for the Year was mainly due to (a) no dividend income (2018: HK\$1,106.8 million) was recognised from the Evergrande Shares during the Year; (b) the fair value changes of investment properties turning to loss of HK\$742.7 million as compared with gain of HK\$122.3 million; (c) recognition of an impairment loss of goodwill of HK\$322.9 million (2018: nil); and (d) no attributable property sales profit (2018: HK\$183.3 million) was recognised during the Year despite of the result from the segment of investments and treasury products at FVTPL turning to profit of HK\$1,798.9 million as compared with loss of HK\$710.8 million recorded in 2018. Earnings per share for the Year was HK\$0.41 (2018: HK\$0.53).

業績 (續)

以權益法入賬之投資

本年度攤佔以權益法入賬投資之業績錄得溢利209,700,000港元(二零一八年:232,300,000港元),包括攤佔聯營公司及一間合資公司業績之溢利分別為5,000,000港元(二零一八年:228,800,000港元)及204,700,000港元(二零一八年:3,500,000港元)。攤佔聯營公司業績之溢利減少乃主要由於聯營公司所持投資物業公平值減少,而攤佔一間合資公司業績之溢利增加乃主要由於該合資公司所持投資物業公平值上升所致。

投資物業之公平值變動

保柏國際評估有限公司(「保柏國際評估」)已就本集團位於香港及中國大陸之投資物業進行於二零一九年十二月三十一日之物業估值。至於本集團位於英國之投資物業,由滙鋒評估有限公司(「滙鋒評估」)進行物業估值。保柏國際評估及滙鋒評估均為獨立物業估值師。於本年度錄得投資物業之公平值變動之未變現虧損為742,700,000港元(二零一八年:收益為122,300,000港元)。未變現之公平值變動乃非現金項目,對本集團現金流量並無構成影響。

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額

溢利

本公司擁有人應佔本年度之溢利為790,200,000港元,相比去年為1,015,300,000港元。本年度溢利減少主要由於(a)於本年度並無確認來自恆大股份之股息收入(二零一八年:1,106,800,000港元);(b)投資物業之公平值變動轉為虧損742,700,000港元,相比去年之收益122,300,000港元;(c)商譽之確認減值虧損322,900,000港元(二零一八年:無);及(d)於本年度並無確認應佔物業銷售溢利(二零一八年:183,300,000港元),儘管來自分類為通過損益以反映公平值之投資及財資產品轉為溢利1,798,900,000港元,相比二零一八年錄得虧損為710,800,000港元。本年度之每股溢利為0.41港元(二零一八年:0.53港元)。

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES (Cont'd)

Core Profit

If the net loss on the major non-cash items of HK\$907.2 million (2018: net gain of HK\$297.0 million) is excluded, the Group will have a core profit for the Year attributable to owners of the Company of HK\$1,697.4 million (2018: HK\$718.3 million) and a core profit per share of HK\$0.89 (2018: HK\$0.38).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax from the Group and its associates and joint venture of HK\$584.3 million (2018: net gain of HK\$297.0 million) and impairment loss of goodwill of HK\$322.9 million (2018: nil).

Dividends

Final dividend of HK10 cents (year ended 31 December 2017: HK10 cents) per share in total amount of HK\$190.8 million for the year ended 31 December 2018 was paid in cash on 12 June 2019.

Interim dividend of HK1 cent (half year ended 30 June 2018: HK1 cent) per share in total amount of HK\$19.1 million for the half year ended 30 June 2019 was paid in cash on 27 August 2019.

Total dividends of HK\$209.9 million were paid in cash during the Year.

Repurchase

During the Year, the Company had not repurchased any of the Company's share.

Cash Payment Ratio

Based on (a) the core profit for the Year of HK\$1,697.4 million or HK\$0.89 per share (2018: HK\$718.3 million or HK\$0.38 per share); (b) cash final dividend for the Year of HK1 cent (2018: HK10 cents) per share proposed; and (c) cash interim dividend for 2019 of HK1 cent (2018: HK1 cent) per share paid, the ratio of such cash payment to the core profit is 2.2% (2018: 28.9%).

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額(續)

核心溢利

如撇除主要非現金項目虧損淨額907,200,000港元(二零一八年: 收益淨額297,000,000港元), 本集團將錄得本公司擁有人應佔本年度之核心溢利1,697,400,000港元(二零一八年: 718,300,000港元)及每股核心溢利為0.89港元(二零一八年: 0.38港元)。

主要非現金項目乃指來自本集團以及其聯營公司及合資公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項共584,300,000港元(二零一八年: 收益淨額297,000,000港元)以及商譽之減值虧損322,900,000港元(二零一八年: 無)。

股息

截至二零一八年十二月三十一日止年度之每股10港仙(截至二零一七年十二月三十一日止年度: 每股10港仙)總額為190,800,000港元之末期股息, 已於二零一九年六月十二日以現金派付。

截至二零一九年六月三十日止半年度之每股1港仙(截至二零一八年六月三十日止半年度: 每股1港仙)總額為19,100,000港元之中期股息, 已於二零一九年八月二十七日以現金派付。

於本年度, 以現金派付之股息總額為209,900,000港元。

回購

於本年度, 本公司並無回購本公司之任何股份。

現金支出比率

根據(a)本年度之核心溢利1,697,400,000港元或每股0.89港元(二零一八年: 718,300,000港元或每股0.38港元); (b)建議宣派以現金派付本年度之末期股息每股1港仙(二零一八年: 每股10港仙); 及(c)以現金派付之二零一九年中期股息每股1港仙(二零一八年: 每股1港仙), 該現金支出與核心溢利之比率為2.2%(二零一八年: 28.9%)。

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES (Cont'd)

Total Comprehensive Expenses

Total comprehensive expenses for the Year attributable to owners of the Company was HK\$283.6 million or HK\$0.15 per share (2018: HK\$2,117.0 million or HK\$1.11 per share), which comprised (a) profit for the Year attributable to owners of the Company of HK\$790.2 million (2018: HK\$1,015.3 million); and (b) other comprehensive expenses for the Year attributable to owners of the Company of HK\$1,073.8 million (2018: HK\$3,132.3 million) which mainly included unrealised loss on fair value changes of listed equity investments at FVTOCI of HK\$1,590.6 million (2018: HK\$3,052.2 million), details are disclosed in the sub-paragraph headed "Listed Equity Investments at Fair Value Through Other Comprehensive Income (b) Implication on Other Comprehensive Expenses for the Year" of paragraph headed "Securities Investments" above.

NET ASSET VALUE

As at 31 December 2019, the Group's net asset value attributable to owners of the Company amounted to HK\$33,568.9 million (2018: HK\$34,062.4 million), a decrease of HK\$493.5 million or 1.4% when compared with 31 December 2018. With the total number of ordinary shares in issue of 1,907,619,079 as at 31 December 2019 and 2018, the net asset value per share attributable to owners of the Company was HK\$17.60 (2018: HK\$17.86). The movement in net asset value was mainly due to (a) total comprehensive expenses for the Year attributable to owners of the Company of HK\$283.6 million; and (b) final and interim dividends recognised as distribution during the Year totaling HK\$209.9 million.

During the Year, loss on fair value changes of the listed equity investments categorised as financial assets measured at FVTOCI of HK\$1,590.6 million (2018: HK\$3,015.5 million, as well as the transaction cost of disposal of certain Evergrande Shares of HK\$1.0 million) was recorded in other comprehensive expenses. The cumulative amount of gain on fair value changes of listed equity investments included in financial assets measured at FVTOCI reserve was HK\$4,980.4 million as at 31 December 2019 (2018: HK\$6,571.0 million).

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額 (續)

全面支出總額

本公司擁有人應佔本年度之全面支出總額為283,600,000港元或每股0.15港元(二零一八年: 2,117,000,000港元或每股1.11港元), 其中包括(a)本公司擁有人應佔本年度之溢利790,200,000港元(二零一八年: 1,015,300,000港元); 及(b)本公司擁有人應佔本年度之其他全面支出1,073,800,000港元(二零一八年: 3,132,300,000港元), 主要包括通過其他全面收益以反映公平值之上市股本投資之公平值變動未變現虧損1,590,600,000港元(二零一八年: 3,052,200,000港元), 詳情已於上文「證券投資」一段中之「通過其他全面收益以反映公平值之上市股本投資(b)本年度其他全面支出之影響」分段內披露。

資產淨值

於二零一九年十二月三十一日, 本公司擁有人應佔本集團之資產淨值為33,568,900,000港元(二零一八年: 34,062,400,000港元), 較二零一八年十二月三十一日減少493,500,000港元或1.4%。根據於二零一九年及二零一八年十二月三十一日之已發行普通股總數1,907,619,079股計算, 本公司擁有人應佔之每股資產淨值為17.60港元(二零一八年: 17.86港元)。資產淨值變動主要由於(a)本公司擁有人應佔本年度之全面支出總額283,600,000港元; 及(b)於本年度已確認派發之末期及中期股息共209,900,000港元。

於本年度, 分類為通過其他全面收益以反映公平值計量之金融資產之上市股本投資之公平值變動虧損為1,590,600,000港元(二零一八年: 3,015,500,000港元)以及出售若干恆大股份之交易成本為1,000,000港元, 並錄入為其他全面支出。於二零一九年十二月三十一日, 上市股本投資之公平值變動收益之累計金額4,980,400,000港元(二零一八年: 6,571,000,000港元)已包括在通過其他全面收益以反映公平值計量之金融資產之儲備內。

NET ASSET VALUE (Cont'd)

Other than the disposals of debt securities and the acquisition of the remaining 49% interest in Landrich (H.K.) Limited (as disclosed in the paragraph headed "Other Information and Events After the Reporting Period" in the section headed "Chairman's Statement" of this annual report) and those disclosed in the final results, the Group did not have material acquisition or disposal of assets and any future plans for material investment or capital assets.

NET CURRENT LIABILITIES

The Group recorded net current liabilities as at 31 December 2019 of HK\$1,138.6 million (2018: HK\$2,749.8 million), of which current assets were HK\$8,653.9 million (2018: HK\$7,104.6 million) and current liabilities were HK\$9,792.5 million (2018: HK\$9,854.4 million). The position was mainly due to certain of the Group's current liabilities had been utilised to finance the Group's non-current assets.

In the consolidated statement of financial position and within securities investment activities, which comprised of bonds and listed equity investments, the total carrying amount as at 31 December 2019 was HK\$27,554.2 million (2018: HK\$26,852.5 million). Included in non-current assets were part of the bonds in the sum of HK\$1,607.4 million (2018: HK\$1,271.6 million) presented as financial assets measured at FVTPL and listed equity investments in the sum of HK\$18,578.7 million (2018: HK\$20,167.0 million) presented as financial assets measured at FVTOCI. Included in current assets were part of the bonds in the sum of HK\$7,368.1 million (2018: HK\$5,413.9 million) presented as financial assets measured at FVTPL. Margin loans utilised to finance the securities investments in both non-current and current assets in the sum of HK\$7,128.4 million (2018: HK\$7,330.5 million) were presented as borrowings in current liabilities.

If the margin loans of HK\$7,128.4 million (2018: HK\$7,330.5 million) were allocated into the securities investments secured according to the respective non-current and current assets presentation, HK\$3,431.4 million (2018: HK\$4,240.4 million) and HK\$3,697.0 million (2018: HK\$3,090.1 million) were secured by the securities investments in non-current and current assets respectively.

資產淨值 (續)

除出售債務證券及收購隆裕(香港)有限公司餘下49%權益(於本年報「主席報告書」一節中「其他資料及報告期末後事項」一段內披露)以及於全年業績內所披露者外,本集團並無重大收購或出售資產及重大投資或資本資產之未來計劃。

流動負債淨值

於二零一九年十二月三十一日,本集團錄得流動負債淨值1,138,600,000港元(二零一八年:2,749,800,000港元),其中流動資產為8,653,900,000港元(二零一八年:7,104,600,000港元)及流動負債為9,792,500,000港元(二零一八年:9,854,400,000港元)。該狀況主要由於本集團若干流動負債用作融資本集團非流動資產所致。

於綜合財務狀況報表及證券投資活動中,包括債券及上市股本投資於二零一九年十二月三十一日之賬面值總額為27,554,200,000港元(二零一八年:26,852,500,000港元)。非流動資產當中包括呈列為通過損益以反映公平值計量之金融資產之部分債券1,607,400,000港元(二零一八年:1,271,600,000港元)及呈列為通過其他全面收益以反映公平值計量之金融資產之上市股本投資18,578,700,000港元(二零一八年:20,167,000,000港元)。流動資產當中包括呈列為通過損益以反映公平值計量之金融資產之部分債券7,368,100,000港元(二零一八年:5,413,900,000港元)。用作融資非流動及流動資產中之證券投資之保證金貸款合共7,128,400,000港元(二零一八年:7,330,500,000港元),呈列為流動負債中之借貸。

倘將保證金貸款7,128,400,000港元(二零一八年:7,330,500,000港元)以相關呈列於非流動及流動資產中之抵押證券投資分配,3,431,400,000港元(二零一八年:4,240,400,000港元)及3,697,000,000港元(二零一八年:3,090,100,000港元)之保證金貸款分別以非流動及流動資產中證券投資作為抵押。

NET CURRENT LIABILITIES (Cont'd)

If the margin loans secured by the securities investments in non-current assets of HK\$3,431.4 million (2018: HK\$4,240.4 million) were reclassified as non-current liabilities, the net current liabilities position of the Group would become net current assets position as at 31 December 2019 of HK\$2,292.8 million (2018: HK\$1,490.6 million).

The ratio of margin loans against securities investments was loan-to-value ratio, which was 25.9% as at 31 December 2019 (2018: 27.3%). In accordance with the terms and conditions of margin loans facility agreements of the Group with financial institutions, among others, as long as the securities investments maintained market value which is in excess of pre-defined loan-to-value ratios as set out by the financial institutions, the margin loans upon interest payment due date would be roll-overed month-for-month, and repayment of margin loans by the Group to financial institutions would not be required. As such, very often margin loans of the Group which were presented as current liabilities would not be current and would be repayable over one year. In the event that the Group intends to reduce or repay part of the margin loans, the Group might, among others, dispose of some of the securities investments to effect the payment.

Securities investments and treasury products of the Group were frequently traded in the market, and formed part of the Group's treasury management. They were presented as non-current assets and current assets according to their intended holding periods.

If the entire securities investments and treasury products of the Group as at 31 December 2019 were presented as current assets, current assets would be increased by HK\$20,186.1 million (2018: HK\$21,438.6 million), and net current liabilities position of HK\$1,138.6 million (2018: HK\$2,749.8 million) would become net current assets position of HK\$19,047.5 million (2018: HK\$18,688.8 million).

The Group believes that the net current liabilities position as at 31 December 2019 would not have adverse financial effect to the Group's liquidity or gearing position and the Group has ability to continue as a going concern.

流動負債淨值 (續)

倘以非流動資產中證券投資作為抵押之保證金貸款3,431,400,000港元(二零一八年:4,240,400,000港元)被重新分類為非流動負債,本集團於二零一九年十二月三十一日之流動負債淨值狀況將變為流動資產淨值狀況2,292,800,000港元(二零一八年:1,490,600,000港元)。

貸款價值比率乃保證金貸款除以證券投資之比率,於二零一九年十二月三十一日為25.9%(二零一八年:27.3%)。根據本集團與金融機構之保證金貸款融資協議之條款及條件(其中包括),只要證券投資之市值維持超過金融機構規定之預先定義貸款價值比率,到期支付利息之保證金貸款將按月滾存,本集團無需向金融機構償還保證金貸款。因此,本集團慣常將保證金貸款呈列為流動負債,然而並非流動以及將於一年後償還。倘本集團有意減少或償還部分保證金貸款,則本集團可能(其中包括)出售部分證券投資以支付貸款。

本集團之證券投資及財資產品經常於市場買賣,及成為本集團財資管理之一部分。證券投資及財資產品乃按擬定持有期呈列為非流動資產及流動資產。

倘將本集團於二零一九年十二月三十一日之全部證券投資及財資產品呈列為流動資產,流動資產將會增加20,186,100,000港元(二零一八年:21,438,600,000港元),及流動負債淨值狀況1,138,600,000港元(二零一八年:2,749,800,000港元)將變為流動資產淨值狀況19,047,500,000港元(二零一八年:18,688,800,000港元)。

本集團相信,於二零一九年十二月三十一日之流動負債淨值狀況將不會對本集團之流動資金或負債狀況造成不利之財務影響,且本集團能夠繼續持續經營。

SECURITIES INVESTMENTS

The Group's strategy is to maintain securities investment portfolio for treasury management and invest in securities investments and treasury products with attractive yield and good prospect in order to bring stable and satisfactory realised return in long run. During the Year, the Group diversified the bonds portfolio comprised of the bonds issued by overseas financial institutions and PRC-based real estate companies.

As at 31 December 2019, the portfolio of securities investments and treasury products of HK\$27,554.2 million (2018: HK\$26,852.5 million) comprised (a) bonds (financial assets measured at FVTPL (non-current and current assets in aggregate)) of HK\$8,975.5 million (2018: HK\$6,685.5 million); and (b) listed equity investments (financial assets measured at FVTOCI) of HK\$18,578.7 million (2018: HK\$20,167.0 million), representing 57.0% (2018: 55.1%) of total assets.

The respective securities investments under different categories are elaborated below:

Listed Equity Investments at Fair Value Through Other Comprehensive Income

In prior years, the Group had acquired 860,000,000 shares of China Evergrande and recorded as financial assets measured at FVTOCI. During the Year, no acquisition or disposal of shares of China Evergrande. The Group held 860,000,000 shares of China Evergrande, representing approximately 6.5% of the total issued share capital of China Evergrande as at 31 December 2019.

As at 31 December 2018, the cumulative unrealised gain on fair value change of the Evergrande Shares was HK\$6,571.0 million and the carrying amount of the Evergrande Shares was HK\$20,167.0 million. After deducting the unrealised fair value loss of HK\$1,591.0 million for the Year, the carrying amount of the Evergrande Shares as at 31 December 2019 was HK\$18,576.0 million, representing 38.4% (2018: 41.4%) of total assets. The cumulative unrealised gain on fair value change of the Evergrande Shares was reduced from HK\$6,571.0 million as at 31 December 2018 to HK\$4,980.0 million as at 31 December 2019, which was recorded in the financial assets measured at FVTOCI reserve.

證券投資

本集團之策略是維持證券投資組合之財資管理以及投資具吸引收益率及良好前景之證券投資及財資產品，以確保長遠帶來穩定及滿意之變現回報。於本年度，本集團使債券組合多元化，組合包括海外金融機構及中國房地產公司發行之債券。

於二零一九年十二月三十一日，證券投資及財資產品組合27,554,200,000港元（二零一八年：26,852,500,000港元）中包括(a)債券（通過損益以反映公平值計量之金融資產（合共於非流動及流動資產內））8,975,500,000港元（二零一八年：6,685,500,000港元）；及(b)上市股本投資（通過其他全面收益以反映公平值計量之金融資產）18,578,700,000港元（二零一八年：20,167,000,000港元），佔資產總額57.0%（二零一八年：55.1%）。

以下就不同類別之證券投資作出詳述：

通過其他全面收益以反映公平值之上市股本投資

於過往年度，本集團購入860,000,000股中國恒大股份，並列為通過其他全面收益以反映公平值計量之金融資產。於本年度，本集團並無購入或出售中國恒大股份，並持有860,000,000股中國恒大股份（相當於中國恒大於二零一九年十二月三十一日之全部已發行股本約6.5%）。

於二零一八年十二月三十一日，恒大股份之公平值變動之累計未變現收益為6,571,000,000港元及恒大股份之賬面值為20,167,000,000港元。經扣除本年度未變現公平值虧損1,591,000,000港元後，於二零一九年十二月三十一日恒大股份之賬面值為18,576,000,000港元，佔資產總額38.4%（二零一八年：41.4%）。恒大股份之公平值變動之累計未變現收益由二零一八年十二月三十一日之6,571,000,000港元下降至於二零一九年十二月三十一日之4,980,000,000港元，並已錄入通過其他全面收益以反映公平值計量之金融資產之儲備內。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income (Cont'd)

China Evergrande group is principally engaged in property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. According to the audited consolidated financial statements of China Evergrande for the years ended 31 December 2018 and 2017, the revenue and profit attributable to shareholders were RMB466.2 billion (2017: RMB311.0 billion) and RMB37.4 billion (2017: RMB24.4 billion) respectively; while the total assets and total equity were RMB1,880.0 billion (2017: RMB1,761.8 billion) and RMB308.6 billion (2017: RMB242.2 billion) respectively, the net debt was RMB468.9 billion (2017: RMB444.9 billion). In accordance with the unaudited consolidated financial statements of China Evergrande for the six months ended 30 June 2019, the revenue and profit attributable to shareholders were RMB227.0 billion and RMB14.9 billion respectively; while the total assets and total equity were RMB2,098.5 billion and RMB345.3 billion respectively, the net debt was RMB525.2 billion. Net debt is calculated as total borrowings less cash and cash equivalents and restricted cash.

During the Year, the Group acquired another listed equity investment at HK\$2.3 million (including transaction costs), and an unrealised gain on fair value change of HK\$0.4 million was recorded in other comprehensive expenses. As at 31 December 2019, the carrying amount was HK\$2.7 million.

As at 31 December 2019, the listed equity investments recorded as financial assets measured at FVTOCI was HK\$18,578.7 million and cumulative unrealised gain on fair value changes of HK\$4,980.4 million was recorded in the financial assets measured at FVTOCI reserve. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

證券投資 (續)

以下就不同類別之證券投資作出詳述：(續)

通過其他全面收益以反映公平值之上市股本投資 (續)

中國恒大集團主要於中國從事房地產開發、物業投資、物業管理、新能源汽車業務、酒店運營、金融業務、互聯網業務及健康業務。根據中國恆大於截至二零一八年及二零一七年十二月三十一日止年度之經審核綜合財務報表，收入及股東應佔溢利分別為人民幣466,200,000,000 (二零一七年：人民幣311,000,000,000) 及人民幣37,400,000,000 (二零一七年：人民幣24,400,000,000)；而資產總額及股本權益總額分別為人民幣1,880,000,000,000 (二零一七年：人民幣1,761,800,000,000) 及人民幣308,600,000,000 (二零一七年：人民幣242,200,000,000)，債務淨額為人民幣468,900,000,000 (二零一七年：人民幣444,900,000,000)。根據中國恆大於截至二零一九年六月三十日止六個月之未經審核綜合財務報表，收入及股東應佔溢利分別為人民幣227,000,000,000 及人民幣14,900,000,000；而資產總額及股本權益總額分別為人民幣2,098,500,000,000 及人民幣345,300,000,000，債務淨額為人民幣525,200,000,000。債務淨額乃按借貸總額減現金及現金等值物以及受限制現金計算。

於本年度，本集團以2,300,000港元（包括交易成本）購入另一上市股本投資及其公平值變動之未變現收益400,000港元計入其他全面支出內。於二零一九年十二月三十一日之賬面值為2,700,000港元。

於二零一九年十二月三十一日，計入通過其他全面收益以反映公平值計量之金融資產之上市股本投資為18,578,700,000港元及公平值變動之累計未變現收益為4,980,400,000港元並包括在通過其他全面收益以反映公平值計量之金融資產之儲備內。未變現公平值變動乃非現金項目，對本集團現金流量並無構成影響。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss

As at 31 December 2018, the carrying amount of the bonds presented as financial assets measured at FVTPL was HK\$6,685.5 million. During the Year, the bonds portfolio was increased by a net acquisition of HK\$1,127.3 million. After adding the fair value gain of HK\$1,162.7 million, the bonds portfolio of the Group became HK\$8,975.5 million as at 31 December 2019, representing 18.6% (2018: 13.7%) of total assets, which formed part of the Group's cash management activities.

As at 31 December 2019, the bonds portfolio comprised of bonds issued by overseas financial institutions of 40.5% (2018: 53.7%), PRC-based real estate companies of 55.9% (2018: 41.6%) and other industries of 3.6% (2018: 4.7%). They are denominated in different currencies with 97.0% (2018: 96.7%) in US\$ and 3.0% (2018: 3.3%) in Pound Sterling ("GBP"). The bonds denominated in US\$ carry at fixed rate range from 4.750% to 13.750% (2018: 4.750% to 9.375%) per annum of which notional amount of US\$937.0 million (2018: US\$911.4 million) are callable, all bonds denominated in GBP carry at fixed rate range from 5.875% to 7.250% (2018: 5.875% to 7.250%) per annum of notional amount of GBP24.5 million (2018: GBP22.5 million) are callable. As at 31 December 2019, the bonds portfolio comprised of 34 bonds (2018: 25 bonds); in terms of credit rating, investment grade, non-investment grade and unrated were 5 bonds, 26 bonds and 3 bonds (2018: 5 bonds, 16 bonds and 4 bonds) respectively. In terms of maturity, 17 bonds (2018: 14 bonds) were contingent convertible bonds issued by overseas financial institutions which were perpetual with no fixed tenor. 17 bonds (2018: 11 bonds) issued by issuers other than overseas financial institutions will be matured between 2020 to 2046 and no perpetual bond (2018: 8 bonds) would be matured between 2021 to 2046 and the remaining 3 bonds were perpetual).

證券投資 (續)

以下就不同類別之證券投資作出詳述：(續)

通過損益以反映公平值之投資及財資產品

於二零一八年十二月三十一日，呈列於通過損益以反映公平值計量之金融資產之債券賬面值為6,685,500,000港元。於本年度，該債券組合已就購入淨額增加1,127,300,000港元。經計入公平值收益1,162,700,000港元後，本集團於二零一九年十二月三十一日之債券組合為8,975,500,000港元，佔資產總額18.6%（二零一八年：13.7%），該組合為本集團資金管理活動之一部分。

於二零一九年十二月三十一日，該債券組合包括40.5%（二零一八年：53.7%）由海外金融機構發行、55.9%（二零一八年：41.6%）由中國房地產公司發行及3.6%（二零一八年：4.7%）由其他行業之公司發行之債券。該等債券以美元（97.0%）（二零一八年：96.7%）及英鎊（「英鎊」）（3.0%）（二零一八年：3.3%）之不同貨幣計值。以美元計值之債券固定年利率為4.750厘至13.750厘（二零一八年：4.750厘至9.375厘），其中名義金額為937,000,000美元（二零一八年：911,400,000美元）之債券為可贖回。全部以英鎊計值之債券固定年利率為5.875厘至7.250厘（二零一八年：5.875厘至7.250厘），名義金額為24,500,000英鎊（二零一八年：22,500,000英鎊）之債券為可贖回。於二零一九年十二月三十一日，該債券組合包括34隻（二零一八年：25隻）債券，以信貸評級分類，5隻、26隻及3隻（二零一八年：5隻、16隻及4隻）債券分別為投資評級、非投資評級及未獲評級。以到期日分類，17隻（二零一八年：14隻）由海外金融機構發行之或然可換股債券為永續債券及並無固定期限。17隻（二零一八年：11隻）由海外金融機構以外之發行人發行之債券將於二零二零年至二零四六年到期及並無永續債券（二零一八年：8隻債券將於二零二一年至二零四六年到期，餘下3隻為永續債券）。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

Details and movement of the bonds portfolio at the end of the reporting period are set out below:

證券投資 (續)

以下就不同類別之證券投資作出詳述：(續)

通過損益以反映公平值之投資及財資產品 (續)

於報告期末債券組合之詳情及變動載列如下：

Movement of bonds portfolio	債券組合之變動	Overseas financial institutions 海外金融機構 HK\$ million 百萬港元	PRC-based real estate 中國房地產 HK\$ million 百萬港元	Others 其他 HK\$ million 百萬港元	Total 總額 HK\$ million 百萬港元
Carrying amounts	賬面值				
At 31 December 2018	於二零一八年十二月三十一日	3,588.3	2,780.9	316.3	6,685.5
Purchases	購入	106.1	3,330.6	–	3,436.7
Disposals	出售	(559.2)	(1,697.3)	(52.9)	(2,309.4)
Fair value changes	公平值變動	497.2	600.9	64.6	1,162.7
At 31 December 2019	於二零一九年十二月三十一日	3,632.4	5,015.1	328.0	8,975.5
Percentage to total assets	佔資產總額之百分比				
At 31 December 2019	於二零一九年十二月三十一日	7.5%	10.4%	0.7%	18.6%
At 31 December 2018	於二零一八年十二月三十一日	7.4%	5.7%	0.6%	13.7%

Bond issuers by industry

按債券發行人之行業

Carrying amounts
賬面值

		At 31 December 2019 於二零一九年十二月三十一日		At 31 December 2018 於二零一八年十二月三十一日	
		HK\$ million 百萬港元	Percentage to total 佔總額之百分比	HK\$ million 百萬港元	Percentage to total 佔總額之百分比
Overseas financial institutions	海外金融機構	3,632.4	40.5%	3,588.3	53.7%
PRC-based real estate	中國房地產	5,015.1	55.9%	2,780.9	41.6%
Others	其他	328.0	3.6%	316.3	4.7%
		8,975.5	100.0%	6,685.5	100.0%

Bonds by currency

按債券之貨幣

Carrying amounts
賬面值

		At 31 December 2019 於二零一九年十二月三十一日			At 31 December 2018 於二零一八年十二月三十一日		
		Coupon rate (per annum) 票息年利率	HK\$ million 百萬港元	Percentage to total 佔總額之百分比	Coupon rate (per annum) 票息年利率	HK\$ million 百萬港元	Percentage to total 佔總額之百分比
US\$	美元	4.750% to 13.750% 4.750厘至13.750厘	8,710.3	97.0%	4.750% to 9.375% 4.750厘至9.375厘	6,466.6	96.7%
GBP	英鎊	5.875% to 7.250% 5.875厘至7.250厘	265.2	3.0%	5.875% to 7.250% 5.875厘至7.250厘	218.9	3.3%
			8,975.5	100.0%		6,685.5	100.0%

SECURITIES INVESTMENTS (Cont'd)

Investment in China Evergrande

As at 31 December 2019, the Group's securities investment in an entity with a value which exceeds 5% of the Group's total assets is investments in China Evergrande. The Group's securities investments in China Evergrande including listed shares and bonds amounted to HK\$20,012.0 million or 41.4% of total assets.

The Group held 860,000,000 shares of China Evergrande at a total consideration (including transaction costs) of HK\$13,596.0 million. As at 31 December 2019, the market value of the Evergrande Shares was HK\$18,576.0 million (2018: HK\$20,167.0 million), there was no dividend income for the Year (2018: net dividend income of HK\$1,106.5 million (after transaction costs)). As at 31 December 2019, the Group also held 5 bonds which were issued by China Evergrande and its indirect wholly-owned subsidiary, Scenery Journey Limited (collectively "Evergrande Group").

Details and the performance of the 5 bonds issued by the Evergrande Group as at and for the year ended 31 December 2019 are summarised as follows:

Bonds	Name of issuer	Acquisition cost	Market price	Market value	Unrealised gain (loss)	Realised gain	Interest income
債券	發行人名稱	收購成本 HK\$ million 百萬港元	市價 %	市值 HK\$ million 百萬港元	未變現收益 (虧損) HK\$ million 百萬港元	已變現收益 HK\$ million 百萬港元	利息收入 HK\$ million 百萬港元
Evergrande 10.5% 恒大 10.5%	China Evergrande Group 中國恒大集團	392.5	94.6665	368.5	(24.0)	-	28.9
Evergrande 10% 恒大 10%	China Evergrande Group 中國恒大集團	392.5	95.0290	369.9	(22.5)	-	27.5
Evergrande 8.75% 恒大 8.75%	China Evergrande Group 中國恒大集團	310.1	86.1250	268.2	3.5	10.0	31.7
Scenery Journey 13% 景程 13%	Scenery Journey Limited 景程有限公司	438.5	102.1017	413.4	(25.1)	0.1	38.2
Scenery Journey 13.75% 景程 13.75%	Scenery Journey Limited 景程有限公司	15.7	102.3585	16.0	0.2	-	0.5
Evergrande Group's bonds at 31 December 2019	於二零一九年十二月三十一日 恒大集團之債券	1,549.3		1,436.0	(67.9)	10.1	126.8

Evergrande 10.5% bond carries fixed coupon rate of 10.5% per annum. It is denominated in US\$ and matures on 11 April 2024. The bond is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and rated "B2" by Moody's Investors Service, Inc. ("Moody's").

Evergrande 10% bond carries fixed coupon rate of 10% per annum. It is denominated in US\$ and matures on 11 April 2023. The bond is listed on the SGX-ST and rated "B2" by Moody's.

證券投資 (續)

於中國恒大之投資

於二零一九年十二月三十一日，本集團於一實體之證券投資價值超出本集團之資產總額5%，該投資為於中國恒大之投資。本集團於中國恒大之證券投資（包括上市股份及債券）為20,012,000,000港元或佔資產總額41.4%。

本集團持有860,000,000股中國恒大股份，總代價為13,596,000,000港元（包括交易成本）。於二零一九年十二月三十一日，恒大股份市值為18,576,000,000港元（二零一八年：20,167,000,000港元），本年度並無股息收入（二零一八年：股息收入淨額為1,106,500,000港元（交易成本後））。於二零一九年十二月三十一日，本集團亦持有5隻由中國恒大及其一間間接全資擁有之附屬公司景程有限公司（統稱「恒大集團」）發行之債券。

5隻由恒大集團發行之債券於二零一九年十二月三十一日及截至二零一九年十二月三十一日止年度之詳情及表現概述如下：

恒大10.5%債券之固定票息年利率為10.5厘。債券以美元計值並於二零二四年四月十一日到期。該債券於新加坡證券交易所有限公司（「新交所」）上市及被穆迪投資者服務公司（「穆迪」）評級為「B2」。

恒大10%債券之固定票息年利率為10厘。債券以美元計值並於二零二三年四月十一日到期。該債券於新交所上市及被穆迪評級為「B2」。

SECURITIES INVESTMENTS (Cont'd)

Investment in China Evergrande (Cont'd)

Evergrande 8.75% bond carries fixed coupon rate of 8.75% per annum. It is denominated in US\$ and matures on 28 June 2025. The bond is listed on the Frankfurt Stock Exchange, the SGX-ST and the Stuttgart Stock Exchange and rated "B3e" by Moody's.

Scenery Journey 13% bond carries fixed coupon rate of 13% per annum. It is denominated in US\$ and matures on 6 November 2022. The bond is listed on the SGX-ST and rated "B2e" by Moody's.

Scenery Journey 13.75% bond carries fixed coupon rate of 13.75% per annum. It is denominated in US\$ and matures on 6 November 2023. The bond is listed on the SGX-ST and are rated "B2e" by Moody's.

China Evergrande group is principally engaged in property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. Its shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 3333). China Evergrande is one of the leading real estate developers in the PRC with strong property sale and reasonable profit margin. The Group believes that dividend payment from the Evergrande Shares will provide steady income to the Group. Bonds issued by the Evergrande Group carry attractive coupon interest rates which the Group believes that it will enhance investment return from treasury management perspective.

Unlisted Securities Investments

The Group invested in an exempted limited partnership formed under the Exempted Limited Partnership Law (Revised) of the Cayman Islands (which was included in financial assets measured at FVTOCI) and the carrying amount was HK\$408.1 million as at 31 December 2018. During the Year, the Group has contributed US\$2.6 million (equivalent to approximately HK\$20.0 million) and received distribution of US\$2.6 million (equivalent to approximately HK\$20.0 million), after adding the fair value gain for the Year of HK\$59.8 million (which was recognised in financial assets measured at FVTOCI reserve), the carrying amount was HK\$467.9 million as at 31 December 2019, representing 1.0% (2018: 0.8%) of total assets.

證券投資 (續)

於中國恒大之投資 (續)

恒大8.75%債券之固定票息年利率為8.75厘。債券以美元計值並於二零二五年六月二十八日到期。該債券於法蘭克福證券交易所、新交所及斯圖加特證券交易所上市以及被穆迪評級為「B3e」。

景程13%債券之固定票息年利率為13厘。債券以美元計值並於二零二二年十一月六日到期。該債券於新交所上市及被穆迪評級為「B2e」。

景程13.75%債券之固定票息年利率為13.75厘。債券以美元計值並於二零二三年十一月六日到期。該債券於新交所上市及被穆迪評級為「B2e」。

中國恒大集團主要於中國從事房地產開發、物業投資、物業管理、新能源汽車業務、酒店運營、金融業務、互聯網業務及健康業務。其股份於香港聯合交易所有限公司上市(股份代號:3333)。中國恒大為於中國領先房地產發展商之一,擁有強大物業銷售及合理溢利率。本集團相信來自恒大股份之股息將為本集團提供穩定收入。恒大集團發行之債券之票息利率吸引,本集團相信其將會加強財資管理方面之投資回報。

非上市證券投資

本集團已投資於一間按開曼群島獲豁免有限合夥企業法(經修訂)成立之獲豁免有限合夥企業(計入通過其他全面收益以反映公平值計量之金融資產)及於二零一八年十二月三十一日其賬面值為408,100,000港元。於本年度,本集團已注資2,600,000美元(相當於約20,000,000港元)及已收分派2,600,000美元(相當於約20,000,000港元),經計入本年度公平值收益59,800,000港元(於通過其他全面收益以反映公平值計量之金融資產之儲備內確認)後,於二零一九年十二月三十一日之賬面值為467,900,000港元,佔資產總額1.0%(二零一八年:0.8%)。

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

EQUITY

The number of issued ordinary shares as at 31 December 2019 and 2018 were 1,907,619,079.

DEBT AND GEARING

As at 31 December 2019, the Group's total debt amounted to HK\$13,574.3 million (2018: HK\$13,747.7 million), comprised bank and other borrowings of HK\$13,442.3 million (2018: HK\$13,747.7 million) and lease liabilities of HK\$132.0 million (2018: nil). Cash and deposits at banks amounted to HK\$565.3 million (2018: HK\$714.6 million), pledged deposits amounted to HK\$274.2 million (2018: HK\$237.4 million) and net debt (including lease liabilities) amounted to HK\$12,734.8 million (2018: HK\$12,795.7 million). Upon the initial application of Hong Kong Financial Reporting Standard 16 "Leases" on 1 January 2019 (details are set out in Note 2 to the consolidated financial statements of this annual report), recognition of lease liabilities gave rise to increase in total debt and net debt of the Group.

Total debt to equity ratio (including lease liabilities) was 40.4% (2018: 40.3%) and net debt to equity ratio (including lease liabilities) was 37.9% (2018: 37.5%), which are expressed as a percentage of total debt, and net debt, respectively, over the total equity of HK\$33,590.4 million (2018: HK\$34,143.6 million).

If the securities investments and treasury products of HK\$27,554.2 million (2018: HK\$26,852.5 million) are included, there would be a net cash position of HK\$14,819.4 million (2018: HK\$14,056.8 million).

風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以管理層之積極參與、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

股本

於二零一九年及二零一八年十二月三十一日的已發行普通股數目為1,907,619,079股。

債務及資本與負債比率

於二零一九年十二月三十一日，本集團之債務總額為13,574,300,000港元（二零一八年：13,747,700,000港元），包括銀行及其他借貸13,442,300,000港元（二零一八年：13,747,700,000港元）以及租賃負債132,000,000港元（二零一八年：無）。現金及銀行存款為565,300,000港元（二零一八年：714,600,000港元），抵押存款為274,200,000港元（二零一八年：237,400,000港元），而債務淨額（包括租賃負債）為12,734,800,000港元（二零一八年：12,795,700,000港元）。於二零一九年一月一日，首次應用香港財務報告準則第16號「租賃」（詳情載列於本年報之綜合財務報表附註2內），確認租賃負債導致本集團之債務總額及債務淨額增加。

債務總額與股本權益比率（包括租賃負債）為40.4%（二零一八年：40.3%），而債務淨額與股本權益比率（包括租賃負債）為37.9%（二零一八年：37.5%），乃分別將債務總額及債務淨額除以股本權益總額33,590,400,000港元（二零一八年：34,143,600,000港元）得出之百分比。

倘計入證券投資及財資產品27,554,200,000港元（二零一八年：26,852,500,000港元），則狀況將會為現金淨額14,819,400,000港元（二零一八年：14,056,800,000港元）。

DEBT AND GEARING (Cont'd)

As at 31 December 2019, the Group's bank and other borrowings of HK\$13,442.3 million, 68.7%, 16.5% and 14.8% were repayable within 1 year, 1 to 2 years and 2 to 5 years respectively. Of which the Group's bank and other borrowings were denominated in HK\$ (50.3%), GBP (30.3%) and US\$ (19.4%) before entering the cross currency swap. HK\$, GBP and US\$ securities investments were hedged by HK\$, GBP and US\$ borrowings. During the Year, the Group has entered into short term US\$/HK\$ cross currency swap to enhance interest payable on borrowing, and as at 31 December 2019, notional amount of approximately US\$158.1 million was outstanding. The Group's bank borrowings were carried at interest rates calculated with reference to cost of funds, Hong Kong Interbank Offered Rate ("HIBOR") or London Interbank Offered Rate; other borrowings were carried at interest rates calculated with reference to cost of funds or HIBOR. As at 31 December 2019, all the Group's borrowings were on floating rate basis. Except as disclosed, no hedging for interest rate is subsisted at the end of the reporting period.

PLEDGE OF ASSETS

As at 31 December 2019, the Group had pledged the following assets with their respective carrying amounts:

- (a) The Group's investment properties of HK\$12,248.6 million (2018: HK\$12,770.6 million) and bank deposits of HK\$255.8 million (2018: HK\$208.6 million) were pledged to the banks to secure general banking and loan facilities granted to the Group.
- (b) The Group's bonds and listed equity investments with carrying amounts of HK\$27,554.2 million (2018: HK\$25,445.5 million) and cash deposits of HK\$18.4 million (2018: HK\$28.8 million) were pledged to the financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions, of which HK\$7,128.4 million (2018: HK\$7,330.5 million) was utilised as at 31 December 2019 as borrowings due within one year.
- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.

In addition, the Group had subordinated and assigned its advance to a joint venture of HK\$158.8 million to a bank to secure a banking facility granted to the joint venture as at 31 December 2019.

債務及資本與負債比率 (續)

於二零一九年十二月三十一日，本集團之銀行及其他借貸13,442,300,000港元中，68.7%、16.5%及14.8%須分別於一年內、一年至兩年內及兩年至五年內償還。於本集團之銀行及其他借貸中，以港元（50.3%）、英鎊（30.3%）及美元（19.4%）（進行貨幣掉期前）計值。港元、英鎊及美元之證券投資以港元、英鎊及美元借貸對沖。於本年度，本集團訂立短期美元／港元貨幣掉期以改善借貸之應付利息，以及於二零一九年十二月三十一日未償還之名義金額約為158,100,000美元。本集團之銀行借貸參照資金成本、香港銀行同業拆息（「香港銀行同業拆息」）或倫敦銀行同業拆息計算利率；而其他借貸參照資金成本或香港銀行同業拆息計算利率。於二零一九年十二月三十一日，本集團所有借貸均為浮息借貸。除所披露者外，於報告期末並無就利率作出對沖。

資產抵押

於二零一九年十二月三十一日，本集團已抵押以下資產連同其相關之賬面值：

- (a) 就本集團獲授之一般銀行及貸款融資，本集團之投資物業12,248,600,000港元（二零一八年：12,770,600,000港元）及銀行存款255,800,000港元（二零一八年：208,600,000港元）已抵押予銀行。
- (b) 就本集團有關證券交易獲授之保證金及證券融資，本集團之債券及上市股本投資之賬面值27,554,200,000港元（二零一八年：25,445,500,000港元）及現金存款18,400,000港元（二零一八年：28,800,000港元）已抵押予金融機構。而本集團於二零一九年十二月三十一日已動用融資並於一年內到期之借貸為7,128,400,000港元（二零一八年：7,330,500,000港元）。
- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押品。

此外，於二零一九年十二月三十一日，本集團已就一間合資公司獲授之銀行信貸額將其墊付該合資公司款項158,800,000港元轉歸及授讓予一間銀行。

FINANCIAL AND INTEREST INCOME/ EXPENSES

Interest income was included in revenue and investment income (2018: revenue, investment income and other income). Interest income for the Year was HK\$724.9 million, representing an increase of 7.7% over last year of HK\$673.3 million, mainly due to increase in bond interest income during the Year.

Finance costs included interest expenses on bank and other borrowings and lease liabilities (2018: interest expenses on bank and other borrowings); exchange difference on translation of foreign currency borrowings; and arrangement fee and facility and commitment fee expenses. Interest expenses (excluding interest expenses on lease liabilities) for the Year amounted to HK\$375.8 million, representing an increase of 9.8% over last year of HK\$342.4 million and the increase was mainly due to the increase in interest rates during the Year. The average interest rate over the year under review was 2.67% (2018: 2.28%), which was expressed as a percentage of total interest paid (excluding interest on lease liabilities) over the average total interest-bearing borrowings.

REMUNERATION POLICIES, SHARE OPTION SCHEME AND SHARE AWARD SCHEME

As at 31 December 2019, the Group employed a total of 481 staff (2018: 476 staff) including about 235 staff (2018: 237 staff) employed under the estate management company in Hong Kong and 1 staff (2018: nil) in the United Kingdom.

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The executive directors of the Company continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance. No share option scheme was adopted during the Year.

財務及利息收入／開支

收入及投資收入(二零一八年:收入、投資收入及其他收入)均包括利息收入。本年度之利息收入為724,900,000港元,較去年之673,300,000港元增加7.7%,主要由於本年度債券利息收入增加所致。

財務費用包括銀行借貸及其他借貸以及租賃負債之利息開支(二零一八年:銀行借貸及其他借貸之利息開支);外幣借貸所產生之匯兌差額;以及安排費用與信貸及承擔費用開支。本年度之利息開支(不包括租賃負債之利息開支)為375,800,000港元,較去年之342,400,000港元增加9.8%,該增加主要由於於本年度利率上升所致。於回顧年內之平均利率為2.67厘(二零一八年:2.28厘),乃以利息支付總額(不包括租賃負債之利息)除以平均計息借貸總額得出之百分比。

酬金政策、購股權計劃及股份獎勵計劃

於二零一九年十二月三十一日,本集團共有僱員481人(二零一八年:476人)包括受僱於香港物業管理公司之僱員約235人(二零一八年:237人)以及位於英國之僱員1人(二零一八年:無)。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包括薪金以及按市況及個人表現釐定之年終酌情花紅。本公司之執行董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性,使其更投入工作及有更佳表現。本年度並無採納購股權計劃。

REMUNERATION POLICIES, SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Cont'd)

The Company had adopted a share award scheme ("Share Award Scheme") in 2009 which was valid and effective until 13 January 2019 ("Expiry"). The Share Award Scheme was to recognise and reward certain employees for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. Details were set out in the paragraph headed "Share Award Scheme" in the section headed "Directors' Report" of this annual report. No share was granted under the Share Award Scheme during the period from 1 January 2019 to the Expiry and during the life of the Share Award Scheme.

UNITED KINGDOM AND MAINLAND CHINA

As at 31 December 2019, the Group's investment properties in the United Kingdom with carrying amount of GBP788.2 million (equivalent to approximately HK\$8,051.1 million) (2018: GBP855.4 million (equivalent to approximately HK\$8,501.5 million)) incurred a net loss of HK\$813.0 million (2018: HK\$21.4 million) to the Group for the Year, the loss mainly included in gross profit, fair value changes on investment properties, finance costs, taxation and impairment loss of goodwill. GBP exchange gain of foreign operations included in other comprehensive expenses for the Year amounted to HK\$114.3 million (2018: exchange loss of HK\$259.5 million). As at 31 December 2019, the Group's net investment in the United Kingdom amounted to HK\$4,129.6 million (2018: HK\$4,826.2 million) representing 12.3% (2018: 14.1%) of the Group's total equity.

Loss incurred by the Group's investment in Mainland China (mainly included in investment income, loss on dissolution of subsidiaries, share of results of investments accounted for using the equity method and taxation) for the Year amounted to HK\$24.5 million (2018: profit of HK\$69.0 million mainly included in other income, share of results of investments accounted for using the equity method and taxation). RMB exchange loss of foreign operations included in other comprehensive expenses (including share of investments accounted for using the equity method) for the Year amounted to HK\$11.6 million (2018: HK\$25.4 million). The Group's net investment in Mainland China as at 31 December 2019 amounted to HK\$536.6 million (2018: HK\$574.1 million) representing 1.6% (2018: 1.7%) of the Group's total equity.

酬金政策、購股權計劃及股份獎勵計劃(續)

本公司於二零零九年採納股份獎勵計劃(「股份獎勵計劃」)，該股份獎勵計劃有效及生效至二零一九年一月十三日(「期滿」)止。該股份獎勵計劃旨在向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之持續營運及發展而努力之長期獎勵。有關股份獎勵計劃之詳情已刊載於本年報「董事會報告書」一節中「股份獎勵計劃」一段內。由二零一九年一月一日起至期滿之期間及於股份獎勵計劃有效期內並無就該股份獎勵計劃授出任何股份。

英國及中國大陸

本集團位於英國之投資物業於二零一九年十二月三十一日之賬面值為788,200,000英鎊(相當於約8,051,100,000港元)(二零一八年: 855,400,000英鎊(相當於約8,501,500,000港元))並為本集團於本年度帶來虧損淨額813,000,000港元(二零一八年: 21,400,000港元)，而該虧損主要包括毛利、投資物業之公平值變動、財務費用、稅項及商譽之減值虧損。已計入本年度之其他全面支出之境外業務之英鎊匯兌收益為114,300,000港元(二零一八年: 匯兌虧損為259,500,000港元)。於二零一九年十二月三十一日，本集團於英國之投資淨額為4,129,600,000港元(二零一八年: 4,826,200,000港元)，佔本集團股本權益總額12.3%(二零一八年: 14.1%)。

本集團於中國大陸之投資(主要包括投資收入、附屬公司解散之虧損、攤佔以權益法入賬投資之業績及稅項)為本年度帶來虧損24,500,000港元(二零一八年: 溢利69,000,000港元主要包括其他收入、攤佔以權益法入賬投資之業績及稅項)。已計入本年度之其他全面支出(包括攤佔以權益法入賬之投資)之境外業務之人民幣匯兌虧損為11,600,000港元(二零一八年: 25,400,000港元)。於二零一九年十二月三十一日，本集團於中國大陸之投資淨額為536,600,000港元(二零一八年: 574,100,000港元)，佔本集團股本權益總額1.6%(二零一八年: 1.7%)。

PROPERTY VALUATION

Property valuations in respect of the Group's investment properties in Hong Kong and Mainland China as at 31 December 2019 and 2018 were carried out by B.I. Appraisals, independent qualified professional valuer. For the investment properties in the United Kingdom, the property valuations as at 31 December 2019 and 2018 were carried out by Peak Vision Appraisals, another independent qualified professional valuer. Their valuations were based on investment method and/or direct comparison method as the valuation methodologies and were used in preparing 2019 final results.

The Group's investment properties were valued at HK\$14,759.5 million (2018: HK\$15,280.8 million), a decrease of 4.8% over 2018 after adjusted for the additions and exchange adjustments of investment properties during the Year. The decrease in fair value of HK\$742.7 million was recognised in the consolidated statement of comprehensive income for the Year. The Group also shared an increase in fair value of investment properties held by associates and a joint venture of HK\$163.5 million in total for the Year.

The decrease in fair value of HK\$742.7 million was mainly derived from the decrease in fair value of River Court and 61-67 Oxford Street and 11-14 Soho Street located in the United Kingdom. The fair value change is a non-cash item and will not affect the cash flow of the Group.

物業估值

本集團位於香港及中國大陸之投資物業由獨立合資格專業估值師保柏國際評估進行於二零一九年及二零一八年十二月三十一日之物業估值。至於位於英國之投資物業，由另一獨立合資格專業估值師瀑鋒評估進行於二零一九年及二零一八年十二月三十一日之物業估值。所有評估皆採納投資法及／或直接比較法作為估值方法，並已用於編製二零一九年全年業績。

本集團投資物業之估值為14,759,500,000港元（二零一八年：15,280,800,000港元），經作出調整本年度投資物業之添置及匯兌調整後，較二零一八年減少4.8%。本年度之公平值減少742,700,000港元已計入綜合全面收益報表內。本集團亦於本年度攤佔聯營公司及一間合資公司之投資物業之公平值增加合共163,500,000港元。

公平值減少742,700,000港元乃主要來自位於英國 River Court 以及 Oxford Street 61-67 號及 Soho Street 11-14 號之公平值減少所致。公平值變動乃非現金項目，對本集團現金流量並無構成影響。

CORPORATE GOVERNANCE PRACTICES

The board of directors (the “Directors” or the “Board”) and management of the Company (together with its subsidiaries, the “Group”) are committed to principles of good corporate governance so as to safeguard the interests of shareholders and enhance value to the shareholders.

Throughout the year ended 31 December 2019 (the “Year”), the Company had applied the principles and complied with substantial code provisions (the “Code Provisions”) and certain recommended best practices set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

THE BOARD

Board Composition

The Board currently comprises four Executive Directors (“ED(s)”), two Non-executive Directors (“NED(s)”) and three Independent Non-executive Directors (“INED(s)”), with INEDs representing one-third of the Board. Names of each member of the Board are set out in this Corporate Governance Report.

During the Year, Mr. Lau, Ming-wai acted as the Chairman of the Board (the “Chairman”) and Ms. Chan, Sze-wan acted as the Chief Executive Officer (“CEO”). The roles of the Chairman and the CEO are separated and their respective roles and responsibilities were set out in writing.

“List of Directors and their Role and Function” has been maintained at the websites of the Company and the Stock Exchange. The Directors’ biographies and the relationship among the Board members, if any, are set out in the Profiles of Directors of this annual report and available on the Company’s website. Save as disclosed in such profiles, there is no financial, business, family or other material/relevant relationship among the Directors.

企業管治常規

本公司(連同其附屬公司,「本集團»)董事會(「董事」或「董事會»)及管理層堅守良好的企業管治原則,以保障股東權益及為股東帶來更佳回報。

截至二零一九年十二月三十一日止年度(「本年度»)全年,本公司已應用香港聯合交易所有限公司(「聯交所»)證券上市規則(「上市規則»)附錄十四《企業管治守則》(「常規守則»)之原則及遵守其絕大部份守則條文(「守則條文»)及若干建議最佳常規。

董事會

董事會之組成

董事會現由四名執行董事(「執行董事»)、兩名非執行董事(「非執行董事»)及三名獨立非執行董事(「獨立非執行董事»)組成,而獨立非執行董事之人數佔董事會三分之一。董事會各成員之姓名載列於本企業管治報告書內。

於本年度,劉鳴煒先生出任董事會主席(「主席»),而陳詩韻女士出任行政總裁(「行政總裁»)。主席及行政總裁之角色分立,而其各自之角色及職責以書面列載。

「董事名單與其角色及職能」已載於本公司及聯交所網站。董事之簡介及董事會成員之間的關係(如有)載於本年報董事簡介內,並登載於本公司網站。除於該簡介內所披露外,董事之間並無財務、業務、家族或其他重大/相關關係。

THE BOARD (Cont'd)

Responsibilities of Directors

The NEDs and INEDs with diversified expertise, skills and experience play an important role on formulating strategy and ensuring that the Board maintains high standards of corporate governance as well as taking the lead where potential conflict of interests arises. The Board has received from each INED a written annual confirmation of his/her independence and satisfied that the independence of INEDs up to the date of this annual report is in accordance with the Listing Rules.

On monthly basis, senior management provides the Directors with operational and financial reports of the Group's performance, position and prospects. All Directors are kept informed of and duly briefed of major changes and information that may affect the Group's businesses in a timely manner.

Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and consult with the Company's senior management or the company secretary (the "Company Secretary") independently.

