

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**XINYANG MAOJIAN GROUP LIMITED**

**信陽毛尖集團有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 362)**

**ANNOUNCEMENT OF FINAL RESULTS  
FOR THE YEAR ENDED 30 JUNE 2020**

The board (the “**Board**”) of directors (the “**Directors**”) of Xinyang Maojian Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries for the year ended 30 June 2020. This announcement, containing the full text of the 2020 annual report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to the information to accompany preliminary announcements of annual results. The printed version of the Company’s 2020 annual report will be delivered to the shareholders of the Company and available for viewing on the websites of Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.xinyangmaojian.com.hk](http://www.xinyangmaojian.com.hk)) on or before 31 October 2020.

By order of the Board  
**Xinyang Maojian Group Limited**  
**Chan Yuk Foebe**  
*Chairman and Chief Executive Officer*

Hong Kong, 30 October 2020

*As at the date of this announcement, Ms. Chan Yuk Foebe, Mr. Gao Ran, Mr. Law Tze Ping Eric, Mr. Yu Defa and Mr. Chen Lei are the executive Directors and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit are the independent non-executive Directors.*

# CONTENTS

## 目錄

Corporate Information	公司資料	2
Chairman's Statement	主席報告	4
Management Discussion and Analysis	管理層討論及分析	6
Corporate Governance Report	企業管治報告	25
Biographical Details of Directors and Senior Management	董事及高級管理人員簡介	42
Report of the Directors	董事會報告	47
Independent Auditor's Report	獨立核數師報告	66
Audited Financial Statements	經審核財務報表	
Consolidated Statement of Profit or Loss	綜合損益表	70
Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收入表	71
Consolidated Statement of Financial Position	綜合財務狀況表	72
Consolidated Statement of Changes in Equity	綜合權益變動表	74
Consolidated Statement of Cash Flows	綜合現金流量表	75
Notes to the Consolidated Financial Statements	綜合財務報表附註	77

# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Ms. Chan Yuk Foebe  
Mr. Gao Ran  
Mr. Law Tze Ping Eric  
Mr. Yu Defa  
Mr. Chen Lei

#### Independent Non-executive Directors

Mr. Ma Wing Yun Bryan  
Mr. Tam Ching Ho  
Mr. Hau Chi Kit

### COMPANY SECRETARY

Mr. Ma Kin Ling

### REGISTERED OFFICE

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4007, 40/F  
China Resources Building  
26 Harbour Road  
Wanchai  
Hong Kong

### AUTHORISED REPRESENTATIVES

Ms. Chan Yuk Foebe  
Mr. Law Tze Ping Eric

### AUDITOR

Elite Partners CPA Limited  
10/F, 8 Observatory Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

### LEGAL ADVISER TO THE COMPANY

(as to Hong Kong law)  
CFN Lawyers  
27/F, Neich Tower  
128 Gloucester Road  
Wanchai, Hong Kong

### 董事會

#### 執行董事

陳昱女士  
高冉先生  
羅子平先生  
于德發先生  
陳蕾先生

#### 獨立非執行董事

馬榮欣先生  
譚政豪先生  
侯志傑先生

### 公司秘書

馬健凌先生

### 註冊辦事處

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

### 總辦事處及香港主要營業地點

香港  
灣仔  
港灣道26號  
華潤大廈  
40樓4007室

### 法定代表

陳昱女士  
羅子平先生

### 核數師

開元信德會計師事務所有限公司  
香港  
九龍  
尖沙咀  
天文臺道8號10樓

### 本公司之法律顧問

(香港法律)  
陳馮吳律師事務所  
香港灣仔  
告士打道128號  
祥豐大廈27樓



## CORPORATE INFORMATION (CONTINUED)

### 公司資料(續)

#### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Bank of China Tower  
1 Garden Road  
Central  
Hong Kong

Agricultural Bank of China  
No. 462 Zhong Yang Road  
Heihe City  
Heilongjiang Province  
PRC

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Management (Bermuda) Limited  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

#### FINANCIAL YEAR END DATE

30 June

#### COMPANY WEBSITE:

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

#### TELEPHONE NUMBER:

2845 3131

#### FACSIMILE NUMBER:

2845 3535

#### STOCK CODE

00362

#### 主要往來銀行

中國銀行(香港)有限公司  
香港  
中環  
花園道1號  
中銀大廈

中國農業銀行  
中國  
黑龍江省  
黑河市  
中央街462號

#### 主要股份過戶登記處

Estera Management (Bermuda) Limited  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM10  
Bermuda

#### 香港股份過戶登記分處

卓佳登捷時有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心54樓

#### 財政年度年結日

六月三十日

#### 公司網址：

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

#### 電話號碼：

2845 3131

#### 傳真號碼：

2845 3535

#### 股份代號

00362



# CHAIRMAN'S STATEMENT

## 主席報告

To Shareholders,

On behalf of Xinyang Maojian Group Limited (the "Company"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 30 June 2020 (the "Year").

### FINANCIAL RESULTS

During the Year, the Group recorded a loss of approximately HK\$385 million. The Group also recorded a loss attributable to the owners of the Company of approximately HK\$428 million, representing a decrease of 49% compared with that of the last financial year. The decrease was due to the one-off written off that was made on the idle assets in Mudanjiang during the last financial year. For the Year, the Group recorded a revenue of approximately HK\$194 million, representing a decrease of 40% compared with that of the last financial year. The decrease in revenue was mainly derived from the decrease in revenue of the calcium carbide segment (the "CC segment") and the decrease in the number of construction projects in relation to the construction services division.

### BUSINESS REVIEW

Following the outbreak of the 2019 Novel Coronavirus ("COVID-19") in the People's Republic of China (the "PRC"), the economic activities in the PRC, especially in Heilongjiang Province, had been seriously affected during the first half of 2020. The Group also suffered from the outbreak of COVID-19, including (i) the suspension of construction works due to the corresponding restriction on travel and mandatory quarantine measures imposed by the PRC authorities; (ii) the delay of transformation of the plant and equipment of Heihe into another product – high carbon ferromanganese; and (iii) lessen opportunities to dispose of the Group's idle assets under the current market situation. Fortunately, the heat and power division still provided a stable revenue to the Group. Our management will closely monitor the business environment and explore new and value-added businesses from time to time in order to diversify the risk of the Group and provide a stable return to the Group.

各位股東：

本人欣然代表信陽毛尖集團有限公司(「本公司」)呈報本公司及其附屬公司(統稱「本集團」)截至二零二零年六月三十日止年度(「本年度」)之年度報告。

### 財務業績

於本年度，本集團錄得虧損約385百萬港元。本集團亦錄得本公司擁有人應佔虧損約428百萬港元，較上一個財政年度減少49%。減少乃由於上個財政年度就牡丹江閑置資產做出一次性撇減所致。於本年度，本集團錄得收益約194百萬港元，較上一個財政年度下降40%。收益下降乃主要由於碳化鈣分部(「碳化鈣分部」)收益減少以及建造服務分部的建造項目數量減少。

### 業務回顧

中華人民共和國(「中國」)爆發2019新型冠狀病毒病(「COVID-19」)後，中國的經濟活動(尤其是在黑龍江省)於二零二零年上半年受到嚴重影響。本集團亦受到COVID-19爆發的影響，包括(i)由於中國當局實施的相應旅遊限制及強制隔離措施，建造工程暫時停工；(ii)將黑河的廠房及設備改造為生產另一種產品－高碳錳鐵的進度遭到延遲；及(iii)在當前市況下出售本集團閑置資產的機會減少。可幸的是，熱能及電力部依然為本集團提供穩定的收益。我們的管理層將密切監察營商環境，不時增闢增值業務，以期分散本集團的風險，為本集團提供穩定回報。



## CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

### PROSPECTS

It is obvious that the impact of COVID-19 will remain for a long time. The pandemic is expected to plunge a majority of countries into recession this coming year. Yet, it is not known how deep the impact will be. Based on a conservative and pragmatic approach to our existing business, we are actively exploring other business opportunities to broaden the sources of revenue and diversify business risk in the best interest of shareholders of the Company.

### GRATITUDE

On behalf of the Company, I would like to express my sincere gratitude to our shareholders, the business partners and the management and staff for their unreserved support and continuing trust to the Group.

By order of the Board

**Chan Yuk, Foebe**

*Chairman and Chief Executive Officer*

Hong Kong, 30 October 2020

### 展望

COVID-19的影響顯然將持續一段長時間。預計疫情將令大部份國家於今年陷入衰退。然而，目前仍無法得知影響之深遠程度。我們將以審慎務實的方針經營現有業務，積極物色符合本公司股東最佳利益的其他商機，務求拓展收益來源及分散業務風險。

### 致謝

本人謹代表本公司對各股東、業務夥伴、管理人員及員工對本集團毫無保留之支持及一直以來之信任致以衷心感謝。

承董事會命

**陳昱**

*主席兼行政總裁*

香港，二零二零年十月三十日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED ANNUAL RESULTS

Since the financial information contained in the unaudited final results announcement dated 30 September 2020 (the “Unaudited Results Announcement”) was neither audited nor agreed with Elite Partners CPA Limited as at the date of its publication, and subsequent adjustments have been made to such information, shareholders and potential investors of the Company are advised to pay attention to certain differences between the financial information of the unaudited and audited annual results of the Group. Set forth below are principal details and reasons for the material differences in such financial information in accordance with Rule 13.49(3)(ii)(b) of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”):

### 未經審核與經審核全年業績的重大差異

由於日期為二零二零年九月三十日的未經審核末期業績公告(「未經審核業績公告」)所載的財務資料於其刊發日期尚未獲開元信德會計師事務所有限公司審核或同意，且其後已對有關資料作出調整，本公司股東及潛在投資者務請注意本集團未經審核與經審核全年業績的財務資料之間的若干差異。下文載列根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.49(3)(ii)(b)條列明的該等財務資料重大差異的主要詳情及原因：

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

### 綜合損益及其他全面收入表

		<b>2020</b>	<b>2020</b>		
		<b>Audited</b>	<b>Unaudited</b>	<b>Differences</b>	<b>Notes</b>
		<b>Annual</b>	<b>Annual</b>		
		<b>Results</b>	<b>Results</b>	<b>Differences</b>	<b>Notes</b>
		二零二零年	二零二零年	差異	附註
		經審核	未經審核		
		全年業績	全年業績	差異	
		HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	
Cost of sales	銷售成本	(184,498)	(181,083)	(3,415)	1
Other income and other gains or loss	其他收入及其他收益或虧損	6,062	6,707	(645)	4
Administrative expenses	行政開支	(99,791)	(96,658)	(3,133)	2, 4
Impairment of fixed assets	固定資產減值虧損	(77,000)	-	(77,000)	5
Loss for the year	本年度虧損	(384,625)	(300,432)	(84,193)	1, 2, 5
Loss for the year attributable to:	以下各項應佔本年度虧損：				
Owners of the Company	本公司擁有人	(373,171)	(289,319)	(83,852)	1, 2, 5
Non-controlling interests	非控股權益	(11,454)	(11,113)	(341)	1

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
管理層討論及分析(續)

**MATERIAL DIFFERENCES BETWEEN  
UNAUDITED AND AUDITED ANNUAL RESULTS**

(Continued)

**未經審核與經審核全年業績的重大  
差異(續)**

**Consolidated Statement of Financial Position**

**綜合財務狀況表**

		<b>2020 Audited Annual Results</b>	<b>2020 Unaudited Annual Results</b>	<b>Differences</b>	<b>Notes</b>
		二零二零年 經審核 全年業績 HK\$'000 千港元	二零二零年 未經審核 全年業績 HK\$'000 千港元	差異 HK\$'000 千港元	附註
<b>Non-current assets</b>	<b>非流動資產</b>				
Fixed assets	固定資產	1,516,536	1,593,536	(77,000)	5
Intangible assets	無形資產	-	3,868	(3,868)	2
<b>Current assets</b>	<b>流動資產</b>				
Inventories	存貨	7,538	10,917	(3,379)	1
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	130,282	145,967	(15,685)	3
<b>Capital and reserves</b>	<b>資本及儲備</b>				
Reserves	儲備	241,480	325,389	(83,909)	1, 2, 5
Non-controlling interest	非控股權益	53,812	54,150	(338)	1
<b>Non-current liabilities</b>	<b>非流動負債</b>				
Other payables	其他應付款項	175,204	190,889	15,685	3

Notes:

附註：

- |   |                             |
|---|-----------------------------|
| (1) The difference was due to impairment loss on inventories.   | (1) 差異乃由於存貨減值虧損。            |
| (2) The difference was due to impairment loss on intangible assets.                                     | (2) 差異乃由於無形資產減值虧損。          |
| (3) The difference was due to the reclassification of other receivable and other payable.               | (3) 差異乃由於重新分類其他應收款項及其他應付款項。 |
| (4) The difference was due to the reclassification of reversal of impairment loss on other receivables. | (4) 差異乃由於重新分類其他應收款項減值虧損撥回。  |
| (5) The difference was due to impairment of fixed assets.   | (5) 差異乃由於固定資產減值虧損。          |

Save as disclosed and the corresponding adjustments in totals, percentages, ratios and comparative figures related to the differences, all other information contained in the Unaudited Results Announcement remain unchanged.

除所披露者及差異相關之總額、百分比、比率及比較數字的相應調整外，載於未經審核業績公告之所有其他資料維持不變。





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### BUSINESS REVIEW

During the Year, following the outbreak of COVID-19 since January 2020, the economy of the PRC had been negatively impacted. The Group suffered from this and as a result, recorded a loss of approximately HK\$385 million. The production capacity of the coal-related chemical production division during the Year has still not yet been fully utilised, which incurred idle operating costs.

During the Year, revenue of the Group amounted to approximately HK\$194 million (2019: approximately HK\$323 million), representing a decrease of approximately 40% compared with that of the last financial year. Loss attributable to the owners of the Company amounted to approximately HK\$296 million (2019: approximately HK\$667 million), representing a decrease of 56% compared with that of the last financial year.

The decrease in the Group's revenue was mainly derived from the decrease in revenue of the CC segment and the decrease in the number of construction projects in relation to the construction services division.

The Group's selling and distribution costs for the Year was approximately HK\$15 million (2019: approximately HK\$20 million), representing a decrease of approximately 25% compared with that of the last financial year. The decrease in selling and distribution costs was mainly due to the temporary closure of fee collection stations of the heat and power division as a result of the outbreak of COVID-19 during the Year.

The Group's administrative expenses for the Year was approximately HK\$100 million (2019: approximately HK\$163 million), representing a decrease of approximately 39% compared with that of the last financial year. The decrease in administrative expenses was mainly due to the scale down in the coal-related chemical production division during the Year.

The Group's other operating expenses for the Year was approximately HK\$96 million (2019: approximately HK\$75 million), representing an increase of approximately 28% compared with that of the last financial year. The increase in other operating expenses was due to the suspension of the plant and equipment of Heihe Longjiang Chemical Limited ("HLCCL") during the Year.

#### 業務回顧

於本年度，自二零二零年一月爆發COVID-19，中國的經濟已受到負面影響。本集團亦遭受負面影響並因此錄得虧損約385百萬港元。煤相關化工產品部的產品於本年度仍未全面使用，招致了閒置營運成本。

於本年度，本集團的收益約為194百萬港元(二零一九年：約323百萬港元)，較上一財政年度減少約40%。本公司擁有人應佔虧損約為296百萬港元(二零一九年：約667百萬港元)，較上一財政年度減少56%。

本集團收益減少乃主要由於碳化鈣分部收益減少以及建造服務分部的建造項目數量減少。

本集團於本年度之銷售及分銷成本約為15百萬港元(二零一九年：約20百萬港元)，較上一財政年度減少約25%。銷售及分銷成本減少乃主要由於本年度爆發COVID-19導致熱能及電力部的收費站暫時關閉所致。

本集團於本年度之行政開支約為100百萬港元(二零一九年：約163百萬港元)，較上一財政年度減少約39%。行政開支減少乃主要由於本年度內縮減煤相關化工產品部規模。

本集團於本年度之其他經營開支約為96百萬港元(二零一九年：約75百萬港元)，較上一財政年度增加約28%。其他經營開支增加乃由於本年度黑龍江化工有限公司(「黑龍江化工」)的廠房及設備停工所致。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

#### Heat and power division

During the Year, the heat and power segment recorded a revenue of approximately HK\$177 million (2019: approximately HK\$173 million) from external customers, representing an increase of approximately 2% compared with that of the last financial year. Income from supply of heat for the Year was approximately HK\$163 million (2019: approximately HK\$160 million), representing a slight increase of approximately 2% when compared with that of the last financial year. The slight increase was mainly due to the devaluation of RMB. Segment loss for the Year was approximately HK\$65 million (2019: segment profit of approximately HK\$20 million), representing a decrease of approximately 425% compared with that of the last financial year. The decrease in segment profit was mainly due to the absence of other income as a result of the outbreak of COVID-19 and an impairment loss of property, plant and equipment of HK\$77 million was recorded for the Year.

Apart from the expansion of the residential heat supplying area, the management of the Group had also closely monitored the operation to reduce coal and energy consumption and avoid wastage so as to increase the profit from our heat and power generating facilities.

#### Coal-related chemical production division

The coal related chemical production division included the CC segment, the polyvinyl-chloride segment (the “PVC segment”) and the vinyl acetate segment (the “VA segment”).

During the Year, the CC segment recorded a revenue of approximately HK\$17 million (2019: approximately HK\$76 million) from external customers, representing a decrease of approximately 78% compared with that of the last financial year. Despite the suspension of the production line for the production of calcium carbide, revenue was generated as the production line for the production of line provider, a semi-final product of calcium carbide, remained in operation during the Year. Further, no revenue was recorded for the PVC segment and the VA segment during the Year, respectively (2019: nil and nil).

The above financial performances of this business division were a result of the outbreak of COVID-19, as explained in the section headed “Coal-related chemical production division” under “Prospect” of this report.

### 業務回顧(續)

#### 熱能及電力部

於本年度內，熱能及電力分部錄得來自外部客戶的收益約177百萬港元(二零一九年：約173百萬港元)，較上一財政年度增加約2%。於本年度，來自熱能供應的收入約為163百萬港元(二零一九年：約160百萬港元)，較上一財政年度略為增加約2%。該增加乃主要由於人民幣貶值所致。本年度分部溢利約為65百萬港元(二零一九年：約20百萬港元)，較上一財政年度減少約425%。分部溢利減少乃主要由於COVID-19疫情導致並無其他收入所致及於本年度錄得機械、廠房及設備的減值的77百萬港元。

除擴大住宅熱能供應區域外，本集團管理層亦已密切監察業務，以降低煤炭及能源消耗及避免浪費資源，從而增加來自熱能及電力生產設施之溢利。

#### 煤相關化工產品部

煤相關化工產品部包括碳化鈣分部、聚氯乙烯分部(「聚氯乙烯分部」)及醋酸乙烯分部(「醋酸乙烯分部」)。

於本年度，碳化鈣分部錄得來自外界客戶收益約17百萬港元(二零一九年：約76百萬港元)，較上一財政年度減少約78%。於本年度，儘管生產碳化鈣的生產線暫停，惟仍錄得收益，因生產石灰粉(碳化鈣的半成品)的生產線維持運作。此外，聚氯乙烯分部及醋酸乙烯分部於本年度概無錄得收益(二零一九年：無及無)。

上述此業務分部的財務表現乃歸因於COVID-19的爆發，詳情於本報告「展望」下「煤相關化工產品部」一節載述。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

#### Construction services division

During the Year, the construction services division recorded a revenue and a segment loss of approximately HK\$0.4 million (2019: approximately HK\$74 million) and approximately HK\$61 million (2019: segment profit approximately HK\$3 million), respectively. This business division recorded a significant drop in revenue and a segment loss during the Year due to (i) the seasonal suspension of construction activities during winter in the North East of the PRC; (ii) as a result of the outbreak of COVID-19, travelling restrictions were imposed in Mudanjiang City and the Group's construction services had been suspended; and (iii) despite the suspension of construction services, the Group had incurred additional maintenance and repairment costs as a result of severe weather conditions during the first half of 2020.

#### Tea division

During the Year, having considered the future and financial performance of this business division, the Group decided to terminate the operation of its tea division by exercising its put option and disposing of Xinyang Maojian International Holding Limited ("Xinyang International"). For further details of the disposal, please refer to the paragraph headed "Connected transaction in relation to the exercise of the put option and termination of the share transfer agreement and the supplemental agreement" of this report.

### PROSPECT

The global economy is facing an unprecedented situation due to the outbreak of COVID-19 since early January 2020, and the pandemic has adversely impacted various industries and reduced economic activities globally.

#### Heat and power division

During the Year, although the Group's residential heat supplying area did not increase by 500,000 square meters as expected, this business division was not severally impacted by COVID-19 and the residential heat supplying area was maintained at 4,000,000 square meters. The management will aim to continue expanding its residential heat supplying area in the future, and believes that the heat and power division will continue to be the growth driver of the Group.

### 業務回顧(續)

#### 建造服務分部

於本年度內，建造服務分部分別錄得收益及分部虧損約0.4百萬港元(二零一九年：約74百萬港元)及約61百萬港元(二零一九年：分部溢利約3百萬港元)。此業務分部於本年度錄得收益大幅下跌及分部虧損，原因為(i)中國東北的建設活動於冬季實行季節性停工；(ii)COVID-19爆發導致牡丹江市出台旅行限制及本集團的建造服務已被暫停；及(iii)儘管暫停建造服務，本集團於二零二零年上半年已因惡劣天氣狀況產生額外維修及保養成本。

#### 茶葉分部

於本年度，考慮到此業務分部的未來及財務表現，本集團決定通過行使認沽期權及出售信陽毛尖國際控股有限公司(「信陽國際」)以終止其茶葉分部的營運。有關出售事項的更多詳情，請參閱本報告「有關行使認沽期權及終止股份轉讓協議及補充協議之關連交易」一段。

### 展望

全球經濟自二零二零年一月初起因爆發COVID-19疫情而面臨前所未有的困境，而疫情已對不同行業產生負面影響並減少全球經濟活動。

#### 熱能及電力部

於本年度，儘管本集團的住宅熱能供應區域並未按預期增加500,000平方米，該業務分部未受COVID-19嚴重影響，且住宅熱能供應區域維持於4,000,000平方米。管理層將於未來繼續擴大住宅熱能供應區域，並且相信熱能及電力部將繼續為本集團的增長動力。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### PROSPECT (Continued)

##### Coal-related chemical production division

During the Year, the management had planned to transform the plant and equipment of HLCCL in Heihe, Heilongjiang Province, from calcium carbide into another product – high carbon ferromanganese. However, as the Heilongjiang Province had been seriously affected by COVID-19 in the past few months, most of the construction work in the area had been suspended, leading to the schedule of the transformation being postponed. The management believes that the transformation of the plant and equipment of HLCCL will resume in 2021, and will benefit the Group and its shareholders as a whole.

##### Construction services division

Due to the impact of the outbreak of COVID-19, Mudanjiang Jinyang Municipal Engineering Company Limited (“Jinyang Engineering”) had suspended all its construction services during the first half of 2020. As agreed between Jinyang Engineering and its subcontractors, the construction period for the heat exchange stations and facilities and pipelines networks will be extended, and without additional costs incurred by the Group. The management will closely monitor the situation and minimize the impact by the outbreak of COVID-19 as much as possible.

#### FINANCIAL REVIEW

##### Capital Structure, Liquidity and Financial Resources

###### Capital structure

During the Year, the Group financed its operations and business development with internally generated resources and non-equity funding.

###### Liquidity and Financial Ratios

As at 30 June 2020, the Group had total assets of approximately HK\$1,997 million (2019: approximately HK\$2,267 million), which were financed by current liabilities of approximately HK\$394 million (2019: approximately HK\$277 million), non-current liabilities of approximately HK\$1,173 million (2019: approximately HK\$1,125 million), non-controlling interests of approximately HK\$54 million (2019: approximately HK\$64 million) and shareholders' equity of approximately HK\$375 million (2019: approximately HK\$801 million).

#### 展望(續)

##### 煤相關化工產品部

於本年度，管理層計劃將黑龍江省黑河的黑河龍江化工的廠房及設備由碳化鈣改造為另一種產品—高碳錳鐵。然而，由於黑龍江省於過去數月受到COVID-19疫情的嚴重影響，該區的大部分建造工程已暫停，導致改造計劃延遲。管理層相信，對黑河龍江化工廠房及設備進行改造將於二零二一年恢復，並將令本集團及其股東整體受益。

##### 建造服務分部

受COVID-19疫情影響，牡丹江金陽市政工程有限公司(「金陽市政」)已於二零二零年上半年暫停其全部建造服務。根據金陽市政及其分包商所協定，熱交換站及設施以及管道網絡的建造期限將延長，而本集團不會產生額外成本。管理層將密切監察局勢並盡量減少COVID-19疫情所造成之衝擊。

#### 財務回顧

##### 資本結構、流動資金及財務資源

###### 資本結構

於本年度，本集團透過內部產生資源以及非股本集資撥付營運及業務發展所需資金。

###### 流動資金及財務比率

於二零二零年六月三十日，本集團之總資產約為1,997百萬港元(二零一九年：約2,267百萬港元)，乃由流動負債約394百萬港元(二零一九年：約277百萬港元)、非流動負債約1,173百萬港元(二零一九年：約1,125百萬港元)、非控股權益約54百萬港元(二零一九年：約64百萬港元)及股東資金約375百萬港元(二零一九年：約801百萬港元)撥付。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

#### Capital Structure, Liquidity and Financial Resources (Continued)

##### Liquidity and Financial Ratios (Continued)

As at 30 June 2020, the current assets of the Group amounted to approximately HK\$174 million (2019: approximately HK\$252 million), comprising inventories of approximately HK\$8 million (2019: approximately HK\$40 million), trade receivables of approximately HK\$27 million (2019: approximately HK\$43 million), prepayments, deposits and other receivables of approximately HK\$130 million (2019: approximately HK\$161 million), financial assets at fair value through profit or loss of approximately HK\$1 million (2019: approximately HK\$1 million), cash and cash equivalents of approximately HK\$8 million (2019: approximately HK\$7 million). As at 30 June 2020, the Group's current ratio (current assets/current liabilities), quick ratio (current assets – inventory)/current liabilities, gearing ratio (total debts/total assets) and debts to equity ratio (total debts/shareholders' equity) of the Group were approximately 0.4 (2019: approximately 0.9), approximately 0.4 (2019: approximately 0.8), approximately 79% (2019: approximately 62%) and approximately 418% (2019: approximately 175%), respectively. The higher gearing ratio was mainly attributable to the depreciation in the plant and equipment of HLCCL and Jinyang Engineering's suspension of its construction services, whilst the total debts of the Group remained stable. Throughout the Year, the management had taken several measures to improve the liquidity position and financial position of the Group.

Although the Group was in a net current liabilities position as at 30 June 2020, the management has closely monitored the Group's liquidity position and has taken appropriate measures to ensure it had sufficient resources to meet its financial obligations.

#### Non-equity funding

##### Bank loans

As at 30 June 2020, the bank loans of the Group amounted to approximately HK\$67 million (2019: approximately HK\$74 million). Based on the agreed repayment schedule set out in the loan agreements, bank loans of approximately HK\$49 million (2019: approximately HK\$52 million) were repayable within 12 months, of which HK\$3 million was denominated in Hong Kong dollars and approximately HK\$46 million was denominated in RMB (2019: approximately HK\$3 million was denominated in Hong Kong dollars and approximately HK\$49 million was denominated in RMB).

The effective interest rates on the Group's bank loans during the Year was ranged from 2.1% to 8% (2019: 2.2% to 8%).

### 財務回顧(續)

#### 資本結構、流動資金及財務資源(續)

##### 流動資金及財務比率(續)

於二零二零年六月三十日，本集團之流動資產約為174百萬港元(二零一九年：約252百萬港元)，包括存貨約8百萬港元(二零一九年：約40百萬港元)、應收貿易賬項約27百萬港元(二零一九年：約43百萬港元)、預付款項、訂金及其他應收款項約130百萬港元(二零一九年：約161百萬港元)、按公平值計入損益之金融資產約1百萬港元(二零一九年：約1百萬港元)以及現金及現金等值項目約8百萬港元(二零一九年：約7百萬港元)。於二零二零年六月三十日，本集團之流動比率(流動資產/流動負債)、速動比率(流動資產－存貨)/流動負債、資產負債比率(總債務/總資產)及債務與權益比率(總債務/股東資金)分別為約0.4(二零一九年：約0.9)、約0.4(二零一九年：約0.8)、約79%(二零一九年：約62%)及約418%(二零一九年：約175%)。資產負債比率較高乃主要歸因於黑河龍江化工的廠房及設備貶值及金陽市政暫停其建造服務，而本集團的總債務維持穩定。於整個本年度內，管理層已採取多項措施以改善本集團之流動資金狀況及財務狀況。

儘管本集團於二零二零年六月三十日處於流動負債淨額狀況，惟管理層已密切監察本集團的流動資金狀況，並採取合適措施以確保本集團擁有足夠資源以履行其財務責任。

#### 非股本集資

##### 銀行貸款

於二零二零年六月三十日，本集團之銀行貸款約為67百萬港元(二零一九年：約74百萬港元)。按照載於貸款協議之協定還款時間表，須於12個月內償還之銀行貸款約為49百萬港元(二零一九年：約52百萬港元)，當中3百萬港元以港元計值及約46百萬港元以人民幣計值(二零一九年：有約3百萬港元以港元計值及約49百萬港元以人民幣計值)。

於本年度，本集團銀行貸款的實際利率介乎2.1%至8%(二零一九年：2.2%至8%)。





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

#### Capital Structure, Liquidity and Financial Resources (Continued)

##### Non-equity funding (Continued)

##### Bonds

As at 30 June 2020, the aggregate amount of bonds payable was approximately HK\$988 million (2019: approximately HK\$906 million). The net proceeds raised from the placing of bonds were applied to enhance the working capital of the Group.

##### Significant investment held by the Company

As at 30 June 2020, the Company did not have any significant investments, except for the financial assets at fair value through profit or loss of approximately HK\$0.7 million (2019: approximately HK\$0.7 million). During the Year, the Company had recorded a fair value loss on financial assets at fair value through profit or loss of approximately HK\$0.1 million (2019: fair value gain of approximately HK\$5 million).

##### Charges on the Group's assets

As at 30 June 2020, bank loans and other loans of approximately HK\$67 million (2019: approximately HK\$74 million) and approximately HK\$66 million (2019: approximately HK\$28 million), respectively, were secured by charges over the Group's certain fixed assets and right-of-use assets.

### MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

#### Connected transaction in relation to the exercise of the put option and termination of the share transfer agreement and the supplemental agreement

On 5 January 2018, Prosper Path Limited (a wholly-owned subsidiary of the Company) (the "Prosper Path") entered into a share transfer agreement (the "Share Agreement") with Dragon Wise Group Limited (an indirect non-wholly-owned company of Mr. Sha Tao ("Mr. Sha")) (the "Dragon Wise") to acquire 100% of the entire issued share capital (the "Sale Shares") of Xinyang International (together with its subsidiaries, the "Xinyang International Group") at a total consideration of HK\$85,800,000 (the "Acquisition"). On 11 June 2018, Prosper Path and Dragon Wise entered into a supplemental agreement (together with the Share Agreement, the "Existing Agreements"), pursuant to which Prosper Path and Dragon Wise agreed to amend certain terms of the Share Agreement. The consideration of the Acquisition would be satisfied by way of allotment and issue of 220,000,000 new shares (the "Shares") of the Company (the "Consideration Shares" and each a "Consideration Share") to Dragon Wise or its nominee(s) at an issue price of HK\$0.39 per Consideration Share. Pursuant to the Existing Agreements, the Consideration Shares would not be allotted and issued to Dragon Wise unless and until the guaranteed financial performance (the "Guaranteed Financial Performance") was met by the Xinyang International Group and Prosper Path shall in accordance with the Existing Agreements, procure the Company to allot and issue the Consideration Shares to Dragon Wise. The Acquisition was completed on 4 October 2018.

### 財務回顧(續)

#### 資本結構、流動資金及財務資源(續)

##### 非股本集資(續)

##### 債券

於二零二零年六月三十日，應付債券總額約為988百萬港元(二零一九年：約906百萬港元)。債券配售籌得之所得款項淨額用於提升本集團之營運資金。

##### 本公司持有之重大投資

於二零二零年六月三十日，除按公平值計入損益之金融資產約0.7百萬港元(二零一九年：約0.7百萬港元)外，本公司並無任何重大投資。於本年度內，本公司錄得按公平值計入損益之金融資產之公平值虧損約0.1百萬港元(二零一九年：公平值收益約5百萬港元)。

##### 本集團資產之抵押

於二零二零年六月三十日，銀行貸款及其他貸款約67百萬港元(二零一九年：約74百萬港元)及約66百萬港元(二零一九年：約28百萬港元)均透過抵押本集團若干固定資產及使用權資產作擔保。

### 重大收購或出售附屬公司、聯營公司 及合營企業

#### 有關行使認沽期權及終止股份轉讓協議 及補充協議之關連交易

於二零一八年一月五日，本公司全資附屬公司 Prosper Path Limited (「Prosper Path」) 與沙濤先生(「沙先生」)之間接非全資公司 Dragon Wise Group Limited (「Dragon Wise」) 訂立股份轉讓協議(「股份協議」)，以收購信陽國際(連同其附屬公司，統稱「信陽國際集團」)之全部已發行股本(「待售股份」)，總代價為85,800,000港元(「收購事項」)。於二零一八年六月十一日，Prosper Path與 Dragon Wise 訂立補充協議(連同股份協議，統稱「現有協議」)。據此，Prosper Path與 Dragon Wise 同意修訂股份協議之若干條款。收購事項代價將透過按每股代價股份0.39港元之發行價向 Dragon Wise 或其代名人配發及發行220,000,000股(「股份」)本公司新股份(「代價股份」)償付。根據現有協議，代價股份將不會獲配發及發行予 Dragon Wise，惟且直至信陽國際集團達成保證財務表現(「保證財務表現」)，Prosper Path須根據現有協議促使本公司配發及發行代價股份予 Dragon Wise。收購事項已於二零一八年十月四日完成。



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
管理層討論及分析(續)

**MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)**

**Connected transaction in relation to the exercise of the put option and termination of the share transfer agreement and the supplemental agreement (Continued)**

Pursuant to the Existing Agreements, in the event that any of the Guaranteed Financial Performance was not met after completion of the Acquisition, Prosper Path shall exercise an irrevocable and unconditional put option (the "Put Option") in relation to the Sale Shares within seven business days after the provision of Xinyang International's audited accounts to Dragon Wise at an exercise price of HK\$1.

As the accumulated audited loss after tax of Xinyang International for the year ended 30 June 2019 (the "Relevant Period") was approximately RMB4,165,000, the Guaranteed Financial Performance for the Relevant Period (i.e. not less than profit of RMB8,500,000) could not be met.

On 12 February 2020, Prosper Path and Dragon Wise entered into a termination agreement (the "Termination Agreement"), pursuant to which the parties have agreed, among others, (i) to terminate the Existing Agreements and the transactions contemplated thereunder; (ii) to waive the term which required the Put Option be exercised by Prosper Path within seven business days after the provision of the relevant audited accounts to Dragon Wise (the "Waiver"); and (iii) that Prosper Path shall exercise the Put Option to dispose of Xinyang International to Dragon Wise.

**重大收購或出售附屬公司、聯營公司及合營企業(續)**

**有關行使認沽期權及終止股份轉讓協議及補充協議之關連交易(續)**

根據現有協議，倘於完成收購事項後並未達成任何保證財務表現，Prosper Path將於信陽國際按行使價1港元向Dragon Wise提供經審核賬項後七個營業日內行使有關待售股份之不可撤銷及無條件認沽期權(「認沽期權」)。

由於信陽國際集團於截至二零一九年六月三十日止年度(「有關期間」)之除稅後累計經審核虧損約為人民幣4,165,000元，於有關期間之保證財務表現(即溢利不低於人民幣8,500,000元)無法達成。

於二零二零年二月十二日，Prosper Path與Dragon Wise訂立終止協議(「終止協議」)，據此，訂約方已同意(其中包括)(i)終止現有協議及其項下擬進行之交易；(ii)豁免Prosper Path需於向Dragon Wise提供相關經審核賬項後七個營業日內行使認沽期權之期限(「豁免」)；及(iii)Prosper Path須行使認沽期權，以出售信陽國際予Dragon Wise。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

#### Connected transaction in relation to the exercise of the put option and termination of the share transfer agreement and the supplemental agreement (Continued)

Details of the Acquisition (including the Termination Agreement) were disclosed in the circular of the Company dated 23 July 2018 and the announcements of the Company dated 5 January 2018, 11 June 2018, 15 August 2018, 12 February 2020 and 8 April 2020, respectively.

#### AGREEMENT IN RELATION TO POSSIBLE ACQUISITION IN NOVEMBER 2019

On 18 November 2019, the Company entered into an agreement (the “Xinyang Maojian Agreement”) with Xinyang Maojian Holdings Co. Ltd.\* (信陽毛尖控股有限公司) (the “Xinyang Maojian Vendor”) pursuant to which the parties agreed to enter into a further agreement (the “Definitive Agreement”) in which the Company would acquire and the Xinyang Maojian Vendor would sell some or all of its assets as set out in the Xinyang Maojian Agreement (the “November Possible Acquisition”). The major assets owned by the Xinyang Maojian Vendor include, among other things, (i) production place advantageous to Xinyang tea, (ii) multiple well-known trademarks and brands of tea products, (iii) interests in the Xinyang International Tea City\* (信陽國際茶城), and (iv) interests in the Luyu Tea Culture Park\* (陸羽文化園) and the Tea Industrial Park\* (茶工業園). The parties agreed that the consideration would be paid by way of a combination of cash consideration, bills payable, convertible bonds and/or consideration shares. The amount and method of payment of the consideration shall be determined after arm’s length negotiation between the Company and the Xinyang Maojian Vendor, subject to the terms and conditions to be set out in the Definitive Agreement.

Given that the assets to be acquired and as set out in the Xinyang Maojian Agreement were in line with the Group’s development of its tea division prior to the entering into of the Termination Agreement, the management considered that the November Possible Acquisition and the entering into of the Definitive Agreement could enhance, further expand and create synergy effect to the Group’s tea division.

Details of the November Possible Acquisition were disclosed in the announcement of the Company dated 18 November 2019.

\* For identification purpose only

### 重大收購或出售附屬公司、聯營公司及合營企業(續)

#### 有關行使認沽期權及終止股份轉讓協議及補充協議之關連交易(續)

收購事項之詳情(包括終止協議)分別披露於本公司日期為二零一八年七月二十三日之通函及本公司日期為二零一八年一月五日、二零一八年六月十一日、二零一八年八月十五日、二零二零年二月十二日及二零二零年四月八日之公告內。

#### 於二零一九年十一月有關可能收購事項之協議

於二零一九年十一月十八日，本公司與信陽毛尖控股有限公司(「信陽毛尖賣方」)訂立一份協議(「信陽毛尖協議」)，據此，訂約方同意訂立進一步協議(「正式協議」)，內容有關本公司將收購，而信陽毛尖賣方將出售信陽毛尖協議所載部分或全部資產(「十一月可能收購事項」)。信陽毛尖賣方擁有的主要資產包括(其中包括)(i)對信陽茶業有利的生產位置；(ii)多種知名商標及茶品品牌；(iii)於信陽國際茶城的權益；及(iv)於陸羽文化園及茶工業園的權益。訂約方同意以現金代價、應付票據、可轉換債券及／或代價股份之組合支付代價。代價金額及支付方式將由本公司與信陽毛尖賣方按公平原則釐定，以正式協議之條款及條件為準。

鑑於在訂立終止協議前，將予收購及信陽毛尖協議所載資產與本集團茶葉分部的發展一致，管理層認為十一月可能收購事項及訂立正式協議能提升、再度擴展本集團的茶葉分部以及締造協同效應。

有關十一月可能收購事項之詳情已於本公司日期為二零一九年十一月十八日之公告內披露。





MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)  
管理層討論及分析(續)

**LAPSE OF MEMORANDUM OF UNDERSTANDING  
IN RELATION TO POSSIBLE ACQUISITION IN  
JANUARY 2020**

On 23 January 2020, the Company entered into a memorandum of understanding (the “January MOU”) with two vendors (the “MOU Vendors”), pursuant to which the Company would acquire and the MOU Vendors would sell the entire equity interest (the “January Possible Acquisition”) of My Cloud Technology (Shenzhen) Co. Ltd (the “MOU Target Company”). The MOU Target Company is principally engaged in the development of mobile internet integrated platform and it offers concessionary prices and quality services to attract users to use the platform for consumption on the one hand, and allows the merchants to make better offers with higher users’ access on the other hand, thereby enhancing the platform value with the match of supply and demand. The management considered that the January Possible Acquisition, if materialised, would enable the Group to leverage on the MOU Target Company’s background and expertise to further explore favourable businesses and new development opportunities in the area of software and information technology and would enable the Group to benefit from the competitive advantages of the MOU Target Company. Since the parties to the January MOU were unable to reach an agreement on the terms of the formal agreement, the January MOU had lapsed on 10 August 2020.

Details of the January Possible Acquisition were disclosed in the announcements of the Company dated 23 January 2020, 24 January 2020 and 10 August 2020, respectively.

**於二零二零年一月有關可能收購事  
項之諒解備忘錄失效**

於二零二零年一月二十三日，本公司與兩名賣方（「諒解備忘錄賣方」）訂立一份諒解備忘錄（「一月諒解備忘錄」），據此，本公司將收購而諒解備忘錄賣方將出售我的雲科技（深圳）有限公司（「諒解備忘錄目標公司」）全部股權（「一月可能收購事項」）。諒解備忘錄目標公司主要從事開發移動互聯網綜合平台，其一方面以優惠價格及優質服務吸引用戶於其平台消費，另一方面則以更高用戶流量讓商戶提供更佳優惠，繼而通過匹配供應與需求提升平台價值。管理層認為一月可能收購事項倘若落實，能令本集團利用諒解備忘錄目標公司的背景及專業經驗以進一步探索軟件及資訊科技領域的有利業務及新的發展機遇，並令本集團獲利於諒解備忘錄目標公司的競爭優勢。由於一月諒解備忘錄的訂約方未能就正式協議的條款達成協議，一月諒解備忘錄於二零二零年八月十日失效。

有關一月可能收購事項的詳情分別披露於本公司日期為二零二零年一月二十三日、二零二零年一月二十四日及二零二零年八月十日之公告。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### LAPSE OF DISPOSAL OF SHARES BY THE SINGLE LARGEST SHAREHOLDER IN APRIL 2019

The Company was informed by Mr. Chan Yuen Tung (“Mr. Chan”), the single largest shareholder of the Company, and Mr. Sha, the then second single largest shareholder of the Company, that on 16 April 2019, Mr. Chan and Mr. Sha entered into a conditional sale and purchase agreement (the “April 2019 SPA”), pursuant to which Mr. Chan agreed to sell and Mr. Sha agreed to purchase 146,000,000 Shares, representing approximately 10.97% of the total issued Shares as at the date of the announcement of the Company dated 16 April 2019 (the “2019 Shareholder Disposal Announcement”), at a price of HK\$0.915 per Share (the “2019 Shareholder Disposal”).