Retirement by Rotation and Specific Term of Office

The Company's Bye-laws provides that no Director (save for the executive chairman and any managing director) shall hold office for a continuous period in excess of three years, or past the third annual general meeting, following the Directors' appointment or re-election, whichever is longer, without submitting himself/herself for re-election by the shareholders at the annual general meetings. Accordingly, Directors shall retire by rotation at least once every three years and a specific term of office has been fixed for appointment of Directors. During the Year, there was no executive chairman or managing director in the Board.

董事會 (續)

董事之責任

擁有不同專門知識、技能及經驗之非執行董事及獨立非執行董事在擬定策略及確保董事會維持高水平企業管治方面擔當重要角色，亦能於出現潛在利益衝突時起牽頭作用。董事會已接獲各獨立非執行董事確認彼等獨立性之年度確認書，並滿意截至本年報日期止彼等之獨立性乃符合上市規則。

高級管理層就本集團之表現、狀況及展望每月向董事提呈營運及財務報告。本集團會及時地向所有董事匯報並簡報任何有可能影響本集團業務之重大轉變及資料。

董事可為履行職責而尋求獨立專業意見，費用由本公司支付，而本公司亦鼓勵董事獨立接觸並諮詢本公司之高級管理層或公司秘書（「公司秘書」）。

輪席告退及特定任期

本公司之公司細則規定董事（除執行主席及任何董事總經理外）不得在未於股東週年大會上獲得股東重選之情況下，持續出任董事職位超過三年，或於獲委任或重選連任後出任董事職位超逾三次股東週年大會，兩者以較長期間為準。據此，董事須最少每三年輪席告退一次，並就董事之委任制定了特定任期。於本年度，董事會並沒有執行主席或董事總經理。

THE BOARD (Cont'd)

Board Meetings

The Board met regularly throughout the Year to discuss the overall strategy, the operational and financial performance of the Group. Four regular Board meetings were held during the Year. Advance notices of not less than fourteen days were served upon each Director for regular Board meetings. All accompanying Board papers were sent to the Directors in a timely manner and at least three days before the meetings (or such other period as agreed). Adequate explanation and information were given to the Directors by the management to facilitate the Directors in decision-making. Each Director has to declare his/her interest and abstain from voting on any Board resolution in which he/she or any of his/her associate has a material interest in accordance with the Bye-laws of the Company and the Listing Rules.

The agenda of each Board meeting is set by the Chairman in consultation with members of the Board such that they are given an opportunity to include agenda items. Draft and executed Board minutes were sent in good time to all Directors for their comments and records. Minutes of the Board meetings recorded in sufficient details were kept by the Company Secretary.

Board and Management Functions

The functions reserved to the Board are basically provided in the Bye-laws of the Company and the Board from time to time delegates certain functions to senior management whenever required. In short, the Board has reserved for its decision on matters relating to the Group's strategy, major acquisitions and disposals, major capital expenditure, annual and interim results, Directors' appointment and other significant financial and operational issues.

On top of daily business operation, senior management is responsible for the preparation of annual and interim consolidated financial statements for the Board's approval, execution of business strategies and initiatives adopted by the Board, implementation of adequate system of internal control and sound risk management practices and is required to report to the Board and obtain its prior approval on important matters at all times. Notwithstanding the delegation, the Directors acknowledge that it is the responsibility of the Board for preparing the financial statements, which give a true and fair view of the financial results of the Group.

董事會 (續)

董事會會議

董事會於本年度內定期開會商討本集團整體策略、營運及財務表現。本公司於本年度舉行四次定期董事會會議。舉行定期董事會會議前已向各董事發出最少十四日之通告。所有相關會議文件均已於會議舉行前最少三日（或其他協定之期間）及時送呈各董事。管理層向董事提交充足解釋及資料，以便董事作出決策。各董事須根據本公司之公司細則及上市規則，於其或其任何聯繫人擁有重大權益之任何董事會決議案，申報其權益並放棄投票。

為給予董事會成員擬定董事會會議商討事項之機會，董事會會議之議程會於主席諮詢董事會成員後訂定。董事會會議記錄之初稿及定稿已盡早送呈各董事，以供彼等提供意見及存檔。公司秘書負責保存載有詳盡細節之董事會會議記錄。

董事會及管理層職能

本公司之公司細則基本上已訂明董事會之職能，而董事會會按需要不時將若干職能委以高級管理層。簡而言之，董事會在有關本集團策略、主要收購及出售、重大資本開支、年度及中期業績、董事之委任及其他重大財務及營運事宜上保留決策權。

除日常業務營運外，高級管理層亦負責編製年度及中期綜合財務報表供董事會批准、執行董事會採納之業務策略及措施、履行妥善之內部監控系統及穩健之風險管理程序，並在任何情況下須就重大事項向董事會匯報和取得其事先批准。儘管作出委託，董事確認編製真實且公平地反映本集團財務業績之財務報表乃董事會之責任。

THE BOARD (Cont'd)

Directors' Training and Support

The Company encourages its Directors to possess up-to-date knowledge in order to discharge their duties. Information regarding major changes in Hong Kong Financial Reporting Standards and Listing Rules as well as other laws/rules/regulations had been provided to the Directors.

During the Year, the Company has arranged Directors' training regarding "INEDs' Role in Corporate Governance". Meanwhile, Directors had provided their record of trainings to the Company. The Board considered the trainings attended by the Directors are sufficient to discharge their duties. A summary of the trainings attended by the Directors during the Year is as follows:—

董事會 (續)

董事培訓及支援

本公司鼓勵各董事時刻掌握最新知識以履行其職責。有關香港財務報告準則及上市規則以及其他法律／條例／規則重大變更之資料已提供予各董事。

於本年度，本公司安排了董事培訓，內容有關「獨立非執行董事在企業管治中的角色」。與此同時，董事已向本公司提供其培訓記錄。董事會認為董事所參與之培訓足以讓彼等履行其職責。董事於本年度內所參與之培訓摘要如下：—

Training Matters 培訓事項					
Name of Directors	董事姓名	Corporate Governance 企業管治	Regulatory/ Legal 監管規定／法律	Accounting/ Tax/Finance 會計／ 稅務／財務	Business/ Economic/ Management 商業／ 經濟／管理
Executive Directors		執行董事			
Ms. Chan, Sze-wan (CEO)	陳詩韻女士 (行政總裁)	b	b	—	c
Ms. Chan, Hoi-wan	陳凱韻女士	b	b	—	c
Ms. Chan, Lok-wan	陳諾韻女士	b	b	—	c
Mr. Lam, Kwong-wai	林光蔚先生	a, b & c	a, b & c	a & c	c
Non-executive Directors		非執行董事			
Mr. Lau, Ming-wai (Chairman)	劉鳴煒先生 (主席)	b	b	—	c
Ms. Amy Lau, Yuk-wai	劉玉慧女士	b	b	—	c
Independent Non-executive Directors		獨立非執行董事			
Mr. Chan, Kwok-wai	陳國偉先生	a, b & c	a, b & c	c	c
Ms. Phillis Loh, Lai-ping	羅麗萍女士	b & c	b & c	c	c
Mr. Ma, Tsz-chun	馬時俊先生	a, b & c	a, b & c	c	c

Notes:—

Training Method

- a: attending seminar/conference/course/presentation
b: E-Training
c: self-reading

附註：—

培訓方式

- a: 參與研討會／會議／課程／演講
b: 網上培訓
c: 自行閱讀

BOARD COMMITTEES

The Board has established Audit Committee, Remuneration Committee and Nomination Committee (collectively, the “Board Committees”) with clear written terms of reference which are of no less exacting terms than those set out in the CG Code. Details of the respective committee’s terms of reference are available at the Company’s and the Stock Exchange’s websites. All the INEDs, i.e. Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun are members of the Board Committees with Mr. Chan, Kwok-wai acts as chairman of the Audit Committee and the Remuneration Committee while Ms. Phillis Loh, Lai-ping acts as chairman of the Nomination Committee. The members of Audit Committee possess appropriate professional qualifications, accounting or related financial management expertise, which is higher than the Listing Rules’ requirement.

All accompanying meeting papers were sent to the members in a timely manner and at least three days before the meetings (or such other period as agreed). Draft and executed minutes of the meetings were sent in good time to all members for their comments and records. Minutes of the meetings recorded in sufficient details were kept by the Company Secretary. Professional advice and sufficient resources would be given whenever necessary to allow the Board Committees to discharge their duties.

Audit Committee

Role and Function

The Audit Committee is responsible for reviewing the Group’s corporate governance, financial reporting, risk management and internal control. It plays an advisory role and makes relevant recommendations to the Board.

Meetings

The Audit Committee held four meetings during the Year, with the presence of the representative(s) of the Group’s internal audit department (the “Internal Audit Department”) in those meetings involving discussion on internal audit reports prepared by Internal Audit Department. Senior management was co-opted to join the meetings of the Audit Committee to explain the financial and business conditions of the Group to the committee members from time to time.

董事會轄下委員會

董事會成立了審核委員會、薪酬委員會及提名委員會（統稱「董事會轄下委員會」），委員會清晰的書面職權範圍之條款不遜於常規守則所載。各委員會之職權範圍詳情可於本公司及聯交所網站瀏覽。本公司之全體獨立非執行董事，即陳國偉先生、羅麗萍女士及馬時俊先生，均為董事會轄下委員會成員，其中陳國偉先生出任審核委員會及薪酬委員會主席；而羅麗萍女士出任提名委員會主席。審核委員會成員具備適當的專業資格、會計或相關財務管理專業知識，較上市規則之要求為高。

所有相關會議文件均已於會議舉行前最少三日（或其他協定之期間）及時送呈各成員。會議記錄之初稿及定稿亦已盡早送呈各成員以供彼等提供意見及存檔。公司秘書負責保存載有詳盡細節之會議記錄。董事會轄下委員會於需要時獲提供專業意見及充足資源，以讓其履行職責。

審核委員會

角色及職能

審核委員會負責審閱／檢討本集團之企業管治、財務匯報、風險管理及內部監控。審核委員會擔任顧問角色，並向董事會提供相關建議。

會議

審核委員會於本年度舉行四次會議，本集團內部審核部（「內部審核部」）之代表亦有出席有關討論由內部審核部準備之內部審核報告之會議。高級管理層亦不時獲邀出席審核委員會會議，向委員會成員解釋本集團之財務及業務狀況。

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

Works Performed

The works performed by the Audit Committee in the Year are summarised below:-

- (1) reviewed the Group's final and interim results and draft consolidated financial statements for the year ended 31 December 2018 and for the six months ended 30 June 2019 respectively before recommending them to the Board for approval, with the presence of the Company's external auditors (the "Independent Auditors") in the meeting reviewing final results;
- (2) reviewed the overall performance including the performance of investment properties and development properties of the Group;
- (3) reviewed the accounting principles and practices adopted by the Group and the requirements of the Listing Rules and statutory compliance;
- (4) recommended to the Board the re-appointment of the Independent Auditors for shareholders' approval;
- (5) reviewed the Group's internal control, risk management, financial reporting and auditing matters;
- (6) reviewed and discussed significant audit findings in a meeting with the presence of Independent Auditors;
- (7) prepared and submitted to the Board an audit committee report detailing the works performed by the Audit Committee during 2018, presented its findings and made recommendations to the Board for consideration;
- (8) carried out annual review on the continuing connected transactions of the Group;
- (9) reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting, financial reporting and internal audit functions, and their training programmes and budget;

董事會轄下委員會 (續)

審核委員會 (續)

履行之工作

審核委員會於本年度履行之工作概述如下：—

- (1) 在建議給董事會批准前，先分別審閱本集團截至二零一八年十二月三十一日止年度及截至二零一九年六月三十日止六個月之全年及中期業績及綜合財務報表之初稿，本公司之外聘核數師（「獨立核數師」）亦有出席有關審閱全年業績之會議；
- (2) 審閱本集團之整體表現，包括投資物業及發展物業之表現；
- (3) 審閱本集團所採納之會計原則與常規及上市規則及法規規定之遵守情況；
- (4) 向董事會提出續聘獨立核數師之建議供股東批准；
- (5) 審閱本集團之內部監控、風險管理、財務匯報及核數之事宜；
- (6) 於獨立核數師在場之會議中審閱及討論重大審計發現；
- (7) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會於二零一八年度已履行之工作，以及匯報其報告結果及向董事會提供建議以作考慮；
- (8) 對本集團之持續關連交易進行年度檢討；
- (9) 審閱本集團在會計、財務匯報及內部審核職能之資源、員工資歷及經驗是否足夠，以及相關員工所接受的培訓課程及有關預算是否充足；

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

Works Performed (Cont'd)

- (10) discussed with Independent Auditors the nature and scope of the annual audit and reporting obligations of the Independent Auditors for the Year; reviewed and approved the terms of engagement letters, and fees for audit and non-audit services for the Year;
- (11) reviewed the arrangement for employees to raise concerns about possible improprieties in financial reporting, internal control or other related matters;
- (12) reviewed and discussed internal audit reports prepared by Internal Audit Department;
- (13) considered and approved the internal audit plan for the year 2020;
- (14) reviewed the effectiveness of internal audit function;
- (15) reviewed the Company's policies and practices on corporate governance, compliance with the CG Code and disclosure in the Corporate Governance Report;
- (16) reviewed the Company's policies and practices on compliance with legal and regulatory requirements and the compliance of such policies and practices;
- (17) reviewed the code of conduct for the Directors and the compliance of such code;
- (18) reviewed the code of practice for employees;
- (19) reviewed the sufficiency of training and continuous professional development for the Directors and senior executives;
- (20) reviewed the progress of risk management;
- (21) reviewed the effectiveness and adequacy of risk management and internal control systems; and
- (22) reviewed the impact of adoption of new Hong Kong Financial Reporting Standards.

董事會轄下委員會 (續)

審核委員會 (續)

履行之工作 (續)

- (10) 與獨立核數師討論本年度週年核數之性質及範圍以及獨立核數師之報告責任；審閱及批准聘任書之條款，以及有關核數及非核數服務之費用；
- (11) 檢討僱員就財務匯報、內部監控或其他相關方面可能發生之不正當行為提出關注之安排；
- (12) 審閱及討論由內部審核部準備之內部審核報告；
- (13) 考慮及批准二零二零年年度之內部審核計劃；
- (14) 檢討內部審核職能之有效性；
- (15) 檢討本公司之企業管治政策及常規、常規守則之遵守情況及企業管治報告書內之披露；
- (16) 檢討本公司在遵守法律及監管規定方面的政策及常規及該政策及常規之遵守情況；
- (17) 檢討董事操守守則及該守則之遵守情況；
- (18) 檢討僱員常規守則；
- (19) 檢討董事及高級行政人員之培訓及持續專業發展是否足夠；
- (20) 檢討風險管理之進度；
- (21) 檢討風險管理及內部監控系統之有效性及是否足夠；及
- (22) 檢討採納新訂香港財務報告準則之影響。

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

Works Performed (Cont'd)

In March 2020, the Audit Committee reviewed (i) the Group's final results and draft audited consolidated financial statements for the Year; (ii) the Company's compliance with the CG Code during the Year and disclosure in the Corporate Governance Report; (iii) the sufficiency of training and continuous professional development for Directors and senior executives for the Year; (iv) the effectiveness and adequacy of risk management and internal control systems for the Year; and (v) the effectiveness of internal audit function of the Group for the Year. The Audit Committee also made recommendation to the Board on the re-appointment of retiring Independent Auditors for shareholders' approval at the forthcoming annual general meeting (the "2020 AGM").

Independent Auditors

In order to enhance independent reporting by Independent Auditors, the engagement director of the Independent Auditors is subject to periodical rotation, and the nature and ratio of annual fees payable to Independent Auditors for non-audit services and for audit services are subject to scrutiny by the Audit Committee. A policy of non-audit services from Independent Auditors was established. The Audit Committee considers whether there is clear efficiency and value-added benefit to the Company from that work being undertaken by the Independent Auditors; whether there is adverse effect on the independence of their audit work or the perception of such independence; the nature of the non-audit services envisaged to be provided by the Independent Auditors; and the related fee levels individually and in aggregate relative to the audit fees. In addition, a policy restricting the employment of employees or former employees of Independent Auditors as senior executives or financial positions with the Group has also been in place.

During the Year, the Independent Auditors had been engaged in providing non-audit services in relation to annual review of continuing connected transactions at a fee of HK\$100,000. The audit fees of the Independent Auditors for auditing the consolidated financial statements of the Group for the Year was HK\$2,015,000. The relevant engagement letters had been reviewed and approved by the Audit Committee.

董事會轄下委員會 (續)

審核委員會 (續)

履行之工作 (續)

於二零二零年三月，審核委員會審閱／檢討(i)本集團於本年度之全年業績及經審核綜合財務報表之初稿；(ii)本公司於本年度遵守常規守則之情況及企業管治報告書內之披露；(iii)董事及高級行政人員於本年度之培訓及持續專業發展是否足夠；(iv)風險管理及內部監控系統於本年度之有效性及是否足夠；及(v)本集團內部審核職能於本年度之有效性。審核委員會亦就續聘退任之獨立核數師向董事會提出建議，供股東於即將舉行之股東週年大會（「二零二零年股東週年大會」）上批准。

獨立核數師

為確保獨立核數師能作出獨立匯報，負責本公司核數工作的獨立核數師之參與董事將定期輪換，審核委員會亦會監管獨立核數師每年就非核數及核數服務所收之酬金性質和比例。有關獨立核數師為本公司提供非核數服務之政策已訂立。審核委員會考慮獨立核數師受聘從事之工作會否為本公司帶來明確的效益和增值作用、會否對其審核工作的獨立性或獨立形象構成負面影響、由獨立核數師提供之非核數服務之性質以及個別費用及總計費用相對於核數費用之水平。此外，本公司亦採納一套禁止聘用獨立核數師之僱員或前僱員出任本集團高級行政人員或財務職位之措施。

於本年度內，獨立核數師受聘提供非核數服務，就有關本公司之持續關連交易進行年度檢討，費用為100,000港元。獨立核數師就審核本集團於本年度之綜合財務報表之審核費用為2,015,000港元。審核委員會已審閱及批准相關之聘任書。

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

Independent Auditors (Cont'd)

Prior to the commencement of the audit of accounts of the Group, the Audit Committee had reviewed the Independent Auditors' independence and objectivity as required under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants, reviewed the terms of their engagement as well as the nature and scope of the audit and reporting obligations.

The Audit Committee was satisfied with the findings of their review of the engagement process, effectiveness, independence and objectivity of the Independent Auditors.

Remuneration Committee

Role and Function

The Remuneration Committee is responsible for reviewing the remuneration policies for all Directors and senior executives. The Remuneration Committee is also responsible to review regularly and make recommendations to the Board on the remuneration package of individual EDs and senior executives as well as the remuneration of NEDs. It would consult the Chairman or the CEO on the remuneration proposals whenever it thinks fit.

The objective of remunerating the Directors and senior executives of the Company is to ensure that there is an appropriate level of remuneration to attract and retain experienced businessmen or professionals of high calibre to act as the Directors and senior executives to oversee the Company's businesses and development.

Meetings

The Remuneration Committee held three meetings during the Year.

董事會轄下委員會 (續)

審核委員會 (續)

獨立核數師 (續)

於審核本集團賬目時，審核委員會已根據由香港會計師公會頒布之《會計師專業操守守則》檢討獨立核數師之獨立性和客觀性、檢討其聘任條款、審核性質及範圍，以及報告責任。

審核委員會滿意其就獨立核數師之聘任程序、有效性、獨立性及客觀性所作出之檢討結果。

薪酬委員會

角色及職能

薪酬委員會負責檢討所有董事及高級行政人員之薪酬政策。薪酬委員會亦負責對個別執行董事及高級行政人員之薪酬待遇以及非執行董事之酬金作定期檢討及向董事會提出建議。薪酬委員會將在其認為恰當之情況下就薪酬方案諮詢主席或行政總裁。

本公司釐定董事及高級行政人員薪酬之宗旨為確保薪酬水平適當，以吸引及留效富經驗之營商者或高質素之專業人士為董事及高級行政人員，監督本公司之業務及發展。

會議

薪酬委員會於本年度舉行三次會議。

BOARD COMMITTEES (Cont'd)

Remuneration Committee (Cont'd)

Works Performed

The works performed by the Remuneration Committee in the Year are summarised below:-

- (1) assessed the performance of EDs;
- (2) reviewed and recommended to the Board the EDs' and senior executives' remuneration packages for the Year;
- (3) noted the annual discretionary bonus to employees;
- (4) recommended to the Board to fix the Directors' fee of NEDs for the Year; and
- (5) reviewed and recommended to the Board the ED's and senior executives' remuneration packages for the year ending 31 December 2020, including the adjustment of ED's monthly salary of (i) Ms. Chan, Lok-wan to HK\$63,000 and (ii) Mr. Lam, Kwong-wai to HK\$195,100 and such adjustment has approved by the Board with reference to their duties and responsibilities in the Group as well as the prevailing market conditions.

Remuneration Policy for EDs

The primary goal of the remuneration policy on EDs' remuneration package is to enable the Company to retain and motivate EDs by linking their reward with performance as measured against corporate objectives. In determining guidelines for each reward element, the Company refers to remuneration surveys on companies operating in similar businesses.

Remuneration Policy for NEDs and INEDs

The Directors' fees of NEDs and INEDs are subject to annual assessment with reference to their duties and responsibilities and the prevailing market conditions as appropriate. Reimbursement is allowed for out-of-pocket expenses incurred in connection with performance of their duties.

董事會轄下委員會 (續)

薪酬委員會 (續)

履行之工作

薪酬委員會於本年度履行之工作概述如下：—

- (1) 評估執行董事表現；
- (2) 檢討及向董事會建議執行董事及高級行政人員於本年度之薪酬待遇；
- (3) 知悉發給僱員之年度酌情花紅；
- (4) 向董事會建議釐定非執行董事於本年度之董事袍金；及
- (5) 檢討及向董事會建議執行董事及高級行政人員於截至二零二零年十二月三十一日止之薪酬待遇，包括調整執行董事(i)陳諾韻女士之月薪至63,000港元及(ii)林光蔚先生之月薪至195,100港元，而該調整經董事會參照彼等於本集團之職務與責任及當時市況釐定而獲批准。

執行董事之薪酬政策

有關執行董事薪酬待遇之薪酬政策主要目的乃讓本公司以公司目標為衡量標準，將執行董事之薪酬與表現掛鉤，藉以留效和激勵執行董事。本公司決定每項薪酬元素之指引時會參考從事相近業務之公司之薪酬調查。

非執行董事及獨立非執行董事之薪酬政策

非執行董事及獨立非執行董事之董事袍金乃參照其職務與責任及當時市況（如適用）釐定，並按年評估。彼等可獲償付就履行職責而產生之實付開支。

BOARD COMMITTEES (Cont'd)

Nomination Committee

Role and Function

The role of the Nomination Committee is to lead the process and make recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing the Company, as well as business development and requirements of the Company.

Meeting

The Nomination Committee held one meeting during the Year.

Works Performed

The works performed by the Nomination Committee in the Year are summarised below:–

- (1) reviewed the structure, size, composition and diversity of the Board; and
- (2) recommended to the Board on the re-appointment of Directors for shareholders' approval.

After the Year end, the Nomination Committee made recommendation to the Board on the re-appointment of retiring Directors for shareholders' approval at the 2020 AGM.

董事會轄下委員會 (續)

提名委員會

角色及職能

提名委員會之角色為於需要額外委任董事或填補董事職務之臨時空缺時，因應本公司面對之挑戰及機遇，以及在配合本公司之業務發展及需要下，作出領導及就委任向董事會提出建議。

會議

提名委員會於本年度舉行一次會議。

履行之工作

提名委員會於本年度履行之工作概述如下：—

- (1) 檢討董事會之架構、人數、組成及多元化；及
- (2) 向董事會提出重新委任董事之建議供股東批准。

於本年度完結後，提名委員會就重新委任退任之董事向董事會提出建議，供股東於二零二零年股東週年大會上批准。

BOARD COMMITTEES (Cont'd)

Nomination Committee (Cont'd)

Nomination Policy, Procedures, Process and Criteria

The Nomination Committee reviews the structure, size, composition and diversity (including the evaluation of skills, knowledge, professional experience, cultural and educational background, gender and age of the Board members and assessment on the independence of the INEDs) of the Board at least annually. It is responsible for making recommendations on any proposed changes to the Board to complement the Company's corporate strategy and succession planning for the Directors from time to time and selecting suitable and qualified individuals to become Board members. In evaluating and selecting candidate(s) for directorship, the Nomination Committee considers the character and integrity; skills and expertise; professional and educational background; potential time commitment for the board and/or committee responsibilities; and the elements of the Board Diversity Policy as stated below etc. The Nomination Committee makes recommendation to the Board to appoint the appropriate person among the candidates nominated for directorship. The Board appoints suitable candidate(s) in accordance with the Bye-laws of the Company and the Listing Rules.

Board Diversity Policy

The Company recognises and embraces the benefit of having a diverse board, and sees increasing diversity at board level as an essential element in maintaining a competitive advantage and achieving long-term sustainable growth for the Group. A board diversity policy (the "Board Diversity Policy") has been adopted since September 2013. Elements of the Board Diversity Policy include gender, age, cultural and educational background, professional experience, skills and knowledge of Directors. The said elements have substantially been included in the current Board composition.

董事會轄下委員會 (續)

提名委員會 (續)

提名政策、程序、過程及準則

提名委員會至少每年檢討董事會的架構、人數、組成及多元化（包括對董事會成員之技能、知識、專業經驗、文化及教育背景、性別及年齡作評估，及對獨立非執行董事之獨立性作評核）。提名委員會負責不時就任何為配合本公司之企業策略而擬對董事會作出的變動及就董事之繼任計劃提出建議並挑選合適及合資格人士成為董事會成員。於評估及挑選董事職位之人選時，提名委員會會考慮其品格及誠信；技能及專長；專業及學術背景；就履行董事會及／或委員會職責承諾能投放之時間；以及下述之董事會多元化政策之元素等。提名委員會在董事職位之候選名單中挑選合適人選並向董事會提供建議。董事會根據本公司之公司細則及上市規則，委任合適之人士。

董事會多元化政策

本公司認同及相信多元化董事會帶來之裨益，並視董事會日益多元化為維持本集團競爭優勢及實現長遠可持續增長之必須元素。董事會多元化政策（「董事會多元化政策」）自二零一三年九月起被採納。董事會多元化政策之元素包括董事之性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會目前之組成已大致包含上述元素。

INVESTMENT COMMITTEE

Investment Committee had been established since 15 April 2014, comprising Ms. Chan, Sze-wan as chairman, Mr. Lam, Kwong-wai as chief investment officer, Mr. Chan, Kwok-wai and Mr. Ma, Tsz-chun as members with written terms of reference in place. It is empowered to manage the investment business of the Group (other than real estate investment) and to make recommendations and provide advice to the Board in relation to investment or potential investment.

ATTENDANCE RECORD OF DIRECTORS

Attendance record of each of the Board members is as follows:—

投資委員會

投資委員會自二零一四年四月十五日成立，由陳詩韻女士出任主席、林光蔚先生出任投資總監、陳國偉先生及馬時俊先生為成員組成，其書面職權範圍亦已制定。投資委員會獲授權管理本集團之投資業務（房地產投資除外），以及就有關投資或潛在投資項目向董事會提供建議及意見。

董事出席記錄

各董事會成員之出席記錄載列如下：—

Attendance Record of Directors 董事出席記錄							
No. of meetings attended/held in 2019 (Percentage of attendance in total) 於二零一九年出席/舉行會議數目(總出席率)							
Name of Directors	董事姓名	Regular Board Meeting 定期董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Investment Committee Meeting 投資委員會會議	Annual General Meeting 股東週年大會
Executive Directors		執行董事					
Ms. Chan, Sze-wan (CEO)	陳詩韻女士 (行政總裁)	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	4/4 (100%)	1/1 (100%)
Ms. Chan, Hoi-wan	陳凱韻女士	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1/1 (100%)
Ms. Chan, Lok-wan	陳諾韻女士	3/4 (75%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	Absent 缺席
Mr. Lam, Kwong-wai	林光蔚先生	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	4/4 (100%)	1/1 (100%)
Non-executive Directors		非執行董事					
Mr. Lau, Ming-wai (Chairman)	劉鳴煒先生 (主席)	3/4 (75%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	Absent 缺席
Ms. Amy Lau, Yuk-wai	劉玉慧女士	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1/1 (100%)
Independent Non-executive Directors		獨立非執行董事					
Mr. Chan, Kwok-wai	陳國偉先生	4/4 (100%)	4/4 (100%)	3/3 (100%)	1/1 (100%)	4/4 (100%)	1/1 (100%)
Ms. Phillis Loh, Lai-ping	羅麗萍女士	4/4 (100%)	4/4 (100%)	3/3 (100%)	1/1 (100%)	N/A 不適用	1/1 (100%)
Mr. Ma, Tsz-chun	馬時俊先生	4/4 (100%)	4/4 (100%)	3/3 (100%)	1/1 (100%)	4/4 (100%)	1/1 (100%)

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms without deviation from the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). All Directors, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the Model Code and the said code of conduct during the Year.

證券交易之標準守則

本公司已採納一套董事進行證券交易之守則，其條款與上市規則附錄十《上市發行人董事進行證券交易的標準守則》（「標準守則」）所規定之標準別無差異。經本公司作出明確查詢後，所有董事均已確認彼等已於本年度內遵守標準守則所規定之標準及前述之交易守則。

MODEL CODE FOR SECURITIES TRANSACTIONS

(Cont'd)

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees (the "Relevant Employees") who, because of office or employment, are likely to be in possession of unpublished inside information in relation to the Group's securities had been requested to follow such code when dealing in the securities of the Company. All Relevant Employees, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the said code during the Year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility to ensure that the Group maintains an effective risk management and internal control systems and review of their effectiveness through the Audit Committee at least annually. The Board oversees the Company's senior management in the design, implementation and monitoring of the risk management and internal control systems and acknowledges that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Internal Audit Department is responsible for reviewing relevant financial, operational and compliance controls and risk management functions, and reporting their findings and advice to the Audit Committee.

Internal Audit

Internal Audit Department reports directly to the Audit Committee and is independent of the Company's management, with key tasks to:-

- (1) assess and monitor internal controls of the Group with unrestricted direct access right to any levels of management whenever it considered necessary;
- (2) conduct comprehensive internal audits of the practices and procedures, income and expenditures, and internal control of all business units of the Group on a regular basis; and
- (3) carry out special reviews and investigations on areas of concern identified by the management for corrective actions.

證券交易之標準守則 (續)

本公司亦已採納一套有關僱員進行證券交易之守則，其條款不遜於標準守則所規定之標準。本公司已要求所有因其職位或崗位而極可能掌握有關本集團證券之未公布內幕消息之有關僱員（「有關僱員」），於買賣本公司證券時遵守該守則。經本公司作出明確查詢後，所有有關僱員均已確認彼等已於本年度內遵守前述守則所規定之標準。

風險管理及內部監控

董事會確認其確保本集團設有有效的風險管理及內部監控系統之責任，並透過審核委員會最少每年檢討該等系統之有效性。本公司高級管理層在董事會監督下設計、實行及監察風險管理及內部監控系統，而董事會確認有關系統乃為管理而非消除未能達成業務目標之風險而設，且只能就重大的失實陳述或損失提供合理而非絕對之保證。內部審核部負責檢討相關之財務、營運及監控控制以及風險管理功能，並將檢討結果及建議提交審核委員會。

內部審核

內部審核部乃獨立於本公司之管理層，並直接向審核委員會匯報，其主要工作為：-

- (1) 於其認為有需要時，以無限制權力直接接觸任何管理層，以評估及監察本集團之內部監控；
- (2) 定期就本集團之常規及程序、收入和開支，及所有業務單位之內部監控進行全面的內部審核；及
- (3) 對管理層所識別應關注之範疇進行特別檢討及調查，以作出糾正。

RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

Internal Audit (Cont'd)

Internal Audit Department produces an annual internal audit plan based on a risk assessment methodology for the Audit Committee's approval. Internal audits are carried out on a regular basis according to the approved plan. Internal audit reports summarising audit findings and recommendations are prepared from time to time for the Audit Committee's review and discussion. Management is responsible for ensuring that control weaknesses highlighted in internal audits are rectified within a reasonable period. Internal Audit Department would monitor the proper implementation of corrective measures.

During the Year, Internal Audit Department had conducted six internal audits, relevant reports had been submitted to the Audit Committee for consideration. The Audit Committee was satisfied with the scope and quality of works done, and the extent and frequency of communication of internal audit reports by the Internal Audit Department. The Audit Committee was also satisfied with the effectiveness of the internal audit function of the Group.

Risk Management

Risk Management Framework

The Company established an Enterprise Risk Management Framework that includes a risk management policy and procedures, as well as a designated risk management officer who helps to deploy the risk management process across the business.

Risk Management Process

Our risk management process includes risk identification, risk assessment and prioritisation, risk owner appointment, risk treatment and upward reporting and monitoring of identified risks to the Audit Committee. A corporate risk register has been established to track and document the identified risks, risk owners, mitigating actions and control measures, and facilitates continuous update of risk treatments.

Half-yearly reviews were conducted to follow up on the significant risks and related actions as documented in the corporate risk register, and the results reported to the Audit Committee. The year end risk management assessment result was reported to the Board through the Audit Committee. The Company will continue to enhance and standardize our approach to manage risks.

風險管理及內部監控 (續)

內部審核 (續)

內部審核部以風險評估法制定年度內部審核計劃，並交由審核委員會批准。內部審核工作乃按經批准之計劃定期進行。內部審核部將綜合審核結果及建議之內部審核報告不時呈交予審核委員會審閱及討論。管理層負責確保於內部審核工作中識別之監控弱點於合理時間內糾正。內部審核部會監察相關糾正措施有否恰當地實行。

於本年度內，內部審核部共進行了六次內部審核，有關報告亦已提呈審核委員會考慮。審核委員會對內部審核部之工作範疇及質素，及所提交之內部審核報告之詳盡程度及次數感到滿意。審核委員會對本集團之內部審核職能之有效性亦感到滿意。

風險管理

風險管理架構

本公司建立企業風險管理架構，當中包括制訂風險管理政策及程序，並指派風險管理主任協助於業務上下應用風險管理程序。

風險管理程序

本公司之風險管理程序包括風險辨識、風險評估及優次排序、委任風險負責人、風險處理及向審核委員會上報及監察已辨識風險。本公司已建立企業風險紀錄冊，以追蹤並記錄已辨識風險、風險負責人、紓解行動及監控措施，並協助持續更新風險處理情況。

本公司每半年進行檢討，以跟進企業風險紀錄冊記錄之重大風險及相關行動，並向審核委員會匯報結果。年終風險管理評估結果經由審核委員會向董事會匯報。本公司將繼續加強風險管理並將風險管理方針標準化。

RISK MANAGEMENT AND INTERNAL CONTROL**風險管理及內部監控 (續)**

(Cont'd)

Risk Management (Cont'd)**風險管理 (續)****Risk Management Process (Cont'd)****風險管理程序 (續)**

Subsequent to the Year, the Audit Committee has reviewed the effectiveness and adequacy of risk management system for the Year and the Board is satisfied with the effectiveness and adequacy of the risk management system of the Group and considered that the Company had complied with the Code Provisions in respect of risk management during the Year.

於本年度後，審核委員會已檢討本年度風險管理系統是否行之有效及足夠，而董事會對本集團之風險管理系統之有效性及足夠性感到滿意，並認為本公司於本年度已遵守有關風險管理之守則條文。

Internal Control**內部監控****Annual Review****年度檢討**

Based on the annual assessment made by the Independent Auditors and the works done by Internal Audit Department, the Audit Committee and the Board are satisfied with the effectiveness and adequacy of the system of internal control of the Group and concluded that:-

根據獨立核數師之年度評估以及內部審核部所完成之工作，審核委員會及董事會對本集團之內部監控系統之有效性及足夠性感到滿意，並總結：－

- | | |
|---|---|
| <p>(1) the Company had complied with the Code Provisions in respect of internal control during the Year;</p> | <p>(1) 本公司於本年度內已遵守有關內部監控之守則條文；</p> |
| <p>(2) a framework of prudent and effective controls had been established to identify, evaluate and manage the risks;</p> | <p>(2) 本集團已設立審慎及有效之監控架構以識別、評估及管理風險；</p> |
| <p>(3) internal control and accounting systems of the Group were effective and adequate;</p> | <p>(3) 本集團之內部監控及會計系統屬有效及充足；</p> |
| <p>(4) significant risks and control failings or weaknesses (if any) that may influence the Group and the changes since last annual review had been identified, evaluated and managed through the ongoing monitoring process;</p> | <p>(4) 本公司已透過持續監察過程識別、評估及管理可能影響本集團之重大風險及重大監控失誤或重大監控弱項（如有）以及自上年檢討後之轉變；</p> |
| <p>(5) material transactions were executed with the management's authorisation;</p> | <p>(5) 本集團之重大交易獲管理層授權而執行；</p> |
| <p>(6) the Company's processes for financial reporting and Listing Rules compliance were effective; and</p> | <p>(6) 本公司有關財務報告及遵守上市規則規定之過程屬有效；及</p> |
| <p>(7) the resources, qualifications and experience of staff of the Group's accounting, financial reporting and internal audit functions, and their training programmes and budget were adequate.</p> | <p>(7) 本公司在會計、財務匯報及內部審核職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算屬充足。</p> |

COMMUNICATIONS WITH SHAREHOLDERS

The Company acknowledges that general meetings are good communication channel with shareholders that the Directors and the chairmen of the Board Committees are encouraged to attend and answer questions from shareholders at general meetings. The chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee as well as the Independent Auditors had attended the annual general meeting of the Company held on 24 May 2019 ("2019 AGM") to answer questions from shareholders.

At the commencement of each general meeting, the chairman of the meeting had explained the procedures for conducting a poll to the shareholders and the shareholders were allowed to raise any question concerning the poll procedures. At each of the meetings, separate resolutions were proposed by the chairman of the meeting and put forward to the shareholders for poll voting. Details of poll results are available at the Company's website (www.chineseestates.com).

As a channel to promote effective communication, the Company maintains a corporate website (www.chineseestates.com) to disseminate the Group's information.

The Company regulates the handling and dissemination of inside information as set out in the corporate communications manual to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. Such manual also provides guidance for coordinating the disclosure of material information to investors, analysts and media, identifies who could speak on the Company's behalf, and outlines the responsibility for communication with various stakeholder groups.

A shareholders' communication policy for enhancement of the corporate governance had been established and the Board had reviewed the shareholders' communication policy during the Year.

與股東之溝通

本公司深信股東大會為公司與股東之間良好之溝通渠道，並鼓勵董事及董事會轄下委員會主席出席股東大會及解答有關股東提問。審核委員會、薪酬委員會及提名委員會主席聯同獨立核數師均有出席於二零一九年五月二十四日舉行之股東週年大會（「二零一九年股東週年大會」）以回應股東提問。

於各股東大會開始時，大會主席向股東解釋以投票方式表決的程序，並容許股東可就相關表決程序作出提問。於各股東大會上，大會主席提呈獨立決議案，並提交予股東投票。有關投票表決結果之詳情可於本公司網站(www.chineseestates.com)瀏覽。

為提高溝通成效，本公司設有公司網站 (www.chineseestates.com)，以發放本集團資料。

本公司按企業通訊手冊所載監管內幕消息的處理及發布，以確保該等內幕消息經妥為批准披露前維持保密，並以有效率及一致的方式發布。該手冊亦訂明向投資者、分析員及傳媒披露重要資料之指引，確定可代表本公司發言之人士，以及界定與各利益相關團體溝通之責任。

為提升企業管治，本公司已制定股東通訊政策，董事會亦於本年度內檢討該股東通訊政策。

DIVIDEND POLICY

The Board has approved and adopted a dividend policy for the Company on 5 March 2019 that aims to set out the principles and guidelines of the Company in relation to the declaration, recommendation and payment of dividends to its shareholders (the "Dividend Policy").

Under the Dividend Policy, the Company does not have any pre-determined dividend payout ratio. Distribution of dividends should be in the interests of the Company and its shareholders as a whole. When considering dividend declaration or recommendation, the Board shall take into account the following factors:-

- (1) business condition and strategy of the Group;
- (2) capital requirement for the Group's existing/potential project or investment;
- (3) earnings, financial and cash flow position and distributable reserves of the Company and the Group; and
- (4) other factors that the Board deems relevant.

The declaration and payment of dividends is subject to the provisions of the Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended from time to time) and any other applicable laws, rules and regulations.

The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in future.

The Board has the sole discretion to recommend or not to recommend final dividends to the shareholders for approval; and to declare or not to declare any other dividends, including but not limited to interim and/or special dividends, after taking into consideration the factors as stated in (1) to (4) above.

The Dividend Policy may be updated, amended, modified and/or cancelled from time to time as the Board may think fit and necessary.

股息政策

董事會於二零一九年三月五日批准並採納本公司之股息政策，旨在列明有關本公司向其股東宣派、建議及派發股息之原則及指引（「股息政策」）。

根據股息政策，本公司並無任何預定的派息比率。派發股息應符合本公司及其股東的整體利益。當考慮宣派或建議派發股息時，董事會應考慮以下因素：—

- (1) 本集團的業務狀況及策略；
- (2) 本集團現有／潛在項目或投資的資本需求；
- (3) 本公司及本集團的盈利、財務及現金流量狀況以及可分派儲備；及
- (4) 董事會認為相關的其他因素。

宣派及派付股息受限於本公司之細則、百慕達一九八一年公司法（經不時修訂）及任何其他適用法律、規則及法規。

本公司過往的股息分派記錄不可用作釐定本公司日後可能宣派或派付之股息水平之參考或基準。

董事會經考慮上述(1)至(4)項因素後，可全權酌情建議或不建議向股東派發末期股息；及宣派或不宣派任何其他股息，包括但不限於中期及／或特別股息。

董事會認為適當和必要時，可不時更新、修訂、修改及／或取消股息政策。

SHAREHOLDERS' RIGHTS

Convene a Special General Meeting

Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company can at all times submit a signed written requisition, specifying the purpose, to the Board or the Company Secretary to request the convening of a special general meeting ("SGM") and deposit the requisition at the principal office of the Company in Hong Kong or the registered office of the Company in Bermuda, the addresses are disclosed in "Corporate Information" of this annual report.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionist(s), or any of them representing more than one half of the total voting rights of all of them, may convene a SGM, but any SGM so convened shall not be held after the expiration of three months from twenty-one days of the deposit.

Put Forward the Proposals at Shareholders' Meeting

Shareholder(s) representing not less than one-twentieth of the total voting rights of all shareholders having a right to vote at the general meeting at the date of the requisition or shareholders not less than 100 in total can submit a written requisition to the Board or the Company Secretary to propose a resolution at the general meeting (the "Written Requisition").

The Written Requisition must be accompanied by (i) the proposed resolution; and (ii) a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with at the general meeting. The Written Requisition must contain the signatures of all the requisitionist(s). The Written Requisition must be deposited at the principal office of the Company in Hong Kong or the registered office of the Company in Bermuda, the addresses are disclosed in "Corporate Information" of this annual report, not less than six weeks before the general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition.

股東權利

召開股東特別大會

股東（於送達書面要求日期擁有不少於本公司已繳足股本十分之一附有權利可於本公司股東大會上投票之股份）可隨時向董事會或公司秘書提交已簽署並列明目的之書面要求，要求召開股東特別大會（「股東特別大會」），並將該書面要求送達本公司香港主要辦事處或本公司百慕達註冊辦事處，地址均載於本年報「公司資料」內。

倘董事會未能於送達日期起計二十一日內召開股東特別大會，則提出要求人士或持有全體提出要求人士之過半數總投票權之任何要求人士可自行召開股東特別大會，惟任何因此召開之股東特別大會不可於送達日期第二十一日起計三個月後舉行。

於股東大會提呈建議

股東（於要求日期擁有不少於全體有權於股東大會上投票之股東總投票權二十分之一），或不少於合共一百名股東，可向董事會或公司秘書提呈書面要求於股東大會上提呈決議案（「書面要求」）。

書面要求須連同(i)提呈之決議案；及(ii)一份不多於一千字有關提呈之決議案所述之事宜或將於股東大會上處理之事務之陳述書。書面要求須包含全體要求人士之簽名。如該要求牽涉發出決議案通知，書面要求須於股東大會前不少於六個星期前送達本公司香港主要辦事處或本公司百慕達註冊辦事處，地址均載於本年報「公司資料」內；如屬於任何其他要求，則須於股東大會前不少於一個星期前送達。

SHAREHOLDERS' RIGHTS (Cont'd)

Put Forward the Proposals at Shareholders' Meeting (Cont'd)

Provided that if, after a copy of the Written Requisition requiring notice of a resolution has been deposited at the principal office of the Company in Hong Kong or the registered office of the Company in Bermuda, an annual general meeting is called for a date which is six weeks or less after the copy has been deposited, the copy though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement given by the requisitionists to all shareholders in accordance with the requirements under the applicable laws and rules.

Propose a Candidate for Election as a Director at an Annual General Meeting

Procedures for shareholders to propose a person for election as a Director had been established and published at the Company's website (www.chineseestates.com).

Shareholders' enquiries

Shareholders can raise their enquiries to the Board or the Company Secretary in writing by sending such written enquiries to the principal office of the Company in Hong Kong at the address disclosed in "Corporate Information" of this annual report or by email at investor.relations@chineseestates.com. Shareholders also have right to raise questions at general meetings.

CONSTITUTIONAL DOCUMENTS

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

股東權利 (續)

於股東大會提呈建議 (續)

倘須發出決議案通知之書面要求副本已送達本公司香港主要辦事處或本公司百慕達註冊辦事處，而本公司於該副本送達後六個星期或少於六個星期之日召開股東週年大會，則即使該副本未於規定時間內送達亦應視作妥為送達。

股東需存放一筆用於支付本公司根據適用的法律及條例規定而向全體股東送達決議案通知及傳閱要求人士提交的陳述書所產生的開支的合理及足夠款項。

提名人選於股東週年大會參選董事

本公司已制定股東提名人參選董事的程序，並於本公司網站發布 (www.chineseestates.com)。

股東查詢

股東可以書面方式向董事會或公司秘書作查詢，該書面查詢可送交至本公司香港主要辦事處，地址載於本年報「公司資料」內或電郵至 investor.relations@chineseestates.com。股東亦有權於股東大會上作出提問。

組織章程文件

於本年度，本公司之組織章程文件沒有任何變動。

DEVIATIONS FROM CODE PROVISIONS

Non-executive Directors Attending General Meeting

Mr. Lau, Ming-wai, a NED, was unable to attend the 2019 AGM as he had business engagement.

Chairman Attending Annual General Meeting

Mr. Lau, Ming-wai, the Chairman, was unable to attend the 2019 AGM as he had business engagement. Mr. Chan, Kwok-wai, the chairman of the Audit Committee and the Remuneration Committee, was elected as the chairman of the 2019 AGM to ensure effective communication with shareholders of the Company at the 2019 AGM. The chairman of the Nomination Committee, Ms. Phyllis Loh, Lai-ping had also attended the 2019 AGM.

CONCLUSION

The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be put to review its corporate governance practices from time to time so as to accommodate the changing circumstances. The Company will strive to maintain and strengthen the standard and quality of its corporate governance.

偏離守則條文

非執行董事出席股東大會

非執行董事劉鳴煒先生因公務而未能出席二零一九年股東週年大會。

主席出席股東週年大會

董事會主席劉鳴煒先生因公務而未能出席二零一九年股東週年大會。審核委員會及薪酬委員會主席陳國偉先生被選為二零一九年股東週年大會主席，以確保與本公司股東於二零一九年股東週年大會上保持有效的溝通。提名委員會主席羅麗萍女士亦有出席二零一九年股東週年大會。

總結

本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以符合環境上之轉變。本公司將致力維持及加強其企業管治標準及質素。

The directors of the Company (the "Directors" or the "Board") are pleased to present to the shareholders their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2019 (the "Year").

PRINCIPAL ACTIVITIES

During the Year, the Company acted as an investment holding company and its subsidiaries were principally engaged in property investment and development, brokerage, securities investment, money lending and cosmetics distribution and trading.

BUSINESS REVIEW

A review of the business of the Group during the Year, discussion on the Group's future business development and description of possible risks and uncertainties that the Group may be facing can be found in the Chairman's Statement of this annual report. Furthermore, the financial risk management objectives and policies of the Group can be found in Note 5 to the consolidated financial statements. Particulars of important events affecting the Group that have occurred since the end of the Year are contained in the Chairman's Statement of this annual report. An analysis of the Group's performance during the Year using financial key performance indicators is provided in the Financial Operation Review of this annual report. Discussions on the Group's environmental policies and performance, relationships with its key stakeholders, and compliance with the relevant laws and regulations that have a significant impact on the Group are provided/will be provided in the Chairman's Statement, the Corporate Governance Report, the Directors' Report of this annual report and/or the 2019 Environmental, Social and Governance Report to be available on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company respectively.

OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to profit for the Year from operations analysed by principal activities are set out in Notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

Particulars of the Company's principal subsidiaries, associates and joint venture as at 31 December 2019 are set out in Notes 48 and 49 to the consolidated financial statements.

本公司董事（「董事」或「董事會」）欣然向股東提呈董事會報告書連同本公司及其附屬公司（「本集團」）截至二零一九年十二月三十一日止年度（「本年度」）之經審核綜合財務報表。

主要業務

於本年度內，本公司為一間投資控股公司，其附屬公司主要從事物業投資及發展、經紀服務、證券投資、放債及化妝品分銷及貿易業務。

業務審視

有關本集團本年度內業務的審視、本集團未來業務發展之討論及本集團面對的潛在風險及不明朗因素的陳述，載於本年報之主席報告書內。另外，綜合財務報表附註5刊載了本集團的財務風險管理目標及政策。本年度結束後發生並對本集團有影響的重大事項之詳情，則刊載於本年報之主席報告書內。以財務關鍵表現指標分析的本集團年內表現於本年報之財務業務回顧內列載。關於本集團環境政策及表現、與主要權益人的關係、及對本集團有重大影響的相關法律與法規之遵守情況之討論分別／將分別於本年報的主席報告書、企業管治報告書、董事會報告書及／或將於香港聯合交易所有限公司（「聯交所」）及本公司網站上載之二零一九年環境、社會及管治報告書內列載。

營運分類資料

本集團以主要業務劃分之收入及本年度經營溢利貢獻分析載於綜合財務報表附註7及8。

附屬公司、聯營公司及合資公司

本公司於二零一九年十二月三十一日之主要附屬公司、聯營公司及合資公司之詳情，載於綜合財務報表附註48及49。

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 97 to 98.

During the Year, the Board had declared and paid an interim dividend of HK1 cent per share (payment date: 27 August 2019) (2018: HK1 cent per share).

The Board resolved to recommend the payment of a final dividend of HK1 cent per share (2018: HK10 cents per share) for the Year.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on pages 258 to 259.

PRINCIPAL PROPERTIES AND PROPERTY DEVELOPMENT RIGHTS

Details of the principal properties and property development rights of the Group as at 31 December 2019 are set out on pages 260 to 264.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the Year are set out in Note 20 to the consolidated financial statements.

INVESTMENT PROPERTIES

During the Year, the Group did not acquire or dispose of any investment properties (2018: nil).

Other movements in investment properties during the Year are set out in Note 19 to the consolidated financial statements.

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to approximately HK\$116,000 (2018: HK\$173,000).

業績及分配

本集團於本年度之業績載於第97至第98頁之綜合全面收益報表內。

於本年度內，董事會已宣派及支付中期股息每股1港仙（派息日：二零一九年八月二十七日）（二零一八年：每股1港仙）。

董事會議決建議派發本年度之末期股息每股1港仙（二零一八年：每股10港仙）。

財務概要

本集團過去五年之業績、資產及負債概要載於第258至第259頁。

主要物業及物業發展權益

本集團於二零一九年十二月三十一日之主要物業及物業發展權益詳情載於第260至第264頁。

物業、廠房及設備

物業、廠房及設備於本年度內之變動情況載於綜合財務報表附註20。

投資物業

於本年度內，本集團並無購入或出售任何投資物業（二零一八年：無）。

其他投資物業於本年度內之變動詳情載於綜合財務報表附註19。

慈善捐款

本集團於本年度內之慈善捐款額約為116,000港元（二零一八年：173,000港元）。

GROUP BORROWINGS AND INTEREST CAPITALISED

Details of secured bank borrowings and other borrowings repayable within one year or on demand and long-term secured bank borrowings are shown in Note 36 to the consolidated financial statements.

During the Year, no interest capitalised (2018: nil) by the Group.

RESERVES

Movements in the reserves of the Group during the Year are set out on pages 102 to 106.

As at 31 December 2019, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted of approximately HK\$16,422,734,000 (2018: HK\$16,631,893,000).

SHARE CAPITAL

Movement in the share capital of the Company during the Year is set out in Note 38 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

EQUITY-LINKED AGREEMENTS

Save for the share award scheme adopted on 14 January 2009 (valid and effective until 13 January 2019), the Company has not entered into any equity-linked agreement for the Year.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's businesses were entered into or existed during the Year.

集團借貸及撥充資本化之利息

須於一年內或按要求償還之有抵押銀行借貸及其他借貸及有抵押的長期銀行借貸之詳情載於綜合財務報表附註36。

本集團於本年度內並無資本化之利息（二零一八年：無）。

儲備

本集團之儲備於本年度內之變動情況載於第102至第106頁。

於二零一九年十二月三十一日，根據百慕達一九八一年公司法（經修訂）之規定所計算，本公司可供分派之儲備約為16,422,734,000港元（二零一八年：16,631,893,000港元）。

股本

本公司之股本於本年度內之變動情況載於綜合財務報表附註38。

優先購買權

本公司於百慕達註冊成立，該司法管轄區之法律並無存在優先購買權。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

股票掛鈎協議

除於二零零九年一月十四日採納之股份獎勵計劃（有效及生效至二零一九年一月十三日）外，本公司於本年度並無訂立任何股票掛鈎協議。

管理合約

除僱員聘任合約外，本集團於本年度內並無就全部或任何重大部分之本公司業務管理及行政訂立或存在任何合約。

MAJOR CUSTOMERS AND SUPPLIERS

The revenue and aggregate revenue attributable to the Group's largest customer and five largest customers accounted for approximately 32% and 50% of the Group's total revenue for the Year respectively.

At no time during the Year did a Director, a close associate of a Director or a shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers.

The aggregate purchases attributable to the Group's five largest suppliers amounted to less than 30% of the Group's total purchases for the Year.

DIRECTORS

The Directors during the Year and up to the date of this Directors' Report are:-

Executive Directors:

Ms. Chan, Sze-wan (*Chief Executive Officer*)

Ms. Chan, Hoi-wan

Ms. Chan, Lok-wan

Mr. Lam, Kwong-wai

Non-executive Directors:

Mr. Lau, Ming-wai (*Chairman*)

Ms. Amy Lau, Yuk-wai

Independent Non-executive Directors:

Mr. Chan, Kwok-wai

Ms. Phillis Loh, Lai-ping

Mr. Ma, Tsz-chun

Ms. Chan, Sze-wan, Ms. Chan, Hoi-wan and Mr. Lam, Kwong-wai will retire from office at the forthcoming annual general meeting pursuant to Bye-law 111 of the Bye-laws of the Company and all being eligible will offer themselves for re-election.