The Company was further informed that the closing of the April 2019 SPA was conditional upon the fulfillment of certain conditions precedent on or before 15 December 2019 (or such other date agreed by the parties to the April 2019 SPA), including in particular, the entering into of a placing agreement by Mr. Chan to appoint a securities broker licensed to carry out Type 1 (dealing in securities) activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as placing agent, to place on a fully underwritten basis to placees independent of and not parties acting in concert with Mr. Sha, the remaining 200,479,861 Shares held by Mr. Chan (the “Placing”) other than the Shares to be disposed of under the April 2019 SPA. Pursuant to the April 2019 SPA, completion of the Disposal and the Placing shall take place simultaneously.

On or around 12 February 2020, the Company was informed by Mr. Chan that as the conditions precedent of the April 2019 SPA had not been satisfied, pursuant to the terms of the April 2019 SPA, the April 2019 SPA had lapsed and was of no further effect and neither party to the April 2019 SPA shall have any claim against each other, save for any rights or obligations which may accrue prior to the lapse of the April 2019 SPA.

Details of the 2019 Shareholder Disposal (including the subsequent lapse of the April 2019 SPA) were disclosed in the 2019 Shareholder Disposal Announcement and the announcement of the Company dated 12 February 2020.

### 於二零一九年四月單一最大股東出售股份失效

本公司獲本公司單一最大股東陳遠東先生(「陳先生」)及本公司單一第二大股東沙先生知會，陳先生與沙先生於二零一九年四月十六日訂立有條件買賣協議(「二零一九年四月買賣協議」)，據此，陳先生同意出售及沙先生同意按每股股份0.915港元之價格購買146,000,000股股份，相當於本公司日期為二零一九年四月十六日之公告(「二零一九年股東出售公告」)當日已發行股份總數約10.97%(「二零一九年股東出售事項」)。

本公司獲進一步知會，二零一九年四月買賣協議之完成須待若干先決條件於二零一九年十二月十五日或之前(或二零一九年四月買賣協議訂約方協定之有關其他日期)獲達成後方可作實，包括尤其是由陳先生訂立配售協議委任根據香港法例第571章證券及期貨條例可進行第1類(證券交易)活動之證券經紀(作為配售代理)按全面包銷基準向獨立於沙先生及並非其一致行動人士之承配人配售由陳先生持有之剩餘200,479,861股股份(根據二零一九年四月買賣協議將予出售之股份除外)(「配售事項」)。根據二零一九年四月買賣協議，出售事項及配售事項將同時完成。

於二零二零年二月十二日前後，本公司獲陳先生告知，由於二零一九年四月買賣協議之先決條件尚未達成，根據二零一九年四月買賣協議之條款，二零一九年四月買賣協議已失效並再無效力，且二零一九年四月買賣協議之訂約方概不得向另一方提出任何申索，惟於二零一九年四月買賣協議失效前可能產生之任何權利或責任則除外。

二零一九年股東出售事項詳情(包括二零一九年四月買賣協議其後失效)已於二零一九年股東出售公告及本公司日期為二零二零年二月十二日之公告中予以披露。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### STRATEGIC INVESTMENT FRAMEWORK AGREEMENT

On 13 February 2020, the Company entered into a strategic investment framework agreement (the “Framework Agreement”) with SB Green Investment Fund Limited (“SB Green”, an indirect non-wholly-owned company of Mr. Sha).

Pursuant to the Framework Agreement, SB Green agreed to cooperate with the Company and commit to make strategic investments in the Company to support the Company’s development of new economic businesses that meet the requirements of green sustainable development, subject to compliance with the Hong Kong capital market regulations and certain conditions. Based on the different stages of cooperation, it is expected that SB Green will make strategic investment of not less than US\$50,000,000 to the Company based on the market situation and use of capital at the relevant time, including but not limited to debt and equity investments, such as subscription and issuance of notes, bonds, convertible bonds, and/or share placements. The management was of the view that both parties would leverage on their respective advantages, resources and expertise to build a stable and mutually-beneficial strategic cooperation relationship. The entering into of the Framework Agreement was in line with the development strategies of the Company as a whole, which would enable the Company to seize any potential business and investment opportunities, and was in the interests of the Company and its shareholders.

Details of the Framework Agreement were set out in the announcement of the Company dated 13 February 2020.

### 策略投資框架協議

於二零二零年二月十三日，本公司與沙先生之間接非全資公司軟銀綠色投資基金有限公司(「軟銀綠色」)訂立策略投資框架協議(「框架協議」)。

根據框架協議，軟銀綠色同意與本公司合作並承諾於本公司作出策略投資，以支持本公司按照香港資本市場規例及若干條件發展符合綠色可持續發展要求之新經濟業務。根據不同合作階段，預期軟銀綠色將按照當時市況及資金使用情況，對本公司作出不少於50,000,000美元之策略投資，包括但不限於認購及發行票據、債券、可轉換債券及／或股份配售等債務及股權投資。管理層認為，雙方可利用其各自優勢、資源及專業知識以建立穩定及互惠互利之策略合作關係。訂立框架協議與本公司整體發展策略相符，可讓本公司把握任何潛在業務及投資機遇，並符合本公司及其股東之利益。

框架協議詳情載於本公司日期為二零二零年二月十三日之公告。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### EVENTS AFTER THE REPORTING PERIOD

##### Disposal of 40% equity interests in a subsidiary

On 4 September 2020, Mudanjiang Longtuo New Energy Co., Ltd. (“Mudanjiang New Energy”), an indirect wholly-owned subsidiary of the Company) entered into an equity transfer agreement (the “Equity Transfer Agreement”) with Mr. Lv, an independent third party, to dispose of 40% of the equity interest (the “Disposal”) in Mudanjiang Batter-Day Power Limited (“Mudanjiang BD Power”). Subject to the terms and conditions of the Equity Transfer Agreement, the consideration of the Disposal was RMB70 million, which shall be settled as follows: (i) RMB7 million shall be paid on the date of signing of the Equity Transfer Agreement (the “First Payment”); (ii) RMB18 million shall be paid on or prior to 14 September 2020; (iii) RMB20 million shall be paid on or prior to 31 December 2020; and (iv) the remaining RMB25 million shall be paid on or prior to 4 March 2022 (being eighteen months after the date of signing of the Equity Transfer Agreement) (the “Final Payment”).

The Board had considered, among others, the following factors in relation to the consideration of the Disposal:

- (1) the profitability of Mudanjiang New Energy was on a downward trend, given the continuous high market prices of the raw coal during the past few years;
- (2) the Disposal would allow the Group to generate additional cash inflow and improve its liquidity, which will enhance the Group’s ability to invest in other future potential investment opportunities;
- (3) given that the P/E ratio of the Disposal (calculated by dividing the consideration of the Disposal by the average profit after tax of Mudanjiang New Energy for the three years ended 30 June 2020) was approximately 9.25, which is relatively high when compared to other listed companies in similar industries, the Disposal was made at a premium already; and
- (4) given that for the Year, Mudanjiang New Energy had purchased approximately 100,000 tonnes of raw coal, the total cost savings made as a result of the Change in Business Strategy (as defined below) are estimated to be approximately RMB6,600,000 per year going forward.

#### 報告期後事項

##### 出售一間附屬公司40%股權

於二零二零年九月四日，牡丹江龍拓新能源有限公司(「牡丹江新能源」，本公司間接全資附屬公司)與獨立第三方呂先生訂立股權轉讓協議(「股權轉讓協議」)，以出售牡丹江佳日熱電有限公司(「牡丹江佳日熱電」)40%股權(「出售事項」)。根據股權轉讓協議之條款及條件，出售事項之代價為人民幣70百萬元，按以下方式結付：(i)人民幣7百萬元將於簽訂股權轉讓協議日期支付(「首筆付款」)；(ii)人民幣18百萬元將於二零二零年九月十四日或之前支付；(iii)人民幣20百萬元將於二零二零年十二月三十一日或之前支付；及(iv)餘下人民幣25百萬元將於二零二二年三月四日(即簽訂股權轉讓協議日期後十八個月)或之前支付(「最終付款」)。

董事會已就出售事項的代價考慮以下因素：

- (1) 鑑於過去數年原煤市場價格持續高企，牡丹江新能源的盈利能力呈下降趨勢；
- (2) 出售事項可讓本集團獲得額外現金流入及改善流動資金，從而提升本集團投資於其他未來潛在投資機會的能力；
- (3) 鑑於出售事項的市盈率(以出售事項的代價除以牡丹江新能源截至二零二零年六月三十日止三個年度的平均除稅後溢利計算)約為9.25，與其他同類行業的上市公司相比相對較高，出售事項已屬溢價；及
- (4) 鑑於本年度牡丹江新能源已購買約100,000噸原煤，日後因業務策略變更(定義見下文)而節省的總成本估計為每年約人民幣6,600,000元。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Disposal of 40% equity interests in a subsidiary (Continued)

Despite that the estimated total cost savings based on figures from the Year will not outweigh the net loss on the Disposal (being approximately HK\$38,000,000), in view of the fact that, (i) the total cost savings will increase the profitability of the heat and electricity supply business in the long run; (ii) Mr. Lv will contribute to the operations of Mudanjiang New Energy; and (iii) it has been very difficult raising additional funds under the current economic situation, the Directors therefore considered the basis of consideration and the consideration of RMB70 million in relation to the Disposal to be fair and reasonable.

Pursuant to the Equity Transfer Agreement, the parties have agreed that during the period between the First Payment and the Final Payment, Mr. Lv may divide the transfer of the 40% of the equity interest in Mudanjiang Power into a maximum of three transactions (each a "Transaction", and collectively, the "Transactions"), with the percentage of equity interest to be transferred for each Transaction to be further agreed between the parties. The completion date of each Transaction shall take place on which the relevant business registration filing requirements are completed, and the Disposal shall take place when the Transactions have been completed. Upon completion of the Disposal, the Group will hold, indirectly through Mudanjiang New Energy, 60% of the equity interest in Mudanjiang BD Power and Mudanjiang BD Power will remain as a subsidiary of the Company. As at the date of this report, the Disposal had not been completed yet and the company had received RMB25 million from the Purchaser.

The heat and electricity supply business, in which Mudanjiang BD Power is the operating subsidiary, is one of the core businesses of the Group. As at the date of this report, it is the Board's intention that the heat and electricity supply business will continue to remain as one of the core businesses of the Group and the Board has no intention to further dispose the Group's remaining interest in Mudanjiang BD Power.

### 報告期後事項(續)

#### 出售一間附屬公司40%股權(續)

儘管按本年度的數字計算，估計可節省的總成本不會超過出售事項的淨虧損（約38,000,000港元），但鑑於(i)長遠而言，可節省的總成本將增加供熱及供電業務的盈利能力；(ii)呂先生將為牡丹江新能源的營運作出貢獻；及(iii)在目前的經濟環境下，籌集額外資金非常困難，因此，董事認為有關出售事項的代價基準及人民幣70百萬元的代價屬公平合理。

根據股權轉讓協議，訂約方已同意，於首筆付款至最終付款期間，呂先生可將轉讓牡丹江熱電40%股權分為最多三項交易（各為一項「交易」，統稱「該等交易」），各項交易將予轉讓的股權百分比有待訂約方進一步協定。各項交易將於相關商業登記要求達成當日完成，而出售事項則於該等交易完成時發生。出售事項完成後，本集團將透過牡丹江新能源間接持有牡丹江佳日熱電60%股權及牡丹江佳日熱電將繼續為本公司之附屬公司。於本報告日期，出售事項尚未完成，而本公司已從買方收到人民幣25百萬元。

供熱及供電業務（其營運附屬公司為牡丹江佳日熱電）為本集團的核心業務之一。截至本報告日期，董事會擬繼續將供熱及供電業務維持為本集團的核心業務之一，且董事會無意進一步出售本集團於牡丹江佳日熱電的餘下權益。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Disposal of 40% equity interests in a subsidiary (Continued)

The Group plans to increase the profitability of the heat and electricity supply business by purchasing raw coal during the summer season, which will be at a lower cost, instead of during the peak season of the heat supplying period (i.e. from October to February), which has been the Group's usual practice (the "Change in Business Strategy"). Nonetheless, in order to do so, the Group had to increase its current general working capital, which will be provided through the Disposal. In light of this, the Disposal would allow the Group to realise part of its investment in Mudanjiang BD Power and the increase in profitability of Mudanjiang BD Power as a result of the decrease in coal costs and the increase in the Group's general working capital would thereby enhance the Group's ability to invest in other future potential investment opportunities.

As at the date of this report, although the Group has not identified any suitable potential investment opportunities, the Group will continue to seek for appropriate business opportunities in order to broaden the sources of revenue of the Group. In addition, the Company is of the view that the arrangement pursuant to the Equity Transfer Agreement is fair and reasonable and in the interests of the Company and its shareholders as a whole because, among others, (i) the injection of liquidity into the general working capital of Mudanjiang BD Power indirectly allows the Group to purchase raw coal during the low season instead of the peak season; (ii) the injection of liquidity into Mudanjiang BD Power through equity transfer via a shareholder's loan extended to Mudanjiang BD Power, to which Mudanjiang BD Power is obligated to repay the loan (being the amount of general working capital extended to Mudanjiang BD Power) to the Group irrespective of the future profitability of Mudanjiang BD Power, as opposed to the subscription for new equity by Mr. Lv, to which the subscription proceeds will remain with Mudanjiang BD Power, protects the interests of the Company and its shareholders; and (iii) the appointment of Mr. Lv as a director of Mudanjiang BD Power is beneficial to the operations of Mudanjiang BD Power because Mr. Lv is well-connected in Mudanjiang and will therefore assist in the expansion and profitability of the operations of Mudanjiang BD Power in Mudanjiang.

Details of the Disposal were disclosed in the announcements of the Company dated 4 September 2020 and 19 October 2020, respectively.

### 報告期後事項(續)

#### 出售一間附屬公司40%股權(續)

本集團計劃在夏季以較低的成本採購原煤，而非在供熱旺季(即十月至二月)採購原煤，從而提高供熱及供電業務的盈利能力，此乃本集團的慣常做法(「業務策略變更」)。然而，本集團須為此增加其現有一般營運資金，該等資金將透過出售事項提供。有見及此，出售事項將令本集團能變現對牡丹江佳日熱電的部分投資，及由於煤炭成本下降及本集團的一般營運資金增加，牡丹江佳日熱電盈利能力將因此提高，從而加強本集團投資於其他未來潛在投資機會的能力。

於本報告日期，儘管本集團並無識別出任何合適的潛在投資機會，本集團將繼續物色合適的商機，以擴大本集團的收入來源。此外，本公司認為，根據股權轉讓協議作出的安排屬公平合理，符合本公司及其股東的整體利益，因為(其中包括)(i)向牡丹江佳日熱電的一般營運資金注入流動資金，間接使本集團可於淡季而非旺季採購原煤；(ii)透過向牡丹江佳日熱電提供股東貸款進行股權轉讓向牡丹江佳日熱電注入流動資金，可保障本公司及其股東的利益，因為不論牡丹江佳日熱電未來的盈利能力如何，牡丹江佳日熱電均有責任向本集團償還貸款(即向牡丹江佳日熱電提供的一般營運資金金額)，相反，倘由呂先生認購新股本，認購所得款項將仍屬牡丹江佳日熱電；及(iii)委任呂先生為牡丹江佳日熱電董事對牡丹江佳日熱電的營運有利，因為呂先生在牡丹江擁有良好的人脈，故將為牡丹江佳日熱電在牡丹江的業務擴展及盈利能力提供助力。

出售事項的詳情於本公司日期為二零二零年九月四日及二零二零年十月十九日之公告內披露。





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### EVENTS AFTER THE REPORTING PERIOD

(Continued)

#### Memorandum of understanding in relation to possible issue of convertible bonds

On 3 August 2020, the Company and a strategic partner (the “Strategic Partner”) entered into a memorandum of understanding (the “Convertible Bonds MOU”), pursuant to which the Strategic Partner had expressed its intention to subscribe for convertible bonds to be issued by the Company at an initial conversion price of HK\$0.52 per conversion share and the number of conversion shares shall not exceed 260,000,000 (the “Convertible Bonds MOU Subscription”). The parties to the Convertible Bonds MOU shall endeavour to negotiate, finalise and enter into a formal subscription agreement in relation to the Convertible Bonds MOU Subscription within sixty (60) days from the date of the Convertible Bonds MOU. As at the date of this report, no formal subscription agreement has been entered into yet.

Details of the Convertible Bonds MOU were disclosed in the announcement of the Company dated 3 August 2020.

#### Disposal of Shares by the Single Largest Shareholder in August 2020

The Company was informed by Mr. Chan, the single largest shareholder of the Company, and Mr. Shie, Thomas (“Mr. Shie”), that on 19 August 2020, Mr. Chan and Mr. Shie entered into an unconditional sale and purchase agreement (the “August 2020 SPA”), pursuant to which Mr. Chan agreed to sell and Mr. Shie agreed to purchase 382,000,000 Shares, representing approximately 28.28% of the total issued Shares as at the date of the announcement of the Company dated 19 August 2020 (the “2020 Shareholder Disposal Announcement”), at a price of HK\$0.72 per Share (the “2020 Shareholder Disposal”). Pursuant to the August 2020 SPA, completion of the 2020 Shareholder Disposal would take place within 90 days of the date of the August 2020 SPA. As at the date of this report, the 2020 Shareholder Disposal had not been completed yet.

Details of the 2020 Shareholder Disposal were disclosed in the 2020 Shareholder Disposal Announcement.

### 報告期後事項(續)

#### 有關可能發行可換股債券的諒解備忘錄

於二零二零年八月三日，本公司與戰略夥伴(「戰略夥伴」)訂立諒解備忘錄(「可換股債券諒解備忘錄」)，據此戰略夥伴已表示有意認購本公司將予發行的可換股債券，初步換股價為每股換股股份0.52港元，而換股股份的數目不得超過260,000,000股(「可換股債券諒解備忘錄認購事項」)。可換股債券諒解備忘錄的訂約方將致力於可換股債券諒解備忘錄日期起計六十(60)日內，就可換股債券諒解備忘錄認購事項磋商、敲定及訂立正式認購協議。於本報告日期，尚未訂立正式認購協議。

可換股債券諒解備忘錄的詳情於本公司日期為二零二零年八月三日的公告內披露。

#### 於二零二零年八月單一最大股東出售股份

本公司獲本公司單一最大股東陳先生及余啟光先生(「余先生」)知會，陳先生與余先生於二零二零年八月十九日訂立無條件買賣協議(「二零二零年八月買賣協議」)，據此陳先生同意出售及余先生同意按每股股份0.72港元的價格購買382,000,000股股份(相當於本公司日期為二零二零年八月十九日之公告(「二零二零年股東出售公告」)當日全部已發行股份的約28.28%)(「二零二零年股東出售事項」)。根據二零二零年八月買賣協議，二零二零年股東出售事項將於二零二零年八月買賣協議日期起計90日內完成。於本報告日期，二零二零年股東出售事項尚未完成。

有關二零二零年股東出售事項的詳情於二零二零年股東出售公告披露。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Issue of Convertible Bonds under General Mandate

On 28 October 2020, the Company entered into conditional subscription agreements (the “Subscription Agreements”) with six individual and corporate subscribers, each of them being an third party independent of, an not connected with or acting in concert with the Directors, chief executives or substantial shareholders of the Company, any of its subsidiaries or their respective associates, and is independent with each other (the “Subscribers”), on principally the same terms with each of the Subscribers, respectively (the “Subscription”).

Pursuant to the Subscription Agreements, the Subscribers shall subscribe for the zero-coupon convertible bond in the principal amount of HK\$100,000,000 at the initial conversion price of HK\$0.40 (the “Conversion Price”), due on the third anniversary of the date of issue. Assuming all the conversion rights attaching to the Convertible Bonds are exercised by the Subscribers in full, a maximum of 250,000,000 conversion shares (the “Conversion Shares”) would be allotted and issued, representing approximately 18.02% of the issued Shares as at the date of the Company’s announcement dated 28 October 2020 (the “CB Announcement”) and approximately 15.27% of the issued Shares as enlarged by the allotment and issue of the Conversion Shares upon full exercise of the conversion rights under the Convertible Bonds pursuant to the Subscription Agreements.

The Directors considered that the issue of the Convertible Bonds provided an opportunity for the Company to enhance its working capital and financial position, and was an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing shareholders. The gross proceeds and net proceeds from the issue of the Convertible Bonds amounted to HK\$100,000,000 and approximately HK\$97,360,000, resulting in the net price of approximately HK\$0.39 for each Conversion Share. It was intended that such proceeds would be used for (i) settlement of debts; (ii) financing future investment or new business development as and when opportunities arise; and (iii) general working capital to strengthen the financial position of the Group. The Subscription was conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Conversion Shares.

As at the date of this annual report, since the Subscription has not been completed, although the net proceeds have been received, no proceeds have been utilised yet.

Details of the Subscription were disclosed in the CB Announcement.

### 報告期後事項(續)

#### 根據一般授權發行可換股債券

於二零二零年十月二十八日，本公司與六名個人及公司認購方(各自均為獨立於本公司或其任何附屬公司之董事、主要行政人員或主要股東或彼等各自之聯繫人士及與彼等概無關連或一致行動且互相獨立之第三方)(「認購方」)訂立有條件認購協議(「認購協議」)，而與各認購方分別訂立的認購協議之條款大致相同(「認購事項」)。

根據認購協議，認購方將按初始換股價0.40港元(「換股價」)，認購本金額為100,000,000港元並於發行日期第三週年當日到期的零票息可換股債券。假如可換股債券附帶之所有換股權由認購方悉數行使，則最多會配發及發行250,000,000股換股股份(「換股股份」)，佔於本公司日期為二零二零年十月二十八日之公告(「可換股債券公告」)日期的已發行股份約18.02%，以及根據認購協議於悉數行使可換股債券附帶之換股權後配發及發行換股股份而經擴大之已發行股份約15.27%。

董事認為，發行可換股債券為本公司帶來增加營運資金及提升財務狀況之良機，亦為本公司籌集額外資金之合適方法，因為此舉不會對現有股東之股權構成即時攤薄影響。發行可換股債券之所得款項總額及所得款項淨額為100,000,000港元及約97,360,000港元，因此每股換股股份的淨價約為0.39港元。所得款項擬用作(i)償還債務；(ii)於機會來臨時撥資未來投資或新業務發展；及(iii)加強本集團財務狀況之一般營運資金。認購事項須待(其中包括)聯交所上市委員會批准換股股份上市及買賣後，方可作實。

於本年報日期，由於認購事項尚未完成，故即使已收取所得款項淨額，概無所得款項已獲動用。

認購事項的詳情於可換股債券公告中披露。





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### CONTINGENT LIABILITIES

As at 30 June 2020, save as disclosed in note 41 of the financial statements, the Group did not have any significant contingent liabilities.

### FOREIGN EXCHANGE EXPOSURE

Although most of the Group's operations were carried out in the PRC in which transactions were denominated in RMB, the Directors consider that the Group has no significant exposure to foreign exchange fluctuations, despite of the devaluation of RMB during the Year. The Directors also consider that there will be sufficient cash resources denominated in Hong Kong dollars for the repayment of borrowings and future dividends. During the Year, the Group did not use any financial instrument for hedging purposes and the Group did not have any hedging instrument as at 30 June 2020.

In face of currency market instability, the Group will make use of hedging instruments to mitigate the exchange rate risk as and when appropriate.

### NUMBER AND REMUNERATION POLICIES

As at 30 June 2020, the Group had 596 full time employees in the PRC and Hong Kong. The Group recognises the importance of human resources to its success. Remuneration is maintained at competitive levels with discretionary bonuses payable on a merit basis and in line with industry practice. Other staff benefits provided by the Group include mandatory provident fund, insurance schemes and performance-related commissions.

The Company also operated a share option scheme (the "Scheme") for the purpose of providing incentives or rewards to eligible participants for their contribution to the Group. Details of the Scheme are set out in the section headed "Share capital and share options" of this annual report.

### 或然負債

於二零二零年六月三十日，除於財務報表附註41所披露者外，本集團並無任何重大或然負債。

### 外匯風險

儘管本集團大部分業務在中國進行，其交易以人民幣結算，董事認為，儘管本年度人民幣貶值，本集團並無重大外匯波動風險。董事亦認為本集團具備充足港元現金資源以償還借款及用作日後支付股息。本集團於本年度並無動用任何金融工具作對沖用途，而本集團於二零二零年六月三十日亦無任何對沖工具。

由於貨幣市場不穩定，本集團將適時利用對沖工具以盡量減低匯率變動風險。

### 僱員數目及薪酬政策

於二零二零年六月三十日，本集團於中國及香港之全職僱員人數為596人。本集團認為人力資源為其營商成功之關鍵。薪酬維持在具競爭力水平，酌情花紅按考績基準支付，與行內慣例一致。本集團亦提供其他員工福利，包括強制性公積金、保險計劃及與表現掛鈎佣金。

本公司亦推行購股權計劃(「計劃」)，以就合資格參與人士對本集團的貢獻向其提供激勵或獎勵。計劃詳情載於本年報「股本及購股權」一節。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

This report describes the Group's corporate governance practices applied throughout the year ended 30 June 2020 (the "Year").

The Group is committed to achieving high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability.

The Company has, throughout the Year, complied with the Corporate Governance Code and Corporate Governance Report (the "Code"), except for a certain deviation which is summarised below:

### DISTINCTIVE ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

#### Code provision A.2.1

Paragraph A.2.1 of the Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Throughout the Year, the roles of Chairman and Chief Executive Officer were performed by the same individual, Ms. Chan Yuk Foebe, and were not separated. The board (the "Board") of directors (the "Directors") meets regularly to consider issues related to corporate matters affecting operations of the Group and considers that this deviation will not impair the balance of power and authority of the Board and the Company's management and thus, the Board believes the current structure will enable effective planning and implementation of corporate strategies and decisions of the Group. Notwithstanding the above, the Board will review the current structure from time to time and shall make necessary amendments at the appropriate time.

### THE BOARD OF DIRECTORS

#### Composition and practices

The Board is responsible for overseeing the Group's strategic planning and development, and for determining the objectives, strategic and policies of the Group while delegating day-to-day operations of the Group to the management. Besides, each member of the Board is expected to make a full and active contribution to the Board's affairs and ensure that the Board acts in the best interests of the Company and its shareholders as a whole. The Board regularly reviews the contribution required from a director to perform his or her responsibilities to the Company, and whether he or she is spending sufficient time performing them.

本報告概述本集團截至二零二零年六月三十日止年度(「本年度」)應用之企業管治慣例。

本集團致力達致高水平企業管治，以保障股東權益及提升企業價值與問責性。

本公司於本年度已遵守企業管治守則及企業管治報告(「守則」)，惟下文概述之若干偏差除外：

### 主席及行政總裁角色之區分

#### 守則條文第A.2.1條

守則第A.2.1段要求主席及行政總裁角色須分開，不可由相同人士擔任。主席與行政總裁之間職責分工應清楚界定並以書面列載。

於本年度，主席及行政總裁角色由同一人(即陳昱女士)擔任，並無分開。董事(「董事」)會(「董事會」)定期舉行會議以審議有關影響本集團營運之公司事務議題，並認為此偏離無損董事會及本公司管理層權力及授權之平衡，因此董事會相信現行架構將可令到本集團之公司策略及決定獲得有效規劃及執行。儘管上文所述，董事會將不時檢討現行架構，並在適當時候作出必需修改。

### 董事會

#### 成員及慣例

董事會負責監管本集團策略規劃及發展，釐定本集團目標、策略及政策，同時委派管理層負責本集團日常營運。此外，董事會各成員預期對董事會事務作出全面和積極貢獻，確保董事會以本公司及其股東整體最佳利益行事。董事會定期審閱要求董事執行其對本公司責任之貢獻，以及彼等是否投入足夠時間履行該等責任。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### THE BOARD OF DIRECTORS (Continued)

#### Composition and practices (Continued)

As at the date of this report, the Board comprised eight members, namely, Ms. Chan Yuk Foebe as the chairman of the Board (the “Chairman”) and the Chief Executive Officer, Mr. Gao Ran, Mr. Law Tze Ping Eric, Mr. Yu Defa and Mr. Chen Lei as executive Directors and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit as independent non-executive Directors. Details of their respective experience and qualification are set out in the “Biographical Details of Directors and Senior Management” section of this annual report. An updated list of Directors and their respective roles and functions has been maintained on the websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company.

The Board has maintained a balance of skills and experience appropriate for the requirements of the businesses of the Group. Its composition represents a mixture of management, accounting and finance, marketing, manufacturing and procurement with comprehensive experience in and exposure to diversified businesses. It is the opinion of the Directors that the Board has the necessary skills and experience appropriate for discharging their duties as Directors in the best interests of the Company.

Besides, to the best knowledge of the Company, there is no material/relevant relationship, whether financial, operational, business, family, etc, among members of the Board.

The Company had received confirmation from the independent non-executive Directors that they complied with the guidelines on independence set out under Rule 3.13 of the Listing Rules and had not violated any provision thereunder throughout the Year. Amongst them, Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit have the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10(2) of the Listing Rules.

Appropriate liability insurance for Directors has been arranged for indemnifying their liabilities arising out of corporate activities. This insurance coverage is reviewed on an annual basis.

### 董事會(續)

#### 成員及慣例(續)

於本報告日期，董事會由八名成員組成，即董事會主席(「主席」)兼行政總裁陳昱女士、執行董事高冉先生、羅子平先生、于德發先生及陳蕾先生，以及獨立非執行董事馬榮欣先生、譚政豪先生及侯志傑先生。彼等各自之經驗及資格詳情載於本年報「董事及高級管理人員簡介」一節。香港聯合交易所有限公司(「聯交所」)及本公司網站上載有董事及彼等各自之角色及職能之最新詳情。

董事會成員具備多元化技能及經驗，符合本集團業務需求，成員包括擁有管理、會計及財務、市場推廣、生產及採購專業知識以及於各行各業富經驗之專業人才。董事認為，董事會具備適當技能及經驗履行董事職務，符合本公司最佳利益。

此外，據本公司所深知，董事會成員間並無重大／相關財務、營運、業務及家族等關係。

本公司收到獨立非執行董事發出彼等均遵守上市規則第3.13條所載獨立指引之確認，本年度內並無違反當中任何條文。全體獨立非執行董事之中，馬榮欣先生、譚政豪先生及侯志傑先生具備上市規則第3.10(2)條規定之適當專業資格、會計及相關財務管理知識。

本公司已為董事安排適當之責任保險，就企業活動導致彼等須承擔之責任給予彌償，保障範圍會每年作出審閱。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### THE BOARD OF DIRECTORS (Continued)

#### Training and support for directors

Directors must keep abreast of their collective responsibilities. Each newly-appointed Director would receive an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. To comply with code provision A.6.5 of the Code, all Directors during the Year, namely Ms. Chan Yuk Foebe, Mr. Law Tze Ping Eric, Mr. Yu Defa, Mr. Chen Lei, Mr. Lin Bitian, Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit have participated in the Group briefings and other training provided by the Group to develop and refresh their knowledge and skills. The Group continuously updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. Circulars or guidance notes were issued to Directors and senior management, where appropriate, to ensure awareness of best corporate governance practices.

During the Year, the Directors also read various literature on directors' obligations and responsibilities. A record of the training received from each of the Directors are kept and updated by the company secretary of the Company (the "Company Secretary").

### 董事會(續)

#### 董事之培訓及支援

全體董事必須清楚彼等之整體責任。任何獲委任之新董事將獲提供有關本集團業務及上市公司董事法定及監管責任之入職手冊。為遵守守則的守則條文第A.6.5條，本年度全體董事(即陳昱女士、羅子平先生、于德發先生、陳蕾先生、林必田先生、馬榮欣先生、譚政豪先生及侯志傑先生)均已參加本集團提供之簡介及其他培訓，讓董事發展及了解最新之知識及技能。本集團持續提供有關上市規則及其他適用監管規定之最新信息予董事，確保董事遵守該等規則及提高彼等對良好企業管治常規之認識，並向董事及高級管理層(倘合適)發出通函或指引，以確保了解最佳企業管治常規。

於本年度，董事亦閱讀多份有關董事義務及責任之資料。向各董事收取之培訓記錄由本公司之公司秘書(「公司秘書」)保存及更新。



CORPORATE GOVERNANCE REPORT (CONTINUED)  
企業管治報告(續)

**THE BOARD OF DIRECTORS (Continued)**

**The Board meeting – full directors' board meeting**

The Board meets regularly at least four times a year at quarterly intervals and holds additional meetings as and when the Board thinks appropriate.

During the Year, 4 Board meetings were held for discussion of the Company's matters. The attendance of each Director, on a named basis and by category, at the Board meetings during the Year is set out below:

**董事會(續)**

**董事會會議 – 全體董事會會議**

董事會定期舉行每年最少四次之季度會議，並會在董事會認為合適時召開額外會議。

於本年度曾就討論本公司事宜舉行四次董事會會議。本年度內，按姓名及類別所劃分每名董事出席董事會會議之次數載列如下：

Directors	董事	Number of meetings attended/Number of Board meetings held 出席會議次數/ 董事會會議舉行次數
<i>Executive directors</i>		
Ms. Chan Yuk Foebe	陳昱女士	4/4
Mr. Gao Ran (Note (i))	高冉先生(附註(i))	0/0
Mr. Law Tze Ping Eric	羅子平先生	4/4
Mr. Yu Defa	于德發先生	0/4
Mr. Chen Lei	陳蕾先生	2/4
Mr. Lin Bitian (Note (ii))	林必田先生(附註(ii))	0/0
<i>Independent non-executive directors</i>		
Mr. Ma Wing Yun Bryan	馬榮欣先生	4/4
Mr. Tam Ching Ho	譚政豪先生	3/4
Mr. Hau Chi Kit	侯志傑先生	3/4

Notes:

- (i) Mr. Gao Ran was appointed as an executive Director on 23 July 2020.
- (ii) Mr. Lin Bitian was appointed as an executive Director on 12 March 2020, and had then resigned on 23 July 2020.

附註：

- (i) 高冉先生於二零二零年七月二十三日獲委任為執行董事。
- (ii) 林必田先生於二零二零年三月十二日獲委任為執行董事，其後於二零二零年七月二十三日辭任。



CORPORATE GOVERNANCE REPORT (CONTINUED)  
企業管治報告(續)

**THE BOARD OF DIRECTORS (Continued)**

**The Board meeting – executive Directors’ board meeting**

In addition, during the Year, 16 executive Directors’ board meetings were held to deal with the compliance of legal and administrative procedures, including internal corporate re-structuring and company secretarial matters.

To handle the above-mentioned matters, at least two executive Directors were required to form a quorum.

The attendance of each Director, on a named basis and by category, at the executive Directors’ Board meeting during the Year is set out below:

**董事會(續)**

**董事會會議－執行委員會會議**

此外，於本年度曾就處理有關遵守法定及行政程序事宜舉行16次執行委員會會議，包括內部企業重組及公司秘書事宜。

為處理上述事宜，董事會會議之法定人數為最少兩名執行董事。

本年度內，按姓名及類別所劃分每名董事出席執行委員會會議之次數載列如下：

Directors	董事	Number of meetings attended/Number of executive Directors’ board meetings held 出席會議次數/ 執行委員會 會議舉行次數
<i>Executive Directors</i>		
Ms. Chan Yuk Foebe	陳昱女士	16/16
Mr. Gao Ran (Note (i))	高冉先生(附註(i))	0/0
Mr. Law Tze Ping Eric	羅子平先生	16/16
Mr. Yu Defa	于德發先生	0/16
Mr. Chen Lei	陳蕾先生	5/16
Mr. Lin Bitian (Note (ii))	林必田先生(附註(ii))	0/6
<i>Independent non-executive Directors</i>		
Mr. Ma Wing Yun Bryan	馬榮欣先生	N/A 不適用
Mr. Tam Ching Ho	譚政豪先生	N/A 不適用
Mr. Hau Chi Kit	侯志傑先生	N/A 不適用

Notes:

- (i) Mr. Gao Ran was appointed as an executive Director on 23 July 2020.
- (ii) Mr. Lin Bitian was appointed as an executive Director on 12 March 2020, and had then resigned on 23 July 2020.

附註：

- (i) 高冉先生於二零二零年七月二十三日獲委任為執行董事。
- (ii) 林必田先生於二零二零年三月十二日獲委任為執行董事，其後於二零二零年七月二十三日辭任。

CORPORATE GOVERNANCE REPORT (CONTINUED)  
企業管治報告(續)

**THE BOARD OF DIRECTORS (Continued)**

**The Board meeting – committee meeting**

During the Year, 6 Board committee meetings were held. The attendance of each Director, on a named basis and by category, at Board committee meetings during the Year is set out below:

**董事會(續)**

**董事會會議 – 委員會會議**

於本年度曾舉行六次董事委員會會議。本年度內，按姓名及類別所劃分每名董事出席董事委員會會議之次數載列如下：

Directors	董事	Number of meetings attended/ Number of meetings held 出席會議次數/會議舉行次數		
		Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會
<i>Executive Directors</i>				
Ms. Chan Yuk Foebe	陳昱女士	N/A 不適用	N/A 不適用	2/2
Mr. Gao Ran (Note (i))	高冉先生(附註(i))	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Law Tze Ping Eric	羅子平先生	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Yu Defa	于德發先生	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Chen Lei	陳蕾先生	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Lin Bitian (Note (ii))	林必田先生(附註(ii))	N/A 不適用	N/A 不適用	N/A 不適用
<i>Independent non-executive Directors</i>				
Mr. Ma Wing Yun Bryan	馬榮欣先生	2/2	2/2	2/2
Mr. Tam Ching Ho	譚政豪先生	2/2	2/2	2/2
Mr. Hau Chi Kit	侯志傑先生	2/2	2/2	2/2

Notes:

- (i) Mr. Gao Ran was appointed as an executive Director on 23 July 2020.
- (ii) Mr. Lin Bitian was appointed as an executive Director on 12 March 2020, and had then resigned on 23 July 2020.

附註：

- (i) 高冉先生於二零二零年七月二十三日獲委任為執行董事。
- (ii) 林必田先生於二零二零年三月十二日獲委任為執行董事，其後於二零二零年七月二十三日辭任。

Pursuant to the Company's Bye-laws, meetings or extraordinary meetings of the Board may be convened by means of telephone or similar telecommunication facilities. Regular meetings of the Board were held during the Year. Extra meetings were also held to cater for important matters arising from time to time. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given. Board papers together with all appropriate, complete and reliable information are sent to all Directors/committee members at least three days before each meeting to keep the Directors apprised of the latest developments and financial position of the Company to enable them to make informed decisions.

根據本公司之公司細則，董事會會議或特別大會可透過電話或類似電訊設備召開。本年度內曾舉行多次董事會例會。另舉行多次額外會議，處理不時發生之重要事務。董事會例會通告於會議舉行前最少14日送交全體董事。一般會就其他董事會及委員會會議發出合理通知。董事會文件連同一切適當、完備及可靠資料於每次會議舉行前最少三日送交全體董事/委員會成員，以向董事提供本公司最新動向及財務狀況，讓彼等作出知情決定。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### THE BOARD OF DIRECTORS (Continued)

#### The Board meeting – committee meeting (Continued)

Minutes of Board/committee meetings would be kept by the Company Secretary and shall be open for inspection by Directors. Where Directors have a material or conflict of interests in any transaction discussed in the Board/committee meetings, such a transaction will not be dealt with by way of written resolutions unless clear declaration of interest is made by the relevant Directors. The Directors concerned could express their views on the matter but would not be counted as part of the quorum and shall abstain from voting on the relevant resolutions.

In addition, to facilitate the decision-making process, the Directors have free access to the management for enquiries and to obtain further information, when required. The Directors can also seek independent professional advice, in appropriate circumstances, at the Company's expense in discharging their duties to the Company. All Directors have unrestricted access to the Company Secretary who is responsible for ensuring that the Board/committee procedures are complied with and for advising the Board/committee on compliance matters.

Non-executive Directors, including independent non-executive Directors, should attend Board, committee and general meetings and contribute to the Company's strategy and policies.

#### Appointment and re-election of directors

The Company has established formal, considered and transparent procedures for the appointment and succession plan of directors.

All independent non-executive Directors are appointed for a specific term. The term of office for Mr. Ma Wing Yun Bryan is two years with effect from 1 April 2019. The term of office for Mr. Tam Ching Ho is two years with effect from 7 December 2019. The term of office for Mr. Hau Chi Kit is two years with effect from 18 December 2019.

In accordance with the Company's Bye-laws, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed to fill a casual vacancy or as an addition to the Board shall submit himself/herself for re-election by shareholders at the first general meeting after appointment.

The Board as a whole, with the nomination committee (the "Nomination Committee"), is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession plan of directors and assessing the independence of independent non-executive Directors.

### 董事會(續)

#### 董事會會議－委員會會議(續)

董事會／委員會會議記錄由公司秘書存置，可供董事查閱。倘董事於董事會／委員會會議討論之任何交易存有重大權益或利益衝突，除非有關董事就權益作出嚴正聲明，否則該項交易將不會以書面決議案方式處理。所涉及董事可就有關事宜發表意見，惟不得計入法定人數，且須就有關決議案放棄表決。

此外，為方便決策，董事於有需要時可自行向管理層查詢及取得進一步資料。董事亦可於適當情況下就履行本公司職責徵求獨立專業意見，費用由本公司承擔。全體董事可不受限制聯絡公司秘書。公司秘書負責確保董事會／委員會程序得到遵循，並就規章事宜向董事會／委員會提供意見。

非執行董事，包括獨立非執行董事應出席董事會、委員會及股東大會，為本公司之策略及政策作出貢獻。

#### 委任及重選董事

本公司已就委任及續聘董事制訂經周詳考慮兼具透明度之正式程序。

全體獨立非執行董事均按特定任期委任。馬榮欣先生之任期由二零一九年四月一日起為期兩年。譚政豪先生之任期由二零一九年十二月七日起為期兩年。侯志傑先生之任期由二零一九年十二月十八日起為期兩年。

根據本公司之公司細則，全體董事須最少每三年輪值告退一次，任何填補臨時空缺或作為董事會新增成員之新任董事，須於獲委任後之首次股東大會經股東重選。

全體董事會連同提名委員會(「提名委員會」)負責檢討董事會架構，並發展及制定有關提名及委任董事之程序、監察委任董事及董事繼任之計劃以及評估獨立非執行董事之獨立身份。





## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Board confirmed that all the Directors had complied with the required standard of dealings set out in the Model Code throughout the Year. No incidents of non-compliance of such guidelines was noted by the Company during the Year.

### BOARD COMMITTEES

The Board has established three Board committees, namely the remuneration committee (the "Remuneration Committee"), the audit committee (the "Audit Committee") and the Nomination Committee for overseeing particular aspects of affairs of the Company. These committees have been established with defined written terms of reference, as approved by the Board, which set out the committee's major duties.

The Board committees are provided with sufficient resources to discharge their duties and upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the expense of the Company.

#### Audit committee

The Company set up the Audit Committee on 8 April 2001, with written terms of reference, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal control systems. In accordance with the requirements of the Code, the terms of reference of the Audit Committee were revised on 21 October 2006, 21 March 2012 and 31 December 2018, respectively, in terms substantially the same as the code provisions set out in the Code.