SERVICE CONTRACTS OF DIRECTORS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

主要客戶及供應商

本集團從最大客戶及五大客戶取得之收入及合計收入分別約佔本集團於本年度之總收入之32%及50%。

董事、董事之緊密聯繫人或本公司股東（據董事所知擁有本公司股本超過5%）概無於本年度內任何時候於本集團五大客戶之中擁有權益。

本集團之五大供應商之合計購貨額低於本集團於本年度之購貨總額之30%。

董事

於本年度內及直至本董事會報告書日期止，董事為：-

執行董事：

陳詩韻女士（*行政總裁*）

陳凱韻女士

陳諾韻女士

林光蔚先生

非執行董事：

劉鳴煒先生（*主席*）

劉玉慧女士

獨立非執行董事：

陳國偉先生

羅麗萍女士

馬時俊先生

根據本公司之公司細則第111條，陳詩韻女士、陳凱韻女士及林光蔚先生將在即將舉行之股東週年大會上告退為董事，彼等均合資格及願意膺選連任。

董事服務合約

本公司或其任何附屬公司並無與董事簽訂任何一年內若由僱主終止合約時須作出賠償（法定賠償除外）之服務合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31 December 2019, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO")) as recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Appendix 10 of Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:—

I The Company

Name of Directors 董事姓名	Number of Shares Held 所持股份數目	Notes 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Lau, Ming-wai ("Mr. MW Lau") 劉鳴煒先生(「劉鳴煒先生」)	1,430,700,768	*	Founder and beneficiary of trust and other 信託之創立人及受益人及其他	74.99%
Ms. Chan, Hoi-wan ("Ms. HW Chan") 陳凱韻女士(「陳凱韻女士」)	1,430,700,768	#	Interest in controlled corporation, trustee, interest of children under 18 and other 於受控制公司之權益、信託人、未滿18歲子女之權益及其他	74.99%

Notes:

- * Mr. MW Lau was deemed to be interested in 1,430,700,768 shares of the Company in aggregate. 476,425,000 shares of the Company were directly owned by Century Frontier Limited, which was wholly owned by Alto Trust Limited as trustee of a discretionary trust of which Mr. MW Lau is the founder and a beneficiary. Mr. MW Lau was also deemed to be interested in 954,275,768 shares of the Company indirectly held by Ms. HW Chan as the trustee for her minor children Lau, Chung-hok and Lau, Sau-wah by virtue of the right of first refusal granted to Century Frontier Limited for those 954,275,768 shares.
- # Ms. HW Chan was deemed to be interested in 1,430,700,768 shares of the Company in aggregate. 954,275,768 shares of the Company were indirectly owned by Sino Omen Holdings Limited, the entire issued share capital of which was held by Ms. HW Chan as the trustee of her minor children Lau, Chung-hok and Lau, Sau-wah. Ms. HW Chan was also deemed to be interested in 476,425,000 shares of the Company indirectly held by Alto Trust Limited as trustee of a discretionary trust of which Mr. MW Lau is the founder and a beneficiary by virtue of the right of first refusal granted to Sino Omen Holdings Limited, Solar Bright Ltd. and Joseph Lau Luen Hung Investments Limited for those 476,425,000 shares.

董事及最高行政人員於本公司及相聯法團之證券權益

於二零一九年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有之權益及淡倉，按本公司根據證券及期貨條例第352條備存之登記冊所載或根據聯交所證券上市規則（「上市規則」）附錄十《上市發行人董事進行證券交易的標準守則》知會本公司及聯交所如下：—

I 本公司

附註：

- * 劉鳴煒先生被視為合共擁有1,430,700,768股本公司股份。476,425,000股本公司股份由Century Frontier Limited直接擁有，Century Frontier Limited由Alto Trust Limited（作為一項酌情信託之信託人，而劉鳴煒先生為該酌情信託之創立人及受益人）全資擁有。劉鳴煒先生亦被視為擁有由陳凱韻女士（作為其未成年子女劉仲學及劉秀樺之信託人）間接持有之954,275,768股本公司股份，因Century Frontier Limited就該等954,275,768股股份獲授予優先認購權。
- # 陳凱韻女士被視為合共擁有1,430,700,768股本公司股份。954,275,768股本公司股份由Sino Omen Holdings Limited間接擁有，其全部已發行股本由陳凱韻女士（作為其未成年子女劉仲學及劉秀樺之信託人）持有。陳凱韻女士亦被視為擁有由Alto Trust Limited（作為一項酌情信託之信託人，而劉鳴煒先生為該酌情信託之創立人及受益人）間接持有之476,425,000股本公司股份，因Sino Omen Holdings Limited、Solar Bright Ltd.及Joseph Lau Luen Hung Investments Limited就該等476,425,000股股份獲授予優先認購權。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATIONS

(Cont'd)

董事及最高行政人員於本公司及相聯法團之證券權益 (續)

II Associated corporations of the Company

II 本公司之相聯法團

Name of Director 董事姓名	Name of Associated Corporations 相聯法團名稱	Number of Share(s) Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Ms. HW Chan 陳凱韻女士	Sino Omen Holdings Limited	1,000	*	Trustee and interest of children under 18 信託人及未滿18歲子女之權益	100%
Ms. HW Chan 陳凱韻女士	Solar Bright Ltd.	1	*	Interest in controlled corporation, trustee and interest of children under 18 於受控制公司之權益、信託人及未滿18歲子女之權益	100%

Note:

* Ms. HW Chan (as the trustee for her minor children Lau, Chung-hok and Lau, Sau-wah) directly held the entire issued share capital of Sino Omen Holdings Limited. Sino Omen Holdings Limited directly held the entire issued share capital of Solar Bright Ltd.. Therefore, Ms. HW Chan as the trustee for her said minor children was also regarded as interested in the entire issued share capital of Solar Bright Ltd..

The interests stated above represent long position. The percentage shown was the number of shares the relevant Director was interested in expressed as a percentage of the number of issued shares as at 31 December 2019.

Save as disclosed above, none of the other Directors and chief executives of the Company had or were deemed under the SFO to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2019.

During the Year, none of the Directors and chief executives of the Company nor their spouses or children under 18 years of age were granted or had exercised any right to subscribe for any securities of the Company or any of its associated corporations.

附註：

* 陳凱韻女士（作為其未成年子女劉仲學及劉秀樺之信託人）直接持有Sino Omen Holdings Limited之全部已發行股本。Sino Omen Holdings Limited直接持有Solar Bright Ltd.之全部已發行股本。因此，陳凱韻女士作為其上述未成年子女之信託人，亦被視為持有Solar Bright Ltd.之全部已發行股本。

上述權益為好倉。所顯示的百分比為有關董事於二零一九年十二月三十一日所擁有之股份數目佔已發行股份數目之百分比。

除上文所披露者外，於二零一九年十二月三十一日，其他董事或本公司最高行政人員概無擁有或根據證券及期貨條例被視為擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券之任何權益或淡倉。

於本年度內，董事或本公司最高行政人員以及彼等之配偶或十八歲以下之子女概無獲授予或行使任何可認購本公司或其任何相聯法團之任何證券之權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

主要股東於本公司之證券權益

As at 31 December 2019, so far as are known to any Directors or chief executives of the Company, the following parties (other than Directors or chief executives of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:—

據董事或本公司最高行政人員所知悉，於二零一九年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（董事或本公司最高行政人員除外）如下：—

Name of Substantial Shareholders 主要股東名稱	Number of Shares Held 所持股份數目	Notes 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Joseph Lau, Luen-hung ("Mr. Joseph Lau") 劉鑾雄先生（「劉鑾雄先生」）	1,430,700,768	△	Interest of spouse, interest of children under 18 and other 配偶之權益、未滿18歲子女之 權益及其他	74.99%
Sino Omen Holdings Limited (Incorporated in the British Virgin Islands) (於英屬維爾京群島註冊成立)	1,430,700,768	#	Interest in controlled corporation and other 於受控制公司之權益及其他	74.99%
Solar Bright Ltd. (Incorporated in the British Virgin Islands) (於英屬維爾京群島註冊成立)	1,430,700,768	#	Beneficial owner, interest in controlled corporation and other 實益擁有人、於受控制公司之 權益及其他	74.99%
Alto Trust Limited (Incorporated in the British Virgin Islands) (於英屬維爾京群島註冊成立)	1,430,700,768	*	Trustee, interest in controlled corporation and other 信託人、於受控制公司之權益及 其他	74.99%
Century Frontier Limited (Incorporated in the British Virgin Islands) (於英屬維爾京群島註冊成立)	1,430,700,768	*	Beneficial owner and other 實益擁有人及其他	74.99%
Joseph Lau Luen Hung Investments Limited (Incorporated in the British Virgin Islands) (於英屬維爾京群島註冊成立)	707,409,820	#	Beneficial owner and other 實益擁有人及其他	37.08%

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY (Cont'd)

Notes:

- △ Mr. Joseph Lau was deemed to be interested in the same parcel of shares that his spouse, Ms. HW Chan, and his minor children, Lau, Chung-hok and Lau, Sau-wah, deemed to have interests.
- * Sino Omen Holdings Limited held the entire issued share capital of Solar Bright Ltd. and therefore was regarded as interested in the same parcel of shares held by Solar Bright Ltd.. Solar Bright Ltd. held the entire issued share capital of Joseph Lau Luen Hung Investments Limited and therefore was regarded as interested in the same parcel of shares held by Joseph Lau Luen Hung Investments Limited. Joseph Lau Luen Hung Investments Limited directly held 230,984,820 shares of the Company while Solar Bright Ltd. directly held 723,290,948 shares of the Company. Sino Omen Holdings Limited, Solar Bright Ltd. and Joseph Lau Luen Hung Investments Limited were also deemed to be interested in 476,425,000 shares of the Company directly held by Century Frontier Limited by virtue of the right of first refusal granted to them for those 476,425,000 shares. As such, Solar Bright Ltd. and Joseph Lau Luen Hung Investments Limited were deemed to be interested in 1,430,700,768 shares and 707,409,820 shares of the Company in aggregate respectively; Sino Omen Holdings Limited was deemed to be interested in 1,430,700,768 shares of the Company, which were referred to in the interests of Ms. HW Chan as disclosed under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations".
- * Alto Trust Limited as trustee of a discretionary trust of which Mr. MW Lau is the founder and a beneficiary held the entire share capital of Century Frontier Limited and therefore was regarded as interested in the same parcel of shares held by Century Frontier Limited. Century Frontier Limited directly held 476,425,000 shares of the Company. Century Frontier Limited was also deemed to be interested in 954,275,768 shares of the Company directly held by Solar Bright Ltd. and Joseph Lau Luen Hung Investments Limited in aggregate by virtue of the right of first refusal granted to it for those 954,275,768 shares. As such, each of Alto Trust Limited and Century Frontier Limited was deemed to be interested in 1,430,700,768 shares of the Company in aggregate, which were referred to in the interests of Mr. MW Lau as disclosed under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations".

All the interests stated above represent long positions. As at 31 December 2019, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

主要股東於本公司之證券權益 (續)

附註:

- △ 劉鑾雄先生被視為擁有其妻子陳凱韻女士及其未成年子女劉仲學及劉秀樺被視為擁有之同一批股份權益。
- * Sino Omen Holdings Limited持有Solar Bright Ltd.之全部已發行股本，故被視為擁有Solar Bright Ltd.所持有之同一批股份權益。Solar Bright Ltd.持有Joseph Lau Luen Hung Investments Limited之全部已發行股本，故被視為擁有Joseph Lau Luen Hung Investments Limited所持有之同一批股份權益。Joseph Lau Luen Hung Investments Limited直接持有230,984,820股本公司股份，而Solar Bright Ltd.直接持有723,290,948股本公司股份。Sino Omen Holdings Limited、Solar Bright Ltd.及Joseph Lau Luen Hung Investments Limited亦被視為擁有由Century Frontier Limited直接持有之476,425,000股本公司股份權益，因彼等就該等476,425,000股股份獲授予優先認購權。因此，Solar Bright Ltd.及Joseph Lau Luen Hung Investments Limited分別被視為擁有合共1,430,700,768股及707,409,820股本公司股份，而Sino Omen Holdings Limited被視為擁有1,430,700,768股本公司股份，即「董事及最高行政人員於本公司及相聯法團之證券權益」項下所披露陳凱韻女士之權益中所指之權益。
- * Alto Trust Limited (作為一項酌情信託之信託人，而劉鳴煒先生為該酌情信託之創立人及受益人)持有Century Frontier Limited之全部已發行股本，故被視為擁有Century Frontier Limited所持有之同一批股份權益。Century Frontier Limited直接持有476,425,000股本公司股份。Century Frontier Limited亦被視為擁有由Solar Bright Ltd.及Joseph Lau Luen Hung Investments Limited直接持有合共954,275,768股本公司股份權益，因彼就該等954,275,768股股份獲授予優先認購權。因此，Alto Trust Limited及Century Frontier Limited各自被視為擁有合共1,430,700,768股本公司股份，即「董事及最高行政人員於本公司及相聯法團之證券權益」項下所披露劉鳴煒先生之權益中所指之權益。

上述所有權益均為好倉。於二零一九年十二月三十一日，根據本公司按證券及期貨條例第336條備存之登記冊所載概無任何淡倉。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, Ms. Chan, Sze-wan, Ms. HW Chan and Mr. MW Lau had personal and/or directorship interests in private companies engaged in property investment business and securities investment business. As such, he/she was regarded as being interested in such businesses, which competed or might compete with the Group.

In addition, Mr. Joseph Lau, a former executive Director, Chairman of the Board and Chief Executive Officer of the Company, had through certain private companies wholly-owned by him acquired the retail shops of York Place, Excelsior Plaza (include Laforet) and Southorn Centre (also known as Wanchai Computer Centre) from the Group in 2010, certain floors and car parking spaces constituted part of the properties known as Silvercord and the properties known as The ONE from the Group in 2015 as well as the properties known as Windsor House from the Group in 2016 (collectively the "Private Properties"). Each of Ms. Chan, Sze-wan, Ms. HW Chan and Mr. MW Lau was a director of or deemed to have certain interests in one or more of the said companies during the Year. There might be potential leasing competition for existing and prospective tenancies between the Private Properties and investment properties held by the Group. In order to manage such potential leasing competition, Mr. Joseph Lau had provided certain undertakings and the Company had agreed with the Stock Exchange to implement certain measures for monitoring the compliance of such undertakings. Details of such undertakings and monitoring measures were set out in the circulars of the Company dated 18 June 2010, 23 September 2014, 7 January 2015 and 15 January 2016. The independent non-executive directors of the Company ("INEDs") had carried out an annual review on the compliance of the said undertakings and monitoring measures and confirmed that such undertakings and monitoring measures were duly complied with and considered adequate monitoring measures were in place to avoid the potential leasing competition during the Year.

The Directors are aware of their fiduciary duties and will act honestly and in good faith in the interests of the Company and will avoid any potential conflict of interests and duties. The Company comprises three INEDs and all of them are audit committee members of the Company, so that the interest of its shareholders can be adequately represented.

Other than as disclosed above, none of the Directors were interested in any businesses apart from the Company's businesses, which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

董事於競爭性業務之權益

於本年度內，陳詩韻女士、陳凱韻女士及劉鳴煒先生於經營物業投資業務及證券投資業務之私人公司中擁有個人及／或董事之權益。因此，彼等被視為於與本集團構成競爭或可能構成競爭之業務中擁有權益。

此外，劉鑾雄先生（為本公司之前執行董事、董事會主席兼行政總裁）透過若干全資擁有私人公司於二零一零年向本集團購入York Place、怡東商場（包括東角Laforet）及修頓中心（亦稱灣仔電腦城）之零售商舖，於二零一五年從本集團購入名為新港中心之物業當中若干樓層與車位及名為The ONE之物業以及於二零一六年從本集團購入名為皇室大廈之物業（統稱為「該等私人物業」）。陳詩韻女士、陳凱韻女士及劉鳴煒先生於本年度內各自為上述一間或多間公司之董事或被視為於上述一間或多間公司擁有若干權益。該等私人物業與本集團持有之投資物業之間可能存在現時及未來租約之潛在租賃競爭。為處理該等潛在租賃競爭，劉鑾雄先生已提供若干承諾，而本公司亦已向聯交所同意就監察該等承諾之遵守情況實施若干措施。有關該等承諾及監察措施之詳情已載於本公司日期為二零一零年六月十八日、二零一四年九月二十三日、二零一五年一月七日及二零一六年一月十五日之通函內。本公司之獨立非執行董事（「獨立非執行董事」）已就上述承諾及監察措施之遵守情況進行年度檢討，並確認於本年度內已遵守該等承諾及監察措施，並認為本公司已採取充足的監察措施以避免潛在租賃競爭。

董事知悉其誠信責任，將會秉誠行事以符合本公司之利益，並避免任何潛在利益及責任衝突。本公司之獨立非執行董事共三名，全部均為本公司之審核委員會成員，故足以代表其股東之利益。

除上文所披露者外，概無董事在本公司業務以外於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

DIRECTORS' INDEMNITIES

According to the Company's Bye-laws, each Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the extent allowed by the Companies Act 1981 of Bermuda (as amended)) which such Director may sustain or incur in or about the execution of the duties of the Director's office or otherwise in relation thereto. The Company has provided indemnity to INEDs since July 2014 by issuing a letter to each of the INEDs. The Company has also arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group which was in force during the Year and up to the date of this Directors' Report.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company or any of the Company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as the agreement(s) disclosed under the heading "Connected Transactions" below and the facility agreement(s) entered into between the Group and Ms. HW Chan as disclosed under "Material Related Party Transactions" in Note 47 to the consolidated financial statements, there were no other transactions, arrangements or contracts of significance in relation to the Company's businesses, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director or an entity connected with a Director had, whether directly or indirectly, a material interest, nor there were any other transactions, arrangements or contracts of significance in relation to the Company's businesses between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

董事的彌償保證

根據本公司之公司細則規定，在百慕達一九八一年公司法（經修訂）許可之情況下，公司的每位董事就履行其職務或職責或有關的其他事情而蒙受或招致所有損失或責任，均有權獲得公司以其資產賠償。本公司已於二零一四年七月向每位獨立非執行董事發出函件提供彌償保證。本公司亦已為本集團董事及高級人員安排適當的董事及高級人員責任保險，並於本年度內及截至本董事會報告書日期止有效。

購買股份或債券之安排

本公司或本公司之任何附屬公司概無於本年度內作出安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

董事及控權股東於合約之權益

除於下述「關連交易」一節所述之協議及載於綜合財務報表附註47「重大關連人士交易」有關本集團與陳凱韻女士訂立之融資協議外，於年結時或本年度內任何時間本公司或本公司之任何附屬公司所訂立與本公司業務有關之重要交易、安排或合約中，董事或與彼有關連之實體概無直接或間接擁有重大權益；此外，本公司或本公司之任何附屬公司亦無與控權股東或其任何附屬公司訂立與本公司業務有關之其他重要交易、安排或合約。

CONNECTED TRANSACTIONS

Connected Transaction

On 29 January 2020, Chase Master Company Limited, Lucky Way Company Ltd. and City Gateway Limited (all being indirect wholly-owned subsidiaries of the Company) as sellers entered into a disposal agreement with Ms. HW Chan as purchaser in relation to, inter alia, the disposal of certain debt securities at a consideration of 100% of the principal amount or market bid price (whichever is higher) (the "Disposal"). The total consideration for the Disposal was estimated to be not less than US\$840,415,000 (equivalent to approximately HK\$6,543,135,000), capped with a maximum total transaction amount of HK\$8,000 million (the "Cap Amount").

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the Disposal by reference to the Cap Amount exceeded 25% but less than 75%, accordingly the Disposal constituted a major transaction for the Company. In addition, as at the date of the relevant announcement, Ms. HW Chan was an executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children), Ms. HW Chan was a connected person of the Company. Accordingly, the Disposal also constituted a connected transaction for the Company under Chapter 14A of the Listing Rules and was therefore subject to the reporting, announcement, circular and independent shareholders' approval requirements pursuant to the Listing Rules. An announcement in respect of the Disposal was made on 29 January 2020.

The Disposal was approved by the independent shareholders of the Company at the special general meeting of the Company held on 23 March 2020. Details of the Disposal were set out in the Company's circular dated 28 February 2020.

關連交易

關連交易

於二零二零年一月二十九日，翠權有限公司、Lucky Way Company Ltd.及City Gateway Limited（全部均為本公司之間接全資擁有附屬公司）（作為賣方）與陳凱韻女士（作為買方）訂立一份出售協議，內容有關（其中包括）出售若干債務證券，代價為本金金額之100%或現行市場買入價（以較高者為準）（「出售事項」）。出售事項之總代價估計不少於840,415,000美元（相當於約6,543,135,000港元），最高總交易金額上限為8,000,000,000港元（「上限金額」）。

由於根據上市規則第14章就出售事項經參考上限金額之一項或多項適用百分比率超過25%但低於75%，因此，出售事項構成本公司之主要交易。此外，於有關公布之日期，陳凱韻女士為執行董事及本公司之主要股東（彼之兩名未成年子女）之信託人，故陳凱韻女士為本公司之關連人士。因此，根據上市規則第14A章，出售事項亦構成本公司之關連交易，故須遵守上市規則之申報、公布、通函及獨立股東批准之規定。有關出售事項之公布已於二零二零年一月二十九日發出。

出售事項獲本公司獨立股東於二零二零年三月二十三日舉行之本公司股東特別大會上批准。有關出售事項的詳情載於本公司日期為二零二零年二月二十八日之通函內。

CONNECTED TRANSACTIONS (Cont'd)

Connected Transaction and Continuing Connected Transactions

On 28 February 2019, Chinese Estates, Limited (being a direct wholly-owned subsidiary of the Company) ("CEL") (as tenant) entered into (a) a tenancy agreement in relation to the leasing of the whole of 17th floor of Chubb Tower, Windsor House (the "First Tenancy Agreement") at a rent of HK\$1,025,000 per month (excluding service charges and rates) for a term of 3 years commencing from 1 March 2019 to 28 February 2022 (the "First Tenancy"); and (b) an agreement for lease in relation to the leasing of the whole of 19th floor, the whole of 20th floor and the whole of 21st floor of Chubb Tower, Windsor House (the "Framework Agreement") at a rent of HK\$1,084,000, HK\$1,044,000 and HK\$1,056,000 per month (excluding service charges and rates) respectively for a term of 3 years commencing from a date or dates to be agreed between the parties provided that the commencement date(s) shall not be earlier than 1 November 2019 or later than 29 February 2020 (the "Subsequent Tenancies"), with Windsor House Limited ("WHL") (as landlord) for the purpose of new headquarter of the Group. On 18 October 2019, a tenancy agreement for the Subsequent Tenancies was entered into for a term of 3 years commencing from 1 November 2019 to 31 October 2022 (the "Subsequent Tenancy Agreement").

As disclosed in the Company's announcement dated 28 February 2019, the caps of the service charges and rates payment as well as the fit-out administration fee payment payable by CEL to WHL under the First Tenancy and the Subsequent Tenancies for the period from 1 March 2019 to 31 December 2019 were set at HK\$2,900,000 and HK\$3,100,000 respectively (the "Charges Caps"). Moreover, the cap of the total value of the right-of-use asset relating to the Subsequent Tenancies for the period from 1 November 2019 to 31 December 2019 was set at HK\$108,256,000 (the "Cap for Right-of-use Asset").

關連交易 (續)

關連交易及持續關連交易

於二零一九年二月二十八日，華人置業有限公司（為本公司之直接全資擁有附屬公司）（「華置」）（作為租戶）與Windsor House Limited（「WHL」）（作為業主）訂立(a)一份由二零一九年三月一日至二零二二年二月二十八日止為期三年，有關租賃皇室大廈安達人壽大樓17樓全層的租賃協議，每月租金為1,025,000港元（不包括服務費及差餉）（「第一租賃」）（「第一份租賃協議」）；及(b)一份由訂約方之間協定之日期起計為期三年（惟該日期不得早於二零一九年十一月一日或遲於二零二零年二月二十九日），有關租賃皇室大廈安達人壽大樓19樓全層、20樓全層及21樓全層的同意租賃協議，每月租金分別為1,084,000港元、1,044,000港元和1,056,000港元（不包括服務費及差餉）（「其後租賃」）（「框架協議」），作為本集團之新總部。一份由二零一九年十一月一日至二零二二年十月三十一日止為期三年，有關其後租賃之租賃協議已於二零一九年十月十八日訂立（「其後租賃協議」）。

誠如本公司日期為二零一九年二月二十八日之公布所披露，華置根據第一租賃及其後租賃，就二零一九年三月一日至二零一九年十二月三十一日期間應付予WHL之服務費及差餉款項上限以及裝修行政費款項上限分別為2,900,000港元及3,100,000港元（「收費上限」）。此外，有關其後租賃於二零一九年十一月一日至二零一九年十二月三十一日期間之使用權資產總值的上限設定為108,256,000港元（「使用權資產上限」）。

CONNECTED TRANSACTIONS (Cont'd)

Connected Transaction and Continuing Connected Transactions (Cont'd)

As at the date of the relevant announcement, WHL was indirectly owned by (i) Ms. HW Chan (an executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children)), both in her capacity as a trustee of her minor children and in her own capacity; (ii) Mr. MW Lau (a non-executive Director, the chairman of the Board and a substantial shareholder of the Company); and (iii) a family trust of Mr. Joseph Lau (the spouse of Ms. HW Chan), hence WHL was a connected person of the Company. Therefore, under Chapter 14A of the Listing Rules, (a) in respect of the First Tenancy, the entering into of the First Tenancy Agreement and the rental payment thereof constituted a connected transaction for the Company and the fit-out administration fee payment as well as the service charges and rates payment thereof constituted continuing connected transactions for the Company; and (b) in respect of the Subsequent Tenancies, the entering into of the Framework Agreement and the transactions contemplated thereunder (including the entering into of the Subsequent Tenancy Agreement, the rental payment, the fit-out administration fee payment as well as the service charges and rates payment thereof) constituted continuing connected transactions for the Company.

Given that (i) one or more of the applicable percentage ratios in respect of the value of the right-of-use asset under the First Tenancy and the Cap for Right-of-use Asset under the Subsequent Tenancies, on an aggregated basis, exceeded 0.1% but less than 5%; (ii) one of the applicable percentage ratios of the Charges Caps exceeded 0.1% but less than 5% at the date of entering into the First Tenancy Agreement and the Framework Agreement, therefore the First Tenancy and the Subsequent Tenancies (and the transactions contemplated thereunder) were exempt from the shareholders' approval requirement, but were subject to the reporting, announcement and (to the extent constituting continuing connected transactions for the Company) annual review requirements under Chapter 14A of the Listing Rules.

Having reviewed the subject continuing connected transactions, the INEDs, pursuant to rule 14A.55 of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company, on normal commercial terms and in accordance with the First Tenancy Agreement and the Subsequent Tenancy Agreement governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易 (續)

關連交易及持續關連交易 (續)

於有關公布之日期，WHL由(i)陳凱韻女士(執行董事及本公司之主要股東(彼之兩名未成年子女)之信託人)(以其未成年子女之信託人之身份及其本身之身份)；(ii)劉鳴煒先生(非執行董事、董事會主席及本公司之主要股東)；及(iii)劉鑾雄先生(陳凱韻女士之配偶)之家族信託間接擁有，故WHL為本公司之關連人士。因此，根據上市規則第14A章，(a)就第一租賃而言，訂立第一份租賃協議及其租金款項構成本公司之關連交易，而其裝修行政費款項以及服務費及差餉款項構成本公司之持續關連交易；及(b)就其後租賃而言，訂立框架協議及其項下擬進行之交易(包括訂立其後租賃協議、其租金款項、其裝修行政費款項以及其服務費及差餉款項)構成本公司之持續關連交易。

鑒於(i)就第一租賃下之使用權資產價值及其後租賃下之使用權資產上限之一項或以上適用百分比率合併計算超過0.1%但少於5%；(ii)於訂立第一份租賃協議及框架協議之日期，收費上限之其中一項適用百分比率超過0.1%但少於5%，因此，第一租賃及其後租賃(及其項下擬進行之交易)獲豁免有關股東批准之規定，惟須遵守上市規則第14A章之申報、公布及(僅就本公司持續關連交易而已)年度審核規定。

本公司之獨立非執行董事根據上市規則第14A.55條之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常及一般業務，按照一般商業條款及根據第一份租賃協議及其後租賃協議條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

CONNECTED TRANSACTIONS (Cont'd)

Connected Transaction and Continuing Connected Transactions (Cont'd)

The auditors of the Company, pursuant to rule 14A.56 of the Listing Rules, confirmed in their letter made in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants that the subject continuing connected transactions had received the approval of the Board, had been entered into in accordance with the agreements and had not exceeded the caps disclosed in the announcement of the Company made on 28 February 2019. The Company provided a copy of such letter to the Stock Exchange.

Continuing Connected Transactions

On 31 October 2017, CEL entered into a contract for services with Mr. Joseph Lau regarding the provision of (i) leasing administration services (including without limitation matters relating to dealing with tenants, rent collection and taking legal actions, but excluding services in relation to the referral of potential tenants and the negotiation with existing and/or potential tenants regarding terms of lease of properties), (ii) sale administration services (including without limitation the appointment of and coordination with estate agents for such sale but excluding any sale agency service), (iii) property management services (including matters relating to management, maintenance, operation, servicing and repairs of properties), (iv) property administration services (including without limitation accounting, company secretarial, recruitment, human resources administration works, taxation, marketing and information technology services) (the "Property Administration Services"), (v) asset management and maintenance services (including property, household and other management and maintenance services in relation to properties and assets) (the "Asset Management and Maintenance Services"), (vi) rental services (including rental of motor vehicles, car plates, vessels, car parking spaces, premises and such other rental services) (the "Rental Services"), (vii) advisory and consultancy services (including general advisory, consultancy, administration, liaison, personnel support services and such other services (including without limitation accounting, taxation and company secretarial services) ancillary and/or incidental thereto) (the "Advisory and Consultancy Services"), and (viii) other ordinary services (including without limitation securities and other financial services) to Mr. Joseph Lau, his associates and/or relatives for a term of 3 years commencing from 1 November 2017 to 31 October 2020 (the "Contract"). The cap of the service charges payable by Mr. Joseph Lau to CEL for the Year under the Contract was set at HK\$116,000,000 (the "Cap") as disclosed in the Company's announcement dated 31 October 2017.

關連交易 (續)

關連交易及持續關連交易 (續)

本公司之核數師已按照香港會計師公會所頒布之香港核證工作準則3000(經修訂)「歷史財務信息審計或審閱以外的鑒證業務」,以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」,於其根據上市規則第14A.56條發出之信件中,確認上述持續關連交易已經由董事會批准,並根據協議進行,且無超逾於二零一九年二月二十八日之公布所披露之上限。本公司已將該信件的副本呈交聯交所。

持續關連交易

於二零一七年十月三十一日,華置與劉鑾雄先生訂立一份由二零一七年十一月一日至二零二零年十月三十一日止為期三年的服務合約,內容有關向劉鑾雄先生、其聯繫人及/或親屬提供(i)租務行政服務(包括但不限於處理租客之往來、收租及採取法律行動,但不包括有關轉介潛在租戶以及與現有租戶及/或潛在租戶協商有關物業之租賃條款之服務)、(ii)銷售行政服務(包括但不限於就該等出售事項委任及與地產代理人進行協調,惟不包括任何銷售代理服務)、(iii)物業管理服務(包括有關物業之管理、保養、營運、服務及維修之事宜)、(iv)物業行政服務(包括但不限於會計、公司秘書、招聘、人力資源行政工作、稅務、市場推廣及資訊技術服務)(「物業行政服務」)、(v)資產管理及保養服務(包括有關物業及資產之物業、家居及其他管理及保養服務)(「資產管理及保養服務」)、(vi)租賃服務(包括車輛、車牌、船隻、停車位、場地之租賃及其他租賃服務)(「租賃服務」)、(vii)諮詢及顧問服務(包括一般諮詢、顧問、行政、聯絡、人事支援服務及其他配套及/或附帶服務(包括但不限於會計、稅務及公司秘書服務))(「諮詢及顧問服務」)、及(viii)其他一般服務(包括但不限於證券及其他金融服務)(「該合約」)。誠如本公司日期為二零一七年十月三十一日之公布所披露,劉鑾雄先生根據該合約,於本年度應付予華置之服務費上限定為116,000,000港元(「該上限」)。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

As at the date of relevant announcement, Mr. Joseph Lau being the spouse of Ms. HW Chan, accordingly an associate of Ms. HW Chan (an executive Director and a trustee of the substantial shareholders of the Company (who are her two minor children)). Therefore, Mr. Joseph Lau was a connected person of the Company and the Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios for the expected annual caps for the transactions contemplated under the Contract exceeded 0.1% but were expected to be less than 5%, the Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

Having reviewed the subject continuing connected transactions, the INEDs, pursuant to rule 14A.55 of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than household management and maintenance services under the Asset Management and Maintenance Services, the Property Administration Services, the Rental Services and the Advisory and Consultancy Services), on normal commercial terms and in accordance with the Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole. Having considered the reasons and benefits in respect of the provision of household management and maintenance services under the Asset Management and Maintenance Services, the Property Administration Services, the Rental Services and the Advisory and Consultancy Services as mentioned in the Company's announcement dated 31 October 2017, the INEDs were of the view that, although the provision of such services contemplated under the Contract were not in the ordinary and usual course of business of the Group, the terms of such services were fair and reasonable so far as the Group were concerned and on normal commercial terms, and were in the interests of the Company and its shareholders as a whole.

關連交易 (續)

持續關連交易 (續)

於有關公布之日期，劉鑾雄先生為陳凱韻女士之配偶，並因此為陳凱韻女士（執行董事及本公司主要股東（彼之兩名未成年子女）之信託人）之聯繫人。因此，劉鑾雄先生屬本公司之關連人士，而根據上市規則，該合約及其項下擬進行之交易構成本公司之持續關連交易。由於該合約項下擬進行之交易之預期年度上限之適用百分比率超過0.1%但預期將少於5%，故該合約及有關年度上限僅須遵守根據上市規則第14A章有關申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

本公司之獨立非執行董事根據上市規則第14A.55條之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常及一般業務（資產管理及保養服務項下之家居管理及保養服務、物業行政服務、租賃服務和諮詢及顧問服務除外），按照一般商業條款及根據該合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。經考慮本公司日期為二零一七年十月三十一日之公布，關於提供資產管理及保養服務項下之家居管理及保養服務、物業行政服務、租賃服務和諮詢及顧問服務之原因及裨益後，本公司之獨立非執行董事認為，雖然根據該合約提供有關服務並非本集團之日常及一般業務，但有關服務之條款對本集團而言乃屬公平合理並符合一般商業條款，而且符合本公司及其股東之整體利益。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

The auditors of the Company, pursuant to rule 14A.56 of the Listing Rules, confirmed in their letter made in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the Contract and had not exceeded the Cap disclosed in the announcement of the Company made on 31 October 2017. The Company provided a copy of such letter to the Stock Exchange.

Save as aforesaid, there were no other discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules during the Year and up to the date of this Directors' Report.

Save as aforesaid, none of the "Material Related Party Transactions" for the Year as disclosed in Note 47 to the consolidated financial statements constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

To the extent of the above "Material Related Party Transactions" constituted connected transactions or continuing connected transactions as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

關連交易 (續)

持續關連交易 (續)

本公司之核數師已按照香港會計師公會所頒布之香港核證工作準則3000(經修訂)「歷史財務信息審計或審閱以外的鑒證業務」,以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」,於其根據上市規則第14A.56條發出之信件中,確認上述持續關連交易已經由董事會批准,並按照本公司之定價政策及根據該合約進行,且無超逾於二零一七年十月三十一日之公布所披露之該上限。本公司已將該信件的副本呈交聯交所。

除上文所述外,根據上市規則,本公司於本年度內及截至本董事會報告書日期概無其他須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

除上文所述外,根據上市規則,本年度綜合財務報表內附註47所披露之「重大關連人士交易」並無構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

就上述「重大關連人士交易」構成根據上市規則所界定之關連交易或持續關連交易,本公司已於本年度內遵守上市規則第14A章的有關規定。

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

As disclosed in the Company's announcement dated 23 November 2018, an indirect wholly-owned subsidiary of the Company (the "Borrower") as borrower has on 23 November 2018 entered into a facility agreement (the "Facility Agreement") with a bank (the "Bank") as lender in respect of a term loan facility (the "Facility") in the principal sum of up to HK\$674,000,000 and it is a term of the Facility Agreement that the Company entered into a guarantee (the "Guarantee"). The Facility will be repayable in 12 successive quarterly instalments with the final repayment date falling 36 months after the date on which the advance under the Facility is made.

Pursuant to the Facility Agreement and the Guarantee, the Borrower and the Company shall procure that the substantial shareholders of the Company (as disclosed at pages 69 to 70 of the 2017 annual report of the Company) and/or their ultimate beneficial owners together with their respective associates and connected persons in aggregate shall maintain not less than 30% shareholding in and remain a single largest shareholder of the Company.

A breach of the abovementioned undertaking may constitute an event of default under the Facility Agreement, whereby the Bank may, among others, cancel the Facility and declare that all sums accrued or outstanding (including accrued interest) under the Facility Agreement be immediately due and payable. The occurrence of such event may trigger the cross default provisions of other banking or credit facilities available to the Group and, as a possible consequence, these other facilities may also be declared by the relevant lenders to be immediately due and payable.

RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:—

- (1) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "ORSO Scheme"); and
- (2) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme").

Both the ORSO Scheme and the MPF Scheme are defined contribution schemes and the assets of both schemes are managed by their respective trustees accordingly.

根據上市規則第13.21條進行的披露

誠如本公司日期為二零一八年十一月二十三日之公布所披露，本公司之一間間接全資擁有附屬公司（「借款人」）作為借款人與一間銀行（「銀行」）作為貸款人，於二零一八年十一月二十三日訂立一項融資協議（「融資協議」），內容有關一項本金總額上限為674,000,000港元之定期貸款融資（「該融資」）；而按融資協議的條款，本公司訂立一項擔保（「擔保」）。該融資須連續12個季度分期償還，且最後還款日期為該融資項下提供貸款當日後36個月。

根據融資協議及擔保，借款人及本公司須促使本公司之主要股東（誠如本公司二零一七年年報第69至70頁所披露）及／或彼等之最終實益擁有人連同彼等各自之聯繫人及關連人士總體而言須持有本公司股權不少於30%且仍為本公司之單一最大股東。

違反上述承諾可能構成融資協議項下之違約事件，在此情況下，銀行可（其中包括）取消該融資並宣布融資協議項下之所有應計或未償還款項（包括應計利息）即時到期及須予償還。發生有關事件或會觸發適用於本集團之其他銀行或信貸融資之連帶違約條款，並可能因此導致相關貸款人亦宣布該等其他融資即時到期及須予償還。

退休福利計劃

本集團推行兩項退休福利計劃：—

- (1) 香港法例第426章職業退休計劃條例所界定之公積金計劃（「職業退休計劃」）；及
- (2) 香港法例第485章強制性公積金計劃條例所界定之公積金計劃（「強積金計劃」）。

職業退休計劃及強積金計劃均為界定供款計劃，該等計劃之資產乃由各自之受託人管理。

RETIREMENT BENEFIT SCHEMES (Cont'd)

The ORSO Scheme is available to the Group's full-time permanent staff employed in Hong Kong before 1 December 2000. Contributions to the ORSO Scheme are made by the Group at 5%, 7.5% or 10% based on the staff's basic salary depending on the length of service. Staff members are entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or are entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The ORSO Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the ORSO Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$30,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65.

In order to provide similar benefits to those who joined the MPF Scheme and the ORSO Scheme, the Group provided an additional portion (the "Top-up Portion") for those who joined the MPF Scheme. The purpose of the Top-up Portion is to match up the benefits of the MPF Scheme with that of the ORSO Scheme by providing those staff under the MPF Scheme with basic salary over HK\$30,000 and/or years of service over 5. Contributions to the Top-up Portion are made by the Group at 5%, 7.5% or 10% of the staff's basic salary less the Group's mandatory contribution under the MPF Scheme as mentioned above.

The Group's total cost for the schemes charged to consolidated statement of comprehensive income for the year ended 31 December 2019 amounted to approximately HK\$8,408,000 (2018: HK\$8,450,000). In addition, an amount of forfeited employer's contributions for the schemes amounted to approximately HK\$331,000 (2018: HK\$716,000) was utilised towards reducing the Group's contributions during the Year. As at 31 December 2019, no (2018: HK\$46,000) available balance to reduce future contributions.

退休福利計劃 (續)

職業退休計劃可供於二零零零年十二月一日前在香港受僱之本集團全職長期僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之供款。僱員服務滿10年或以上或到退休年齡時方可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。職業退休計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出職業退休計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關入息上限為每月30,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

為了向參加強積金計劃及職業退休計劃之僱員提供相近之福利，本集團為參加強積金計劃之僱員提供額外部分（「補足部分」）。補足部分旨在向基本月薪逾30,000港元及／或服務年期逾5年，參加強積金計劃之僱員提供與職業退休計劃相近之福利。本集團將根據僱員基本薪金之5%、7.5%或10%減本集團根據上述強積金計劃作出之強制性供款而作出補足部分之供款。

本集團於截至二零一九年十二月三十一日止年度就該等計劃於綜合全面收益報表扣除之費用總額約為8,408,000港元（二零一八年：8,450,000港元）。此外，本集團就該等計劃已沒收之僱主供款約為331,000港元（二零一八年：716,000港元），並已於本年度內用作削減供款。於二零一九年十二月三十一日，並無可用作減少未來供款之餘額（二零一八年：46,000港元）。

SHARE AWARD SCHEME

The Company has adopted a share award scheme (the "Share Award Scheme") to recognise the contributions of certain employees and help in retaining them for the Group's operations and further development. It was adopted by the shareholders of the Company at the special general meeting held on 14 January 2009 (the "Adoption Date") and valid and effective until 13 January 2019.

The Board may from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each employee determined by the Board from time to time), after having taken into account recommendations made by members of the Group and assessment of individual performance pursuant to internal appraisal system, select an employee for participation in the Share Award Scheme as a Selected Employee ("Selected Employee") and determine the number of shares which may be awarded to such Selected Employee pursuant to the terms of the Share Award Scheme ("Awarded Share(s)"). A Selected Employee shall qualify to be allotted and issued the Awarded Shares after all the qualifying conditions have been fulfilled, unless otherwise determined by the Board at its discretion.

The issue price for each Awarded Share shall, subject to the terms of the Share Award Scheme, be an amount equal to its nominal value and shall be paid or satisfied in cash by the relevant member of the Group engaging the Selected Employee or, if payment by the relevant member of the Group engaging the Selected Employee is not permitted under applicable law, any member of the Group, upon the allotment and issue of the Awarded Shares.

The total number of shares which may be issued in response to the Share Award Scheme and any other incentive or option schemes of the Company (if any) shall not in aggregate exceed 207,775,007, being 10% of the total number of shares in issue on the Adoption Date. The maximum number of Awarded Shares to be granted to each Selected Employee under the Share Award Scheme in any 12-month period shall not exceed in aggregate 1% of the shares in issue as at the date of such grant.

As at the date of this Directors' Report, the Share Award Scheme has been expired. No granting of Awarded Shares has been made for the Year and during the life of the Share Award Scheme.

Details of the Share Award Scheme were set out in the circular of the Company dated 23 December 2008.

股份獎勵計劃

本公司採納股份獎勵計劃（「股份獎勵計劃」）表揚若干僱員之貢獻，以助留劭人才，繼續為本集團之營運及持續發展效力。股份獎勵計劃獲本公司股東於二零零九年一月十四日（「採納日期」）舉行之股東特別大會上採納，有效及生效至二零一九年一月十三日止。

經考慮本集團成員公司作出之推薦建議及根據內部評估制度評估個別人士之表現後，董事會可不時全權酌情及根據其認為合適之條款及條件（包括董事會不時釐定每名僱員之合資格基準），甄選僱員成為經甄選僱員（「經甄選僱員」）參與股份獎勵計劃，並根據股份獎勵計劃之條款釐定每名經甄選僱員可獲之獎勵股份數目（「獎勵股份」）。除董事會另有酌情釐定外，經甄選僱員於達成所有合資格條件後，將合資格獲發行及配發獎勵股份。

每股獎勵股份之發行價將受限於股份獎勵計劃之條款，並相等於其面值，且由聘用經甄選僱員之本集團相關成員公司於發行及配發獎勵股份時以現金支付或償付，或倘聘用經甄選僱員之本集團相關成員公司根據適用法律不得作出付款，則由本集團任何成員公司以現金支付或償付。

於股份獎勵計劃將可能發行之股份，連同於根據本公司所有其他獎勵或認股權計劃（如有）將可能發行之股份，總數合共不得超過207,775,007股（即於採納日期已發行股份之10%）。根據股份獎勵計劃授予每位經甄選僱員之獎勵股份之最高數目於任何十二個月期間內合共不得超過有關授出日期已發行股份之1%。

於本董事會報告書日期，股份獎勵計劃已到期。於本年度及股份獎勵計劃有效期內，本集團並無授出任任何獎勵股份。

有關股份獎勵計劃之詳情已刊載於本公司日期為二零零八年十二月二十三日之通函內。

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed amount of public float during the Year and up to the date of this annual report as required under the Listing Rules.

AUDITORS

The consolidated financial statements for the Year were audited by HLB Hodgson Impey Cheng Limited ("HLB") who would retire at the conclusion of the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment. A resolution will be proposed to the shareholders at the forthcoming annual general meeting to re-appoint HLB as the auditors of the Company.

On behalf of the Board

Lam, Kwong-wai

Director

Hong Kong, 23 March 2020

公眾持股量

根據本公司得悉的公開資料及董事所知悉，本公司於本年度內及截至本年報日期止已按上市規則規定維持指定數額之公眾持股量。

核數師

本年度之綜合財務報表由國衛會計師事務所有限公司（「國衛」）審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟合資格並願意膺聘連任。於即將舉行之股東週年大會上，將就續聘國衛為本公司核數師向股東提呈一項決議案。

代表董事會

董事

林光蔚

香港，二零二零年三月二十三日

31/F, Gloucester Tower	香港
The Landmark	中環
11 Pedder Street	畢打街11號
Central	置地廣場
Hong Kong	告羅士打大廈31樓

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
<p>Valuation of investment properties</p> <p>Refer to Notes 19 and 24 to the consolidated financial statements</p> <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>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>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>We found the key assumptions were supported by the available evidence.</p>	<p>投資物業估值</p> <p>請參閱綜合財務報表附註19及24</p> <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>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>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 HKSA's, 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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益報表

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

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Revenue	收入	7	538,986	843,618
Cost of sales	銷售成本		(27,535)	(124,507)
Gross profit	毛利		511,451	719,111
Other income	其他收入	9	59,910	173,062
Investment income, net	投資收入淨額	10	1,885,677	542,002
Administrative expenses	行政開支		(269,516)	(255,506)
(Loss) gain on disposals of equipment, net	出售設備之(虧損)收益淨額		(173)	1,181
Fair value changes on investment properties	投資物業之公平值變動		(742,659)	122,301
Finance costs	財務費用	11	(370,185)	(344,990)
Other gains and losses	其他收益及虧損	12	(12,341)	(2,559)
Impairment loss of goodwill	商譽之減值虧損	23	(322,938)	–
Share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之業績		209,684	232,252
Profit before tax	除稅前溢利		948,910	1,186,854
Income tax expense	所得稅開支	13	(157,258)	(127,041)
Profit for the year	本年度溢利	14	791,652	1,059,813
Other comprehensive expenses	其他全面支出			
Items that will not be reclassified to profit or loss	不會重新分類至損益之項目			
Gains and losses on investments in equity instruments measured at fair value through other comprehensive income	通過其他全面收益以反映公平值計量之股本工具投資之收益及虧損		(1,187,045)	(2,847,447)
Share of other comprehensive (expenses) income of investments accounted for using the equity method	攤佔以權益法入賬投資之其他全面(支出)收益		(38)	132
			(1,187,083)	(2,847,315)
Items that may be reclassified subsequently to profit or loss	隨後可能重新分類至損益之項目			
Exchange differences on translation of foreign operations	境外業務所產生之匯兌差額		106,977	(274,773)
Reclassification adjustment related to dissolution of foreign operations	有關境外業務解散之重新分類調整		10,678	–
Share of other comprehensive expenses of investments accounted for using the equity method	攤佔以權益法入賬投資之其他全面支出		(4,344)	(10,182)
			113,311	(284,955)
Other comprehensive expenses for the year (net of tax)	本年度其他全面支出(除稅後)		(1,073,772)	(3,132,270)
Total comprehensive expenses for the year	本年度全面支出總額		(282,120)	(2,072,457)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益報表

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

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit for the year attributable to:	應佔本年度溢利：			
Owners of the Company	本公司擁有人		790,167	1,015,290
Non-controlling interests	非控股權益		1,485	44,523
			791,652	1,059,813
Total comprehensive expenses for the year attributable to:	應佔本年度全面支出總額：			
Owners of the Company	本公司擁有人		(283,605)	(2,116,980)
Non-controlling interests	非控股權益		1,485	44,523
			(282,120)	(2,072,457)
Earnings per share (HK\$)	每股盈利 (港元)	18		
Basic and diluted	基本及攤薄		0.414	0.532

The accompanying notes form an integral part of these consolidated financial statements. 綜合財務報表附註乃綜合財務報表的一部分。

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 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	19	14,759,507	15,280,848
Property, plant and equipment	物業、廠房及設備	20	45,524	36,654
Right-of-use assets	使用權資產	21(a)	136,899	–
Intangible assets	無形資產	22	–	–
Goodwill	商譽	23	–	322,938
Investments accounted for using the equity method	以權益法入賬之投資	24	2,433,328	2,276,177
Advances to associates	墊付聯營公司款項	25	48,111	49,259
Advance to a joint venture	墊付一間合資公司款項	26	158,818	154,218
Financial assets measured at fair value through profit or loss	通過損益以反映 公平值計量之金融資產	27	1,670,271	1,350,090
Financial assets measured at fair value through other comprehensive income	通過其他全面收益以反映 公平值計量之金融資產	28	20,182,543	21,367,307
Advances to investee companies	墊付接受投資公司款項	29(a)	105,902	652,304
Advance to a non-controlling shareholder	墊付一間非控股股東款項	29(b)	–	11,170
Deferred tax assets	遞延稅項資產	30	1,592	1,899
Pledged deposits	抵押存款	31(a)	100,002	83,203
Prepayments	預付款項	32	15,388	–
			39,657,885	41,586,067
Current assets	流動資產			
Stock of properties	物業存貨	33	224,380	228,799
Financial assets measured at fair value through profit or loss	通過損益以反映 公平值計量之金融資產	27	7,368,082	5,415,827
Inventories	存貨	34	2,328	3,187
Debtors, deposits, other receivables and prepayments	應收賬項、按金、其他應收賬項 及預付款項	32	301,181	517,562
Securities trading receivables and deposits	應收證券交易賬項及存款	31(b)	16,961	22,497
Tax recoverable	可收回稅款		1,432	15,670
Pledged deposits	抵押存款	31(a)	174,221	154,195
Time deposits, bank balances and cash	定期存款、銀行結餘及現金	31(c)	565,319	714,572
Sales proceeds held by stakeholders	保管人所持銷售所得款項		–	32,327
			8,653,904	7,104,636

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 HK\$'000 千港元	2018 HK\$'000 千港元
Current liabilities	流動負債			
Creditors and accruals	應付賬項及應計款項	35	151,010	247,187
Securities trading and margin payable	應付證券交易賬項及保證金		11,246	22,295
Deposits and receipts in advance	按金及預收款項		218,235	218,633
Lease liabilities	租賃負債	21(b)	47,929	–
Tax liabilities	稅項負債		117,700	62,656
Borrowings	借貸	36	9,240,299	9,303,688
Derivative financial instrument	衍生金融工具	37	6,060	–
			9,792,479	9,854,459
Net current liabilities	流動負債淨值		(1,138,575)	(2,749,823)
Total assets less current liabilities	資產總額減流動負債		38,519,310	38,836,244
Equity attributable to owners of the Company	本公司擁有人應佔股本權益			
Share capital	股本	38	190,762	190,762
Financial assets measured at fair value through other comprehensive income reserve	通過其他全面收益以反映公平值計量之金融資產之儲備		5,829,284	7,016,367
Statutory reserve	法定儲備		668	668
Special reserve	特別儲備		2,499,685	2,499,685
Capital redemption reserve	資本贖回儲備		138,062	138,062
Translation reserve	匯兌儲備		(479,897)	(593,208)
Retained profits	保留溢利			
– proposed final dividend	– 擬派末期股息		19,076	190,762
– others	– 其他		25,371,285	24,619,270
			33,568,925	34,062,368
Non-controlling interests	非控股權益		21,436	81,201
Total equity	股本權益總額		33,590,361	34,143,569

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	2019	2018
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current liabilities	非流動負債			
Borrowings	借貸	36	4,201,960	4,443,987
Amounts due to associates	欠負聯營公司款項	39	212,419	171,619
Amounts due to investee companies	欠負接受投資公司款項	39	368,563	–
Amounts due to non-controlling shareholders	欠負非控股股東款項	39	333	24,177
Lease liabilities	租賃負債	21(b)	84,125	–
Deferred tax liabilities	遞延稅項負債	30	61,549	52,892
			4,928,949	4,692,675
			38,519,310	38,836,244

Approved and authorised for issue by the board of Directors on 23 March 2020 and signed on its behalf by:

已獲董事會於二零二零年三月二十三日批准及授權發布，並由下列董事代表董事會簽署：

Chan, Sze-wan
Director

陳詩韻
董事

Lam, Kwong-wai
Director

林光蔚
董事

The accompanying notes form an integral part of these consolidated financial statements.

綜合財務報表附註乃綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合股本權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔股本權益		
		Share capital	Financial assets measured at fair value through other comprehensive income reserve 通過其他全面收益以反映公平值計量之金融資產之儲備	Statutory reserve 法定儲備
		股本 HK\$'000 千港元	HK\$'000 千港元 (note (i)) (附註(i))	HK\$'000 千港元 (note (ii)) (附註(ii))
At 1 January 2018	於二零一八年一月一日	190,762	10,204,417	668
Profit for the year	本年度溢利	-	-	-
Gains and losses on investments in equity instruments measured at fair value through other comprehensive income	通過其他全面收益以反映公平值計量之股本工具投資之收益及虧損			
- Listed equity investment	- 上市股本投資	-	(3,016,524)	-
- Unlisted investments	- 非上市投資	-	169,077	-
Exchange differences on translation of foreign operations	境外業務所產生之匯兌差額	-	-	-
Share of other comprehensive expenses of investments accounted for using the equity method	攤佔以權益法入賬投資之其他全面支出	-	132	-
Total comprehensive expenses for the year	本年度全面支出總額	-	(2,847,315)	-
Transfer of reserve upon disposal of the investment in an equity instrument measured at fair value through other comprehensive income	於出售通過其他全面收益以反映公平值計量之股本工具投資時轉撥之儲備	-	(340,735)	-
Dividends paid to non-controlling shareholders	已付非控股股東股息	-	-	-
Interim dividend for 2018 paid	已付二零一八年中期股息	-	-	-
Final dividend for 2017 paid	已付二零一七年末期股息	-	-	-
Unclaimed dividends forfeited (note (iv))	沒收未被領取之股息(附註(iv))	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	190,762	7,016,367	668

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合股本權益變動表

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

Attributable to owners of the Company

本公司擁有人應佔股本權益

Special reserve	Capital redemption reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total equity
特別儲備	資本贖回儲備	匯兌儲備	保留溢利	總額	非控股權益	股本權益總額
HK\$'000 千港元 (note (iii)) (附註(iii))	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
2,499,685	138,062	(308,253)	23,660,575	36,385,916	107,086	36,493,002
-	-	-	1,015,290	1,015,290	44,523	1,059,813
-	-	-	-	(3,016,524)	-	(3,016,524)
-	-	-	-	169,077	-	169,077
-	-	(274,773)	-	(274,773)	-	(274,773)
-	-	(10,182)	-	(10,050)	-	(10,050)
-	-	(284,955)	1,015,290	(2,116,980)	44,523	(2,072,457)
-	-	-	340,735	-	-	-
-	-	-	-	-	(70,408)	(70,408)
-	-	-	(19,076)	(19,076)	-	(19,076)
-	-	-	(190,762)	(190,762)	-	(190,762)
-	-	-	3,270	3,270	-	3,270
2,499,685	138,062	(593,208)	24,810,032	34,062,368	81,201	34,143,569

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合股本權益變動表

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

Attributable to owners of the Company

本公司擁有人應佔股本權益

		Share capital	Financial assets measured at fair value through other comprehensive income reserve	Statutory reserve
		股本	通過其他全面收益以反映公平值計量之金融資產之儲備	法定儲備
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
			(note (i)) (附註(i))	(note (ii)) (附註(ii))
At 1 January 2019	於二零一九年一月一日	190,762	7,016,367	668
Profit for the year	本年度溢利	-	-	-
Gains and losses on investments in equity instruments measured at fair value through other comprehensive income	通過其他全面收益以反映公平值計量之股本工具投資之收益及虧損			
- Listed equity investments	- 上市股本投資	-	(1,590,629)	-
- Unlisted investments	- 非上市投資	-	403,584	-
Exchange differences on translation of foreign operations	境外業務所產生之匯兌差額	-	-	-
Reclassification adjustment related to dissolution of foreign operations	有關境外業務解散之重新分類調整	-	-	-
Share of other comprehensive expenses of investments accounted for using the equity method	攤佔以權益法入賬投資之其他全面支出	-	(38)	-
Total comprehensive expenses for the year	本年度全面支出總額	-	(1,187,083)	-
Dividends paid to non-controlling shareholders	已付非控股股東股息	-	-	-
Interim dividend for 2019 paid	已付二零一九年中期股息	-	-	-
Final dividend for 2018 paid	已付二零一八年末期股息	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	190,762	5,829,284	668

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合股本權益變動表

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

Attributable to owners of the Company

本公司擁有人應佔股本權益

Special reserve	Capital redemption reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total equity
特別儲備 HK\$'000 千港元 (note (iii)) (附註(iii))	資本贖回儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總額 HK\$'000 千港元	非控股權益 HK\$'000 千港元	股本權益總額 HK\$'000 千港元
2,499,685	138,062	(593,208)	24,810,032	34,062,368	81,201	34,143,569
-	-	-	790,167	790,167	1,485	791,652
-	-	-	-	(1,590,629)	-	(1,590,629)
-	-	-	-	403,584	-	403,584
-	-	106,977	-	106,977	-	106,977
-	-	10,678	-	10,678	-	10,678
-	-	(4,344)	-	(4,382)	-	(4,382)
-	-	113,311	790,167	(283,605)	1,485	(282,120)
-	-	-	-	-	(61,250)	(61,250)
-	-	-	(19,076)	(19,076)	-	(19,076)
-	-	-	(190,762)	(190,762)	-	(190,762)
2,499,685	138,062	(479,897)	25,390,361	33,568,925	21,436	33,590,361

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合股本權益變動表

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

Notes:

- (i) The cumulative amount of the gain on listed equity investments classified as financial assets measured at fair value through other comprehensive income ("FVTOCI") was approximately HK\$4,980,414,000 as at 31 December 2019 (2018: HK\$6,571,043,000).

During the year ended 31 December 2019, the unrealised loss on fair value change from holding shares of China Evergrande Group (stock code: 3333) ("Evergrande Shares") of HK\$1,591,000,000 was recorded in financial assets measured at FVTOCI reserve.

During the year ended 31 December 2018, the loss of the Evergrande Shares of approximately HK\$3,016,524,000 including unrealised loss of approximately HK\$3,052,253,000, realised gain of approximately HK\$36,715,000 and the transaction costs of the disposal of certain Evergrande Shares of approximately HK\$986,000 was recorded in financial assets measured at FVTOCI reserve. Upon completion of the disposal of certain Evergrande Shares during the year ended 31 December 2018, the cumulative fair value gain and the transaction costs in the financial assets measured at FVTOCI reserve that related to the disposal amounted to approximately HK\$340,735,000 was transferred to retained profits.

- (ii) The statutory reserve of the Group refers to the People's Republic of China ("PRC") statutory reserve fund. Appropriations to such reserve fund are made out of profit after tax as recorded in the statutory financial statements of the PRC subsidiaries. The amount should not be less than 10% of the profit after tax as recorded in the statutory financial statements unless the aggregate amount exceeds 50% of the registered capital of the PRC subsidiaries. The statutory reserve can be used to make up prior year losses, if any, and can be applied in conversion into the PRC subsidiaries' capital by means of capitalisation issue.
- (iii) Special reserve represented the difference arising from the aggregate of the share capital and premium amount of the former holding company and the Company upon redomicile of the holding company as a Bermuda Company in 1989 and is non-distributable.
- (iv) Unclaimed dividends forfeited represented dividends declared by the Company on or before 17 August 2011 remaining unclaimed by shareholders of the Company on 28 February 2018. During the year ended 31 December 2018, unclaimed dividends amounted to approximately HK\$3,270,000 were forfeited and transferred to retained profits.

The accompanying notes form an integral part of these consolidated financial statements.

附註：

- (i) 於二零一九年十二月三十一日，上市股本投資分類為通過其他全面收益以反映公平值（「通過其他全面收益以反映公平值」）計量之金融資產之累計收益金額約為4,980,414,000港元（二零一八年：6,571,043,000港元）。

於截至二零一九年十二月三十一日止年度內，通過其他全面收益以反映公平值計量之金融資產之儲備中錄得來自持有中國恆大集團（股份代號：3333）股份（「恆大股份」）之公平值變動之未變現虧損1,591,000,000港元。

於截至二零一八年十二月三十一日止年度，通過其他全面收益以反映公平值計量之金融資產之儲備中錄得來自恆大股份之虧損約3,016,524,000港元，包括未變現虧損約3,052,253,000港元，已變現收益約36,715,000港元及出售若干恆大股份之交易成本約986,000港元。於截至二零一八年十二月三十一日止年度內完成出售若干恆大股份時，通過其他全面收益以反映公平值計量之金融資產之儲備中有關出售之累計公平值收益及交易成本金額約340,735,000港元已轉撥至保留溢利。

- (ii) 本集團之法定儲備指中華人民共和國（「中國」）法定儲備基金。向該儲備基金作出之撥款乃撥自中國附屬公司法定財務報表之除稅後溢利。除非所撥金額之總額超過中國附屬公司註冊資本之50%，否則該金額不得低於法定財務報表所錄得之除稅後溢利之10%。法定儲備乃於填補過往年度虧損（如有）後作出，並可透過資本化發行應用以兌換為中國附屬公司之資本。
- (iii) 特別儲備乃指前控股公司與本公司於一九八九年遷冊該控股公司為百慕達公司時之股本及溢價賬總額產生之差額及為不可分配。
- (iv) 沒收未被領取之股息乃指本公司於二零一一年八月十七日或之前宣派而本公司之股東於二零一八年二月二十八日仍未領取之股息。於截至二零一八年十二月三十一日止年度內，仍未被領取之股息金額約為3,270,000港元已被沒收並轉撥至保留溢利。

綜合財務報表附註乃綜合財務報表的一部分。

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

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Operating activities	經營業務		
Profit before tax	除稅前溢利	948,910	1,186,854
Adjustments for:	因下列事項之調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,384	6,806
Depreciation of right-of-use assets	使用權資產折舊	19,680	–
Write-off of creditors and accruals	就應付賬項及應計款項之撇銷	(135)	–
Interest expenses	利息開支	376,856	342,356
Interest income	利息收入	(724,505)	(672,652)
Dividends income from listed and unlisted investments	上市及非上市投資 股息收入	–	(1,161,570)
Allowance for doubtful debts reversed in respect of trade receivables	就應收貿易賬項之 呆賬撥備撥回	(43)	(7)
Write-off of trade receivables	就應收貿易賬項之撇銷	16	13
Impairment loss reversed in respect of an other receivable	就一項其他應收賬項撥回之 減值虧損	–	(49,245)
Write-off of other receivables	就其他應收賬項之撇銷	18	247
Unrealised (gain) loss arising from change in fair value of bonds	債券之公平值變動 而產生之未變現(收益)虧損	(978,452)	1,255,094
Unrealised loss (gain) arising from change in fair value of club and corporate debentures	會籍及公司債券之公平值變動 而產生之未變現虧損(收益)	13,090	(8,592)
Realised gain arising from change in fair value of financial assets measured at fair value through profit or loss	通過損益以反映公平值計量之 金融資產之公平值變動 而產生之已變現收益	(30,024)	–
Unrealised loss (gain) arising from change in fair value of derivative financial instrument	衍生金融工具之公平值變動 而產生之未變現虧損(收益)	6,060	(1,921)
Loss (gain) on disposals of equipment, net	出售設備之虧損(收益)淨額	173	(1,181)
Impairment loss of goodwill	商譽之減值虧損	322,938	–
Share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之 業績	(209,684)	(232,252)
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項確認之 減值虧損	982	–
Fair value changes on investment properties	投資物業之公平值變動	742,659	(122,301)
Overprovision of costs in respect of a development project, net	就一項發展項目之 成本超額撥備淨額	(6,452)	–
Write-down of stock of properties	物業存貨之減值	681	2,549
Loss on dissolution of subsidiaries	附屬公司解散之虧損	10,678	–
Exchange gain, net	匯兌收益淨額	(13,080)	(11,227)

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

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		487,750	532,971
Decrease in stock of properties	物業存貨減少		-	71,064
Decrease (increase) in inventories	存貨減少(增加)		859	(527)
Decrease in debtors, deposits, other receivables and prepayments	應收賬項、按金、其他應收賬項及預付款項減少		238,655	307,085
(Increase) decrease in financial assets measured at fair value through profit or loss	通過損益以反映公平值計量之金融資產(增加)減少		(1,416,954)	2,798,134
Decrease in securities trading receivables and deposits	應收證券交易賬項及存款減少		5,536	90,114
Decrease (increase) in sales proceeds held by stakeholders	保管人所持銷售所得款項減少(增加)		32,341	(42,217)
Decrease in creditors and accruals	應付賬項及應計款項減少		(100,291)	(90,149)
Decrease in securities trading and margin payable	應付證券交易賬項及保證金減少		(11,049)	(94,688)
Increase (decrease) in deposits and receipts in advance	按金及預收款項增加(減少)		3,034	(16,621)
Cash (used in) generated from operating activities	(用於)來自經營業務之現金		(760,119)	3,555,166
Income tax paid, net	已付所得稅淨額		(78,305)	(388,284)
Net cash (used in) generated from operating activities	(用於)來自經營業務之現金淨額		(838,424)	3,166,882

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

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Investing activities	投資業務		
Dividends received from listed and unlisted investments	已收上市及非上市投資之股息	-	1,106,820
Dividends received from associates	已收聯營公司之股息	48,212	61,500
Interest received	已收利息	694,870	809,407
Payments for investment properties	支付投資物業款項	(861)	-
Payments for purchases of equipment and leasehold improvement	支付購買設備及租賃物業裝修款項	(32,449)	(2,130)
Proceeds from disposals of equipment	出售設備所得款項	8	1,563
Subscription of equity interest in a joint venture	認購一間合資公司之股本權益	-	(150)
Advances to associates	墊付聯營公司之款項	(151)	(55)
Advances from associates	墊款自聯營公司之款項	40,800	29,200
Advance to a joint venture	墊付一間合資公司之款項	(4,600)	(154,218)
Advances to investee companies	墊付接受投資公司之款項	(155,787)	(46,350)
Repayments from an investee company	償還自一間接受投資公司之款項	1,070,752	54,000
(Increase) decrease in pledged deposits	抵押存款之(增加)減少	(39,154)	18,344
Increase in time deposits with maturity greater than three months	存款期多於三個月之定期存款增加	(44,959)	(19,876)
Payments for stock of properties	支付物業存貨款項	(886)	(15,136)
Net proceeds from disposals of financial assets measured at fair value through profit or loss	出售通過損益以反映公平值計量之金融資產之所得款項淨額	139,254	-
Purchase of a financial asset measured at fair value through other comprehensive income	購買通過其他全面收益以反映公平值計量之金融資產	(2,281)	(546,352)
Net proceed from disposal of a financial asset measured at fair value through other comprehensive income	出售通過其他全面收益以反映公平值計量之金融資產之所得款項淨額	-	473,558
Net cash generated from investing activities	來自投資業務之現金淨額	1,712,768	1,770,125

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

	Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Financing activities	融資業務		
Dividends paid	已付股息	(209,838)	(209,838)
Dividend paid to a non-controlling shareholder	已付一間非控股股東股息	(50,000)	–
Interest on bank borrowings and other borrowings paid	已付銀行借貸及其他借貸之利息	(374,926)	(343,343)
Payments for lease liabilities (including interest)	支付租賃負債(包括利息)	(11,600)	–
New bank borrowings and other borrowings raised	新增銀行借貸及其他借貸	7,172,415	7,859,842
Loans from a director raised	新增董事貸款	–	410,229
Repayments of bank borrowings and other borrowings	償還銀行借貸及其他借貸	(7,570,936)	(10,347,409)
Repayments of loans from a director	償還董事貸款	–	(2,245,346)
Repayment to a non-controlling shareholder	償還一間非控股股東之款項	(23,924)	(25,000)
Net cash used in financing activities	用於融資業務之現金淨額	(1,068,809)	(4,900,865)
Net (decrease) increase in cash and cash equivalents	現金及現金等值項目之(減少)增加淨額	(194,465)	36,142
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	605,872	570,578
Effect of foreign exchange rate changes	匯率變動之影響	1,783	(848)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值項目	413,190	605,872
Analysis of the balances of cash and cash equivalents	現金及現金等值項目結餘分析		
Time deposits, bank balances and cash	定期存款、銀行結餘及現金	565,319	714,572
Less: Time deposits with maturity greater than three months	減：存款期多於三個月之定期存款	(152,129)	(108,700)
		413,190	605,872

The accompanying notes form an integral part of these consolidated financial statements. 綜合財務報表附註乃綜合財務報表的一部分。

1. GENERAL INFORMATION

The Company is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The addresses of the Company's registered office and principal office in Hong Kong are disclosed in the section head "Corporate Information" of this annual report. Details of the substantial shareholders of the Company are disclosed in the paragraph headed "Substantial Shareholders' Interests in the Securities of the Company" in the section headed "Directors' Report" of this annual report.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is same as the functional currency of the Company and all amounts are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The Company's principal activity is investment holding and the principal activities of its principal subsidiaries are set out in Note 48 and its principal associates and joint venture are set out in Note 49.

2. APPLICATION OF NEW AND AMENDED HKFRSs

The accounting policies adopted in these consolidated financial statements for the year ended 31 December 2019 are consistent with those followed in the preparation of the consolidated financial statements of the Company and its subsidiaries ("Group") for the year ended 31 December 2018 except as described below.

1. 一般資料

本公司為一間於百慕達註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及香港主要辦事處之地址於本年報「公司資料」一節中予以披露。本公司主要股東之詳情於本年報「董事會報告書」一節中「主要股東於本公司之證券權益」一段內予以披露。

本綜合財務報表以港元（「港元」）呈列，港元亦為本公司之功能貨幣，且除另有說明外，所有數額均四捨五入至最接近之千位數（千港元）。

本公司之主要業務為投資控股，而其主要附屬公司之主要業務載列於附註48以及其主要聯營公司及合資公司之主要業務載列於附註49。

2. 應用新訂及經修訂香港財務報告準則

除下述者外，截至二零一九年十二月三十一日止年度之綜合財務報表所採納之會計政策與編製本公司及其附屬公司（「本集團」）截至二零一八年十二月三十一日止年度之綜合財務報表所依循者一致。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

In the current year, the Group has applied, for the first time, the following new Hong Kong Financial Reporting Standard (“HKFRS”), new interpretation and amendments to existing HKFRSs (“2019 new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the current financial year of the Group. The 2019 new HKFRSs adopted by the Group in these consolidated financial statements are set out below:

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

HKFRS 16 Leases

Accounting policies applied from 1 January 2019

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 superseded Hong Kong Accounting Standard (“HKAS”) 17 “Leases” and the related interpretations when it became effective. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single lessee accounting model. It distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 “Revenue from Contracts with Customers” as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

2. 應用新訂及經修訂香港財務報告準則 (續)

於本年度，本集團已首次應用下列由香港會計師公會（「香港會計師公會」）頒布並於本集團現行財政年度生效之新訂香港財務報告準則（「香港財務報告準則」）、新訂詮釋及對現有香港財務報告準則之修訂（「二零一九年新訂香港財務報告準則」）。本集團於本綜合財務報表所採納之二零一九年新訂香港財務報告準則載列如下：

香港財務報告準則 (修訂本)	2015年至2017年週期頒布之 香港財務報告準則年度改進
香港財務報告準則 第9號 (修訂本)	具有負補償特性之預付款項
香港財務報告準則 第16號	租賃
香港會計準則第19號 (修訂本)	計劃修訂、縮減或結算
香港會計準則第28號 (修訂本)	於聯營公司及合資公司之 長期權益
香港 (國際財務報告 詮釋委員會) — 詮釋第23號	所得稅處理之不確定性

香港財務報告準則第16號 – 租賃

二零一九年一月一日起應用之會計政策

香港財務報告準則第16號為出租人及承租人識別其租賃安排及會計處理引入一個全面的模式。香港財務報告準則第16號於生效時取代香港會計準則（「香港會計準則」）第17號「租賃」及有關之詮釋。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人將大多數租賃以單一承租人會計模式入賬。該模式乃根據客戶對已識別資產控制權來分辨租約及服務合約。此外，香港財務報告準則第16號規定銷售及回租交易須根據香港財務報告準則第15號「與客戶合約之收入」之規定而釐定有關資產之轉讓是否應作為銷售入賬。香港財務報告準則第16號亦包括有關轉租及租賃修訂之規定。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Subject to limited exceptions for short-term leases and low-value assets, distinctions of operating and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees. However, the standard does not significantly change the accounting of lessors.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application and the comparative information for 2018 was not restated. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” at the date of initial application.

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for office premises and equipment. As a lessee, the Group previously classified leases as operating leases. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of twelve months or less. Accordingly, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term. In addition, lease payments in relation to lease liability are allocated into a principal and an interest portion which are presented as financing cash flows in the consolidated statement of cash flows by the Group.

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

二零一九年一月一日起應用之會計政策 (續)

除短期租賃及低價值資產之有限例外情況下，承租人之會計處理剔除營業租賃與融資租賃之分辨，並以承租人對所有租賃確認使用權資產及相關負債的模式取代。然而，該準則對出租人之會計處理並無重大改變。

本集團採納香港財務報告準則第16號時使用經修改追溯法，首次應用日期為二零一九年一月一日。根據該方法，本集團已追溯應用該準則，並於首次應用日期確認首次應用該準則之累計影響，且不會重列二零一八年之比較資料。本集團選擇使用過渡性的實際權宜方法，以允許該準則僅應用於首次應用日期前已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「釐定安排是否包含租賃」識別為租賃之合約。

採納香港財務報告準則第16號之影響性質

本集團擁有寫字樓物業及設備之租賃合約。作為承租人，本集團先前將租賃分類為營業租賃。根據香港財務報告準則第16號，本集團應用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃（按個別租賃基準選擇）及短期租賃（按相關資產類別選擇）之兩項選擇性豁免除外。本集團已選擇不就(i)低價值資產租賃；及(ii)於開始日期起計租期為十二個月或以下之租賃確認使用權資產及租賃負債。因此，本集團於租期內以直線法確認與該等租賃相關之租賃付款為開支。另外，有關租賃負債之租賃付款被分配至本金及利息部分，並於本集團之綜合現金流量表呈列為融資現金流量。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Impacts on transition

In accordance with the transitional provision under HKFRS 16, the Group applied the simplified transition approach on 1 January 2019. Lease liabilities were recognised at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. All right-of-use assets were measured at the amount of lease liabilities on adoption (adjusted for any prepaid or accrued lease expenses, if any).

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applied the short-term lease recognition exemption to leases with lease term that ends within twelve months at the date of initial application; and
- excluded the initial direct costs from the measurement of the right-of-use assets at the date of initial application.

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

二零一九年一月一日起應用之會計政策 (續)

過渡影響

根據香港財務報告準則第16號之過渡性條文，本集團於二零一九年一月一日應用簡化過渡法。租賃負債乃按於首次應用日期承租人之遞增借貸利率貼現剩餘租賃付款之現值予以確認。所有使用權資產按採納時之租賃負債金額計量（根據預付或應計租賃開支進行調整（如有））。

於首次應用香港財務報告準則第16號時，本集團已使用下列該準則所允許之實際權宜方法：

- 對租期於首次應用日期起計十二個月內結束之租賃應用短期租賃確認豁免；及
- 於首次應用日期計量使用權資產時撇除初步直接成本。

於二零一九年一月一日採納香港財務報告準則第16號所產生之影響如下：

		HK\$'000 千港元
Assets	資產	
Increase in right-of-use assets	使用權資產增加	7,825
Properties	物業	6,593
Equipment	設備	1,232
Liabilities	負債	
Increase in lease liabilities	租賃負債增加	7,825
Non-current portion	非流動部分	4,588
Current portion	流動部分	3,237

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Impacts on transition (Cont'd)

The weighted average discount rate applied to the lease liabilities on 1 January 2019 was 2.73%. The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 is as follows:

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

二零一九年一月一日起應用之會計政策 (續)

過渡影響 (續)

於二零一九年一月一日應用於租賃負債之加權平均貼現率為2.73厘。於二零一九年一月一日之租賃負債及於二零一八年十二月三十一日之營業租賃承擔之對賬如下：

		HK\$'000 千港元
Operating lease commitments as at 31 December 2018	於二零一八年十二月三十一日之營業租賃承擔	20,138
Less: Commitments relating to short-term leases	減：有關短期租賃之承擔	(1,688)
Leases not yet commenced on 1 January 2019	於二零一九年一月一日尚未開始之租賃	<u>(10,375)</u>
		<u>8,075</u>
Discounted operating lease commitments, lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認之租賃負債 (已貼現營業租賃承擔)	<u>7,825</u>

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Summary of new accounting policies

As a result of the adoption of HKFRS 16, the new accounting policies of the Group which have been applied from the date of initial application are set out below:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, estimated costs to be incurred by the lessee in restoring the underlying asset to the condition required by the terms and conditions of the lease, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed lease payments).

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification (i.e. a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset).

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

二零一九年一月一日起應用之會計政策 (續)

新會計政策概要

因採納香港財務報告準則第16號，本集團由首次應用日期起所應用之新會計政策載列如下：

使用權資產

本集團於租賃開始日期（即相關資產可供使用日期）確認使用權資產。使用權資產按成本減任何累積折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債金額、已產生初步直接成本、承租人將相關資產還原至租賃條款及條件要求之狀況所產生之估計成本，以及於開始日期或之前作出之租賃付款減任何已收租賃優惠。除非本集團合理地確定於租期結束時取得租賃資產擁有權，否則已確認使用權資產於其估計可使用年期及租期（以較短者為準）按直線法計算折舊。使用權資產須予以減值。

租賃負債

於租賃開始日期，本集團確認於租期內作出之租賃付款以現值計量之租賃負債。租賃付款包括定額付款（含實質定額租賃付款）。

於計算租賃付款之現值時，倘租賃之隱含利率不易釐定，則本集團使用租賃開始日期之遞增借貸利率計算。於開始日期後，租賃負債金額之增加反映利息之增加，其減少則為租賃付款所致。此外，倘有任何修改（即指數或利率變化引致未來租賃付款出現變動、租期之變動、實質定額租賃付款或購買相關資產之評估之變動）則重新計量租賃負債之賬面值。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Summary of new accounting policies (Cont'd)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to short-term leases of assets (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered as low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Significant judgment in determining the lease term of contracts with termination option

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised. The Group has the option, under some of its leases, to terminate the lease with prior written notice without any compensation. The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to terminate. That is, the Group considers all relevant factors that create an economic incentive for it to exercise the termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option.

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號－租賃 (續)

二零一九年一月一日起應用之會計政策 (續)

新會計政策概要 (續)

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於短期租賃之資產 (即該等自租賃開始日期起計租期為十二個月或以下且不包含購買選擇權之租賃)。本集團亦將低價值資產租賃確認豁免應用於被認為低價值之辦公室設備租賃。短期租賃及低價值資產租賃之租賃付款於租期內以直線法確認為開支。

釐定具終止選擇權的合約中之租期作出之重大判斷

本集團將租期釐定為不可撤銷之租賃期限，倘能合理地確定將不會行使終止租賃之選擇權時，租期還應包括該選擇權所涵蓋的任何期間。本集團根據其部分租賃，在預先書面通知下，可選擇無償終止租賃。本集團運用判斷評估行使終止選擇權是否合理確定。換言之，本集團考慮到所有能形成經濟誘因而促使其行使終止選擇權之相關因素。自開始日期後，倘若在本集團控制範圍內有重大事件或環境變化而影響本集團行使 (或不行使) 該選擇權之能力，本集團會重新評估租期。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

HKFRS 16 Leases (Cont'd)

Accounting policies applied from 1 January 2019 (Cont'd)

Amounts recognised in consolidated financial statements

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year ended 31 December 2019 are as follows:

At 1 January 2019	於二零一九年一月一日		
Additions	添置		
Depreciation (Note 14)	折舊(附註14)		
Interest expense (Note 11)	利息開支(附註11)		
Lease payments	租賃付款		
At 31 December 2019	於二零一九年十二月三十一日		

Analysed for reporting purpose as:	作報告用途之分析:		
Non-current	非流動性質		
Current	流動性質		

The Group recognised rental expenses from short-term leases of approximately HK\$37,602,000 (Note 14) during the year ended 31 December 2019.

Save as disclosed above, the application of the 2019 new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods are prepared and presented. Accordingly, no prior period adjustment has been required.

2. 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號－租賃(續)

二零一九年一月一日起應用之會計政策(續)

於綜合財務報表中確認之金額

本集團之使用權資產及租賃負債之賬面值及於截至二零一九年十二月三十一日止年度內之變動如下:

	Right-of-use assets	Lease liabilities
	使用權資產	租賃負債
	HK\$'000	HK\$'000
	千港元	千港元
At 1 January 2019	7,825	7,825
Additions	148,754	134,743
Depreciation (Note 14)	(19,680)	-
Interest expense (Note 11)	-	1,086
Lease payments	-	(11,600)
At 31 December 2019	136,899	132,054
Analysed for reporting purpose as:		
Non-current	136,899	84,125
Current	-	47,929
	136,899	132,054

於截至二零一九年十二月三十一日止年度內，本集團確認短期租賃之租金開支約37,602,000港元(附註14)。

除上文所披露者外，應用二零一九年新訂香港財務報告準則不會對本會計期間或過往會計期間之業績及財務狀況之編製及呈列方式構成重大影響，故毋須作出過往期間調整。

2. APPLICATION OF NEW AND AMENDED HKFRSs (Cont'd)

The Group has not early adopted the following new HKFRS and amendments to existing HKFRSs (“new and amended HKFRSs”) that have been issued but are not yet effective.

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

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

In addition to the above new and amended 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.

The directors of the Company (“Directors”) are in the process of assessing the potential impact of the new and amended HKFRSs but are not yet in a position to determine whether the new and amended HKFRSs will have a significant impact on how the Group’s results of operations and financial position are prepared and presented. The new and amended HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

2. 應用新訂及經修訂香港財務報告準則 (續)

本集團並未提早採納下列已頒布但仍未生效之新訂香港財務報告準則及對現有香港財務報告準則之修訂（「新訂及經修訂香港財務報告準則」）。

香港財務報告準則第3號 (修訂本)	業務之定義 ¹
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 (修訂本)	利率基準改革 ²
香港財務報告準則第10號及 香港會計準則第28號 (修訂本)	投資者與其聯營公司或 合資公司之間的資產 出售或注資 ⁴
香港財務報告準則第17號	保險合同 ³
香港會計準則第1號及 香港會計準則第8號 (修訂本)	重大之定義 ²

- ¹ 就收購日期為二零二零年一月一日或之後開始之首個年度期間開始或之後的業務合併及資產收購生效
- ² 於二零二零年一月一日或之後開始之年度期間生效
- ³ 於二零二一年一月一日或之後開始之年度期間生效
- ⁴ 尚待釐定之日期或之後開始之年度期間生效

除上述新訂及經修訂香港財務報告準則外，二零一八年亦發布了「財務報告概念框架」修訂版。其引致之修訂，即「對香港財務報告準則中概念框架的引用之修訂」，於二零二零年一月一日或之後開始之年度期間生效。

本公司之董事（「董事」）現正評估該等新訂及經修訂香港財務報告準則之潛在影響，惟尚未釐定該等新訂及經修訂香港財務報告準則對本集團之經營業績及財務狀況之編製及呈列方式會否構成重大影響。該等新訂及經修訂香港財務報告準則或會導致日後業績及財務狀況之編製及呈列方式出現變動。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, these consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

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 (2018: HK\$2,749,823,000). Notwithstanding the above result, these consolidated financial statements have been prepared on a going concern basis.

The management closely monitors the Group's financial performance and liquidity position. The validity of the going concern basis depends upon the success of the Group's future operations, its ability to generate adequate cash flows in order to meet its financial obligations as and when they fall due, and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

As at 31 December 2019, the Group had unutilised bank facilities. Based on the latest communications with the banks, the Directors are not aware of any intention of the principal banks to withdraw their bank facilities or require early repayment of the borrowings, and the Directors believe that the existing bank facilities will be renewed or roll-overed when their current terms expire given the good track records and relationships the Group has with the banks. Further, the Group has unutilised loan facility from a Director. In addition, the Group held a portfolio of securities investments and treasury products presented as non-current assets as at 31 December 2019 in aggregate of approximately HK\$20,186,103,000 of which approximately HK\$1,051,880,000 will be realised into cash as the debt securities were contracted for sale under the transaction as disclosed in Note 51(ii).

3. 主要會計政策概要

本綜合財務報表已根據香港會計師公會頒布之香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)及香港公認會計原則而編製。此外,本綜合財務報表包括聯交所證券上市規則(「上市規則」)所要求之適用披露及香港公司條例(第622章)之披露要求。

截至二零一九年十二月三十一日止年度,本集團之經營現金流出約為838,424,000港元以及於該日本集團之流動負債超逾其流動資產約1,138,575,000港元(二零一八年:2,749,823,000港元)。儘管以上所述,本綜合財務報表乃按持續經營基準編製。

管理層密切監察本集團之財務表現及流動資金狀況。持續經營基準之有效性取決於本集團未來營運之成果、其產生足夠現金流量以履行其到期財務責任之能力、以及其再融資或重組其借貸之能力,以滿足本集團對未來營運資金及融資之需要。

於二零一九年十二月三十一日,本集團擁有未動用之銀行信貸額。根據與銀行近期溝通,本公司之董事並無知悉主要銀行有任何意向撤回彼等之銀行信貸額或要求提早償還借貸。董事相信,以本集團良好的過往記錄及與銀行之關係,現有銀行信貸額將於彼等現有條款期滿時獲續期或滾存。此外,本集團擁有來自一位董事之未動用貸款額。另外,本集團持有證券投資及財資產品組合,於二零一九年十二月三十一日呈列為非流動資產合共約為20,186,103,000港元(當中約1,051,880,000港元為附註51(ii)內披露之交易中已訂約出售之債務證券,故將變現為現金)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The Directors have reviewed the Group's cash flow projections prepared by the management. The cash flow projections cover a period of not less than twelve months from 31 December 2019. Based on the cash flow projections, the Group will have sufficient financial resources to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2019. The management has made key assumptions on the projections with regard to the anticipated cash flows from the Group's operations, capital expenditures and the continuous availability of bank facilities. The Group's ability to achieve the projected cash flows depends on the continuous availability of bank facilities from the banks.

In view of the above, the Directors are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the Directors have prepared these consolidated financial statements on a going concern basis.

These consolidated financial statements have been prepared under the historical cost basis, except for certain properties and financial instruments, which are measured at their fair values as explained in the accounting policies set out below.

Fair value measurements

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

3. 主要會計政策概要 (續)

董事已審閱管理層編製之本集團現金流量預測。該等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。根據該等現金流量預測，本集團將具備足夠財務資源以履行其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。在該等預測中，管理層就有關本集團營運所得之預計現金流量、資本開支及持續可動用之銀行信貸額作出關鍵假設。本集團能否取得預測現金流量取決於能否持續取得銀行授予可動用之銀行信貸額。

鑑於上文所述，董事認為本集團將具備足夠財務資源以償還其到期負債，並能繼續持續經營。據此，董事已按持續經營基準編製本綜合財務報表。

本綜合財務報表乃按歷史成本法編製，惟按公平值計量之若干物業及金融工具除外，有關之會計政策闡述如下。

公平值計量

公平值乃於計量日市場參與者於有秩序交易中出售資產所收取或轉讓負債所支付之價格，而不論該價格為可直接觀察取得或可使用其他估值技術估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮資產或負債之特點。於本綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟不包括香港財務報告準則第2號「股份付款」範圍內之以股份付款交易、根據香港財務報告準則第16號（自二零一九年一月一日）或香港會計準則第17號（於香港財務報告準則第16號應用前）入賬之租賃交易及與公平值有若干類似之處但不屬公平值之計量，例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fair value measurements (Cont'd)

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 measurements 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.

(a) Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company: (i) has power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and (iii) 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 profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

3. 主要會計政策概要 (續)

公平值計量 (續)

此外，就財務報告用途，根據公平值計量數據之可觀察程度及數據對公平值計量之整體重要程度，公平值計量劃分為第一級、第二級及第三級，如下所述：

- 第一級：數據為同等之資產或負債（實體能夠於計量日取得）於活躍市場取得之報價（未經調整）；
- 第二級：數據為直接或間接從可觀察之資產或負債所得的數據（於第一級之報價除外）；及
- 第三級：數據為從資產或負債之非可觀察數據。

(a) 綜合賬目基準

附屬公司

綜合財務報表包括本公司與本公司及其附屬公司所控制實體（包括結構性實體）之財務報表。就本公司獲得控制權乃指：(i)可對接受投資方行使權力；(ii)自參與接受投資方之業務獲得或有權獲得可變回報；及(iii)有能力藉對接受投資方行使其權力而影響其回報。

倘事實及情況顯示上文所列三項控制因素其中一項或多項改變，則本集團會重新評估是否仍然對接受投資方擁有控制權。

本集團獲得附屬公司控制權時便開始將附屬公司綜合入賬，於失去控制權時則終止其入賬。具體而言，於年內所收購或出售附屬公司之收入及開支於本集團獲得控制權日起計入損益，直至本集團不再控制該附屬公司為止。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Basis of consolidation (Cont'd)

Subsidiaries (Cont'd)

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the profit or loss as incurred.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Total comprehensive income and expense of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

3. 主要會計政策概要 (續)

(a) 綜合賬目基準 (續)

附屬公司 (續)

收購業務應用收購法入賬。業務合併之轉讓代價按公平值計算，為於收購日之本集團轉讓資產之公平值、本集團付予被收購方前擁有人所產生之負債及本集團用作交換被收購方控股權時發行之股本權益之總和。與收購相關的成本於產生時在損益中確認。

屬現時擁有之權益且於清盤時讓其持有人有權按比例分佔實體資產淨值之非控股權益，初步可按公平值或以非控股權益佔該被收購方可識別資產淨值已確認金額之比例計算。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平值或按另一項香港財務報告準則規定之基準計量（當適用）。

附屬公司之全面收益及支出總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益結餘為負數。

對附屬公司財務報表在必要時會予以調整以使其會計政策與本集團會計政策一致。

所有有關本集團成員之間之集團內資產及負債、股本權益、收入、開支及現金流量交易已於綜合時全數對銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Basis of consolidation (Cont'd)

Subsidiaries (Cont'd)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, 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 previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary, that is, reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs. The fair value of any investment retained in the former subsidiary at the date when control is lost that is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 "Financial Instruments", when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策概要 (續)

(a) 綜合賬目基準 (續)

附屬公司 (續)

本集團於現有附屬公司之擁有權益變動

本集團於現有附屬公司之擁有權益變動若無導致本集團失去對有關附屬公司之控制權，則按股本權益交易入賬。本集團權益及非控股權益之賬面值已作調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值間之任何差額直接於股本權益確認，並歸屬於本公司擁有人。

當本集團失去附屬公司的控制權時，收益或虧損於損益中確認，並計算：(i)已收代價之公平值及任何保留權益之公平值之總額；及(ii)附屬公司之資產（包括商譽）及負債先前之賬面值以及任何非控股權益；兩者之間的差額。所有先前於其他全面收益中確認有關該附屬公司的金額猶如本集團已直接出售附屬公司相關之資產或負債入賬，即採用適用香港財務報告準則規定／允許，重新分類至損益或轉撥至另一類股本權益。在失去控制權當日，任何保留在前附屬公司投資之公平值被視作其後根據香港財務報告準則第9號「金融工具」入賬之初步確認公平值。當適用時，為初步確認投資於聯營公司或合資公司之成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Goodwill

Goodwill arising from an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any (see the accounting policy above).

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

3. 主要會計政策概要 (續)

(b) 商譽

收購業務所產生之商譽按於收購業務當日確立之成本扣除累積減值虧損（如有）列賬（見上文有關之會計政策）。

商譽按轉讓代價、被收購方之任何非控股權益金額、及收購方先前持有被收購方之股本權益之公平值（如有）之總額，超出於收購日所收購可辨別資產扣除所承擔負債後之金額之差額計量。倘經重新評估後，於收購日所收購可辨別資產扣除所承擔負債後之金額超出轉讓代價、被收購方之任何非控股權益金額、及收購方先前持有被收購方之股本權益之公平值（如有）之總額，則該差額即時在損益中確認為議價收購收益。

就減值測試而言，商譽會被分配至本集團各預期可受惠於合併之協同效應之現金產生單位（「現金產生單位」）（或多組現金產生單位）。

商譽所屬之現金產生單位會每年（或於有跡象顯示該單位可能出現減值時更頻密地）進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先被分配以調減該單位任何商譽之賬面值，其後則按該單位內各項資產之賬面值之比例分配至該單位之其他資產。任何商譽之減值虧損會直接於損益中確認。商譽之減值虧損不會於往後期間撥回。

出售相關現金產生單位而釐定出售收益或虧損時，會計入商譽所佔之金額。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Investments accounted for using the equity method

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), 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 or joint venture.

3. 主要會計政策概要 (續)

(c) 以權益法入賬之投資

聯營公司為本集團對其擁有重大影響力之公司，且不屬於附屬公司，亦不屬於合資公司之權益。重大影響力指有權參與接受投資方之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

合資公司屬聯合安排，對該安排擁有共同控制權之各方可據此享有聯合安排之資產淨值之權益。共同控制權乃指按照合約協定對安排共享之控制權，其僅就相關業務之決策須獲共享控制權之各方一致同意時存在。

聯營公司及合資公司的業績以及資產及負債以會計權益法於綜合財務報表入賬。惟有關投資或其中一部分已分類為持作出售，並根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」入賬。根據權益法，於聯營公司或合資公司的投資初步按成本於綜合財務狀況報表確認，並隨後就確認本集團應佔該聯營公司或合資公司的損益及其他全面收益予以調整。當本集團攤佔聯營公司或合資公司之虧損超出本集團於該聯營公司或合資公司之權益（包括實質上成為本集團於該聯營公司或合資公司投資淨額一部分的任何長期權益）時，本集團終止確認其攤佔的進一步虧損。僅於本集團已產生法定或推定責任，或已代表該聯營公司或合資公司支付款項的情況下，方會確認額外虧損。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Investments accounted for using the equity method (Cont'd)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the 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 profit or loss in the period in which the investment is acquired.

The requirements of HKFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, 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 forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策概要 (續)

(c) 以權益法入賬之投資 (續)

於聯營公司或合資公司之投資自接受投資方成為聯營公司或合資公司該日起以權益法入賬。收購於聯營公司或合資公司之投資時，投資成本超出本集團攤佔接受投資方可識別資產及負債之公平值淨值之任何差額確認為商譽，並計入投資之賬面值。本集團攤佔可識別資產及負債之公平值淨值超出投資成本之任何差額，於重新評估後即時在收購該投資期間於損益中確認。

香港財務報告準則第9號的規定被應用以釐定是否需要就有關本集團投資於聯營公司或合資公司確認任何減值虧損。投資（包括商譽）的賬面值悉數將會根據香港會計準則第36號按單一資產在有需要時進行減值測試，方法為比較其可收回金額（使用價值與公平值減出售成本的較高者為準）與其賬面值。被確認之任何減值虧損為投資賬面值的一部分。該減值虧損之任何撥回根據香港會計準則第36號確認，惟受隨後增加的可收回投資金額規限。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Investments accounted for using the equity method (Cont'd)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 主要會計政策概要 (續)

(c) 以權益法入賬之投資 (續)

本集團自投資不再為聯營公司或合資公司當日起或投資(或其中一部分)被分類為持作出售時會終止採用權益法。倘本集團保留於前聯營公司或合資公司之權益且該保留權益為金融資產,則本集團會於該日按公平值計量保留權益,而該公平值被視為根據香港財務報告準則第9號於初步確認時之公平值。聯營公司或合資公司於終止採用權益法當日之賬面值與任何保留權益及出售聯營公司或合資公司部分權益時所得任何款項之公平值間之差額,會於釐定出售該聯營公司或合資公司之收益或虧損時入賬。此外,本集團會將先前在其他全面收益就該聯營公司或合資公司確認之所有金額入賬,與該聯營公司或合資公司直接出售相關資產或負債所需基準相同。因此,倘該聯營公司或合資公司先前在其他全面收益確認之收益或虧損會於出售相關資產或負債時重新分類至損益,本集團會於終止採用權益法時將收益或虧損由股本權益重新分類至損益(作為重新分類調整)。

倘本集團減少其於聯營公司或合資公司之擁有權權益而本集團繼續採用權益法,若有關收益或虧損會於出售相關資產或負債時重新分類至損益,則本集團會將有關減少擁有權權益而先前已於其他全面收益確認之比例收益或虧損重新分類至損益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Investments accounted for using the equity method (Cont'd)

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(d) Impairment losses (other than goodwill and intangible assets with indefinite useful lives)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(e) Investment properties

Investment properties are properties held to earn rental income and/or for capital appreciation including land held for a currently undetermined future use. On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair values of investment properties are included in profit or loss for the period in which they arise.

3. 主要會計政策概要 (續)

(c) 以權益法入賬之投資 (續)

當集團實體與本集團之聯營公司或合資公司進行交易(例如出售或注入資產)時,與聯營公司或合資公司交易所產生之溢利及虧損僅於聯營公司或合資公司之權益與本集團無關時,方於本集團之綜合財務報表確認。

(d) 減值虧損(商譽及無限使用年期之無形資產除外)

於報告期末,本集團會審視其有形資產及其有限使用年期之無形資產之賬面值,以釐定該等資產有否出現任何減值虧損之跡象。倘估計資產之可收回金額低於其賬面值,則該資產之賬面值會減至其可收回金額。減值虧損則即時於損益中確認。

如減值虧損於其後撥回,資產之賬面值會提高至經修訂之估計可收回金額,惟所提高之賬面值不得高於在過往年度未有就資產確認減值虧損之情況下之賬面值。減值虧損之撥回會即時於損益中確認。

(e) 投資物業

投資物業為持作賺取租金收入及/或資本增值用途之物業,包括現時持有但未決定日後用途之土地。於初步確認時,投資物業乃按成本(包括任何直接應佔之開支)計量。於初步確認後,投資物業按公平值計量。投資物業公平值變動所產生之收益及虧損會於產生期間計入損益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Investment properties (Cont'd)

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in profit or loss for the period in which changes take place.

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

An investment property is transferred at fair value to property, plant and equipment when the property begins to be occupied by the owner or of development with a view to owner-occupation. Gain or loss arising from change in fair value of the investment property upon the transfer is included in profit or loss.

An owner-occupied property is transferred from property, plant and equipment to investment properties at fair value when it is evidenced by the end of owner-occupation. The difference between the carrying amount and the fair value at the date of transfer is recognised in other comprehensive income and accounted for as a revaluation increase or decrease in accordance with HKAS 16 "Property, Plant and Equipment". On the subsequent sale or retirement of assets, the relevant revaluation reserve is transferred directly to retained profits.

A property is transferred from investment property to stock of properties when, and only when, there is a change in use, evidenced by commencement of development with a view to sale. Any difference between the fair value of the property at the date of change in use and its previous carrying amount is recognised in profit or loss.

3. 主要會計政策概要 (續)

(e) 投資物業 (續)

持有但未決定日後用途之租賃土地被視為持作資本增值用途而分類為投資物業，並以公平值列賬。租賃土地公平值之變動於變動發生期間直接於損益中確認。

投資物業於出售時或當該投資物業被永久終止使用及預期由出售時起再無日後經濟利益時取消確認。取消確認物業所產生之任何收益或虧損（按出售所得款項淨額與物業的賬面值差額計算）於取消確認該物業期間內計入損益。

當投資物業開始由業主自用或發展以作業主自用時，則該物業按公平值轉撥至物業、廠房及設備。於轉撥時投資物業公平值變動所產生之收益或虧損計入損益。

當業主自用之物業於終止由業主自用時以公平值由物業、廠房及設備轉撥至投資物業。於轉撥日賬面值與公平值之差額將根據香港會計準則第16號「物業、廠房及設備」以重估值增加或減少入賬，並於其他全面收益中確認。隨後在銷售或報廢資產時，有關重估儲備將直接轉撥至保留溢利。

僅限於當投資物業之用途改變成為開始發展以作銷售時，則該物業由投資物業轉撥至物業存貨。於改變用途日，該物業之公平值與其原本賬面值之差額於損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided to write off the cost of property, plant and equipment (other than properties under development) over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

Type	Basis
Leasehold land	Over the remaining lives of the leases
Buildings	Over the shorter of the remaining unexpired period of the lease and 40 years
Leasehold improvement	Over the shorter of lease terms and 6 years
Furniture, fixtures and equipment	3 to 10 years
Yachts and motor vehicles	3 to 10 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the asset is derecognised.

3. 主要會計政策概要 (續)

(f) 物業、廠房及設備

物業、廠房及設備按成本減隨後之累積折舊及累積減值虧損列賬(如有)。

物業、廠房及設備(發展中物業除外)之折舊乃按其估計可使用年期及估計剩餘價值以直線法計算,用以撇銷成本,年折舊率如下:

種類	基準
租賃土地	按租約尚餘年期
樓宇	按租約尚餘未屆滿年期與四十年之間較短者為準
租賃物業裝修	按租賃期限與六年之間較短者為準
傢俬、裝置及設備	三至十年
遊艇及車輛	三至十年

物業、廠房及設備於出售時或當繼續使用資產預期不會產生日後經濟利益時取消確認。取消確認資產所產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之差額計算)於取消確認該資產期間內計入損益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Stock of properties

Stock of properties including completed properties which are held-for-trading, is stated at the lower of cost and net realisable value.

The cost of completed properties held for sale is determined by apportionment of the total development costs, including borrowing costs capitalised, attributable to unsold units. Net realisable value is estimated by the management of the Group based on prevailing market conditions, which represents the estimated selling price less estimated costs to be incurred in selling the property.

The amount of any write-down of or provision for completed properties held for sale is recognised as an expense in the period when the write-down or loss occurs. The amount of any reversal of any write-down or provision, arising from an increase in net realisable value, is recognised as a reduction in the amount of completed properties held for sale recognised as an expense in the period in which the reversal occurs.

(h) Inventories

Inventories comprise finished goods and raw materials for cosmetic products, which are stated at the lower of cost and net realisable value.

Cost represents the invoiced cost of inventories. Costs are assigned to individual items on the weighted-average basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(i) Intangible assets

Trading rights, exchange rights and trademark

Trading rights, gold and silver exchange rights and trademark are stated at cost less accumulated amortisation and less any identified impairment loss. The amortisation period adopted for intangible assets is 5 years.

3. 主要會計政策概要 (續)

(g) 物業存貨

持作買賣用途之物業存貨(包括落成物業)乃按其成本及可變現淨值兩者中較低者列賬。

持作出售之落成物業之成本乃按未售出單位應佔發展成本總額(包括已資本化之借貸成本)之比例釐定。可變現淨值乃由本集團之管理層根據當時市況估算,即估計售價減出售物業將產生之估計成本。

持作出售之落成物業之任何減值或撥備金額,於產生減值或虧損期間內確認為開支。可變現淨值增加導致撥回任何減值或撥備之金額,於作出撥回期間內確認為扣減持作出售之落成物業已確認為開支之金額。

(h) 存貨

存貨包括化妝品之製成品及原材料,按成本與可變現淨值兩者中之較低者列賬。

成本乃指存貨之發票成本。成本乃按個別項目以加權平均法分配。可變現淨值乃指在日常業務過程中之估計售價減去適用可變銷售開支。

(i) 無形資產

買賣權、貿易權及商標

買賣權、金銀貿易權及商標乃按成本減累積攤銷及任何已識別減值虧損列賬。無形資產採納之攤銷期為五年。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially measured at fair value. A financial asset or financial liability (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and measurement

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at FVTPL on initial recognition):

- the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策概要 (續)

(j) 金融工具

當集團實體成為金融工具合約條文之一方，則於綜合財務狀況報表確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。就金融資產或金融負債並非通過損益以反映公平值（「通過損益以反映公平值」）（並無重大融資部分之應收貿易賬項除外）而言，其計量初步按公平值加上或扣減與其收購或發行直接應佔之交易成本。並無重大融資部分之應收貿易賬項初步按交易價格計量。

金融資產

所有已確認之金融資產視乎金融資產之分類而定，隨後整體按攤銷成本或公平值計量。

(i) 分類及計量

符合下列條件之債務工具（除於初步確認時被指定為通過損益以反映公平值之債務投資外）隨後按攤銷成本扣除減值虧損計量：

- 持有金融資產之業務模式以收取合約現金流量為目標；及
- 金融資產之合約條款於指定日期產生之現金流量，僅為支付本金及未償還本金之利息。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(i) Classification and measurement (Cont'd)

A financial asset shall be measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset 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 that are other than those categorised as amortised cost and FVTOCI above, are categorised as measured at FVTPL

(1) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument or, where appropriate, a shorter period, to the net carrying amount at initial recognition.

Interest income is recognised using effective interest method for debt instruments measured subsequently at amortised cost. Interest income is recognised in profit or loss and is included in revenue, other income or investment income as appropriate.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(i) 分類及計量 (續)

倘符合以下兩項條件，金融資產須通過其他全面收益以反映公平值計量：

- 持有金融資產之業務模式以收取合約現金流量及出售金融資產為目標；及
- 金融資產之合約條款於指定日期產生之現金流量，僅為支付本金及未償還本金之利息。

除以上分類為攤銷成本及通過其他全面收益以反映公平值之金融資產，所有其他金融資產分類為通過損益以反映公平值計量。

(1) 攤銷成本及實際利率法

實際利率法為一種計算債務工具攤銷成本及於有關期間內分配利息收入之方法。實際利率為於初步確認時將債務工具預計存續期或更短期間（如適用）內將估計未來現金收入（包括所有已付或已收並構成實際利率一部分之費用及差價、交易成本及其他溢價或折讓）準確地貼現至賬面淨值之利率。

隨後按攤銷成本計量之債務工具之利息收入乃採用實際利率法計算確認。利息收入於損益中確認及包括在收入、其他收入或投資收入（按適用情況而定）內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(i) Classification and measurement (Cont'd)

(2) Financial assets measured at FVTOCI

According to HKFRS 9, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held-for-trading. A financial asset is held-for-trading if it has been acquired principally for the purpose of selling it in the near term or it is a derivative that is not designated and effective as a hedging instrument.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the financial assets measured at FVTOCI reserve. Fair value is determined in the manner described in Note 5(c) to the consolidated financial statements.

Dividend income is recognised in profit or loss and is included in investment income.

The Group has designated all investments in equity instruments (listed or unlisted) that are not held-for-trading as at FVTOCI since the application of HKFRS 9.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(i) 分類及計量 (續)

(2) 通過其他全面收益以反映公平值計量之金融資產

根據香港財務報告準則第9號，本集團可作出不可撤回之選擇（按各工具作基準）指定股本工具投資為通過其他全面收益以反映公平值。倘股本投資為持作買賣，則不允許指定為通過其他全面收益以反映公平值。倘收購金融資產之主要目的為於短期內出售，或該金融資產乃一項非被指定及用作對沖之衍生工具，則該金融資產被視為持作買賣。

通過其他全面收益以反映公平值之股本工具投資初步按公平值加上交易成本計量。隨後彼等按公平值計量，而公平值變動而產生之收益及虧損則於其他全面收益中確認，並於通過其他全面收益以反映公平值計量之金融資產之儲備中累計。公平值按綜合財務報表附註5(c)所述之方式釐定。

股息收入於損益中確認及包括在投資收入內。

自應用香港財務報告準則第9號以來，本集團已指定所有非持作買賣之股本工具投資（上市或非上市）為通過其他全面收益以反映公平值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(i) Classification and measurement (Cont'd)

(3) Financial assets measured at FVTPL

Financial assets measured at FVTPL comprise derivatives that are not designated and effective as hedging instruments and club and corporate debentures.

Investments in equity instruments are classified as FVTPL, unless the Group designates such investment that is not held-for-trading as at FVTOCI on initial recognition (see (i)(2) above).

Debt instruments that do not meet the amortised cost and FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(i) 分類及計量 (續)

(3) 通過損益以反映公平值計量之金融資產

通過損益以反映公平值計量之金融資產包括非被指定及用作對沖之衍生工具以及會籍及公司債券。

股本工具投資分類為通過損益以反映公平值，除非本集團於初步確認時指定該非持作買賣之投資為通過其他全面收益以反映公平值（見上文(i)(2)）。

不符合攤銷成本及通過其他全面收益以反映公平值準則之債務工具（見上文）均為通過損益以反映公平值計量。此外，即使符合攤銷成本準則，惟被指定為通過損益以反映公平值之債務工具，則通過損益以反映公平值計量。倘有關指定為抵銷或大幅減低計量或確認出現之不一致情況，乃因計量資產或負債或確認其收益及虧損以不同之計算方法，債務工具可於初步確認時被指定為通過損益以反映公平值。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(i) Classification and measurement (Cont'd)

(3) Financial assets measured at FVTPL (Cont'd)

Financial assets measured at FVTPL are measured at fair value at the end of the reporting period, with any gains or losses arising from remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in investment income. Fair value is determined in the manner described in Note 5(c) to the consolidated financial statements.

Interest income on debt instruments at FVTPL is recognised in profit or loss and is included in investment income.

(ii) Impairment of financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost. An impairment gain or loss, the amount of ECLs (or reversal) that is required to adjust the loss allowance at reporting date is recognised in profit or loss.