As at 30 June 2020, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Ma Wing Yun Bryan (chairman), Mr. Tam Ching Ho and Mr. Hau Chi Kit, all of whom are not involved in the day-to-day management of the Company.

### 董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其本身董事進行證券交易之操守守則。經向全體董事作出具體查詢後，董事會確認，全體董事於本年度一直遵守標準守則所載買賣規定標準。本公司於本年度內並未發現任何違反有關指引的情況。

### 董事委員會

董事會已成立薪酬委員會(「薪酬委員會」)、審核委員會(「審核委員會」)及提名委員會三個董事委員會，以監管本公司特定範疇事務。該等委員會具備經董事會批准之清晰書面職權範圍，當中載列委員會主要職務。

董事委員會獲提供充足資源履行職務，可於適當情況下合理要求徵詢獨立專業意見，費用由本公司承擔。

#### 審核委員會

本公司於二零零一年四月八日成立審核委員會，並制定書面職權範圍，旨在審閱及監管本集團之財務申報程序及內部監控制度。根據守則規定，審核委員會之書面職權範圍已分別於二零零六年十月二十一日、二零一二年三月二十一日及二零一八年十二月三十一日修訂，其條款大致上與守則所載守則條文相同。

於二零二零年六月三十日，審核委員會現由三名並無參與本公司日常管理之獨立非執行董事馬榮欣先生(主席)、譚政豪先生及侯志傑先生組成。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD COMMITTEES (Continued)

#### Audit committee (Continued)

The primary duties of the Audit Committee are to review and supervise the Company's financial reporting process. The Audit Committee is also responsible for reviewing the auditor's appointment, the auditor's remuneration and any matters relating to the termination of, the appointment of and the resignation of the auditor. In addition, the Audit Committee also examines the effectiveness of the Company's internal controls and risk management, which involve regular reviews of the internal controls of various corporate structure and business processes on a continuous basis, and take into account their respective potential risk and urgency, to ensure the effectiveness of the Company's business operations, risk management system and the realisation of its corporate objectives and strategies. The scope of such examinations and reviews include finance, operations, regulatory compliance and risk management. Each member of the Audit Committee has unrestricted access to the external auditor and all senior management of the Group in order to discharge its responsibilities. Save as disclosed above, during the Year, the Audit Committee reviewed the audited financial statements of the Company for the Year and the unaudited financial statements of the Company for the six months ended 31 December 2019. It also reviewed the system of internal control and risk management of the Company.

During the Year, the Audit Committee met twice with the external auditor. Please refer to the table set out in the section "The Board Meeting – Committee Meeting" of this report for the attendance record of individual Audit Committee members. The Audit Committee met with the external auditors and management to discuss and review, among others, (i) the scope of work, timetable and auditors' fee; (ii) the auditors' disclaimer of opinion set out in the financial statements for the Year; (iii) interim results for the six months ended 31 December 2019; (iv) the adequacy and quality of accounting and financial reporting staff; and (v) risk management and the internal control systems of the Group. The Audit Committee reviewed and confirmed the external auditors' independence and objectivity and to evaluate the effectiveness of the internal control systems, together with the scope of audit services and fees in connection therewith.

The Audit Committee has recommended to the Board that Elite Partners CPA Limited, be nominated for re-appointment as auditor of the Company at the forthcoming annual general meeting of the Company.

### 董事委員會(續)

#### 審核委員會(續)

審核委員會主要職責為審閱及監督本公司之財務申報程序。審核委員會亦負責檢討核數師委任、核數師薪酬及任何有關終止委聘及委聘核數師以及核數師辭任之事宜。此外，審核委員會亦檢討本公司內部監控及風險管理之成效，當中涉及持續定期檢討各企業架構及業務流程之內部監控，並考慮其各自潛在風險與迫切性，以確保本公司業務運作、風險管理制度之效益及實現其企業目標與策略。該等審閱及檢討範疇包括財務、營運、監管規章及風險管理。審核委員會各成員可不受限制就履行職責聯絡本集團外聘核數師及全體高級管理人員。除上文披露者外，本年度內審核委員會審閱本公司於本年度之經審核財務報表及本公司截至二零一九年十二月三十一日止六個月之未經審核財務報表，亦審閱本公司內部監控及風險管理制度。

本年度內，審核委員會亦與外聘核數師會面兩次。有關個別審核委員會成員之出席記錄，請參閱本報告「董事會會議－委員會會議」一節所載列表。審核委員會與外聘核數師及管理層舉行會議，以討論及檢討(其中包括)(i)工作範疇、時間表及核數師費用；(ii)本年度財務報表所載之核數師不發表意見；(iii)截至二零一九年十二月三十一日止六個月之中期業績；(iv)會計及財務報告人員之充足性和質素；及(v)本集團之風險管理及內部監控制度。審核委員會已審閱並確認外聘核數師之獨立性及客觀性，並評估內部監控制度之有效性，以及審核服務範圍及有關收費。

審核委員會建議董事會於本公司應屆股東週年大會提名開元信德會計師事務所有限公司續任本公司核數師。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD COMMITTEES (Continued)

#### Remuneration committee

The Remuneration Committee was established on 1 July 2005 with its specific written terms of reference revised on 21 March 2012 and 31 December 2018, respectively, in compliance with the code provisions of the Code. As at 30 June 2020, the Remuneration Committee comprises three independent non-executive Directors, namely Mr. Ma Wing Yun Bryan (chairman), Mr. Tam Ching Ho and Mr. Hau Chi Kit.

The Remuneration Committee is responsible for, inter alia, advising the Board on the remuneration policy and structure for all remuneration of the Directors and senior management of the Company, as well as reviewing and either determining with delegated responsibility the remuneration packages of individual executive Directors and senior management or making recommendations to the Board on the remuneration packages of individual executive Directors and senior management in accordance with code provision B.1.2(c)(ii) of the Code; making recommendations to the Board on the remuneration of non-executive Directors, and approving the compensation to executive Directors and senior management for any loss or termination of their office or appointment, and reviewing and approving compensation relating to dismissal or removal of Directors for misconduct. No Director was involved in deciding his/her own remuneration.

#### Remuneration of directors and senior management

Pursuant to code provision B.1.5 of the Code, the remuneration of the members of the senior management by band for the Year is set out below:

Remuneration band (HK\$)	薪酬範圍(港元)	Number of individuals 人數
Nil to 1,000,000	零至1,000,000	4

Further particulars regarding Directors' emoluments and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in note 15 to the financial statements.

The Remuneration Committee meets at least once a year. During the Year, the Remuneration Committee met four times, during which it assessed the performance of the executive Directors. The attendance of each member of the Remuneration Committee, on a named basis and by category, at the committee meetings during the Year is set out in the section "The Board Meeting – Committee Meeting" of this report.

### 董事委員會(續)

#### 薪酬委員會

本公司於二零零五年七月一日成立薪酬委員會，並制定特定書面職權範圍及分別於二零一二年三月二十一日及二零一八年十二月三十一日修訂，以遵守守則之守則條文。於二零二零年六月三十日，薪酬委員會由三名獨立非執行董事馬榮欣先生(主席)、譚政豪先生及侯志傑先生組成。

根據守則之守則條文第B.1.2(c)(ii)條，薪酬委員會負責(其中包括)就薪酬政策及董事與本公司高級管理人員所有薪酬架構向董事會提供意見，並獲授責任審閱及釐定各執行董事及高級管理人員之薪酬組合或向董事會建議各執行董事及高級管理人員之薪酬待遇；對非執行董事的薪酬向董事會作出建議，以及審批執行董事及高級管理人員任何損失或離職或終止委任之補償以及審閱及批准有關罷免或免除行為失當董事之補償。概無董事涉及釐定本身薪酬。

#### 董事及高級管理人員薪酬

根據守則條文第B.1.5條，本年度高級管理人員成員薪酬範圍載列如下：

根據上市規則附錄十六須予披露之有關董事酬金及五名最高薪僱員之詳情載於財務報表附註15。

薪酬委員會最少每年舉行一次會議。於本年度，薪酬委員會曾舉行四次會議，當中彼等評估執行董事之表現。於本年度，按姓名及類別所劃分薪酬委員會各成員出席委員會會議之次數，載於本報告「董事會會議－委員會會議」一節。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD COMMITTEES (Continued)

#### Nomination committee

The Nomination Committee was established on 2 November 2007, with its specific written terms of reference revised on 21 March 2012 and 31 December 2018, respectively, in compliance with the code provisions of the Code. As at 30 June 2020, the Nomination Committee comprised one executive Director, namely Ms. Chan Yuk Foebe (chairman), and three independent non-executive Directors, namely Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit.

The Nomination Committee is responsible for, inter alia, the following:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (c) to assess the independence of independent non-executive Directors;
- (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive officer;
- (e) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (f) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable laws; and
- (g) to ensure the chairman of the Committee, or in the absence of the chairman, another member of the Committee or failing this his duly appointed delegate, be available to answer questions at the annual general meeting of the Company.

The Nomination Committee would review the composition of the Board from time to time where Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of services.

### 董事委員會(續)

#### 提名委員會

本公司於二零零七年十一月二日成立提名委員會，並分別於二零一二年三月二十一日及二零一八年十二月三十一日修訂書面職權範圍，以遵守守則所載守則條文。於二零二零年六月三十日，提名委員會由一名執行董事陳昱女士(主席)以及三名獨立非執行董事馬榮欣先生、譚政豪先生及侯志傑先生組成。

提名委員會職責(其中包括)如下：

- (a) 至少每年檢討董事會之架構、規模及組成(包括技能、知識及經驗方面)，並就任何擬作出變動向董事會提出建議以補充本公司之公司策略；
- (b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 評核獨立非執行董事之獨立性；
- (d) 就董事委任或續聘以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；
- (e) 為使委員會可履行董事會向其授予之權力及職能而進行任何事宜；
- (f) 遵守董事會可不時規定或本公司組織章程所載或上市規則或適用法律施加之任何規定、指示及規例；及
- (g) 確保委員會主席，或在主席缺席時由另一名委員(或如該名委員未能出席，則其正式委任之代表)在本公司股東週年大會回答提問。

提名委員會將不時檢討董事會組成，並從多個方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD COMMITTEES (Continued)

#### Nomination committee (Continued)

The Nomination Committee adopted the board diversity policy on 31 December 2018. The Company recognises and embraces the benefits of having a diverse composition of the Board, gender and other qualities will be considered in determining the optimum Board composition. The ultimate decision will be based on merit and contribution that the selected candidates are likely to bring to the Board.

During the Year, the Nomination Committee met four times during which discussed and reviewed the structure, size and composition of the Board. Please refer to the table set out in the section “The Board Meeting – Committee Meeting” of this report for the attendance record of individual Nomination Committee members.

#### Corporate governance functions

During the Year, the Board determined the policy for the corporate governance of the Company, and performed, inter alia, the following duties: (a) developed and reviewed the Company’s policies and practices on corporate governance and made recommendations to the Board; (b) reviewed and monitored the Company’s policies and practices on compliance with legal and regulatory requirements; (c) developed, reviewed and monitored the code of conduct applicable to employees and Directors; (d) reviewed the Company’s compliance with the Code and disclosure in the Corporate Governance Report; and (e) reviewed and monitored the training and continuous professional development of Directors and senior management.

#### Company secretary

Mr. Ma Kin Ling was appointed as the Company Secretary since May 2016. Mr. Ma has confirmed that he has taken no less than 15 hours of relevant professional training during the Year. The Company is of the view that Mr. Ma has complied with Rule 3.29 of the Listing Rules.

### DIRECTORS’ RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for (i) overseeing the preparation of the financial statements of the Group with a view to ensuring such financial statements are in accordance with statutory requirements and applicable accounting standards; and (ii) selecting suitable accounting policies and applying them consistently with the support of reasonable and prudent judgments and estimates.

The independent auditor’s report of the Company about their reporting responsibilities on the consolidated financial statements of the Group is set out on pages 66 to 69 of this annual report.

### 董事委員會(續)

#### 提名委員會(續)

提名委員會於二零一八年十二月三十一日採納董事會多元化政策。本公司明白並深信董事會成員多元化裨益良多。於釐定合適之董事會成員組合時，會考慮董事會成員之性別及其他特質。最終將按候選人之長處及可為董事會作出之貢獻而作決定。

本年度內，提名委員會曾舉行四次會議，當中討論及檢討董事會架構、規模及組成。有關提名委員會個別成員之出席記錄，請參閱本報告「董事會會議－委員會會議」一節所載列表。

#### 企業管治職能

於本年度內，董事會釐定本公司企業管治之政策，並履行(其中包括)以下職能：(a)制定及檢討本公司企業管治政策及常規，並向董事會提出建議；(b)檢討及監察本公司在遵守法律及監管規定方面之政策及常規；(c)制定、檢討及監察僱員及董事之操守準則；(d)檢討本公司遵守守則之情況及在企業管治報告內之披露；及(e)檢討及監察董事及高級管理層之培訓及持續專業發展。

#### 公司秘書

馬健凌先生已自二零一六年五月起獲委任為公司秘書。馬先生已確認彼於本年度均已報讀不少於15小時之有關專業培訓。本公司認為，馬先生已遵守上市規則第3.29條之規定。

### 董事對財務報表之責任

董事知悉，彼等須負責(i)監督本集團財務報表之編製，以確保此等財務報表符合法定規定及適用會計準則；並(ii)挑選及貫徹應用適當會計政策，配合合理審慎之判斷及估計。

有關本公司獨立核數師對本集團綜合財務報表申報責任之獨立核數師報告載於本年報第66至69頁。





## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### ACCOUNTABILITY AND AUDITOR'S REMUNERATION

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements. The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year.

The statement of the external auditor of the Company about their responsibilities on the financial statements is set out in the "Independent Auditor's Report" section of this annual report.

Save as disclosed in the "Independent Auditor's Report" section of this annual report, there are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. The Board has not taken any different view from that of the Audit Committee in respect of the selection, appointment, resignation or dismissal of external auditor.

The remuneration paid to Elite Partners CPA Limited, the external auditor of the Company, and the nature of services are set out as follows:

#### Type of services provided by the external auditor

#### 外聘核數師所提供服務類別

#### Fee paid/payable

已付／應付費用  
HK\$'000  
千港元

<i>Audit services:</i>	<i>核數服務：</i>	
Audit of annual financial statements	審核全年財務報表	1,200
<i>Non-audit services:</i>	<i>非核數服務：</i>	
Reviewing the Group's interim results for the six months ended 31 December 2019	審閱本集團截至二零一九年十二月三十一日止六個月之中期業績	70

### INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the effectiveness of the Group's internal control and risk management systems. The internal control and risk management systems are designed to meet the Group's particular needs and the risks to which it is exposed, and by their nature can only provide reasonable, but not absolute assurance against misstatement or loss.

Procedures have been set up to safeguard assets against unauthorised use or disposition, control capital expenditure, maintain proper accounting records and ensure the reliability of financial information used for business and publication. Qualified management throughout the Group maintains and monitors the internal control systems on an ongoing basis.

### 問責性及核數師酬金

董事會負責對年度及中期報告、股價敏感公佈以及上市規則及其他監管規定要求的其他披露事項編製均衡、清晰及合理之評估。董事明白彼等對編製本公司本年度之財務報表所負責任。

本公司外聘核數師對財務報表之責任聲明載於本年報「獨立核數師報告」一節。

除本年報「獨立核數師報告」一節所披露者外，概無有關可能對本公司持續經營能力構成重大疑問之事件或狀況之重大不明朗因素。董事會在外聘核數師甄選、委任、辭任或罷免方面之見解與審核委員會一致。

向本公司外聘核數師開元信德會計師事務所有限公司支付之酬金及服務性質載列如下：

### 內部監控及風險管理

董事會負責本集團內部監控及風險管理制度成效。內部監控及風險管理制度之設計旨在切合本集團特定需要及所承受風險，基於其性質，只可就錯誤陳述或過失提供合理而非絕對保證。

本公司已制定程序，保障資產不會在未經授權情況下遭使用或處置、控制資本開支、存置適當會計記錄及確保業務與公佈採用可靠之財務資料。本集團合資格管理人員持續維持及監察內部監控制度。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### INTERNAL CONTROL AND RISK MANAGEMENT (Continued)

The internal audit department was set up on 15 May 2006, under the supervision of the Board. During the Year, the Board reviewed the effectiveness of the internal control and risk management systems of the Group on the adequacy and effectiveness of the Company's internal controls and risk management. The review covers aspects relating to financial and compliance controls of the major subsidiaries of the Company. Moreover, operation professionals had been appointed to perform reviews on the new information systems and operations. These reviews included operational workflow and risk management controls over new manufacturing functions of the Company. It was also the Board's review to consider the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function.

### SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

The Company encourages two-way communications with both institutional and private investors. Extensive information about the Company's activities is provided in its annual reports and interim reports, which are sent to shareholders of the Company.

Designated executive Directors and senior management maintain regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at its principal place of business in Hong Kong for any inquiries.

At general meetings, the Chairman of the meetings raises separate resolutions for each effectively independent matter. The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman and the chairman of the Board committees, or in their absence, other members of the respective committees, must attend the annual general meeting to address shareholders' queries. The external auditor is also invited to attend the Company's annual general meetings and is available to assist the Directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and content of its auditor's report.

### 內部監控及風險管理(續)

本公司於二零零六年五月十五日成立由董事會監督之內部審核部門。本年度內，董事會已檢討本集團內部監控及風險管理制度成效，以及本公司內部監控及風險管理是否充足及相關成效。檢討範圍涵蓋本公司主要附屬公司之財務及規章監控。此外，業務營運專業人員獲委任就新資訊系統及業務營運進行檢討。該等檢討包括本公司新製造職能之營運流程及風險管理監控。董事會亦審閱以考慮資源、員工資歷及經驗、培訓項目以及本公司會計及財務報告功能預算之足夠性。

### 股東權利及投資者關係

本公司鼓勵與機構及私人投資者雙向溝通。有關本公司業務活動之廣泛資料載於寄交本公司股東之年報及中期報告。

指定執行董事及高級管理人員與機構投資者及分析員定期聯絡，讓彼等緊貼本公司發展動向，並及時就投資者查詢提供詳細資訊。如有任何查詢，投資者可直接致函本公司之香港主要營業地點。

於股東大會上，大會主席可就個別事宜分別提呈決議案。本公司股東大會向股東及董事會提供互相溝通之機會。主席及董事委員會主席(或如彼等未克出席，則相關委員會其他成員)須出席股東週年大會回應股東提問。外聘核數師亦獲邀出席本公司股東週年大會，並就有關審核處理及其核數師報告之編製及內容，協助董事回答股東提問。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS (Continued)

Shareholder(s) holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings can make a requisition to convene an extraordinary general meeting pursuant to article 62 of the Company's Bye-laws. The procedures for shareholders to put forward proposals at general meetings are stated as follows:

- (a) The written requisition must state the purposes of the meeting, and must be signed by all the shareholders concerned and may consist of several documents in like form each signed by one or more shareholders concerned.
- (b) The written requisition must be stated with the head office of the Company at Room 4007, 40/F., China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong, for the attention of the Directors or the Company Secretary.
- (c) The written requisition will be verified with the Company's branch share registrar and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the relevant resolution in the agenda for such general meeting. Such general meeting shall be held within two months after the deposit of such requisition.
- (d) If within 21 days of such deposit, the Directors fail to proceed to convene such a general meeting, the requisitionist(s) himself (themselves) may themselves convene a meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors to do so shall be reimbursed to the requisitionist(s) by the Company.

### 股東權利及投資者關係(續)

於遞呈要求日期持有不少於本公司繳足股本(具於股東大會上投票之權利)十分之一的股東可按本公司之公司細則第62條要求召開股東特別大會。股東於股東大會上提呈建議書之程序如下：

- (a) 書面要求須註明會議目的，且必須經所有有關股東簽署，倘附有多份形式類似之文件，則須由一名或多名股東於每份文件上簽署。
- (b) 書面要求須列明本公司總辦事處香港灣仔港灣道26號華潤大廈40樓4007室，指定由董事或公司秘書接收。
- (c) 書面要求將由本公司股份過戶登記分處核實，經確認要求為正式及符合程序後，公司秘書將通知董事會召開該股東大會並將有關決議案加入議程。有關股東大會須於接獲該要求後兩個月內舉行。
- (d) 倘於提交要求後21日內，董事未能召開有關股東大會，則提請人可自行召開會議，而因董事未能召開會議導致提請人產生的一切合理開支，須由本公司付還提請人。





## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

#### SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS (Continued)

During the Year, one general meeting were held. The 2019 annual general meeting was held on 18 December 2019. The attendance record of each Director, on a named basis and by category, at the general meetings held during the Year under review is set out below:

#### 股東權利及投資者關係(續)

於本年度，已舉行一次股東大會。二零一九年股東週年大會乃於二零一九年十二月十八日舉行。本年度內，按姓名及類別所劃分每名董事出席股東大會之次數記錄載列如下：

Directors	董事	Number of general meetings attended/ Number of general meetings held 出席股東大會次數/ 股東大會舉行次數
<i>Executive Directors</i>		
Ms. Chan Yuk Foebe	陳昱女士	1/1
Mr. Gao Ran (Note (i))	高冉先生(附註(i))	0/0
Mr. Law Tze Ping Eric	羅子平先生	0/1
Mr. Yu Defa	于德發先生	0/1
Mr. Chen Lei	陳蕾先生	0/1
Mr. Lin Bitian (Note (ii))	林必田先生(附註(ii))	0/0
<i>Independent non-executive Directors</i>		
Mr. Ma Wing Yun Bryan	馬榮欣先生	0/1
Mr. Tam Ching Ho	譚政豪先生	0/1
Mr. Hau Chi Kit	侯志傑先生	0/1

Notes:

- (i) Mr. Gao Ran was appointed as an executive Director on 23 July 2020.
- (ii) Mr. Lin Bitian was appointed as an executive Director on 12 March 2020, and had then resigned on 23 July 2020.

附註：

- (i) 高冉先生於二零二零年七月二十三日獲委任為執行董事。
- (ii) 林必田先生於二零二零年三月十二日獲委任為執行董事，其後於二零二零年七月二十三日辭任。

No amendments were made to the Company's Bye-laws during the Year. The Company's Bye-laws is available on both the websites of HKEx and the Company.

本年度內，本公司之公司細則並無作出修訂。本公司之公司細則於聯交所及本公司網站可供查閱。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS (Continued)

#### Shareholder services

Any matter in relation to the transfer of shares, change of name or address, or loss of share certificates should be addressed to the Company's Hong Kong branch share registrar and transfer office as follows:

#### Tricor Tengis Limited

54/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong  
Tel: 2980 1888  
Fax: 2861 0285

#### Shareholders' enquiries to the Board

Shareholders of the Company may send their enquiries to the Board in writing with contact details (including registered name, address, telephone number and email address) to the Company Secretary as follows:

Address: Room 4007, 40/F., China Resources Building,  
26 Harbour Road, Wan Chai, Hong Kong  
Telephone: 2845 3131  
Fax: 2845 3535  
Email: info@xinyangmaojian.com.hk

### 股東權利及投資者關係(續)

#### 股東服務

任何有關股份轉讓、更改姓名或地址、遺失股票等事宜請聯絡本公司香港股份過戶登記分處，地址為：

#### 卓佳登捷時有限公司

香港灣仔皇后大道東183號合和中54樓  
電話：2980 1888  
傳真：2861 0285

#### 股東向董事會查詢

本公司股東可以書面形式連同聯絡資料(包括註冊姓名、地址、電話號碼以及電郵地址)向公司秘書發出致董事會之查詢，方式如下：

地址：香港灣仔港灣道26號  
華潤大廈40樓4007室  
電話：2845 3131  
傳真：2845 3535  
電郵：info@xinyangmaojian.com.hk



# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### DIRECTORS

#### Executive Directors

**Ms. Chan Yuk Foebe (陳昱)**, aged 51, is the chairman (the “Chairman”) and chief executive officer of the Group and joined the Group as an executive Director in January 2004. Ms. Chan is responsible for the overall management and business development of the Group. Ms. Chan holds a bachelor’s degree in Accountancy from the Queensland University of Technology in Australia. Ms. Chan has more than 10 years of experience in the areas of corporate finance and management. Save as disclosed herein, Ms. Chan did not hold any other directorships in listed public companies in the last three years. Ms. Chan was appointed as the Chairman and a member of nomination committee of the Company (the “Nomination Committee”) with effect from 2 February 2012.

**Mr. Gao Ran (高冉)**, aged 29, is an executive Director and vice-chairman. He is currently the chairman of Shenzhen Global Fund Management Co., Ltd.\* (深圳市全球基金管理有限公司) and the independent non-executive director of Lapco Holdings Limited (Stock Code: 8472), a company listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He has extensive experience in fund investment and asset management, corporate strategy, corporate finance and business development and management. Mr. Gao was appointed as an executive Director with effect from 23 July 2020.

From June 2013 to September 2015, he was the chairman of Changchun Houde Real Estate Brokerage Co., Ltd.\* (长春市厚德房地產經紀有限公司). He also served as the chairman of Changchun Haizhong Real Estate Brokerage Co., Ltd.\* (长春市海眾房地產經紀有限公司) from October 2011 to May 2012.

Mr. Gao was recognized as “Top Ten Leaders in China’s Financial Industry”\* (中國金融行業十佳領軍人物), “Outstanding Leader of Jilin Province”\* (吉林省傑出領軍人物) and “Top Ten Outstanding Youth in Jilin Province”\* (吉林省十大傑出青年) and “First Person in Venture Capital after 90s”\* (90後風險投資第一人) by Beijing General Evaluation and Certification Center\* (北京鑒優品質量認證中心) and Beijing Evaluation and Assessment Center for Enterprise Creditability\* (北京審信核信企業信用評估中心), in 2017, 2018 and 2019 respectively.

Mr. Gao is currently pursuing an executive master of business administration degree with The PBC School of Finance of Tsinghua University (清華大學五道口金融學院).

### 董事

#### 執行董事

**陳昱女士**，51歲，本集團主席(「主席」)兼行政總裁，於二零零四年一月加入本集團，擔任執行董事。陳女士負責本集團整體管理及業務發展。陳女士持有澳洲昆士蘭科技大學會計學士學位。陳女士於企業融資及管理方面具有逾10年經驗。除本年報所披露者外，陳女士於過去三年並無擔任上市公眾公司的任何其他董事職位。陳女士獲委任為本公司提名委員會(「提名委員會」)主席及成員，自二零一二年二月二日起生效。

**高冉先生**，29歲，為執行董事及副主席。彼現時為深圳市全球基金管理有限公司的主席，並為立高控股有限公司(股份代號：8472，該公司在香港聯合交易所有限公司(「聯交所」)GEM上市的獨立非執行董事。彼在基金投資及資產管理、企業戰略、企業融資以及業務發展及管理方面擁有豐富經驗。高先生於二零二零年七月二十三日獲委任為執行董事。

於二零一三年六月至二零一五年九月，彼擔任長春市厚德房地產經紀有限公司主席。於二零一一年十月至二零一二年五月，彼亦擔任長春市海眾房地產經紀有限公司主席。

高先生亦於二零一七年、二零一八年及二零一九年分別獲北京鑒優品質量認證中心及北京審信核信企業信用評估中心認可為中國金融行業十佳領軍人物、吉林省傑出領軍人物以及吉林省十大傑出青年及90後風險投資第一人。

高先生正於清華大學五道口金融學院攻讀工商管理碩士學位。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員簡介(續)

**Mr. Law Tze Ping Eric (羅子平)**, aged 40, is an executive Director. Prior to joining the Group, Mr. Law worked as a business consultant and provided consultancy services for listed and non-listed companies in Hong Kong. Save as disclosed herein, Mr. Law did not hold any other directorships in listed public companies in the last three years. Mr. Law was appointed as an executive Director with effect from 3 March 2015.

**Mr. Yu Defa (于德發)**, aged 53, is an executive Director. He is currently the chief operation director of Heihe Longjiang Chemical Limited\* (“Heihe Longjiang”), a subsidiary of the Company. Mr. Yu had been the sales and operating general manager of medium-sized enterprises with more than ten years of extensive experiences in sales operation and management.

He joined the Group in October 2011 and was promoted as the deputy general manager of Heihe Longjiang in October 2013. Mr. Yu majored in civil work engineering in Harbin University of Science and Technology from 1988 to 1990. Save as disclosed herein, Mr. Yu did not hold any other directorships in listed public companies in the last three years. Mr. Yu was appointed as an executive Director with effect from 5 May 2014.

**Mr. Chen Lei (陳蕾)**, aged 57, is a well-known media planner. Mr. Chen graduated from Beijing Normal University with a degree in Chinese language in 1986. In the 1980s, he engaged in literature critique, focusing his work on novels and poetry. After the 1990s, Mr. Chen moved into the television industry, involving in the planning, editing and production stages of various television programme, among which, “Touching China” is widely known. He is currently a director of new media laboratory of Beijing Hongyun Rongtong Technology Co., Limited (北京紅雲融通技術有限公司), an executive vice president of Strategy and Development Research Institution of the Chinese Eco Development Association (中國林業生態發展促進會), a brand consultant of the China Foundation for Poverty Alleviation (中國扶貧基金會) and a member of council of the Muxin Entrepreneur Fellowship (沐新創業同修會). Mr. Chen was appointed as an executive Director effect from 24 April 2019.

羅子平先生，40歲，執行董事。於加盟本集團前，羅先生曾擔任業務顧問，並為香港上市及非上市公司提供顧問服務。除本年報所披露者外，羅先生於過去三年並無擔任上市公眾公司的任何其他董事職位。羅先生獲委任為執行董事，自二零一五年三月三日起生效。

于德發先生，53歲，執行董事，現時出任本公司附屬公司黑河龍江化工有限公司(「黑河龍江」)之營運總監。于先生曾在多間中型企業擔任銷售及經營總經理，在銷售經營及管理方面擁有逾十年豐富經驗。

彼於二零一一年十月加入本集團，於二零一三年十月獲擢升為黑河龍江之副總經理。于先生自一九八八年至一九九零年在哈爾濱理工大學修讀土木工程課程。除本年報所披露者外，于先生於過去三年並無擔任上市公眾公司的任何其他董事職位。于先生獲委任為執行董事，自二零一四年五月五日起生效。

陳蕾先生，57歲，為著名的傳媒策劃人。陳先生於一九八六年畢業於北京師範大學，獲得漢語言學位。於二十世紀八十年代，彼從事文學批評，並主要著重於小說及詩歌。於二十世紀九十年代後，陳先生進入電視行業，並參與多個電視節目的策劃、編輯及製作階段，其中，「感動中國」廣為人知。彼目前為北京紅雲融通技術有限公司新媒體實驗室的主管、中國林業生態發展促進會戰略發展研究院的執行副會長、中國扶貧基金會的品牌顧問及沐新創業同修會的成員。陳先生自二零一九年四月二十四日起獲委任為執行董事。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員簡介(續)

### Independent Non-executive Directors

**Mr. Ma Wing Yun Bryan (馬榮欣)**, aged 55, is an independent non-executive Director and is also the chairman of the audit committee of the Company (the "Audit Committee") and a member of each of the remuneration committee of the Company (the "Remuneration Committee") and the Nomination Committee. Mr. Ma is the finance director of Union Sun International Group Limited, a non-listed company with affiliates dealing in property development in the PRC. He was an independent director of Celestial Nutrifoods Limited (the shares of which are listed on the main board of Singapore Exchange Securities Trade Limited (the "Singapore Exchange")) until 18 July 2011. He has approximately 20 years of experience in the areas of audit, financial management and operational management. Mr. Ma is an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Ma was appointed as an independent non-executive Director in February 2001.

**Mr. Tam Ching Ho (譚政豪)**, aged 49, appointed on 30 June 2007, is an independent non-executive Director and is also a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Tam is a certified public accountant (practising) registered with the Hong Kong Institute of Certified Public Accountants ("HKICPA"). He has worked in a reputable international accounting firm for about eight years and specialised in providing assurance services for pre-listing, listed and multinational companies. He has also held senior positions in several companies, including as a financial controller of a company listed on the main board of the Stock Exchange and another company listed on the main board of the Singapore Exchange for a total of about seven years. Mr. Tam has accumulated extensive experiences in corporate finance and administration, listing compliance, investor relations, accounting and auditing. Mr. Tam holds a bachelor's degree of arts with honors in accountancy. He is an associate member of the HKICPA and a fellow member of The Association of Chartered Certified Accountants. Mr. Tam is also currently an independent non-executive director of Chaoda Modern Agriculture (Holdings) Limited (Stock Code: 682), the shares of which are listed on the main board of the Stock Exchange. Save as disclosed herein, Mr. Tam did not hold any other directorships in listed companies in the last three years.

### 獨立非執行董事

**馬榮欣先生**，55歲，獨立非執行董事兼本公司審核委員會(「審核委員會」)主席、本公司薪酬委員會(「薪酬委員會」)及提名委員會成員。馬先生為非上市公司Union Sun International Group Limited之財務總監，該公司有分支機構於中國處理物業發展。彼曾為天園營養集團有限公司(其股份於新加坡證券交易所有限公司(「新交所」)主板上市)之獨立董事，直至二零一一年七月十八日為止。彼於核數、財務管理及營運管理方面具備約20年經驗。馬先生為香港會計師公會會員。馬先生於二零零一年二月獲委任為本公司獨立非執行董事。

**譚政豪先生**，49歲，於二零零七年六月三十日獲委任為獨立非執行董事，彼亦為審核委員會、薪酬委員會及提名委員會成員。譚先生為於香港會計師公會(「香港會計師公會」)註冊之執業會計師。彼於一間著名國際會計師行任職約八年，專門為上市前、上市及跨國公司提供保證服務。彼亦曾於數間公司擔任高級職位合共約七年，包括於一間於聯交所主板上市之公司及另一間於新交所主板上市之公司出任財務總監。譚先生於企業融資與行政、上市規章、投資者關係以及會計及審計累積了豐富經驗。譚先生持有會計學榮譽文學士學位。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。譚先生現時亦為超大現代農業(控股)有限公司(股份代號：682，其股份於聯交所主板上市)之獨立非執行董事。除本年報所披露者外，譚先生於過去三年並無擔任上市公司的任何其他董事職位。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員簡介(續)

**Mr. Hau Chi Kit (侯志傑)**, aged 49, appointed on 18 December 2013, is an independent non-executive Director and also a member of each of the Audit committee, the Remuneration Committee and the Nomination Committee. He was a barrister-at-law in private practice in Hong Kong from 2001 to 2008. Prior to becoming a barrister, he worked at the Securities and Futures Commission. Mr. Hau is currently a solicitor and is an independent non-executive director of Zhongzheng International Company Limited (formerly known as “e-Force Holdings Limited”) (Stock Code: 943), a company listed on the Main Board of the Stock Exchange and hmvod Limited (formerly known as “Trillion Grand Corporate Company Limited”) (Stock Code: 8103), a company listed on GEM of the Stock Exchange, respectively. Mr. Hau was an independent non-executive director of Code Agriculture (Holdings) Limited (currently known as “Farnova Group Holdings Limited”), a company listed on GEM of the Stock Exchange (Stock Code: 8153) until 18 July 2019. Save as disclosed herein, Mr. Hau did not hold any other directorships in listed companies in the last three years.

### SENIOR MANAGEMENT

**Mr. Ma Kin Ling (馬健凌)**, aged 38, is the chief financial officer and the company secretary of the Group. Mr. Ma is responsible for the financial reporting and company’s secretarial functions of the Group. Mr. Ma graduated from City University of Hong Kong with a bachelor’s degree in Accountancy and Law. Mr. Ma joined the Group in May 2016. Prior to joining the Group, he worked in a reputable international accounting firm and has over 10 years of professional experience in accounting, auditing and financial management. Mr. Ma is a member of the HKICPA. Mr. Ma is also an independent non-executive director of SunCorp Technologies Limited (Stock Code: 1063) and Hong Kong Finance Investment Holding Group Limited (Stock Code: 7), the shares of which are listed on the Main Board of the Stock Exchange, respectively. Save as disclosed herein, Mr. Ma did not hold any other directorships in listed companies in the last three years.

侯志傑先生，49歲，於二零一三年十二月十八日獲委任為獨立非執行董事，亦為本公司審核委員會、薪酬委員會及提名委員會成員。彼於二零零一年至二零零八年期間於香港執業為大律師。於擔任大律師前，彼曾於證券及期貨事務監察委員會任職。侯先生現為律師，並分別為聯交所主板上市公司中證國際有限公司(前稱為「意科控股有限公司」)(股份代號：943)以及聯交所GEM上市公司hmvod視頻有限公司(前稱為「萬泰企業股份有限公司」)(股份代號：8103)之獨立非執行董事。侯先生擔任科地農業控股有限公司(現稱為「法諾集團控股有限公司」)(一家於聯交所GEM上市的公司，股份代號：8153)之獨立非執行董事，任期直至二零一九年七月十八日為止。除本年報所披露者外，侯先生於過去三年並無擔任上市公司的任何其他董事職位。

### 高級管理人員

馬健凌先生，38歲，為本集團首席財務官及公司秘書。馬先生負責本集團之財務申報及履行公司秘書職能。馬先生畢業於香港城市大學，持有會計與法律學士學位。馬先生於二零一六年五月加盟本集團。加盟本集團之前，彼曾於知名國際會計師事務所任職，擁有逾10年會計、核數及財務管理專業經驗。馬先生為香港會計師公會會員。馬先生亦為其股份分別於聯交所主板上市的新確科技有限公司(股份代號：1063)及香港金融投資控股集團有限公司(股份代號：7)之獨立非執行董事。除本年報所披露者外，馬先生於過去三年並無擔任上市公司的任何其他董事職位。





## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員簡介(續)

### SENIOR MANAGEMENT REMUNERATION SYSTEM

The remuneration system of the senior management of the Group is a combination of the economic benefit of the senior management (including executive directors) and the operational results and share performance of the Group. Most of the members of the senior management have signed result examination contracts' with the Company. In this system, the remuneration of the senior management comprises three parts, namely, basic salary, bonus and share options. The floating remuneration of the senior management represents approximately 70% to 75% of their total potential remuneration, which includes result bonuses and share options representing approximately 15% to 25% and 50% to 60% respectively of their total potential remuneration. Floating remuneration is linked with the specific business performance indicators, for example, the net profit, capital return and cost reduction indicator.

### 高級管理人員薪酬制度

本集團之高級管理人員薪酬制度按本集團高級管理人員(包括執行董事)之經濟利益與本集團之營運業績和股份表現結合計算。大部分高級管理人員均已與本公司訂立業績考核合同。於此制度下,高級管理人員之酬金由三部分組成,即基本工資、獎金及購股權。高級管理人員之浮動酬金佔彼等潛在酬金總額約70%至75%,包括分別相當於潛在酬金總額約15%至25%以及50%至60%之業績獎金及購股權。浮動酬金乃與特定業務表現指標掛鉤,例如純利、資本回報及成本削減指標。

\* For identification purpose only



# REPORT OF THE DIRECTORS

## 董事會報告

The directors of the Company (the “Directors”) present their report and the audited financial statements of the Group for the year ended 30 June 2020 (the “Year”).

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 23 to the financial statements.

An analysis of the Group’s performance for the Year by business segments is set out in note 11 to the financial statements and in the section “Management Discussion and Analysis” of this annual report.

### RESULTS AND DIVIDENDS

The Group’s loss for the Year and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on pages 70 to 184 of this annual report.

The Directors do not recommend the payment of dividend for the Year.

### SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results and of the assets, liabilities and equity of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate:

#### Results

		2020 二零二零年 HK\$'000 千港元	Year ended 30 June 截至六月三十日止年度			
			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>REVENUE</b>	收益	<b>194,337</b>	323,048	367,632	186,110	68,300
<b>LOSS FROM OPERATIONS</b>	經營虧損	<b>(273,681)</b>	(606,188)	(143,287)	(91,744)	(429,842)
Finance costs	財務成本	<b>(110,944)</b>	(92,627)	(82,594)	(60,078)	(68,945)
<b>LOSS BEFORE TAX</b>	除稅前虧損	<b>(384,625)</b>	(698,815)	(225,881)	(151,822)	(498,787)
Income tax credit	所得稅抵免	<b>-</b>	1,233	7,267	20,945	4,580
<b>PROFIT/(LOSS) FOR THE YEAR</b>	本年度溢利/(虧損)	<b>(384,625)</b>	(697,582)	(218,614)	61,318	(508,396)
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	<b>(373,171)</b>	(667,369)	(199,324)	68,481	(421,647)
Non-controlling interests	非控股權益	<b>(11,454)</b>	(30,213)	(19,290)	(7,163)	(86,749)
		<b>(384,625)</b>	(697,582)	(218,614)	61,318	(508,396)

本公司董事(「董事」)謹此提呈本集團截至二零二零年六月三十日止年度(「本年度」)之董事會報告及經審核財務報表。

### 主要業務

本公司之主要業務為投資控股。附屬公司之主要業務詳情載於財務報表附註23。

本集團於本年度按業務分部劃分之業績分析載於財務報表附註11及本年報「管理層討論及分析」一節。

### 業績及股息

本集團本年度之虧損以及本公司與本集團於該日之事務狀況，載於本年報第70至184頁之財務報表。

董事不建議派付本年度之股息。

### 財務資料概要

以下為摘錄自經審核財務報表及於適當情況下重列之本集團最近五個財政年度已刊發綜合業績、資產與負債以及權益之概要：

#### 業績



REPORT OF THE DIRECTORS (CONTINUED)  
董事會報告(續)

**SUMMARY FINANCIAL INFORMATION** (Continued)

財務資料概要(續)

**Assets, liabilities and equity**

資產、負債及權益

		At 30 June 於六月三十日				
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產	1,822,883	2,014,529	2,819,057	2,919,362	3,123,917
Current assets	流動資產	173,941	252,313	357,732	231,442	171,612
<b>TOTAL ASSETS</b>	<b>資產總值</b>	<b>1,996,824</b>	2,266,842	3,176,789	3,150,804	3,295,529
Non-current liabilities	非流動負債	1,173,468	1,125,415	1,113,572	937,770	461,324
Current liabilities	流動負債	394,071	276,518	386,302	344,750	1,010,947
<b>TOTAL LIABILITIES</b>	<b>負債總額</b>	<b>1,567,539</b>	1,401,933	1,499,874	1,282,520	1,472,271
<b>TOTAL EQUITY</b>	<b>總權益</b>	<b>429,285</b>	864,909	1,676,915	1,868,284	1,823,258
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	375,473	801,122	1,583,802	1,758,756	1,693,344
Non-controlling interests	非控股權益	53,812	63,787	93,113	109,528	129,914
		<b>429,285</b>	864,909	1,676,915	1,868,284	1,823,258

Note: The results of the Group for the Year and the assets, liabilities and equity of the Group as at 30 June 2020 are those set out in the audited financial statements on pages 70 to 72 and pages 73 to 74 of this annual report, respectively.

附註：本集團本年度之業績以及本集團於二零二零年六月三十日之資產、負債及權益分別載於本年報第70至72頁及第73至74頁之經審核財務報表。

The results of the Group for the years ended 30 June 2016, 2017, 2018 and 2019, respectively, have been extracted from the audited financial statements of the Company for the respective years and have been restated as appropriate.

本集團截至二零一六年、二零一七年、二零一八年及二零一九年六月三十日止年度之業績分別摘錄自本公司有關年度之經審核財務報表及已於適當情況下重列。

The assets, liabilities and equity of the Group as at 30 June 2016, 2017, 2018 and 2019, respectively, have been extracted from the audited financial statements of the Company for the respective years.

本集團於二零一六年、二零一七年、二零一八年及二零一九年六月三十日之資產、負債及權益分別摘錄自本公司有關年度之經審核財務報表。

## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### FIXED ASSETS

Details of movements in the Group's fixed assets, right-of-use assets and prepaid land lease payments are set out in notes 18, 19 and 20 to the financial statements, respectively.

### SHARE CAPITAL AND SHARE OPTIONS

The Company's current share option scheme (the "Scheme") was proposed by the Board on 29 November 2012 and approved by its shareholders on 20 December 2012. The purpose of the Scheme is to provide incentives or rewards to the eligible participants for their contribution to the Group. The Directors may, at its absolute discretion, offer any employee (whether full time or part time, including any executive Directors, any non-executive Directors (including independent non-executive Directors), any person or entity that provides research, development or other technological support to the Group, any shareholder of any member of the Group, any adviser (professional or otherwise) or consultant to the Group and any joint venture partner or counterparty to business transactions of the Group, to take up share options (the "Options") to subscribe for Shares on the terms set out in the Scheme. Details of the Scheme were provided in the Company's circulars dated 29 November 2012, 17 February 2017, 14 November 2017 and 20 November 2019.

Unless otherwise terminated by the Company's shareholders at general meeting in accordance with the terms of the Scheme, the Scheme shall be valid and effective for a period of 10 years from 20 December 2012, after which no further Option will be granted or offered, but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Option granted prior to the expiry of this 10-year period or otherwise as may be required in accordance with the provisions of the Scheme. The remaining life of the Scheme is two years.

### 固定資產

本集團固定資產、使用權資產及預付土地租賃付款之變動詳情分別載於財務報表附註18、19及20。

### 股本及購股權

本公司現行購股權計劃(「該計劃」)由董事會於二零一二年十一月二十九日提出並由其股東於二零一二年十二月二十日批准。該計劃旨在就合資格參與者對本集團作出之貢獻提供獎勵或回報。董事可能按其全權酌情向任何僱員(無論全職或兼職,包括任何執行董事)、任何非執行董事(包括獨立非執行董事)、為本集團提供研究、研發或其他技術支持的任何人士或實體、本集團成員公司的任何股東、本集團的任何顧問(無論專業與否)或諮詢顧問及本集團業務交易事項的任何合資夥伴或經紀行授予購股權(「購股權」)以根據該計劃所載條款認購股份。該計劃詳情載於本公司日期為二零一二年十一月二十九日、二零一七年二月十七日、二零一七年十一月十四日及二零一九年十一月二十日的通函。

除非由本公司股東於股東大會根據該計劃條款終止,否則該計劃於二零一二年十二月二十日起10年內應屬有效且具效力,此後,將不會授出或要約授出購股權,惟購股權計劃有關條款仍維持十足效力及作用,以於10年期限屆滿前有效行使現存已授出購股權或可能根據該計劃條款要求的其他方面。該計劃餘下期限為兩年。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### SHARE CAPITAL AND SHARE OPTIONS (Continued)

The maximum number of Shares in respect of which Options may be granted under the Scheme when aggregated with the maximum number of Shares in respect of which Options may be granted under any other scheme shall not exceed 10% of the Company's issued Shares on the adoption date without prior approval from the Company's shareholders. The maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other Options granted and yet to be exercised under any other scheme shall not exceed 30% of the Company's issued Shares from time to time. No Option may be granted to any person such that the total number of Shares issued and to be issued upon the exercise of Options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued Shares from time to time, unless the approval of the Company's shareholders is obtained. As at 30 October 2020, being the latest practicable date prior to the printing of this annual report (the "Latest Practicable Date"), the Scheme mandate limit was 133,242,731 Options, and the Company may further grant 133,242,731 Options, representing approximately 9.68% of the issued Shares of the Company as at the Latest Practicable Date.

The period within which the Options must be exercised will be specified by the Company at the time of grant, and must expire no later than 10 years from the date of grant of the Option (being the date on which the Board makes a written offer of grant of the Option to the relevant proposed beneficiary) unless the Company obtains separate shareholders' approval in relation to such grant.

An Option may be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of Options is made but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of Options to a grantee, there is no minimum period required under the Scheme for the holding of an Option before it can be exercised.

### 股本及購股權(續)

未經本公司股東事先批准，根據該計劃可能授出購股權相關的股份數目上限及根據任何其他計劃可能授出購股權相關的股份數目上限合共不得超過本公司於採納日期已發行股份的10%。該計劃項下已授出而尚未行使之購股權及任何其他計劃項下已授出而尚未行使之任何其他購股權獲行使時可能發行之股份數目上限不得超過本公司不時已發行股份之30%。倘於任何12個月期間直至最新授出日期，行使任何人士獲授予及將獲授予之購股權而發行及將發行的股份總數超過本公司不時授出已發行股份的1%，則不得向該人士授出任何購股權，惟獲本公司股東批准除外。於二零二零年十月三十日(即印發本年報前的最後實際可行日期(「最後實際可行日期」))，該計劃授權限額為133,242,731份購股權，且本公司可能進一步授出133,242,731份購股權，即為最後實際可行日期本公司已發行股份的約9.68%。

除非本公司獲得各股東有關該授出的批准，否則購股權的行使期限須由本公司於授出日期時訂明，並須於購股權授出日期(即董事會出具授予相關建議受益人購股權的書面授出要約的日期)起10年內到期。

購股權可根據該計劃條款於董事釐定及告知承授人的期限內隨時行使，該期限自作出授出要約第二日開始，但於任何情況下，不得超過購股權授出日期起10年，惟可根據條款提前終止。除非董事及向承授人發出的購股權授出要約另行指明，該計劃項下並無有關購股權獲行使前須持有最短期間的規定。



REPORT OF THE DIRECTORS (CONTINUED)  
董事會報告(續)

**SHARE CAPITAL AND SHARE OPTIONS (Continued)**

The subscription price for Shares under the Scheme shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of Shares as stated in The Stock Exchange of Hong Kong Limited's (the "Stock Exchange") daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares. A nominal consideration of HK\$1 is payable on acceptance of the grant of an Option within such time as may be specified in the offer (which shall not be later than 21 days from the offer date).

Details of the movement of the Options pursuant to the Scheme during the Year are set out in note 29 of the financial statements and are included in the table as follows:

**股本及購股權(續)**

該計劃項下的股份認購價須由董事釐定，但不得低於以下各項中的最高值(i)本公司股份於要約授出當日(必須為營業日)在香港聯合交易所有限公司(「聯交所」)每日報價表所報收市價；(ii)股份於緊接要約授出當日前五個營業日在聯交所每日報價表所報平均收市價；及(iii)股份面值。承授人倘接納所授出購股權，須於要約可能規定的有關時限內(不得超過要約日期起21日)支付名義代價1港元。

購股權於本年度根據該計劃之變動詳情載於財務報表附註29，列入下表：

Number of category of participants	Options held at 30 June 2019	Options granted during the Year	Options	Options	Options	Options	Date of grant of Options (Note i)	Date of expiry of Options (Note i)	Exercise price of Options per Share
			exercised during the Year (Note ii)	cancelled during the Year	lapsed during the Year	held at 30 June 2020			
參與者類別及數目	於二零一九年六月三十日持有的購股權	本年度授出的購股權	本年度行使的購股權(附註ii)	本年度註銷的購股權	本年度失效的購股權	於二零二零年六月三十日持有的購股權	購股權授出日期(附註i)	購股權屆滿日期(附註i)	每股購股權之行使價
<b>Directors</b>									
<b>董事</b>									
Chan Yuk Foebe 陳昱	10,780,000	-	-	-	-	10,780,000	26/07/2017	25/07/2020	HK\$0.345 0.345港元
Law Tsz Ping Eric 羅子平	10,780,000	-	-	-	-	10,780,000	17/07/2017	16/07/2020	HK\$0.31 0.31港元
<b>Other Employees</b>									
<b>其他員工</b>									
	41,120,000	-	-	-	-	41,120,000	26/07/2017	25/07/2020	HK\$0.345 0.345港元
	110,000,000	-	(7,500,000)	-	-	102,500,000	24/12/2018	23/12/2021	HK\$0.325 0.325港元
<b>Total</b> 總計	172,680,000	-	(7,500,000)	-	-	165,180,000			

Notes:

- (i) The vesting period and exercise period of the Options are both the period between the date of grant of Options and date of expiry of Options.
- (ii) The weighted average closing price of the Shares immediately before the dates on which the Options were exercised was approximately HK\$0.428.

附註：

- (i) 購股權的歸屬期及行使期均為購股權授出日期及購股權屆滿日期之間的期間。
- (ii) 緊接購股權獲行使日期前的股份加權平均收市價約為0.428港元。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws and there was no restrictions against such rights under the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders.

### CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit an annual confirmation of their independence pursuant to the Rule 3.13 of the Listing Rules and the Company are of the view that all independent non-executive directors of the Company have met the independent guidelines set out in Rule 3.13 of the Listing Rules and considers that they are independent.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

### RESERVES

Details of movements in the reserves of the Group and of the Company during the Year are set out in the consolidated statement of changes in equity on page 75 of this annual report and note 30(b) to the financial statements as set out on page 168 of this annual report, respectively.

### MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the sales to the Group's five largest customers accounted for approximately 23% of the Group's total sales for the year and the sales to the largest customer included therein amounted to approximately 8%.

Purchases from the Group's five largest suppliers accounted for approximately 72% of the Group's total purchases for the year and purchases from the largest supplier included therein amounted to approximately 50%.

None of the Directors or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers.

### 優先購股權

本公司之公司細則並無有關優先購買權之條文，且並無對根據百慕達法律享有的權利作出任何限制，而該等限制規定本公司須按比例向現有股東提呈發售新股份。

### 確認獨立非執行董事之獨立性

本公司已分別收到馬榮欣先生、譚政豪先生及侯志傑先生各自根據上市規則第3.13條就其獨立性發出之年度確認書，本公司認為本公司各獨立非執行董事均已符合上市規則第3.13條所載獨立指引，並認為彼等均為獨立人士。

### 購買、贖回或出售本公司上市證券

本公司及其任何附屬公司於本年度內概無購買、贖回或出售本公司任何上市證券。

### 儲備

本集團及本公司儲備於本年度之變動詳情分別載於本年報第75頁之綜合權益變動表以及本年報第168頁所載之財務報表附註30(b)。

### 主要客戶及供應商

本集團於本年度內向五大客戶供貨之銷售額佔本集團年度總銷售額約23%，當中向最大客戶供貨之銷售額則佔年度總銷售額約8%。

本集團向五大供應商購貨之採購額佔本集團年度總採購額約72%，當中向最大供應商購貨之採購額則佔年度總採購額約50%。

各董事、彼等任何聯繫人士或據董事所深知擁有本公司已發行股本5%以上之任何股東概無實益擁有本集團五大客戶或供應商之任何權益。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### CONNECTED TRANSACTION

The Group entered into the following connected transaction, details of which had been disclosed in compliance with Chapter 14A of the Listing Rules:

#### Acquisition of Xinyang Maojian

On 5 January 2018, Prosper Path Limited (a wholly-owned subsidiary of the Company) entered into a share transfer agreement (the “Share Agreement”) with Dragon Wise Group Limited (an indirect non-wholly-owned company of Mr. Sha Tao (“Mr. Sha”)) (the “Vendor”) to acquire the entire issued share capital (the “Sale Shares”) of Xinyang Maojian International Holding Limited (the “Target Company”, and together with its subsidiaries, the “Target Group”) at a total consideration of HK\$85,800,000 (the “Acquisition”). The consideration of the Acquisition would be as satisfied by way of allotment and issue of 220,000,000 new Shares (the “Consideration Shares”) to the Vendor or its nominee.

The Vendor was owned as to 55% by Virtue Ever Limited (“Virtue Ever”) and 45% by an independent third party. Mr. Sha is the legal and beneficial owner of the entire issued share capital of Virtue Ever and hence, a controlling shareholder of the Target Company. The Company considered Mr. Sha to be a connected person as he, through Virtue Ever, would be a substantial shareholder of the Company when the Consideration Shares were allotted and issued in full to the Vendor pursuant to the terms of the Share Agreement (as amended and supplemented by the supplemental agreements (the “Supplemental Agreements” together with the Share Agreement, the “Existing Agreements”)).

The Group had suffered from the slump of chemical market in the last five years. For the Group’s future development, the management explores new and value-added businesses from time to time. The management believed that the Acquisition could diversify the risk of the Group and, hence, provide a stable return to the Group.

Further details of the Acquisition can be referred to in the section “Management Discussion and Analysis” of this annual report.

### 關連交易

本集團訂立以下關連交易，詳情已根據上市規則第14A章進行披露：

#### 收購信陽毛尖

於二零一八年一月五日，本公司全資附屬公司 Prosper Path Limited 與沙濤先生（「沙先生」）的間接非全資公司 Dragon Wise Group Limited（「賣方」）訂立股份轉讓協議（「股份協議」），以收購信陽毛尖國際控股有限公司（「目標公司」，連同其附屬公司，統稱為「目標集團」）的全部已發行股本（「待售股份」），總代價為85,800,000港元（「收購事項」）。收購事項的代價將透過向賣方及其代名人配發及發行220,000,000股新股（「代價股份」）償付。

賣方由永德有限公司（「永德」）及獨立第三方分別擁有55%及45%的權益。沙先生為永德全部已發行股本之法定及實益擁有人，並因此為目標公司的一名控股股東。於代價股份根據股份協議（經補充協議（「補充協議」），連同股份協議為「現有協議」修訂及補充）條款悉數配發及發行予賣方時，由於通過永德成為本公司之主要股東，故本公司認為沙先生為關連人士。

於過去五年，本集團受到化工市場低迷的影響。就本集團的未來發展而言，管理層將不時探索新增及增值業務。管理層相信，收購事項可使本集團風險多元化，從而，為本集團提供穩定回報。

收購事項之進一步詳情可參閱本年報「管理層討論及分析」章節。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### CONTINUING CONNECTED TRANSACTIONS

The Target Group became subsidiaries of the Company upon completion of the Acquisition, and accordingly, prior to the termination of the Existing Agreements on 12 February 2020, certain ongoing transactions of the Target Group with Henan Xinyang Maojian Group Co., Ltd.\* (河南信陽毛尖集團有限公司) (“Henan Xinyang Maojian”), Xinyangshi Longtan Chaye Co., Ltd.\* (信陽市龍潭茶葉有限公司) (“Xinyangshi Longtan”) and Xinyang Maojian Holding Co., Ltd.\* (信陽毛尖控股有限公司) (“Xinyang Maojian Holding”), respectively, became non-exempt continuing connected transactions of the Company under Chapter 14A of the Listing Rules, which were subject to the reporting, announcement and/or independent shareholders’ approval requirements.

Referring to the paragraph headed “Acquisition of Xinyang Maojian” under “Connected Transactions”, the Company considered Mr. Sha to be a connected person and any transaction between (1) Mr. Sha or his associates and (2) the Group (including the Target Group) would constitute a connected transaction of the Company.

Henan Xinyang Maojian is indirectly owned as to 90.28% by Xinyang Maojian Holding, which in turn is owned as to 51% indirectly by Mr. Sha and 49% directly by Henan Xinyang Maojian. Xinyangshi Longtan is owned as to 79.03% by Henan Xinyang Maojian. Therefore, Henan Xinyang Maojian, Xinyangshi Longtan and Xinyang Maojian Holding (together, the “Suppliers”) were associates of Mr. Sha and became connected persons of the Company.

Further details of the discontinued continuing connected transactions can be referred to in the Company’s circular dated 23 July 2018 and as follows:

#### China Xinyang Agreement

On 5 January 2018, the Suppliers entered into an agreement (the “China Xinyang Agreement”) with China Xinyang Maojian Group Limited (“China Xinyang”) and Xinyang Maojian Chaye (Shenzhen) Co., Ltd.\* (信陽毛尖茶葉(深圳)有限公司) (“Xinyang Shenzhen”) to grant exclusive distributorship on e-commerce platforms in the PRC to sell Xinyang Maojian Tea Leaves.

### 持續關連交易

目標集團於收購事項完成後成為本公司之附屬公司，因此，現有協議於二零二零年二月十二日終止前，根據上市規則第14A章，目標集團分別與河南信陽毛尖集團有限公司(「河南信陽毛尖」)、信陽市龍潭茶葉有限公司(「信陽市龍潭」)及信陽毛尖控股有限公司(「信陽毛尖控股」)所進行之若干交易成為本公司之非豁免持續關連交易，須遵守申報、公告及／或獨立股東批准之規定。

經參閱「關連交易」項下「信陽毛尖收購事項」段落，本公司認為沙先生為關連人士及(1)沙先生或其聯繫人與(2)本集團(包括目標集團)進行之任何交易將構成本公司之關連交易。

河南信陽毛尖由信陽毛尖控股間接擁有90.28%的權益，而信陽毛尖控股由沙先生間接擁有51%的權益及由河南信陽毛尖直接擁有49%的權益。信陽市龍潭由河南信陽毛尖擁有79.03%。因此，河南信陽毛尖、信陽市龍潭及信陽毛尖控股(統稱為「供應商」)均為沙先生之聯繫人及將成為本公司的關連人士。

有關已終止持續關連交易的進一步詳情，請參閱本公司日期為二零一八年七月二十三日之通函及以下：

#### 中國信陽協議

於二零一八年一月五日，供應商與中國信陽毛尖集團有限公司(「中國信陽」)及信陽毛尖茶葉(深圳)有限公司(「信陽深圳」)訂立一份協議(「中國信陽協議」)，內容有關授出於中國電商平台出售信陽毛尖茶葉的獨家經銷權。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### CONTINUING CONNECTED TRANSACTIONS (Continued)

#### China Xinyang Agreement (Continued)

Under the China Xinyang Agreement, China Xinyang and/or Xinyang Shenzhen shall place individual orders with the Suppliers by issuing a written order to the Suppliers stating the quantity, price and details of delivery. The Suppliers shall arrange for the manufacturing and delivery of products after receiving such orders from China Xinyang and/or Xinyang Shenzhen.

The Suppliers have undertaken to supply to China Xinyang:

- i. Xinyang Maojian Tea Leaves representing a value not less than RMB100 million in 2018;
- ii. Xinyang Maojian Tea Leaves representing a value not less than RMB200 million in 2019; and
- iii. Xinyang Maojian Tea Leaves representing a value not less than RMB500 million per year from 2020 to 2028.

The term of the China Xinyang Agreement shall be 10 years, commencing on 5 January 2018 to 5 January 2028. The Suppliers shall supply Xinyang Maojian Tea Leaves to China Xinyang at the ex-factory price. The ex-factory price is constituted by the cost of production, value-added tax and packaging costs.

The proposed annual caps for the China Xinyang Agreement for each of the period commencing on the day on which the Vendor and the Purchaser complete the transfer of the Sale Shares in accordance with the Existing Agreements (the "Sale Share Transfer Date") to 30 June 2019 and for the two years ending 30 June 2021 were RMB54,000,000 (equivalent to approximately HK\$65,000,000), RMB81,000,000 (equivalent to approximately HK\$97,000,000) and RMB114,000,000 (equivalent to approximately HK\$136,000,000), respectively.

No fees were paid or payable by the Group to the Suppliers under the China Xinyang Agreement for the Year.

### 持續關連交易(續)

#### 中國信陽協議(續)

根據中國信陽協議，中國信陽及／或信陽深圳將通過向供應商發出書面訂單，說明其質量、價格及交付詳情的方式向供應商發出個人訂單。供應商將於從中國信陽及／或信陽深圳收到該等訂單後安排產品生產及交付。

供應商已承諾向中國信陽提供：

- i. 於二零一八年，價值不低於人民幣100百萬元之信陽毛尖茶葉；
- ii. 於二零一九年，價值不低於人民幣200百萬元的信陽毛尖茶葉；及
- iii. 自二零二零年至二零二八年每年，價值不低於人民幣500百萬元的信陽毛尖茶葉。

中國信陽協議的期限為10年，於二零一八年一月五日起至二零二八年一月五日。供應商將以出廠價向中國信陽供應信陽毛尖茶葉。出廠價由生產成本、增值稅及包裝成本構成。

於賣方及買方根據現有協議完成待售股份轉讓之日（「待售股份轉讓日期」）至二零一九年六月三十日以及截至二零二一年六月三十日止兩個年度各期間的中國信陽協議之建議年度上限分別為人民幣54,000,000元（相當於約65,000,000港元）、人民幣81,000,000元（相當於約97,000,000港元）及人民幣114,000,000元（相當於約136,000,000港元）。

於本年度，本集團概無根據中國信陽協議而已付或應付供應商的費用。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### CONTINUING CONNECTED TRANSACTIONS (Continued)

#### Xinyang Overseas Agreement

On 5 January 2018, the Suppliers entered into an agreement (the “Xinyang Overseas Agreement”) with Xinyang Maojian Overseas Development Limited (“Xinyang Overseas”) to grant exclusive distributorship for places outside of the PRC to sell Xinyang Maojian Tea Leaves.

Under the Xinyang Overseas Agreement, Xinyang Overseas shall place individual orders with the Suppliers by issuing a written order to the Suppliers stating the quantity, price and details of delivery. The Suppliers shall arrange for the manufacturing and delivery of products after receiving such orders from Xinyang Overseas.

The Suppliers have undertaken to supply Xinyang Maojian Tea Leaves representing a value not less than RMB200 million per year to Xinyang Overseas.

The term of the Xinyang Overseas Agreement shall be 10 years, commencing on 5 January 2018 to 5 January 2028. The Suppliers shall supply the Xinyang Maojian Tea Leaves to China Xinyang at the ex-factory price. The ex-factory price constitutes the cost of production, the value-added tax and the packaging costs.

The proposed annual caps for the Xinyang Overseas Agreement for each of the period commencing on the Sale Share Transfer Date to 30 June 2019 and for the two years ending 30 June 2021 were RMB25,500,000 (equivalent to approximately HK\$30,600,000), RMB32,300,000 (equivalent to approximately HK\$38,760,000) and RMB47,175,000 (equivalent to approximately HK\$56,610,000), respectively.

No fees were paid or payable by the Group to the Suppliers under the Xinyang Overseas Agreement for the Year.

### RELATED PARTY TRANSACTIONS

The related party transactions of the Group as set out in note 44 to the financial statements constituted fully exempted connected transactions under Chapter 14A of the Listing Rules. Save as disclosed in this annual report, there was no other transaction which would need to be disclosed as connected transactions in compliance with the disclosure requirements in Chapter 14A of the Listing Rules.

### 持續關連交易(續)

#### 信陽海外協議

於二零一八年一月五日，供應商與信陽毛尖海外發展有限公司(「信陽海外」)訂立一份協議(「信陽海外協議」)，內容有關授出於中國境外出售信陽毛尖茶葉的獨家經銷權。

根據信陽海外協議，信陽海外應通過向供應商發出書面訂單，說明其質量、價格及交付詳情的方式向供應商發出個人訂單。供應商將於從信陽海外收到該等訂單後安排產品生產及交付。

供應商已承諾每年向信陽海外提供價值不低於人民幣200百萬元的信陽毛尖茶葉。

信陽海外協議的期限為10年，二零一八年一月五日起至二零二八年一月五日。供應商將以出廠價向中國信陽供應信陽毛尖茶葉。出廠價由生產成本、增值稅及包裝成本構成。

於待售股份轉讓日期至二零一九年六月三十日及截至二零二一年六月三十日止兩個年度各期間的信陽海外協議之建議年度上限分別為人民幣25,500,000元(相當於約30,600,000港元)、人民幣32,300,000元(相當於約38,760,000港元)及人民幣47,175,000元(相當於約56,610,000港元)。

於本年度，本集團概無根據信陽海外協議而已付或應付供應商的費用。

### 關連人士交易

本集團關連人士交易載於財務報表附註44，構成上市規則第14A章項下之完全豁免關連交易。除本年報披露者外，概無其他交易須根據上市規則第14A章之披露規定作為關連交易披露。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### DIRECTORS

The Directors during the Year and up to the date of this report are as follows:

#### Executive Directors:

Ms. Chan Yuk Foebe  
Mr. Gao Ran (*appointed on 23 July 2020*)  
Mr. Law Tze Ping Eric  
Mr. Yu Defa  
Mr. Chen Lei (*appointed on 12 March 2020 and resigned on 27 July 2020*)

#### Independent Non-executive Directors:

Mr. Ma Wing Yun Bryan  
Mr. Tam Ching Ho  
Mr. Hau Chi Kit

In accordance with clauses 99 and 102 of the Company's Bye-laws, Ms. Chan Yuk Foebe, Mr. Gao Ran, Mr. Hau Chi Kit and Mr. Ma Wing Yun Bryan will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting (the "AGM").

Pursuant to code provision A.4.3 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, if an independent non-executive director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Mr. Ma Wing Yun Bryan was appointed as an independent non-executive Director in February 2001 and therefore would have served for more than 9 years as at the date of the AGM. Mr. Ma Wing Yun Bryan has confirmed his independence with reference to the factors as set out in Rule 3.13 of the Listing Rules. Notwithstanding his years of service as an independent non-executive Director, (i) the Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Ma Wing Yun Bryan remains independent; (ii) the Nomination Committee has assessed and is satisfied of the independence of Mr. Ma Wing Yun Bryan; and (iii) the Board is satisfied that through exercising scrutinising and monitoring functions as an independent non-executive Director, Mr. Ma Wing Yun Bryan has continued to provide independent and objective judgement and advice to the Board to safeguard the interests of the Group and the Shareholders. As such, the Board believes that Mr. Ma Wing Yun Bryan has the character, integrity, independence and expertise to continue to fulfil his role as an independent non-executive Director effectively and will continue to bring valuable experience, knowledge and professionalism to the Board and would recommend Mr. Ma Wing Yun Bryan for re-election as an independent non-executive Director at the AGM.

### 董事

於本年度及直至本報告日期止之董事如下：

#### 執行董事：

陳昱女士  
高冉先生(於二零二零年七月二十三日獲委任)  
羅子平先生  
于德發先生  
陳蕾先生(於二零二零年三月十二日獲委任及  
於二零二零年七月二十七日辭任)

#### 獨立非執行董事：

馬榮欣先生  
譚政豪先生  
侯志傑先生

根據本公司之公司細則第99及102條，陳昱女士、高冉先生、侯志傑先生及馬榮欣先生將任滿告退，惟彼等合資格並願意於應屆股東週年大會(「股東週年大會」)重選連任。

根據上市規則附錄14所載企業管治守則守則條文第A.4.3條，若獨立非執行董事在任超過九年，其是否獲續任應以獨立決議案形式由股東審議通過。馬榮欣先生自二零零一年二月獲委任為獨立非執行董事並於本公司於股東週年大會日期已在任超過九年。馬榮欣先生已參考上市規則第3.13條所載之因素確認本身之獨立性。儘管彼已擔任獨立非執行董事多年，(i)董事會已根據上市規則第3.13條所載的準則評估及檢討其年度獨立確認，並確認馬榮欣先生仍為獨立人士；(ii)提名委員會已評估且信納馬榮欣先生之獨立性；及(iii)董事會信納，透過行使獨立非執行董事的審查及監督職能，馬榮欣先生已持續向董事會提供獨立及客觀的判斷及意見，以保障本集團及股東的利益。因此，董事會相信馬榮欣先生具備繼續有效履行獨立非執行董事一職所須的品格、誠信、獨立性及專業知識，且將繼續為董事會帶來寶貴的經驗、知識及專業精神，並將推薦於股東週年大會上重選馬榮欣先生為獨立非執行董事。





## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 42 to 46 of this annual report.

### CHANGES OF INFORMATION OF DIRECTORS UNDER RULE 13.51B(1) OF LISTING RULES

No information was required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### DIRECTORS' SERVICE CONTRACTS

Ms. Chan Yuk Foebe has entered into a service contract with the Company commencing from 22 November 2004, which shall, subject to the re-appointment as a director of the Company in accordance with the Company's Bye-laws, continue until terminated by either party giving not less than three months' notice in writing to the other. Mr. Gao Ran has entered into a letter of appointment with the Company for an initial term of one year commencing from 23 July 2020, which shall, subject to the reappointment as a Director in accordance with the Company's Bye-laws, continue until terminated by either party giving not less than one month's notice in writing to the other. Mr. Yu Defa has entered into a letter of appointment with the Company for an initial term of two years commencing from 5 May 2014, which shall, subject to his re-appointment as a director of the Company in accordance with the Company's Bye-laws, continue until terminated by either party giving not less than three months' notice in writing to the other. The term of his appointment was since renewed for a further term of two years commencing from 5 May 2018. Mr. Law Tze Ping Eric have entered into a letter of appointment with the Company for an initial term of two years commencing from 3 March 2015, which shall, subject to the reappointment as a director of the Company in accordance with the Company's Bye-laws, continue until terminated by either party giving not less than three months' notice in writing to the other. The term of his appointment was since renewed for a further term of two years commencing from 3 March 2019. Mr. Chen Lei has entered into a letter of appointment with the Company for an initial term of one year commencing from 24 April 2019, which shall, subject to the reappointment as a Director in accordance with the Company's Bye-laws, continue until terminated by either party giving not less than one month's notice in writing to the other.

### 董事及高級管理人員之履歷詳情

董事及本集團高級管理人員之履歷詳情載於本年報第42至46頁。

### 根據上市規則第13.51B(1)條的董事資料變動

概無資料需根據上市規則第13.51B(1)條予以披露。

### 董事之服務合約

陳昱女士已與本公司訂立服務合約，任期由二零零四年十一月二十二日開始，須根據本公司之公司細則重新委任為本公司董事，有關合約將一直有效，直至任何一方給予對方不少於三個月書面通知予以終止為止。高冉先生與本公司訂立委任函，初步任期自二零二零年七月二十三日起為期一年，須根據本公司之公司細則重新委任為董事，有關合約將一直有效，直至任何一方給予對方不少於一個月書面通知予以終止為止。于德發先生已與本公司訂立委任書，初步任期自二零一四年五月五日起為期兩年，並須根據本公司之公司細則重新委任為本公司董事，有關合約將一直有效，直至任何一方給予對方不少於三個月書面通知予以終止為止。彼之任期已重續，自二零一八年五月五日起為期兩年。羅子平先生已與本公司訂立委任書，初步任期自二零一五年三月三日起為期兩年，須根據本公司之公司細則重新委任為本公司董事，有關合約將一直有效，直至任何一方給予對方不少於三個月書面通知予以終止為止。彼之任期已重續，由二零一九年三月三日起為期兩年。陳蕾先生已與本公司訂立委任函，初步任期自二零一九年四月二十四日起為期一年，並須根據本公司之公司細則重新委任為董事，有關合約將一直有效，直至任何一方給予對方不少於一個月書面通知予以終止為止。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### DIRECTORS' SERVICE CONTRACTS (Continued)

Mr. Ma Wing Yun Bryan was appointed for a term of two years as an independent non-executive director of the Company commencing from 28 February 2001. The term of his appointment was renewed for a further two-year term commencing from 28 February 2003. Upon expiry of his appointment on 27 February 2005, the Company did not renew the service contract with Mr. Ma Wing Yun Bryan until 24 March 2006. The Company renewed the service contract with Mr. Ma Wing Yun, Bryan for a further term of three years, commencing from 1 April 2006. The term of his appointment was since renewed for a further term of two years commencing from 1 April 2009, 1 April 2011, 1 April 2013, 1 April 2015, 1 April 2017 and 1 April 2019, respectively.

The Company entered into a service contract with Mr. Tam Ching Ho commencing from 30 June 2007 to the then following annual general meeting (i.e. 6 December 2007) of the Company. On 7 December 2007, the Company renewed the service contract with Mr. Tam Ching Ho for a term of two years as an independent non-executive director of the Company commencing from 7 December 2007. Moreover, the term of his appointment was renewed for a further term of two years commencing from 7 December 2009, 7 December 2011, 7 December 2013, 7 December 2015, 7 December 2017 and 7 December 2019, respectively.

The Company entered into a service contract with Mr. Hau Chi Kit for a term of two years commencing from 18 December 2013 as an independent non-executive director. Moreover, the term of his appointment was renewed for a further term of two years commencing from 18 December 2015, 18 December 2017 and 18 December 2019, respectively.

Save as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director had a material interest in any transactions, arrangements or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Year.

### 董事之服務合約(續)

馬榮欣先生作為本公司獨立非執行董事之任期由二零零一年二月二十八日起為期兩年。彼之任期已重續，由二零零三年二月二十八日起為期兩年。馬榮欣先生之任期於二零零五年二月二十七日屆滿時，本公司並無與彼重續服務合約，直至二零零六年三月二十四日，本公司與馬榮欣先生再次重續服務合約，年期由二零零六年四月一日起為期三年。彼之任期已重續，分別由二零零九年四月一日、二零一一年四月一日、二零一三年四月一日、二零一五年四月一日、二零一七年四月一日及二零一九年四月一日起為期兩年。

本公司與譚政豪先生訂有服務合約，任期由二零零七年六月三十日起至本公司當時下屆股東週年大會(即二零零七年十二月六日)止。於二零零七年十二月七日，本公司與譚政豪先生重續服務合約，擔任本公司獨立非執行董事，由二零零七年十二月七日起為期兩年。此外，彼之任期已重續，分別由二零零九年十二月七日、二零一一年十二月七日、二零一三年十二月七日、二零一五年十二月七日、二零一七年十二月七日及二零一九年十二月七日起為期兩年。

本公司已與侯志傑先生訂立服務合約，其作為獨立非執行董事之任期由二零一三年十二月十八日起為期兩年。此外，彼之任期已重續，分別由二零一五年十二月十八日、二零一七年十二月十八日及二零一九年十二月十八日起為期兩年。

除上文披露者外，概無擬於應屆股東週年大會重選連任之董事與本公司訂有本公司不可於一年內毋須作出賠償(法定賠償除外)而終止之服務合約。

### 董事之交易、安排或合約權益

本年度內，概無董事於本公司或其任何附屬公司所訂立而對本集團業務屬重大之任何交易、安排或合約中擁有重大權益。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### CONTRACT OF SIGNIFICANCE

No contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholders or any of its subsidiaries during the Year.

### MANAGEMENT CONTRACTS

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

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

As at 30 June 2020, the interests of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")), which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") in the Listing Rules were as follows:

#### Interests in the Shares and Underlying Shares

Name of director	Type of interest	Number of Shares held (long position) 所持股份數目 (好倉)	% of issued capital of the Company 佔本公司已發行股本百分比	Share options held 所持購股權	% of issued capital of the Company 佔本公司已發行股本百分比
Ms. Chan Yuk Foebe 陳昱女士	Beneficial interest 實益權益	2,860,000	0.21	10,780,000	0.80
Mr. Law Tze Ping Eric 羅子平先生	Beneficial interest 實益權益	1,400,000	0.10	10,780,000	0.80
Mr. Hau Chi Kit 侯志傑先生	Interest of spouse (Note) 配偶權益(附註)	2,000,000	0.15	N/A 不適用	N/A 不適用

Note: Mr. Hau Chi Kit is the spouse of Ms. Angel Luke. Therefore, Mr. Hau Chi Kit is deemed to be interested in all the Shares that Ms. Angel Luke is interested in for the purpose of the SFO.

### 重大合約

本年度內，本公司或其任何附屬公司與控股股東或其任何附屬公司並無訂立任何重大合約。

### 管理合約

本年度內概無訂立或訂有任何與本公司全部或大部分業務有關之管理及行政管理合約。

### 董事及最高行政人員於股份及相關股份之權益或淡倉

於二零二零年六月三十日，本公司董事及最高行政人員於本公司及其相聯法團(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，擁有根據證券及期貨條例第352條須記錄在該條例所述登記冊內之權益；或根據上市規則上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

#### 於股份及相關股份之權益

附註：侯志傑先生為陸安琪女士之配偶。因此，根據證券及期貨條例，侯志傑先生被視為於陸安琪女士所享有權益的所有股份中享有權益。

REPORT OF THE DIRECTORS (CONTINUED)  
董事會報告(續)

**DIRECTORS' AND CHIEF EXECUTIVE'S  
INTERESTS OR SHORT POSITIONS IN SHARES  
AND UNDERLYING SHARES (Continued)**

**Interests in the Shares and Underlying Shares  
(Continued)**

Save as disclosed herein, as at 30 June 2020, none of the Directors and chief executives of the Company and their respective associates had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR  
DEBENTURES**

Save as disclosed above, at no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

**董事及最高行政人員於股份及相關  
股份之權益或淡倉(續)**

**於股份及相關股份之權益(續)**

除本年報披露者外，於二零二零年六月三十日，董事及本公司最高行政人員概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份及債券中，擁有或被視作擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例之有關條文彼等被視作或認為擁有之權益及淡倉)；或須記錄在本公司根據證券及期貨條例第352條存置之登記冊內之權益或淡倉；或根據標準守則須知會本公司及聯交所之權益或淡倉。

**董事購買股份或債券之權利**

除上文披露者外，於本年度內任何時間，概無向任何董事或彼等各自之配偶或未滿18歲之子女授出權利，可藉購買本公司股份或債券而獲益，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與任何安排，致使董事取得任何其他法團之該等權利。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As far as the Directors are aware and the disclosure information published on the Stock Exchange's website, as at 30 June 2020, the following persons, other than a Director or chief executive of the Company, had an interest or a short position in the shares and underlying shares in the Company as recorded in the register required to be kept under section 336 of the SFO.

### 根據證券及期貨條例須予披露之股東權益

據董事所知及刊發於聯交所網站之披露資料，於二零二零年六月三十日，按根據證券及期貨條例第336條存置之登記冊所記錄，下列人士(除本公司董事或最高行政人員外)於本公司股份及相關股份中擁有權益或淡倉。

Name 姓名	Number of Ordinary shares 普通股數目	Capacity (subject to the notes below) 身份(受下文附註規限)	Approximate percentage interest 概約股權百分比
Mr. Chan Yuen Tung 陳遠東先生	Long position 好倉 382,000,000	Beneficial owner 實益擁有人	27.54%

Save as disclosed above, as far as the Directors are aware, as at 30 June 2020, no other person had an interest or a short position in the shares and underlying shares in the Company as recorded in the register required to be kept under section 336 of the SFO.

除上文披露者外，據董事所知，於二零二零年六月三十日，按根據證券及期貨條例第336條存置之登記冊所記錄，概無其他人士於本公司股份及相關股份中擁有權益或淡倉。

### EMOLUMENT POLICY AND LONG-TERM INCENTIVE SCHEME OF THE GROUP

As at 30 June 2020, the Group had 678 full time employees in the PRC and Hong Kong. The Group recognises the importance of human resources to its success. Compensation for the Group is made in reference to the prevailing market conditions, individual performance, contributions as well as duties and responsibilities.

The Scheme is in place to provide appropriate long-term incentive to key staff of the Group including executive Directors. Details of the Scheme are set out in section "Share Capital and Share Options" of this report and note 29 to the financial statements in this annual report.

### 本集團薪酬政策及長期獎勵計劃

於二零二零年六月三十日，本集團於中國及香港擁有678名全職僱員。本集團認為人力資源為其成功的重要因素。本集團之薪酬乃參照現行市況、個人表現、貢獻以及職責及職能作出。

本公司已設立該計劃向本集團主要員工(包括執行董事)提供適當長遠獎勵。本公司該計劃詳情載於本報告「股本及購股權」章節及本年報財務報表附註29。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### BASIS OF DETERMINING EMOLUMENT TO DIRECTORS

The same remuneration philosophy is applicable to the Directors. Apart from benchmarking against the prevailing market condition, the Company will assess individual performance, contributions, duties and responsibilities in determining the remuneration for each Director.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, there is sufficient public float of more than 25% of the Shares in the market as required under the Listing Rules.

### DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the Year and up to the date of this annual report, no Director is considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to the Listing Rules, other than those businesses of which the Directors were appointed as directors to represent the interests of the Company and/or the Group.

### INDEMNITY OF DIRECTORS

The Company has maintained appropriate directors and officers liability insurance and such permitted indemnity provision (as defined in section 469 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the benefit of the Directors is currently in force and was in force throughout the Year.

### CORPORATE GOVERNANCE

The corporate governance practices adopted by the Company are set out in the "Corporate Governance Report" of this annual report.

### 釐定董事酬金之基準

相同薪酬理念亦適用於本公司董事。除符合當前市況外，本公司亦將於釐定各董事薪酬時評估個人表現、貢獻、職責及責任。

### 足夠公眾持股量

按本公司取得之公開資料及據董事所知，於本報告日期，本公司股份在市場上維持上市規則所規定25%以上之足夠公眾持股量。

### 董事於競爭業務之權益

本年度內及直至本年報日期止，概無董事根據上市規則被視為於與或可能與本集團業務直接或間接構成競爭之業務中擁有權益，惟董事獲委任代表本公司及／或本集團權益出任董事之該等業務除外。

### 董事彌償保證

本公司已購買合適的董事及行政人員責任保險，而有關以董事為受益人的彌償保證條文(定義見香港法例第622章公司條例第469條)現已生效且於本年度一直有效。

### 企業管治

本公司採納的企業管治慣例載於本年報「企業管治報告」。





## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### AUDIT COMMITTEE REVIEW

The audit committee of the Company has reviewed the audited consolidated results of the Group for the Year.

### INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

As disclosed in sections headed "Disclaimer of Opinion" and "Basis for Disclaimer of Opinion" in the independent auditors' report of the Annual Report, the auditors of the Company, Elite Partners CPA Limited ("Elite Partners") did not express an audit opinion on the consolidated financial statements of the Group for the Year as a result of certain matters.

#### The Board's Response to the Disclaimer Opinion Impairment of fixed assets and related prepayment

Elite Partners are of the view that they have not been provided with sufficient evidence to satisfy themselves as to the Group's ability to complete the transformation of the fixed assets from the production of calcium carbide to the production of high carbon ferromanganese and resume the suspended production line in accordance with the scheduled timetable and budget as a result of the Group's availability for financing. There were also no other practical alternative audit procedures that Elite Partners could perform to satisfy themselves as to the recoverable amounts of these assets and whether any impairment charge should be made.

From the Company's point of view, whilst this audit qualification will affect the opening balances of fixed assets and prepayments for the year ending 30 June 2021, subject to whether the Company can address the concerns of the auditor, the audit qualification may or may not have effect on the Company's consolidated financial statements in the future. The audit committee of the Company reviewed and agreed with the Directors' position in relation to the impairment assessment of fixed assets and related prepayment of the sale of calcium carbide segment. Nonetheless, in response to Elite Partners' concerns and as disclosed in Note 2 to the financial statements in the annual report, the Board has already taken actions to generate further financing after the Year in order to address such concerns, including but not limited to (i) issuance of convertible bonds; (ii) disposal of equity interest in a subsidiary; and (iii) extension of other loan.