The Group measures loss allowances at an amount equal to lifetime ECLs. For trade receivables, the Group applies the simplified approach to providing for ECLs prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(i) 分類及計量 (續)

(3) 通過損益以反映公平值計量之金融資產 (續)

通過損益以反映公平值計量之金融資產於報告期末按公平值計量，因重新計量而產生之收益或虧損於損益中確認。於損益中確認之收益或虧損淨額包括在投資收入內。公平值按綜合財務報表附註5(c)所述之方式釐定。

通過損益以反映公平值之債務工具之利息收入於損益中確認及包括在投資收入內。

(ii) 金融資產之減值

本集團確認按攤銷成本計量之金融資產的預期信貸虧損（「預期信貸虧損」）之虧損撥備。減值收益或虧損為於報告日期調整虧損撥備所需之預期信貸虧損（或撥回）金額，於損益中確認。

本集團以相等於整個存續期內之預期信貸虧損之金額計量虧損撥備。就應收貿易賬項而言，本集團應用香港財務報告準則第9號所訂明之簡化方法就預期信貸虧損作出撥備，該方法規定對所有應收貿易賬項採用整個存續期內之預期虧損撥備。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(ii) *Impairment of financial assets (Cont'd)*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(ii) *金融資產之減值 (續)*

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本及努力後即可獲得之合理及具理據資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

整個存續期內之預期信貸虧損為金融工具於預計存續期內所有可能發生之違約事件而導致之預期信貸虧損。

十二個月之預期信貸虧損乃指因報告日期後十二個月內（倘該工具之預計存續期少於十二個月，則為較短期間）可能發生之金融工具違約事件而導致之部分預期信貸虧損。

在所有情況下，於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

信貸風險大幅增加

當評估金融工具之信貸風險是否自初步確認後大幅增加，本集團將金融工具於報告日期發生違約之風險與於初步確認日其風險比較。就作出此評估，本集團考慮到合理及具理據之定量及定性資料，包括過往經驗及無須付出過多成本及努力後即可獲得之前瞻性資料。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(ii) Impairment of financial assets (Cont'd)

Significant increase in credit risk (Cont'd)

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;
- 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.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(ii) 金融資產之減值 (續)

信貸風險大幅增加 (續)

在評估信貸風險是否大幅增加時，會特別考慮以下資料：

- 金融工具外界 (如有) 或內部信貸評級出現實際或預期大幅轉差；
- 外部市場信貸風險指標大幅轉差；
- 就業務、財務或經濟環境之現有或預測不利變動預期將導致債務人履行其債務責任之能力遭到大幅削弱；
- 債務人經營業績實際或預期大幅轉差；
- 債務人之監管、經濟或技術環境實際或預期出現重大不利變動，導致債務人履行其債務責任之能力遭到大幅削弱。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(ii) *Impairment of financial assets (Cont'd)*

Significant increase in credit risk (Cont'd)

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.

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.

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

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(ii) *金融資產之減值 (續)*

信貸風險大幅增加 (續)

不論上述評估結果如何，倘合約付款逾期超過30日，則本集團會假定信貸風險自初步確認以來已大幅增加，除非本集團有合理及具理據資料可作證明，則另作別論。

本集團定期監察以識別信貸風險曾否顯著增加的標準之成效，並於適當時作出修訂，從而確保有關標準能夠於款項逾期前識別信貸風險顯著增加。

違約定義

就內部信貸風險管理而言，本集團認為當內部產生或從外部來源所得資料顯示，債務人不大可能向其債權人（包括本集團）支付悉數款項時，則出現違約事件。

無論上述如何，倘金融資產逾期超過90日，本集團將視作已發生違約，除非本集團有合理及具理據資料證明較寬鬆之違約標準更為恰當，則另作別論。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(ii) Impairment of financial assets (Cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 1 year past due, whichever occurs sooner, unless the Group has reasonable and supportable information to demonstrate a later period is more appropriate. 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.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses over the expected life of the financial assets. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the contractual cash flows that are due to the entity in accordance with the contract and the cash flows that the entity expects to receive).

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(ii) 金融資產之減值 (續)

撤銷政策

當有資料顯示交易方陷入嚴重財政困難，且並無實際收回款項之可能時（例如：交易方被清盤或進入破產程序，或就應收貿易賬項而言，當金額已逾期超過一年（以較早發生者為準）），本集團會撤銷金融資產，除非本集團有合理及具理據資料證明較後期間更為恰當，則另作別論。經考慮法律意見後（倘合適），已撤銷的金融資產可能仍可於本集團收回程序下被強制執行。撤銷構成取消確認事件。其後收回之任何款項於損益中確認。

預期信貸虧損之計量

預期信貸虧損為金融資產於預計存續期內之信貸虧損之概率加權估計。違約概率及違約引致損失之評估乃根據歷史數據作出，並就前瞻性資料作出調整。信貸虧損以所有現金虧絀金額（即根據合約應歸還予實體之合約現金流量與實體預計收到之現金流量之間之差額）之現值計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(ii) Impairment of financial assets (Cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses on a forward-looking basis whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data of the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- 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; or
- it is becoming probable that the borrower will enter bankruptcy or other financial re-organisation, or the disappearance of an active market for a security because of financial difficulties.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(ii) 金融資產之減值 (續)

信貸減值之金融資產

於各個報告日期，本集團以前瞻性基準評估按攤銷成本列賬之金融資產是否出現信貸減值。當發生對金融資產估計未來現金流量有不利影響之一個或多個事件時，金融資產出現「信貸減值」。

金融資產信貸減值之證據包括以下事項之可觀察數據：

- 借款人或發行人出現嚴重財政困難；
- 違反合約，如違約或逾期事件；
- 向借款人作出貸款之貸款人出於因借款人財政困難有關之經濟或合約理由，給予借款人在其他情況下不會作出之寬免；或
- 借款人有可能破產或進行其他財務重組，或因財政困難而導致質押失去活躍市場。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial assets (Cont'd)

(iii) *Derecognition of financial assets*

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets to another entity.

On derecognition of a financial asset, except for an investment in equity instrument that is classified as FVTOCI, 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 an investment in equity instrument that is classified as at FVTOCI, the cumulative gain or loss previously accumulated in the financial assets measured at FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained profits.

Financial liabilities and equity instruments

(i) *Classification and measurement*

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or equity instruments according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融資產 (續)

(iii) *金融資產之取消確認*

當收取資產之現金流量的合約權利到期，或金融資產被轉移及本集團將該金融資產擁有權之絕大部分風險及回報已轉移給另一個實體時，則金融資產將被取消確認。

除分類為通過其他全面收益以反映公平值之股本工具投資外，於取消確認金融資產時，資產賬面值與已收及應收代價之總和之差額乃於損益中確認。

於取消確認被分類為通過其他全面收益以反映公平值之股本工具投資時，過往於通過其他全面收益以反映公平值計量之金融資產之儲備中累計之收益或虧損不會重新分類至損益，但轉撥至保留溢利。

金融負債及股本工具

(i) *分類及計量*

集團實體發行之金融負債及股本工具乃根據已訂立合約安排之本質及金融負債與股本工具之定義分類為金融負債或股本工具。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

(i) Classification and measurement (Cont'd)

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into (i) financial liabilities at FVTPL and (ii) other financial liabilities subsequently measured at amortised cost. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

(1) Financial liabilities at FVTPL

Financial liabilities at FVTPL, representing those as held-for-trading, comprise derivatives that are not designated and effective as hedging instruments.

Financial liabilities at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

(i) 分類及計量 (續)

股本工具為可證明於本集團之資產經扣除其所有負債後之剩餘權益之任何合約。本集團之金融負債一般分類為(i)通過損益以反映公平值之金融負債及(ii)隨後按攤銷成本計量之其他金融負債。就金融負債及股本工具而採納之會計政策載列如下。

(1) 通過損益以反映公平值之金融負債

通過損益以反映公平值之金融負債乃指持作買賣之金融負債，包括非被指定及用作對沖之衍生工具。

通過損益以反映公平值之金融負債乃按公平值計量，而因重新計量以致公平值之變動於產生期間直接於損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

(i) Classification and measurement (Cont'd)

(2) Other financial liabilities subsequently measured at amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability or, where appropriate, a shorter period, to the net carrying amount at initial recognition.

Interest expense is recognised using effective interest method for financial liabilities, other than those financial liabilities at FVTPL.

Other financial liabilities are subsequently measured at amortised cost, using the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in finance costs.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

(i) 分類及計量 (續)

(2) 隨後按攤銷成本計量之其他金融負債及實際利率法

實際利率法為一種計算金融負債攤銷成本及於有關期間內分配利息開支之方法。實際利率為於初步確認時將金融負債預計存續期或更短期間(如適用)內將估計未來現金支出(包括所有已付或已收並構成實際利率一部分之費用及差價、交易成本及其他溢價或折讓)準確地貼現至賬面淨值之利率。

除分類為通過損益以反映公平值之金融負債外，金融負債之利息開支乃採用實際利率法計算確認。

其他金融負債隨後乃採用實際利率法按攤銷成本計量。非資本化為資產之部分成本的利息開支，已計入財務費用。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

(i) Classification and measurement (Cont'd)

(3) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Consideration paid to repurchase the Company's own equity instruments is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) *Derecognition of financial liabilities*

Financial liabilities are derecognised when the Group's obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is 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 immediately.

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

(i) 分類及計量 (續)

(3) 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

回購本公司之股本工具所支付之代價於股本權益中扣除。於購買、出售、發行或註銷本公司之股本工具時並無收益或虧損於損益中確認。

(ii) *取消確認金融負債*

當本集團相關合約之特定責任獲解除、取消或到期時，金融負債將被取消確認。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中確認。

衍生金融工具

衍生工具初步按衍生工具合約簽訂當日之公平值確認，隨後按彼等於報告期末之公平值重新計量。所產生之收益或虧損即時於損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Financial instruments (Cont'd)

Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9 (see financial assets above); and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15.

(k) Revenue recognition

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

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

3. 主要會計政策概要 (續)

(j) 金融工具 (續)

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人需支付指定金額予持有人以補償其所蒙受損失之合約。

財務擔保合約負債初步按彼等公平值計量，倘彼等並非被指定為通過損益以反映公平值，且並非因資產轉讓而引起，則隨後按較高者計量：

- 根據香港財務報告準則第9號而釐定虧損撥備之金額（見上文金融資產）；及
- 以初步確認之金額減根據香港財務報告準則第15號之原則確認之累計收入金額（如適用）。

(k) 收入確認

本集團之履約責任當（或已）獲履行時確認收入，即當與特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。

履約責任指可分別之貨品或服務（或一組貨品或服務）或一系列大致相同之可分別之貨品或服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Revenue recognition (Cont'd)

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

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

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

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

Revenue is measured at the fair value of the consideration received or receivable.

3. 主要會計政策概要 (續)

(k) 收入確認 (續)

倘符合以下其中一項標準，則控制權於一段時間內轉移，而收入則參照完全履行相關履約責任之進展情況而於一段時間內確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團之履約產生及提升資產，而該項資產於本集團履約時由客戶控制；或
- 本集團之履約並未產生讓本集團有替代用途之資產，且本集團對至今已完履約之付款具有可強制執行權利。

否則，收入於客戶取得可分別之貨品或服務控制權之時點確認。

合約資產指本集團就換取本集團已向客戶轉讓之貨品或服務而收取代價之權利，而該權利尚未成為無條件，須根據香港財務報告準則第9號作減值評估。相反，應收款項指本集團收取代價之權利成為無條件。

合約負債指本集團因已向客戶收取代價（或已到期之代價金額），而須向客戶轉讓貨品或服務之責任。

與合約有關之合約資產及合約負債以淨額入賬及呈列。

收入乃按已收或應收代價之公平值計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Revenue recognition (Cont'd)

Revenue from sale of properties held for sale in the ordinary course of business is recognised when the legal assignment is completed, which is the point in time when the purchaser has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property.

Rental income, including rental invoiced in advance from properties under operating leases, is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Sales of securities investments are recognised on a trade date basis.

Brokerage income on dealings in securities and futures contracts is recognised at the point in time when the relevant contract notes are executed.

Management fee income is recognised in accordance with terms of respective agreements over the relevant period in which the services are rendered.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Revenue from sales of cosmetic products is recognised at the point in time when goods are delivered and titles have been passed.

Interest income from a financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount at initial recognition.

3. 主要會計政策概要 (續)

(k) 收入確認 (續)

於日常業務過程中持作出售物業之銷售收入乃於法律轉讓完成時確認，時點為當買家有能力管理該物業之使用並獲得該物業絕大部分之餘下利益。

租金收入包括就營業租約物業預先開出發票之租金，乃按有關租約年期以直線法於損益中確認。

出售證券投資按買賣日期基準確認。

買賣證券及期貨合約之經紀收入於執行有關買賣單據之時點確認。

管理費收入乃就提供服務期間按有關協議之條款確認。

投資之股息收入乃於本集團收取款項之權利確立時確認。

化妝品銷售所得收入於交付貨品及轉移所有權之時點確認入賬。

金融資產之利息收入乃就本金結餘按適用實際利率及時間比例計算。有關利率指於金融資產預計存續期內將估計未來現金收入準確貼現至於初步確認時資產賬面淨值之利率。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(I) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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 goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associates and joint venture, 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.

3. 主要會計政策概要 (續)

(I) 稅項

所得稅開支指當期應付稅項及遞延稅項之總和。

當期應付稅項按年度應課稅溢利計算。應課稅溢利與綜合全面收益報表所報除稅前溢利不同，此乃由於其不包括在其他年度應課稅之收入或可扣減之開支，亦不包括永不課稅或扣減之項目。本集團之當期稅項負債於報告期末以已頒布或實質頒布之稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相關稅基兩者之暫時差異確認。遞延稅項負債通常會就所有應課稅暫時差異確認，遞延稅項資產通常就所有可扣減暫時差異限於較可能於日後取得應課稅溢利，而該等可扣減暫時差異可用以抵銷時確認。若暫時差異因商譽或由於一項既不影響應課稅溢利或會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。

本集團會就於附屬公司、聯營公司及合資公司之投資之有關應課稅暫時差異確認遞延稅項負債，惟本集團有能力控制暫時差異之撥回及暫時差異不大可能於可見將來撥回則另作別論。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Taxation (Cont'd)

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 assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority and the entity intends to settle its current tax assets and liabilities on a net basis.

(m) Leasing

Upon application of HKFRS 16 in accordance with transition in Note 2

Definition of a lease

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

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. 主要會計政策概要 (續)

(l) 稅項 (續)

遞延稅項資產之賬面值於各報告期末均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項資產及負債乃按於負債償還或資產變現期間所預期之適用稅率計量。當期稅項及遞延稅項會於損益中確認，惟當相關項目於其他全面收益或直接於股本權益中確認，在此情況下，其當期稅項及遞延稅項亦會分別於其他全面收益或直接於股本權益中確認。若當期稅項或遞延稅項乃因初步就業務合併入賬而產生，其稅務影響會納入業務合併之會計處理中。

如所得稅是由同一稅務當局徵收，而實體打算支付其當期稅項資產及稅項負債之淨額，有關遞延稅項資產及負債可以互相抵銷。

(m) 租賃

根據附註2之過渡條文應用香港財務報告準則第16號

租賃之定義

倘合約為換取代價而授予已識別資產在一段期間內之使用控制權，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修改或自業務合併所產生之合約而言，本集團於開始、修改日期或收購日期（如適用）基於香港財務報告準則第16號項下之定義，評估合約是否為租賃或包含租賃。除非合約之條款及條件隨後發生變動，否則將不會重新評估有關合約。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Leasing (Cont'd)

Upon application of HKFRS 16 in accordance with transition in Note 2 (Cont'd)

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to short-term leases of assets (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to lease of office equipment that are considered as low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. 主要會計政策概要 (續)

(m) 租賃 (續)

根據附註2之過渡條文應用香港財務報告準則第16號 (續)

本集團為承租人

分配合約代價之組成部分

對於包含一項租賃組成部分及一項或多項額外的租賃或非租賃組成部分之合約，本集團根據租賃組成部分之相對單獨價格及非租賃組成部分之單獨價格總和將合約代價分配至各個租賃組成部分。

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於短期租賃之資產（即該等自租賃開始日期起計租期為十二個月或以下且不包含購買選擇權之租賃）。本集團亦將低價值資產租賃確認豁免應用於被認為低價值之辦公室設備租賃。短期租賃及低價值資產租賃之租賃付款於租期內以直線法確認為開支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Leasing (Cont'd)

Upon application of HKFRS 16 in accordance with transition in Note 2 (Cont'd)

The Group as a lessee (Cont'd)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, estimated costs to be incurred by the lessee in restoring the underlying asset to the condition required by the terms and conditions of the lease, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

The Group presents right-of-use assets as a separate line item in the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. 主要會計政策概要 (續)

(m) 租賃 (續)

根據附註2之過渡條文應用香港財務報告準則第16號 (續)

本集團為承租人 (續)

使用權資產

本集團於租賃開始日期(即相關資產可供使用日期)確認使用權資產。使用權資產按成本減任何累積折舊及減值虧損計量,並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債金額、已產生初步直接成本、承租人將相關資產還原至租賃條款及條件要求之狀況所產生之估計成本,以及於開始日期或之前已作出之租賃付款減任何已收租賃優惠。除非本集團合理地確定於租期結束時取得租賃資產擁有權,否則已確認使用權資產於其估計可使用年期及租期(以較短者為準)按直線法計算折舊。使用權資產須予以減值。

使用權資產於本集團綜合財務狀況報表中以單獨項目呈列。

可退還租金按金

已付之可退還租金按金乃根據香港財務報告準則第9號入賬及初步按公平值計量。初步確認時對公平值作出之調整被視作額外租賃付款並包含在使用權資產成本中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Leasing (Cont'd)

Upon application of HKFRS 16 in accordance with transition in Note 2 (Cont'd)

The Group as a lessee (Cont'd)

Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed lease payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

3. 主要會計政策概要 (續)

(m) 租賃 (續)

根據附註2之過渡條文應用香港財務報告準則第16號 (續)

本集團為承租人 (續)

租賃負債

於租賃開始日期，本集團確認於租期內作出之租賃付款以現值計量之租賃負債。於計算租賃付款之現值時，倘租賃之隱含利率不易釐定，則本集團使用租賃開始日期之遞增借貸利率計算。

租賃付款包括：

- 定額付款 (含實質定額租賃付款) 減去任何應收租賃獎勵；
- 取決於一項指數或利率之可變租賃付款，初步計量時使用開始日期之指數或利率；
- 本集團根據剩餘價值擔保預期應付金額；
- 購買選擇權之行使價，倘本集團合理地確定行使選擇權；及
- 倘租賃條款反映本集團行使終止租賃之選擇權，則支付終止租賃之罰款。

於開始日期後，租賃負債金額增加反映利息之增加，其減少則為租賃付款所致。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Leasing (Cont'd)

Upon application of HKFRS 16 in accordance with transition in Note 2 (Cont'd)

The Group as a lessee (Cont'd)

Lease liabilities (Cont'd)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- change in the lease term or change in the assessment of exercise of a purchase option to purchase the underlying asset, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- change in lease payments arising from change in an index or rate or expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item in the consolidated statement of financial position.

Lease modifications

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 主要會計政策概要 (續)

(m) 租賃 (續)

根據附註2之過渡條文應用香港財務報告準則第16號 (續)

本集團為承租人 (續)

租賃負債 (續)

倘出現以下情況，本集團重新計量租賃負債（並就相關使用權資產作出相應調整）：

- 租期之變動或購買相關資產之行使購買選擇權之評估發生變化，在該情況下，於重新評估日期，有關租賃負債使用經修訂貼現率貼現經修訂租賃付款重新計量。
- 若租賃付款因一項指數或利率變動或有擔保剩餘價值下預期付款變動而出現變動，則有關租賃負債使用初步之貼現率貼現經修訂租賃付款重新計量。

租賃負債於本集團綜合財務狀況報表中以單獨項目呈列。

租賃修改

對於不作為一項單獨租賃入賬之租賃修改，本集團根據經修改租賃之租期重新計量租賃負債，計量方式為使用修改生效日期之經修訂貼現率貼現經修訂租賃付款。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Leasing (Cont'd)

Upon application of HKFRS 16 in accordance with transition in Note 2 (Cont'd)

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Prior to 1 January 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Rentals payable under operating leases is charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策概要 (續)

(m) 租賃 (續)

根據附註2之過渡條文應用香港財務報告準則第16號 (續)

本集團為出租人

營業租約之租金收入會以直線法按有關租約年期於損益中確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面值，並以直線法按租約年期確認為開支。

二零一九年一月一日之前

凡租約條款規定將租賃擁有權之絕大部分風險及回報轉移至承租人之租約均列為融資租賃。所有其他租約分類為營業租賃。

本集團為承租人

根據營業租約應付之租金會以直線法按有關租約年期在損益扣除。作為訂立營業租約獎勵之已收及應收利益會以直線法按有關租約年期確認為租金開支之扣減。

本集團為出租人

營業租約之租金收入會以直線法按有關租約年期於損益中確認。磋商及安排營業租約時產生之初步直接成本會加入租賃資產之賬面值，並以直線法按租約年期確認為開支。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences arising from the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising from a monetary item that forms part of the Company's net investment in a foreign operation, in which case, the exchange differences are recognised in other comprehensive income and will be reclassified from equity to profit or loss on disposal of the foreign operation. Exchange differences arising from the retranslation of non-monetary items carried at fair value are included in profit or loss for the period in which they arise, except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which case, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using the exchange rate prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策概要 (續)

(n) 外幣

在編製個別集團實體之財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易按交易日通用之匯率入賬。於報告期末，以外幣計值之貨幣項目以報告期末當日通用之匯率重新換算。以外幣計值並按公平值列賬之非貨幣項目以釐定公平值當日通用之匯率重新換算。以外幣計值並以歷史成本計量之非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目時產生之匯兌差額於產生之期間在損益中確認，惟貨幣項目構成本公司之境外業務淨投資一部分而產生之匯兌差額則於其他全面收益中確認，並在出售境外業務時，從股本權益重新分類至損益。重新換算按公平值列賬之非貨幣項目產生之匯兌差額計入產生之期間之損益，惟重新換算其收益及虧損直接於其他全面收益確認之非貨幣項目產生之匯兌差額除外，在此情況下，匯兌差額亦會直接於其他全面收益中確認。

為呈列綜合財務報表，本集團境外業務之資產及負債均以各報告期末之通用匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目則以期間平均匯率予以換算。惟倘匯率於期間內波動很大，在此情況下則以交易日之匯率換算。所產生之匯兌差額（如有）於其他全面收益中確認並累積於匯兌儲備中。該等匯兌差額於該境外業務出售期間於損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Foreign currencies (Cont'd)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in the translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is reattributed to non-controlling interests and is not recognised in profit or loss. For partial disposals of associates or joint venture that do not result in the Group losing significant influence or joint control, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

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

3. 主要會計政策概要 (續)

(n) 外幣 (續)

於出售境外業務 (即出售本集團於境外業務之全部權益, 或出售涉及失去對擁有境外業務之附屬公司之控制權, 或出售涉及失去對擁有境外業務之合資公司之共同控制權, 或出售涉及失去對擁有境外業務之聯營公司之重大影響力) 時, 就本公司擁有人應佔該業務於匯兌儲備累積之所有匯兌差額重新分類至損益。

倘出售部分附屬公司並未導致本集團失去對附屬公司之控制權, 則按比例將累積匯兌差額重新歸類為非控股權益, 而並不於損益中確認。就出售部分聯營公司或合資公司而並未造成本集團失去重大影響力或共同控制權, 則按比例將攤佔累積匯兌差額重新分類至損益。

(o) 借貸成本

於購買、興建或製造必須以長時間預備擬定用途或銷售之合資格資產之直接應佔借貸成本將計入為該等資產之成本。當該等資產實質上達至擬定用途或可供銷售時, 借貸成本便不再作資本化。

所有其他借貸成本於產生期間於損益中確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as expenses when employees have rendered service entitling them to the contributions.

(q) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(r) Related parties

(i) A person, or a close member of that person's family, is related to the Group if that person:

- (1) has control or joint control of the Group;
- (2) has significant influence over the Group; or
- (3) is a member of the key management personnel of the Group or the Group's parent.

3. 主要會計政策概要 (續)

(p) 退休福利成本

界定供款退休福利計劃之供款於僱員提供服務以有權取得供款時確認為開支。

(q) 撥備

當本集團因過往事件而承擔現有責任，導致本集團將有可能就該責任付款，而該責任之金額能可靠地估計時確認撥備。

確認為撥備之金額乃於報告期末就支付現有責任所需之代價之最佳估計，當中已考慮涉及有關責任之風險及不確定因素。倘撥備使用估計支付現有責任之現金流量進行計量，其賬面值即為該等現金流量之現值。

(r) 關連人士

(i) 倘屬以下人士，即該人士或與該人士關係密切的家庭成員與本集團有關連：

- (1) 控制或共同控制本集團；
- (2) 對本集團有重大影響力；或
- (3) 為本集團或本集團母公司之主要管理人員。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Related parties (Cont'd)

- (ii) An entity is related to the Group if any of the following conditions applies:
- (1) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (2) one entity is an associate or a joint venture of the other entity (or an associate or a joint venture of a member of a group of which the other entity is a member).
 - (3) both entities are joint ventures of the same third party.
 - (4) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (6) the entity is controlled or jointly controlled by a person identified in (i).
 - (7) a person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (8) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3. 主要會計政策概要 (續)

(r) 關連人士 (續)

- (ii) 倘實體符合下列任何條件，即與本集團有關連：
- (1) 該實體與本集團為同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (2) 某一實體為另一實體的聯營公司或合資公司（或另一實體為成員公司之集團旗下成員公司之聯營公司或合資公司）。
 - (3) 兩間實體均為同一名第三方的合資公司。
 - (4) 某一實體為一名第三方實體之合資公司，而另一實體為該名第三方實體之聯營公司。
 - (5) 該實體為本集團或本集團相關實體之僱員離職後福利計劃。倘本集團本身屬該計劃，提供資助之僱主亦與本集團有關連。
 - (6) 該實體受(i)項所述人士控制或共同控制。
 - (7) 於(i)(1)項所述人士可對該實體有重大影響力或屬該實體（或該實體之母公司）之主要管理人員。
 - (8) 該實體或其所屬集團內之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Related parties (Cont'd)

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(s) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

3. 主要會計政策概要 (續)

(r) 關連人士 (續)

關連人士交易乃指本集團與關連人士之間轉移資源、服務或責任，不論是否收取價款。

個別人士關係密切的家庭成員乃指與該實體交易時預期可影響該個別人士或受該個別人士影響的家庭成員。

(s) 或然負債及或然資產

或然負債乃一項因過往事件產生之有可能承擔，而該等過往事件之存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。其亦可為一項因不大可能需要耗用經濟資源或承擔之金額未能可靠地計量而未有確認之過往事件產生之現有承擔。或然負債未有予以確認，惟已於綜合財務報表附註中披露。倘耗用經濟資源之可能性出現變動致使有可能需耗用經濟資源，則或然負債將確認為撥備。

或然資產乃一項因過往事件產生之有可能資產，而該等過往事件之存在僅可由一項或多項並非由本集團全權控制之日後不明朗事件之存在與否確定。或然資產未有予以確認，但於可能出現經濟利益流入時於綜合財務報表附註中予以披露。當該流入獲實質確定時將對資產確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Operating segments

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision-makers. Segment assets consist primarily of investment properties, financial assets and other assets. Segment liabilities comprise financial liabilities and other liabilities. The Group evaluates performance on the basis of profit or loss from operations after tax expense and non-controlling interests but not including the major non-cash items. The major non-cash items are unrealised fair value changes on investment properties and other properties together with their, if applicable, respective deferred tax, and impairment loss of goodwill. No intersegment revenue is accounted for as the intersegment revenue is mainly the rental income for administrative purpose.

(u) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated statement of financial position in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3. 主要會計政策概要 (續)

(t) 營運分類

營運分類之呈報方式與提供予主要營運決策者之內部管理報告之方式一致。分類資產主要包括投資物業、金融資產以及其他資產。分類負債包括金融負債及其他負債。本集團以扣除稅項開支及非控股權益後之經營損益（但不包括主要非現金項目）為基準評估表現。主要非現金項目為投資物業及其他物業之未變現公平值變動連同其相關之遞延稅項（如適用），以及商譽之減值虧損。由於分類間之收入主要為就行政目的之租金收入，因此並無將分類間之收入入賬。

(u) 股息分派

向本公司股東分派之股息在本公司股東或董事（如適合）批准派息之期間於本公司之綜合財務狀況報表內確認為負債。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 3, the management of the Group 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.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimations, that the management of the Group has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in these consolidated financial statements.

Fair value of unquoted financial assets measured at FVTOCI

As described in Note 5(c), the management of the Group uses its judgments in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The Group's unlisted equity securities with carrying amounts of approximately HK\$1,603,891,000 (2018: HK\$1,200,307,000) are valued using a discounted cash flow analysis and with reference to the fair values of the underlying properties and assets based on assumptions supported, where possible, by observable market prices or rates. The estimation of fair value of these unlisted equity securities also includes some assumptions not supported by observable market prices or rates.

4. 關鍵會計判斷及估計

於應用本集團之會計政策（如附註3所述）時，本集團之管理層須對未能從其他方面確定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之經驗及其他被視為相關之因素而作出。實際結果可能與此等估計不盡相同。

就該等估計及相關假設須不斷作出檢討。倘會計估計之修訂僅影響該修訂期間，該修訂會於該修訂期間內確認；或倘該修訂影響本期間及未來期間，則於修訂期間及未來期間確認。

應用會計政策之關鍵判斷

除牽涉估計外，以下為本集團之管理層於應用本集團之會計政策過程中，已作出對本綜合財務報表已確認之數額有重大影響之關鍵判斷。

通過其他全面收益以反映公平值計量之並無報價金融資產之公平值

誠如附註5(c)所述，就並無在活躍市場報價之金融工具，本集團之管理層利用其判斷以選擇合適估值技術。應用之估值技術為市場人士所慣常使用。本集團之非上市股本證券之賬面值約為1,603,891,000港元（二零一八年：1,200,307,000港元）乃依據（倘可能）可觀察之市場價格或利率所支持之假設，使用貼現現金流量分析以及參考相關物業及資產之公平值進行估值。該等非上市股本證券之公平值估計亦包括若干並非由可觀察之市場價格或利率所支持之假設。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (Cont'd)

Critical judgments in applying accounting policies (Cont'd)

Impairment loss in respect of trade and other receivables

The Group determines the impairment loss in respect of trade and other receivables based on the ECLs. Impairment loss in respect of trade receivables is assessed on lifetime ECL while other receivables is assessed on 12-month ECLs as there had been no significant increase in credit risk since initial recognition.

The policy for impairment loss in respect of trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required.

Fair value of investment properties

The Group's investment properties are stated at fair value based on the valuations performed by independent professional valuers. In determining the fair value, the valuers have based on methods of valuation which involve certain estimates. In relying on the valuation reports, the management of the Group has exercised its judgments and is satisfied that the methods of valuation are reflective of the current market conditions, as detailed in Note 19. Should there be any changes in assumptions due to change in market conditions, the fair value of the investment properties will change in future.

4. 關鍵會計判斷及估計 (續)

應用會計政策之關鍵判斷 (續)

有關應收貿易賬項及其他應收賬項之減值虧損

本集團按預期信貸虧損釐定應收貿易賬項及其他應收賬項之減值虧損。應收貿易賬項之減值虧損以整個存續期內之預期信貸虧損來評估，而其他應收賬項因其信貸風險並未自初步確認後大幅增加，故減值虧損則以十二個月之預期信貸虧損來評估。

本集團有關應收貿易賬項及其他應收賬項之減值虧損之政策基於對賬款之收回可能性及賬齡分析之評價以及管理層之判斷衡量。於評估此等應收賬項之最終收回情況時需要作出大量判斷，包括各債務人目前之信譽及過往還款紀錄。倘本集團債務人之財政狀況轉差而削弱彼等之付款能力時，則需要作出額外撥備。

投資物業之公平值

本集團之投資物業按獨立專業估值師進行估值而評定之公平值列賬。估值師於釐定公平值時，乃根據估值方法進行，當中牽涉若干估計。本集團之管理層於信賴估值報告時已作出判斷及認同該等估值方法乃反映市場現況（詳情載列於附註19內）。倘市場狀況變化導致假設有任何變動，投資物業之公平值將於未來變動。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (Cont'd)

Critical judgments in applying accounting policies (Cont'd)

Determining the lease term of contracts with termination option

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised. The Group has the option, under some of its leases, to terminate the lease with prior written notice without any compensation. The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to terminate. That is, the Group considers all relevant factors that create an economic incentive for it to exercise the termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Deferred tax assets

As at 31 December 2019, a deferred tax asset of approximately HK\$4,108,000 (2018: HK\$2,059,000) in relation to unused tax losses has been recognised in the consolidated statement of financial position. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in the consolidated statement of comprehensive income for the period in which such a reversal takes place.

4. 關鍵會計判斷及估計 (續)

應用會計政策之關鍵判斷 (續)

釐定具終止選擇權的合約中之租期

本集團將租期釐定為不可撤銷之租賃期限，倘能合理地確定將不會行使終止租賃之選擇權時，租期還應包括該選擇權所涵蓋的任何期間。本集團根據其部分租賃，在預先書面通知下，可選擇無償終止租賃。本集團運用判斷評估行使終止選擇權是否合理確定。換言之，本集團考慮到所有能形成經濟誘因而促使其行使終止選擇權之相關因素。自開始日期後，倘若在本集團控制範圍內有重大事件或環境變化而影響本集團行使（或不行使）該選擇權之能力，本集團會重新評估租期。

估計不明確因素之主要來源

以下是對未來，以及於報告期末估計不明確因素之其他主要來源使下一個財政年度對資產及負債之賬面值造成重大調整有顯著風險之主要假設。

遞延稅項資產

於二零一九年十二月三十一日，有關未使用稅務虧損之遞延稅項資產約4,108,000港元（二零一八年：2,059,000港元）已於綜合財務狀況報表中確認。遞延稅項資產能否變現主要視乎日後是否具有足夠之未來溢利或應課稅暫時差異而定。倘若未來之實際溢利低於預期，則可能產生重大之遞延稅項資產撥回，有關撥回將於出現撥回之期間內於綜合全面收益報表中確認。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Impairment of goodwill and intangible assets

The Group performs annual tests on whether there has been impairment of goodwill and intangible assets in accordance with the accounting policies stated in Note 3. The recoverable amounts of CGUs are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by the management of the Group on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

Write-down of stock of properties

In accordance with the accounting policies as stated in Note 3, the Group performs regular reviews on the estimated net realisable values of the stock of properties in order to assess if, when the estimated net realisable values declining below the corresponding carrying amounts, any write-down of stock of properties is required. The management of the Group has taken into account of the prevailing market conditions, valuations or estimated unit selling price from independent property valuers and internally available information and exercised considerable judgments in making these estimates.

Impairment loss in respect of investments accounted for using the equity method

The management of the Group determines whether investments accounted for using the equity method have suffered any impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable, according to their recoverable amounts determined by the CGUs based on value-in-use calculations. The determination of impairment indication requires significant judgments, and the calculations require the use of estimates which are subject to change of economic environment in future.

4. 關鍵會計判斷及估計 (續)

估計不明確因素之主要來源 (續)

商譽及無形資產之減值

本集團根據附註3所述之會計政策對商譽及無形資產進行年度減值測試。現金產生單位之可收回金額乃根據使用價值計算法釐定。使用價值計算法需要本集團之管理層對未來業務營運、稅前貼現率及其他有關使用價值計算法之假設作出估計及假設。

物業存貨之減值

本集團根據附註3所述之會計政策定時審閱物業存貨之估計可變現淨值，以評估當估計可變現淨值下降至低於相關賬面值時，須對物業存貨作出減值。本集團之管理層考慮當時市況、由獨立物業估值師進行估值或估計單位售價及內部參考資料，以及運用大量判斷而作出該等估計。

有關以權益法入賬之投資之減值虧損

倘事件或環境變化顯示以權益法入賬之投資之賬面值可能不可收回，本集團之管理層根據使用價值計算法以現金產生單位釐定之可收回金額，以評定是否出現任何減值。評定減值跡象需要作出重大判斷，而計算過程中需使用的估計會因未來經濟環境變化而受到影響。

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets	金融資產
Financial assets measured at fair value through profit or loss	通過損益以反映公平值計量之金融資產
Financial assets measured at fair value through other comprehensive income	通過其他全面收益以反映公平值計量之金融資產
Amortised cost	攤銷成本
Financial liabilities	金融負債
Amortised cost	攤銷成本
Derivative financial instrument	衍生金融工具

(b) Financial risk management objectives and policies

The Group's major financial instruments include equity investments, bonds, club and corporate debentures, derivative financial instrument, advances to/from associates/joint venture/investee companies/non-controlling shareholders, debtors, deposits and other receivables, securities trading receivables and deposits, pledged deposits, time deposits, bank balances and cash, sales proceeds held by stakeholders, borrowings, creditors and accruals, securities trading and margin payable, lease liabilities and deposits received. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and 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.

There has been no change to the Group's risk exposure relating to financial instruments or the manner in which it manages and measures the risks.

5. 金融工具

(a) 金融工具類別

2019	2018
HK\$'000	HK\$'000
千港元	千港元
9,038,353	6,765,917
20,182,543	21,367,307
1,448,550	2,363,120
<hr/>	
14,453,581	14,350,602
6,060	-

(b) 金融風險管理目標及政策

本集團之主要金融工具包括股本投資、債券、會籍及公司債券、衍生金融工具、墊付予／墊款自聯營公司／合資公司／接受投資公司／非控股股東之款項、應收賬項、按金及其他應收賬項、應收證券交易賬項及存款、抵押存款、定期存款、銀行結餘及現金、保管人所持銷售所得款項、借貸、應付賬項及應計款項、應付證券交易賬項及保證金、租賃負債以及已收按金。該等金融工具之詳情於相關附註中予以披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。本集團之管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

本集團有關金融工具之風險或管理及計量該等風險之方式並無變動。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk

(i) Foreign currency risk

The Group is mainly exposed to foreign exchange risk arising from future commercial transactions, and from recognised assets and liabilities. The functional currency of the Company and its major subsidiaries in Hong Kong is HK\$ in which most of the transactions are denominated. The functional currencies of those subsidiaries operating in the United Kingdom and the PRC are Pound Sterling ("GBP") and Renminbi ("RMB") respectively in which most of their transactions are denominated. The Group is mainly exposed to foreign exchange risk in respect of exchange fluctuations of HK\$ against GBP and RMB. The conversion of RMB into other currencies is subject to the rules and regulations of foreign exchange control promulgated by the government of the PRC. The Group currently does not have foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The Group's exposure to foreign currency risk at the end of the reporting period is as follows:

Assets	資產
United States dollar ("US\$")	美元(「美元」)
GBP	英鎊
RMB	人民幣
Euro ("EUR")	歐元(「歐元」)

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險

(i) 外幣風險

本集團主要面對由未來商業交易，以及已確認資產及負債而導致的外匯風險。本公司及其於香港主要附屬公司之功能貨幣為港元，當中大部分交易以港元計值。於英國及中國經營之附屬公司之功能貨幣分別為英鎊(「英鎊」)及人民幣(「人民幣」)，當中大部分交易分別以英鎊及人民幣計值。本集團主要因港元兌英鎊及人民幣匯率波動而承受外匯風險。換算人民幣為其他貨幣須遵守中國政府頒布之外匯管制之規則及規例進行。本集團現時就外幣資產及負債並無外幣對沖政策。本集團將密切監管其外幣風險，並於必要時考慮對沖重大外幣風險。

本集團於報告期末所承受之外幣風險如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
9,447,549	7,120,729
1,965,283	1,852,039
184,590	131,553
464	51

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

The Group's exposure to foreign currency risk at the end of the reporting period is as follows: (Cont'd)

Liabilities	負債
US\$	美元
GBP	英鎊
RMB	人民幣

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against the relevant foreign currencies. As HK\$ is pegged to US\$, it is assumed that there would be no material currency risk exposure between US\$ and HK\$ and therefore US\$ is excluded from the sensitivity analysis below.

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translations at the end of the reporting period for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to/from foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower; but excluding exposure resulting from the translation of the financial statements of foreign operations into the Group's presentation currency.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 外幣風險 (續)

本集團於報告期末所承受之外幣風險如下：(續)

2019 HK\$'000 千港元	2018 HK\$'000 千港元
2,608,708	2,124,637
379,875	373,106
12	—

敏感度分析

下表詳列本集團就港元兌相關外幣之匯率上升及下跌5%之敏感度。由於港元與美元掛鈎，故假設美元與港元之間並無重大貨幣風險，美元亦不會載於下文之敏感度分析。

就內部向主要管理人員報告外幣風險時會以5%作為敏感度比率，而有關比率為管理層對匯率出現合理可能變動作出之評估。

敏感度分析包括未償還之外幣計值貨幣項目，並於報告期末就5%之外幣匯率變動調整該等項目之換算。敏感度分析包括外部貸款及貸款予／自本集團旗下境外業務（其計值之貨幣為貸款人或借款人功能貨幣以外之貨幣）；惟並不包括來自換算於境外業務之財務報表至本集團之呈列貨幣而產生之風險。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Sensitivity analysis (Cont'd)

A positive number below indicates an increase in profit where the relevant currencies strengthen 5% against HK\$. For a 5% weakening of the relevant currencies against HK\$, there would be an equal and opposite impact on the profit.

Impact of	影響
GBP	英鎊
RMB	人民幣
EUR	歐元

There would be no material impact on the Group's other components of equity for the years ended 31 December 2019 and 2018.

The net effect of the Group's sensitivity to foreign currency risk was attributable to the Group's monetary assets and liabilities with exposure to foreign currency risk at the end of the reporting period.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 外幣風險 (續)

敏感度分析 (續)

下文中正數表示相關貨幣兌港元之匯率轉強5%時溢利之增加。倘相關貨幣兌港元之匯率轉弱5%，則對溢利造成之影響為同等及相反。

Profit	
溢利	
2019	2018
HK\$'000	HK\$'000
千港元	千港元
66,012	63,000
9,229	6,578
23	3

對本集團截至二零一九年及二零一八年十二月三十一日止年度之股本權益其他部分並無重大影響。

本集團外幣風險敏感度之淨影響，乃由於本集團於報告期末就承受外幣風險之貨幣資產及負債所產生。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(ii) Cash flow interest rate risk

The Group has variable-rate interest-bearing assets and liabilities including advance to an associate, time deposits, bank balances, sales proceeds held by a stakeholder and a third party and borrowings and is therefore exposed to cash flow interest rate risk. Details of these financial instruments are disclosed in respective notes. The Group currently does not have interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate ("HIBOR"), London Interbank Offered Rate ("LIBOR"), prime rate or costs of funds of financial institutions or a bank.

Sensitivity analysis

The following demonstrates the sensitivity to a reasonable possible change in interest rates with all other variables held constant, of the Group's profit before tax (through the impact of floating rates in advance to an associate, time deposits, bank balances, sales proceeds held by a stakeholder and a third party and borrowings).

If the floating rates had been 50 basis points higher/lower, with all other variables held constant, the Group's profit before tax for the year ended 31 December 2019 would decrease/increase by approximately HK\$64,144,000 (2018: HK\$64,582,000). This was mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 現金流量利率風險

本集團擁有以浮息計息之資產及負債(包括墊付一間聯營公司款項、定期存款、銀行結餘、保管人及第三方所持銷售所得款項以及借貸)，故本集團須承擔現金流量利率風險。該等金融工具詳情於相關附註中予以披露。本集團現時並無利率對沖政策。然而，本集團之管理層監控利率風險，並於必要時考慮對沖重大利率風險。

本集團之現金流量利率風險主要集中於香港銀行同業拆息(「香港銀行同業拆息」、倫敦銀行同業拆息(「倫敦銀行同業拆息」、最優惠利率或金融機構或一間銀行之資金成本之波動。

敏感度分析

以下列示在全部其他變數維持不變之情況下，本集團除稅前溢利對利率出現合理可能變動時之敏感度(透過墊付一間聯營公司款項、定期存款、銀行結餘、保管人及第三方所持銷售所得款項以及借貸浮動利率之影響)。

倘浮動利率上升/下降50個基點，在全部其他變數維持不變之情況下，則本集團截至二零一九年十二月三十一日止年度之除稅前溢利將減少/增加約64,144,000港元(二零一八年：64,582,000港元)。此乃主要由於本集團所承受之浮息借貸之利率風險。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(ii) Cash flow interest rate risk (Cont'd)

Sensitivity analysis (Cont'd)

There would be no material impact on the Group's other components of equity for the years ended 31 December 2019 and 2018.

The Group's sensitivity to interest rates has decreased during the current year mainly due to the decrease in net debt carries at variable-rate.

(iii) Price risk

The Group's investments classified as financial assets measured at FVTPL, financial assets measured at FVTOCI and derivative financial instrument presented as current liability (2018: current asset) which are measured at fair value at the end of each reporting period and expose the Group to price risk. At the end of the reporting period, the Group held investments in certain high yield and fixed-rate bonds. High yield bonds are bonds that are typically rated below investment grade or are unrated and therefore are generally more vulnerable to economic cycles as they typically fall more in value than investment grade bonds given higher default risk and higher investors risk adversity. For bonds with fixed-rate coupons, they are more susceptible to fluctuations in interest rates. As interest rates move upward, the value of the bonds will generally fall. Furthermore, the longer the tenor of the bonds, the more sensitive they will be to interest rate changes.

The management of the Group manages this exposure by maintaining a portfolio of investments with different risk profiles. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 現金流量利率風險 (續)

敏感度分析 (續)

對本集團截至二零一九年及二零一八年十二月三十一日止年度之股本權益其他部分並無重大影響。

本集團於本年度對利率之敏感度減少主要由於以浮息計算之債務淨額減少所致。

(iii) 價格風險

本集團之投資分類為通過損益以反映公平值計量之金融資產、通過其他全面收益以反映公平值計量之金融資產以及衍生金融工具(呈列為流動負債(二零一八年:流動資產))於各報告期末按公平值計量,故本集團須承擔價格風險。於報告期末,本集團持有若干高息及定息債券之投資。高息債券一般為評級低於投資級別甚至不獲評級之債券,由於其違約風險及投資避險傾向較高,價值跌幅一般較投資級別債券為高,因此普遍較易受經濟週期影響。而定息債券則較易受利率波動影響。若利率上升,有關債券價值普遍下跌。此外,債券年期愈長,對利率變化之敏感度愈高。

本集團之管理層以設立不同風險水平之投資組合管理有關風險。此外,本集團已委任特別小組監管價格風險,並於必要時考慮對沖風險。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies
(Cont'd)**Market risk** (Cont'd)

(iii) Price risk (Cont'd)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risk at the end of the reporting period.

If prices had been 5% higher/lower, the Group's profit before tax for the year ended 31 December 2019 would increase/decrease by approximately HK\$452,221,000 (2018: HK\$338,296,000). This was due to the changes in fair value of financial assets measured at FVTPL and derivative financial instrument.

If prices had been 5% higher/lower, the Group's other components of equity for the year ended 31 December 2019 would increase/decrease by approximately HK\$1,009,127,000 (2018: HK\$1,068,365,000) as a result of the changes in fair value of financial assets measured at FVTOCI.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2019 in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. The Group's time deposits and bank balances are deposited with banks of high credit quality in Hong Kong, Mainland China and overseas.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 價格風險 (續)

敏感度分析

以下敏感度分析乃根據報告期末之價格風險釐定。

倘價格上升/下降5%，則本集團截至二零一九年十二月三十一日止年度之除稅前溢利將增加/減少約452,221,000港元(二零一八年：338,296,000港元)。此乃由於通過損益以反映公平值計量之金融資產及衍生金融工具之公平值變動。

倘價格上升/下降5%，則本集團截至二零一九年十二月三十一日止年度之股本權益其他部分將增加/減少約1,009,127,000港元(二零一八年：1,068,365,000港元)，此乃由於通過其他全面收益以反映公平值計量之金融資產之公平值變動。

信貸風險

倘交易方無法履行彼等於二零一九年十二月三十一日之責任，本集團承受有關各類已確認金融資產之最大信貸風險為於綜合財務狀況報表所列該等資產之賬面值。本集團之定期存款及銀行結餘存於香港、中國大陸及海外高信貸質素之銀行。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies
(Cont'd)**Credit risk** (Cont'd)

The Group made transactions with counterparties with acceptable credit quality in conformance to the Group's treasury policies to minimise credit exposure. Acceptable credit ratings from reputable credit rating agencies and scrutiny of financials for non-rated counterparties are two important criteria in the selection of counterparties. The credit quality of counterparties will be closely monitored over the life of the transaction. The Group reviews its financial counterparties periodically in order to reduce credit risk concentrations relative to the underlying size and credit strength of each counterparty.

In an attempt to forestall adverse market movement, the Group also monitors potential exposures to each financial institution counterparty. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL, and also considers the available reasonable and supportive forwarding-looking information.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險 (續)

本集團與符合本集團庫務政策所訂信貸評級良好之交易方進行交易，以盡量降低信貸風險。揀選交易方之兩項重要原則，乃由有信譽之信貸評級機構發出可接受的信貸評級，以及對不獲評級之交易方進行財務評審。本集團會在整個交易期內密切監察交易方之信貸質素。本集團會定期對與其交易之財務交易方進行評審，以減低與各交易方相關規模及信貸強度有關之集中信貸風險。

為不利之市場變動預先作準備，本集團亦監察各金融機構交易方之潛在風險。此外，於報告期末，本集團檢討每宗個別債項之可收回金額，確保就無法收回金額作出足夠之減值虧損。就此而言，董事認為本集團之信貸風險已大幅降低。

本集團應用香港財務報告準則第9號所訂明之簡化方法就預期信貸虧損作出撥備，該方法允許對應收貿易賬項採用整個存續期內之預期信貸虧損撥備。就計量預期信貸虧損，已將應收貿易賬項按其共有之信貸風險特徵作歸類。本集團已進行歷史分析及識別對信貸風險及預期信貸虧損有影響之主要經濟變數，並考慮現有之合理及有支持性之前瞻性資料。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies
(Cont'd)**Credit risk** (Cont'd)

As at 31 December 2019, trade receivables that are individually significant have been separately assessed for impairment. The Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience.

For all other receivables, the Group measures the loss allowance equal to 12-month 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.

The credit quality of the advances to related parties has been assessed with reference to historical information about the default rates and financial position of the counterparties. The Directors are of the opinion that the credit risk of the advances to related parties is low due to the current creditworthiness of the debtors and sound collection history of the receivables due from them. For the year ended 31 December 2019, an impairment provision of approximately HK\$982,000 (2018: nil) was made.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險 (續)

於二零一九年十二月三十一日，個別重大之應收貿易賬項已另行作減值評估。本集團根據客戶之背景及聲譽、過往結賬記錄以及過往經驗，定期評估應收賬項之可收回程度。

就所有其他應收賬項，本集團以相等於十二個月之預期信貸虧損計量虧損撥備。除非自初步確認起信貸風險大幅增加，則本集團確認整個存續期內之預期信貸虧損。評估應否確認整個存續期內之預期信貸虧損乃根據自初步確認起發生違約之可能性或風險有否重大增加。

墊付予關連人士之信貸質素已參考有關交易方之違約率及財務狀況之過往資料進行評估。董事認為，由於墊付予關連人士之債務人目前信譽及良好還款記錄，故彼等之信貸風險較低。截至二零一九年十二月三十一日止年度已作出減值撥備約982,000港元（二零一八年：無）。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Investments in bonds are limited to financial institutions or investment counterparties with high quality. When making decisions on investments in bonds, the management of the Group has also made reference to the credit ratings of the issuers and guarantors (if any) which, however, are not an assurance as to the issuers' and/or guarantors' creditworthiness or the risks, returns or suitability of the bonds. Risks in particular specific to certain types of bonds held by the Group are: (i) high yield bonds – they in general carry high credit risk as they are often subject to higher risk of issuer default as they are typically rated below investment grade or are unrated; (ii) perpetual bonds – their coupon payments may be deferred or suspended subject to the terms and conditions of the bonds and they are often callable after a call protection period (related risk is detailed in the liquidity risk below); and (iii) contingent convertible bonds – issued by financial institutions that are deeply subordinated in the capital structure, typically Tier 1 or Tier 2 securities. The key characteristic of contingent convertible bonds is that the issuer can either write off the principal amount or convert it to shares without causing a default on the bond. There could be a specific hard capital ratio trigger or declaration of non-viability event by the regulator for the write-off or conversion to equity to happen. The Group may be exposed to a higher issuer credit risk and may experience substantial losses or lose the entire value of investment as a result of a trigger event. Other than the above, there may be additional risks associated with trading of bonds over-the-counter (“OTC”) because OTC transactions are generally subject to limited regulation and therefore less transparent in transaction details such as volume, price formation, etc. There may also be additional risks for investments located in an emerging market which may involve certain risks associated with political and economic uncertainty. In view of the specific risks above, the Group has appointed the special team as disclosed in Note 5(b)(iii) above to closely monitor the risks.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險 (續)

債券之投資只限於以高質素之金融機構或投資交易方。於作出債券投資決定時，本集團之管理層亦參照發行人及保證人(如有)之信貸評級，然而，有關評級並非發行人及／或保證人信譽或債券風險、回報或合適性之保證。本集團所持若干債券類別之特定風險為：(i)高息債券—一般附帶高信貸風險，乃因有關債券評級一般低於投資級別或不獲評級，因此通常面對較高發行人違約風險；(ii)永續債券—視乎債券條款及條件，其票息可能遞延或暫停支付，且通常可於贖回禁止期後可贖回(相關風險詳情載列於下文流動資金風險一節)；及(iii)或然可換股債券—由金融機構發行，為資本結構中之低次級，通常是一級或二級證券。或然可換股債券之主要特徵是發行人可以在不導致債券違約之情況下撤銷本金金額或將債券轉換為股份。監管機構就撤銷或轉換為股本權益之發生，設定特定嚴格的資本比率作為觸發點或當宣布無法經營事件時發生。倘發生觸發事件，本集團可能面臨較高之發行人信貸風險，並可能蒙受重大虧損或失去投資之全部價值。除上文所述者外，倘有可能面對與場外(「場外」)債券買賣相關之額外風險，乃因場外交易一般所受規管有限，因而在交投量、價格形成等交易詳情方面透明度較低。此外，亦可能面對位於新興市場之投資之額外風險，新興市場可能涉及若干與政治及經濟不明朗因素相關之風險。鑑於上述之特定風險，本集團已委任特別小組(如上文附註5(b)(iii)所披露)密切監察有關風險。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

The Group's concentration of credit risk by geographical location is mainly in Hong Kong, Europe and Mainland China. As at 31 December 2019, the Group was subject to investment concentration risk as there were (i) bonds investment with four (2018: four) same issuer groups with their respective amount of approximately HK\$1,032,341,000, HK\$1,067,082,000, HK\$1,435,959,000 and HK\$1,607,451,000 (2018: HK\$688,001,000, HK\$1,062,969,000, HK\$1,271,609,000 and HK\$1,307,142,000) presented as financial assets measured at FVTPL; and (ii) equity security of a listed company of HK\$18,576,000,000 (2018: HK\$20,167,000,000) presented as financial assets measured at FVTOCI, which represented a major portion of the Group's investment portfolio as determined by the management of the Group. Investment concentration risk may materialise when the market in which those bonds are traded is constricted (related risk is detailed in liquidity risk below), or when the fair value of those bonds/that listed equity security are declined (related risk is detailed in price risk above). The Group also monitors regularly to avoid over-concentration (such as investment products and underlying foreign exchange, etc.) of the investment portfolio.

Liquidity risk

The Group's certain bonds and listed equity securities were pledged to the financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions. Under adverse market conditions, the Group may be called by the financial institutions upon at short notice to make deposits to repay the margin loans. If the required deposits are not made within the prescribed time, the Group's securities may be liquidated by the financial institutions without the Group's consent.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險 (續)

本集團按地域集中承擔信貸風險之地區主要為香港、歐洲及中國大陸。於二零一九年十二月三十一日，由本集團之管理層決定之投資組合主要部分由(i)四(二零一八年：四)個發行人集團發行並呈列為通過損益以反映公平值計量之金融資產之債券投資金額分別約1,032,341,000港元、1,067,082,000港元、1,435,959,000港元及1,607,451,000港元(二零一八年：688,001,000港元、1,062,969,000港元、1,271,609,000港元及1,307,142,000港元)；及(ii)呈列為通過其他全面收益以反映公平值計量之金融資產之一間上市公司之股本證券18,576,000,000港元(二零一八年：20,167,000,000港元)組成，因此，本集團面對集中投資風險。當該等債券於受限制市場買賣(相關風險詳情載列於下文流動資金風險一節)，或當該等債券／該上市股本證券之公平值下降(相關風險詳情載列於上文價格風險一節)，集中投資風險將會較為顯著。本集團亦定期監察投資組合，以免過度集中(如投資產品及相關外匯等)。

流動資金風險

本集團若干債券及上市股本證券已就本集團有關證券交易獲授之保證金及證券融資抵押予金融機構。倘出現不利市況，金融機構可能向本集團發出短期通知催繳存款，以償還保證金貸款。倘本集團未有於指定時限內繳付存款，則金融機構可在未經本集團同意而將本集團之證券變現。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies
(Cont'd)**Liquidity risk** (Cont'd)

Certain bonds held by the Group carried fixed-rate coupon are accompanied with call rights, the issuers may call and redeem the bonds early if interest rates fall. The Group may face reinvestment risk when issuers exercised its right to redeem the bond before it matures. Besides, some bonds may not have an active secondary market. In case of the market in which the bonds are traded is illiquid, the Group may run the risk of either having to retain the investment until the end of the term or selling it before maturity at an unfavourable price.

The Group manages liquidity risk by maintaining adequate bank deposits and cash, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The liquidity risk is under continuous monitoring by the management of the Group. Reports with maturity dates of bank borrowings and thus the liquidity requirement are provided to the management of the Group for review periodically. The management of the Group will contact the bankers for renewals of bank borrowings whenever necessary.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

本集團所持之若干債券按固定票息計息，並附帶收回權利，如利率下跌，發行人可提早收回及贖回債券。當發行人於債券到期前行使權利贖回債券，則本集團可能面對再投資風險。此外，部分債券可能並無活躍第二市場。倘有關債券市場成交流通量不足，本集團可能需要承擔風險，持有投資直至到期，或於到期前以不利價格出售。

本集團通過維持充足銀行存款及現金、監管預測及實際現金流量以及配合金融資產及金融負債之到期時間表，藉此管理流動資金風險。

本集團之管理層持續監管流動資金風險。載有銀行借貸到期日及有關之流動資金需求之報告定期提供予本集團之管理層審閱。本集團之管理層在必要時將聯絡往來銀行將銀行借貸續期。

下表詳列本集團非衍生金融負債按協定還款條款之餘下合約到期情況。各表乃按本集團可被要求付款之最早日期根據金融負債之未貼現現金流量編製，當中包括利息及本金之現金流量。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

Non-derivative financial liabilities	非衍生金融負債
Borrowings	借貸
Lease liabilities	租賃負債
Creditors and accruals	應付賬項及應計款項
Securities trading and margin payable	應付證券交易賬項及保證金
Amounts due to associates	欠負聯營公司款項
Amounts due to investee companies	欠負接受投資公司款項
Amounts due to non-controlling shareholders	欠負非控股股東款項
Total	總額

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

Weighted average effective interest rate 加權平均實際利率	At 31 December 2019 於二零一九年十二月三十一日			
	On demand or within 1 year 按要求或一年內	Within 2 to 5 years 兩年至五年	Total undiscounted cash flows 未貼現現金流量總額	Total carrying amount 賬面值總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	9,657,992	4,340,769	13,998,761	13,442,259
	50,571	85,825	136,396	132,054
	-	-	151,010	151,010
	11,246	-	11,246	11,246
	-	212,419	212,419	212,419
	-	368,563	368,563	368,563
	-	333	333	333
Total	9,870,819	5,007,909	14,878,728	14,317,884

Weighted average effective interest rate 加權平均實際利率	At 31 December 2018 於二零一八年十二月三十一日			
	On demand or within 1 year 按要求或一年內	Within 2 to 5 years 兩年至五年	Total undiscounted cash flows 未貼現現金流量總額	Total carrying amount 賬面值總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	9,725,156	4,694,784	14,419,940	13,747,675
	247,187	-	247,187	247,187
	22,295	-	22,295	22,295
	-	171,619	171,619	171,619
	-	24,177	24,177	24,177
Total	9,994,638	4,890,580	14,885,218	14,212,953

In addition to the items as set out in the above liquidity risk tables, the maximum amount the Group could be required to settle under (i) financial guarantees provided by the Group in respect of banking facilities utilised by a joint venture and an investee company and (ii) indemnity given to a third party in relation to an investee company is approximately HK\$703,830,000 (2018: financial guarantees provided for investee companies of HK\$625,178,000) in aggregate, if such amount is claimed by the counterparties to the guarantees or indemnity at any time within the guaranteed or indemnity period. Details of the guarantees and indemnity are set out in Note 44.

除以上流動資金風險列表之項目，本集團可能(i)就一間合資公司及一間接受投資公司動用之銀行信貸額而向銀行提供之多項財務擔保以及(ii)與一間接受投資公司有關向第三方授予之彌償保證，於擔保或彌償保證期間隨時被交易方要求索償該擔保或彌償保證之最高金額合共約為703,830,000港元(二零一八年：就接受投資公司提供之財務擔保625,178,000港元)。擔保及彌償保證之詳情已載列於附註44。

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

Secured bank borrowing with a repayment on demand clause is included in the "On demand or within 1 year" time band of maturity analysis in the above liquidity risk tables. At the end of the reporting period, the total undiscounted cash flow of the borrowing amounted to approximately HK\$627,090,000 (2018: HK\$650,307,000). Taking into account the Group's financial position, the Directors do not believe that it is probable that the financial institution will exercise its discretionary rights to demand immediate repayment. The Directors believe that such borrowing will be repaid in accordance with the scheduled repayment dates as set out in the loan agreement, details of which are set out in the tables below (include both interest and principal cash flows):

Maturity analysis – secured bank borrowing with a repayment on demand clause based on scheduled repayments

Non-derivative financial liability 非衍生金融負債
Borrowing 借貸

Non-derivative financial liability 非衍生金融負債
Borrowing 借貸

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

附帶按要求償還條款之有抵押銀行借貸於上述流動資金風險列表之到期分析中計入「按要求或一年內」時間組別。於報告期末，借貸之未貼現現金流量總額約為627,090,000港元（二零一八年：650,307,000港元）。經考慮本集團之財務狀況，董事並不相信金融機構會行使其酌情權要求即時還款。董事相信，有關借貸將按照貸款協議所載之預定還款日期償還，其詳情載於下表（當中包括利息及本金之現金流量）：

到期分析－附帶按要求償還條款之有抵押銀行借貸按其預定還款

At 31 December 2019 於二零一九年十二月三十一日			
Within 1 year 一年內 HK\$'000 千港元	Within 2 to 5 years 兩年至五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面值 總額 HK\$'000 千港元
13,600	613,490	627,090	592,476

At 31 December 2018 於二零一八年十二月三十一日			
Within 1 year 一年內 HK\$'000 千港元	Within 2 to 5 years 兩年至五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面值 總額 HK\$'000 千港元
13,829	636,478	650,307	601,279

5. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

The following tables detail the Group's remaining contractual maturity for its derivative financial instruments. The tables have been drawn up based on the undiscounted gross cash inflows and outflows on the derivatives that require gross settlements. For cash flows denominated in currency other than HK\$, the prevailing foreign exchange rate at the end of the reporting period is used to convert the cash flows into HK\$.

Derivative gross settlement	衍生工具之交收總額
Cross currency swap	貨幣掉期
Inflow	流入
Outflow	流出

Derivative gross settlement	衍生工具之交收總額
Cross currency swap	貨幣掉期
Inflow	流入
Outflow	流出

5. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

下表詳列本集團衍生金融工具餘下合約到期之情況。下表乃按衍生工具需要交收總額之未貼現現金流入及流出總額編製。以港元以外貨幣計值之現金流量，按報告期末當時之匯率將該現金流量轉換為港元。

At 31 December 2019 於二零一九年十二月三十一日		
Within 1 year 一年內 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面值 總額 HK\$'000 千港元
		(6,060)
1,239,917	1,239,917	
(1,247,970)	(1,247,970)	

At 31 December 2018 於二零一八年十二月三十一日		
Within 1 year 一年內 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面值 總額 HK\$'000 千港元
		1,921
1,252,092	1,252,092	
(1,247,710)	(1,247,710)	

5. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurements

Financial instruments measured at fair value

The following table analysed the financial instruments which are measured at fair value at the end of the reporting period into the three-level hierarchy.

	Fair value 公平值	Fair value 公平值分級制	Valuation techniques and key inputs 估值技術及主要數據	Significant unobservable inputs 重大非可觀察數據
	2019 HK\$'000 千港元	2018 HK\$'000 千港元		
Financial assets 金融資產				
Listed equity securities presented as financial assets measured at FVTOCI 呈列為通過其他全面收益以反映公平值計量之金融資產之上市股本證券	18,578,652	20,167,000	Level 1 第一級	Quoted prices in active markets 活躍市場之報價 N/A 不適用
Bonds presented as financial assets measured at FVTPL 呈列為通過損益以反映公平值計量之金融資產之債券	8,975,533	6,685,515	Level 1 第一級	Quoted prices in active markets 活躍市場之報價 N/A 不適用
Club and corporate debentures presented as financial assets measured at FVTPL 呈列為通過損益以反映公平值計量之金融資產之會籍及公司債券	62,820	78,481	Level 2 第二級	Market comparison 市場之比較數據 N/A 不適用
Derivative financial instrument presented as financial assets measured at FVTPL - Cross currency swap 呈列為通過損益以反映公平值計量之金融資產之衍生金融工具 - 貨幣掉期	-	1,921	Level 2 第二級	Discounted cash flow methodology based on spot and forward exchange rates and yield curves of the currency 貼現現金流量法，按該貨幣之即期及遠期匯率以及收益率曲線 N/A 不適用
Unlisted equity securities presented as financial assets measured at FVTOCI 呈列為通過其他全面收益以反映公平值計量之金融資產之非上市股本證券	1,603,891	1,200,307	Level 3 第三級	Discounted cash flow: forecast distribution, discount rate and contract terms (if any) 貼現現金流量：預測之分派、貼現率及合約條款（如有） Forecast distribution taking into account management's experience and the estimated terminal value (note (i)) 預測之分派乃參照管理層經驗及估計之最終價值（附註(i)） Discount rates ranging from 11.83% to 18.87% (2018: 24.33%) (note (i)) 貼現率介乎11.83厘至18.87厘（二零一八年：24.33厘） (附註(i))
	29,220,896	28,133,224		Reference to the fair value of the underlying property 參考相關物業之公平值 Fair value of the underlying property based on valuation model (note (i)) 基於估值模式釐定相關物業之公平值（附註(i)） Net asset value (note (ii)) 資產淨值（附註(ii)） N/A 不適用
Financial liability 金融負債				
Derivative financial instrument - Cross currency swap 衍生金融工具 - 貨幣掉期	6,060	-	Level 2 第二級	Discounted cash flow methodology based on spot and forward exchange rates and yield curves of the currency 貼現現金流量法，按該貨幣之即期及遠期匯率以及收益率曲線 N/A 不適用

5. 金融工具 (續)

(c) 公平值計量

以公平值計量之金融工具

下表為於報告期末以公平值計量之金融工具之三級分級制分析。

5. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurements (Cont'd)

Financial instruments measured at fair value (Cont'd)

Notes:

- (i) The higher the forecast distribution, estimated terminal value and fair value of the underlying property, the higher the fair value. The higher the discount rate, the lower the fair value.
- (ii) The Group has determined that the net asset value represents the fair value at the end of the reporting period.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the date of the events or changes in circumstances that caused the transfer.

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy during the years ended 31 December 2019 and 2018 and no change in valuation techniques used in prior years.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

5. 金融工具 (續)

(c) 公平值計量 (續)

以公平值計量之金融工具 (續)

附註：

- (i) 預測之分派、估計之最終價值及相關物業之公平值越高，公平值越高。貼現率越高，公平值越低。
- (ii) 本集團已釐定於報告期末之資產淨值為公平值。

本集團之政策為於導致轉撥之事件或情況改變之日期，確認公平值分級之間的轉撥。

公平值分級制內第一級、第二級及第三級之間於截至二零一九年及二零一八年十二月三十一日止年度內並無轉撥以及與過往年度所用之估值技術亦無轉變。

於活躍市場買賣之金融工具之公平值即各報告期末之市場報價。倘即時及定時透過交易所、交易商、經紀、業界組別、報價服務或監管機構獲得報價，且該等價格屬實際及定期按公平基準進行之市場交易，則市場可被視為活躍。本集團所持金融資產所用之市場報價為目前之買入價。此等工具已計入第一級。

5. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurements (Cont'd)

Financial instruments measured at fair value (Cont'd)

The movement during the years in the balances of Level 3 fair value measurement is as follows:

		HK\$'000 千港元
Unlisted equity securities presented as financial assets measured at fair value through other comprehensive income	呈列為通過其他全面收益以反映公平值計量之金融資產之非上市股本證券	
At 1 January 2018	於二零一八年一月一日	1,031,230
Net unrealised gain recognised in other comprehensive income during the year (note)	於本年度其他全面收益確認之未變現收益淨額(附註)	169,077
At 31 December 2018	於二零一八年十二月三十一日	1,200,307
Net unrealised gain recognised in other comprehensive income during the year (note)	於本年度其他全面收益確認之未變現收益淨額(附註)	403,584
At 31 December 2019	於二零一九年十二月三十一日	1,603,891

Note: All of the above gains included in other comprehensive income for the relevant years related to unlisted equity securities held at the end of the reporting periods are reported as changes of financial assets measured at FVTOCI reserve.

5. 金融工具(續)

(c) 公平值計量(續)

以公平值計量之金融工具(續)

第三級公平值計量結餘於本年度之變動如下:

		HK\$'000 千港元
Unlisted equity securities presented as financial assets measured at fair value through other comprehensive income	呈列為通過其他全面收益以反映公平值計量之金融資產之非上市股本證券	
At 1 January 2018	於二零一八年一月一日	1,031,230
Net unrealised gain recognised in other comprehensive income during the year (note)	於本年度其他全面收益確認之未變現收益淨額(附註)	169,077
At 31 December 2018	於二零一八年十二月三十一日	1,200,307
Net unrealised gain recognised in other comprehensive income during the year (note)	於本年度其他全面收益確認之未變現收益淨額(附註)	403,584
At 31 December 2019	於二零一九年十二月三十一日	1,603,891

附註: 上述就於報告期末持有之非上市股本證券所有計入有關年度其他全面收益之收益列報為通過其他全面收益以反映公平值計量之金融資產之儲備之變動。

Financial instruments not measured at fair value

The Directors consider that the carrying amounts of the Group's financial instruments that are not measured at fair value approximate to their fair values.

並非以公平值計量之金融工具

董事認為本集團並非以公平值計量之金融工具之賬面值與其公平值相若。

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Directors actively and regularly review and manage the Group's capital structure to maximise the returns to shareholders of the Company through the optimisation of the debt afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2018.

As at 31 December 2019, the capital structure of the Group mainly consists of debts, which include borrowings from banks and other financial institutions, lease liabilities, pledged deposits, time deposits, bank balances and cash, and total equity, comprising issued share capital, reserves, retained profits and non-controlling interests. The Directors consider the cost of capital and the risks associated with each class of capital to monitor its capital structure on the basis of a gearing ratio. The Group has a target gearing ratio not higher than 50%, determined as the proportion of net debt to equity. This ratio is expressed by as a percentage of net debt to equity. This ratio is expressed by as a percentage of net borrowings over the total equity. Net borrowings are calculated as total borrowings and lease liabilities (as shown in the consolidated statement of financial position) less cash and bank balances and pledged deposits.

6. 資本風險管理

本集團通過根據風險水平給予產品及服務相應定價，以及確保按合理成本取得融資之方式管理資本，其主要目標為保持本集團之實體具持續經營之能力，以確保本集團能為本公司股東持續提供回報，並為其他權益相關者提供利益。

董事積極並定時審視及管理本集團之資本架構，透過以完善資本狀況支持優化債務及於經濟條件發生變動時對資本架構作出調整，為本公司股東爭取最大之回報。本集團整體策略與二零一八年維持不變。

於二零一九年十二月三十一日，本集團之資本架構主要由債務（包括銀行及其他金融機構之借貸）、租賃負債、抵押存款、定期存款、銀行結餘及現金以及股本權益總額（包括已發行股本、儲備、保留溢利及非控股權益）組成。董事考慮資本成本及各類股本相關之風險，以按資本與負債比率監管其資本架構。本集團之資本與負債比率之目標不高於50%，按債務淨額與股本權益之比例釐定。該比率表述為借貸淨額與股本權益總額之百分比。借貸淨額乃按借貸總額及租賃負債（如綜合財務狀況報表所示）減現金及銀行結餘以及抵押存款計算。

6. CAPITAL RISK MANAGEMENT (Cont'd)

6. 資本風險管理 (續)

The gearing ratios were as follows:

資本與負債比率如下：

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings – current (note (i))	借貸 – 流動性質 (附註(i))	9,240,299	9,303,688
Borrowings – non-current (note (i))	借貸 – 非流動性質 (附註(i))	4,201,960	4,443,987
Lease liabilities – current (note (ii))	租賃負債 – 流動性質 (附註(ii))	47,929	–
Lease liabilities – non-current (note (ii))	租賃負債 – 非流動性質 (附註(ii))	84,125	–
Total debt	債務總額	13,574,313	13,747,675
Less: Cash and bank balances and pledged deposits (note (iii))	減：現金及銀行結餘以及抵押存款 (附註(iii))	(839,542)	(951,970)
Net debt (total debt less cash and bank balances and pledged deposits)	債務淨額 (債務總額減現金及銀行結餘以及抵押存款)	12,734,771	12,795,705
Securities investments and treasury products (note (iv))	證券投資及財資產品 (附註(iv))	27,554,185	26,852,515
Less: Net debt	減：債務淨額	(12,734,771)	(12,795,705)
Net cash (Securities investments and treasury products less net debt)	現金淨額 (證券投資及財資產品減債務淨額)	14,819,414	14,056,810
Total equity (note (v))	股本權益總額 (附註(v))	33,590,361	34,143,569
Net debt to equity ratio (excluding securities investments and treasury products)	債務淨額與股本權益比率 (不包括證券投資及財資產品)	37.9%	37.5%
Net debt to equity ratio (including securities investments and treasury products)	債務淨額與股本權益比率 (包括證券投資及財資產品)	Net cash position 現金淨額狀況	Net cash position 現金淨額狀況

6. CAPITAL RISK MANAGEMENT (Cont'd)

Notes:

- (i) Borrowings are detailed in Note 36.
- (ii) Lease liabilities are detailed in Note 21(b).
- (iii) Cash and bank balances and pledged deposits comprise time deposits, bank balances and cash and pledged deposits at the end of the reporting period.
- (iv) Securities investments and treasury products are detailed in Notes 27(i) and 28(i).
- (v) Total equity includes issued share capital, reserves, retained profits and non-controlling interests at the end of the reporting period.

Net debt to equity ratio (excluding securities investments and treasury products) remained stable.

In relation to brokerage business, Fair Eagle Finance Credit Limited, Fair Eagle Futures Company Limited and Fair Eagle Securities Company Limited, three wholly-owned subsidiaries of the Company, are required to maintain financial resources in accordance with the specified amount requirements that apply to them under the Securities and Futures Ordinance imposed by Securities and Futures Commission. The requirements are internally reviewed on a daily basis and reports are required to submit to Securities and Futures Commission monthly. Full compliance is observed during the year.

Save as disclosed above, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

6. 資本風險管理 (續)

附註：

- (i) 借貸於附註36詳述。
- (ii) 租賃負債於附註21(b)詳述。
- (iii) 於報告期末之現金及銀行結餘以及抵押存款包括定期存款、銀行結餘及現金以及抵押存款。
- (iv) 證券投資及財資產品於附註27(i)及28(i)詳述。
- (v) 於報告期末之股本權益總額包括已發行股本、儲備、保留溢利及非控股權益。

債務淨額與股本權益比率(不包括證券投資及財資產品)保持穩定。

就經紀業務而言，本公司三間全資擁有附屬公司天發金融有限公司、天發期貨有限公司及天發證券有限公司須按證券及期貨事務監察委員會所頒布適用於彼等之證券及期貨條例之特定金額要求而保持財務資源。該等要求每日經內部審閱並須每月向證券及期貨事務監察委員會遞交報告。於本年度已悉數遵守。

除上文披露者外，本公司或其任何附屬公司並不受外來股本要求之限制。

7. REVENUE

Revenue represents the aggregate amounts of sales of properties held for sale, commission from brokerage, settlement charges from brokerage, cosmetic goods sold less returns and amounts received and receivable from property rental income, are analysed as follows:

Revenue from contracts with customers:	與客戶合約之收入：
<i>Recognised at a point in time</i>	於某一時點確認
Sales of properties held for sale	持作出售物業之銷售
Brokerage and cosmetic income	經紀服務及化妝品銷售收入
Revenue from other source:	其他來源之收入：
Property rental income	物業租金收入

7. 收入

收入乃指持作出售物業之銷售、經紀佣金、經紀服務之交易費用、扣除退貨後之化妝品銷售以及已收及應收之物業租金收入之合計金額，分析如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
-	273,989
16,023	25,096
16,023	299,085
522,963	544,533
538,986	843,618

8. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

The Group has six reportable segments – (i) property development and trading; (ii) property leasing for retail; (iii) property leasing for non-retail; (iv) listed equity investments at FVTOCI; (v) investments and treasury products at FVTPL; and (vi) unlisted investments, investment holding and brokerage. The segmentations are based on the information about the operation of the Group that management of the Group uses to make decisions.

8. 營運分類

本集團根據主要營運決策者用於作出策略決定時審閱之報告以釐定營運分類。

本集團擁有六項可呈報分類—(i)物業發展及買賣、(ii)零售物業租賃、(iii)非零售物業租賃、(iv)通過其他全面收益以反映公平值之上市股本投資、(v)通過損益以反映公平值之投資及財務產品以及(vi)非上市投資、投資控股及經紀服務。上述分類方式乃基於本集團之營運資料以供本集團管理層作出決策之用。

8. OPERATING SEGMENTS (Cont'd)

Principal activities are as follows:

Property development and trading	–	Property development and sales of trading properties
Property leasing		
– Retail	–	Property leasing from retail properties
– Non-retail	–	Property leasing from non-retail properties
Listed equity investments at FVTOCI	–	Listed equity securities at FVTOCI
Investments and treasury products at FVTPL	–	Securities investments in investments held-for-trading, OTC trading and structured products
Unlisted investments, investment holding and brokerage	–	Unlisted securities investments, trading and brokerage

The Group evaluates performance on the basis of profit or loss from operations after tax expense and non-controlling interests but not including the major non-cash items. The major non-cash items are unrealised fair value changes on investment properties and other properties together with their, if applicable, respective deferred tax, and impairment loss of goodwill. No intersegment revenue is accounted for as the intersegment revenue is mainly the rental income for administrative purpose.

Unallocated corporate assets mainly comprised leasehold land and building for own use, right-of-use assets, deferred tax assets and tax recoverable (2018: also included advance to a non-controlling shareholder and derivative financial instrument).

Unallocated corporate liabilities mainly comprised tax liabilities, bank borrowings, amounts due to associates, amounts due to investee companies, amounts due to non-controlling shareholders, lease liabilities, deferred tax liabilities and derivative financial instrument.

8. 營運分類 (續)

主要業務活動如下:

物業發展及買賣	–	物業發展及買賣 物業銷售
物業租賃		
– 零售	–	來自零售物業租賃
– 非零售	–	來自非零售物業租賃
通過其他全面收益以反映公平值之上市股本投資	–	通過其他全面收益以反映公平值之上市股本證券
通過損益以反映公平值之投資及財資產品	–	於持作買賣之證券投資、場外交易及結構性產品
非上市投資、投資控股及經紀服務	–	非上市證券投資、買賣及經紀服務

本集團以扣除稅項開支及非控股權益後來自經營之損益(惟不包括主要非現金項目)為基準評估表現。主要非現金項目為投資物業及其他物業之未變現公平值變動連同其相關之遞延稅項(如適用),以及商譽之減值虧損。由於分類間之收入主要為就行政目的之租金收入,因此並無將分類間之收入入賬。

未分攤之公司資產主要包括自用之租賃土地及樓宇、使用權資產、遞延稅項資產以及可收回稅款(二零一八年:且包括墊付一間非控股股東款項及衍生金融工具)。

未分攤之公司負債主要包括稅項負債、銀行借貸、欠負聯營公司款項、欠負接受投資公司款項、欠負非控股股東款項、租賃負債、遞延稅項負債以及衍生金融工具。

8. OPERATING SEGMENTS (Cont'd)

The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2018.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business unit has different markets and requires different marketing strategies.

Further, the business units are also managed to operate in different countries separately. Revenue and results are attributed to countries on the basis of the property or asset location.

There was one (2018: two) major customer(s) who individually accounted for 10% or more of the Group's revenue. Revenue of approximately HK\$174,695,000 was derived from a customer in non-retail property leasing segment in the United Kingdom (2018: HK\$273,989,000 was derived from a customer in property development and trading segment in Hong Kong and HK\$183,303,000 was derived from a customer in non-retail property leasing segment in the United Kingdom).

8. 營運分類 (續)

本集團用作釐定已呈報分類損益之計量方式與二零一八年維持不變。

本集團可呈報分類為營運不同活動之策略業務單元。由於各業務單元擁有不同市場，且要求不同市場策略，故彼等受個別管理。

此外，業務單元亦於不同國家受個別營運管理。各國應佔收入及業績乃按物業或資產所在地為基準。

一位(二零一八年：兩位)主要客戶之個別收入佔本集團收入之10%或以上。一位來自英國非零售物業租賃分類之客戶所產生之收入約為174,695,000港元(二零一八年：一位來自香港物業發展及買賣分類之客戶所產生之收入為273,989,000港元，以及一位來自英國非零售物業租賃分類之客戶所產生之收入183,303,000港元)。

8. OPERATING SEGMENTS (Cont'd)

Operating segment information is presented below:

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2019

8. 營運分類 (續)

營運分類資料呈列如下：

綜合全面收益報表

截至二零一九年十二月三十一日止年度

	Property development and trading	Property leasing 物業租賃		Listed equity investments at FVTOCI 透過其他全面收益以反映公平值之上市股本投資	Investments and treasury products at FVTPL 通過損益以反映公平值之投資及財資產品	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務	All other segments 所有其他分類	Consolidated 綜合
		Retail 零售	Non-retail 非零售					
	物業發展及買賣 HK\$'000 千港元	零售 HK\$'000 千港元	非零售 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
Major cash items excluding in revenue								
Major cash items excluding in revenue	收入以外之主要現金項目							
- Hong Kong	- 香港	-	-	-	2,223,299	-	-	2,223,299
- Other countries	- 其他國家	-	-	-	138,403	-	-	138,403
		-	-	-	2,361,702	-	-	2,361,702
Revenue								
Revenue	收入							
Revenue from external customers	來自外部客戶之收入							
- Hong Kong	- 香港	-	140,641	-	-	5,256	10,767	199,111
- United Kingdom	- 英國	-	304,661	-	-	-	-	339,200
- Mainland China	- 中國大陸	-	675	-	-	-	-	675
		-	445,977	-	-	5,256	10,767	538,986
Revenue from external customers	來自外部客戶之收入	-	445,977	-	-	5,256	10,767	538,986
Attributable property sales from investee company	應佔接受投資公司物業銷售							
- Hong Kong	- 香港	10	-	-	-	-	-	10
Attributable rental revenue from associates/joint venture/investee company	應佔聯營公司/合資公司/接受投資公司租金收入							
- Hong Kong	- 香港	-	45,765	-	-	-	-	66,629
- Mainland China	- 中國大陸	-	8,054	-	-	-	-	63,097
		10	499,796	-	-	5,256	10,767	668,722
Result								
Segment result	業績分類業績							
- Hong Kong	- 香港	-	133,555	(1)	1,259,177	(5,106)	15,152	1,440,808
- United Kingdom	- 英國	-	300,555	-	-	111	-	334,080
- Mainland China	- 中國大陸	-	394	-	-	2,095	-	2,489
- Other countries	- 其他國家	-	-	-	639,995	-	-	639,995
		-	434,504	(1)	1,899,172	(2,900)	15,152	2,417,372

8. OPERATING SEGMENTS (Cont'd)

8. 營運分類 (續)

Consolidated Statement of Comprehensive Income (Cont'd)

綜合全面收益報表 (續)

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

	Property development and trading 物業發展及買賣 HK\$'000 千港元	Property leasing 物業租賃		Listed equity investments at FVTOCI 透過其他全面收益以反映公平值之上市股本投資 HK\$'000 千港元	Investments and treasury products at FVTPL 透過損益以反映公平值之投資及財資產品 HK\$'000 千港元	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務 HK\$'000 千港元	All other segments 所有其他分類 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
		Retail 零售 HK\$'000 千港元	Non-retail 非零售 HK\$'000 千港元					
Share of results of investments accounted for using the equity method 攤佔以權益法入賬投資之業績								
- Attributable gross income - 應佔收入總額								
- Hong Kong - 香港	-	19,673	45,480	-	-	-	2,276	67,429
- Mainland China - 中國大陸	-	55,043	8,054	-	-	-	-	63,097
- Attributable operating cost - 應佔營運成本								
- Hong Kong - 香港	-	(1,009)	(7,883)	-	-	-	-	(8,892)
- Mainland China - 中國大陸	-	(24,979)	(2,848)	-	-	-	-	(27,827)
	-	120,173	477,307	(1)	1,899,172	(2,900)	17,428	2,511,179
Finance costs 財務費用	-	-	-	(113,197)	(100,307)	-	-	(213,504)
Other gains and losses 其他收益及虧損	(1,619)	-	(10)	-	-	-	(34)	(1,663)
Share of results of investments accounted for using the equity method 攤佔以權益法入賬投資之業績								
- Income tax and others - 所得稅及其他	(47)	(41,160)	(6,073)	-	-	-	(387)	(47,667)
	(1,666)	79,013	471,224	(113,198)	1,798,865	(2,900)	17,007	2,248,345
Unallocated items 未分配項目								
Unallocated corporate expenses, net 未分配之公司開支淨額								(230,023)
Unallocated finance costs 未分配之財務費用								(156,681)
Loss on dissolution of subsidiaries 附屬公司解散之虧損								(10,678)
Income tax expense 所得稅開支								(152,107)
Non-controlling interests 非控股權益								(1,485)
Operating profit for the year attributable to owners of the Company								1,697,371
Major non-cash items 主要非現金項目								
- Unrealised fair value changes on investment properties (including share of results of investments accounted for using the equity method) - 投資物業之未變現公平值變動 (包括攤佔以權益法入賬投資之業績)								(579,115)
- Deferred tax expense - 遞延稅項開支								(5,151)
- Impairment loss of goodwill - 商譽之減值虧損								(322,938)
Profit for the year attributable to owners of the Company								790,167
Core profit for the year attributable to owners of the Company								1,697,371

8. OPERATING SEGMENTS (Cont'd)

8. 營運分類 (續)

Consolidated Statement of Financial Position

At 31 December 2019

綜合財務狀況報表

於二零一九年十二月三十一日

	Property development and trading	Property leasing 物業租賃		Listed equity investments at FVTOCI 通過其他全面收益以反映公平值之上市股本投資	Investments and treasury products at FVTPL 通過損益以反映公平值之投資及財資產品	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務	All other segments	Consolidated
		Retail	Non-retail					
	物業發展及買賣	零售	非零售				所有其他分類	綜合
	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元	HKS'000 千港元
Assets								
Segment assets	分類資產							
- Hong Kong	- 香港	974,604	1,909,092	5,194,356	18,578,662	7,481,050	388,525	192,445
- United Kingdom	- 英國	-	1,389,050	6,940,511	-	-	-	-
- Mainland China	- 中國大陸	256,026	-	29,007	-	-	4,350	-
- Other countries	- 其他國家	-	-	-	-	1,607,908	558,780	-
Investments accounted for using the equity method	以權益法入賬之投資							
- Hong Kong	- 香港	37,704	435,133	1,776,644	-	-	1,990	6,228
- Mainland China	- 中國大陸	-	133,409	42,220	-	-	-	-
Advances to associates and a joint venture	墊付聯營公司及一間合資公司款項							
- Hong Kong	- 香港	123	-	158,933	-	-	2	1,136
- Mainland China	- 中國大陸	-	35,503	11,232	-	-	-	-
Reportable segment assets	可呈報分類資產	1,268,457	3,902,187	14,152,903	18,578,662	9,088,958	953,647	199,809
Unallocated corporate assets	未分攤之公司資產							167,166
Consolidated total assets	綜合資產總額							48,311,789
Liabilities								
Segment liabilities	分類負債							
- Hong Kong	- 香港	66,619	20,960	75,047	2,904,077	3,697,718	13,948	6,844
- United Kingdom	- 英國	-	14,980	177,445	-	-	-	-
- Mainland China	- 中國大陸	23	-	197	-	-	2	-
- Other countries	- 其他國家	-	-	-	-	530,990	6	-
Reportable segment liabilities	可呈報分類負債	66,642	35,940	252,689	2,904,077	4,228,708	13,956	6,844
Unallocated corporate liabilities	未分攤之公司負債							7,212,572
Consolidated total liabilities	綜合負債總額							14,721,428
Additions to non-current assets (other than financial instruments and deferred tax assets)	非流動資產添置 (金融工具及遞延稅項資產除外)							
		-	-	17,813	-	-	64	57

8. OPERATING SEGMENTS (Cont'd)

Other Material Items

For the year ended 31 December 2019

8. 營運分類 (續)

其他重大項目

截至二零一九年十二月三十一日止年度

		Adjustments for Reportable segments	Adjustments for major non-cash items	Consolidated statement of comprehensive income
		unallocated items	for major non-cash items	statement of comprehensive income
		未分攤 項目之調整	主要非現金 項目之調整	綜合全面 收益報表
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Interest income	利息收入	724,924	-	724,924
Finance costs	財務費用	(213,504)	(156,681)	(370,185)
Net income	收入淨額	511,420	(156,681)	354,739
Depreciation of:	折舊：			
– Property, plant and equipment	– 物業、廠房及設備	-	(7,384)	(7,384)
– Right-of-use assets	– 使用權資產	-	(19,680)	(19,680)
Fair value changes on investment properties	投資物業之公平值變動	-	-	(742,659)
Write-down of stock of properties	物業存貨之減值	(681)	-	(681)
Impairment loss of goodwill	商譽之減值虧損	-	-	(322,938)
Share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之業績	46,140	-	163,544
Income tax expense	所得稅開支	-	(152,107)	(5,151)
Non-controlling interests	非控股權益	-	(1,485)	-
				(1,485)

8. OPERATING SEGMENTS (Cont'd)

8. 營運分類 (續)

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2018

綜合全面收益報表

截至二零一八年十二月三十一日止年度

	Property development and trading 物業發展及買賣 HK\$'000 千港元	Property leasing 物業租賃		Listed equity investments at FVTOCI 透過其他全面收益以反映公平值之上市股本投資 HK\$'000 千港元	Investments and treasury products at FVTPL 以反映公平值之投資及財務產品 HK\$'000 千港元	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務 HK\$'000 千港元	All other segments 所有其他分類 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
		Retail 零售 HK\$'000 千港元	Non-retail 非零售 HK\$'000 千港元					
Major cash items excluding in revenue	收入以外之主要現金項目							
- Hong Kong	-	-	-	-	4,937,729	-	-	4,937,729
- Other countries	-	-	-	-	443,255	-	-	443,255
	-	-	-	-	5,380,984	-	-	5,380,984
Revenue	收入							
Revenue from external customers	來自外部客戶之收入							
- Hong Kong	273,989	42,886	139,203	-	-	14,073	11,023	481,174
- United Kingdom	-	36,241	326,203	-	-	-	-	362,444
	273,989	79,127	465,406	-	-	14,073	11,023	843,618
Revenue from external customers after non-controlling interests	來自扣除非控股權益後之外部客戶收入							
191,792	79,127	465,403	-	-	14,073	11,023	761,418	
Attributable property sales from associates/investee company	應佔聯營公司/接受投資公司物業銷售							
- Hong Kong	78,993	-	-	-	-	-	-	78,993
Attributable rental revenue from associates/joint venture/investee company	應佔聯營公司/合資公司/接受投資公司租金收入							
- Hong Kong	-	20,408	45,840	-	-	-	-	66,248
- Mainland China	-	64,153	8,894	-	-	-	-	73,047
	270,785	163,688	520,137	-	-	14,073	11,023	979,706
Result	業績							
Segment result	分類業績							
- Hong Kong	231,713	37,281	133,255	1,107,228	(289,080)	26,380	19,454	1,266,231
- United Kingdom	-	35,052	321,714	-	-	87	-	356,853
- Mainland China	-	-	-	-	-	2,891	-	2,891
- Other countries	-	-	-	-	(350,734)	-	-	(350,734)
	231,713	72,333	454,969	1,107,228	(639,814)	29,358	19,454	1,275,241
Share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之業績							
- Attributable property sales, net	應佔物業銷售淨額							
- Hong Kong	3,857	-	-	-	-	-	-	3,857
- Attributable gross income	應佔收入總額							
- Hong Kong	-	19,574	44,821	-	-	-	2,227	66,622
- Mainland China	-	64,153	8,894	-	-	-	-	73,047
- Attributable operating cost	應佔營運成本							
- Hong Kong	-	(705)	(8,585)	-	-	-	-	(9,290)
- Mainland China	-	(26,572)	(2,830)	-	-	-	-	(29,402)
Non-controlling interests	(52,310)	-	(3)	-	-	-	-	(52,313)
	183,260	128,783	497,266	1,107,228	(639,814)	29,358	21,681	1,327,762

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

8. OPERATING SEGMENTS (Cont'd)

8. 營運分類 (續)

Consolidated Statement of Comprehensive Income (Cont'd)

For the year ended 31 December 2018

綜合全面收益報表 (續)

截至二零一八年十二月三十一日止年度

	Property development and trading	Property leasing 物業租賃		Listed equity investments at FVTOCI 透過其他全面收益以反映公平值之上市股本投資	Investments and treasury products at FVTPL 以反映公平值之投資及財務產品	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務	All other segments	Consolidated
	物業發展及買賣	Retail 零售	Non-retail 非零售	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	所有其他分類 HK\$'000 千港元	綜合 HK\$'000 千港元
Finance costs	-	-	-	(115,650)	(70,980)	-	-	(186,630)
Other gains and losses	(2,549)	-	-	-	-	-	-	(2,549)
Share of results of investments accounted for using the equity method – Income tax and others	(1,038)	(36,858)	(8,026)	-	-	-	(502)	(46,424)
	179,673	91,925	489,240	991,578	(710,794)	29,358	21,179	1,092,159
Unallocated items								
Unallocated corporate expenses, net								(95,401)
Unallocated finance costs								(158,360)
Income tax expense								(127,847)
Unallocated non-controlling interests								7,790
Operating profit for the year attributable to owners of the Company								718,341
Major non-cash items								
– Unrealised fair value changes on investment properties (including share of results of investments accounted for using the equity method)								296,143
– Deferred tax credit								806
Profit for the year attributable to owners of the Company								1,015,290
Core profit for the year attributable to owners of the Company								718,341

8. OPERATING SEGMENTS (Cont'd)

8. 營運分類 (續)

Consolidated Statement of Financial Position

At 31 December 2018

綜合財務狀況報表

於二零一八年十二月三十一日

	Property development and trading 物業發展及買賣 HK\$'000 千港元	Property leasing 物業租賃		Listed equity investments at FVTOCI 通過其他全面收益以反映公平值之上市股本投資 HK\$'000 千港元	Investments and treasury products at FVTPL 通過損益以反映公平值之投資及財資產品 HK\$'000 千港元	Unlisted investments, investment holding and brokerage 非上市投資、投資控股及經紀服務 HK\$'000 千港元	All other segments 所有其他分類 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元	
		Retail 零售 HK\$'000 千港元	Non-retail 非零售 HK\$'000 千港元						
Assets									
Segment assets	分類資產								
– Hong Kong	– 香港	1,651,525	1,948,679	5,253,665	20,167,010	5,499,322	420,325	76,278	35,016,804
– United Kingdom	– 英國	–	1,632,210	7,433,806	–	–	–	–	9,066,016
– Mainland China	– 中國大陸	267,880	–	29,045	–	–	6,821	–	303,746
– Other countries	– 其他國家	–	–	–	–	1,272,109	493,267	–	1,765,376
Investments accounted for using the equity method	以權益法入賬之投資								
– Hong Kong	– 香港	68,750	424,507	1,582,710	–	–	2,167	6,549	2,084,683
– Mainland China	– 中國大陸	–	141,553	49,941	–	–	–	–	191,494
Advances to associates and a joint venture	墊付聯營公司及一間合資公司款項								
– Hong Kong	– 香港	1,000	–	154,306	–	–	2	1,160	156,468
– Mainland China	– 中國大陸	–	34,751	12,258	–	–	–	–	47,009
Reportable segment assets	可呈報分類資產	1,989,155	4,181,700	14,515,731	20,167,010	6,771,431	922,582	83,987	48,631,596
Unallocated corporate assets	未分攤之公司資產								59,107
Consolidated total assets	綜合資產總額								48,690,703
Liabilities									
Segment liabilities	分類負債								
– Hong Kong	– 香港	165,431	20,593	69,688	3,809,914	3,091,361	35,868	8,452	7,201,307
– United Kingdom	– 英國	–	16,464	167,234	–	–	–	–	183,698
– Mainland China	– 中國大陸	778	–	31	–	–	7	–	816
– Other countries	– 其他國家	–	–	–	–	432,759	9	–	432,768
Reportable segment liabilities	可呈報分類負債	166,209	37,057	236,953	3,809,914	3,524,120	35,884	8,452	7,818,589
Unallocated corporate liabilities	未分攤之公司負債								6,728,545
Consolidated total liabilities	綜合負債總額								14,547,134
Additions to non-current assets (other than financial instruments and deferred tax assets)	非流動資產添置 (金融工具及遞延稅項資產除外)								
		–	–	2,224	–	–	40	16	

8. OPERATING SEGMENTS (Cont'd)

Other Material Items

For the year ended 31 December 2018

		Adjustments for Reportable segments 可呈報分類 HK\$'000 千港元	Adjustments for major non-cash items 未分攤 項目之調整 HK\$'000 千港元	Adjustments for major non-cash items 主要非現金 項目之調整 HK\$'000 千港元	Consolidated statement of comprehensive income 綜合全面 收益報表 HK\$'000 千港元
Interest income	利息收入	673,317	-	-	673,317
Finance costs	財務費用	(186,630)	(158,360)	-	(344,990)
Net income	收入淨額	486,687	(158,360)	-	328,327
Depreciation of:	折舊：				
- Property, plant and equipment	- 物業、廠房及設備	-	(6,806)	-	(6,806)
Fair value changes on investment properties	投資物業之公平值變動	-	-	122,301	122,301
Write-down of stock of properties	物業存貨之減值	(2,549)	-	-	(2,549)
Share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之業績	58,410	-	173,842	232,252
Income tax expense	所得稅開支	-	(127,847)	806	(127,041)
Non-controlling interests	非控股權益	(52,313)	7,790	-	(44,523)

8. 營運分類 (續)

其他重大項目

截至二零一八年十二月三十一日止年度

9. OTHER INCOME

9. 其他收入

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Included in other income are:	其他收入包括：		
Building management fee income	樓宇管理費收入	28,225	35,086
Building management fee expenses	樓宇管理費開支	(15,962)	(19,037)
		12,263	16,049
Rental services income	租賃服務收入	5,071	6,693
Property management services, leasing administration services and property administration services income	物業管理服務、 租務行政服務及 物業行政服務收入	32,549	29,797
Advisory and consultancy services income	諮詢及顧問服務收入	34	37
Asset management and maintenance services income	資產管理及保養服務收入	-	5
Overprovision of costs in respect of a development project, net	就一項發展項目之 成本超額撥備淨額	6,452	-
Consultancy fee income	顧問費收入	-	14,766
Exchange gain, net	匯兌收益淨額	-	4,301
Reversal of impairment in respect of other receivable and interest thereon of approximately HK\$39,941,000	撥回其他應收賬項之減值及 相關利息約39,941,000港元	-	89,186

10. INVESTMENT INCOME, NET

10. 投資收入淨額

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets measured at fair value through profit or loss:	通過損益以反映公平值計量之金融資產：		
Unrealised gain (loss) arising from change in fair value of bonds	債券之公平值變動而產生之未變現收益(虧損)	978,452	(1,255,094)
Realised gain (loss) arising from change in fair value of bonds	債券之公平值變動而產生之已變現收益(虧損)	180,905	(24,721)
– Change in fair value	– 公平值變動	3,311	4,593
– Exchange component of change	– 匯兌部分變動		
Net gain (loss) arising from change in fair value of bonds	債券之公平值變動而產生之收益(虧損)淨額	1,162,668	(1,275,222)
Realised loss arising from change in fair value of fixed coupon notes	固定息率票據之公平值變動而產生之已變現虧損	(412)	–
Realised loss arising from change in fair value of currency option	貨幣期權之公平值變動而產生之已變現虧損	(281)	–
Unrealised (loss) gain arising from change in fair value of club and corporate debentures	會籍及公司債券之公平值變動而產生之未變現(虧損)收益	(13,090)	8,592
Realised loss arising from change in fair value of club debentures	會籍債券之公平值變動而產生之已變現虧損	(1,071)	–
(Loss) gain arising from change in fair value of club and corporate debentures	會籍及公司債券之公平值變動而產生之(虧損)收益	(14,161)	8,592
Unrealised (loss) gain arising from change in fair value of cross currency swap	貨幣掉期之公平值變動而產生之未變現(虧損)收益	(6,060)	1,921
Realised loss arising from change in fair value of cross currency swap	貨幣掉期之公平值變動而產生之已變現虧損	(1,921)	–
(Loss) gain arising from change in fair value of cross currency swaps	貨幣掉期之公平值變動而產生之(虧損)收益	(7,981)	1,921
Other investment income, net	其他投資收入淨額	21,339	12,450
Dividends income on:	股息收入來自：		
Listed investment	上市投資	–	1,106,820
Unlisted investments	非上市投資	–	54,750
Interest income	利息收入	724,505	632,691
		1,885,677	542,002

10. INVESTMENT INCOME, NET (Cont'd)

Interest income mainly included interest income from bonds and fixed coupon notes of approximately HK\$715,857,000 (2018: interest income from bonds of HK\$623,366,000.)

10. 投資收入淨額 (續)

利息收入中主要包括債券及固定息率票據之利息收入約為715,857,000港元(二零一八年: 債券之利息收入623,366,000港元)。

11. FINANCE COSTS

Interest on:	利息:
Bank borrowings	銀行借貸
Other borrowings	其他借貸
Lease liabilities	租賃負債
Total interest (Note 41)	利息總額(附註41)
Exchange gain on translation of foreign currency bank and other borrowings, net	外幣銀行及其他借貸之 匯兌收益淨額
Other finance costs	其他財務費用

11. 財務費用

2019	2018
HK\$'000	HK\$'000
千港元	千港元
157,969	146,250
217,801	196,106
1,086	-
376,856	342,356
(13,789)	(6,926)
7,118	9,560
370,185	344,990

12. OTHER GAINS AND LOSSES

Included in other gains and losses are:	其他收益及虧損包括:
Write-down of stock of properties	物業存貨之減值
Loss on dissolution of subsidiaries	附屬公司解散之虧損
Impairment loss recognised in respect of advances to associates	就墊付聯營公司款項確認之 減值虧損

12. 其他收益及虧損

2019	2018
HK\$'000	HK\$'000
千港元	千港元
(681)	(2,549)
(10,678)	-
(982)	-

13. INCOME TAX EXPENSE

13. 所得稅開支

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
The charge comprises:	支出包括：		
Current tax:	當期稅項：		
Hong Kong Profits Tax	香港利得稅	106,654	73,155
Other than Hong Kong	香港以外地區	42,475	46,938
		149,129	120,093
(Overprovision) underprovision in prior years:	過往年度(超額撥備)撥備不足：		
Hong Kong Profits Tax	香港利得稅	(297)	4,644
Other than Hong Kong	香港以外地區	201	(2,297)
		(96)	2,347
Deferred tax: (Note 30)	遞延稅項：(附註30)		
Current year charge	本年度支出	8,225	4,601
		157,258	127,041

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 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 PRC Enterprise Income Tax for the PRC subsidiaries are calculated at the PRC Enterprise Income Tax rate of 25% (2018: 25%). Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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。中國附屬公司之中國企業所得稅乃按中國企業所得稅率25%（二零一八年：25%）計算。其他司法權區產生之稅項乃按有關司法權區之現行稅率計算。

13. INCOME TAX EXPENSE (Cont'd)

The income tax charge for the year can be reconciled to the profit before tax per the consolidated statement of comprehensive income as follows:

		2019		2018	
		HK\$'000	%	HK\$'000	%
		千港元		千港元	
Profit before tax	除稅前溢利	948,910		1,186,854	
Tax at the Hong Kong Profits Tax rate of 16.5% (2018: 16.5%)	按香港利得稅稅率16.5% (二零一八年: 16.5%) 計算之稅項	156,570	16.5	195,831	16.5
Tax effect of share of results of investments accounted for using the equity method	攤佔以權益法入賬投資之業績之稅務影響	(34,598)	(3.6)	(38,322)	(3.2)
Tax effect of income not taxable for tax purposes	就稅務而言無須課稅收入之稅務影響	(175,767)	(18.5)	(322,110)	(27.1)
Tax effect of expenses not deductible for tax purposes	就稅務而言不可扣減開支之稅務影響	207,663	21.9	274,768	23.1
Tax effect on accelerated accounting depreciation over tax depreciation previously (not provided) over provided	過往(未撥備)超額撥備之加速會計折舊超過稅務折舊之稅務影響	(996)	(0.1)	913	0.1
Utilisation of tax losses previously not recognised	運用先前未確認之稅務虧損	(8,449)	(0.9)	(3,527)	(0.3)
Tax effect of tax losses not recognised (Overprovision) underprovision in prior years	未確認之稅務虧損之稅務影響 過往年度(超額撥備)撥備不足	3,184	0.3	8,931	0.7
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司適用之不同稅率之影響	(96)	-	2,347	0.2
		9,747	1.0	8,210	0.7
Tax charge for the year	本年度稅項支出	157,258	16.6	127,041	10.7

13. 所得稅開支 (續)

本年度之所得稅支出與綜合全面收益報表之除稅前溢利對賬如下：

14. PROFIT FOR THE YEAR

14. 本年度溢利

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit for the year has been arrived at after (charging) crediting:	本年度溢利已(扣除)計入:		
Total staff costs:	僱員成本總額:		
Staff costs, including Directors' emoluments	僱員成本(包括董事酬金)	(133,041)	(137,909)
Retirement benefit scheme contributions, net of forfeited contributions of approximately HK\$331,000 (2018: HK\$716,000)	退休福利計劃供款, 扣除已沒收供款約331,000港元 (二零一八年: 716,000港元)	(8,077)	(7,734)
		(141,118)	(145,643)
Auditors' remuneration:	核數師酬金:		
Auditors of the Company	本公司核數師		
– Current year	– 本年度	(2,015)	(2,014)
Other auditors	其他核數師		
– Current year	– 本年度	(546)	(542)
– Underprovision in prior years	– 過往年度撥備不足	(6)	(27)
Depreciation of:	折舊:		
– Property, plant and equipment	– 物業、廠房及設備	(7,384)	(6,806)
– Right-of-use assets	– 使用權資產	(19,680)	–
		(27,064)	(6,806)
Exchange loss, net	匯兌虧損淨額	(709)	–
Rental expenses from short-term leases	短期租賃之租金開支	(37,602)	–
Cost of trading properties recognised	買賣物業成本確認	–	(71,064)
Cost of cosmetic products recognised	化妝品成本確認	(4,457)	(4,355)
Share of tax of associates	攤佔聯營公司稅項	(8,135)	(9,535)
Share of tax of a joint venture	攤佔一間合資公司稅項	–	(628)
Share of tax of investments accounted for using the equity method (included in share of results of investments accounted for using the equity method)	攤佔以權益法入賬投資之稅項 (已計入攤佔以權益法入賬投資之業績)	(8,135)	(10,163)
Gross rental income from investment properties	投資物業租金收入總額	522,963	544,533
Less: Direct operating expenses from investment properties that generated rental income during the year	減: 本年度產生租金收入之 投資物業直接經營開支	(13,341)	(14,197)
Direct operating expenses from investment properties that did not generate rental income during the year	本年度並無產生租金收入之 投資物業直接經營開支	(3,673)	(3,034)
		505,949	527,302
Reversal of impairment loss (impairment loss) recognised in respect of trade receivables, net (Impairment loss) reversal of impairment loss recognised in respect of other receivables, net	就應收貿易賬項確認之減值 虧損撥回(減值虧損)淨額 就其他應收賬項確認之 (減值虧損)減值虧損撥回淨額	27	(6)
Impairment loss recognised in respect of advances to associates	(減值虧損)減值虧損撥回淨額 就墊付聯營公司款項確認之 減值虧損	(18)	48,998
		(982)	–

15. DIRECTORS' EMOLUMENTS

Fees and other emoluments paid or payable to each of the nine (2018: nine) Directors were as follows:

	2019				2018			
	Fee	Salaries and other emoluments	Retirement benefit contributions	Total	Fee	Salaries and other emoluments	Retirement benefit contributions	Total
	袍金	薪金及其他酬金	退休福利計劃供款	總額	袍金	薪金及其他酬金	退休福利計劃供款	總額
	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元
Mr. Lau, Ming-wai 劉鳴煒先生	300	-	-	300	300	-	-	300
Ms. Chan, Sze-wan 陳詩韻女士	-	1,960	144	2,104	-	1,500	120	1,620
Ms. Chan, Hoi-wan 陳凱韻女士	-	100	5	105	-	100	5	105
Ms. Chan, Lok-wan 陳諾韻女士	-	854	72	926	-	674	43	717
Mr. Lam, Kwong-wai 林光蔚先生	-	2,824	227	3,051	-	2,798	221	3,019
Ms. Amy Lau, Yuk-wai 劉玉慧女士	240	-	-	240	240	-	-	240
Mr. Chan, Kwok-wai 陳國偉先生	300	-	-	300	300	-	-	300
Ms. Phillis Loh, Lai-ping 羅麗萍女士	300	-	-	300	300	-	-	300
Mr. Ma, Tsz-chun 馬時俊先生	300	-	-	300	300	-	-	300
	1,440	5,738	448	7,626	1,440	5,072	389	6,901

No Directors waived any emoluments for the years ended 31 December 2019 and 2018.

Details of material interests of the Directors in transactions, arrangements or contracts entered into by subsidiaries of the Company are disclosed in the section headed "Directors' Report" of this annual report.

15. 董事酬金

已付或應付予九名(二零一八年:九名)董事各自之袍金及其他酬金如下:

董事概無於截至二零一九年及二零一八年十二月三十一日止年度內放棄收取任何酬金。

與本公司之附屬公司訂立交易、安排或合同之董事的重大利益之詳情於本年報之「董事會報告書」一節內披露。

16. EMPLOYEES' EMOLUMENTS

(a) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2018: one) were Directors, details of their emoluments were included in Note 15. The emoluments of the remaining three (2018: four) individuals were as follows:

Salaries and other benefits	薪金及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

The emoluments of the three (2018: four) individuals were within the following bands:

HK\$2,000,001 – HK\$2,500,000	2,000,001港元–2,500,000港元
HK\$2,500,001 – HK\$3,000,000	2,500,001港元–3,000,000港元
HK\$3,000,001 – HK\$3,500,000	3,000,001港元–3,500,000港元
HK\$3,500,001 – HK\$4,000,000	3,500,001港元–4,000,000港元

During the years ended 31 December 2019 and 2018, no emoluments were paid by the Group to the five highest paid individuals, or Directors, as an inducement to join or upon joining the Group or as compensation for loss of office.