### 審核委員會之審閱

本公司審核委員會已審閱本集團於本年度之經審核綜合業績。

### 獨立核數師對本公司於本年度綜合財務報表之報告

誠如在年報內獨立核數師報告中「不發表意見」及「不發表意見之基礎」數節所述，本公司核數師開元信德會計師事務所有限公司(「開元信德」)因若干事宜，並無對本集團於本年度的綜合財務報表發表審核意見。

#### 董事會對不發表意見的回應 固定資產減值及相關預付款項

開元信德認為，其未獲提供充分憑證以讓其信納本集團能夠完成將固定資產由碳化鈣生產轉變為高碳錳鐵生產，並使已暫停的生產線按照預定時間表及預算恢復生產，原因是本集團的可用融資。開元信德亦無可履行的其他實際可行替代審計程序以讓其信納該等資產的可收回金額，亦無法斷定應否扣除減值。

從本公司的角度看來，儘管該審核保留意見將影響截至二零二一年六月三十日止年度的固定資產及預付款項年初結餘，惟視乎本公司能否回應核數師的憂慮，審核保留意見未必一定影響本公司日後的綜合財務報表。本公司審核委員會已審視及同意董事對銷售碳化鈣分部的固定資產減值評估及相關預付款項的取態。然而，為回應開元信德的憂慮及誠如年報財務報表附註2所披露，董事會已於本年度後採取行動以獲得更多融資以回應有關憂慮，包括但不限於(i)發行可換股債券；(ii)出售附屬公司股權；及(iii)延長其他貸款。



## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries to all the Directors, all the Directors confirmed that they have complied with the code provisions in the Model Code during the Year.

### SUBSEQUENT EVENTS

Save as disclosed under the paragraph headed “Events after the reporting period” in this annual report, the Group had no significant events after 30 June 2020.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

### AUDITOR

A resolution to re-appoint the retiring auditor, Elite Partners, will be put to a vote at the forthcoming AGM.

ON BEHALF OF THE BOARD

**Chan Yuk Foebe**  
*Chairman and Executive Director*

Hong Kong  
30 October 2020

### 進行證券交易的標準守則

本公司已採納上市規則附錄10所載標準守則作為董事進行證券交易之內部操守準則。經向全體董事作出具體查詢後，全體董事確認彼等於本年度一直遵守標準守則之守則條文。

### 期後事項

除本年報「報告期後事項」段落所披露者外，本集團於二零二零年六月三十日後並無重大事項。

### 購買、出售或贖回本公司上市證券

本公司及其任何附屬公司於本年度概無購買、出售或贖回本公司任何上市證券。

### 核數師

本公司將於應屆股東週年大會提呈續聘退任核數師開元信德之決議案以供投票。

代表董事會

**陳昱**  
*主席兼執行董事*

香港  
二零二零年十月三十日

\* For identification purpose only



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### TO THE MEMBERS OF XINYANG MAOJIAN GROUP LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

### DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Xinyang Maojian Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 70 to 184, which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 致信陽毛尖集團有限公司列位股東

*(於開曼群島註冊成立並於百慕達存續之有限公司)*

### 不發表意見

吾等獲聘審核第70至184頁所載之信陽毛尖集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零二零年六月三十日之綜合財務狀況表，以及截至該日止年度之綜合損益表、綜合損益及其他全面收入表、綜合權益變動表、綜合現金流量表以及綜合財務報表附註(包括主要會計政策概要)。

吾等並不就 貴集團之綜合財務報表發表意見。由於如吾等之報告不發表意見之基礎一節所述事項之重要性，吾等未能取得足夠且適當之審核憑證為審核該等綜合財務報表提供意見基礎。在所有其他方面，吾等認為綜合財務報表已根據香港公司條例之披露規定妥善編製。



## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### BASIS FOR DISCLAIMER OF OPINION

#### Impairment of certain fixed assets and related prepayments

As at 30 June 2020, the Group had certain fixed assets and related prepayments of approximately HK\$666,035,000 relating to the Group's cash-generating unit regarding sale of calcium carbide segment (the "CGU"). The production line for the production of calcium carbide of the CGU was suspended during the year.

In determining the estimated recoverable amount of these assets, the directors used value-in-use calculations, taking into consideration of the completion of the transformation of the fixed assets from production of calcium carbide to production of high carbon ferromanganese and resumption of the suspended production line in accordance with scheduled timetable and budgets. As the value-in-use amounts for the CGU exceeded the carrying values of the corresponding fixed assets and related prepayments, the directors of the Company are of the opinion that there was no impairment of these assets as at 30 June 2020. The execution of the plan by the Group is at a preliminary stage and depends in particular on the Group's ability to generate sufficient funds to complete the transformation and resume the suspended production.

The recoverable amount of these assets is depended on the availability of financing. As a result of the multiple uncertainties related to going concern as disclosed in Note 2 to the consolidated financial statements, we were unable to obtain sufficient appropriate audit evidence we consider necessary to satisfy ourselves as to the Group's ability to complete the transformation and resume the suspended production and hence to determine the recoverable amount of these assets. There were no alternative audit procedures that we could perform to satisfy ourselves as to the recoverable amounts of these assets and whether any impairment charge should be made. Any impairment provision found to be necessary to write down these assets to their recoverable amount would affect the Group's net assets as at 30 June 2020, the Group's net loss for the year then ended and the related note disclosures to the consolidated financial statements.

### 不發表意見之基礎

#### 若干固定資產減值及相關預付款項

於二零二零年六月三十日，貴集團就貴集團有關碳化鈣銷售分部的現金產生單位（「現金產生單位」）擁有若干固定資產及相關預付款項約666,035,000港元。於本年度，現金產生單位的碳化鈣生產的生產線已被暫停。

於釐定該等資產的估計可收回金額時，董事採用使用價值計算法，並考慮到固定資產由碳化鈣生產轉變為高碳錳鐵生產已完成，以及已暫停的生產線已按照預定時間表及預算恢復生產。由於現金產生單位的使用價值金額超過相應固定資產及相關預付款項的賬面值，貴公司董事認為於二零二零年六月三十日，該等資產並無減值。貴集團對計劃的執行處於初步階段，且取決於（尤其是）貴集團能否產生足夠資金，以完成轉變及恢復已暫停的生產。

該等資產的可收回金額視乎可用融資而定。基於綜合財務報表附註2所披露的與持續經營相關的多項不確定性，吾等無法獲得吾等認為必要的足夠合適的審計憑證，以確定貴集團是否具備完成轉變及恢復已暫停生產的能力，從而釐定該等資產的可收回金額。吾等並無可履行的替代審計程序以讓吾等信納該等資產的可收回金額，亦無法斷定應否扣除減值。倘發現須為該等資產撇減至其可收回金額作出任何減值撥備，將影響貴集團於二零二零年六月三十日的資產淨值、貴集團截至該日止年度的虧損淨額以及綜合財務報表的相關附註披露。



## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements, which indicates that as of 30 June 2020, the Group had net current liabilities of approximately HK\$220,130,000. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The directors of the Company are considering a number of financing measures and plans as set forth in note 2 to improve the Group's liquidity and financial position and consider that the Group will have sufficient working capital to finance its operations and to fulfil its financial obligations as and when they fall due in the foreseeable future upon successfully implementing these measures and plans. Our opinion is not modified in respect of this matter.

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("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 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.

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

### 有關持續經營之重大不明朗因素

務請注意綜合財務報表附註2，其指出截至二零二零年六月三十日，貴集團的流動負債淨額約為220,130,000港元。該等情況顯示存有重大不明朗因素，可能對貴集團的持續經營能力造成重大疑問。貴公司董事正考慮附註2所載的多項融資措施及計劃，以改善貴集團的流動資金及財務狀況，並認為貴集團於成功實行該等措施及計劃後，將有足夠營運資金為其營運撥資，並應付其於可見將來到期的財務責任。吾等並無就此方面修改意見。

### 董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則及香港公司條例之披露規定，編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，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，或別無其他實際的替代方案。

管治層須負責監督貴集團的財務申報過程。



## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. We report solely to you, as a body in accordance with section 90 of Bermuda Companies Act 1989, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to form an audit opinion on these consolidated financial statements.

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.

The engagement partner on the audit resulting in this independent auditor's report is Siu Jimmy with Practising Certificate number P05898.

**Elite Partners CPA Limited**  
*Certified Public Accountants*

10/F, 8 Observatory Road  
Tsim Sha Tsui, Kowloon  
Hong Kong

30 October 2020

### 核數師就審核綜合財務報表須承擔 的責任

吾等的責任是遵循香港會計師公會發佈的香港核數準則對 貴集團的綜合財務報表執行審核工作並發表核數師報告。吾等根據百慕達一九八九年《公司法》第90條僅向 閣下(作為整體)報告，除此之外別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。然而，由於吾等報告中不發表意見之基礎所述事宜，吾等未能就該等綜合財務報表發表審核意見。

根據香港會計師公會的專業會計師道德守則(「守則」)，吾等獨立於 貴集團，且吾等乃根據守則履行吾等的其他道德責任。

出具本獨立核數師報告的審計項目委聘夥伴為蕭俊武(執業證書編號：P05898)。

**開元信德會計師事務所有限公司**  
*執業會計師*

香港  
九龍尖沙咀  
天文臺道8號10樓

二零二零年十月三十日





# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

		Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>	9	<b>194,337</b>	323,048
Cost of sales	銷售成本		<b>(184,498)</b>	(256,306)
<b>Gross profit</b>	<b>毛利</b>		<b>9,839</b>	66,742
Other income and other gains or losses (Losses)/gains on fair value of financial assets at fair value through profit or loss, net	其他收入及其他收益或虧損 按公平值計入損益之金融資產 公平值(虧損)/收益淨額	10	<b>6,062</b>	55,358
Selling and distribution costs	銷售及分銷成本		<b>(14,866)</b>	(20,055)
Administrative expenses	行政開支		<b>(99,791)</b>	(163,072)
Other operating expenses	其他經營開支		<b>(95,840)</b>	(75,493)
Impairment/written-off of fixed assets	固定資產減值/撇銷		<b>(77,000)</b>	(409,817)
Loss on property revaluation	物業重估虧損		<b>-</b>	(64,073)
Share of losses of joint ventures	分佔合營企業虧損	21	<b>(2,020)</b>	(682)
<b>Loss from operations</b>	<b>經營虧損</b>		<b>(273,681)</b>	(606,188)
Finance costs	財務成本	12	<b>(110,944)</b>	(92,627)
<b>Loss before tax</b>	<b>除稅前虧損</b>		<b>(384,625)</b>	(698,815)
Income tax credit	所得稅抵免	13	<b>-</b>	1,233
<b>Loss for the year</b>	<b>本年度虧損</b>	14	<b>(384,625)</b>	(697,582)
<b>Loss for the year attributable to:</b>	<b>以下各項應佔本年度虧損：</b>			
Owners of the Company	本公司擁有人		<b>(373,171)</b>	(667,369)
Non-controlling interests	非控股權益		<b>(11,454)</b>	(30,213)
			<b>(384,625)</b>	(697,582)
<b>Loss per share</b>	<b>每股虧損</b>	17		
- Basic (HK cents)	- 基本(港仙)		<b>(27.94)</b>	(54.19)
- Diluted (HK cents)	- 攤薄(港仙)		<b>(27.94)</b>	(54.19)

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入表

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Loss for the year</b>	本年度虧損	<b>(384,625)</b>	(697,582)
<b>Other comprehensive income/ (expense) after tax:</b>	除稅後其他全面收入／(開支)：		
<i>Item that will not be reclassified to profit or loss:</i>	將不會重新分類至損益之項目：		
Gains/(losses) on property revaluation	物業重估收益／(虧損)	<b>3,929</b>	(56,227)
<i>Item that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務匯兌差額	<b>(57,365)</b>	(121,940)
<b>Other comprehensive expense for the year, net of tax</b>	本年度其他全面開支，扣除稅項	<b>(53,436)</b>	(178,167)
<b>Total comprehensive expense for the year</b>	本年度全面開支總額	<b>(438,061)</b>	(875,749)
<b>Total comprehensive expense attributable to:</b>	以下各項應佔全面開支總額：		
Owners of the Company	本公司擁有人	<b>(428,086)</b>	(846,423)
Non-controlling interests	非控股權益	<b>(9,975)</b>	(29,326)
		<b>(438,061)</b>	(875,749)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

at 30 June 2020 於二零二零年六月三十日

	Note	2020	2019
	附註	二零二零年 HK\$'000 千港元	二零一九年 HK\$'000 千港元
<b>Non-current assets</b>			
Fixed assets	18	1,516,536	1,699,586
Right-of-use assets	19	297,376	–
Prepaid land lease payments	20	–	308,288
Investments in joint ventures	21	8,971	2,787
Other intangible assets	22	–	3,868
		<b>1,822,883</b>	2,014,529
<b>Current assets</b>			
Inventories	24	7,538	40,485
Trade receivables	25	27,300	42,862
Prepayments, deposits and other receivables	26	130,282	161,038
Financial assets at fair value through profit or loss		678	743
Bank and cash balances	27	8,143	7,185
		<b>173,941</b>	252,313
<b>TOTAL ASSETS</b>		<b>1,996,824</b>	2,266,842
<b>Capital and reserves</b>			
Share capital	28	133,993	133,243
Reserves	31	241,480	667,879
Equity attributable to owners of the Company		<b>375,473</b>	801,122
Non-controlling interests		<b>53,812</b>	63,787
<b>TOTAL EQUITY</b>		<b>429,285</b>	864,909

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
綜合財務狀況表(續)

at 30 June 2020 於二零二零年六月三十日

		Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank loans	銀行貸款	36	18,777	21,403
Bonds payable	應付債券	37	975,627	895,111
Other payables	其他應付款項	34	175,204	208,799
Lease liabilities	租賃負債	38	3,758	–
Deferred tax liabilities	遞延稅項負債	32	102	102
			<b>1,173,468</b>	1,125,415
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付貿易賬項	33	55,393	58,555
Other payables and accruals	其他應付款項及應計費用	34	209,819	126,010
Other loans	其他貸款	35	65,716	28,263
Bank loans	銀行貸款	36	48,527	52,440
Bonds payable	應付債券	37	12,641	11,250
Lease liabilities	租賃負債	38	1,975	–
			<b>394,071</b>	276,518
<b>TOTAL LIABILITIES</b>	<b>總負債</b>		<b>1,567,539</b>	1,401,933
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>總權益及負債</b>		<b>1,996,824</b>	2,266,842
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨額</b>		<b>(220,130)</b>	(24,205)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>1,602,753</b>	1,990,324
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>429,285</b>	864,909

Approved and authorised for issued by the board of directors on 30 October 2020.

於二零二零年十月三十日獲董事會批准及授權刊發。

**Chan Yuk Foebe**  
陳昱  
Chairman  
主席

**Law Tze Ping Eric**  
羅子平  
Executive Director  
執行董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests	Total
		Issued share capital	Fixed asset revaluation reserve	Share option reserve	Other reserve	Exchange reserve	Retained profits	Sub-total	Non-controlling interests	Total
		已發行股本	固定資產重估儲備	購股權儲備	其他儲備	外匯儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	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	千港元
At 1 July 2018	於二零一八年七月一日	111,043	58,804	8,811	-	240,868	1,154,313	1,573,839	93,113	1,666,952
Loss for the year	本年度虧損	-	-	-	-	-	(667,369)	(667,369)	(30,213)	(697,582)
<b>Other comprehensive (expense)/income:</b>	<b>其他全面(開支)/收入:</b>									
- losses on property revaluation	- 物業重估虧損	-	(48,242)	-	-	-	-	(48,242)	(7,985)	(56,227)
- exchange differences	- 匯兌差額	-	-	-	-	(130,812)	-	(130,812)	8,872	(121,940)
Total comprehensive expense for the year	本年度全面開支總額	-	(48,242)	-	-	(130,812)	(667,369)	(846,423)	(29,326)	(875,749)
Issue of shares under share placement	根據股份配售發行股份	22,000	-	-	-	-	47,300	69,300	-	69,300
Employee share option benefits	僱員購股權利益	-	-	3,454	-	-	-	3,454	-	3,454
Exercise of share options	行使購股權	200	-	(277)	-	-	942	865	-	865
Acquisition of subsidiaries	收購附屬公司	-	-	-	87	-	-	87	-	87
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	133,243	10,562	11,988	87	110,056	535,186	801,122	63,787	864,909
Loss for the year	本年度虧損	-	-	-	-	-	(373,171)	(373,171)	(11,454)	(384,625)
<b>Other comprehensive income/(expense):</b>	<b>其他全面收入/(開支):</b>									
- gains on property revaluation	- 物業重估收益	-	3,381	-	-	-	-	3,381	548	3,929
- exchange differences	- 匯兌差額	-	-	-	-	(58,296)	-	(58,296)	931	(57,365)
Total comprehensive income/(expense) for the year	本年度全面收入/(開支)總額	-	3,381	-	-	(58,296)	(373,171)	(428,086)	(9,975)	(438,061)
Exercise of share options	行使購股權	750	-	(236)	-	-	1,923	2,437	-	2,437
Disposal of subsidiaries	出售附屬公司	-	-	-	(87)	-	87	-	-	-
At 30 June 2020	於二零二零年六月三十日	133,993	13,943	11,752	-	51,760	164,025	375,473	53,812	429,285

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動之現金流量</b>		
<b>Loss before tax</b>	<b>除稅前虧損</b>	<b>(384,625)</b>	(698,815)
<b>Adjustments for:</b>	<b>作以下調整：</b>		
Finance costs	財務成本	<b>110,944</b>	92,627
Interest income	利息收入	<b>(2,044)</b>	(1,901)
Depreciation of fixed assets	固定資產折舊	<b>73,404</b>	115,282
Depreciation of right-of-use assets	使用權資產折舊	<b>8,457</b>	-
Amortisation of prepaid land lease payments	攤銷預付土地租賃付款	-	6,528
Amortisation of other intangible assets	攤銷其他無形資產	-	5,067
Share of losses of joint ventures	分佔合營企業虧損	<b>2,020</b>	682
Impairment for prepayment and other receivables, net	預付款項及其他應收款項減值淨額	<b>13,759</b>	3,714
Reversal of allowance for trade receivables	應收貿易賬項撥備撥回	-	(4,893)
Written-off of trade receivables	應收貿易賬項撇銷	<b>22,050</b>	-
Provision/written-off of inventories	存貨撥備/撇銷	<b>26,629</b>	-
Gains on disposal of right-of-use assets	出售使用權資產之收益	<b>(3,871)</b>	-
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益之金融資產 之公平值收益	-	(4,904)
Share option benefits	購股權利益	-	3,454
Loss on property revaluation	物業重估虧損	-	64,073
Loss on disposal of subsidiaries	出售附屬公司之虧損	<b>5,505</b>	-
Impairment/written-off of fixed assets	固定資產減值/撇銷	<b>77,000</b>	409,817
Impairment loss on intangible assets	無形資產減值虧損	<b>3,778</b>	699
Loss on disposal of a joint venture	出售一間合營企業之虧損	<b>2,124</b>	-
<b>Operating loss before working capital changes</b>	<b>營運資金變動前之經營虧損</b>	<b>(44,870)</b>	(8,570)
Decrease/(increase) in inventories	存貨減少/(增加)	<b>6,348</b>	(11,004)
Decrease in trade receivables	應收貿易賬項減少	<b>(7,051)</b>	(40,009)
Increase in prepayments, deposits and other receivables	預付款項、訂金及其他 應收款項增加	<b>14,756</b>	111,177
Decrease in financial assets at fair value through profit or loss	按公平值計入損益之金融資產減少	<b>65</b>	1,196
Decrease in trade payables	應付貿易賬項減少	<b>(2,693)</b>	(35,981)
Increase/(decrease) in other payables and accruals	其他應付款項及應計款項增加/ (減少)	<b>52,338</b>	(75,780)
<b>Cash generated from/(used in) operations</b>	<b>經營業務產生/(所用)之現金</b>	<b>18,893</b>	(58,971)
Interest received	已收利息	<b>2,044</b>	1,901
Interest paid	已付利息	<b>(17,787)</b>	(29,104)
Tax paid	已付稅項	-	(34)
<b>Net cash generated from/(used in) operating activities</b>	<b>經營活動產生/(所用)之現金淨額</b>	<b>3,150</b>	(86,208)



CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
綜合現金流量表(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動之現金流量</b>		
Purchases of fixed assets	購買固定資產	(19,665)	(18,243)
Proceeds from disposal of right-of-use assets	出售使用權資產之所得款項	4,716	-
Investment in a joint venture	於一間合營企業之投資	(11,086)	-
Disposal of subsidiaries	出售附屬公司	(59)	-
Net cash used in investing activities	投資活動所用之現金淨額	(26,094)	(18,243)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動之現金流量</b>		
Issue of shares capital	股本發行	-	69,300
Exercise of share options	行使購股權	2,437	865
Payment of lease liabilities	租賃負債付款	(745)	-
Issue of bonds	發行債券	-	22,380
Redemption of bonds	贖回債券	(11,250)	-
Repayment of bank loans	銀行貸款還款	(4,898)	(23,932)
Proceeds from other loans	其他貸款所得款項	38,433	-
Repayment of other loans	其他貸款還款	-	(25,076)
Net cash generated from financing activities	融資活動產生之現金淨額	23,977	43,537
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目之增加/(減少)淨額</b>	<b>1,033</b>	(60,914)
Effect of foreign exchange rate changes	匯率變動之影響	(75)	5,859
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>年初現金及現金等值項目</b>	<b>7,185</b>	62,240
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年終現金及現金等值項目</b>	<b>8,143</b>	7,185
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目分析</b>		
Bank and cash balances	銀行及現金結存	8,143	7,185

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 7 December 2000 and continued in Bermuda on 24 April 2017. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda. The address of its principal place of business is Room 4007, 40th Floor, China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 23 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

### 2. GOING CONCERN BASIS

As at 30 June 2020, the Group had net current liabilities of approximately HK\$220,130,000 (2019: HK\$24,205,000) and incurred a loss of HK\$384,625,000 (2019: HK\$697,582,000) for the year then ended. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the current and anticipated future liquidity of the Group and the ability of the Group to achieve profitable and positive cash flows from operations in immediate and long terms. The directors of the Company have prepared cash flow forecasts for the period up to 30 June 2021 after taking into account of the measures below. In order to strengthen the Group's capital base and maintain sufficient financing necessary for future business development, the directors have taken the following plans and measures:

- On 24 August 2020, the Company entered into an extension agreement with a financial institution to extend an other loan which amounted to HK\$35,000,000. The loan is secured by the property of the Group in Hong Kong, interest bearing at 18% p.a. and repayable in one year.

### 1. 一般資料

本公司於二零零零年十二月七日在開曼群島註冊成立為獲豁免有限公司，並於二零一七年四月二十四日在百慕達存續。其註冊辦事處位於Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda。本公司之主要營業地點位於香港灣仔港灣道26號華潤大廈40樓4007室。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為投資控股公司。本公司附屬公司之主要業務載於綜合財務報表附註23。

綜合財務報表以港元(「港元」)呈列，港元亦為本公司功能貨幣。

### 2. 持續經營基準

本集團於二零二零年六月三十日之流動負債淨額約為220,130,000港元(二零一九年：24,205,000港元)，並於截至該日止年度產生虧損384,625,000港元(二零一九年：697,582,000港元)。該等狀況顯示存在重大不明朗因素，或會對本集團之持續經營能力產生重大疑問。因此，本集團可能無法於其日常業務過程中變賣其資產及清償其負債。

於編製綜合財務報表時，本公司董事已審慎考慮本集團之現有及預期未來流動資金，以及本集團即期及長期業務達至盈利及正面現金流量之能力。本公司董事於考慮以下措施後，已編製截至二零二一年六月三十日止期間之現金流量預測。為增強本集團之資本基礎及維持足以應付日後業務發展所需之資金，董事已採取以下計劃及措施：

- 於二零二零年八月二十四日，本公司與一家金融機構訂立一份延長協議，以延長金額為35,000,000港元的另一項貸款。該貸款由本集團於香港的物業作為抵押，以年利率18厘計息並須於一年內償還。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 2. GOING CONCERN BASIS (Continued)

- On 4 September 2020, the Group entered in a sales and purchase agreement with Mr. Lv Wangsheng (“Mr. Lv”), an independent third party, to dispose of 40% of the equity interest in Mudanjiang Better-Day Power Limited (“Mudanjiang BD Power”), an indirect wholly-owned subsidiary of the Company. The consideration of the disposal is RMB70,000,000 (HK\$76,790,000).
- On 28 October 2020, the Company entered into subscription agreements with subscribers in relation to the issue of convertible bonds in an aggregate principal amount of HK\$100,000,000. As of the date of this report, the entire principal amount of HK\$100,000,000 was received by the Group.
- The Group had several idle right-of-use assets located in Mudanjiang City, Heilongjiang Province, the PRC with a total carrying amount of approximately HK\$106,478,000. These right-of-use assets are available to be disposed of, which have a total market value of approximately HK\$237,439,000 with reference to the estimated market approach analysis of the right-of-use assets carried out by an independent third-party valuer, in the event the Group requires further financing.
- The Group will apply cost cutting measures to reduce administrative expenses and cash outflows for the next twelve months.

Based on the above plans and measures, the directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group fail to achieve the abovementioned plans and measures, it might not be able to continue as a going concern, and adjustments would have to be made to the consolidated financial statements to adjust the value of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

### 2. 持續經營基準(續)

- 於二零二零年九月四日，本集團與獨立第三方呂旺盛先生(「呂先生」)訂立買賣協議，以出售本公司間接全資附屬公司牡丹江佳日熱電有限公司(「牡丹江佳日熱電」)的40%股權。出售事項的代價為人民幣70,000,000元(76,790,000港元)。
- 於二零二零年十月二十八日，本公司與認購方訂立認購協議，內容有關發行本金總額為100,000,000港元的可換股債券。截至本報告日期，本集團已悉數收取本金額100,000,000港元。
- 本集團於中國黑龍江省牡丹江市有數項閒置使用權資產，總賬面值約106,478,000港元。倘本集團需要進一步融資，則該等使用權資產可供出售，其總市值約237,439,000港元，金額乃參考一名獨立第三方估值師對使用權資產作出的估計市場法分析得出。
- 本集團將採用成本削減措施以減少未來十二個月的行政開支及現金流出。

基於上述計劃及措施，董事因而認為，按持續經營基準編製財務報表乃屬恰當。倘本集團未能達成上述計劃及措施，則可能無法持續經營，並須對綜合財務報表作出調整，以將本集團資產之價值調整至其可收回金額，以就任何可能出現之額外負債作出撥備，並將非流動資產及負債分別重新分類為流動資產及負債。該等調整之影響並無在綜合財務報表中反映。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 3. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

### 4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

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

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

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

### 3. 編製基準

編製該等綜合財務報表所應用的主要會計政策列載如下。除另有所指外，該等政策於所有呈報年度貫徹應用。

綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)編製。此外，綜合財務報表包含香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例所規定之適用披露資料。

### 4. 應用新訂香港財務報告準則及其修訂

#### 於本年度強制生效的新訂香港財務報告準則及其修訂

於本年度，本集團首次應用下列由香港會計師公會頒佈的新訂香港財務報告準則及其修訂：

香港財務報告準則第16號	租賃
香港(國際財務報告準則詮釋委員會)－詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號之修訂	具有負補償之預付款項特性
香港會計準則第19號之修訂	計劃修訂、縮減或清償
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則之修訂	香港財務報告準則於二零一五年至二零一七年週期之年度改進



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

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

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

#### HKFRS 16 Leases

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

#### Definition of a lease

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

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

#### As a lessee

As at 1 July 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any prepaid or accrued lease payments by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. The adoption of HKFRS 16 did not have any impact to the Group's retained earnings as at 1 July 2019.

### 4. 應用新訂香港財務報告準則及其修訂(續)

#### 於本年度強制生效的新訂香港財務報告準則及其修訂(續)

除下文所述者外，於本年度應用新訂香港財務報告準則及其修訂對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載之披露事項並無重大影響。

#### 香港財務報告準則第16號租賃

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

#### 租賃的定義

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

就於二零一九年七月一日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

#### 作為承租人

於二零一九年七月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡以相關租賃負債之相等金額(就任何預付或應計租賃付款作出調整)確認額外之租賃負債及使用權資產。於首次應用日期之任何差額於期初保留溢利確認及比較資料並無重列。採納香港財務報告準則第16號對本集團於二零一九年七月一日的保留盈利並無任何影響。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)**

**New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)**  
**HKFRS 16 Leases (Continued)**

**As a lessee (Continued)**

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

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

**4. 應用新訂香港財務報告準則及其修訂(續)**

**於本年度強制生效的新訂香港財務報告準則及其修訂(續)**  
**香港財務報告準則第16號租賃(續)**  
**作為承租人(續)**

當於過渡期根據香港財務報告準則第16號應用經修訂追溯法時，本集團對過往根據香港會計準則第17號分類為經營租賃之租賃，按逐項租賃基準在各自的租賃合約相關範圍內應用以下可行權宜方法：

本集團選擇不對租期在首次應用日期12個月內完結之租賃確認使用權資產及租賃負債。

**At 1 July 2019**

於二零一九年

七月一日

HK\$'000

千港元

Operating lease commitments disclosed as at 30 June 2019	於二零一九年六月三十日披露之經營租賃承擔	2,164
Less: Practical expedient – leases with lease term ending within 12 months from the date of initial application	減：可行權益方法－租賃期自首次應用日期起計12個月內終止之租賃	(2,164)
Lease liabilities as at 1 July 2019	於二零一九年七月一日之租賃負債	–

The carrying amount of right-of-use assets for own use as at 1 July 2019 comprises the following:

於二零一九年七月一日自用用途的使用權資產之賬面值包含以下：

**Right-of-use assets**

使用權資產

HK\$'000

千港元

Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	與應用香港財務報告準則第16號後確認的經營租賃有關的使用權資產	–
Reclassified from prepaid land lease payments (Note)	自預付土地租賃付款重新分類(附註)	308,288
Right-of-use assets as at 1 July 2020	於二零二零年七月一日的使用權資產	308,288

Note: Upfront payments for leasehold lands in the PRC and assets under finance leases in Hong Kong for own used properties were classified as prepaid land lease payments as at 30 June 2019. Upon application of HKFRS 16, the prepaid land lease payments amounting to approximately HK\$308,288,000 were reclassified to right-of-use assets.

附註：於二零一九年六月三十日，中國租賃土地及香港融資租賃項下自用用途物業資產的前期付款分類為預付土地租賃付款。應用香港財務報告準則第16號後，預付土地租賃付款約308,288,000港元重新分類為使用權資產。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)**

**New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)**  
**HKFRS 16 Leases (Continued)**

**As a lessee (Continued)**

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 July 2019. Line items that were not affected by the changes have not been included.

**4. 應用新訂香港財務報告準則及其修訂(續)**

於本年度強制生效的新訂香港財務報告準則及其修訂(續)  
香港財務報告準則第16號租賃(續)  
作為承租人(續)

以下為對於二零一九年七月一日之綜合財務狀況表中確認之金額作出之調整。沒有受變動影響之項目並不包括在內。

		Carrying amounts previously reported at 30 June 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 July 2019
		過往於 二零一九年 六月三十日 呈報之賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	根據香港財務 報告準則第16號 於二零一九年 七月一日之 賬面值 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Prepaid land lease payments	預付土地租賃付款	308,288	(308,288)	–
Right-of-use assets	使用權資產	–	308,288	308,288

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)**

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

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

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 3	Definition of a Business <sup>2</sup>
Amendments to HKFRS 3	Reference to the Conceptual Framework <sup>5</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1	Classification of Liabilities as Current and Non-current <sup>6</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>4</sup>
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use <sup>5</sup>
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract <sup>5</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>4</sup>
Amendments to HKFRSs	Annual Improvement to HKFRSs 2018–2020 <sup>5</sup>

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

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

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

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

<sup>5</sup> Effective for annual periods beginning on or after 1 July 2022.

<sup>6</sup> Effective for annual periods beginning on or after 1 July 2023.

**4. 應用新訂香港財務報告準則及其修訂(續)**

**已頒佈但尚未生效的新訂香港財務報告準則及其修訂**

本集團並無提早應用以下已頒佈但尚未生效的新訂香港財務報告準則及其修訂：

香港財務報告準則第17號	保險合約 <sup>1</sup>
香港財務報告準則第3號之修訂	業務之定義 <sup>2</sup>
香港財務報告準則第3號之修訂	概念框架提述 <sup>5</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>3</sup>
香港會計準則第1號之修訂	分類負債為流動及非流動 <sup>6</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 <sup>4</sup>
香港會計準則第16號之修訂	物業、廠房及設備—擬定用途前的所得款項 <sup>5</sup>
香港會計準則第37號之修訂	繁重合約—履行合約的成本 <sup>5</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 <sup>4</sup>
香港財務報告準則之修訂	香港財務報告準則於二零一八年至二零二零年週期之年度改進 <sup>5</sup>

<sup>1</sup> 於二零二一年七月一日或之後開始之年度期間生效。

<sup>2</sup> 就收購日期為始於二零二零年七月一日或之後的首個年度期間開始時或之後的業務合併及資產收購而言乃屬有效。

<sup>3</sup> 於待定期限或之後開始之年度期間生效。

<sup>4</sup> 於二零二零年七月一日或之後開始之年度期間生效。

<sup>5</sup> 於二零二二年七月一日或之後開始之年度期間生效。

<sup>6</sup> 於二零二三年七月一日或之後開始之年度期間生效。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

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

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

The Company's directors have performed an assessment on these new standards and amendments to standards, and have concluded on a preliminary basis that the adoption of these new standards and amendments to standards is not expected to have a significant impact on the Group's financial performance and position.

### 5. SIGNIFICANT ACCOUNTING POLICIES

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

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 6.

### 4. 應用新訂香港財務報告準則及其修訂(續)

#### 已頒佈但尚未生效的新訂香港財務報告準則及其修訂(續)

除上文之新訂香港財務報告準則及其修訂外，二零一八年頒佈了經修訂財務報告之概念框架。其後續修訂、香港財務報告準則之概念框架指引之修訂，將於二零二零年七月一日或之後開始的年度期間生效。

本公司董事已對該等新訂準則及準則之修訂進行評估，結論為採納該等新訂準則及準則之修訂預期不會對本集團的財務表現及狀況造成重大影響。

### 5. 主要會計政策

綜合財務報表乃按歷史成本法編製，惟若干物業及金融工具於各報告期末按重估金額或公平值計量除外，詳情於下文會計政策闡述。

編製符合香港財務報告準則之財務報表需要使用若干關鍵會計估計。這亦需要管理層於應用本集團之會計政策過程中作出其判斷。涉及較高程度之判斷或複雜性之範疇，或涉及對綜合財務報表屬重大假設和估計之範疇，於附註6中披露。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

#### (a) Basis of consolidation

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

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

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

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

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income 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.

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

### 5. 主要會計政策(續)

編製此等綜合財務報表時應用之主要會計政策載列如下。

#### (a) 綜合基準

綜合財務報表包括本公司與本公司及其附屬公司控制的實體之財務報表。本公司於達成以下條件時取得控制權：

- 對被投資方擁有權力；
- 因參與被投資方的業務而承受或有權收取可變回報；及
- 可運用其權力影響其回報。

倘有事實及情況顯示上述三項控制要素中有一項或以上出現變動，則重新評估是否對被投資方有控制權。

對附屬公司的綜合入賬由本集團取得附屬公司的控制權時開始，並於本集團失去附屬公司的控制權時終止。具體而言，於年內收購或出售的附屬公司收入及開支，將由本集團取得控制權當天開始計入綜合損益及其他全面收入表，直至本集團不再控制附屬公司為止。

損益及各其他全面收入表項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使其導致非控股權益的結餘出現虧絀亦然。

附屬公司的財務報表將於需要時予以調整，以使其會計政策與本集團會計政策保持一致。

所有與本集團成員公司間交易有關的集團間負債、權益、收入、開支及現金流於綜合入賬時全數對銷。

附屬公司的非控股權益與本集團於其中的權益分開呈列，其指現時的擁有權益，其持有人有權於有關附屬公司清盤時按比例分佔資產淨值。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of consolidation (Continued)

##### Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in 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 relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

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, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. 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 (i.e. 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 is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 5. 主要會計政策(續)

#### (a) 綜合基準(續)

##### 本集團於現有附屬公司的權益變動

倘本公司於現有附屬公司的權益有所變動，而又未導致本集團失去該附屬公司的控制權，則按權益交易入賬。本集團相關權益部分及非控股權益的賬面值將獲調整，以反映其各自於附屬公司的權益變動，包括根據本集團及非控股權益的權益比例，於本集團及非控股權益之間重新分配其各自的儲備。

用於調整非控股權益的金額與已付或已收代價的公平值，兩者之間的任何差額直接於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，則終止確認該附屬公司的資產及負債與非控股權益(如有)。收益或虧損於損益確認，並按以下兩者和本公司擁有人應佔該附屬公司的負債之間的差額計算：(i)已收代價公平值與任何保留權益的總和及(ii)資產(包括商譽)的賬面值。先前於其他全面收入確認且與該附屬公司有關的所有金額，按本集團已直接出售該附屬公司的相關資產或負債的形式入賬(即重新分類至損益或轉撥至適用香港財務報告準則指定/准許的其他權益類別)。失去控制權當日，於前附屬公司的任何保留投資，其公平值視作於其後首次按香港財務報告準則第9號確認的公平值，又或首次確認聯營公司或合營企業投資的成本(如適用)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Business combinations

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 profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

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 amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount 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 interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

### 5. 主要會計政策(續)

#### (b) 業務合併

業務收購以收購法入賬。業務合併中轉讓的代價按公平值計量，即按本集團於收購日期轉移的資產之公平值、本集團結欠被收購方前擁有人的負債以及本集團為交換被收購方擁有權而發行的股權的總和計算。收購相關成本一般在產生時於損益確認。

於收購日期取得的可識別資產及所承擔負債按公平值計量，惟以下各項除外：

- 遞延稅資產與負債以及有關員工福利安排的資產與負債，分別按香港會計準則第12號所得稅及香港會計準則第19號員工福利計量及確認；
- 被收購方之股份支付安排，或本集團訂立以取代被收購方之股份支付安排的股份支付安排，與其相關的權益工具於收購當日按香港財務報告準則第2號股份支付計量(見下文會計政策)；
- 根據香港財務報告準則第5號持作銷售及已終止業務的非流動資產分類為持作銷售的資產(或出售集團)根據上述準則計量；
- 租賃負債按餘下租賃付款(定義見香港財務報告準則第16號)的現值確認及計量，猶如所收購租賃為收購當日的新租賃一般。使用權資產按相關租賃負債的相同金額確認及計量，並作出調整以反映該租賃與市場條款相比的有利或不利條款。

商譽按以下各項之總和高出所收購之可識別資產及所承擔負債於收購日期之淨額的差額計量：所轉讓之代價、非控股權益於被收購方中所佔金額及收購方以往持有之被收購方股權之公平值(如有)。倘經過重新評估後，所收購之可識別資產與所承擔負債於收購日期之淨額高於所轉讓之代價、非控股權益於被收購方中所佔金額及收購方先前持有被收購方之權益之公平值(如有)之總和，則差額即時於損益內確認為議價收購收益。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

### 5. 主要會計政策(續)

#### (b) 業務合併(續)

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值之非控股權益，初步按非控股權益按比例應佔被收購公司可識別資產淨值之已確認金額或公平值計量。計量基準視乎每項交易而作出選擇。

倘本集團於業務合併中轉讓的代價包括或然代價安排，則或然代價按其於收購日期的公平值計量，並計入於業務合併轉讓的代價之一部分。符合資格為計量期間調整的或然代價公平值變動將予追溯調整。計量期間調整為於「計量期間」(不可超過自收購日期起計一年)取得有關於收購日期已存在的事實及情況的額外資料所作出的調整。

不符合計量期間調整資格的或然代價，其後續會計處理取決於或然代價的分類。分類為權益的或然代價不會於後續報告日期重新計量，其後續結算於權益內入賬。分類為資產或負債的或然代價於後續報告日期按公平價值重新計量，而相應收益或虧損則於損益內確認。

倘業務合併分階段完成，則本集團先前持有之被收購公司股權按於收購日期(即本集團取得控制權當日)之公平值重新計量，而所產生之收益或虧損(如有)則視情況於損益或其他全面收入確認。於收購日期前於其他全面收入確認、按香港財務報告準則第9號計量且源自被收購公司權益的金額，將按本公司直接出售先前持有之股權的相同方式入賬。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of a joint venture is described below.

### 5. 主要會計政策(續)

#### (c) 商譽

因收購一項業務產生的商譽乃按收購業務當日設立的成本(見上述會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽分配至預期受益於合併協同效應的本集團各現金產生單位(或現金產生單位組別)，而該單位或單位組別指就內部管理目的監控商譽的最低水平且規模不大於經營分部。

獲分配商譽的現金產生單位(或現金產生單位組別)會每年進行減值測試，或於單位出現可能減值的跡象時進行更頻密的測試。就於某報告期間因收購產生的商譽而言，獲分配商譽的現金產生單位(或現金產生單位組別)於該報告期末前進行減值測試。倘可收回金額少於其賬面值，則減值虧損會首先分配以降低任何商譽的賬面值，其後根據單位(或現金產生單位組別)內各項資產的賬面值按比例分配至其他資產。

出售相關現金產生單位或現金產生單位組別內的任何現金產生單位時，釐定出售損益金額時會計入商譽應佔金額。當本集團出售現金產生單位(或現金產生單位組別內的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金產生單位(或現金產生單位組別)部分的相對價值計量。

本集團有關因收購合營企業產生的商譽的政策於下文說明。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Investments in joint ventures

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 joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in 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 joint venture. Changes in net assets of the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognizing 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 joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in 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.

### 5. 主要會計政策(續)

#### (d) 於合營企業之投資

合營企業乃一項合資安排，據此，對安排有共同控制權之各方對合資安排之資產淨值擁有權利。共同控制權乃經合約協定分享一項安排之控制權，並僅於相關活動之決定需要分享控制權之各方一致同意時存在。

合營企業之業績及資產與負債以權益會計法納入此等綜合財務報表內。用於權益會計目的之合營企業財務報表乃採用與本集團在類似交易及相若情況下事項所採用的統一會計政策編製。根據權益法，於合營企業之投資初步按成本於綜合財務狀況報表內確認，並於隨後調整以確認本集團應佔合營企業之損益及其他全面收入。合營企業之資產淨值變動(損益及其他全面收入除外)並不列賬，除非該等變動導致本集團所持擁有權權益出現變動。當本集團應佔合營企業之虧損超過本集團於該合營企業之權益(包括(實質上)組成本集團於該合營企業之投資淨額一部分之任何長期權益)時，則本集團終止確認其應佔之進一步虧損。僅當本集團已產生法律或推定責任或代表該合營企業支付款項，方會確認額外虧損。

於合營企業之投資由被投資者成為合營企業當日起按權益法入賬。在收購於合營企業之投資時，投資成本超出本集團應佔被投資者可識別資產及負債之公平淨值之任何部分將確認為商譽，並計入投資之賬面值內。本集團應佔可識別資產及負債公平淨值超出投資成本之任何部分，經重新評估後在收購投資期間於損益內即時確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Investments in joint ventures (Continued)

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

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that 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 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) upon disposal of the relevant joint venture.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

### 5. 主要會計政策(續)

#### (d) 於合營企業之投資(續)

本集團評估是否存在於合營企業之權益可能減值之客觀證據。當存在任何客觀證據時，則根據香港會計準則第36號對投資(包括商譽)之全部賬面金額作為單一資產進行減值測試，方法為比較其可收回金額(以使用價值與公平值減出售成本之較高者計算)與其賬面金額。任何已確認減值虧損並非分配至屬於該投資賬面金額之一部分之任何資產(包括商譽)。根據香港會計準則第36號確認之減值虧損之任何撥回以該投資其後所增加之可收回金額為限。

當本集團不再對合營企業具有共同擁有權時，其乃作為出售於被投資方之全部權益入賬，而所得收益或虧損則在損益內確認。此外，本集團按與該合營企業已經直接出售相關資產或負債所規定之相同基準，對過往就該合營企業在其他全面收入內確認之所有金額入賬。因此，倘於出售相關資產或負債時，該合營企業過往在其他全面收入內確認之收益或虧損將重新分類至損益，則本集團會於出售相關合營企業後，重新分類權益之收益或虧損至損益(作為重新分類調整)。

當集團實體與本集團之合營企業交易時，與合營企業交易所產生之溢利及虧損在本集團之綜合財務報表內確認，惟僅以與本集團無關之該合營企業權益為限。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) 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 recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

### 5. 主要會計政策(續)

#### (e) 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易當日之適用匯率確認。於報告期末，以外幣計值之貨幣項目按該日之適用匯率重新換算。以外幣計值並按公平值計量之非貨幣項目則按於公平值釐定當日之適用匯率重新換算。以外幣計值並按過往成本計量之非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額於產生期間之損益確認。

就呈列綜合財務報表而言，本集團營運之資產及負債乃按於各報告期末之適用匯率換算為本集團之列賬貨幣(即港元)。收入及支出項目乃按期內之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，在此情況下，則採用於交易當日之匯率。所產生之匯兌差額(如有)乃於其他全面收入內確認並於權益內之換算儲備累計(倘適合，歸屬於非控股股東權益)。

於出售海外業務(即出售本集團於某海外業務之全部權益、涉及失去包含海外業務之附屬公司之控制權的出售，或出售包含海外業務之共同安排或聯營公司之部分權益且保留權益成為金融資產)時，就該業務於權益累計之所有本公司擁有人應佔匯兌差額重新分類至損益。

收購海外業務時產生之商譽以及所收購可識別資產之公平值調整乃作為該海外業務之資產及負債處理，並按於各報告期末之適用匯率進行換算。所產生之匯兌差額乃於其他全面收入內確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Fixed assets

Buildings held for use in the production or for administrative purposes, are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period. All other fixed assets are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Any revaluation increase arising on the revaluation of such buildings is recognised in other comprehensive income and accumulated in fixed asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

Depreciation of revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained profits.

### 5. 主要會計政策(續)

#### (f) 固定資產

持作生產或行政用途之樓宇按重估金額於綜合財務狀況表列賬，即於重估日期之公平值減其後任何累計折舊及其後累計減值虧損。本集團會定期進行重估，使賬面值不會與使用各報告期間結算日之公平值所釐定者出現重大差異。所有其他固定資產按成本減其後累計折舊及其後累計減值虧損(如有)在綜合財務狀況表內入賬。

僅在與項目相關之未來經濟利益有可能流入本集團及能可靠計量該項目成本之情況下，其後成本方會計入資產賬面值或確認為獨立資產(按適用者)。所有其他維修及保養於產生期間在損益確認。

重估有關樓宇產生之任何重估升值會於其他全面收入確認及累計至固定資產重估儲備，惟撥回同一資產先前已於損益確認之重估減值情況則除外。在此情況下，有關升值將計入損益內，惟以先前扣除之減值為限。重估有關樓宇產生之賬面值減少會於損益確認，惟以其超出該資產先前所作重估之物業重估儲備持有之餘額(如有)為限。

重估樓宇之折舊於損益確認。其後出售或棄用經重估物業時，於物業重估儲備仍然存在之應佔重估盈餘直接轉撥至保留溢利。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

#### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (f) Fixed assets (Continued)

Depreciation of other fixed assets is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Buildings	The shorter of the lease terms and 30 to 50 years
Leasehold improvements	10 years
Pipelines and trench	30 years
Plant and machinery	10 to 30 years
Furniture, office equipment and motor vehicles	5 to 10 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of fixed assets is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

##### (g) Leases Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 4)

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.

#### 5. 主要會計政策(續)

##### (f) 固定資產(續)

其他固定資產以直線法按足以撇銷其成本扣除其剩餘價值之比率，於估計可使用年期計算折舊。主要可使用年期如下：

樓宇	按租期及30至50年 (以較短者為準)
租賃物業裝修	10年
管道及溝槽	30年
廠房及機器	10至30年
傢俬、辦公室設備及汽車	5至10年

本集團會於各報告期間結算日檢討及調整(如適用)剩餘價值、可使用年期及折舊方法。

在建工程指興建中之樓宇及廠房以及待安裝之機器，乃按成本扣除減值虧損入賬，並於有關資產可供使用時開始折舊。

出售固定資產之收益或虧損為相關資產之銷售所得款項淨額與賬面值間之差額，乃於損益確認。

##### (g) 租賃 租賃的定義(根據附註4的過渡情況應用香港財務報告準則第16號)

倘合約將控制在一段時間內使用一項已識別資產的權利，以換取代價，則該合約為租賃或包含租賃。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Leases (Continued)

#### The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 4)

##### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of office premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

##### Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

##### Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 Financial Instruments ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

### 5. 主要會計政策(續)

#### (g) 租賃(續)

本集團作為承租人(根據附註4的過渡情況應用香港財務報告準則第16號)

##### 短期租賃及低價值資產租賃

本集團對於自開始日期起租賃期限為12個月或以下且不含購買權的辦公室物業租賃採用短期租賃豁免確認。本集團亦對低價值資產租賃作出豁免確認。短期租賃及低價值資產租賃的租賃付款按直線法或其他系統化基準於租期內確認為開支。

##### 使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款，減去已收取的任何租賃獎勵；
- 本集團所產生的任何初始直接成本；及
- 本集團拆除及移除相關資產、恢復相關資產所處地點或將相關資產恢復至租賃條款及條件所要求的狀況所產生的成本估計，除非該等成本乃為生產存貨而產生則當別論。

使用權資產以直線法按估計可使用年限與租賃期限較短者計提折舊。

本集團將使用權資產作為單獨項目列入綜合財務狀況表。

##### 可退回租金按金

已付的可退回租金按金根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)列賬，並初步按公平值計量。於初步確認時對公平值的調整被視為額外的租賃付款，並計入使用權資產成本。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Leases (Continued)

##### The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 4) (Continued)

##### 租賃負債

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

##### The Group as a lessee (prior to 1 July 2019)

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

#### (h) Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development costs are capitalised only if all of the following conditions are met:

- An asset is created that can be identified (such as new products);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Deferred development costs are measured initially at cost and are amortised on a straight-line basis over their estimated useful lives of 5 years.

### 5. 主要會計政策(續)

#### (g) 租賃(續)

本集團作為承租人(根據附註4的過渡情況應用香港財務報告準則第16號)(續)

##### 租賃負債

於租賃開始日期,本集團按該日未支付的租賃付款的現值確認及計量租賃負債。在計算租賃付款的現值時,倘不能即時釐定租賃所隱含的利率,本集團則採用租賃開始日期的增量借貸利率。

租賃付款包括固定付款(包括實質上的固定付款)減任何應收租賃獎勵。

於開始日期後,租賃負債按利息增加及租賃付款調整。

本集團將租賃負債作為單獨項目列入綜合財務狀況表。

##### 本集團作為承租人(二零一九年七月一日之前)

如租賃不會使所有權的絕大部分風險和回報轉移至本集團,則分類為經營租賃。經營租賃付款於租賃期間按直線法確認為開支。

#### (h) 研究及開發費用

研究活動費用於產生期間確認為開支。開發費用僅於符合下列所有條件時,方會撥充資本:

- 所建立資產可供識別,例如新產品;
- 所建立資產可能會產生未來經濟利益;及
- 資產開發成本能可靠計算。

遞延開發費用初步按成本計量,並以直線法按估計可使用年期5年攤銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (i) Other intangible assets

##### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, being their fair value at the date of the revaluation less subsequent accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

#### (i) Technical know-how

Technical know-how is measured initially at purchase cost and is amortised on a straight-line basis over its estimated useful life of 10 years.

#### (ii) Trade name and exclusive right

Trade name and exclusive right are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives of 25 years.

#### (iii) Construction contracts

Construction contracts are measured initially at fair value and are amortised on a straight-line basis over the contract period of 1–2 years.

### 5. 主要會計政策(續)

#### (i) 其他無形資產

##### 業務合併中所收購的無形資產

業務合併中收購的無形資產與商譽分開確認及初步按其於收購日期的公平值(被視作其成本)確認。

於初步確認後，於業務合併中收購之具有有限可用年期之無形資產，按成本減累計攤銷及任何累計減值虧損列賬，即於重估日期之公平值減其後累計攤銷及任何累計減值虧損，基準與單獨收購的無形資產相同。

無形資產於出售時或預期不能再透過使用或出售取得未來經濟利益時終止確認。終止確認無形資產所產生之收益或虧損按出售所得款項淨額與有關資產賬面值之差額計量，並於終止確認該資產之期間於損益表中確認。

#### (i) 技術知識

技術知識初步按購買成本計量，並以直線法按估計可使用年期10年攤銷。

#### (ii) 商號及專利權

商號及專利權初步按購買成本計量，並以直線法按估計可使用年期25年攤銷。

#### (iii) 建造合約

建造合約初步按公平值計量，於1–2年的合約期內按直線基準攤銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (k) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### 5. 主要會計政策(續)

#### (j) 存貨

存貨按成本及可變現淨值兩者之較低者入賬。成本按加權平均基準釐定。製成品及在製品之成本包括原料、直接工資及所有生產經常開支之適當比例。可變現淨值按日常業務過程中之估計售價減去完成之估計成本及估計銷售所需成本計算。

#### (k) 金融工具

金融資產和金融負債在一集團實體成為該金融工具合約條款的一方時確認。金融資產所有的正常購買或銷售按交易日之基準進行確認及終止確認。金融資產的正常購買或銷售是指按照市場規條或慣例須在一段期限內進行資產交付之金融資產買賣。

金融資產和金融負債初步以公平值計量(除初步根據香港財務報告準則第15號計量的與客戶簽訂合約產生的應收貿易賬項外)。直接歸屬於購置或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」)之金融資產或金融負債除外)之交易費用在初次確認時計入或自各金融資產或金融負債(視何者適用而定)之公平值扣除。直接歸屬於購置按公平值計入損益之金融資產或金融負債之交易費用立即在損益中確認。

實際利率法為計算於相關期間金融資產或金融負債攤銷成本及分配利息收入及利息開支之方法。實際利率是指於金融資產或金融負債預計年內或較短期間(如適用)之估計未來現金收入及付款(包括構成實際利率、交易成本及其他溢價或折讓的不可分割部分之所有已付或已收費用及點數)準確貼現至初次確認時的賬面淨值之利率。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**(k) Financial instruments (Continued)**

**Financial assets**

**Classification and subsequent measurement of financial assets**

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income ("FVTOCI") as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

**5. 主要會計政策(續)**

**(k) 金融工具(續)**

**金融資產**

**金融資產的分類及其後計量**

符合以下條件的金融資產其後按攤銷成本計量：

- 以收取合約現金流量為目的之經營模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

在下列情況下，金融資產為持作買賣：

- 該項資產主要為在短期內出售而收購；或
- 於初步確認時其屬於本集團所共同管理之可識別金融工具組合之一部分且近期有短期獲利實例；或
- 並非指定為有效對沖工具之衍生工具。

此外，本集團可不可撤銷地將須按攤銷成本或按公平值計入其他全面收入（「按公平值計入其他全面收入」）計量的金融資產指定為按公平值計入損益計量（倘此舉可消除或顯著減少會計錯配情況）。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Financial instruments (Continued)

Financial assets (Continued)

**Classification and subsequent measurement of financial assets (Continued)**

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other income and other gains or losses" line item.

5. 主要會計政策(續)

(k) 金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

利息收入就其後按攤銷成本計量的金融資產而以實際利率法確認。利息收入將實際利率應用於金融資產賬面總值計算，惟其後成為信貸減值的金融資產(見下文)除外。就其後成為信貸減值的金融資產而言，利息收入將實際利率應用於自下個報告期起計的金融資產攤銷成本確認。倘信貸減值金融工具的信貸風險有所改善，以致金融資產不再維持信貸減值，則利息收入在釐定資產不再維持信貸減值後，將實際利率應用於自報告期開始起計的金融資產賬面總值確認。

(ii) 按公平值計入損益之金融資產

不符合按攤銷成本或按公平值計入其他全面收入或指定為按公平值計入其他全面收入準則計量的金融資產，均按公平值計入損益計量。

按公平值計入損益之金融資產按各報告期末的公平值計量，任何公平值收益或虧損於損益內確認。於損益內確認的收益或虧損淨額包括金融資產所賺取的任何股息或利息，並列入「其他收入及其他收益或虧損」一項。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (k) Financial instruments (Continued)

##### Financial assets (Continued)

##### **Impairment of financial assets and other items subject to impairment assessment under HKFRS 9**

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade receivables, deposits and other receivables, bank and cash balances), and other items (contract assets) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these assets are assessed collectively using a provision matrix based on the ageing profile.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

### 5. 主要會計政策(續)

#### (k) 金融工具(續)

##### 金融資產(續)

##### **金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值**

本集團就根據香港財務報告準則第9號須評估減值的金融資產(包括應收貿易賬項、訂金及其他應收款項、銀行及現金結存)及其他項目(合約資產)使用預期信貸虧損(「預期信貸虧損」)模型進行減值評估。預期信貸虧損金額於各報告日期更新,以反映信貸風險自初始確認以來的變動。

全期預期信貸虧損指於相關工具的預期年期內所有可能違約事件產生的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件導致的全期預期信貸虧損其中一部分。評估乃根據本集團的歷史信貸虧損經驗進行,並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。

本集團一直確認應收貿易賬項及合約資產的全期預期信貸虧損。該等資產的預期信貸虧損使用基於賬齡狀況的撥備矩陣集體進行評估。

就所有其他工具而言,本集團計量的虧損撥備相等於12個月預期信貸虧損,除非信貸風險自初始確認以來大幅增加,在此情況下,本集團確認全期預期信貸虧損。應否確認全期預期信貸虧損乃基於自初始確認以來發生違約的可能性或風險有否大幅增加而進行評估。





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**(k) Financial instruments (Continued)**

**Financial assets (Continued)**

**Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)**

**(i) Significant increase in credit risk**

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- 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;

**5. 主要會計政策(續)**

**(k) 金融工具(續)**

**金融資產(續)**

**金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值(續)**

**(i) 信貸風險大幅增加**

於評估信貸風險自初始確認以來是否大幅增加時，本集團將於報告日期金融工具發生的違約風險與初始確認日期金融工具發生的違約風險進行比較。於進行該評估時，本集團考慮合理且具理據的定量及定性資料，包括過往經驗及毋須付出不必要成本或精力即可得的前瞻性資料。

具體而言，評估信貸風險是否大幅增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標的顯著惡化，例如信貸息差大幅增加及債務人的信貸違約掉期價格；
- 預計導致債務人償還其債務能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期顯著惡化；



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**(k) Financial instruments (Continued)**  
**Financial assets (Continued)**

**Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)**

**(i) Significant increase in credit risk (Continued)**

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

**(ii) Definition of default**

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

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.

**5. 主要會計政策(續)**

**(k) 金融工具(續)**  
**金融資產(續)**

**金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值(續)**

**(i) 信貸風險大幅增加(續)**

- 導致債務人償還其債務能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

不論上述評估結果如何，倘合約付款逾期30日，則本集團會假定信貸風險自初步確認以來已大幅上升，除非本集團另有合理及可支持資料證明，則作別論。

本集團定期監察識別信貸風險有否大幅增加所用標準的有效性，並於適用情況下修訂標準以確保標準能在款項逾期前識別信貸風險大幅增加

**(ii) 違約之定義**

就內部信貸風險管理而言，本集團認為，倘內部制定或自外部來源取得之資料顯示債務人不太可能向其債權人(包括本集團)全額還款，則視作發生違約事件。

不管上述結果如何，本集團認為，倘金融資產逾期超過90日，則已發生違約，除非本集團有合理及可支持資料證明更寬鬆之違約標準更為合適。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**(k) Financial instruments (Continued)**

**Financial assets (Continued)**

**Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)**

**(iii) Credit-impaired financial assets**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

**5. 主要會計政策(續)**

**(k) 金融工具(續)**

**金融資產(續)**

**金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值(續)**

**(iii) 信貸減值金融資產**

當發生一項或多項對金融資產估計未來現金流量有不利影響之事件時，金融資產出現信貸減值。金融資產出現信貸減值之證據包括以下事件之可觀察數據：

- (a) 發行人或借款人出現重大財務困難；
- (b) 違反合約，如違約或逾期事件；
- (c) 借款人之貸款人因與借款人財務困難有關之經濟或合約理由而給予借款人在其他情況下貸款人不予考慮之優惠；
- (d) 借款人有可能破產或進行其他財務重組；
- (e) 該金融資產因財政困難而失去活躍市場；或
- (f) 以大幅折讓購買或源生一項金融資產，而該折讓反映已產發生的信貸虧損。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**(k) Financial instruments (Continued)**

**Financial assets (Continued)**

**Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)**

**(iv) Write-off policy**

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

**(v) Measurement and recognition of ECL**

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

**5. 主要會計政策(續)**

**(k) 金融工具(續)**

**金融資產(續)**

**金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值(續)**

**(iv) 撇銷政策**

倘有資料顯示交易對手出現嚴重財務困難，且沒有實際收回之預期(例如對手方已遭清盤、進入破產程序或應收貿易賬項逾期超過三年，以較早者為準)，則本集團會撇銷金融資產。已撇銷之金融資產仍可能需要根據本集團之收回程序進行法律行動，並於適當時候聽取法律意見。撇銷構成終止確認事件。其後任何收回金額於損益確認。

**(v) 預期信貸虧損之計量及確認**

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損程度)及違約時風險之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。預期信貸虧損之估算反映以各自發生違約之風險作加權釐定之公正及概率加權金額。

一般而言，預期信貸虧損為本集團根據合約應收之所有合約現金流量與本集團預期收取之現金流量之間之差額，按初步確認時釐定之實際利率貼現。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (k) Financial instruments (Continued)

##### Financial assets (Continued)

##### **Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)**

#### (v) Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

### 5. 主要會計政策(續)

#### (k) 金融工具(續)

##### 金融資產(續)

##### **金融資產及根據香港財務報告準則第9號須進行減值評估的其他項目的減值(續)**

#### (v) 預期信貸虧損之計量及確認(續)

倘預期信貸虧損按集體基準計量或迎合個別工具層面之證據未必存在之情況，則金融工具按以下基準進行分組：

- 金融工具之性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期檢討分組，以確保各組別之組成部分繼續具有類似信貸風險特徵。

利息收入乃按金融資產的賬面總額計算，惟當金融資產發生信貸減值除外，在此種情況下，利息收入乃按金融資產的攤銷成本計算。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (k) Financial instruments (Continued)

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

##### Financial liabilities and equity

##### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### 5. 主要會計政策(續)

#### (k) 金融工具(續)

##### 終止確認金融資產

僅當從資產收取現金流量的合約權利屆滿時，或轉讓金融資產並已轉移資產擁有權的絕大部分風險及回報予另一實體時，本集團方會終止確認該項金融資產。倘本集團並無轉移亦無保留擁有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團繼續確認於該資產之保留權益及就其可能須支付的金額確認相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產，亦會就已收取的所得款項確認有抵押借款。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價總額的差額會於損益確認。

##### 金融負債及股本

##### 分類為債務或權益

債務及股本工具乃按合約安排性質以及金融負債及股本工具之定義而分類為金融負債或權益。

##### 股本工具

股本工具乃證明於扣減所有負債後在實體之資產中擁有剩餘權益之任何合約。本公司發行之股本工具按收取之所得款項扣除直接發行成本確認。

##### 金融負債

所有金融負債隨後均採用實際利率法按攤銷成本計量。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (k) Financial instruments (Continued)

##### Financial liabilities and equity (Continued)

##### Financial liabilities (Continued)

##### Financial liabilities at amortised cost

Financial liabilities including trade and other payables, loans, bond payables and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (l) Impairment on fixed assets other than buildings, prepaid land lease payments, right-of-use assets, and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its fixed assets other than buildings, right-of-use assets, prepaid land lease payments and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of fixed assets other than buildings, right-of-use assets, prepaid land lease payments and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### 5. 主要會計政策(續)

#### (k) 金融工具(續)

##### 金融負債及股本(續)

##### 金融負債(續)

##### 按攤銷成本列賬之金融負債

金融負債(包括貿易及其他應付款項、貸款、應付債券及租賃負債)其後採用實際利率法按攤銷成本計量。

##### 終止確認金融負債

當(且僅當)本集團責任獲解除、取消及到期時,本集團方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額於損益確認。

##### 金融資產與金融負債抵銷

當及僅當本集團現時有合法可強制執行權利抵銷已確認金額,並擬按淨額基準結算,或同時變現資產及清償負債,則金融資產及金融負債可予抵銷,而淨額於綜合財務狀況表呈列。

#### (l) 固定資產(除樓宇外)、土地租賃預付款項、使用權資產及無形資產(除商譽外)減值

於報告期末,本集團審閱其可使用年期有限的固定資產(除樓宇外)、使用權資產、預付土地租賃款項及無形資產的賬面值,以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現有關跡象,則會估計相關資產的可收回金額,以釐定減值虧損(如有)程度。

固定資產(除樓宇外)、使用權資產、預付土地租賃款項及無形資產的可收回金額乃單獨估計,當無法單獨估計某項資產可收回金額時,本集團估算該項資產所屬現金產生單位之可收回金額。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Impairment on fixed assets other than buildings, prepaid land lease payments, right-of-use assets, and intangible assets other than goodwill (Continued)

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

### 5. 主要會計政策(續)

#### (I) 固定資產(除樓宇外)、土地租賃預付款項、使用權資產及無形資產(除商譽外)減值(續)

此外，本集團評估是否有跡象表明公司資產可能發生減值。倘有相關跡象，公司資產亦可分配至個別現金產生單位，或另行分配至可確認合理及一致之分配基準之最小現金產生單位組別。

可收回金額指公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量折現至其現值，該貼現率反映目前市場對貨幣時間值及資產(或現金產生單位)特定風險之評估，而當中並未對估計未來現金流量作出調整。

倘估計資產(或現金產生單位)之可收回金額將少於其賬面值，則資產(或現金產生單位)之賬面值將調減至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值(如適用)，然後按比例根據該單位或一組現金產生單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位或一組現金產生單位的其他資產。減值虧損會即時於損益確認，除非相關資產在另一準則下以重估金額列賬，在此情況下，減值虧損被視為在該準則下的重估減值。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**(l) Impairment on fixed assets other than buildings, prepaid land lease payments, right-of-use assets, and intangible assets other than goodwill (Continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

**(m) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

**5. 主要會計政策(續)**

**(l) 固定資產(除樓宇外)、土地租賃預付款項、使用權資產及無形資產(除商譽外)減值(續)**

倘減值虧損於其後撥回，則該資產(或現金產生單位或一組現金產生單位)之賬面值將增加至其經修訂之估計可收回金額，惟因此而增加之賬面值不可超過假設於過往年度並無就該資產(或現金產生單位或一組現金產生單位)確認減值虧損而原應釐定之賬面值。減值虧損撥回即時於損益確認，除非相關資產在另一準則下以重估金額列賬，在此情況下，減值虧損的撥回被視為該準則下的重估增值。

**(m) 現金及現金等值項目**

就現金流量報表而言，現金及現金等值項目包括手頭現金、存放於金融機構的活期存款、原期限為三個月或以下且可隨時轉換為已知數額現金而所承受價值變動風險甚微之其他短期高流通投資。銀行透支在綜合財務狀況表的流動負債項下借款中呈列。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

A contract asset represents the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

### 5. 主要會計政策(續)

#### (n) 來自客戶合約的收益

當(或於)滿足履約義務時,本集團確認收益,即於特定履約義務的相關商品或服務的「控制權」轉讓予客戶時確認。

履約義務指獨特的商品或服務(或一組商品或服務)或一系列大致相同的獨特的商品及服務。

控制權隨時間轉移,而倘滿足以下其中一項標準,則收益乃參照完全滿足相關履約義務的進展情況而隨時間確認:

- 隨本集團履約,客戶同時取得並耗用本集團履約所提供的利益;
- 本集團的履約創建或強化資產,該資產於創建或強化之時即由客戶控制;或
- 本集團的履約並未產生對本集團有替代用途的資產,且本集團對迄今已完成履約的款項具有可強制執行權利。

否則,收益於客戶獲得獨特商品或服務控制權的時間點確認。

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反,應收款項指本集團收取代價的無條件權利,即代價付款到期前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或已可自客戶收取代價),而須轉讓商品或服務予客戶的義務。

與同一合約有關的合約資產及合約負債按淨額基準入賬及呈列。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

##### Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

##### Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

##### Principal versus agent

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

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

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

### 5. 主要會計政策(續)

#### (n) 來自客戶合約的收益(續)

隨時間確認收益：完成滿足履約義務進度的計量

##### 產出法

完全滿足履約進展乃基於產出法計量，即基於迄今為止向客戶轉移的商品或服務相對於合約下承諾之剩餘商品或服務的價值直接計量，以來確認收益，此最佳反映本集團在轉移商品或服務控制權方面的履約義務完成程度。

作為一種可行權宜方法，倘本集團有權以與本集團迄今已完成的業績的價值直接對應的金額收取代價，則本集團以本集團有權開具發票的金額確認收益。

##### 委託人對代理人

當另一方從事向客戶提供商品或服務，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約義務（即本集團為委託人）或安排由另一方提供該等商品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓商品或服務之前控制指定商品或服務，則本集團為委託人。

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### (o) Employee benefits

##### (i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (ii) Retirement benefits schemes

The Group operates a mandatory provident fund scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance (the “Ordinance”) for all qualifying employees in Hong Kong. The Group’s contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount specified in the Ordinance per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries established in the People’s Republic of China (the “PRC”) are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees’ basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

##### (iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

### 5. 主要會計政策(續)

#### (o) 僱員福利

##### (i) 僱員休假權利

僱員之年假及長期服務假期權利於僱員享有有關權利時確認。本集團會就僱員截至報告期間結算日止提供服務產生之年假及長期服務假期之估計負債作出撥備。

僱員之病假及產假於休假時方會確認。

##### (ii) 退休福利計劃

本集團遵照香港強制性公積金計劃條例(「條例」)，安排香港全體合資格僱員參與強制性公積金計劃(「強積金計劃」)。本集團作出之強積金計劃供款乃根據不超出條例所規定每月每名僱員最高供款額之僱員薪金及工資之5%計算，向強積金計劃作出之供款全數歸屬僱員。

本集團於中華人民共和國(「中國」)所設立附屬公司之員工為當地市政府管理之中央退休金計劃成員。該等附屬公司須按員工基本薪金及工資之若干百分比向中央退休金計劃作出供款，以撥付退休福利。當地市政府承諾就該等附屬公司全部現時及未來退休僱員承擔退休福利責任。該等附屬公司就中央退休金計劃之唯一責任乃根據該計劃作出所需供款。

##### (iii) 離職福利

離職福利於本集團不再取消提供該等福利，或本集團確認重組成本及涉及支付離職福利當日(以較早者為準)確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Share-based payments

##### Equity-settled share-based payment transactions

##### Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to retained earnings. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

### 5. 主要會計政策(續)

#### (p) 股份付款

##### 以股本結算之股份付款交易

##### 授予僱員的購股權

向僱員及其他提供類似服務的人士作出的以股本結算之股份付款乃於授出日期按股權工具的公平值計量。

於授出權益結算的以股份為基礎付款的日期所釐定的公平值(未計所有非市場歸屬條件)乃按直線法於整個歸屬期支銷，並按本集團對於最終將歸屬的股權工具的估計於權益(以股份為基礎付款的儲備)中作相應增加。於各報告期末，本集團根據評估所有相關非市場歸屬條件修訂其對預期將最終歸屬的股權工具數目的估計。修訂原始估計的影響(如有)於損益確認，以致累計開支反映經修訂估計，而以股份為基礎付款的儲備亦會作出相應調整。對於在授予日即時歸屬的購股權，授予的購股權的公平值即時於損益支銷。

當於購股權獲行使時，過往於以股份為基礎付款的儲備中確認的金額將轉撥至保留溢利。當購股權於歸屬日後被沒收或於屆滿日期仍未獲行使，則過往於以股份為基礎付款的儲備中確認的金額將轉撥至保留溢利。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (r) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

### 5. 主要會計政策(續)

#### (q) 借貸成本

收購、建造或生產合資格資產(即需要較長時間方能就緒作擬定用途或出售的資產)的直接應佔借貸成本乃加至該等資產的成本,直至有關資產大致上就緒可作擬定用途或出售時為止。

在相關資產就緒作擬定用途或出售之後仍未償還的任何特定借貸,均納入一般借貸範圍內,以計算一般借貸的資本化比率。在特定借貸撥作合資格資產開支前的暫時投資所賺取的投資收入,乃從合資格予以資本化的借貸成本中扣除。

所有其他借貸成本乃於產生期間在損益內確認。

#### (r) 政府補助金

除非能合理確定本集團將遵守政府補助金所附帶的條件及將獲取有關補助金,否則不會確認政府補助金。

作為已產生開支或虧損的賠償或為向本集團提供直接財務支援而應收取且並無未來相關成本的政府補助金於其可予收取期間在損益內確認。

低於市場利率的政府貸款產生的利益被視為政府補助金,按已收取所得款項與基於現行市場利率的貸款的公平值之間的差額計量。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (r) Government grants (Continued)

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to the purchase of assets are recorded as deferred income and recognised in profit or loss on a straight-line basis over the useful lives of the related assets.

#### (s) Taxation

Income tax represents the sum of the current tax and deferred tax.

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

### 5. 主要會計政策(續)

#### (r) 政府補助金(續)

用作補償本集團已產生開支或虧損或旨在為本集團提供即時財政資助(並無未來相關成本)的應收政府補助金，乃於應收期間在損益內確認。

有關購買資產的政府補助金以遞延收入列賬，並於相關資產的可使用年期按直線法在損益內確認。

#### (s) 稅項

所得稅指即期稅項及遞延稅項之總和。

所得稅開支指當期應繳稅項及遞延稅項兩者之總和。

當期應繳稅項乃根據年度應課稅溢利計算。由於其他年度應課稅或可扣稅之收入及開支項目以及毋須課稅或不可扣稅之項目，應課稅溢利/虧損與除稅前溢利/虧損不同。本集團之當期稅項負債乃按報告期末規定或實質上規定之稅率計算。

遞延稅項就綜合財務報表中資產及負債之賬面值與計算應課稅溢利時所採用之相應稅基之暫時差額確認。遞延稅項負債通常就所有應課稅之暫時差額確認。遞延稅項資產通常就可能獲得可用作抵銷可扣稅暫時差額之應課稅溢利就所有可扣稅暫時差額確認。倘該暫時差額源自初步確認(業務合併除外)不影響應課稅溢利或會計溢利之交易中的資產及負債，則該等遞延稅項資產或負債不予確認。此外，倘暫時差額乃由於初始確認商譽產生，則不確認遞延所得稅負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

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.

### 5. 主要會計政策(續)

#### (s) 稅項(續)

遞延稅項負債就與於附屬公司及聯營公司之投資及於合資企業的權益相關之應課稅暫時差額予以確認，惟本集團可控制暫時差額之撥回及暫時差額可能於可見將來不會撥回除外。與該等投資及權益相關之可扣稅暫時差額所產生之遞延稅項資產，僅於可能有足夠應課稅溢利可以使用暫時差額之利益且預計於可見將來可以撥回時予以確認。

遞延稅項資產之賬面值於各報告期末作出檢討，並於不再可能有足夠應課稅溢利以供收回全部或部分資產時作調減。

遞延稅項資產及負債乃根據報告期末已頒佈或實質頒佈之稅率(及稅法)按清償負債或變現資產期間預期適用之稅率計量。

遞延稅項負債及資產之計量反映按照本集團預期之方式於報告期末收回或結清其資產及負債之賬面值之稅務結果。

倘有合法可強制執行權利可將即期稅項資產與即期稅項負債抵銷，且該等資產及負債與同一稅務機關徵收之所得稅有關，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益內確認，惟與其他全面收入或直接於權益確認之項目相關者除外，於該情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益中確認。倘業務合併的初始會計處理產生即期稅項或遞延稅項，稅務影響計入業務合併的會計處理之內。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**(s) Taxation (Continued)**

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

**(t) Related parties**

A related party is a person or entity that is related to the Group.

- (A) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or Group's parent.

**5. 主要會計政策(續)**

**(s) 稅項(續)**

於評估所得稅處理方法之任何不確定因素時，本集團考慮有關稅務機關是否可能接納個別集團實體於其所得稅申報時所採用或擬採用之不確定稅務處理方法。倘很可能獲接納，則即期及遞延稅項之釐定與申報所得稅時之稅務處理方法一致。倘有關稅務機關不大可能接納不確定稅務處理方法，則各項不確定因素之影響透過最可能產生之金額或預期價值予以反映。

**(t) 關連人士**

關連人士為與本集團有關連之個人或實體。

- (A) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司之主要管理層成員。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**5. SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**(t) Related parties (Continued)**

- (B) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (A).
  - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

**5. 主要會計政策(續)**

**(t) 關連人士(續)**

- (B) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬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)。
  - (ii) 一間實體為另一實體之聯營公司或合營企業(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營企業)。
  - (iii) 兩間實體均為同一第三方之合營企業。
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
  - (vi) 實體受(A)所識別人士控制或受共同控制。
  - (vii) 於(A)(i)所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
  - (viii) 該實體或該實體所屬集團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。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (t) Related parties (Continued)

(B) An entity is related to the Group if any of the following conditions applies: (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

#### (u) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that 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. When 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 (where the effect of the time value of money is material).

#### (v) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

### 5. 主要會計政策(續)

#### (t) 關連人士(續)

(B) 倘符合下列任何條件，即實體與本集團有關連：(續)

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員，並包括：

- (i) 該人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之家屬。

#### (u) 撥備及或然負債

倘本集團因過去事件而須承擔現時責任(法定或推定)而本集團很可能須履行有關責任且有責任所涉之金額能可靠估計，則確認撥備。

確認為撥備之金額是對於報告期末履行現時責任所需代價所作之最佳估計，並考慮圍繞有關責任之風險及不確定性。當按履行現時責任所需之估計現金流量計量撥備時，倘貨幣之時間價值影響重大，則賬面值即是該等現金流量之現值。

#### (v) 報告期後事項

提供有關本集團於報告期間結算日狀況之額外資料或顯示持續經營假設並不適當之報告期後事項屬須予調整之事項，並於綜合財務報表反映。倘報告期後事項屬重大而並非屬須予調整事件，則會於綜合財務報表附註披露。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 6. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Group's accounting policies, which are described in note 5, the directors of the Company are 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 on-going 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 judgements in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

##### (a) Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity depends on the Group's ability to obtain sufficient future funding which are depends on the results of the measures undertaking by the Group as described in note 2 to the consolidated financial statements.

##### (b) Legal titles of certain buildings

As stated in note 18 to the consolidated financial statements, the legal titles of certain buildings were not yet obtained as at 30 June 2020. Despite the fact that the Group has not obtained the relevant legal titles, the directors have determined to recognise those buildings as fixed assets on the grounds that they expect the legal titles should be obtained in future with no major difficulties and the Group is in substance controlling those buildings.

### 6. 於應用會計政策時之關鍵判斷

在應用本集團載述於附註5的會計政策時，本公司董事須對未能輕易地從其他來源獲知的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設是根據過往經驗及被認為相關的其他因素而作出。實際結果或會與該等估計有所不同。

本集團持續檢討該等估計及相關假設。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認；或倘修訂會影響目前及未來期間，則會於目前及未來期間確認。

#### 於應用會計政策時之關鍵判斷

以下為本公司董事於應用本集團會計政策過程中作出的重大判斷(涉及估計的判斷(見下文)除外)，而其對於綜合財務報表內已確認金額的影響至為重大。

##### (a) 持續經營基準

該等綜合財務報表已按持續經營基準編製，其有效性取決於本集團能否獲得足夠未來資金，此乃取決於本集團所採取於綜合財務報表附註2描述的措施的結果。

##### (b) 若干樓宇之法定所有權

誠如綜合財務報表附註18所述，於二零二零年六月三十日，尚未取得若干樓宇之法定所有權。儘管本集團尚未取得相關法定所有權，董事決定確認該等樓宇為固定資產，乃基於彼等預期法定所有權於日後取得時並無重大困難且本集團實際上控制該等樓宇。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 6. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (Continued)

#### Key sources of estimation uncertainty

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, are discussed below.

#### (a) Fixed assets and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's fixed assets. This estimate is based on the historical experience of the actual useful lives and residual values of fixed assets of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or nonstrategic assets that have been abandoned.

The carrying amount of fixed assets as at 30 June 2020 was approximately HK\$1,516,536,000 (2019: HK\$1,699,586,000).

#### (b) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the year ended 30 June 2019, income tax credit of approximately HK\$1,233,000 (2020: HK\$Nil) was recognised in profit or loss based on the estimated deferred tax liabilities.

#### (c) Useful lives of other intangible assets

The Group determines the estimated useful lives and related amortisation charges for the Group's other intangible assets. This estimate is based on the expected pattern of consumption of the future economic benefits embodied in the asset or, where appropriate, the contractual or other legal rights associated with the assets. The Group will revise the amortisation period and the amortisation method for an intangible asset where the useful life is different to that previously estimated.

### 6. 於應用會計政策時之關鍵判斷(續)

#### 估計不明朗因素之主要來源

下文討論具有導致須對下一個財政年度資產及負債賬面值作出重大調整之重大風險之未來主要假設及於報告期間結算日估計不明朗因素之其他主要來源。

#### (a) 固定資產及折舊

本集團釐定其固定資產之估計可使用年期、剩餘價值及相關折舊開支。此項估計乃根據性質及功能相若之固定資產過往實際可使用年期及剩餘價值經驗為基準作出。本集團將於可使用年期及剩餘價值有別於以往估計時修訂折舊開支，或會撇銷或撇減已棄置之技術過時或非策略資產。

於二零二零年六月三十日固定資產之賬面值約為1,516,536,000港元(二零一九年：1,699,586,000港元)。

#### (b) 所得稅

本集團須繳納多個司法權區之所得稅。在釐定所得稅之撥備時，須作出重大估計。在正常業務過程中，有許多交易及計算均難以明確作出最終之稅務釐定。倘該等事宜之最終稅務結果與初步入賬之金額不同，則該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。截至二零一九年六月三十日止年度，所得稅抵免約1,233,000港元(二零二零年：零港元)根據估計遞延稅項負債於損益確認。

#### (c) 其他無形資產之可使用年期

本集團釐定本集團其他無形資產之估計可使用年期及有關攤銷開支。是次估計根據資產所附未來經濟利益之預計消耗模式或(如適用)與資產相關之合約或其他法律權利作出。本集團將於可使用年期有別於以往估計者情況下，修訂無形資產之攤銷期間及攤銷方法。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**6. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (Continued)**

**Key sources of estimation uncertainty (Continued)**

**(d) Fair value of certain fixed assets**

The Group appointed an independent professional valuer to assess the fair value of certain fixed assets. In determining the fair value, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

**(e) Fair value of buildings**

The Group appointed an independent professional valuer to assess the fair value of the buildings. In determining the fair value, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

The carrying amount of buildings as at 30 June 2020 was approximately HK\$415,262,000 (2019: HK\$449,583,000).

**(f) Loss allowance for ECL**

The Group's management estimates the loss allowance for trade receivables based on risk of a default and expected loss rate. The assessment of the credit risk involves high degree of estimation and uncertainty as the Group's management estimates the risk of a default and expected loss rate for applying provision matrix on debtors based on the Group's historical information, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables.

**(g) Allowance for slow-moving inventories**

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed. An allowance for slow-moving inventories of HK\$3,415,000 was made for the year ended 30 June 2020 (2019: HK\$Nil).

**6. 於應用會計政策時之關鍵判斷 (續)**

**估計不明朗因素之主要來源(續)**

**(d) 若干固定資產的公平值**

本集團委任一名獨立專業估值師評估若干固定資產的公平值。在釐定公平值時，估值師已使用涉及若干估計的估值方法。董事已行使其判斷，並信納所用的估值方式及輸入數據均可反映現時市況。

**(e) 樓宇公平值**

本集團委聘獨立專業估值師評估樓宇之公平值。在釐定公平值時，估值師使用涉及若干估計之估值方法。董事已作出判斷，並信納估值方法及所使用之輸入數據能反映現時的市況。

於二零二零年六月三十日，樓宇之賬面值約為415,262,000港元(二零一九年：449,583,000港元)。

**(f) 預期信貸虧損的虧損撥備**

本集團管理層根據違約風險及預期虧損率估計應收貿易賬項的虧損撥備。由於本集團管理層於各報告期末根據本集團的歷史資料、現有市況及前瞻性估計估計應用債務人撥備矩陣的違約風險及預期虧損率，故信貸風險評估涉及高度估計及不確定性。倘預期與原先估計不同，有關差異將影響應收貿易賬項的賬面值。

**(g) 滯銷存貨撥備**

滯銷存貨乃按存貨賬齡及估計可變現淨值計提撥備。撥備金額之評估需要作出判斷及估計。倘未來實際情況有別於原來估計，則該等差額將於有關估計出現變動之期間影響存貨及撥備開支/撥回之賬面值。截至二零二零年六月三十日止年度，已就滯銷存貨計提撥備3,415,000港元(二零一九年：零港元)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 7. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, price risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in HK\$ and Renminbi ("RMB") which are the functional currencies of the principal operating entities of the Group. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

#### (b) Price risk

The Group's financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period. Therefore, the Group is exposed to equity security price risk. The directors manage this exposure by maintaining a portfolio of investments with different risk profiles.

At 30 June 2020, if the prices of the Group's investments increase/decrease by 10%, post-tax loss for the year would have been approximately HK\$68,000 (2019: HK\$74,000) lower/higher.