(b) Emoluments of senior management

Other than the two (2018: all) senior management whose profiles are included in the section headed "Profiles of Senior Executives" of this annual report and their emoluments have been disclosed in the five highest paid individuals (Note 16(a)), the emolument of the remaining one senior management was within the band of HK\$1,500,001 to HK\$2,000,000.

16. 僱員酬金

(a) 五名最高薪酬人士

本集團五名最高酬金人士中，兩名（二零一八年：一名）為董事，彼等之酬金詳情已載於附註15。其餘三名（二零一八年：四名）個別人士之酬金如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
7,650	9,293
616	713
8,266	10,006

該三名（二零一八年：四名）個別人士之酬金幅度如下：

Number of employees 僱員人數	
2019	2018
2	3
–	–
–	–
1	1

於截至二零一九年及二零一八年十二月三十一日止年度內，本集團概無為吸引加入本集團或於加入本集團時或作為離職補償而向該五名最高薪酬人士或董事支付任何酬金。

(b) 高級管理層之酬金

除載列於五名最高薪酬人士（附註16(a)）之兩名（二零一八年：全部）高級管理層（載於本年報「高級行政人員簡介」一節內）之酬金外，剩餘一位高級管理層之酬金幅度為1,500,001港元至2,000,000港元。

17. DIVIDENDS

17. 股息

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
(a) Final dividend for 2018 paid on 12 June 2019 of HK10 cents (2017: HK10 cents) per share	(a) 於二零一九年六月十二日已派付之二零一八年末期股息每股10港仙(二零一七年: 每股10港仙)	190,762	190,762
(b) Interim dividend for 2019 paid on 27 August 2019 of HK1 cent (2018: HK1 cent) per share	(b) 於二零一九年八月二十七日已派付之二零一九年中期股息每股1港仙(二零一八年: 每股1港仙)	19,076	19,076
Total dividends paid	已派付股息總額	209,838	209,838

Final dividend for the year ended 31 December 2019 of HK1 cent (2018: HK10 cents) per share has been proposed by the board of Directors and is subject to shareholders' approval at the forthcoming annual general meeting of the Company.

董事會建議宣派截至二零一九年十二月三十一日止年度之末期股息每股1港仙(二零一八年: 每股10港仙)·有待股東於本公司之應屆股東週年大會上批准。

18. EARNINGS PER SHARE

18. 每股盈利

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

本公司擁有人應佔之每股基本及攤薄盈利乃根據以下數據計算:

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Earnings:	盈利:		
Earnings for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之盈利		
Profit for the year attributable to owners of the Company	本公司擁有人應佔本年度之溢利	790,167	1,015,290

18. EARNINGS PER SHARE (Cont'd)

18. 每股盈利 (續)

		Number of shares 股份數目	
		2019	2018
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之普通股加權平均數	1,907,619,079	1,907,619,079

Diluted earnings per share for the years ended 31 December 2019 and 2018 were the same as the basic earnings per share as there were no diluting events during both years.

截至二零一九年及二零一八年十二月三十一日止年度，由於並無攤薄事項，故上述兩個年度之每股攤薄盈利與每股基本盈利相同。

19. INVESTMENT PROPERTIES

19. 投資物業

		Completed properties 落成物業 HK\$'000 千港元
Fair value	公平值	
At 1 January 2018	於二零一八年一月一日	15,649,991
Exchange adjustments	匯兌調整	(491,444)
Increase in fair value recognised in the consolidated statement of comprehensive income – unrealised	於綜合全面收益報表中確認之公平值增加 — 未變現	122,301
At 31 December 2018	於二零一八年十二月三十一日	15,280,848
Additions	添置	861
Exchange adjustments	匯兌調整	220,457
Decrease in fair value recognised in the consolidated statement of comprehensive income – unrealised	於綜合全面收益報表中確認之公平值減少 — 未變現	(742,659)
Carrying amounts	賬面值	
At 31 December 2019	於二零一九年十二月三十一日	14,759,507

19. INVESTMENT PROPERTIES (Cont'd)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Property valuations as at 31 December 2019 and 2018 were carried out by B.I. Appraisals Limited ("B.I. Appraisals"), independent qualified professional valuer, in respect of the Group's investment properties in Hong Kong and Mainland China. For the investment properties in the United Kingdom, the property valuations as at 31 December 2019 and 2018 were carried out by Peak Vision Appraisals Limited ("Peak Vision Appraisals"), another independent qualified professional valuer. The valuers have recent relevant experience in the valuations of similar properties in the relevant locations.

At the end of the reporting period, the management of the Group discussed with the independent qualified professional valuers about the appropriate valuation techniques and key inputs for Level 3 fair value measurements.

The valuation reports for the investment properties as at 31 December 2019 and 2018 were signed by the respective director of B.I. Appraisals and Peak Vision Appraisals, who are members of The Hong Kong Institute of Surveyors and/or The Royal Institution of Chartered Surveyors. The valuations were performed in accordance with "The HKIS Valuation Standards 2017 Edition" published by The Hong Kong Institute of Surveyors and/or "The RICS Valuation – Global Standards (Effective from 31 January 2020)" (2018: "The RICS Valuation – Global Standards 2017") published by The Royal Institution of Chartered Surveyors.

19. 投資物業 (續)

本集團所有持有營業租約以賺取租金或資本增值之物業權益乃採用公平值模式計量，並分類及列作投資物業入賬。

於二零一九年及二零一八年十二月三十一日，本集團位於香港及中國大陸之投資物業由獨立合資格專業估值師保柏國際評估有限公司（「保柏國際評估」）進行物業估值。至於位於英國之投資物業，由另一獨立合資格專業估值師漂鋒評估有限公司（「漂鋒評估」）進行於二零一九年及二零一八年十二月三十一日之物業估值。估值師近期亦有評估相關地點類似物業之經驗。

於報告期末，本集團之管理層與獨立合資格專業估值師討論有關合適之估值技術及第三級公平值計量之主要數據。

於二零一九年及二零一八年十二月三十一日，投資物業之估值報告由保柏國際評估及漂鋒評估各自之董事（彼等為香港測量師學會會員及／或皇家特許測量師學會會員）簽署。該等估值乃遵守香港測量師學會所頒布之「香港測量師學會評估準則二零一七年版本」及／或皇家特許測量師學會所頒布之「皇家特許測量師學會估值－全球準則（自二零二零年一月三十一日生效）」（二零一八年：「皇家特許測量師學會估值－二零一七年全球準則」）進行。

19. INVESTMENT PROPERTIES (Cont'd)

The fair value of each investment property is individually determined at the end of each reporting period based on its market value and by adopting investment method, and/or direct comparison method, as appropriate. The investment method relying on the capitalisation of rental income is based upon estimates of future results and a set of assumptions specific to each property to reflect its tenancy status. The fair value of each investment property reflects, among other things, rental income from current term leases, term yield rate, assumptions about rental income from future reversion leases in light of current market conditions, the assumed occupancy rate and reversionary yield rate. Judgment by the valuers is required to determine the principal valuation factors, including term yield rate and reversionary yield rate. Such yield rates were adopted after considering the investment sentiments and market expectations of properties of similar nature. Direct comparison method assumes each of these properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

The following tables analysed the investment properties which are measured at fair value at the end of the reporting period into the three-level hierarchy as defined in HKFRS 13 "Fair Value Measurement" which is further elaborated in Note 3.

19. 投資物業 (續)

每項投資物業之公平值於各報告期末根據其市值，並採納投資法及／或直接比較法（按適用情況而定）而個別釐定。投資法乃依據資本化租金收入，並以對各項物業未來業績之估計及一系列特定假設為依據，以反映其租賃狀況。每項投資物業之公平值反映（其中包括）現有租約期限之租金收入、租約期限之回報率、基於現時市況對未來復歸租約所得租金收入之假設、假設出租率及復歸回報率。於釐定主要估值因素（包括租約期限之回報率及復歸回報率）時須由估值師作出判斷。於採納有關回報率時已考慮投資氣氛及市場對類似性質物業之預期。直接比較法假設該等物業各自可以現況交吉出售及參照相關市場上可供比較之銷售證據。

下表為於報告期末以公平值計量之投資物業之三級分級制（定義見香港財務報告準則第13號「公平值計量」）分析及於附註3作進一步詳述。

		Fair value	Level 1	Level 2	Level 3
		公平值	第一級	第二級	第三級
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Recurring fair value measurements:	經常性公平值計量：				
Completed properties	落成物業				
At 31 December 2019	於二零一九年十二月三十一日	14,759,507	-	1,295,824	13,463,683
At 31 December 2018	於二零一八年十二月三十一日	15,280,848	-	1,296,616	13,984,232

Certain investment properties located in Hong Kong and Mainland China categorised as Level 2 fair value measurement are determined using direct comparison method with reference to the recent selling prices of comparable properties on a price per square foot basis which are adjusted to reflect the conditions and locations of the related properties.

分類為第二級公平值計量之若干位於香港及中國大陸之投資物業以直接比較法釐定，參考可供比較物業之最近每平方呎售價，而售價為經調整以反映有關物業之狀況及位置。

19. INVESTMENT PROPERTIES (Cont'd)

Details of valuation techniques used and key inputs to valuation on investment properties which are categorised as Level 3 fair value measurement at the end of the reporting period are as follows:

19. 投資物業 (續)

於報告期末分類為第三級公平值計量之投資物業之估值所使用之技術及主要數據之詳情如下：

	Fair value 公平值	Valuation techniques 估值技術		Significant unobservable inputs 重大非可觀察數據	Range 範圍
	2019		2018		
	HK\$'000		HK\$'000		
	千港元		千港元		
Properties held for investment in Hong Kong 位於香港之持作投資物業	5,412,550	5,482,740	Combination of direct comparison method and investment method 直接比較法及投資法之合併	(1) Reversionary yield; and 復歸回報率；及 (2) Market rent per square foot 每平方呎之市場租金	2.50% to 4.75% (2018: 2.50% to 4.75%) 2.50厘至4.75厘 (二零一八年：2.50厘至4.75厘)
Properties held for investment in the United Kingdom 位於英國之持作投資物業	8,051,133	8,501,492	Combination of direct comparison method and investment method 直接比較法及投資法之合併	(1) Reversionary yield; and 復歸回報率；及 (2) Market rent per square foot 每平方呎之市場租金	3.13% to 5.00% (2018: 2.88% to 4.75%) 3.13厘至5.00厘 (二零一八年：2.88厘至4.75厘)
Total 總額	13,463,683	13,984,232			

Reversionary yield is the rate taking into account the capitalisation of potential rental income, nature of the property and prevailing market conditions. Market rent per square foot is the market rent taking into account the direct comparable market transactions to the related properties.

The fair value measurements are negatively correlated to the reversionary yield, while positively correlated to the market rent per square foot.

復歸回報率乃計及潛在租金收入資本化、物業性質及當時市況得出之比率。每平方呎之市場租金乃計及相關物業之市場可供直接比較交易得出之市場租金。

公平值計量與復歸回報率成反比，而與每平方呎之市場租金則成正比。

19. INVESTMENT PROPERTIES (Cont'd)

Movements of investment properties which are categorised as Level 3 fair value measurement during the year are as follows:

At 1 January	於一月一日
Additions	添置
Exchange adjustments	匯兌調整
(Decrease) increase in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益報表中確認之公平值(減少)增加
– unrealised	– 未變現
Carrying amounts	賬面值
At 31 December	於十二月三十一日

There were no transfers into or out of Level 3 fair value measurement during the years ended 31 December 2019 and 2018 and no change in valuation techniques used in prior years. In estimating the fair value of the properties, their current use equates to the highest and best use of the properties.

19. 投資物業 (續)

分類為第三級公平值計量之投資物業於年內之變動如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
13,984,232	14,248,322
861	–
221,112	(490,024)
(742,522)	225,934
13,463,683	13,984,232

於截至二零一九年及二零一八年十二月三十一日止年度內，第三級公平值計量之投資物業並無轉入或轉出，而所用之估值技術與過往年度所用的亦無轉變。就估計物業之公平值，物業之當前用途等同其最高及最佳用途。

20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Leasehold land	Buildings	Leasehold improvement 租賃 物業裝修	Furniture, fixtures and equipment 傢俬、 裝置及設備	Yachts and motor vehicles 遊艇及車輛	Total
		租賃土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	租賃 物業裝修 HK\$'000 千港元	傢俬、 裝置及設備 HK\$'000 千港元	遊艇及車輛 HK\$'000 千港元	總額 HK\$'000 千港元
Cost	成本						
At 1 January 2018	於二零一八年一月一日	27,856	4,854	12,748	35,313	100,498	181,269
Additions	添置	-	-	5	2,125	-	2,130
Disposals/written off	出售/撇銷	-	-	-	(9,753)	(18,400)	(28,153)
Exchange adjustments	匯兌調整	(1,316)	(229)	-	(24)	131	(1,438)
		26,540	4,625	12,753	27,661	82,229	153,808
At 31 December 2018	於二零一八年十二月三十一日	-	-	14,226	2,847	-	17,073
Additions	添置	-	-	(1,608)	(2,120)	-	(3,728)
Disposals/written off	出售/撇銷	-	-	-	(12)	-	(709)
Exchange adjustments	匯兌調整	(594)	(103)	-	(12)	-	(709)
At 31 December 2019	於二零一九年十二月三十一日	25,946	4,522	25,371	28,376	82,229	166,444
Depreciation	折舊						
At 1 January 2018	於二零一八年一月一日	1,835	408	12,195	28,462	95,252	138,152
Charge for the year	本年度折舊	497	108	543	2,800	2,858	6,806
Elimination upon disposals/written off	出售/撇銷時對銷	-	-	-	(9,738)	(18,033)	(27,771)
Exchange adjustments	匯兌調整	(107)	(23)	-	(21)	118	(33)
		2,225	493	12,738	21,503	80,195	117,154
At 31 December 2018	於二零一八年十二月三十一日	475	104	2,679	2,583	1,543	7,384
Charge for the year	本年度折舊	-	-	(1,605)	(1,930)	-	(3,535)
Elimination upon disposals/written off	出售/撇銷時對銷	-	-	-	(11)	-	(83)
Exchange adjustments	匯兌調整	(59)	(13)	-	(11)	-	(83)
At 31 December 2019	於二零一九年十二月三十一日	2,641	584	13,812	22,145	81,738	120,920
Carrying amounts	賬面值						
At 31 December 2019	於二零一九年十二月三十一日	23,305	3,938	11,559	6,231	491	45,524
At 31 December 2018	於二零一八年十二月三十一日	24,315	4,132	15	6,158	2,034	36,654

21. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group leases assets including properties and equipment. Most of the leases of properties are negotiated for term ranging from one to three years while lease of equipment is negotiated for five years. Information about leases for which the Group is a lessee is presented below:

(a) Right-of-use assets

Cost	成本
At 31 December 2018 (originally stated)	於二零一八年十二月三十一日 (原先呈列)
Effect on adoption of HKFRS 16	採納香港財務報告準則第16號 之影響
At 31 December 2019	於二零一九年十二月三十一日
Depreciation	折舊
At 31 December 2018 (originally stated)	於二零一八年十二月三十一日 (原先呈列)
Effect on adoption of HKFRS 16	採納香港財務報告準則第16號 之影響
At 1 January 2019 (restated) Charge for the year	於二零一九年一月一日(重列) 本年度折舊
At 31 December 2019	於二零一九年十二月三十一日
Carrying amounts	賬面值
At 31 December 2019	於二零一九年十二月三十一日

21. 使用權資產及租賃負債

本集團承租之資產包括物業及設備。大部分物業之租約商議之租期為一至三年，而設備之租約商議之租期為五年。有關本集團作為承租人之租賃資料呈列如下：

(a) 使用權資產

Properties	Equipment	Total
物業	設備	總額
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
-	-	-
6,593	1,232	7,825
6,593	1,232	7,825
148,754	-	148,754
155,347	1,232	156,579
-	-	-
-	-	-
-	-	-
19,218	462	19,680
19,218	462	19,680
136,129	770	136,899

21. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Cont'd)

(b) Lease liabilities

Lease liabilities payable within a period of:	
Less than one year	
More than one year but within two years	
More than two years but within five years	

Less: Amounts due within one year

Amounts due after one year

The amounts recognised in profit or loss in relation to leases are disclosed in Notes 11 and 14.

The total cash outflow for leases for the year ended 31 December 2019 was approximately HK\$54,559,000.

21. 使用權資產及租賃負債 (續)

(b) 租賃負債

須於下列期間應付租賃負債：

一年以下	
一年以上但不超逾兩年	
兩年以上但不超逾五年	

減：一年內到期之款項

一年後到期之款項

2019
HK\$'000
千港元

47,929
50,539
33,586

132,054
(47,929)

84,125

在損益中確認有關租賃之金額於附註11及14內披露。

於截至二零一九年十二月三十一日止年度，租賃之現金流出總額約54,559,000港元。

22. INTANGIBLE ASSETS

22. 無形資產

		Trading and exchange rights 買賣及貿易權 HK\$'000 千港元	Trademark 商標 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Cost	成本			
At 1 January 2018,	於二零一八年一月一日、			
31 December 2018 and	二零一八年十二月三十一日及			
31 December 2019	二零一九年十二月三十一日	2,705	14,300	17,005
Amortisation and impairment	攤銷及減值			
At 1 January 2018,	於二零一八年一月一日、			
31 December 2018 and	二零一八年十二月三十一日及			
31 December 2019	二零一九年十二月三十一日	2,705	14,300	17,005
Carrying amounts	賬面值			
At 31 December 2019	於二零一九年十二月三十一日	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	-	-	-

22. INTANGIBLE ASSETS (Cont'd)

The above intangible assets have definite useful lives. Such intangible assets are amortised on a straight-line basis over five years.

22. 無形資產 (續)

上述無形資產具有既定使用年期，並以直線法按五年攤銷。

23. GOODWILL

23. 商譽

		HK\$'000 千港元
Cost	成本	
At 1 January 2018,	於二零一八年一月一日、	
31 December 2018 and	二零一八年十二月三十一日及	
31 December 2019	二零一九年十二月三十一日	370,686
Impairment	減值	
At 1 January 2018 and	於二零一八年一月一日及	
31 December 2018	二零一八年十二月三十一日	47,748
Impairment loss for the year	本年度減值虧損	322,938
At 31 December 2019	於二零一九年十二月三十一日	370,686
Carrying amounts	賬面值	
At 31 December 2019	於二零一九年十二月三十一日	-
At 31 December 2018	於二零一八年十二月三十一日	322,938

23. GOODWILL (Cont'd)

Impairment testing of goodwill

For the purpose of impairment testing, goodwill acquired through certain business combinations has been allocated to the Group's CGUs, which in all cases were determined to be investment properties owned by subsidiaries. The carrying amount of goodwill (net of accumulated impairment losses) was allocated to CGUs with the following places of operation:

United Kingdom	英國
Hong Kong	香港

The recoverable amount for the CGU operated in the United Kingdom has been determined based on value-in-use calculation using five-year cash flow projections approved by the Directors. The pre-tax discount rate adopted as at 31 December 2019 was approximately 5.20% (2018: 5.97%) per annum for the United Kingdom property business which was applied to the cash flow projection when assessing the recoverability of the CGU containing goodwill. Cashflows beyond that five-year period have been extrapolated at nil (2018: nil) growth rate in the calculation of the terminal value. As at 31 December 2019, the management noted that the anchor tenant of the investment property of the Group located in the United Kingdom will surrender the lease in the first quarter of 2020 and thereafter asset enhancement work to the investment property is expected to carry out by the Group. Based on this assumption, an independent qualified professional valuer has carried out a value-in-use calculation of the CGU operated in the United Kingdom, with the recoverable amount for the United Kingdom CGU of approximately HK\$3,269,118,000 as at 31 December 2019. The Group recognised a full impairment loss of goodwill of approximately HK\$322,938,000 (2018: nil) attributable to the United Kingdom CGU as at 31 December 2019.

Full impairment for goodwill of the other businesses in Hong Kong was recognised in prior years.

23. 商譽 (續)

商譽減值測試

為進行減值測試，就若干業務合併產生之商譽已分配至本集團之現金產生單位，彼等全釐定為集團附屬公司所擁有之投資物業。商譽賬面值（扣除累積減值虧損）分配至以下經營地點之現金產生單位：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
-	322,938
-	-
-	322,938

於英國經營之現金產生單位之可收回金額乃根據董事批准之五年現金流量預測，並按使用價值計算法釐定。當評估含商譽之現金產生單位之可收回程度時，於二零一九年十二月三十一日就英國物業業務採納稅前年貼現率約為5.20厘（二零一八年：5.97厘）作為應用於該現金流量預測。五年期間以後之現金流量按零（二零一八年：零）增長率推算以計算最終價值。於二零一九年十二月三十一日，管理層注意到本集團位於英國之投資物業之主要租戶將於二零二零年首季退回租賃，且預期本集團將於此後就該投資物業進行資產優化工程。基於此假設，獨立合資格專業估值師已就英國經營之現金產生單位進行使用價值計算，該英國現金產生單位於二零一九年十二月三十一日之可收回金額約為3,269,118,000港元。於二零一九年十二月三十一日，本集團就英國現金產生單位確認商譽之全數減值虧損約為322,938,000港元（二零一八年：無）。

就於香港其他業務之商譽，全數減值虧損已於過往年度確認。

23. GOODWILL (Cont'd)

Impairment testing of goodwill (Cont'd)

In the preparation of the value-in-use calculation, there are a number of assumptions and estimates involved for the preparation of the cash flow projections. Key assumptions included gross income, discount rates and time period required for the asset enhancement work which are determined by the Directors based on past performance and their expectation for market development. The values assigned to key assumptions were based on historical experience, current market conditions, approved forecasts and consistent with external information sources. Gross income is budgeted gross income. The discount rates used were determined with reference to weighted average cost of capital of similar companies in the industry reflected specific risks relating to the industry. Time period required for the asset enhancement work was determined based on time required for similar work of comparable investment property. The estimated future cash inflow and cash outflow derived from asset enhancement is excluded in the value-in-use calculation. For the year ended 31 December 2018, the Directors believed that any reasonable possible change in any of these assumptions would not cause the aggregate carrying amount of the CGUs to exceed their respective aggregate recoverable amount.

23. 商譽 (續)

商譽減值測試 (續)

於編製使用價值計算時，編製現金流量預測涉及多項假設及估計。主要假設包括由董事根據過往表現及彼等對市場發展預測而釐定之收入總額、貼現率及資產優化工程所需時間。主要假設所用價值以過往經驗、當前市況及經批准預測為依據，並符合外部資料來源。收入總額乃預算收入總額，而所採用之貼現率乃參照業內同類公司之加權平均資本成本釐定，並反映與行業相關之特定風險。資產優化工程所需時間乃根據可供比較投資物業之類似工程所需時間而釐定。使用價值計算不包括資產優化所產生之估計未來現金流入及現金流出。於截至二零一八年十二月三十一日止年度，董事相信任何該等假設之任何合理可能變動不會導致現金產生單位賬面值總額超出彼等相關之可收回金額總額。

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

24. 以權益法入賬之投資

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
(a) Interests in associates:	(a) 聯營公司權益：		
Cost of investments in associates	投資聯營公司成本		
– unlisted	– 非上市	1,204,736	1,204,736
Share of post-acquisition profits/losses and other comprehensive income/expenses net of dividends received	攤佔收購後溢利／虧損及其他全面收益／支出扣除已收股息	1,020,234	1,067,815
		2,224,970	2,272,551
(b) Interest in a joint venture:	(b) 一間合資公司權益：		
Cost of investment in a joint venture	投資一間合資公司成本		
– unlisted (note)	– 非上市(附註)	150	150
Share of post-acquisition profits	攤佔收購後溢利	208,208	3,476
		208,358	3,626
		2,433,328	2,276,177

Note: During the year ended 31 December 2018, the Group subscribed 50% equity interest in Landrich (H.K.) Limited ("Landrich"), a joint venture holding a property located at Nos. 14-18 Ma Kok Street in Tsuen Wan.

During the year ended 31 December 2019, the Group further subscribed 1% equity interest in Landrich so that the Group held 51% equity interest in Landrich as at 31 December 2019. Pursuant to the shareholders' agreements, it requires unanimous consent from all shareholders of Landrich for decisions about the relevant activities. The Group does not have control over Landrich under the shareholders' agreements notwithstanding the Group holds more than 50% equity interest in Landrich as at 31 December 2019 and Landrich is therefore classified as a joint venture of the Group.

Particulars of the Group's principal associates and joint venture as at 31 December 2019 are set out in Note 49.

附註：於截至二零一八年十二月三十一日止年度，本集團認購一間合資公司—隆裕(香港)有限公司(「隆裕」)之50%股本權益，該合資公司持有位於荃灣馬角街14-18號之物業。

於截至二零一九年十二月三十一日止年度，本集團進一步認購隆裕之1%股本權益，故本集團於二零一九年十二月三十一日持有隆裕之51%股本權益。根據股東協議，相關業務之決策須獲所有股東一致同意。於二零一九年十二月三十一日，本集團雖持有隆裕超過50%股本權益，但根據股東協議並無其控制權，故隆裕被分類為本集團之合資公司。

本集團於二零一九年十二月三十一日之主要聯營公司及合資公司之詳情載列於附註49。

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

The Company provided corporate guarantees to secure bank borrowings granted to its associates in prior years and joint venture during the year ended 31 December 2019. The fair value of the financial guarantee contract at initial recognition was determined by Norton Appraisals Limited, independent qualified professional valuer, and was recognised as investments accounted for using the equity method and financial guarantee liabilities in the Group's consolidated statement of financial position.

As at 31 December 2019 and 2018, the investment properties held by the Group's principal associates and joint venture were revalued by B.I. Appraisals. B.I. Appraisals continues to adopt investment method and/or direct comparison method as the valuation methodologies. The valuation methods and significant assumptions applied in determining the fair values of investment properties are detailed in Note 19. In addition, for investment properties under development at fair value, their fair values are determined by residual method by deducting the estimated total outstanding redevelopment cost and an allowance for developer's risk and profit from the gross development value of the proposed redevelopment.

All of the associates and the joint venture are accounted for using the equity method in these consolidated financial statements.

The information below reflects the amounts presented in the unaudited financial statements of associates and a joint venture which were prepared in accordance with HKFRSs adjusted for the differences arising from accounting policies and different financial year-end dates between the Group and the associates and joint venture, if any.

24. 以權益法入賬之投資 (續)

本公司於過往年度為其聯營公司及於截至二零一九年十二月三十一日止年度為其合資公司提供公司擔保作為獲授銀行借貸之抵押。財務擔保合約初步確認之公平值由獨立合資格專業估值師普敦國際評估有限公司釐定，並已於本集團之綜合財務狀況報表內確認為以權益法入賬之投資及財務擔保負債。

於二零一九年及二零一八年十二月三十一日，本集團主要聯營公司及合資公司持有之投資物業已由保柏國際評估進行重估。保柏國際評估持續採納投資法及／或直接比較法為估值方法。應用於釐定投資物業公平值之估值方法及主要假設於附註19詳述。此外，就按公平值之發展中投資物業而言，其公平值乃以剩餘法透過從擬定重建項目之開發總值扣除估計未付之重建成本總額以及發展商之風險及利潤之容許差額而釐定。

所有聯營公司及合資公司均以權益法於本綜合財務報表內列賬。

以下資料反映於聯營公司及一間合資公司之未經審核財務報表呈列之金額，該等財務報表按香港財務報告準則並就本集團與聯營公司及合資公司之間因會計政策所產生之差異及不同財政年終日期（如有）作出調整而編製。

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

24. 以權益法入賬之投資 (續)

(a) Interests in associates

The summarised financial information in respect of the Group's material associate, Finedale Industries Limited, is set out below:

Finedale Industries Limited

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產	3,709,000	3,843,000
Current assets	流動資產	578,704	466,674
Current liabilities	流動負債	(86,905)	(61,146)
Net assets	資產淨值	4,200,799	4,248,528
Revenue	收入	110,173	95,734
(Loss) profit for the year	本年度(虧損)溢利	(47,729)	510,263
Total comprehensive (expenses) income for the year	本年度全面(支出)收益總額	(47,729)	510,263
Reconciliation of the summarised financial information presented to the carrying amount of its interest in the associate:	聯營公司權益之賬面值與財務資料概要對賬:		
Net assets at 1 January	於一月一日之資產淨值	4,248,528	3,738,265
Total comprehensive (expenses) income for the year	本年度全面(支出)收益總額	(47,729)	510,263
Net assets at 31 December	於十二月三十一日之資產淨值	4,200,799	4,248,528
Interest held by the Group	本集團持有之權益	33.33%	33.33%
Group's interest in the associate and the carrying amount	本集團於該聯營公司之權益及賬面值	1,400,266	1,416,176
Dividend received from the associate during the year	於本年度已收聯營公司之股息	-	-

(a) 聯營公司權益

本集團重要聯營公司—廣坤實業有限公司之財務資料概要載列如下：

廣坤實業有限公司

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(a) Interests in associates (Cont'd)

Aggregate financial information of associates that are not individually material:

Group's share of results for the year	本集團攤佔本年度業績
Group's share of other comprehensive expenses for the year	本集團攤佔本年度其他全面支出
Group's share of total comprehensive income for the year	本集團攤佔本年度全面收益總額
Group's aggregate interests in these associates and the carrying amounts	本集團於該等聯營公司之權益總額及賬面值
Dividends received from associates during the year	於本年度已收聯營公司之股息

24. 以權益法入賬之投資 (續)

(a) 聯營公司權益 (續)

個別非重要之聯營公司財務資料總額：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
20,862	58,688
(4,382)	(10,050)
16,480	48,638
824,704	856,375
48,212	61,500

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(b) Interest in a joint venture

The summarised financial information in respect of the Group's joint venture, Landrich, is set out below:

Landrich (H.K.) Limited

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Non-current asset	非流動資產	900,000	490,000
Current assets	流動資產		
Cash and cash equivalents	現金及現金等值項目	6,571	8,170
Other current assets	其他流動資產	2,018	3,471
		8,589	11,641
Current liabilities	流動負債		
Current financial liability (excluding trade and other payables and provisions)	流動金融負債 (不包括應付貿易賬項及 其他應付賬項以及撥備)	(180,000)	(180,000)
Other current liabilities	其他流動負債	(2,576)	(5,951)
		(182,576)	(185,951)
Non-current liability	非流動負債		
Non-current financial liabilities	非流動金融負債	(317,467)	(308,437)
Net assets	資產淨值	408,546	7,253

24. 以權益法入賬之投資 (續)

(b) 一間合資公司權益

本集團合資公司—隆裕之財務資料概要載列如下：

隆裕(香港)有限公司

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Non-current asset	非流動資產	900,000	490,000
Current assets	流動資產		
Cash and cash equivalents	現金及現金等值項目	6,571	8,170
Other current assets	其他流動資產	2,018	3,471
		8,589	11,641
Current liabilities	流動負債		
Current financial liability (excluding trade and other payables and provisions)	流動金融負債 (不包括應付貿易賬項及 其他應付賬項以及撥備)	(180,000)	(180,000)
Other current liabilities	其他流動負債	(2,576)	(5,951)
		(182,576)	(185,951)
Non-current liability	非流動負債		
Non-current financial liabilities	非流動金融負債	(317,467)	(308,437)
Net assets	資產淨值	408,546	7,253

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(b) Interest in a joint venture (Cont'd)

The summarised financial information in respect of the Group's joint venture, Landrich, is set out below: (Cont'd)

Landrich (H.K.) Limited (Cont'd)

The results of Landrich during the year ended 31 December 2019 (2018: during post-acquisition period since the subscription of Landrich) are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Revenue	收入	4,200	12,879
Interest expense	利息開支	5,364	3,625
Income tax expense	所得稅開支	-	1,256
Profit for the year/period	本年度／期間溢利	401,292	3,355
Total comprehensive income for the year/period	本年度／期間全面收益總額	401,292	3,355
Reconciliation of the summarised financial information presented to the carrying amount of its interest in the joint venture:	合資公司權益之賬面值與財務資料概要對賬：		
Net assets at 1 January	於一月一日之資產淨值	7,253	-
Increase in share capital (2018: net fair value of the identifiable assets and liabilities as at the date of subscription) (note)	股本增加 (二零一八年：於認購日之可辨別資產及負債之公平值淨值) (附註)	1	3,898
Total comprehensive income for the year (2018: post-acquisition total comprehensive income)	本年度全面收益總額 (二零一八年：收購後全面收益總額)	401,292	3,355
Net assets at 31 December	於十二月三十一日之資產淨值	408,546	7,253
Interest held by the Group	本集團持有之權益	51%	50%
Group's interest in the joint venture and the carrying amount	本集團於該合資公司之權益及賬面值	208,358	3,626
Dividend received from the joint venture during the year	於本年度已收合資公司之股息	-	-

24. 以權益法入賬之投資 (續)

(b) 一間合資公司權益 (續)

本集團合資公司—隆裕之財務資料概要載列如下：(續)

隆裕(香港)有限公司(續)

於截至二零一九年十二月三十一日止年度(二零一八年：自認購隆裕於收購後期間)，隆裕之業績如下：

24. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Cont'd)

(b) Interest in a joint venture (Cont'd)

The summarised financial information in respect of the Group's joint venture, Landrich, is set out below: (Cont'd)

Landrich (H.K.) Limited (Cont'd)

Note: Upon completion of the subscriptions during the years ended 31 December 2019 and 2018, the excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment of approximately HK\$4,089,000 (2018: HK\$1,799,000) was included in the determination of the Group's share of the joint venture's profit or loss in the period in which the investment was acquired.

24. 以權益法入賬之投資 (續)

(b) 一間合資公司權益 (續)

本集團合資公司—隆裕之財務資料概要載列如下：(續)

隆裕(香港)有限公司(續)

附註：於截至二零一九年及二零一八年十二月三十一日止年度，於完成認購時，本集團攤佔可辨別資產及負債之公平值淨值超過投資成本約為4,089,000港元(二零一八年：1,799,000港元)並已於收購該投資之期間內包括在釐定本集團攤佔合資公司之損益。

25. ADVANCES TO ASSOCIATES

Interest-bearing advances to associates

墊付聯營公司之計息款項

Interest-free advances to associates

墊付聯營公司之免息款項

The advances to associates are unsecured. The Group will not demand for repayment within one year from the end of the reporting period and the amounts are therefore shown as non-current. The interest-bearing advances to associates bear interest at the prevailing market rates.

25. 墊付聯營公司款項

2019 HK\$'000 千港元	2018 HK\$'000 千港元
47,846	48,147
265	1,112
48,111	49,259

墊付聯營公司款項乃無抵押。本集團不會要求於報告期末起計一年內償還款項，故將該等款項列作非流動性質。墊付聯營公司之計息款項以當時之市場借貸利率計息。

26. ADVANCE TO A JOINT VENTURE

The advance to a joint venture is unsecured and interest-free. The Group will not demand for repayment within one year from the end of the reporting period and the amount is therefore shown as non-current.

26. 墊付一間合資公司款項

墊付一間合資公司款項乃無抵押及免息。本集團不會要求於報告期末起計一年內償還款項，故將該款項列作非流動性質。

27. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 通過損益以反映公平值計量之金融資產

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Bonds (note (i))	債券 (附註(i))	8,975,533	6,685,515
Club and corporate debentures (note (ii))	會籍及公司債券 (附註(ii))	62,820	78,481
Derivative financial instrument (note (iii))	衍生金融工具 (附註(iii))	-	1,921
		9,038,353	6,765,917
Analysed for reporting purpose as:	作報告用途之分析:		
Non-current	非流動性質	1,670,271	1,350,090
Current	流動性質	7,368,082	5,415,827
		9,038,353	6,765,917

Notes:

- (i) As at 31 December 2019, the carrying amount of bonds was approximately HK\$8,975,533,000 (2018: HK\$6,685,515,000), including bonds with aggregate carrying amount of approximately HK\$1,650,320,000 (2018: HK\$1,006,669,000) were available to be loaned to financial institutions for earning lending fee income and the same or substantially the same securities would be returned to the Group, pursuant to the terms and conditions contained in the securities pooled lending agreements, of which approximately HK\$90,709,000 (2018: HK\$75,581,000) were on loan at the end of the reporting period.

The bonds denominated in US\$ carry at fixed rate range from 4.750% to 13.750% per annum of which notional amount of US\$937,015,000 are callable and all bonds denominated in GBP with notional amount of GBP24,500,000 carry at fixed rate range from 5.875% to 7.250% per annum and are callable.

The bonds are traded in active market and stated at fair values at the end of the reporting period. Their fair values are determined by reference to market bid prices quoted by financial institutions and brokers.

附註:

- (i) 於二零一九年十二月三十一日，債券之賬面值約為8,975,533,000港元（二零一八年：6,685,515,000港元），當中賬面值總額約為1,650,320,000港元（二零一八年：1,006,669,000港元）之債券，根據匯集證券借貸協議所載之條款及條件，可供借出予金融機構以賺取借貸費收入，而該等證券或大致等同之證券將會歸還予本集團。於報告期末，當中已借出債券之賬面值約為90,709,000港元（二零一八年：75,581,000港元）。

以美元計值之債券固定年利率為4.750厘至13.750厘，其中名義金額為937,015,000美元之債券為可贖回。全部以英鎊計值之債券（名義金額為24,500,000英鎊）固定年利率為5.875厘至7.250厘，及為可贖回。

債券於交投活躍之市場買賣，於報告期末以公平值列賬。債券之公平值乃根據金融機構及經紀之市場買入報價釐定。

27. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont'd)

Notes: (Cont'd)

(i) (Cont'd)

Major terms of the bonds denominated in US\$ and GBP are as follows:

Notional amount	Maturity
US\$102,000,000	2020
US\$18,500,000	2021
US\$52,000,000	2022
US\$177,000,000	2023
US\$268,000,000	2024
US\$40,000,000	2025
US\$9,000,000	2036
US\$21,000,000	2046
US\$400,015,000	Perpetual
GBP24,500,000	Perpetual

(ii) Club and corporate debentures are stated at fair values at the end of the reporting period. Details of the fair value measurements are disclosed in Note 5(c).

(iii) The Group entered cross currency swaps during the years ended 31 December 2019 and 2018. As at 31 December 2019, the cross currency swap was presented as current liability (Note 37) (2018: current asset). The table below is prepared based on the maturity date of the contract. The major terms of the cross currency swap as at 31 December 2018 were as follows:

Asset	資產
US\$/HK\$ cross currency swap	美元/港元貨幣掉期
- Within 1 year	- 一年內

The Group used the cross currency swap to exchange US\$ bank borrowing of approximately US\$158,405,000 in HK\$ bank borrowing of HK\$1,238,000,000.

The cross currency swap was stated at fair value as at 31 December 2018. Details of the fair value measurement are disclosed in Note 5(c).

27. 通過損益以反映公平值計量之金融資產 (續)

附註：(續)

(i) (續)

以美元及英鎊計值之債券之主要內容如下：

名義金額	到期日
102,000,000美元	二零二零年
18,500,000美元	二零二一年
52,000,000美元	二零二二年
177,000,000美元	二零二三年
268,000,000美元	二零二四年
40,000,000美元	二零二五年
9,000,000美元	二零三六年
21,000,000美元	二零四六年
400,015,000美元	永久
24,500,000英鎊	永久

(ii) 於報告期末，會籍及公司債券以公平值列賬。公平值計量之詳情已於附註5(c)內披露。

(iii) 本集團於截至二零一九年及二零一八年十二月三十一日止年度內均訂立貨幣掉期。於二零一九年十二月三十一日該貨幣掉期呈列為流動負債(附註37)(二零一八年：流動資產)。下表乃根據合約到期日編製。於二零一八年十二月三十一日，貨幣掉期之主要條款如下：

2018		
Notional amount	Fair value	
名義金額	公平值	
US\$'000	HK\$'000	HK\$'000
千美元	千港元	千港元
158,405	1,238,000	1,921

本集團以貨幣掉期將美元銀行借貸約158,405,000美元交換為港元銀行借貸1,238,000,000港元。

於二零一八年十二月三十一日，貨幣掉期以公平值列賬。公平值計量之詳情已於附註5(c)內披露。

27. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (Cont'd)

Included in non-current assets, there were financial assets measured at FVTPL of approximately HK\$1,670,271,000 (2018: HK\$1,350,090,000). They were included in non-current assets according to their intended holding periods.

27. 通過損益以反映公平值計量之金融資產 (續)

非流動資產中包括通過損益以反映公平值計量之金融資產約1,670,271,000港元(二零一八年: 1,350,090,000港元)。根據彼等之擬定持有期而計入非流動資產。

28. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

28. 通過其他全面收益以反映公平值計量之金融資產

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Listed investments:	上市投資:		
– Equity securities listed in Hong Kong (note (i))	– 於香港上市股本證券 (附註(i))	18,578,652	20,167,000
Unlisted equity securities:	非上市股本證券:		
– Incorporated in Hong Kong (note (ii))	– 於香港註冊成立 (附註(ii))	1,045,621	707,542
– Incorporated elsewhere (note (iii))	– 於其他地區註冊成立 (附註(iii))	558,270	492,765
		20,182,543	21,367,307

28. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Cont'd)

Notes:

- (i) As at 31 December 2019, the Group's portfolio of listed equity investments mainly comprised the Evergrande Shares. The unrealised loss on fair value change of the Evergrande Shares of HK\$1,591,000,000 (2018: HK\$3,052,253,000), which was determined based on quoted market bid price in active market, was recorded in financial assets measured at FVTOCI reserve during the year ended 31 December 2019. The carrying amount of the Evergrande Shares held by the Group as at 31 December 2019 was HK\$18,576,000,000 (2018: HK\$20,167,000,000).

As at 31 December 2019, the carrying amount of listed equity securities was approximately HK\$18,578,652,000 (2018: HK\$20,167,000,000), none of the listed equity securities were available to be loaned to financial institutions for earning lending fee income (2018: listed equity securities with aggregate carrying amount of HK\$1,195,950,000 were available to be loaned and the same or substantially the same securities were returned to the Group, pursuant to the terms and conditions contained in the securities pooled lending agreements). None of the listed equity securities (2018: nil) were on loan at the end of the reporting period.

- (ii) As at 31 December 2019, the carrying amount mainly comprised investment in a property development project in Hong Kong (10% interest) of HK\$882,763,000 (2018: HK\$540,659,000).
- (iii) As at 31 December 2019, the carrying amount mainly comprised investment in an exempted limited partnership formed under the Exempted Limited Partnership Law (Revised) of the Cayman Islands ("Cayman Islands Partnership") of approximately HK\$467,915,000 (2018: HK\$408,159,000).

The Cayman Islands Partnership has a term of ten years from the date of initial closing. Purposes of the Cayman Islands Partnership are to achieve exceptional returns by acquiring, holding and disposing of equity, equity-related securities, high-yield structured financial products, independently or with others, in companies with various operations or such other activities.

28. 通過其他全面收益以反映公平價值計量之金融資產 (續)

附註：

- (i) 於二零一九年十二月三十一日，本集團之上市股本投資組合主要包括恆大股份。於截至二零一九年十二月三十一日止年度內，根據於活躍市場之買入報價而釐定恆大股份公平價值變動之未變現虧損1,591,000,000港元(二零一八年：3,052,253,000港元)已於通過其他全面收益以反映公平價值計量之金融資產之儲備內入賬。於二零一九年十二月三十一日，本集團持有恆大股份之賬面值為18,576,000,000港元(二零一八年：20,167,000,000港元)。

於二零一九年十二月三十一日，上市股本證券之賬面值約為18,578,652,000港元(二零一八年：20,167,000,000港元)，並無上市股本證券可供借出予金融機構以賺取借貸費收入(二零一八年：賬面總額為1,195,950,000港元之上市股本證券可供借出，並根據匯集證券借貸協議所載之條款及條件，該等證券或大致等同之證券已歸還予本集團)。於報告期末，並無(二零一八年：無)借出之上市股本證券。

- (ii) 於二零一九年十二月三十一日，賬面值主要為投資於一項位於香港之物業發展項目(佔10%權益)882,763,000港元(二零一八年：540,659,000港元)。
- (iii) 於二零一九年十二月三十一日，賬面值主要為投資於一間按開曼群島獲豁免有限合夥企業法(經修訂)成立之獲豁免有限合夥企業(「開曼群島合夥企業」)約467,915,000港元(二零一八年：408,159,000港元)。

開曼群島合夥企業由初步截止日起為期十年。開曼群島合夥企業之目的為透過獨立或與其他公司購買、持有及出售多種業務之公司之股本、股本相關證券或高收益之結構性財務產品或其他之活動以取得優厚的回報。

28. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Cont'd)

The quoted price in active market of equity securities listed in Hong Kong represents quoted market bid price available on the Stock Exchange.

For unlisted equity securities measured at fair value, details of the fair value measurements are disclosed in Note 5(c).

Included in non-current assets, there were financial assets measured at FVTOCI of approximately HK\$20,182,543,000 (2018: HK\$21,367,307,000). They were included in non-current assets according to their intended holding periods.

29. ADVANCE(S) TO INVESTEE COMPANIES AND A NON-CONTROLLING SHAREHOLDER

- (a) The advances to investee companies are unsecured and interest-free. The Group will not demand for repayment within one year from the end of the reporting period and the amounts are therefore shown as non-current.
- (b) The advance to a non-controlling shareholder was unsecured and interest-free. The Group would not demand for repayment within one year from the end of the reporting period and the amount was therefore shown as non-current.

28. 通過其他全面收益以反映公平價值計量之金融資產 (續)

就香港上市股本證券於活躍市場之報價，乃指聯交所之市場買入報價。

就以公平價值計量之非上市股本證券而言，公平價值計量之詳情已於附註5(c)內披露。

非流動資產中包括通過其他全面收益以反映公平價值計量之金融資產約20,182,543,000港元(二零一八年：21,367,307,000港元)。根據彼等之擬定持有期而計入非流動資產。

29. 墊付接受投資公司及一間非控股股東款項

- (a) 墊付接受投資公司款項乃無抵押及免息。本集團不會要求於報告期末起計一年內償還款項，故將該等款項列作非流動性質。
- (b) 墊付一間非控股股東款項乃無抵押及免息。本集團不會要求於報告期末起計一年內償還款項，故將該款項列作非流動性質。

30. DEFERRED TAXATION

The following is the major deferred tax liabilities provided (assets recognised) by the Group and movements thereon during the current and prior reporting periods:

		Investment properties	Accelerated tax depreciation	Tax losses	Total
		投資物業	加速稅項折舊	稅務虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	22,959	27,508	(2,521)	47,946
Exchange adjustments	匯兌調整	(129)	(1,517)	92	(1,554)
Charged to the consolidated statement of comprehensive income (Note 13)	於綜合全面收益報表中扣除 (附註13)	2,227	2,004	370	4,601
At 31 December 2018	於二零一八年十二月三十一日	25,057	27,995	(2,059)	50,993
Exchange adjustments	匯兌調整	39	746	(46)	739
Charged to the consolidated statement of comprehensive income (Note 13)	於綜合全面收益報表中扣除 (附註13)	6,328	3,900	(2,003)	8,225
At 31 December 2019	於二零一九年十二月三十一日	31,424	32,641	(4,108)	59,957

30. 遞延稅項

以下為本集團於本報告期間及過往報告期間主要遞延稅項負債之撥備(資產之確認)及其變動:

For the purpose of the presentation in the consolidated statement of financial position, certain deferred tax liabilities and assets have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Deferred tax liabilities	遞延稅項負債	61,549	52,892
Deferred tax assets	遞延稅項資產	(1,592)	(1,899)
		59,957	50,993

就綜合財務狀況報表之呈列，若干遞延稅項負債及資產已作對銷。就財務報告用途之遞延稅項結餘分析如下：

30. DEFERRED TAXATION (Cont'd)

At the end of the reporting period, the Group has the following major unrecognised deferred tax assets due to the unpredictability of the future profit streams.

Accelerated tax depreciation	加速稅項折舊
Tax losses	稅務虧損

At the end of the reporting period, the Group's unused tax losses not recognised of approximately HK\$33,473,000 (2018: HK\$23,588,000) will be expired in one to five years. Other unrecognised tax losses may be carried forward indefinitely and subject to the confirmation from the respective tax authority.

31. OTHER FINANCIAL ASSETS**(a) Pledged deposits**

The amounts represent deposits pledged to banks and other financial institutions to secure credit facilities granted to the Group. Deposits amounting to approximately HK\$174,221,000 (2018: HK\$154,195,000) have been pledged to secure short-term borrowings and are therefore classified as current assets. The remaining deposits amounting to approximately HK\$100,002,000 (2018: HK\$83,203,000) have been pledged to secure long-term borrowings and are therefore classified as non-current assets.

The pledged deposits carry interest at prevailing market deposit rates. The pledged deposits will be released upon the repayment of relevant borrowings.

30. 遞延稅項 (續)

於報告期末，本集團由於難以預料未來溢利而未確認以下之主要遞延稅項資產。

2019	2018
HK\$'000	HK\$'000
千港元	千港元
(279)	(285)
(266,849)	(271,661)
(267,128)	(271,946)

於報告期末，本集團於一至五年內到期而未被確認之未使用稅務虧損約為33,473,000港元（二零一八年：23,588,000港元）。其餘未確認之稅務虧損可無限期結轉，並須待相關稅務局確認。

31. 其他金融資產**(a) 抵押存款**

該等款額指抵押予銀行及其他金融機構，作為本集團獲授信貸額之存款。約174,221,000港元（二零一八年：154,195,000港元）之存款已作為短期借貸之抵押，故被分類為流動資產。餘下約100,002,000港元（二零一八年：83,203,000港元）之存款已作為長期借貸之抵押，故被分類為非流動資產。

以上抵押存款按當時市場之存款利率計息。該等抵押存款將於有關借貸獲償還時解除。

31. OTHER FINANCIAL ASSETS (Cont'd)

(b) Securities trading receivables and deposits

Securities trading receivables and deposits are mainly amounts due from clearing house, brokers and clients.

(c) Time deposits, bank balances and cash

The time deposits and certain bank balances carry interest at prevailing market deposit rates. As at 31 December 2019, time deposits with maturity greater than three months amounted to approximately HK\$152,129,000 (2018: HK\$108,700,000) and the remaining deposits were with maturity not greater than three months. The Group does not hold collateral over the deposit balances. As at 31 December 2019, balances of cash and cash equivalents amounted to approximately HK\$413,190,000 (2018: HK\$605,872,000).

31. 其他金融資產 (續)

(b) 應收證券交易賬項及存款

應收證券交易賬項及存款主要為應收結算所、證券經紀及客戶款項。

(c) 定期存款、銀行結餘及現金

定期存款及若干銀行結餘按當時市場之存款利率計息。於二零一九年十二月三十一日，存款期多於三個月之定期存款金額約為152,129,000港元（二零一八年：108,700,000港元），餘下存款之存款期為不多於三個月。本集團並無就存款結餘持有抵押。於二零一九年十二月三十一日，現金及現金等值項目結餘金額約為413,190,000港元（二零一八年：605,872,000港元）。

32. DEBTORS, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

32. 應收賬項、按金、其他應收賬項及預付款項

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade receivables	應收貿易賬項	12,185	3,985
Less: Allowance for doubtful debts	減：呆賬撥備	(54)	(432)
		12,131	3,553
Deposits and prepayments	按金及預付款項	66,406	46,386
Other receivables	其他應收賬項	238,032	467,623
		316,569	517,562
Analysed for reporting purpose as:	作報告用途之分析：		
Non-current	非流動性質	15,388	-
Current	流動性質	301,181	517,562
		316,569	517,562

32. DEBTORS, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Included in debtors, deposits, other receivables and prepayments are trade receivables of approximately HK\$12,131,000 (2018: HK\$3,553,000) comprised rental receivables billed in advance and settlements from tenants which are expected upon receipts of billings and receivables from cosmetic business.

The carrying amounts of trade receivables (net of allowance for doubtful debts) of the Group's major businesses are as follows:

Property leasing	物業租賃
Cosmetic business	化妝品業務

The Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade receivables. Rental in respect of leased properties are payable in advance by the tenants. Other trade debtors settle their accounts according to the payment terms as stated in the respective contracts.

The following is the aged analysis of trade receivables (net of allowance for doubtful debts), presented based on the respective revenue recognition dates, at the end of the reporting period:

0 – 30 days	零至三十日
31 – 60 days	三十一日至六十日
61 – 90 days	六十一日至九十日
Over 90 days	九十日以上

32. 應收賬項、按金、其他應收賬項及預付款項 (續)

應收賬項、按金、其他應收賬項及預付款項包括應收貿易賬項約12,131,000港元(二零一八年:3,553,000港元),包括預先開單而預期租戶會於收到租單後支付之應收租金,以及來自化妝品業務之應收賬項。

本集團主要業務應收貿易賬項(扣除呆賬撥備)之賬面值如下:

2019	2018
HK\$'000	HK\$'000
千港元	千港元
9,215	1,240
2,916	2,313
12,131	3,553

本集團已制訂明確之信貸政策,以評估各交易方之信貸質素。本集團密切監察收款情況,務求盡量減低該等應收貿易賬項相關之信貸風險。租賃物業之租金須由租戶預先支付。其他貿易債務人根據個別合約內列明之付款條款清還彼等賬項。

根據各項收入之確認日期呈列之應收貿易賬項(扣除呆賬撥備)於報告期末之賬齡分析如下:

2019	2018
HK\$'000	HK\$'000
千港元	千港元
7,528	755
1,583	534
544	634
2,476	1,630
12,131	3,553

32. DEBTORS, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

The following is the aged analysis of trade receivables which are past due but not impaired:

0 – 30 days	零至三十日
31 – 60 days	三十一日至六十日
61 – 90 days	六十一日至九十日
Over 90 days	九十日以上

Movement in the allowance for doubtful debts:

At 1 January	於一月一日
Impairment losses reversed in respect of trade receivables	就應收貿易賬項之減值虧損撥回
Amount written off as uncollectible	因不可收回而撇銷之款項
At 31 December	於十二月三十一日

For those past due but not impaired receivables, although the Group does not hold any collateral as security, the Group has assessed the creditworthiness, past payment history and substantial settlement after the end of the reporting period, and considers that the amounts are still recoverable and no further credit provision is required in excess of allowance for doubtful debts.

32. 應收賬項、按金、其他應收賬項及預付款項 (續)

已逾期但未被減值之應收貿易賬項之賬齡分析如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
7,095	949
1,441	339
188	63
1,985	1,433
10,709	2,784

呆賬撥備之變動：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
432	441
(43)	(7)
(335)	(2)
54	432

就已逾期但未被減值之應收賬項而言，雖然本集團並無持有任何抵押品作擔保，本集團已就其信譽、過往還款記錄及於報告期末後之主要結賬作出評估，並認為該等數額仍可收回，無須作進一步（多於呆賬撥備）之信貸撥備。

32. DEBTORS, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Trade receivables over 90 days comprising rental receivables of approximately HK\$1,700,000 (2018: HK\$969,000) which are sufficiently covered by rental deposits received from the respective tenants, and no allowance is required for these receivables under the Group's allowance policy.

Trade receivables which are neither overdue nor impaired are in good quality.

33. STOCK OF PROPERTIES

As at 31 December 2019 and 2018, all of the stock of properties were completed properties.

As at 31 December 2019 and 2018, the Directors reviewed the carrying amounts of the completed properties with reference to prevailing market conditions and the estimated selling prices provided by B.I. Appraisals.

During the year ended 31 December 2019, a write-down of completed properties of approximately HK\$681,000 (2018: HK\$2,549,000) was recognised in the consolidated statement of comprehensive income as a result that net realisable value of a completed property was lower than its carrying amount.

34. INVENTORIES

Finished goods	製成品
Raw materials	原材料

All inventories were stated at the lower of cost and net realisable value.

32. 應收賬項、按金、其他應收賬項及預付款項(續)

超過九十日之應收貿易賬項包括應收租金約1,700,000港元(二零一八年: 969,000港元)(其足以被收取有關租戶之租金訂金所保障), 根據本集團之撥備政策, 無須為該等應收賬項作出撥備。

既無逾期亦未被減值之應收貿易賬項之質素良好。

33. 物業存貨

於二零一九年及二零一八年十二月三十一日, 所有物業存貨均為落成物業。

於二零一九年及二零一八年十二月三十一日, 董事參考當時市況及由保柏國際評估提供之估計售價, 審閱落成物業之賬面值。

於截至二零一九年十二月三十一日止年度內, 因落成物業之可變現淨值較其賬面值低而導致落成物業之減值約681,000港元(二零一八年: 2,549,000港元)並於綜合全面收益報表中確認。

34. 存貨

2019	2018
HK\$'000	HK\$'000
千港元	千港元
1,414	2,125
914	1,062
2,328	3,187

所有存貨按成本及可變現淨值兩者中較低者列賬。

35. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade payables of approximately HK\$1,079,000 (2018: HK\$6,555,000).

The following is the aged analysis of trade payables at the end of the reporting period:

0 – 90 days	零至九十日
Over 90 days	九十日以上

35. 應付賬項及應計款項

應付賬項及應計款項包括應付貿易賬項約1,079,000港元(二零一八年: 6,555,000港元)。

應付貿易賬項於報告期末之賬齡分析如下:

2019 HK\$'000 千港元	2018 HK\$'000 千港元
313	6,531
766	24
1,079	6,555

36. BORROWINGS

Secured bank borrowings repayable within a period of (note):
Less than one year
More than one year but within two years
More than two years but within five years

須於下列期間償還之有抵押銀行借貸(附註):
一年以下
一年以上但不超逾兩年
兩年以上但不超逾五年

Secured bank borrowing that contains repayment on demand clause (shown as current liability) but repayable within a period of (note):
More than two years but within five years

附帶按要求償還條款之有抵押銀行借貸(列作流動負債), 惟須於下列期間償還(附註):
兩年以上但不超逾五年

Total secured bank borrowings

有抵押銀行借貸總額

Other secured borrowings repayable within one year

須於一年內償還之其他有抵押借貸

Less: Amounts due within one year

減: 一年內到期之款項

Amounts due after one year

一年後到期之款項

36. 借貸

2019 HK\$'000 千港元	2018 HK\$'000 千港元
1,519,458	1,371,935
2,216,145	131,385
1,985,815	4,312,602
5,721,418	5,815,922
592,476	601,279
6,313,894	6,417,201
7,128,365	7,330,474
13,442,259 (9,240,299)	13,747,675 (9,303,688)
4,201,960	4,443,987

Note: The amounts due are based on scheduled repayment dates as set out in the loan agreement(s).

附註: 該等到期之金額按貸款協議中載列之預定還款日期。

36. BORROWINGS (Cont'd)

The bank borrowings denominated in HK\$ are variable-rate borrowings which carry interest at HIBOR plus 0.68% or cost of funds of a bank plus 0.90% (2018: HIBOR plus 0.68% or cost of funds of a bank plus 0.90%) per annum.

The borrowings denominated in US\$ and GBP from banks and a financial institution are variable-rate borrowings which carry interest at cost of funds of a bank plus 0.90% (2018: cost of funds of a bank plus 0.90%) or ranging from LIBOR plus 1.08% to 1.62% (2018: LIBOR plus 1.08% to 1.62%) per annum.

Other borrowings are variable-rate borrowings which carry interest ranging from costs of funds of individual financial institutions plus 0.25% to 0.55% or HIBOR plus 1.10% to 1.95% (2018: costs of funds of individual financial institutions plus 0.25% to 0.55% or HIBOR plus 1.10% to 1.95%) per annum.

The Group's borrowings that are denominated in currencies other than HK\$ are set out below:

US\$	美元
GBP	英鎊

36. 借貸 (續)

以港元計值之銀行借貸為浮息借貸，年利率按香港銀行同業拆息加0.68厘或一間銀行資金成本加0.90厘（二零一八年：香港銀行同業拆息加0.68厘或一間銀行資金成本加0.90厘）計算。

以美元及英鎊計值之銀行及一間金融機構借貸為浮息借貸，年利率按一間銀行資金成本加0.90厘（二零一八年：一間銀行資金成本加0.90厘）或倫敦銀行同業拆息加1.08厘至1.62厘（二零一八年：倫敦銀行同業拆息加1.08厘至1.62厘）計算。

其他借貸為浮息借貸，年利率按個別金融機構資金成本加0.25厘至0.55厘或香港銀行同業拆息加1.10厘至1.95厘（二零一八年：個別金融機構資金成本加0.25厘至0.55厘或香港銀行同業拆息加1.10厘至1.95厘）計算。

本集團以港元以外貨幣計值之借貸載列如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
2,602,251	2,124,371
4,078,918	4,131,919
6,681,169	6,256,290

37. DERIVATIVE FINANCIAL INSTRUMENT

Cross currency swap	貨幣掉期
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37. 衍生金融工具

2019	2018
HK\$'000	HK\$'000
千港元	千港元
6,060	-

37. DERIVATIVE FINANCIAL INSTRUMENT

(Cont'd)

The table below is prepared based on the maturity date of the contract. The major terms of the cross currency swap as at 31 December 2019 are as follows:

Liability	負債
US\$/HK\$ cross currency swap	美元／港元貨幣掉期
– Within 1 year	– 一年內

The Group used the cross currency swap to exchange US\$ bank borrowing of approximately US\$158,120,000 in HK\$ bank borrowing of HK\$1,238,000,000.

The cross currency swap is stated at fair value as at 31 December 2019. Details of the fair value measurement are disclosed in Note 5(c).

37. 衍生金融工具 (續)

下表乃根據合約到期日編製。於二零一九年十二月三十一日，貨幣掉期之主要條款如下：

2019		
Notional amount	Fair value	
名義金額	公平值	
US\$'000	HK\$'000	HK\$'000
千美元	千港元	千港元
158,120	1,238,000	6,060

本集團以貨幣掉期將美元銀行借貸約158,120,000美元交換為港元銀行借貸1,238,000,000港元。

於二零一九年十二月三十一日，貨幣掉期以公平值列賬。公平值計量之詳情已於附註5(c)內披露。

38. SHARE CAPITAL

Movements in the share capital of the Company during the year were as follows:

Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股
Authorised:	法定股本：
At 1 January and 31 December	於一月一日及十二月三十一日
Issued and fully paid:	已發行及繳足股本：
At 1 January and 31 December	於一月一日及十二月三十一日

38. 股本

本公司之股本於本年度變動如下：

Number of shares		Share capital	
股份數目		股本	
2019	2018	2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
5,000,000,000	5,000,000,000	500,000	500,000
1,907,619,079	1,907,619,079	190,762	190,762

39. AMOUNTS DUE TO ASSOCIATES, INVESTEE COMPANIES AND NON-CONTROLLING SHAREHOLDERS

The amounts due to associates, investee companies and non-controlling shareholders are unsecured and interest-free. The associates, investee companies and non-controlling shareholders will not demand for repayment within one year from the end of the reporting period and the amounts are therefore shown as non-current.

39. 欠負聯營公司、接受投資公司及非控股股東款項

欠負聯營公司、接受投資公司及非控股股東款項均為無抵押及免息。該等聯營公司、接受投資公司及非控股股東不會於報告期末起計一年內要求償還款項，故將該等款項列作非流動性質。

40. MAJOR NON-CASH TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, the Group did not have major non-cash transactions.

40. 主要非現金交易

除本綜合財務報表其他部分所披露者外，本集團並無主要非現金交易。

41. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified as cash flows from financing activities in the Group's consolidated statement of cash flows.

41. 融資業務所產生負債之對賬

下表載列本集團融資業務所產生之負債變動詳情，包括現金及非現金變動。融資業務所產生之負債乃指其現金流量會或未來現金流量將會於本集團之綜合現金流量表內分類為融資業務產生之現金流量之負債。

		Borrowings	Loan from a director	Amounts due to non-controlling shareholders	Lease liabilities	Dividend payable	Interest payable	Total
		借貸	董事貸款	股東款項	租賃負債	應付股息	應付利息	總額
		HK\$'000	HK\$'000	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	千港元	千港元
At 1 January 2018	於二零一八年一月一日	16,473,013	1,835,500	49,202	-	-	17,505	18,375,220
Financing cash flows	融資現金流量	(2,487,567)	(1,835,117)	(25,000)	-	(209,838)	(343,343)	(4,900,865)
Exchange adjustments	匯兌調整	(237,771)	(383)	-	-	-	(950)	(239,104)
Dividends declared	宣派股息	-	-	-	-	209,838	-	209,838
Total interest (Note 11)	利息總額(附註11)	-	-	-	-	-	342,356	342,356
Other changes	其他變動	-	-	(25)	-	-	-	(25)
At 31 December 2018 (originally stated)	於二零一八年十二月三十一日(原先呈列)	13,747,675	-	24,177	-	-	15,568	13,787,420
Effect on adoption of HKFRS 16	採納香港財務報告準則第16號之影響	-	-	-	7,825	-	-	7,825
At 1 January 2019 (restated)	於二零一九年一月一日(重列)	13,747,675	-	24,177	7,825	-	15,568	13,795,245
Financing cash flows	融資現金流量	(398,521)	-	(73,924)	(11,600)	(209,838)	(374,926)	(1,068,809)
Exchange adjustments	匯兌調整	93,105	-	-	-	-	(163)	92,942
Dividends declared	宣派股息	-	-	50,080	-	209,838	-	259,918
Increase in lease liabilities from entering into new leases during the year	於本年度訂立新租約而增加之租賃負債	-	-	-	134,743	-	-	134,743
Total interest (Note 11)	利息總額(附註11)	-	-	-	1,086	-	375,770	376,856
At 31 December 2019	於二零一九年十二月三十一日	13,442,259	-	333	132,054	-	16,249	13,590,895

42. PLEDGE OF ASSETS

At the end of the reporting period, the carrying amounts of the assets pledged by the Group to secure general banking and other loan facilities granted to the Group and to secure the securities transactions, are analysed as follows:

Investment properties	投資物業
Financial assets measured at fair value through profit or loss	通過損益以反映公平值計量之金融資產
Financial assets measured at fair value through other comprehensive income	通過其他全面收益以反映公平值計量之金融資產
Non-current pledged deposits	非流動抵押存款
Current pledged deposits	流動抵押存款

As at 31 December 2019 and 2018, interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group. In addition, the Group had subordinated and assigned its advance to a joint venture of approximately HK\$158,818,000 (2018: nil) to a bank to secure a banking facility granted to the joint venture as at 31 December 2019.

42. 資產抵押

於報告期末，本集團就本集團獲授之一般銀行及其他貸款融資以及證券交易而抵押之資產賬面值分析如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
12,248,623	12,770,552
8,975,533	6,685,515
18,578,652	18,760,000
100,002	83,203
174,221	154,195
40,077,031	38,453,465

於二零一九年及二零一八年十二月三十一日，本公司若干附屬公司之權益已質押作為本集團獲授若干銀行借貸之部分抵押品。此外，於二零一九年十二月三十一日，本集團已就一間合資公司獲授之銀行信貸額將其墊付該合資公司款項約158,818,000港元（二零一八年：無）轉歸及授讓予一間銀行。

43. CAPITAL COMMITMENTS

43. 資本承擔

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Authorised and contracted for:	已批准及已簽約：		
Capital investment in limited partnership (note)	有限合夥企業之資本投資 (附註)	77,912	98,387
Purchases of equipment and leasehold improvement	購買設備及租賃物業裝修	54,033	—
		131,945	98,387

Note: The Group had committed to make a capital contribution of US\$100,000,000 (equivalent to HK\$778,560,000) in the Cayman Islands Partnership. Up to the end of the reporting period, approximately US\$89,993,000 (equivalent to approximately HK\$697,973,000) (2018: US\$87,437,000 (equivalent to approximately HK\$677,957,000)) among the contribution has been paid by the Group. The outstanding amount was approximately US\$10,007,000 (equivalent to approximately HK\$77,912,000, after exchange adjustment) (2018: US\$12,563,000 (equivalent to approximately HK\$98,387,000, after exchange adjustment)).

Other than the capital commitments as disclosed above, an interest-free funding undertaking in proportion of 51% (2018: 50%) has been provided by the Group to Landrich, in the event that the funds raised from banks or financial institutions by Landrich are not sufficient for satisfying any working capital requirements at any time. As at 31 December 2019 and 2018, Landrich was in net asset position and the Directors considered that Landrich had sufficient working capital and therefore no funding to Landrich was required as of those dates.

附註：本集團就開曼群島合夥企業承諾作出100,000,000美元（相當於778,560,000港元）之資本注資。截至報告期末止，本集團已注資約89,993,000美元（相當於約697,973,000港元）（二零一八年：87,437,000美元（相當於約677,957,000港元））資本承擔金額。未注資之金額約為10,007,000美元（相當於約77,912,000港元（經匯兌調整後））（二零一八年：12,563,000美元（相當於約98,387,000港元（經匯兌調整後）））。

除以上披露之資本承擔外，本集團向隆裕提供按51%（二零一八年：50%）比例之免息出資承諾，即任何時候倘隆裕從銀行或金融機構取得之資金未能滿足其營運資金需求時而作出。於二零一九年及二零一八年十二月三十一日，隆裕之狀況均為資產淨值以及董事認為隆裕已備充足營運資金，故於該等日期無須向隆裕提供資金。

44. CONTINGENT LIABILITIES

44. 或然負債

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Guarantee given to a bank in respect of banking facilities in lieu of the cash public utility deposit jointly utilised by subsidiaries	為附屬公司獲授共用之銀行信貸額以取替現金公用事務存款而向一間銀行提供之擔保	15,000	15,000
Guarantees given to banks in respect of banking facilities utilised by investee companies/indemnity given to a third party in relation to an investee company	為接受投資公司動用之銀行信貸額而向銀行提供之擔保／與一間接受投資公司有關係向第三方授予之彌償保證	613,830	625,178
Guarantee given to a bank in respect of a banking facility utilised by a joint venture	為一間合資公司動用之銀行信貸額而向一間銀行提供之擔保	90,000	-
		718,830	640,178

No provision for financial guarantee contracts and/or deed of indemnity have been made as at 31 December 2019 and 2018 as the Directors considered the default risk is low.

由於董事認為違約風險低，故於二零一九年及二零一八年十二月三十一日並無就財務擔保合約及／或彌償保證契據作出撥備。

45. OPERATING LEASES

45. 營業租約

The Group as lessee

本集團作為承租人

During the year ended 31 December 2018, the amount of minimum lease payments paid by the Group under operating leases in respect of premises and equipment was approximately HK\$42,733,000.

於截至二零一八年十二月三十一日止年度內，本集團就有關物業及設備之營業租約支付之最低租金款額約為42,733,000港元。

As at 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

於二零一八年十二月三十一日，本集團就不可撤銷營業租約之未來最低租金款額之承擔於下列期間到期：

		2018 HK\$'000 千港元
Within one year	第一年內	15,464
In the second to fifth year inclusive	第二至第五年（包括首尾兩年）	4,674
		20,138

45. OPERATING LEASES (Cont'd)**The Group as lessee (Cont'd)**

Operating lease payments mainly represent rentals payable by the Group for certain of its office properties held under leases which were previously classified as operating leases under HKAS 17. Most of the leases of properties were negotiated for term ranging from one to three years for the year ended 31 December 2018. The Group has initially applied HKFRS 16 using the modified retrospective method of adoption. Under this method, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (details are set out in Note 2). From 1 January 2019 onwards, future lease payments are recognised in lease liabilities in the consolidated statement of financial position in accordance with the accounting policies set out in Note 3(m).

The Group as lessor

Property rental income earned during the year was approximately HK\$522,963,000 (2018: HK\$544,533,000) less outgoings of approximately HK\$17,014,000 (2018: HK\$17,231,000).

Variable lease payments that do not depend on an index or a rate amounted to approximately HK\$263,000 for the year ended 31 December 2019.

The investment properties of the Group are expected to generate annual rental yields of 2.07% to 5.22% (2018: 2.15% to 4.72%) on an ongoing basis. Most of the properties held in Hong Kong have committed tenants ranged from two to three years and in the United Kingdom have committed tenants over five years.

45. 營業租約 (續)**本集團作為承租人 (續)**

營業租約租金主要指本集團就其若干以租約持有而過往根據香港會計準則第17號分類為營業租約之寫字樓物業應付之租金。截至二零一八年十二月三十一日止年度，大部分物業之租約商議之租期為一至三年。本集團首次應用香港財務報告準則第16號時採納使用經修改追溯法。根據此方法，本集團調整於二零一九年一月一日之期初結餘以確認有關該等租約之租賃負債（詳情載列於附註2）。自二零一九年一月一日起，未來租金款額根據附註3(m)載列之會計政策於綜合財務狀況報表中確認於租賃負債內。

本集團作為出租人

於本年度賺取之物業租金收入約為522,963,000港元（二零一八年：544,533,000港元），扣除開支約為17,014,000港元（二零一八年：17,231,000港元）。

截至二零一九年十二月三十一日止年度並非取決於指數或利率之可變租賃付款約為263,000港元。

本集團之投資物業預期可持續取得每年2.07厘至5.22厘（二零一八年：2.15厘至4.72厘）之租金收益率。大部分位於香港物業之租戶承擔租用年期由兩至三年及位於英國物業之租戶承擔租用年期超過五年。

45. OPERATING LEASES (Cont'd)

The Group as lessor (Cont'd)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments under non-cancellable operating leases to be received after the reporting date.

Within one year	第一年內
More than one year but within two years	一年以上但不超逾兩年
More than two years but within three years	兩年以上但不超逾三年
More than three years but within four years	三年以上但不超逾四年
More than four years but within five years	四年以上但不超逾五年
More than five years	超逾五年

45. 營業租約 (續)

本集團作為出租人 (續)

以下列表乃租賃付款之到期日分析，顯示於報告日期後根據不可撤銷之營業租賃下將會收到之未貼現租賃付款。

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	337,655	464,552
	234,618	362,409
	166,829	180,267
	101,110	135,987
	55,559	83,451
	329,870	364,299
	1,225,641	1,590,965

46. RETIREMENT BENEFIT SCHEMES

The Group operates defined contribution retirement schemes in Hong Kong, namely the Occupational Retirement Scheme ("ORSO Scheme") and the Mandatory Provident Fund Scheme ("MPF Scheme"). Contributions to the ORSO Scheme made by the Group are based on a percentage of employees' salaries ranging from 5% to 10%, depending upon the length of service of the employees. From 1 December 2000, newly joined employees are compulsorily required to join the MPF Scheme. The employer and its employees are each required to make contributions to the scheme at rates specified in the rules of the MPF Scheme.

The total costs charged to the consolidated statement of comprehensive income of approximately HK\$8,408,000 (2018: HK\$8,450,000) represented contributions payable to these schemes by the Group for the year.

46. 退休福利計劃

本集團參與香港退休界定供款計劃名為職業退休計劃（「職業退休計劃」）及強制性公積金計劃（「強積金計劃」）。本集團向職業退休計劃作出僱員薪酬之5%至10%供款（視乎僱員服務年資）。由二零零零年十二月一日起加入本集團之新僱員均須參加強積金計劃。僱主及僱員均需按強積金計劃規則內列明之比率供款。

於綜合全面收益報表扣除之費用總額約為8,408,000港元（二零一八年：8,450,000港元），即本集團於本年度向該等計劃應付之供款。

47. MATERIAL RELATED PARTY TRANSACTIONS

Transactions:

In February 2019, the Group entered into a three-year lease (“Lease”) and a framework agreement (“Framework Agreement”) in respect of leases of certain leasehold properties held by a company controlled by a Director and a trustee of substantial shareholders of the Company (“Trustee of Substantial Shareholders”) as the headquarter of the Group. In October 2019, the Group entered into a three-year subsequent lease (“Subsequent Lease”) in respect of leases of the leasehold properties under the Framework Agreement.

Under the Lease and the Subsequent Lease, the respective amounts of rent payable per month are HK\$1,025,000 and HK\$3,184,000; the respective amounts of building management fee payable per month are approximately HK\$110,000 and approximately HK\$334,000; and the respective amounts of security deposit paid as at 31 December 2019 were approximately HK\$3,559,000 and approximately HK\$11,031,000. At the commencement date of the Lease and the Subsequent Lease, the Group recognised the present value of the lease payments over the lease term as lease liability and the aggregate amount of lease liability and estimated costs to be incurred by the Group for restoration of the property as right-of-use asset. As at 31 December 2019, the carrying amounts of the lease liability of the Lease and the Subsequent Lease were approximately HK\$26,125,000 and approximately HK\$101,340,000 respectively and the right-of-use asset of the Lease and the Subsequent Lease were approximately HK\$26,388,000 and approximately HK\$105,983,000 respectively. Rent and building management fee for the year ended 31 December 2019 of the above transactions amounted to approximately HK\$9,967,000 in aggregate. The transactions of the Lease, the Framework Agreement and the Subsequent Lease constituted connected transaction and continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details were disclosed in the announcement of the Company dated 28 February 2019 and the paragraph headed “Connected Transactions” in the section headed “Directors’ Report” of this annual report.

47. 重大關連人士交易

交易：

於二零一九年二月，本集團訂立一項為期三年之租賃（「租賃」）及一份框架協議（「框架協議」），內容關於承租由一位董事及本公司之主要股東之信託人（「主要股東之信託人」）控制之公司持有之若干租賃物業作為本集團之總部。於二零一九年十月，本集團根據框架協議有關租賃物業之租賃訂立一項為期三年之其後租賃（「其後租賃」）。

根據該租賃及其後租賃，每月相關應付租金金額為1,025,000港元及3,184,000港元；每月相關應付樓宇管理費約110,000港元及約334,000港元；而於二零一九年十二月三十一日之已付保證按金則約3,559,000港元及約11,031,000港元。於該租賃及其後租賃之開始日期，本集團將租期內租賃付款之現值確認為租賃負債，以及將租賃負債及本集團還原物業所產生之估計成本之合計金額確認為使用權資產。於二零一九年十二月三十一日，該租賃及其後租賃之租賃負債之賬面值分別約26,125,000港元及約101,340,000港元，以及該租賃及其後租賃之使用權資產之賬面值分別約26,388,000港元及約105,983,000港元。上述交易於截至二零一九年十二月三十一日止年度之租金及樓宇管理費合共約9,967,000港元。根據上市規則第14A章，該租賃、框架協議及其後租賃交易構成本公司之關連交易及持續關連交易。詳情於本公司日期為二零一九年二月二十八日之公布及於本年報「董事會報告書」一節中「關連交易」一段內披露。

47. MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

Transactions: (Cont'd)

Save as disclosed above and elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties during the year:

47. 重大關連人士交易 (續)

交易：(續)

除上文及本綜合財務報表其他部分所披露者外，本集團於本年度與關連人士進行以下重大交易：

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Income received from associates:	已收聯營公司之收入：		
Interest income	利息收入	2,118	2,112
Accountancy fee	會計費	120	120
Management fee	管理費	48	48
Consultancy fee	顧問費	-	58
Income received from Directors and/ or the Trustee of Substantial Shareholders, close family members of Directors and/ or the Trustee of Substantial Shareholders, companies controlled by Directors and/ or the Trustee of Substantial Shareholders and a company controlled by a close family member of Directors and/or the Trustee of Substantial Shareholders:	已收董事及／或主要股東之 信託人、與董事及／或主要 股東之信託人關係密切之 家庭成員、董事及／或主要 股東之信託人控制之公司以及 一位與董事及／或主要股東之 信託人關係密切之家庭成員 控制之公司之收入：		
Rental services	租賃服務	5,038	6,683
Property management services, leasing administration services and property administration services	物業管理服務、 租務行政服務及 物業行政服務	32,119	29,260
Advisory and consultancy services	諮詢及顧問服務	34	37
Other ordinary services	其他一般服務	1,592	8,158
Licence fee and building management fee paid to companies controlled by a Director and the Trustee of Substantial Shareholders	已付董事及主要股東之 信託人控制之公司之 許可費及樓宇管理費	7	11
Rent and building management fee paid to associates	已付聯營公司之租金及 樓宇管理費	4,304	3,835

47. MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

Transactions: (Cont'd)

Interest income was charged at the prevailing market rates based on outstanding balances during the year. Accountancy fee and consultancy fee were charged based on an appropriate allocation of costs incurred by central administrative departments of the Group. Management fee, licence fee, rent, building management fee and security deposit paid were determined based on terms similar to those applicable to transactions with unrelated parties.

Rental services, property management services, leasing administration services, property administration services, advisory and consultancy services and other ordinary services (details were disclosed in the announcement of the Company dated 31 October 2017) were charged at the terms agreed by both parties. These related party transactions also constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details of these continuing connected transactions are disclosed in the paragraph headed "Connected Transactions" in the section headed "Directors' Report" of this annual report.

During the year ended 31 December 2019, the Group entered into facility agreement with a Director. At the request of the Group, the Director has agreed to make available to the Group a revolving loan facility of up to HK\$2,000,000,000 with termination date falling beyond one year from 31 December 2019 of which no loan was drawn as at 31 December 2019, the facility is unsecured and interest-free. The transaction was fully exempted from reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

47. 重大關連人士交易 (續)

交易：(續)

利息收入乃根據於本年度未償還結餘按當時市場利率計算。會計費及顧問費乃按本集團之中央行政部門所產生之成本之適當分配而收取。管理費、許可費、租金、樓宇管理費及保證按金乃根據與非關連人士交易適用之類似條款而釐定。

租賃服務、物業管理服務、租務行政服務、物業行政服務、諮詢及顧問服務以及其他一般服務之收入(詳情於本公司日期為二零一七年十月三十一日之公布內披露)乃根據雙方協定之條款收取該等服務費。根據上市規則第14A章，此等關連人士交易亦構成本公司之持續關連交易。該等持續關連交易之詳情於本年報「董事會報告書」一節中「關連交易」一段內披露。

於截至二零一九年十二月三十一日止年度內，本集團與一位董事訂立融資協議。按本集團要求，該董事同意授予本集團上限為2,000,000,000港元之循環貸款額(該貸款額乃無抵押及免息)，其終止日期為二零一九年十二月三十一日起一年後，而於二零一九年十二月三十一日並無提取貸款。根據上市規則第14A章，該交易就申報、公布、獨立股東批准及年度檢討之規定獲全面豁免。

47. MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

Balances:

Save as disclosed above, at the end of the reporting period, the Group had balances with Directors and/or the Trustee of Substantial Shareholders, companies controlled by Directors and/or the Trustee of Substantial Shareholders and/or a close family member of Directors and/or the Trustee Substantial Shareholders of approximately HK\$21,249,000 in aggregate which was included in debtors and other receivables (2018: HK\$19,341,000 included in debtors and other receivables and HK\$10,843,000 included in creditors and accruals).

Details of the balances with other related parties at the end of the reporting period are set out in Notes 25, 26, 29(b) and 39.

Key management personnel emoluments:

Remuneration for key management personnel is disclosed in Notes 15 and 16. The remuneration of the Directors and senior executives is recommended by the Remuneration Committee for the approval of the board of Directors having regard to the performance of individuals, their respective duties and responsibilities in the Group and the prevailing market condition as appropriate.

47. 重大關連人士交易 (續)

結餘:

除以上所披露，於報告期末，本集團與董事及／或主要股東之信託人、董事及／或主要股東之信託人控制之公司以及一位與董事及／或主要股東之信託人關係密切之家庭成員之交易結餘合共約為21,249,000港元已包括在應收賬項及其他應收賬項內（二零一八年：19,341,000港元已包括在應收賬項及其他應收賬項內，以及10,843,000港元已包括在應付賬項及應計款項內）。

於報告期末，與其他關連人士之交易結餘詳情載列於附註25、26、29(b)及39。

主要管理人員酬金:

主要管理人員酬金於附註15及16內披露。董事及高級行政人員之酬金由薪酬委員會參考個別人士表現、其於本集團內之職務與責任及當時市況（如適用）後向董事會建議批准。

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The Directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the following list contains only the subsidiaries as at 31 December 2019 which principally affected the results or assets of the Group.

48. 主要附屬公司詳情

董事認為列出全部附屬公司之詳情令篇幅過於冗長。故此，下表只載列於二零一九年十二月三十一日對本集團之業績或資產有重要影響之附屬公司之詳情。

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of paid-up share capital/ registered capital held by the Company 本公司所持繳足股本/ 註冊資本之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Alpha Team Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Cardin Factory Limited 嘉丹廠有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property trading 物業買賣
Chase Master Company Limited 翠權有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Securities investment 證券投資
Chinese Estates, Limited 華人置業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1,000 1,000港元	100%	–	Investment holding and provision of management services 投資控股及 提供管理服務
Chinese Estates (Harcourt House) Limited	Hong Kong 香港	Ordinary 普通股	HK\$200 200港元	–	100%	Property investment 物業投資
Conduit Road Development Limited 干德道發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	70%	Property trading 物業買賣
Country Homes Limited	Hong Kong 香港	Ordinary 普通股 Non-voting deferred ordinary 無投票權 遞延普通股 Non-voting deferred founder 無投票權 遞延創始人股	HK\$200 200港元 HK\$164,400 164,400港元 HK\$1,000 1,000港元	–	100%	Property investment 物業投資
Estate Rose Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Ever Ideal Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	–	100%	Securities investment 證券投資
Evergo China Holdings Limited	Bermuda/ Hong Kong 百慕達/ 香港	Ordinary 普通股	HK\$100,775,869.10 100,775,869.10港元	–	100%	Investment holding 投資控股

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

48. 主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of paid-up share capital/ registered capital held by the Company 本公司所持繳足股本/ 註冊資本之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Evergo Holdings (China) Company Limited 愛美高集團(中國)有限公司	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$2,509,454 2,509,454美元	-	100%	Investment holding 投資控股
Express Right Limited 迅正有限公司	British Virgin Islands/ United Kingdom 英屬維爾京群島/ 英國	Ordinary 普通股	US\$1 1美元	-	100%	Property investment 物業投資
Fair Eagle Finance Credit Limited 天發金融有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000,000 10,000,000港元	-	100%	Securities margin financier 證券保證金融資
Fair Eagle Futures Company Limited 天發期貨有限公司	Hong Kong 香港	Ordinary 普通股	HK\$5,000,000 5,000,000港元	-	100%	Broking and dealing in futures contracts 期貨合約經紀及買賣
Fair Eagle Securities Company Limited 天發證券有限公司	Hong Kong 香港	Ordinary 普通股	HK\$228,000,000 228,000,000港元	-	100%	Provision of brokerage 提供經紀服務
Flying Ease Limited 翔安有限公司	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	-	100%	Securities investment 證券投資
Grade World Investment Limited 加世投資有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	-	100%	Securities investment 證券投資
Hillsborough Holdings Limited	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	-	100%	Property investment 物業投資
Knightlights Property International S.A.	Luxembourg/ United Kingdom 盧森堡/ 英國	Ordinary 普通股	GBP33,000 33,000英鎊	-	100%	Property investment 物業投資
Lucky Way Company Ltd. (Business name: Lucky Path Limited) (業務名稱: Lucky Path Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$1 1美元	-	100%	Securities investment 證券投資
Oriental Master Ltd.	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	100%	-	Investment holding 投資控股
Paul Y. (New Tunnel) Limited 保華(新隧道)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	-	100%	Investment holding 投資控股
Paul Y. Holdings Company Limited	Cayman Islands/ Hong Kong 開曼群島/ 香港	Ordinary 普通股	HK\$70,715,005.70 70,715,005.70港元	100%	-	Investment holding 投資控股

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

48. 主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of paid-up share capital/ registered capital held by the Company 本公司所持繳足股本/ 註冊資本之百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Perfect World Company Limited 忠信物業管理有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	–	100%	Estate management 物業管理
River Court Properties Limited	Isle of Man/ United Kingdom 馬恩島/ 英國	Ordinary 普通股	GBP2 2英鎊	–	100%	Property investment 物業投資
Smart Ocean Limited	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Speed Win Limited 迅運有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Property trading 物業買賣
State Smart Limited 邦穎有限公司	British Virgin Islands/ United Kingdom 英屬維爾京群島/ 英國	Ordinary 普通股	US\$1 1美元	–	100%	Property investment 物業投資
The House of Kwong Sang Hong Limited 廣生堂有限公司	Hong Kong 香港	Ordinary 普通股	HK\$500,000 500,000港元	–	100%	Cosmetics distribution and trading 化妝品分銷及貿易
Tycoon Fame Limited 亨權有限公司	British Virgin Islands 英屬維爾京群島	Ordinary 普通股	US\$1 1美元	–	100%	Investment holding 投資控股
Wing Lee Development Limited 永利拓展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$2 2港元	–	100%	Securities investment 證券投資
愛美高(北京)企業管理有限公司 [△] (Evergo (Beijing) Corporate Management Co., Ltd.) [△]	PRC 中國	Registered 註冊資本	US\$500,000 500,000美元	–	100%	Property investment 物業投資
愛美高(北京)投資顧問有限公司 [△] (Evergo Investment Counsel (Beijing) Co., Ltd.) [△]	PRC 中國	Registered 註冊資本	US\$20,000,000 20,000,000美元	–	100%	Property trading 物業買賣

None of the subsidiaries had issued any debt securities subsisting at the end of the reporting period or at any time during the reporting period.

於報告期末或於任何報告期間，並無附屬公司發行任何債務證券。

[△] Wholly foreign-owned enterprise

[△] 外商獨資企業

49. PARTICULARS OF PRINCIPAL ASSOCIATES AND JOINT VENTURE

49. 主要聯營公司及合資公司詳情

The Directors are of the opinion that a complete list of the particulars of all associates and joint venture would be of excessive length and therefore the following list contains only the associates and joint venture as at 31 December 2019 which principally affected the results or assets of the Group.

董事認為列出全部聯營公司及合資公司之詳情令篇幅過於冗長。故此，下表只載列於二零一九年十二月三十一日對本集團之業績或資產有重要影響之聯營公司及合資公司之詳情。

Associates**聯營公司**

Name of associate 聯營公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share/ registered capital held 所持股份/ 註冊資本類別	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of equity attributable indirectly to the Company 本公司間接應佔 股本之百分比	Principal activities 主要業務
Best Profit Limited 丰佳有限公司	Hong Kong 香港	Ordinary 普通股	HK\$1 1港元	25%	Property investment and trading 物業投資及買賣
Direct Win Development Limited 勝榮發展有限公司	Hong Kong 香港	Ordinary 普通股	HK\$900 900港元	33.33%	Property trading 物業買賣
Finedale Industries Limited 廣坤實業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$9,999 9,999港元	33.33%	Property investment 物業投資
Power Jade Limited (Business name: Power Jade Capital Limited) (業務名稱: Power Jade Capital Limited)	British Virgin Islands/ Hong Kong 英屬維爾京群島/ 香港	Ordinary 普通股	US\$20 20美元	50%	Investment holding 投資控股
The Kwong Sang Hong International Limited	Bermuda 百慕達	Ordinary 普通股	HK\$100,000 100,000港元	50%	Investment holding 投資控股
東方藝術大廈有限公司† Oriental Arts Building Co., Ltd.†	PRC 中國	Registered 註冊資本	US\$24,920,000 24,920,000美元	50%	Property investment and hotel operation 物業投資及酒店業務

† Sino-foreign equity joint venture enterprise

† 中外合資企業

Joint Venture**合資公司**

Name of joint venture 合資公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Class of share held 所持股份類別	Issued and fully paid share capital 已發行及繳足 股本	Proportion of equity attributable indirectly to the Company 本公司間接應佔 股本之百分比	Principal activities 主要業務
Landrich (H.K.) Limited* 隆裕(香港)有限公司*	Hong Kong 香港	Ordinary 普通股	HK\$1,000 1,000港元	51%	Property investment 物業投資

* A sale and purchase agreement for acquisition of the remaining 49% interest in Landrich was completed on 28 February 2020 and Landrich has become a wholly-owned subsidiary of the Company thereafter.

* 收購隆裕餘下49%權益之買賣協議於二零二零年二月二十八日已告完成，而隆裕遂成為本公司一間全資擁有附屬公司。

50. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

50. 本公司財務狀況報表及儲備

		Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資		5,135,893	5,135,893
Loans to subsidiaries	附屬公司貸款		2,654,119	2,702,428
			7,790,012	7,838,321
Current assets	流動資產			
Amounts due from subsidiaries	附屬公司欠負款項		11,372,202	11,613,282
Other current assets	其他流動資產		286	421
Bank balances	銀行結餘		52,697	7,955
			11,425,185	11,621,658
Current liabilities	流動負債			
Amounts due to subsidiaries	欠負附屬公司款項		74,503	66,112
Other current liabilities	其他流動負債		2,136	1,150
			76,639	67,262
Net current assets	流動資產淨值		11,348,546	11,554,396
Total assets less current liabilities	資產總額減流動負債		19,138,558	19,392,717
Equity attributable to owners of the Company	本公司擁有人應佔股本權益			
Share capital	股本	38	190,762	190,762
Capital redemption reserve	資本贖回儲備		138,062	138,062
Other reserve	其他儲備		9	9
Retained profits	保留溢利		16,422,725	16,631,884
Total equity	股本權益總額		16,751,558	16,960,717
Non-current liability	非流動負債			
Loans from subsidiaries	附屬公司借貸		2,387,000	2,432,000
			19,138,558	19,392,717

Approved and authorised for issue by the board of Directors on 23 March 2020 and signed on its behalf by:

已獲董事會於二零二零年三月二十三日批准及授權發布，並由下列董事代表董事會簽署：

Chan, Sze-wan
Director

陳詩韻
董事

Lam, Kwong-wai
Director

林光蔚
董事

50. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Cont'd)

50. 本公司財務狀況報表及儲備 (續)

Reserve movement of the Company

本公司之儲備變動

		Capital redemption reserve	Other reserve	Retained profits
		資本贖回儲備	其他儲備	保留溢利
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	138,062	9	16,836,005
Profit for the year	本年度溢利	-	-	2,447
Interim dividend for 2018 paid	已付二零一八年中中期股息	-	-	(19,076)
Final dividend for 2017 paid	已付二零一七年末期股息	-	-	(190,762)
Unclaimed dividends forfeited (note)	沒收未被領取之股息(附註)	-	-	3,270
At 31 December 2018	於二零一八年 十二月三十一日	138,062	9	16,631,884
Profit for the year	本年度溢利	-	-	679
Interim dividend for 2019 paid	已付二零一九年中中期股息	-	-	(19,076)
Final dividend for 2018 paid	已付二零一八年末期股息	-	-	(190,762)
At 31 December 2019	於二零一九年 十二月三十一日	138,062	9	16,422,725

Note: Unclaimed dividends forfeited represented dividends declared by the Company on or before 17 August 2011 remaining unclaimed by shareholders of the Company on 28 February 2018. During the year ended 31 December 2018, unclaimed dividends amounted to approximately HK\$3,270,000 were forfeited and transferred to retained profits.

附註：沒收未被領取之股息乃指本公司於二零一一年八月十七日或之前宣派而本公司之股東於二零一八年二月二十八日仍未領取之股息。於截至二零一八年十二月三十一日止年度內，仍未被領取之股息金額約為3,270,000港元已被沒收並轉撥至保留溢利。

51. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in these consolidated financial statements, the Group had the following transactions after the end of the reporting period:

(i) Acquisition of the remaining 49% interest in Landrich

On 10 January 2020, an indirect wholly-owned subsidiary of the Company, as the purchaser, entered into a sale and purchase agreement with another shareholder of Landrich, as the seller, pursuant to which, the purchaser had conditionally agreed to acquire the remaining 49% of the entire issued share capital of Landrich and the sale loan at an aggregate consideration subject to a maximum amount of HK\$360,000,000. The transaction was completed on 28 February 2020. Details of the transaction were disclosed in the announcement of the Company dated 10 January 2020.

(ii) Major and connected transaction in relation to disposal of sale debt securities

On 29 January 2020, three indirect wholly-owned subsidiaries of the Company, as the sellers, entered into a disposal agreement with Ms. Chan, Hoi-wan, an executive Director and the Trustee of Substantial Shareholders indirectly held an aggregate of approximately 50.02% of the total issued share capital of the Company at the time of entering into the disposal agreement, as the purchaser, in relation to the disposal of certain debt securities ("Disposal") at a consideration which shall be determined based on the higher of (i) 100% of the proposed principal amount for debt securities; and (ii) the prevailing market bid price for each individual debt securities. The aggregate transaction amount of the Disposal shall be subject to the cap amount equal to HK\$8,000,000,000. Completion of the disposal agreement is conditional upon, among others, obtaining approval of independent shareholders of the Company. The Disposal was approved by the independent shareholders of the Company at the special general meeting of the Company held on 23 March 2020. Details of the Disposal were disclosed in the announcements of the Company dated 29 January 2020 and 23 March 2020 and the circular of the Company dated 28 February 2020.

51. 報告期末事項

除本綜合財務報表其他部分所披露者外，本集團於報告期末後有以下交易：

(i) 收購隆裕餘下49%權益

於二零二零年一月十日，本公司之一間間接全資擁有附屬公司（作為買方），與隆裕之另一股東（作為賣方）訂立買賣協議，據此，買方有條件地同意以合計代價（受限於最高金額360,000,000港元）收購隆裕餘下49%全部已發行股本及銷售貸款。該交易於二零二零年二月二十八日完成。該交易之詳情已於本公司日期為二零二零年一月十日之公布內披露。

(ii) 有關出售待售債務證券之主要及關連交易

於二零二零年一月二十九日，本公司之三間接全資擁有附屬公司（作為賣方）與陳凱韻女士（執行董事及主要股東之信託人）（於訂立該出售協議時間接持有本公司已發行股本總數合共約50.02%）（作為買方）訂立出售協議，內容有關出售若干債務證券（「該出售」），代價應按(i)債務證券擬定本金金額之100%；及(ii)各個別債務證券之當時市場買入價（以較高者為準）釐定。該出售之交易總金額應受相等於8,000,000,000港元之上限金額所限。出售協議須待（其中包括）取得本公司獨立股東批准後，方告落實。該出售已獲本公司獨立股東於二零二零年三月二十三日舉行之本公司股東特別大會上批准。該出售之詳情已於本公司日期為二零二零年一月二十九日及二零二零年三月二十三日之公布以及二零二零年二月二十八日之通函內披露。

51. EVENTS AFTER THE REPORTING PERIOD

(Cont'd)

(iii) Discloseable transaction for disposal of perpetual bond

On 19 March 2020, the Group disposed of the 7.5% fixed rate resetting perpetual subordinated contingent convertible securities issued by Standard Chartered PLC (the shares of which are listed on the London Stock Exchange, the Stock Exchange (stock code: 2888), the Bombay Stock Exchange in India and the National Stock Exchange in India) ("Perpetual Bond") in the principal amount of US\$2,500,000 (equivalent to approximately HK\$19,490,000) through OTC market for a consideration of approximately US\$2,265,000 (equivalent to approximately HK\$17,655,000) (inclusive of accrued interest) ("Bond Disposal"). The Bond Disposal (when aggregated with the conditional disposal of the Perpetual Bond under the Disposal mentioned in Note 51(ii) above) constituted a discloseable transaction for the Company under the Listing Rules. Details of the Bond Disposal were disclosed in the announcement of the Company dated 20 March 2020.

(iv) Outbreak of novel coronavirus

Since December 2019, the outbreak of novel coronavirus ("COVID-19") has impact on the global business environment. Pending the development and spread of the epidemic subsequent to the date of the approval of these consolidated financial statements, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of the approval of these consolidated financial statements. The Group will pay close attention to the development of COVID-19 and evaluate its impact on the financial position and operating results of the Group.

52. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of Directors on 23 March 2020.

51. 報告期末事項 (續)**(iii) 有關出售永續債券之須予披露交易**

於二零二零年三月十九日，本集團透過場外交易市場出售由渣打集團有限公司（其股份於倫敦證券交易所、聯交所（股份代號：2888）以及印度孟買證券交易所及印度國家證券交易所上市）發行，本金額為2,500,000美元（相當於約19,490,000港元）之7.5厘固定利率可重設永續次級或然可換股證券（「永續債券」），代價約為2,265,000美元（相當於約17,655,000港元）（包括應計利息）（「債券出售」）。根據上市規則，債券出售（與上述附註51(ii)之該出售項下有條件出售永續債券合併計算）構成本公司之須予披露交易。債券出售之詳情已於本公司日期為二零二零年三月二十日之公布內披露。

(iv) 新型冠狀病毒爆發

2019冠狀病毒（「COVID-19」）自二零一九年十二月爆發後，全球營商環境受到影響。視乎疫情於批准本綜合財務報表日期後之發展及蔓延情況，本集團之經濟狀況有可能因此進一步變動而對本集團之財務業績構成影響，其影響程度未能於批准本綜合財務報表日期估計。本集團將密切留意COVID-19之發展，並評估其對本集團財務狀況及經營業績之影響。

52. 授權刊發綜合財務報表

董事會已於二零二零年三月二十三日批准及授權發布綜合財務報表。

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: 本集團過去五年之業績、資產與負債概要如下：

		For the year ended 31 December				
		截至十二月三十一日止年度				
		2019	2018	2017	2016	2015
		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
Results	業績					
Revenue	收入	538,986	843,618	1,516,655	3,745,148	1,542,397
Profit before tax	除稅前溢利	948,910	1,186,854	4,125,682	7,258,155	8,196,126
Income tax expense	所得稅開支	(157,258)	(127,041)	(327,049)	(564,966)	(476,395)
Profit for the year	本年度溢利	791,652	1,059,813	3,798,633	6,693,189	7,719,731
Profit for the year attributable to:	應佔本年度溢利：					
Owners of the Company	本公司擁有人	790,167	1,015,290	3,708,886	6,360,312	7,727,208
Non-controlling interests	非控股權益	1,485	44,523	89,747	332,877	(7,477)
		791,652	1,059,813	3,798,633	6,693,189	7,719,731
Earnings per share (HK\$)	每股盈利 (港元)					
Basic and diluted (note)	基本及攤薄 (附註)	0.41	0.53	1.94	3.33	4.05
Total comprehensive (expenses) income for the year attributable to:	應佔本年度全面 (支出) 收益總額：					
Owners of the Company	本公司擁有人	(283,605)	(2,116,980)	16,348,710	3,418,670	6,520,561
Non-controlling interests	非控股權益	1,485	44,523	89,747	332,877	(7,477)
		(282,120)	(2,072,457)	16,438,457	3,751,547	6,513,084
Final and interim dividends per share (HK cents)	每股末期及中期股息 (港仙)	2	11	30	2	31
Special interim dividends per share (HK cents)	每股特別中期股息 (港仙)	-	-	355	869	380

Note: The calculation of the basic and diluted earnings per share is based on the profit attributable to owners of the Company for the years and on the weighted average number of shares in issue during the relevant years. Diluted earnings per share were the same as the basic earnings per share as there were no diluting events during the relevant years.

附註：每股基本及攤薄盈利乃根據當年度本公司擁有人應佔溢利及有關年度已發行股份之加權平均數計算。由於並無攤薄事項，故有關年度之每股攤薄盈利與每股基本盈利相同。

Summary of the results, assets and liabilities of the Group for the last five years is as follows: (Cont'd)

本集團過去五年之業績、資產與負債概要如下：
(續)

		At 31 December				
		於十二月三十一日				
		2019	2018	2017	2016	2015
		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
Assets and liabilities	資產及負債					
Total assets	資產總額	48,311,789	48,690,703	56,063,355	45,775,735	63,055,217
Total liabilities	負債總額	(14,721,428)	(14,547,134)	(19,570,353)	(15,875,880)	(22,729,855)
Total equity	股本權益總額	33,590,361	34,143,569	36,493,002	29,899,855	40,325,362
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	33,568,925	34,062,368	36,385,916	29,804,216	40,247,600
Non-controlling interests	非控股權益	21,436	81,201	107,086	95,639	77,762
		33,590,361	34,143,569	36,493,002	29,899,855	40,325,362
Net asset value per share attributable to owners of the Company (HK\$)	本公司擁有人應佔每股資產淨值(港元)	17.60	17.86	19.07	15.62	21.10
Number of shares issued	已發行股份數目	1,907,619,079	1,907,619,079	1,907,619,079	1,907,619,079	1,907,619,079

SCHEDULE OF PRINCIPAL PROPERTIES

主要物業附表

The following table sets forth the Group's major properties as at 31 December 2019:

下表載列本集團於二零一九年十二月三十一日之主要物業：

PROPERTIES IN HONG KONG

香港物業

Properties held for investment

持作投資物業

Location 地點	Lot number 地段編號	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
<p>1. Harcourt House (excluding 7th, 8th, 9th, 22nd, 23rd, 25th, 26th and 27th floors, rooms 1004 and 1805) 39 Gloucester Road Wanchai, Hong Kong (including 113 car parking spaces) 夏慤大廈 香港灣仔 告士打道39號 (7、8、9、22、23、25、 26及27樓、1004及1805室除外) (包括113個車位)</p>	<p>Certain parts or shares of and in Inland Lot No. 8573 內地段8573號之 若干部分或份額</p>	<p>Commercial 商業</p>	<p>Long 長期</p>	<p>100%</p>
<p>2. Causeway Place* Various shops on ground floor, mezzanine floor, 1st and 2nd floors and their respective portions of exterior walls, together with flats C, I, J, K, L, N, O, P, Q (each including a flat roof) and H on 3rd floor Hong Kong Mansion nos. 1-7 Paterson Street and nos. 2-10 Great George Street Causeway Bay, Hong Kong 銅鑼灣地帶* 香港銅鑼灣 百德新街1-7號及 記利佐治街2-10號 香港大廈 地下、閣樓、1樓及2樓若干商舖及 其各部分之外牆連同 3樓C、I、J、K、L、N、O、P、Q (包括各單位之平台)及H單位</p>	<p>Certain parts or shares of and in Inland Lot No. 7742 內地段7742號之 若干部分或份額</p>	<p>Residential/ Commercial 住宅／商業</p>	<p>Long 長期</p>	<p>100%</p>

* Certain shops have been sold
若干商舖已售出

PROPERTIES IN HONG KONG (Cont'd)

香港物業(續)

Properties held for investment (Cont'd)

持作投資物業(續)

Location 地點	Lot number 地段編號	Usage 用途	Category of the lease term 租期類別	Group's interest 集團所佔權益
3. Nos. 14-18 Ma Kok Street Tsuen Wan, New Territories, Hong Kong 香港新界荃灣 馬角街14至18號	Tsuen Wan Town Lot No. 128 荃灣市地段128號	Industrial 工業	Medium 中期	51%*
4. Various Portions of No. 1 Hung To Road Kwun Tong, Kowloon, Hong Kong (comprising 391 workshop units and 77 car parking spaces) 香港九龍觀塘 鴻圖道1號若干單位 (包括391個工場單位及77個車位)	Certain parts or shares of and in Kwun Tong Inland Lot No. 415 觀塘內地段415號之若干部分或份額	Industrial 工業	Medium 中期	33.33%
5. Olympian City 3 1 Hoi Wang Road South West Kowloon, Hong Kong (including certain private car parking spaces and motorcycle parking spaces) 奧海城三期 香港西南九龍 海泓道1號 (包括若干私家車車位及電單車車位)	Certain parts or shares of and in Kowloon Inland Lot Nos. 11167 and 11168 九龍內地段11167及11168號之若干部分或份額	Commercial 商業	Medium 中期	25%
6. Coronation Circle 1 Yau Cheung Road South West Kowloon, Hong Kong (including certain private car parking spaces and motorcycle parking spaces) 中港薈 香港西南九龍 友翔道1號 (包括若干私家車車位及電單車車位)	Certain parts or shares of and in Kowloon Inland Lot No. 11073 九龍內地段11073號之若干部分或份額	Commercial 商業	Medium 中期	15%

* The Group acquired the remaining 49% interest after 31 December 2019.
本集團於二零一九年十二月三十一日後購入餘下49%權益。

PROPERTIES IN MAINLAND CHINA

Properties held for investment

中國內地物業

持作投資物業

Location 地點	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
1. Hilton Beijing 1 Dongfang Road, North Dongsanhuan Road Chaoyang District, Beijing 北京希爾頓酒店 北京市朝陽區 東三環北路、東方路1號	Hotel 酒店	Short 短期	50%
2. Oriental Place 9 East Dongfang Road, North Dongsanhuan Road Chaoyang District, Beijing 東方國際大廈 北京市朝陽區 東三環北路、東方東路9號	Office 寫字樓	Short 短期	50%

PROPERTIES IN THE UNITED KINGDOM

英國物業

Properties held for investment

持作投資物業

Location 地點	Usage 用途	Category of the lease term 租期類別	Group's interest 集團 所佔權益
<p>1. River Court 116-129 Fleet Street London, EC4, United Kingdom</p> <p>River Court 英國倫敦EC4 Fleet Street 116-129號</p>	Commercial 商業	Freehold 永久業權	100%
<p>2. 14 St George Street 14 St George Street London, W1, United Kingdom</p> <p>St George Street 14號 英國倫敦W1 St George Street 14號</p>	Commercial 商業	Freehold 永久業權	100%
<p>3. 61-67 Oxford Street and 11-14 Soho Street 61-67 (odd) Oxford Street and 11-14 Soho Street London, W1, United Kingdom</p> <p>Oxford Street 61-67號及 Soho Street 11-14號 英國倫敦W1 Oxford Street 61-67號(單號)及 Soho Street 11-14號</p>	Residential/ Commercial 住宅/商業	Freehold 永久業權	100%
<p>4. 11 and 12 St James's Square and 14 to 17 Ormond Yard 11 and 12 St James's Square and 14 to 17 Ormond Yard London, SW1Y 4LB, United Kingdom</p> <p>St James's Square 11及12號及 Ormond Yard 14至17號 英國倫敦SW1Y 4LB St James's Square 11及12號及 Ormond Yard 14至17號</p>	Residential/ Commercial 住宅/商業	Freehold 永久業權	100%

SCHEDULE OF PROPERTY DEVELOPMENT RIGHTS

物業發展權益附表

PROPERTY IN HONG KONG

香港物業

Property held for development

持作發展物業

Name of project 項目名稱	Lot number 地段編號	Stage of completion 完成階段	Estimated completion date 估計完成日期	Approximate site area (square feet) 地盤面積約數 (平方呎)	Estimated gross floor area (square feet) 估計總樓面面積 (平方呎)	Usage 用途	Group's interest 集團所佔權益
1. Grand Central 33 Hip Wo Street Kwun Tong, Kowloon Hong Kong 凱滙 香港 九龍觀塘 協和街33號	New Kowloon Inland Lot No. 6514 新九龍 內地段6514號	Superstructure works in progress 上蓋建築工程 進行中	First half of 2021 二零二一年 上半年	234,160	1,853,561	Residential/ Commercial 住宅/商業	10%

Notes:
附註：

1. The property development rights were granted pursuant to development agreement with the Urban Renewal Authority
物業發展權乃根據與市區重建局訂立之發展協議授出
2. Certain residential units were contracted for sale as at 31 December 2019
於二零一九年十二月三十一日，若干住宅單位已訂約出售