### 7. 財務風險管理

本集團業務面對各種財務風險，包括外匯風險、價格風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求將對本集團財務表現帶來之潛在不利影響減至最低。

#### (a) 外匯風險

由於本集團大部分業務交易、資產及負債主要以本集團主要業務實體之功能貨幣港元及人民幣(「人民幣」)列值，故面對之外匯風險甚微。本集團現時並無就外匯交易、資產及負債制定外匯對沖政策。本集團將密切監控其外匯風險，並於需要時考慮對沖重大外匯風險。

#### (b) 價格風險

本集團按公平值計入損益之金融資產於每個報告期間結算日按公平值計量。因此，本集團面對股本證券價格風險。董事透過維持包括不同風險投資之投資組合以管理此風險。

於二零二零年六月三十日，倘本集團投資之價格上升／下降10%，則年內之除稅後虧損將減少／增加約68,000港元(二零一九年：74,000港元)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 7. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Credit risk

The carrying amounts of trade and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets. As at 30 June 2020 and 2019, all bank balances were deposited in reputable financial institutions and were hence without significant credit risk. Management does not expect any losses from non-performance by these counterparties. Credit sales are made to selected customers with good credit history. The Group has policies in place to ensure that outstanding trade receivables are collected on a timely basis. Trade receivables are subject to the expected credit loss model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

The Group has policies in place to ensure that outstanding other receivables are collected on a timely basis. Other receivables are subject to the expected credit loss model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all other receivables from initial recognition. The expected loss rates are based on the historical payment profiles and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

### 7. 財務風險管理(續)

#### (c) 信貸風險

貿易及其他應收款項以及現金及現金等值項目的賬面值為本集團金融資產的最高信貸風險。於二零二零年及二零一九年六月三十日，所有銀行結餘均存入信譽良好的金融機構，故無重大信貸風險。管理層預期不會因該等對手方不履約而招致任何損失。信貸銷售僅提供予信貸記錄良好的選定客戶。本集團已制訂政策確保及時追收未償還的應收貿易賬項。應收貿易賬項須應用預期信貸虧損模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，自初步確認起為所有應收貿易賬項使用整個存續期內的預期虧損撥備。為計量預期信貸虧損，應收貿易賬項已根據共同信貸風險特徵及逾期天數分類。預期虧損率基於銷售的歷史付款情況及出現的相應過往信貸虧損而釐定。本集團對過往虧損率作出調整以反映有關影響客戶結算應收款項能力的因素的當前及前瞻性資料。

本集團已制訂政策確保及時追收未償還的其他應收款項。其他應收款項使用預期信貸虧損模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，自初步確認起為所有其他應收款項使用整個存續期內的預期虧損撥備。預期虧損率基於歷史付款情況及相應過往信貸虧損而釐定。本集團對過往虧損率作出調整以反映有關影響客戶結算應收款項能力的因素的當前及前瞻性資料。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk (Continued)

The following table provides information about the Group's exposure to credit risk and expected credit loss for trade receivables:

As at 30 June 2020 the Group uses trade receivables' aging to assess the impairment for its customers because these remaining customers consist of a large number of small customers with common risk characteristics representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix within lifetime ECL (not credit-impaired).

Gross carrying amount

		2020 二零二零年		2019 二零一九年	
		Average loss rate 平均虧損 比率 %	Trade receivable 應收貿易 賬項 HK\$'000 千港元	Average loss rate 平均虧損 比率 %	Trade receivable 應收貿易 賬項 HK\$'000 千港元
Current (not past due)	即期(但未逾期)	3.41	3,221	3.86	24,298
1-90 days past due	逾期1-90日	4.45	1,466	32.74	28,103
91-360 days past due	逾期91-360日	15.87	19,533	80.35	3,054
361-720 days past due	逾期361-720日	58.26	15,227	-	-
			39,447		55,455

7. 財務風險管理(續)

(c) 信貸風險(續)

下表提供有關本集團就應收貿易賬項面臨的信貸風險及預期信貸虧損的資料：

於二零二零年六月三十日，本集團使用應收貿易賬項賬齡來評估其客戶的減值，因餘下客戶由多個具有共同風險特徵的小客戶組成，風險特徵代表客戶按合約條款支付所有到期款項的能力。下表提供有關應收貿易賬項面臨的信貸風險的資料，此乃根據全期預期信貸虧損(並無信貸減值)內的撥備矩陣而評估。

賬面總值



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 7. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Credit risk (Continued)

##### Gross carrying amount (Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the trade receivables and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific trade receivables is updated.

#### (d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

For term loans which contain a repayment on demand clause which can be exercised at the banks' sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank loans is prepared based on the scheduled repayment dates.

### 7. 財務風險管理(續)

#### (c) 信貸風險(續)

##### 賬面總值(續)

估計虧損比率乃基於應收貿易賬項的預期年期內的過往觀察所得的違約比率估計，並按毋須花費過多成本或精力可取得的前瞻性資料調整。管理層會定期審視組別，確保特定的應收貿易賬項相關資料屬最新資料。

#### (d) 流動資金風險

本集團之政策為定期監控現時及預期流動資金需要，以確保維持充裕現金儲備，應付其短期及長期流動資金需要。

倘定期貸款載有催繳條款，而有關係款可由銀行全權酌情行使，則分析會顯示根據本集團須付款之最早期間(即借貸人會引用彼等即時催收貸款之無條件權利時)而產生之現金流出。其他銀行貸款之到期日分析乃根據議定還款日期編製。





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity risk (Continued)

The maturity analysis of the Group's financial liabilities is as follows:

		On demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total carrying amount
		應要求	少於1年	1年至2年	2年至5年	超過5年	賬面總值
		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
<b>At 30 June 2020</b>	<b>於二零二零年六月三十日</b>						
Term loan subject to a repayment on demand clause	須遵守催繳條款之定期貸款	15,805	-	-	-	-	15,805
Other bank loans	其他銀行貸款	-	34,481	2,782	8,705	7,684	51,499
Trade payables	應付貿易賬項	-	55,393	-	-	-	55,393
Bond payables	應付債券	-	12,641	477,270	715,007	245,550	988,268
Other payable and accruals	其他應付款項及應計款項	-	197,631	175,204	-	-	372,835
Other loans	其他貸款	-	69,729	-	-	-	65,716
Lease liabilities	租賃負債	-	2,634	2,634	1,536	-	5,733
		15,805	372,509	657,890	725,248	253,234	1,555,249
<b>At 30 June 2019</b>	<b>於二零一九年六月三十日</b>						
Term loan subject to a repayment on demand clause	須遵守催繳條款之定期貸款	18,670	-	-	-	-	18,670
Other bank loans	其他銀行貸款	-	35,589	2,719	8,505	10,629	55,173
Trade payables	應付貿易賬項	-	58,555	-	-	-	58,555
Bond payables	應付債券	-	11,250	10,841	712,037	725,790	906,361
Other payable and accruals	其他應付款項及應計款項	-	126,010	208,799	-	-	327,657
Other loans	其他貸款	-	31,655	-	-	-	28,263
		18,670	263,059	222,359	720,542	736,419	1,394,679

The maturity analysis of term loans subject to a repayment on demand clause based on scheduled repayments is as follows:

須遵守催繳條款之定期貸款根據議定時間還款作出之到期日分析如下：

		Contractual undiscounted cash flows 合約未貼現現金流量 Less than 1 year 少於1年 HK\$'000 千港元
<b>At 30 June 2020</b>	<b>於二零二零年六月三十日</b>	<b>16,374</b>
At 30 June 2019	於二零一九年六月三十日	19,342

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(e) Interest rate risk

Bonds payable, certain bank loans and other loans were arranged at fixed interest rates and therefore were subject to fair value interest rate risk.

Certain bank loans were arranged at floating rates varied with the then prevailing market condition.

As at 30 June 2020, if interest rates at that date had been 1% lower/higher with all other variables held constant, consolidated loss after tax for the year would have been approximately HK\$307,000 (2019: HK\$359,000) lower/higher, arising mainly as a result of lower/higher interest expense on the bank loans.

(f) Categories of financial instruments

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
Held for trading	持作買賣	678	743
Amortised cost	攤銷成本	94,962	109,914
Other financial asset	其他金融資產	-	6,351
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	1,555,249	1,394,679

(g) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. 財務風險管理(續)

(e) 利率風險

應付債券、若干銀行貸款及其他貸款乃按固定利率計息，故承受公平值利率風險。

若干銀行貸款乃按隨當時市況波動之浮動利率計息。

於二零二零年六月三十日，倘當日利率下降／上升1%而所有其他變數維持不變，本年度除稅後綜合虧損將減少／增加約307,000港元(二零一九年：359,000港元)，此乃主要由於銀行貸款之利息開支下降／上升所致。

(f) 金融工具之種類

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
Held for trading	持作買賣	678	743
Amortised cost	攤銷成本	94,962	109,914
Other financial asset	其他金融資產	-	6,351
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	1,555,249	1,394,679

(g) 公平值

綜合財務狀況表所示本集團金融資產及金融負債之賬面值與其各自之公平值相若。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 8. 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. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

### 8. 公平值計量

公平值是市場參與者在計量日進行之有秩序交易中出售一項資產所收取或轉讓一項負債所支付之價格。以下披露之公平值計量使用公平值層級，將用以計量公平值之估值技術之輸入數據分為三級，詳情如下：

第1級輸入數據：本集團可在計量日取得之相同資產或負債在活躍市場之報價(未經調整)。

第2級輸入數據：除第1級報價以外，基於可直接或間接觀察取得之資產或負債輸入數據。

第3級輸入數據：資產或負債之無法觀察輸入數據。

本集團之政策是於轉撥事件或導致轉撥之情況發生變化之日，確認轉入及轉出三個級別任何之一。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

8. FAIR VALUE MEASUREMENTS (Continued)

(a) Disclosures of level in fair value hierarchy:

At 30 June 2020

8. 公平值計量(續)

(a) 公平值層級披露：

於二零二零年六月三十日

Description	描述	Fair value measurements using:		Total
		Level 1 第1級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
<b>Recurring fair value measurements:</b>		經常性公平值計量：		
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產			
Listed securities in Hong Kong	香港上市證券	678	–	678
Fixed assets	固定資產			
Properties in Hong Kong	香港物業	–	9,710	9,710
Properties in PRC	中國物業	–	405,552	405,552
		–	415,262	415,262
<b>Total recurring fair value measurements</b>	<b>經常性公平值計量總額</b>	678	415,262	415,940

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

8. FAIR VALUE MEASUREMENTS (Continued)

(a) Disclosures of level in fair value hierarchy:  
(Continued)

At 30 June 2019

8. 公平值計量(續)

(a) 公平值層級披露：(續)

於二零一九年六月三十日

Description	描述	Fair value measurements using:		Total 總計 2019 二零一九年 HK\$'000 千港元
		Level 1 第1級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	
<b>Recurring fair value measurements:</b>		<b>經常性公平值計量：</b>		
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產			
Listed securities in Hong Kong	香港上市證券	743	–	743
Other financial asset	其他金融資產	–	6,351	6,351
Fixed assets	固定資產			
Properties in Hong Kong	香港物業	–	10,200	10,200
Properties in PRC	中國物業	–	439,383	439,383
		–	449,583	449,583
<b>Total recurring fair value measurements</b>	<b>經常性公平值計量總額</b>	743	455,934	456,677

During the year, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3 (2019: Nil).

年內，概無第1級與第2級之間的轉撥，亦無於第3級轉入或轉出(二零一九年：無)。

Note: For the purpose of impairment assessment, the recoverable amount of other fixed assets is fair value less costs of disposal. In the absence of current prices in an active market for similar other fixed assets, the Group considers information by reference to the valuation performed by an independent valuer based on the depreciated replacement cost (“DRC”) approach. The DRC approach requires a valuation of the market value of the other fixed assets in its existing use and an estimate of the new replacement cost of the other fixed assets from which deductions are then made to allow for physical deterioration and all forms of obsolescence and optimisation.

附註：就減值評估而言，其他固定資產之可收回金額為公平值減出售成本。若無類似其他固定資產於活躍市場的現行價格，本集團參考獨立估值師基於折餘重置成本(「折餘重置成本」)法進行的估值所提供的資料。折餘重置成本法要求評估其他固定資產於現有用途下的市值，估計其他固定資產的新重置成本，並扣減實際損耗及所有形式的陳舊及優化的撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**8. FAIR VALUE MEASUREMENTS (Continued)**

**(b) Reconciliation of assets measured at fair value based on level 3:**

The movements of the properties under Level 3 fair value measurements during the year are presented in note 18 to the consolidated financial statements under the heading of “Buildings”. Fair value adjustments on properties are recognised in the line item “loss on property revaluation” in the consolidated statement of comprehensive income.

**(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:**

The Group’s financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at annual basis.

**8. 公平值計量(續)**

**(b) 根據第3級按公平值計量之資產對賬：**

年內，第3級公平值計量項下之物業變動於綜合財務報表附註18「樓宇」呈列。物業之公平值調整於綜合全面收入表之「物業重估虧損」確認。

**(c) 本集團採用之估值程序及公平值計量所採用的估值技術及輸入數據的披露：**

本集團財務總監負責進行財務報告所需之資產及負債公平值計量，當中包括第3級公平值計量。財務總監直接向董事會匯報該等公平值計量。財務總監與董事會每年就估值程序及結果進行商討。





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

8. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements: (Continued)

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

8. 公平值計量(續)

(c) 本集團採用之估值程序及公平值計量所採用的估值技術及輸入數據的披露：(續)

本集團一般會聘請外聘估值專家，進行第3級公平值計量。該等專家須具備認可專業資格，且近期有進行估值之經驗。

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs 輸入數據增加對公平值之影響	Fair value
描述	估值技術	不可觀察輸入數據	範圍		公平值 HK\$'000 千港元

At 30 June 2020

於二零二零年六月三十日

Fixed assets

固定資產

Properties in Hong Kong 香港物業	Direct comparison 直接比較法	Adjusted market price (HK\$/square feet) 經調整市價 (港元/平方呎)	HK\$33,000/ square feet 33,000 港元/平方呎	Decrease 減少	9,710
Properties in PRC 中國物業	Depreciated replacement cost 折餘重置成本	Depreciated replacement cost (RMB/square feet) Building/Structure life 折餘重置成本 (人民幣/平方呎) 樓宇/構造壽命	RMB100 – RMB2,800/ square feet 50 years 人民幣100元至 人民幣2,800元/ 平方呎 50年	Decrease 減少	405,552

At 30 June 2019

於二零一九年六月三十日

Fixed assets

固定資產

Properties in Hong Kong 香港物業	Direct comparison 直接比較	Adjusted market price (HK\$/square feet) 經調整市價 (港元/平方呎)	HK\$35,000/ square feet 35,000港元/ 平方呎	Increase 增加	10,200
Properties in PRC 中國物業	Depreciated replacement cost 折餘重置成本	Depreciated replacement cost (RMB/square feet) Building/Structure life 折餘重置成本 (人民幣/平方呎) 樓宇/構造壽命	RMB23 – RMB2,845/ square feet 50 years 人民幣23元至 人民幣2,845元/ 平方呎 50年	Increase 增加	439,383

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 9. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and after eliminations of all significant intra-group transactions during the year.

## 9. 收益

收益指於本年度銷售貨品之發票淨值減去退貨撥備及貿易折扣，並已對銷集團間所有重大交易。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Heat supplying services	熱能供應服務	163,463	160,189
Electricity supplying services	電力供應服務	13,598	12,456
Sales of calcium carbide	銷售碳化鈣	-	75,844
Sales of lime powder	銷售石灰粉	16,760	-
Facilities construction services	設施建設服務	376	73,897
Commission income	佣金收入	140	662
		<b>194,337</b>	<b>323,048</b>

### (i) Disaggregation of revenue

### (i) 收益明細

		For the year ended 30 June 2020 截至二零二零年六月三十日止年度			
Segment	分部	Heat and Power 熱能及電力 HK\$'000 千港元	Lime Powder 石灰粉 HK\$'000 千港元	Construction services 建造服務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元
Heat supplying services	熱能供應服務	163,463	-	-	-
Electricity supplying services	電力供應服務	13,598	-	-	-
Sales of calcium carbide	銷售碳化鈣	-	16,760	-	-
Facilities construction services	設施建設服務	-	-	376	-
Commission income	佣金收入	-	-	-	140
		<b>177,061</b>	<b>16,760</b>	<b>376</b>	<b>140</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

9. REVENUE (Continued)

(i) Disaggregation of revenue (Continued)

Segment	分部	Heat and	Calcium	Construction	Unallocated
		Power	carbide	services	
		熱能及電力	碳化鈣	建造服務	未分配
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Heat supplying services	熱能供應服務	160,189	–	–	–
Electricity supplying services	電力供應服務	12,456	–	–	–
Sales of calcium carbide	銷售碳化鈣	–	75,844	–	–
Facilities construction services	設施建設服務	–	–	73,897	–
Commission income	佣金收入	–	–	–	662
		172,645	75,844	73,897	662

(ii) All revenue is recognised at a point in time excepted for construction services which is recognised over time.

9. 收益(續)

(i) 收益明細(續)

For the year ended 30 June 2019  
截至二零一九年六月三十日止年度

(ii) 所有收益均在一個時間點確認，惟建造服務隨時間確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

10. OTHER INCOME AND OTHER GAINS OR LOSSES

10. 其他收入及其他收益或虧損

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Conveyance service income (Note (a))	運輸服務收入(附註(a))	6,469	4,219
Gains on disposal of right-of-use assets	出售使用權資產的收益	3,871	-
Gain on settlement of other loan	結算其他貸款的收益	-	14,796
Government grants (Note (b))	政府補助金(附註(b))	554	6,342
Loss on disposal of subsidiaries	出售附屬公司之虧損	(5,505)	-
Loss on disposal of a joint venture	出售一間合營企業之虧損	(2,124)	-
Bank interest income	銀行利息收入	4	13
Other interest income	其他利息收入	2,040	1,888
Property management service income	物業管理服務收入	-	16,718
Reversal of trade receivables	應收貿易賬項之撥回	-	3,496
Reversal of prepayment, deposit and other receivables	預付款項、訂金及其他應收款項之撥回	-	4,893
Sundry income	雜項收入	753	2,993
		<b>6,062</b>	<b>55,358</b>

Notes:

- (a) Conveyance service income represents the income from provision of the service for connecting the transition of steam to corporate customers.
- (b) Government grants for the years were received as incentive for capital expenditure and subsidy for operating costs. There are no unfulfilled conditions or contingencies attached to the grants.

附註：

- (a) 運輸服務收入指為企業客戶提供轉換熱能相關服務所得收入。
- (b) 年內收取政府補助金，作為資本開支之獎勵及經營成本之津貼。有關補助金並不附帶任何未履行之條件或或然事項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 11. SEGMENT INFORMATION

The Group has five reportable segments as follows:

Polyvinyl-chloride	–	manufacture and sale of polyvinyl-chloride;
Vinyl acetate	–	manufacture and sale of vinyl acetate;
Heat and power	–	generation and supply of heat and power;
Calcium carbide	–	manufacture and sale of calcium carbide and lime powder; and
Construction services	–	construct and monitor of public facilities construction.

The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business unit requires different technology and marketing strategies.

Segment profits or losses do not include fair value loss on financial assets at fair value through profit or loss, impairment of goodwill, share of losses of joint ventures and corporate administrative expenses. Segment assets do not include bank and cash balances, financial assets at fair value through profit or loss, investments in joint ventures and corporate assets. Segment liabilities do not include bank loans, bonds payable, bond interest payable, other loans and other payables and accruals for general administrative use.

### 11. 分部資料

本集團有以下五個可報告分部：

聚氯乙烯	–	製造及銷售聚氯乙烯；
醋酸乙烯	–	製造及銷售醋酸乙烯；
熱能及電力	–	生產及供應熱能及電力；
碳化鈣	–	製造及銷售碳化鈣和石灰粉；及
建造服務	–	建設及監察公用設施建設。

本集團各可報告分部為提供不同產品之策略性業務單位，基於各業務單位所需技術及市場推廣策略不同而獨立管理。

分部溢利或虧損並無計入按公平值計入損益之金融資產之公平值虧損、商譽減值、分佔合營企業虧損及公司行政開支。分部資產並無計入銀行及現金結存、按公平值計入損益之金融資產、於合營企業的投資及公司資產。分部負債並無計入銀行貸款、應付債券、應付債券利息、其他貸款以及其他應付款項及一般行政用途之應計款項。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

11. SEGMENT INFORMATION (Continued)

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

Information about reportable segment profit or loss, assets and liabilities:

11. 分部資料(續)

本集團按向第三方作出之銷售或轉讓(即按現行市價)計算分部間銷售及轉讓。

有關可報告分部溢利或虧損、資產及負債之資料：

		Heat and power 熱能及電力 HK\$'000 千港元	Calcium carbide 碳化鈣 HK\$'000 千港元	Construction services 建造服務 HK\$'000 千港元	Polyvinyl-chloride 聚氯乙烯 HK\$'000 千港元	Vinyl acetate 醋酸乙烯 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 30 June 2020	截至二零二零年六月三十日止年度							
Revenue from external customers	外部客戶收益	177,061	16,760	376	-	-	140	194,337
Segment loss	分部虧損	(65,160)	(118,061)	(60,961)	(6,162)	(2,643)	(319)	(253,306)
Losses on fair value of financial assets at fair value through profit or loss, net	按公平值計入損益之金融資產公平值虧損淨額	-	-	-	-	-	(65)	(65)
Corporate administrative expenses	公司行政開支	-	-	-	-	-	(131,254)	(131,254)
Consolidated loss for the year	年內綜合虧損							(384,625)
Bank interest income	銀行利息收入	-	2	-	1	-	1	4
Interest expense	利息開支	3,655	1,145	1,659	-	-	104,485	110,944
Depreciation on fixed assets	固定資產折舊	11,335	56,999	32	2,314	2,317	407	73,404
Depreciation on right-of-use assets	使用權資產折舊	1,941	3,722	-	656	557	1,581	8,457
Other material items of income and expense:	其他重大收入及開支項目：							
Government grants	政府補助金	-	554	-	-	-	-	554
Other material non-cash items:	其他重大非現金項目：							
Impairment of intangible assets	無形資產減值	-	-	3,778	-	-	-	3,778
Impairment of fixed assets	固定資產減值	77,000	-	-	-	-	-	77,000
Written-off of trade receivables	應收貿易賬項撇銷	-	-	22,050	-	-	-	22,050
Provision/(reversal) of allowance for receivables, net	應收款項撥備/撥備(撥回)淨額							
- trade receivables	- 應收貿易賬項	6,355	-	-	-	-	-	6,355
- prepayment and other receivables	- 預付款項及其他應收款項	-	-	14,209	-	-	(450)	13,759
Provision/written-off of inventories	存貨撥備/撇銷	-	26,629	-	-	-	-	26,629
Additions to segment non-current assets	增添分部非流動資產	18,935	730	-	-	-	6,478	26,143
As at 30 June 2020	於二零二零年六月三十日							
Consolidated total assets	綜合資產總額	632,528	1,094,580	78,967	53,699	37,382	99,668	1,996,824
Consolidated total liabilities	綜合負債總額	186,658	210,235	2,122	14,343	20,967	1,133,214	1,567,539

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

11. SEGMENT INFORMATION (Continued)

Information about reportable segment profit or loss, assets and liabilities: (Continued)

11. 分部資料(續)

有關可報告分部溢利或虧損、資產及負債之資料：(續)

		Heat and power 熱能及電力 HK\$'000 千港元	Calcium carbide 碳化鈣 HK\$'000 千港元	Construction services 建造服務 HK\$'000 千港元	Polyvinyl-chloride 聚氯乙烯 HK\$'000 千港元	Vinyl acetate 醋酸乙烯 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 30 June 2019	截至二零一九年六月三十日止年度							
Revenue from external customers	外部客戶收益	172,645	75,844	73,897	-	-	662	323,048
Segment profit/(loss)	分部溢利/(虧損)	20,174	(398,218)	3,252	(129,202)	(57,509)	-	(561,503)
Gains on fair value of financial assets at fair value through profit or loss, net	按公平值計入損益之金融資產 公平值收益淨額	-	-	-	-	-	4,904	4,904
Corporate administrative expenses	公司行政開支	-	-	-	-	-	(140,983)	(140,983)
Consolidated loss for the year	年內綜合虧損							(697,582)
Bank interest income	銀行利息收入	-	3	-	-	-	10	13
Interest expense	利息開支	3,830	4,353	2,306	-	826	81,312	92,627
Depreciation and amortisation	折舊及攤銷	12,147	82,781	5,151	13,055	12,322	1,421	126,877
Other material items of income and expense:	其他重大收入及開支項目：							
Government grants	政府補助金	6,342	-	-	-	-	-	6,342
Income tax credit	所得稅抵免	-	-	1,233	-	-	-	1,233
Other material non-cash items:	其他重大非現金項目：							
Provision/(reversal) of allowance for receivables, net	應收款項撥備/撥備 (撥回)淨額							
- trade receivables	- 應收貿易賬項	7,211	(3,497)	-	-	-	-	3,714
- prepayment and other receivables	- 預付款項及其他應收款項	-	(3,637)	-	(606)	-	(650)	(4,893)
Written-off of fixed assets	固定資產撇銷	-	288,200	-	92,076	29,541	-	409,817
Loss on property revaluation	物業重估虧損	-	28,725	-	21,476	13,872	-	64,073
Additions to segment non-current assets	增添分部非流動資產	9,505	8,686	52	-	-	-	18,243
As at 30 June 2019	於二零一九年六月三十日							
Consolidated total assets	綜合資產總額	662,121	1,171,049	121,606	57,685	40,889	213,492	2,266,842
Consolidated total liabilities	綜合負債總額	142,951	208,206	2,589	12,707	21,691	1,013,789	1,401,933



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 11. SEGMENT INFORMATION (Continued)

### Information about reportable segment profit or loss, assets and liabilities: (Continued)

The Group's revenue is derived from customers based in the People's Republic of China (the "PRC") and accordingly, no geographical information is presented.

### Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Customer A <sup>1</sup>	客戶A <sup>1</sup>	N/A <sup>3</sup> 不適用 <sup>3</sup>	72,217
Customer B <sup>2</sup>	客戶B <sup>2</sup>	N/A <sup>3</sup> 不適用 <sup>3</sup>	64,747

- 1 Revenue from Construction services
- 2 Revenue from Calcium carbide
- 3 The corresponding revenue did not contribute over 10% of the total revenue of the Group.

## 11. 分部資料(續)

有關可報告分部溢利或虧損、資產及負債之資料：(續)

本集團收益乃來自中華人民共和國(「中國」)之客戶，因此，並無呈列地區資料。

### 關於主要客戶的資料

於相關年度，源自對本集團總銷售額佔超過10%的客戶的收益如下：

- 1 來自建造服務的收益
- 2 來自碳化鈣的收益
- 3 相關收益佔本集團總收益不超過10%。

## 12. FINANCE COSTS

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest on bank loans	銀行貸款利息	3,296	6,838
Interest on other loans – wholly repayable within five years	其他貸款利息 – 須於五年內全部償還	8,689	5,079
Interest on bonds payable – not wholly repayable in five years	應付債券利息 – 無須於五年內全部償還	98,606	80,710
Interest on lease liabilities	租賃負債利息	353	–
Total borrowing costs	借貸成本總額	110,944	92,627



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 13. INCOME TAX CREDIT

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax	即期稅項		
– PRC Enterprise Income tax	– 中國企業所得稅	–	34
– Hong Kong Profits tax	– 香港利得稅	–	–
Deferred tax credit	遞延稅項抵免	–	(1,267)
		–	(1,233)

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2019: Nil).

Tax charge on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Pursuant to the income tax rules and regulations of the PRC, the subsidiaries in the PRC are liable to PRC enterprise income tax at a rate of 25% during the year (2019: 25%).

No provision for PRC Enterprise Income tax has been made for the year as the Group had sufficient tax loss brought forward to offset the generated profit in current year.

Pursuant to the Corporate Income Tax Law of the PRC approved by the National People's Congress on 16 March 2007, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by treaty) on various types of passive income such as dividend derived from sources within the PRC.

### 13. 所得稅抵免

由於本集團於本年度並無在香港產生任何應課稅溢利，故並無作出任何香港利得稅撥備（二零一九年：無）。

其他地區之應課稅溢利稅項乃按本集團經營業務所在國家之現行稅率，根據當地現行法規、詮釋及慣例計算。

根據中國所得稅規則及法規，本年度中國附屬公司須按稅率25%（二零一九年：25%）繳納中國企業所得稅。

由於本集團擁有足夠的承前稅項虧損抵銷本年度產生的溢利，因此年內並無作出任何中國企業所得稅撥備。

根據全國人民代表大會於二零零七年三月十六日批准之中國企業所得稅法，自二零零八年一月一日起，在中國境內未有設立業務機構或場所，或雖已在中國境內設立業務機構或場所，但取得之有關收入與其在中國境內所設業務機構或場所並無實際聯繫之非居民企業，將須就多種被動收入（如源自中國境內之股息）按稅率10%（除非按稅收協定減免）繳納預扣稅項。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 13. INCOME TAX CREDIT (Continued)

According to the notice Cai Shui [2008] No. 1 released by the Ministry of Finance and the State Administration of Taxation, distributions of the pre-2008 retained profits of a foreign-invested enterprise to a foreign investor in 2008 or after are exempt from withholding tax. Accordingly, the retained profits at 31 December 2007 in the Group's foreign-invested enterprises' books and accounts will not be subject to withholding tax on dividend on future distribution.

A reconciliation of the tax credit applicable to loss before tax using the statutory rate for the countries in which the Company and its subsidiaries are domiciled to the tax credit at the effective tax rates are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before tax	除稅前虧損	<b>(384,625)</b>	(698,815)
Tax at the statutory tax rate	按法定稅率計算之稅項	<b>(85,302)</b>	(157,212)
Income not subject to tax	毋須納稅之收入	<b>(968)</b>	(1,244)
Expenses not deductible for tax	不可扣稅支出	<b>50,899</b>	124,251
Tax losses not recognised	未確認稅項虧損	<b>38,753</b>	40,624
Utilisation of unrecognised tax losses	動用未確認之稅項虧損	<b>(3,382)</b>	(7,652)
Tax credit at the Group's effective tax rate	按本集團實際稅率計算之稅項抵免	-	(1,233)

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is approximately HK\$11,381,000 (2019: HK\$17,929,000). No deferred tax liabilities have been recognised in respect of these differences because the Group is in a position to control the dividend policies of these subsidiaries and it is probable that such differences will not reverse in the foreseeable future.

### 13. 所得稅抵免(續)

根據財政部及國家稅務總局發出之財稅[2008]1號通知，於二零零八年或之後向外國投資者分派外商投資企業二零零八年前之保留溢利獲豁免繳納預扣稅項。因此，本集團之外商投資企業之賬冊及賬目所列於二零零七年十二月三十一日之保留溢利毋須就未來分派之股息繳納預扣稅項。

按本公司及其附屬公司所處國家之法定稅率計算除稅前虧損適用之稅項抵免，與按實際稅率計算之稅項抵免之對賬如下：

於報告期結算日，與該等並無確認遞延稅項負債之附屬公司未分配盈利有關之暫時差額總額約為11,381,000港元(二零一九年：17,929,000港元)。由於本集團有權控制該等附屬公司之股息政策，且有關差額或將不會於可見將來撥回，故並無就該等差額確認遞延稅項負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 14. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

## 14. 本年度虧損

本集團於本年度之虧損經扣除/(計入)下列各項後列賬：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	1,513	1,480
Provision/(reversal) of allowance for receivables, net	應收款項撥備/撥備(撥回)淨額		
– trade receivables	– 應收貿易賬項	–	3,714
– prepayment and other receivables	– 預付款項及其他應收款項	13,759	(4,893)
Written-off of trade receivables	應收貿易賬項撇銷	22,050	–
Amortisation of other intangible assets (included in administrative expenses)	攤銷其他無形資產(已計入行政開支中)	–	5,067
Cost of inventories sold	已售存貨成本	164,967	200,734
Provision/written-off of inventories	存貨撥備/撇銷	26,629	–
Depreciation of fixed assets	固定資產折舊	73,404	115,282
Depreciation of right-of-use assets	使用權資產折舊	8,457	–
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	–	6,528
Minimum lease payments under operating leases for land and buildings	土地及樓宇經營租約項下之最低租賃付款	–	3,211
Factory overhead incurred during suspension of production (note)	停產期間產生之工廠日常開支(附註)	65,232	75,493
Loss on property revaluation	物業重估虧損	–	64,073
Impairment of intangible assets	無形資產減值	3,778	699
Staff costs (excluding directors' emoluments):	員工成本(不包括董事酬金):		
Wages, salaries and benefits in kind	工資、薪金及實物利益	20,019	25,917
Employee share option benefits	員工購股權福利	–	3,454
Redundancy cost	冗餘成本	3,363	–
Retirement benefits scheme contributions	退休福利計劃供款	5,894	7,880

Cost of inventories sold includes staff costs and depreciation of approximately HK\$9,052,000 (2019: HK\$12,475,000) and HK\$6,380,000 (2019: HK\$6,398,000) respectively, which are included in the amounts disclosed separately above.

已售存貨成本包括員工成本及折舊分別約9,052,000港元(二零一九年: 12,475,000港元)及6,380,000港元(二零一九年: 6,398,000港元),均已計入於上文獨立披露之金額內。

Note: During the years ended 30 June 2020 and 2019, factory overhead was incurred during the temporary suspension of the production line of Polyvinyl-chloride segment, Vinyl acetate segment and Calcium carbide segment due to a substantial decrease in profit margin.

附註: 截至二零二零年及二零一九年六月三十日止年度,工廠日常開支乃於因利潤率大幅下跌導致聚氯乙烯分部、醋酸乙烯分部及碳化鈣分部之生產線暫停生產期間產生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments of each director were as follows:

15. 董事酬金及僱員薪酬

各董事之酬金如下：

		Fees		Basic salaries, housing benefits, other allowances and benefits in kind		Retirement benefits scheme contributions		Total	
		袍金		基本薪金、房屋福利、其他津貼及實物利益		退休福利計劃供款		總計	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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
<b>Executive directors</b>	<b>執行董事</b>								
Ms. Chan Yuk Foebe	陳昱女士	-	-	120	120	-	-	120	120
Mr. Yu Defa	于德發先生	-	-	519	320	-	-	519	320
Mr. Law Tze Ping Eric	羅子平先生	-	-	300	300	15	15	315	315
Mr. Chen Lei	陳蕾先生	-	-	120	45	6	2	126	47
M. Lin Bitian (note)	林必田先生(附註)	-	-	-	-	-	-	-	-
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>								
Mr. Ma Wing Yun Bryan	馬榮欣先生	180	180	-	-	-	-	180	180
Mr. Tam Ching Ho	譚政豪先生	180	180	-	-	-	-	180	180
Mr. Hau Chi Kit	侯志傑先生	180	180	-	-	-	-	180	180
		<b>540</b>	<b>540</b>	<b>1,059</b>	<b>785</b>	<b>21</b>	<b>17</b>	<b>1,620</b>	<b>1,342</b>

Note: Mr. Lin Bitian was appointed as an executive director on 12 March 2020. He was subsequently resigned as an executive director on 10 July 2020.

附註：林必田先生於二零二零年三月十二日獲委任為執行董事。彼其後於二零二零年七月十日辭任執行董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)**

The five highest paid individuals in the Group during the year included 1 (2019: 1) director whose emoluments are reflected in the analysis presented above. The emoluments of the remaining 4 (2019: 4) individuals are set out below:

		<b>2020</b> 二零二零年 <b>HK\$'000</b> 千港元	2019 二零一九年 HK\$'000 千港元
Basic salaries, housing benefits, other allowances and benefits in kind	基本薪金、房屋福利、其他津貼及實物利益	<b>1,825</b>	2,009
Post-employment benefits	離職後福利	<b>53</b>	71
Employee share option benefits	僱員購股權利益	-	-
		<b>1,878</b>	2,080

The emoluments fell within the following bands:

		<b>Number of individuals</b> 僱員人數	
		<b>2020</b> 二零二零年	2019 二零一九年
Nil to HK\$1,000,000	零至1,000,000港元	<b>4</b>	4

The Company granted 110,000,000 share options to employees on 24 December 2018. The fair value of share option is HK\$3,454,000 (2020: Nil).

No emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office in both years and no directors waived any emolument during the year ended 30 June 2020 (2019: Nil).

**15. 董事酬金及僱員薪酬(續)**

年內，本集團五名最高薪僱員包括1名(二零一九年：1名)董事，彼等之酬金已於上文呈列之分析反映。餘下4名(二零一九年：4名)僱員之酬金載列如下：

酬金介乎以下範疇：

本公司於二零一八年十二月二十四日向僱員授出110,000,000份購股權。購股權之公平值為3,454,000港元(二零二零年：無)。

於該兩個年度，本集團概無支付任何酬金予任何董事或五名最高薪僱員以作為加盟或吸引彼等加盟本集團之獎勵或離職補償且於截至二零二零年六月三十日止年度，概無董事放棄薪酬(二零一九年：無)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

#### 16. DIVIDEND

The directors do not recommend the payment of dividend for the year ended 30 June 2020 (2019: Nil).

#### 17. LOSS PER SHARE

##### Basic loss per share

Calculation of basic loss per share attributable to the owners of the Company is based on the loss for the year attributable to the owners of the Company of approximately HK\$373,171,000 (2019: HK\$667,369,000) and the weighted average number of ordinary shares of 1,335,781,000 (2019: 1,231,598,662) in issue during the year.

##### Diluted loss per share

The computation of diluted loss per share for the years did not assume the exercise of outstanding share options of the Company since these options were anti-diluted during the year of 2020 and 2019.

#### 16. 股息

董事不建議派付截至二零二零年六月三十日止年度之股息(二零一九年：無)。

#### 17. 每股虧損

##### 每股基本虧損

本公司擁有人應佔每股基本虧損乃根據本公司擁有人應佔本年度虧損約373,171,000港元(二零一九年：667,369,000港元)及本年度已發行普通股加權平均數1,335,781,000股(二零一九年：1,231,598,662股)計算。

##### 每股攤薄虧損

計算年度每股攤薄虧損時並無假設本公司之尚未行使購股權獲行使，原因是該等購股權於二零二零年及二零一九年具反攤薄效應。





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

18. FIXED ASSETS

18. 固定資產

		Buildings	Construction in progress	Plant and machinery	Leasehold improvements	Furniture, office equipment and motor vehicle	Pipelines and trench	Total
		樓宇	在建工程	廠房及機器	租賃物業裝修	傢俬、辦公室設備及汽車	管道及溝槽	總計
		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
<b>Cost or revaluation</b>	<b>成本或重估</b>							
At 1 July 2018	於二零一八年七月一日	680,900	822,801	1,705,307	4,234	26,537	158,127	3,397,906
Additions	添置	-	6,539	3,725	-	7,979	-	18,243
Write off	撇銷	-	(73,793)	(924,344)	-	(5,809)	-	(1,003,946)
Revaluation	重估	(202,871)	-	-	-	-	-	(202,871)
Transfer	轉撥	-	(296,290)	296,290	-	-	-	-
Additions through acquisition of subsidiaries	透過收購附屬公司增加	-	-	-	-	18	-	18
Exchange difference	匯兌差額	(28,446)	(29,769)	(61,282)	-	(847)	(6,992)	(127,336)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	449,583	429,488	1,019,696	4,234	27,878	151,135	2,082,014
Additions	添置	-	16,708	335	-	1,367	1,255	19,665
Revaluation	重估	(19,850)	-	-	-	-	-	(19,850)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(17)	-	(17)
Transfer	轉撥	-	(452)	-	-	-	452	-
Exchange difference	匯兌差額	(14,471)	(14,513)	(29,270)	-	(800)	(5,276)	(64,330)
At 30 June 2020	於二零二零年六月三十日	415,262	431,231	990,761	4,234	28,428	147,566	2,017,482
<b>Accumulated depreciation</b>	<b>累計折舊</b>							
At 1 July 2018	於二零一八年七月一日	-	-	853,887	3,552	21,534	38,618	917,591
Charge for the year	年內開支	25,205	-	79,965	358	2,333	7,421	115,282
Charge through acquisition of subsidiaries	透過收購附屬公司的開支	-	-	-	-	3	-	3
Write off	撇銷	-	-	(589,020)	-	(5,109)	-	(594,129)
Write back on revaluation	重估時撥回	(24,899)	-	-	-	-	-	(24,899)
Exchange difference	匯兌差額	(306)	-	(28,795)	-	(586)	(1,733)	(31,420)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	-	-	316,037	3,910	18,175	44,306	382,428
Charge for the year	年內開支	23,779	-	39,984	324	2,071	7,246	73,404
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(3)	-	(3)
Impairment	減值	-	77,000	-	-	-	-	77,000
Write back on revaluation	重估時撥回	(23,779)	-	-	-	-	-	(23,779)
Exchange difference	匯兌差額	-	-	(6,059)	-	(488)	(1,557)	(8,104)
At 30 June 2020	於二零二零年六月三十日	-	77,000	349,962	4,234	19,755	49,995	500,946

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

18. FIXED ASSETS (Continued)

18. 固定資產(續)

		Buildings	Construction in progress	Plant and machinery	Leasehold improvements	Furniture, office equipment and motor vehicle	Pipelines and trench	Total
		樓宇	在建工程	廠房及機器	租賃物業裝修	傢俬、辦公室設備及汽車	管道及溝槽	總計
		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
<b>Carrying amount</b>	<b>賬面值</b>							
At 30 June 2020	於二零二零年六月三十日	415,262	354,231	640,799	-	8,673	97,571	1,516,536
At 30 June 2019	於二零一九年六月三十日	449,583	429,488	703,659	324	9,703	106,829	1,699,586
<b>Analysis of cost or revaluation at 30 June 2020:</b>	<b>於二零二零年六月三十日之成本或重估分析:</b>							
At cost	按成本	-	354,231	990,761	4,234	28,428	147,566	1,525,220
At revaluation	按重估	415,262	-	-	-	-	-	415,262
		415,262	354,231	990,761	4,234	28,428	147,566	1,940,482
<b>Analysis of cost or revaluation at 30 June 2019:</b>	<b>於二零一九年六月三十日之成本或重估分析:</b>							
At cost	按成本	-	429,488	1,019,696	4,234	27,878	151,135	1,632,431
At revaluation	按重估	449,583	-	-	-	-	-	449,583
		449,583	429,488	1,019,696	4,234	27,878	151,135	2,082,014

As at 30 June 2020, the carrying amount of certain buildings amounted to approximately HK\$226,804,000 (2019: HK\$240,276,000) for which relevant legal titles have not yet been obtained. At the date of approval of these consolidated financial statements, the application for obtaining the aforesaid legal titles is still in progress.

於二零二零年六月三十日，相關法定業權尚未獲取之若干樓宇之賬面值約為226,804,000港元(二零一九年：240,276,000港元)。於該等綜合財務報表批准日期，獲取前述法定業權之申請仍在進行中。

As at 30 June 2020, the carrying amount of buildings and plant and machinery pledged as security for the Group's bank loans and other loans amounted to approximately of HK\$311,098,000 (2019: HK\$330,806,000) and HK\$623,461,000 (2019: HK\$679,471,000), respectively.

於二零二零年六月三十日，已就本集團銀行貸款及其他貸款抵押作為擔保之樓宇以及廠房及機器之賬面值分別約為311,098,000港元(二零一九年：330,806,000港元)及623,461,000港元(二零一九年：679,471,000港元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 18. FIXED ASSETS (Continued)

At 30 June 2020, the Group's buildings were revalued on the depreciated replacement cost basis/direct comparison approach by Ample Appraisal Limited, independent firm of chartered surveyors, at approximately HK\$415,262,000 (2019: HK\$449,583,000).

The carrying amount of the Group's buildings would have been approximately HK\$343,502,000 (2019: HK\$377,098,000) had they been stated at cost less accumulated depreciation and impairment losses.

During the year ended 30 June 2020 and 2019, the Group carried out reviews of the recoverable amount of the fixed assets. The review led to an impairment loss on construction in progress in heat and power segment of approximately of HK\$77,000,000 for the year ended 30 June 2020 and the recognition of written off on construction in progress, plant and machinery, furniture, office equipment and motor vehicle approximately of HK\$73,793,000, HK\$335,324,000 and HK\$700,000 in Polyvinylchloride, Vinyl acetate and Calcium Carbide segment respectively for the year ended 30 June 2019 that have been recognised in profit or loss. The recoverable amount of the buildings have been determined on the depreciated replacement cost basis, details of which has been set out in note 8(c) to the consolidated financial statements. For other fixed assets, the recoverable amounts are based on value-in-use calculations. The value-in-use calculations use cash flow projections based on financial budgets approved by management for the purposes of impairment reviews covering a five-year period.

### 18. 固定資產(續)

於二零二零年六月三十日，本集團之樓宇由獨立特許測量師行豐盛評估有限公司按折餘重置成本法／直接比較法重估約為415,262,000港元(二零一九年：449,583,000港元)。

假設本集團之樓宇按成本減累計折舊及減值虧損入賬，則有關賬面值將約為343,502,000港元(二零一九年：377,098,000港元)。

截至二零二零年及二零一九年六月三十日止年度，本集團對固定資產之可收回金額進行審閱。審閱引致截至二零二零年六月三十日止確認用於熱能及電力分部之在建工程減值約77,000,000港元以及截至於年度二零一九年六月三十日止年度確認撇銷在建工程、廠房及機器、傢俬、辦公室設備及汽車分別約73,793,000港元、335,324,000港元及700,000港元，並已於損益中確認。樓宇的可收回金額乃按折餘重置成本法釐定，有關詳情載於綜合財務報表附註8(c)。就其他固定資產而言，可收回金額乃根據使用價值計算。使用價值計算使用基於管理層就五年期之減值檢討所批准之財政預算的現金流量預測。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

19. RIGHT-OF-USE ASSETS

19. 使用權資產

		Leasehold land 租賃土地 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 July 2019	於二零一九年七月一日			
Carrying amount	賬面值	308,288	-	308,288
As at 30 June 2020	於二零二零年六月三十日			
Carrying amount	賬面值	291,798	5,578	297,376
For the year ended 30 June 2020	截至二零二零年六月三十日 止年度			
Depreciation charge	折舊開支	7,557	900	8,457
Expense relating to short-term leases with lease terms and within 12 months of the date of initial application of HKFRS 16	租賃期自首次應用香港財務報告準則第16號日期起計12個月內到期之短期租賃相關開支			1,633
Total cash outflow for leases	租賃之現金流出總額			2,731
Additions to right-of-use assets	使用權資產之添置			6,478

The leasehold lands held under medium-term leases are located in PRC and the leased properties held under long-term leases are located in Hong Kong.

租賃土地於中國根據中期租約持有，而租賃物業於香港根據長期租約持有。

As at 30 June 2020, leasehold land with carrying amount of approximately HK\$222,512,000 have been pledged to secure banking facilities granted to the Group.

於二零二零年六月三十日，賬面值約222,512,000港元的租賃土地已作抵押，以取得本集團獲授的銀行融資。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

20. PREPAID LAND LEASE PAYMENTS

20. 預付土地租賃付款

		HK\$'000 千港元
<b>Cost</b>	<b>成本</b>	
As at 1 July 2018	於二零一八年七月一日	401,350
Exchange difference	匯兌差額	(14,024)
As at 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	387,326
Reclassified to right-of-use assets upon application of HKFRS 16	應用香港財務報告準則第16號後重新分類至使用權資產	(387,326)
As at 30 June 2020	於二零二零年六月三十日	-
<b>Accumulated amortisation</b>	<b>累計攤銷</b>	
As at 1 July 2018	於二零一八年七月一日	75,489
Charge for the year	年內開支	6,528
Exchange difference	匯兌差額	(2,979)
As at 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	79,038
Reclassified to right-of-use assets upon application of HKFRS 16	應用香港財務報告準則第16號後重新分類至使用權資產	(79,038)
As at 30 June 2020	於二零二零年六月三十日	-
<b>Carrying amount</b>	<b>賬面值</b>	
As at 30 June 2020	於二零二零年六月三十日	-
As at 30 June 2019	於二零一九年六月三十日	308,288

The Group's prepaid land lease payments are held under long leases located in Hong Kong and held under medium-term leases located in PRC.

As at 30 June 2019, the carrying amount of prepaid land lease payments pledged as security for the Group's bank loans and other loans amounted to approximately HK\$233,948,000.

本集團之預付土地租賃付款於香港根據長期租約持有及於中國根據中期租約持有。

於二零一九年六月三十日，就本集團銀行貸款及其他貸款抵押作為擔保之預付土地租賃付款賬面值約為233,948,000港元。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 21. INVESTMENTS IN JOINT VENTURES

Reconciliations of the Group's investments in joint ventures accounted for using the equity method are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 1 July	於七月一日	2,787	3,614
Additions	添置	11,086	-
Disposal of a joint venture	出售一間合營企業	(2,787)	-
Share of post-acquisition loss and other comprehensive expenses	應佔收購後虧損及其他全面開支	(2,020)	(682)
Exchange realignment	匯兌調整	(95)	(145)
At 30 June	於六月三十日	8,971	2,787

## 21. 於合營企業之投資

本集團使用權益法入賬之於合營企業之投資之對賬如下：

Details of the Group's joint ventures:

本集團合營企業之詳情：

Name of joint ventures 合營企業名稱	Principal activity 主要業務	Place of incorporation and principal place of business 註冊成立地點 及主要業務地點	Proportion of ownership interest/voting right held by the Group 本集團持有之 所有權/投票權比例	
			2020 二零二零年	2019 二零一九年
Zhongshan Dongjing Property Consultant Limited* ("Zhongshan Dongjing") 中山市東鏡房地產顧問有限公司 (「中山東鏡」)	Property agency service 物業代理服務	PRC 中國	-	51% (Note) (附註)
Mudanjiang Xusheng Limited* 牡丹江旭昇有限公司	Manufacture and sales of chemical products 生產及銷售化工產品	PRC 中國	50%	-

\* For identification purpose only

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 21. INVESTMENTS IN JOINT VENTURES (Continued)

Note: The Group and independent third party ("JV investor") entered into an agreement ("JV agreement") for formation of a joint venture company, Zhongshan Dongjing. It is intended that the Zhongshan Dongjing would be held as to 51% by the Group and 49% by JV investor. According to the JV agreement, Zhongshan Dongjing would jointly operating by the Group and JV investor. Sharing of result of Zhongshan Dongjing would be 50% by the Group and 50% by JV investor.

Summarised financial information of the joint ventures is set out below. The amounts presented below are after adjustments made to equity-account the joint ventures.

### 21. 於合營企業之投資(續)

附註：本集團與獨立第三方(「合營企業投資方」)訂立協議(「合營企業協議」)，以成立一間合營企業公司中山東鏡。中山東鏡計劃由本集團及合營企業投資方分別持有51%及49%。根據合營企業協議，中山東鏡將由本集團及合營企業投資方共同營運。本集團與合營企業投資方將分別佔中山東鏡業績的50%及50%。

合營企業之財務資料概要載於下文。下文呈列金額已就合營企業權益賬作出調整。

		Mudanjiang Xusheng Limited 牡丹江旭昇有限公司		Zhongshan Dongjing 中山東鏡	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 30 June:	於六月三十日：				
Current assets	流動資產	12,189	-	-	8,841
Current liabilities	流動負債	(30,499)	-	-	(5,043)
Year ended 30 June:	截至六月三十日止年度：				
Revenue	收益	4,652	-	-	105
Loss for the year	本年度虧損	(4,040)	-	-	(1,363)

### Commitments

### 承擔

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Capital investment to a joint venture	於合營企業之資本投資	-	2,214

There are no contingent liabilities relating to the Group's interests in the joint ventures and these entities also had no material contingent liabilities.

概無有關本集團於合營企業的權益之或然負債，該等實體亦無重大或然負債。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

22. OTHER INTANGIBLE ASSETS

22. 其他無形資產

		Exclusive right 專有權 HK\$'000 千港元	Trade name 商標 HK\$'000 千港元	Technical know-how 技術知識 HK\$'000 千港元	Construction contracts 建造合約 HK\$'000 千港元	Goodwill 商譽 HK\$'000 千港元 (Note) (附註)	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>						
At 1 July 2018	於二零一八年七月一日	72,347	33,459	18,135	38,181	-	162,122
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	699	699
Exchange difference	匯兌差額	-	-	(771)	(1,623)	-	(2,394)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	72,347	33,459	17,364	36,558	699	160,427
Exchange difference	匯兌差額	-	-	(580)	(1,221)	-	(1,801)
At 30 June 2020	於二零二零年六月三十日	72,347	33,459	16,784	35,337	699	158,626
<b>Accumulated amortisation and impairment losses</b>	<b>累計攤銷及減值虧損</b>						
At 1 July 2018	於二零一八年七月一日	72,347	33,459	18,135	28,914	-	152,855
Amortisation for the year	年內攤銷	-	-	-	5,067	-	5,067
Impairment loss	減值虧損	-	-	-	-	699	699
Exchange differences	匯兌差額	-	-	(771)	(1,291)	-	(2,062)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	72,347	33,459	17,364	32,690	699	156,559
Impairment loss	減值虧損	-	-	-	3,778	-	3,778
Exchange differences	匯兌差額	-	-	(580)	(1,131)	-	(1,711)
At 30 June 2020	於二零二零年六月三十日	72,347	33,459	16,784	35,337	699	158,626
<b>Carrying amount</b>	<b>賬面值</b>						
<b>At 30 June 2020</b>	<b>於二零二零年六月三十日</b>	-	-	-	-	-	-
At 30 June 2019	於二零一九年六月三十日	-	-	-	3,868	-	3,868

Note: During the year ended 30 June 2019, the Group acquired 100% issued share capital of Xinyang Maojian International Holding Limited and goodwill of approximately HK\$699,000 was recognised upon completion of the acquisition. An impairment loss on goodwill of approximately HK\$699,000 has been recognised during the year ended 30 June 2019 due to deterioration performance.

附註：截至二零一九年六月三十日止年度，本集團收購信陽毛尖國際控股有限公司的全部已發行股本，且於收購完成後確認商譽約699,000港元。由於財務表現惡化，於截至二零一九年六月三十日止年度確認商譽減值虧損約699,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

23. PARTICULARS OF SUBSIDIARIES

23. 附屬公司資料

Name 名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Issued and paid up/ registered capital 已發行及繳足/ 註冊資本	Percentage of equity attributable to the Company 本公司所佔股本 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Dragon Boom Investments Limited 龍盛投資有限公司	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	Ordinary United States dollar ("US\$") \$1 普通股1美元(「美元」)	100%	-	Investment holding 投資控股
Gold Capture Investments Inc.	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	-	Investment holding 投資控股
Prosper Path Limited	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	-	Investment holding 投資控股
Quality Gain Investments Ltd.	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	-	Investment holding 投資控股
Better Day Power Ltd. 佳日熱電有限公司	BVI 英屬處女群島	Ordinary US\$2 普通股2美元	100%	-	Investment holding 投資控股
Master King Group Limited 鑫瑞集團有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	-	Inactive 暫無業務
Daytech Group Limited 日達集團有限公司	BVI 英屬處女群島	Ordinary US\$2 普通股2美元	-	100%	Investment holding 投資控股
Powerful Rise Group Limited	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	-	100%	Inactive 暫無業務
Racing Dragon Group Limited ("Racing Dragon") 爭龍集團有限公司(「爭龍」)	BVI (Note (a)) 英屬處女群島(附註(a))	Ordinary US\$100 普通股100美元	-	90%	Investment holding 投資控股
Mudanjiang Better Day Power Limited* ("Mudanjiang BD Power") 牡丹江佳日熱電有限公司 (「牡丹江佳日熱電」)	PRC (Note (b)) 中國(附註(b))	RMB110,000,000 人民幣110,000,000元	-	100%	Generation and supply of heat and power 生產及供應熱能及電力



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

23. PARTICULARS OF SUBSIDIARIES (Continued)

23. 附屬公司資料(續)

Name 名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Issued and paid up/ registered capital 已發行及繳足/ 註冊資本	Percentage of equity attributable to the Company 本公司所佔股本 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Mudanjiang Daytech Chemical Limited* ("Mudanjiang Daytech Chemical") 牡丹江日達化工有限公司(「牡丹江日達化工」)	PRC (Note (c)) 中國(附註(c))	RMB558,844,178 人民幣558,844,178元	-	100%	Manufacture and sale of calcium carbide 製造及銷售碳化鈣
Mudanjiang Dongbei Chemical Engineering Company Limited* ("Mudanjiang Dongbei Chemical") 牡丹江東北化工有限公司(「牡丹江東北化工」)	PRC (Note (d)) 中國(附註(d))	RMB110,910,000 人民幣110,910,000元	-	63.11%	Manufacture and sale of vinyl acetate 製造及銷售醋酸乙烯
Mudanjiang Dongbei Gaoxin Chemical Co., Ltd.* ("Mudanjiang Dongbei Gaoxin") 牡丹江東北高新化工有限公司 (「牡丹江東北高新」)	PRC (Note (e)) 中國(附註(e))	HK\$230,000,000 230,000,000港元	-	100%	Manufacture and sale of polyvinyl-chloride 製造及銷售聚氯乙烯
Heihe LongJiang Chemical Limited* ("Heihe LongJiang Chemical") 黑河龍江化工有限公司(「黑河龍江化工」)	PRC (Note (f)) 中國(附註(f))	RMB265,000,000 人民幣265,000,000元	-	90%	Manufacture and sale of calcium carbide, polyvinyl-chloride and vinyl acetate 製造及銷售碳化鈣、聚乙烯醇及醋酸乙烯
Mudanjiang Jinyang Municipal Engineering Company Limited* ("Jinyang Municipal") 牡丹江金陽市政工程有限公司(「金陽市政」)	PRC (Note (g)) 中國(附註(g))	RMB23,900,000 人民幣23,900,000元	-	100%	Provision of municipal engineering construction services 提供市政工程建造服務
China Zenith Construction Materials Limited 中國天建材有限公司	Cayman Islands 開曼群島	Ordinary HK\$0.01 普通股0.01港元	-	100%	Inactive 暫無業務
Success Eagle Investment Limited 鵬成投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	-	100%	Provision of administrative and consultancy services 提供行政服務及諮詢服務
Mudanjiang Longtuo New Energy Co., Ltd* ("Mudanjiang New Energy") 牡丹江龍拓新能源有限公司(「牡丹江新能源」)	PRC (Note (h)) 中國(附註(h))	RMB260,000,000 人民幣260,000,000元	-	100%	Investment holding 投資控股

\* For identification purpose only

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 23. PARTICULARS OF SUBSIDIARIES (Continued)

Notes:

- (a) The Group acquired further equity interests in the subsidiary on 17 June 2016, and the percentage of equity interests attributable to Company increased from 67% to 90%.
- (b) Mudanjiang BD Power is a wholly foreign-owned enterprise registered in the PRC for an operating period of 50 years commencing from the approval date of 9 June 2006.
- (c) Mudanjiang Daytech Chemical is a wholly foreign-owned enterprise registered in the PRC for an operating period of 50 years commencing from the approval date of 30 December 2006.
- (d) Mudanjiang Dongbei Chemical is a Sino-foreign equity joint venture established in the PRC for an operating period of 50 years commencing from the approval date of 27 May 2004.
- (e) Mudanjiang Dongbei Gaoxin is a wholly foreign-owned enterprise registered in the PRC for an operating period of 50 years commencing from the approval date of 26 April 2005.
- (f) Heihe LongJiang Chemical is a wholly foreign-owned enterprise established in the PRC for an operating period of 20 years commencing from the approval date of 5 June 2008.
- (g) Jinyang Municipal is a limited liability company established in the PRC with indefinite operating period.
- (h) Mudanjiang New Energy is a limited liability company established in the PRC with indefinite operating period.

### 23. 附屬公司資料(續)

附註：

- (a) 本集團於二零一六年六月十七日收購該附屬公司之更多股權，本公司應佔股權百分比由67%增加至90%。
- (b) 牡丹江佳日熱電為於中國註冊之外商獨資企業，經營期自批准日期二零零六年六月九日起計為期50年。
- (c) 牡丹江日達化工為於中國註冊之外商獨資企業，經營期自批准日期二零零六年十二月三十日起計為期50年。
- (d) 牡丹江東北化工為於中國成立之中外合資合營企業，經營期自批准日期二零零四年五月二十七日起計為期50年。
- (e) 牡丹江東北高新為於中國註冊之外商獨資企業，經營期自批准日期二零零五年四月二十六日起計為期50年。
- (f) 黑河龍江化工為於中國成立之外商獨資企業，經營期自批准日期二零零八年六月五日起計為期20年。
- (g) 金陽市政為於中國成立之有限公司，並無確定經營期。
- (h) 牡丹江新能源為於中國成立之有限公司，並無確定經營期。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

23. PARTICULARS OF SUBSIDIARIES (Continued)

The following table shows information of subsidiaries that have non-controlling interests ("NCI") material to the Group. The summarised financial information represents amounts before inter-company eliminations.

23. 附屬公司資料(續)

下表列示擁有對本集團屬重大之非控股權益(「非控股權益」)之附屬公司資料。所概述之財務資料指公司間對銷前之金額。

		Mudanjiang Dongbei Chemical 牡丹江東北化工		Racing Dragon 爭龍	
		2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年
Principal place of business/ country of incorporation	主要營業地點/ 註冊成立國家	PRC/PRC 中國/中國	PRC/PRC 中國/中國	PRC/BVI 中國/英屬 處女群島	PRC/BVI 中國/英屬 處女群島
% of ownership interest/voting rights held by NCI	非控股權益所持 所有權權益/投票權%	36.89%	36.89%	10%	10%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>At 30 June:</b>	<b>於六月三十日:</b>				
Non-current assets	非流動資產	38,051	41,495	932,049	1,012,274
Current assets	流動資產	279,382	289,112	55,604	30,247
Non-current liabilities	非流動負債	-	-	(146,273)	(146,273)
Current liabilities	流動負債	(79,257)	(81,995)	(1,181,924)	(1,175,511)
Net assets/(liabilities)	資產/(負債)淨額	238,183	248,612	(340,544)	(279,263)
Accumulated NCI	累計非控股權益	87,866	91,713	(34,054)	(27,926)
<b>Year ended 30 June:</b>	<b>截至六月三十日止年度:</b>				
Revenue	收益	-	-	16,760	75,844
Loss	虧損	(2,643)	(57,509)	(104,796)	(89,982)
Total comprehensive expense	全面開支總額	(10,429)	(70,367)	(61,281)	(33,679)
Loss allocated to NCI	分配予非控股權益之虧損	(975)	(21,215)	(10,479)	(8,998)
Total comprehensive expense allocated to NCI	分配予非控股權益之全面開支 總額	(3,847)	(25,958)	(6,128)	(3,368)
Dividends paid to NCI	支付予非控股權益之股息	-	-	-	-
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金 淨額	-	(1)	(1,739)	26,016
Net cash used in investing activities	投資活動所用現金淨額	-	-	(723)	(8,579)
Net cash generated used in financing activities	融資活動所用現金淨額	-	-	1,026	(16,276)
Effect of foreign exchange rate changes	外匯匯率變動之影響	-	-	(1)	(1)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值項目(減少)/ 增加淨額	-	(1)	(1,437)	1,160

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 24. INVENTORIES

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Raw materials	原材料	10,917	40,485
Less: Provision for impairment loss	減：減值虧損撥備	(3,379)	-
		<b>7,538</b>	40,485

During the year, provision of impairment of slowing moving goods and written-off of damaged goods of HK\$3,415,000 and HK\$23,214,000 respectively have been charged to the consolidated statement of profit or loss.

年內，滯銷貨品的減值撥備及已損壞貨品的撇銷分別為3,415,000港元及23,214,000港元，已自綜合損益表扣除。

## 25. TRADE RECEIVABLES

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	應收貿易賬項	39,447	55,455
Less: allowance for credit loss	減：信貸虧損撥備	(12,147)	(12,593)
		<b>27,300</b>	42,862

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 60 to 180 days (2019: 60 to 180 days). The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

本集團主要按信貸條款與客戶進行交易。信貸期一般介乎60至180日(二零一九年：60至180日)。本集團致力嚴格控制其未償還應收款項。逾期結餘經由董事定期審閱。

The ageing analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

應收貿易賬項(經扣除撥備)按發票日期呈列之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30日內	396	17,239
31 to 60 days	31至60日	194	393
61 to 90 days	61至90日	556	1,630
91 to 120 days	91至120日	793	1,006
121 to 150 days	121至150日	619	934
151 to 180 days	151至180日	553	21,359
181 to 365 days	181至365日	17,834	301
366 to 720 days	366至720日	6,355	-
		<b>27,300</b>	42,862

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**25. TRADE RECEIVABLES (Continued)**

As at 30 June 2020, an allowance of approximately HK\$12,147,000 (2019: HK\$12,593,000) was made for estimated irrecoverable trade receivables.

The reconciliation of allowance for trade receivables is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	12,593	161,908
Provision/(reversal) of allowance, net	撥備／撥備(撥回)淨額	-	3,714
Adoption of HKFRS 9	採納香港財務報告準則第9號	-	12
Expected credit loss	預期信貸虧損	-	3,301
Written off	撇銷	-	(149,412)
Exchange differences	匯兌差額	(446)	(6,930)
At end of year	於年末	12,147	12,593

As of 30 June 2020, trade receivables of approximately HK\$24,189,000 (2019: HK\$301,000) were past due but not impaired. These mainly relate to a number of independent customers that are either active and or have a good track record and established creditworthiness with the Group for whom there is no recent history of default.

**25. 應收貿易賬項(續)**

於二零二零年六月三十日，已就估計不可收回應收貿易賬項計提撥備約12,147,000港元(二零一九年：12,593,000港元)。

應收貿易賬項撥備之對賬如下：

於二零二零年六月三十日，應收貿易賬項約24,189,000港元(二零一九年：301,000港元)已逾期但並無減值。此主要與多個活躍或具有良好往績記錄，並與本集團建立信用的獨立客戶有關。彼等近期並無拖欠還款記錄。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES**

**26. 預付款項、訂金及其他應收款項**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Prepayment	預付款項	70,763	94,820
Deposits	訂金	16,400	17,311
Other receivables	其他應收款項	43,119	42,556
Other financial asset (Note)	其他金融資產(附註)	-	6,351
		<b>130,282</b>	<b>161,038</b>

Note: Other financial asset represents the fair value of put option for acquisition on 100% issued share capital in Xinyang Maojian International Holding Limited.

附註：其他金融資產指就收購信陽毛尖國際控股有限公司全部已發行股本的認購期權之公平值。

**27. BANK AND CASH BALANCES**

As at 30 June 2020, the bank and cash balances of the Group denominated in RMB amounted to approximately HK\$455,000 (2019: HK\$3,006,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

**27. 銀行及現金結存**

於二零二零年六月三十日，本集團以人民幣為單位之銀行及現金結存約為455,000港元（二零一九年：3,006,000港元）。人民幣兌換外幣須受中國《外匯管理條例》及《結匯、售匯及付匯管理規定》限制。

**28. SHARE CAPITAL**

**28. 股本**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Authorised: 5,000,000,000 ordinary shares of HK\$0.10 each	法定： 5,000,000,000股每股面值 0.10港元之普通股	500,000	500,000
Issued and fully paid: 1,339,927,319 (2019: 1,332,427,319) ordinary shares of HK\$0.10 each	已發行及繳足： 1,339,927,319股(二零一九年： 1,332,427,319股)每股面值 0.10港元之普通股	133,993	133,243

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

28. SHARE CAPITAL (Continued)

28. 股本(續)

		Number of ordinary shares issued 已發行普通股 數目 '000 千股	Par value 面值 HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	1,110,427	111,043
Issue of new shares under a subscription agreement (Note (a))	根據認購協議發行新股份(附註(a))	220,000	22,000
Exercise of share options (Note (b))	行使購股權(附註(b))	2,000	200
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	1,332,427	133,243
Exercise of share options (Note (c))	行使購股權(附註(c))	7,500	750
At 30 June 2020	於二零二零年六月三十日	1,339,927	133,993

Note (a): On 5 October 2018, the Company entered into a private placing agreement with the substantial shareholder of the Company for the placing of an aggregate 220,000,000 new ordinary shares of the Company at a placing price of HK\$0.315 per share. The gross proceeds raised amounted to approximately HK\$69,300,000 (the net proceeds will be approximately HK\$68,800,000) and resulted in the new increase in share capital and share premium of approximately HK\$22,000,000 and HK\$47,300,000 respectively. The placing was completed on 10 December 2018. Details of the placing were set out in the Company's announcements dated 5 October 2018, 15 November 2018, 30 November 2018 and 10 December 2018 respectively.

附註(a)：於二零一八年十月五日，本公司與本公司的主要股東訂立私人配售協議，內容有關配售合共220,000,000股本公司新普通股，配售價為每股股份0.315港元。所籌集之所得款項總額約為69,300,000港元(所得款項淨額將為約68,800,000港元)及導致股本及股份溢價分別新增加22,000,000港元及47,300,000港元。配售事項已於二零一八年十二月十日完成。配售事項詳情分別載於本公司日期為二零一八年十月五日、二零一八年十一月十五日、二零一八年十一月三十日及二零一八年十二月十日之公告內。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

#### 28. SHARE CAPITAL (Continued)

Note (b): On 1 April 2019, the subscription rights attaching to 2,000,000 share options issued pursuant to the share option scheme of the Company were exercised at the subscription price of HK\$0.345 per share, resulting in the issue of 2,000,000 shares of HK\$0.1 each for the total cash consideration of approximately HK\$0.9 million which was used for general working capital.

Note (c): On 28 November 2019, 10 March 2020 and 24 April 2020, the subscription rights attaching to 7,500,000 share options issued pursuant to the share option scheme of the Company were exercised at the subscription price of HK\$0.325 per share, resulting in the issue of 7,500,000 shares of HK\$0.1 each for the total cash consideration of approximately HK\$2.4 million which was used for general working capital.

#### 29. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted on 20 December 2012 for a period of 10 years. The purpose of the Scheme is to enable the Group to grant options to the eligible participants as incentives or rewards for their contribution to the Group. Under the Scheme, the directors may, at their sole discretion, grant to any eligible participants options to subscribe for ordinary shares of the Company at the highest of (i) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of the offer of grant, which must be a business day; (ii) the average closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares. The offer for a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors and in any event not later than 10 years from the date of grant of share options, subject to the provisions for early termination thereof.

#### 28. 股本(續)

附註(b)：於二零一九年四月一日，根據本公司購股權計劃發行之2,000,000份購股權附帶之認購權按每股股份0.345港元的認購價獲行使，導致發行2,000,000股每股0.1港元之股份，總現金代價約0.9百萬港元已用作一般營運資金。

附註(c)：於二零一九年十一月二十八日、二零二零年三月十日及二零二零年四月二十四日，根據本公司購股權計劃發行之7,500,000份購股權附帶之認購權按每股股份0.325港元的認購價獲行使，導致發行7,500,000股每股0.1港元之股份，總現金代價約2.4百萬港元已用作一般營運資金。

#### 29. 購股權計劃

本公司於二零一二年十二月二十日採納為期10年之購股權計劃(「該計劃」)。該計劃之目的為使本集團能向合資格參與者授出購股權，作為彼等對本集團作出貢獻之獎勵或回報。根據該計劃，董事可全權酌情向任何合資格參與者授出購股權，以按(i)本公司股份於提呈授出購股權當日(必須為營業日)在聯交所每日報價表所報收市價；(ii)本公司股份於緊接提呈授出購股權當日前五個營業日在聯交所每日報價表所報平均收市價；及(iii)股份面值三者中最高之價格認購本公司普通股。購股權可於提呈授出日期起計21日內接納，承授人須於接納時支付合共1港元之象徵式代價。所授出購股權之行使期由董事釐定，在有關提早終止之規定規限下，在任何情況下於授出購股權日期起計10年內失效。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 29. SHARE OPTION SCHEME (Continued)

The maximum number of shares to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the relevant class of shares of the Company in issue from time to time. The total number of shares which may be allotted and issued upon exercise of all options to be granted under the Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of the extraordinary general meeting held on 20 December 2012.

Share options do not confer rights to the holders to dividends or to vote at shareholders' meetings.

Details of the specific categories of options are as follows:

	Option A 購股權A	Option B 購股權B	Option C 購股權C
Grant date 授出日期	17 July 2017 二零一七年七月十七日	26 July 2017 二零一七年七月二十六日	24 December 2018 二零一八年十二月二十四日
Vesting period (Note (a)) 歸屬期(附註(a))	17 July 2017 二零一七年七月十七日	26 July 2017 二零一七年七月二十六日	24 December 2018 二零一八年十二月二十四日
Exercise period 行使期	17 July 2017 to 16 July 2020 二零一七年七月十七日至 二零二零年七月十六日	26 July 2017 to 25 July 2020 二零一七年七月二十六日至 二零二零年七月二十五日	24 December 2018 to 23 December 2021 二零一八年十二月二十四日至 二零二一年十二月二十三日
Exercise price at date of grant 於授出日期之行使價	0.31	0.345	0.325
Price of the Company's shares at the date of grant (Note (b)) 本公司股份於授出日期之 價格(附註(b))	0.31	0.345	0.325

Notes:

- (a) The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- (b) The price of the Company's shares disclosed as at the date of the grant of the share options is the higher of the closing price of the shares of the Company on the date of grant of the share options and the average Stock Exchange closing price for the five business days immediately preceding the date of the grant of the share options.

## 29. 購股權計劃(續)

所有根據該計劃及本集團任何其他購股權計劃已授出而尚未行使之購股權獲行使時將予配發及發行之股份最高數目，合共不得多於本公司不時已發行相關類別股份之30%。根據該計劃將授出之所有購股權獲行使時可配發及發行之股份總數，相等於在股東特別大會召開日期二零一二年十二月二十日之本公司已發行股份數目的10%。

購股權並無賦予持有人獲享股息或於股東大會投票之權利。

購股權之特定分類詳述如下：

	Option A 購股權A	Option B 購股權B	Option C 購股權C
Grant date 授出日期	17 July 2017 二零一七年七月十七日	26 July 2017 二零一七年七月二十六日	24 December 2018 二零一八年十二月二十四日
Vesting period (Note (a)) 歸屬期(附註(a))	17 July 2017 二零一七年七月十七日	26 July 2017 二零一七年七月二十六日	24 December 2018 二零一八年十二月二十四日
Exercise period 行使期	17 July 2017 to 16 July 2020 二零一七年七月十七日至 二零二零年七月十六日	26 July 2017 to 25 July 2020 二零一七年七月二十六日至 二零二零年七月二十五日	24 December 2018 to 23 December 2021 二零一八年十二月二十四日至 二零二一年十二月二十三日
Exercise price at date of grant 於授出日期之行使價	0.31	0.345	0.325
Price of the Company's shares at the date of grant (Note (b)) 本公司股份於授出日期之 價格(附註(b))	0.31	0.345	0.325

附註：

- (a) 購股權之歸屬期為授出日期至行使期開始止期間。
- (b) 本公司股份於購股權授出日期披露之價格為本公司股份於授出購股權日期之收市價及緊接購股權授出日期前五個營業日於聯交所報平均收市價兩者之較高者。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 29. SHARE OPTION SCHEME (Continued)

At 30 June 2020, 165,180,000 share options (2019: 172,680,000 share options) remains outstanding under the Scheme, representing 12% (2019: 13%) of the ordinary shares of the Company in issue at that date. The Scheme allows the directors of the Company, when offering the grant of any option, to impose any condition including any performance target which must be met before the option shall vest and become exercisable. The share options granted so far by the Company have been imposed with just a service condition. The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant and (ii) the average closing price of the shares for the five business days immediately preceding the date of grant. HK\$1 is payable by each eligible participant to the Company on acceptance of an offer of options, to be paid within 1 month from the date of the offer.

#### The movement of share options granted and weighted average exercise prices of share options

### 29. 購股權計劃(續)

於二零二零年六月三十日，該計劃項下仍有165,180,000份購股權(二零一九年：172,680,000份購股權)尚未行使，相當於本公司於該日已發行普通股之12%(二零一九年：13%)。該計劃允許本公司董事於授出任何購股權時附加任何強制條件，包括於購股權歸屬及成為可行使前須達至任何表現目標。本公司目前授出之購股權僅附加一項服務條件。行使價由本公司董事釐定，及須不低於以下最高者(i)本公司股份於授出日期之收市價及(ii)股份於緊接授出日期前五個營業日之平均收市價。各合資格參與者須就接納購股權要約向本公司支付1港元及須於要約日期起計一個月內支付。

#### 已授出購股權及購股權加權平均行使價之變動

		Director		Employee	
		董事		僱員	
		Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		購股權數目	加權平均行使價	購股權數目	加權平均行使價
			HK\$		HK\$
			港元		港元
Outstanding at 1 July 2018	於二零一八年七月一日尚未行使	21,560,000	0.328	43,120,000	0.345
Granted during the year	本年度授出	-	-	110,000,000	0.325
Exercised during the year	本年度行使	-	-	(2,000,000)	0.345
Outstanding at 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日尚未行使	21,560,000	0.328	151,120,000	0.330
Exercised during the year	本年度行使	-	-	(7,500,000)	0.325
Outstanding at 30 June 2020	於二零二零年六月三十日尚未行使	21,560,000	0.328	143,620,000	0.330

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 29. SHARE OPTION SCHEME (Continued)

The share options outstanding at 30 June 2020 have exercise prices ranging from HK\$0.31 to HK\$0.345 per option (2019: same) and a weighted average remaining contractual life of 0.94 years (2019: 1.95 years).

For share options granted during the year ended 30 June 2019, the share options were measured at fair value at grant date with reference to a valuation report prepared by Sino-Infinite Appraisal Limited, calculated using Black-Scholes Pricing Model with the following key assumptions:

## 29. 購股權計劃(續)

於二零二零年六月三十日尚未行使購股權之行使價介乎每份購股權0.31港元至0.345港元(二零一九年：相同)及加權平均餘下合約年期為0.94年(二零一九年：1.95年)。

就於截至二零一九年六月三十日止年度授出之購股權而言，購股權按授出日期之公平值計量，當中參考中源評估有限公司編製之估值報告並使用布萊克－舒爾斯定價模式進行計算，所使用的關鍵假設如下：

		2019 二零一九年 Option C 購股權C
Share price	股價	0.325
Exercise price	行使價	0.325
Expected volatility (note below)	預期波動(下文附註)	85%
Expected options life	預期購股權年期	3 years 3年
Expected dividends	預期股息	0%
Risk-free interest rate (per annum)	無風險利率(每年)	1.869%
Fair value of a share option at grant date	購股權於授出日期之公平值	0.0314

Note: The expected volatility is based on the historic volatility based on data available for the past 1.5 years. Changes in the subjective input assumptions could materially affect the fair value estimates.

The total expense recognised in profit or loss for the year ended 30 June 2019 in respect of the Scheme amounted to HK\$3,454,000 (2020: Nil).

Share options were granted with a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

附註：預期波動乃以基於過往1.5年可得數據之歷史波動為基礎。主觀輸入數據假設變動或會對公平值估計產生重大影響。

截至二零一九年六月三十日止年度就該計劃於損益確認之開支總額為3,454,000港元(二零二零年：零)。

購股權之授出附帶服務條件。已接受服務於授出日期之公平值計量未計入該條件。購股權授出並無附帶市場條件。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**30. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVE OF THE COMPANY**

**(a) Statement of financial position of the Company**

**30. 本公司之財務狀況表及儲備變動**

**(a) 本公司之財務狀況表**

		Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Investments in subsidiaries	於附屬公司之投資	23	17,935	45,341
<b>Current assets</b>	<b>流動資產</b>			
Due from subsidiaries	應收附屬公司款項		610,311	754,083
Other receivables	其他應收款項		-	1
Bank and cash balances	銀行及現金結存		1,854	116
			612,165	754,200
<b>TOTAL ASSETS</b>	<b>總資產</b>		<b>630,100</b>	<b>799,541</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	28	133,993	133,243
Reserves	儲備	30	(715,231)	(483,120)
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>(581,238)</b>	<b>(349,877)</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bonds payable	應付債券		975,627	895,111
<b>Current liabilities</b>	<b>流動負債</b>			
Due to subsidiaries	應付附屬公司款項		219,458	241,468
Other payables and accruals	其他應付款項及應計款項		3,612	1,589
Bonds payable	應付債券		12,641	11,250
			235,711	254,307
<b>TOTAL LIABILITIES</b>	<b>總負債</b>		<b>1,211,338</b>	<b>1,149,418</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>總權益及負債</b>		<b>630,100</b>	<b>799,541</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>376,454</b>	<b>499,893</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>394,389</b>	<b>545,234</b>
<b>DEFICIENCY IN CAPITAL</b>	<b>資本虧絀</b>		<b>(581,238)</b>	<b>(349,877)</b>

Approved and authorised for issued by the board of directors on 30 October 2020.

於二零二零年十月三十日獲董事會批准及授權刊發。

**Chan Yuk Foebe**  
陳昱  
Chairman  
主席

**Law Tze Ping Eric**  
羅子平  
Executive Director  
執行董事



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**30. STATEMENT OF FINANCIAL POSITION AND  
MOVEMENT OF RESERVE OF THE COMPANY**  
(Continued)

**(b) Reserves movement of the Company**

**30. 本公司之財務狀況表及儲備變動(續)**

**(b) 本公司之儲備變動**

		Share option reserve 購股權 儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Retained profits/ (accumulated losses) 保留溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	8,811	–	140,759	149,570
Loss for the year	本年度虧損	–	–	(684,196)	(684,196)
Issue of shares under share placement	根據股份配售發行股份	–	–	47,300	47,300
Employee share option benefits	僱員購股權利益	3,454	–	–	3,454
Exercise of share option	行使購股權	(277)	–	942	665
Acquisition of subsidiaries	收購附屬公司	–	87	–	87
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	11,988	87	(495,195)	(483,120)
Loss for the year	本年度虧損	–	–	(233,798)	(233,798)
Exercise of share option	行使購股權	(236)	–	1,923	1,687
Disposal of subsidiaries	出售附屬公司	–	(87)	87	–
At 30 June 2020	於二零二零年六月三十日	11,752	–	(726,983)	(715,231)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 31. RESERVES

#### (a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of comprehensive income and consolidated statement of changes in equity.

#### (b) Nature and purpose of reserves of the Group

##### (i) Fixed asset revaluation reserve

Fixed asset revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for buildings in note 5(f) to the financial statements.

##### (ii) Share option reserve

Share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees and business associates of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 5(p) to the financial statements.

##### (iii) Exchange reserve

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 5(e) to the financial statements.

##### (iv) Other reserve

Other reserve represents the fair value of the contingent consideration for acquisition on 100% issued share capital in Xinyang Maojian International Holding Limited. The acquisition is set out in note 39 to the consolidated financial statements.

### 31. 儲備

#### (a) 本集團

本集團之儲備金額及其變動於綜合全面收入表及綜合權益變動表呈列。

#### (b) 本集團儲備之性質及用途

##### (i) 固定資產重估儲備

固定資產重估儲備乃根據財務報表附註5(f)所載就樓宇採納之會計政策設立及處理。

##### (ii) 購股權儲備

購股權儲備指根據就財務報表附註5(p)以股本結算之股份付款所採納會計政策，確認本集團僱員及業務聯繫人士獲授尚未行使購股權實際或估計數目之公平值。

##### (iii) 外匯儲備

外匯儲備包含所有因換算海外業務財務報表而產生之匯兌差額。該儲備乃根據財務報表附註5(e)所載會計政策處理。

##### (iv) 其他儲備

其他儲備指收購信陽毛尖國際控股有限公司全部已發行股本或然代價之公平值。該收購事項載於綜合財務報表附註39。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 32. DEFERRED TAX LIABILITIES

The movement in deferred tax liabilities account is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	(102)	(17,542)
Credit to profit or loss (Note 13)	計入損益(附註13)	-	1,267
Charge to equity	扣自權益	-	15,485
Acquired in a business combination	於業務合併中收購	-	-
Exchange differences	匯兌差額	-	688
At end of year	於年末	(102)	(102)

### 32. 遞延稅項負債

遞延稅項負債賬目之變動如下：

The following are the major deferred tax assets/(liabilities) recognised by the Group, and the movements thereon, during the current and prior reporting periods:

下列為於現行及過往報告期間，本集團確認之主要遞延稅項資產／(負債)及其變動：

Deferred tax	遞延稅項	Accelerated tax depreciation HK\$'000 千港元	Other temporary differences 其他暫時差額 HK\$'000 千港元	Revaluation of buildings 樓宇重估 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	63,588	31,782	(112,912)	(17,542)
Credit to profit or loss	計入損益	1,267	-	-	1,267
Charge to equity	扣自權益	-	-	15,485	15,485
Acquired in business combination	於業務合併中收購	-	-	-	-
Exchange differences	匯兌差額	(2,801)	(1,340)	4,829	688
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及二零一九年七月一日	62,054	30,442	(92,598)	(102)
Exchange differences	匯兌差額	(2,106)	(1,005)	3,111	-
At 30 June 2020	於二零二零年六月三十日	59,948	29,437	(89,487)	(102)

Other temporary differences on deferred tax liabilities represent the tax effect on allowance of account and other receivables.

遞延稅項負債的其他臨時差額指應收賬款及其他應收款項撥備的稅務影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 33. TRADE PAYABLES

The Group normally obtains credit terms ranging from 30 to 120 days (2019: 30 to 120 days) from its suppliers.

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30日內	7,317	8,437
31 to 60 days	31至60日	5,640	7,178
61 to 90 days	61至90日	1,395	2,486
91 to 120 days	91至120日	304	5,910
121 to 365 days	121至365日	17,165	26,091
Over 365 days	超逾365日	23,572	8,453
		<b>55,393</b>	58,555

The Group's trade payables are denominated in RMB.

### 33. 應付貿易賬項

本集團一般獲供應商給予30至120日(二零一九年:30至120日)之信貸期。

應付貿易賬項按接收貨品日期呈列之賬齡分析如下:

本集團之應付貿易賬項以人民幣計值。

### 34. OTHER PAYABLES AND ACCRUALS

Other payables  
Accruals  
Contract liabilities

其他應付款項  
應計款項  
合約負債

Less: Other payables for repayment more than 12 months (show under non-current liabilities)

減: 超過12個月的其他應付款項還款(列作非流動負債)

**209,819** 126,010

For the contract liabilities at 30 June 2019, the entire balances are recognised as revenue during the year ended 30 June 2020.

### 34. 其他應付款項及應計款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
		<b>354,813</b>	315,594
		<b>18,022</b>	12,063
		<b>12,188</b>	7,152
		<b>385,023</b>	334,809
		<b>(175,204)</b>	(208,799)
		<b>209,819</b>	126,010

就二零一九年六月三十日之合約負債而言,全部結餘於截至二零二零年六月三十日止年度確認為收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 35. OTHER LOANS

		Contractual rate 二零二零年 合約利率 %	2020 二零二零年 HK\$'000 千港元	Contractual rate 二零一九年 合約利率 %	2019 二零一九年 HK\$'000 千港元
Secured HK\$ loan	有抵押港元貸款	18%	35,000	–	–
Secured RMB loan	有抵押人民幣貸款	12%–24%	30,716	4.35%	24,903
			<b>65,716</b>		28,263

As at 30 June 2020, the other loans are secured by the pledge of the Group's fixed assets and right-of-use assets (2019: fixed assets and prepaid land lease payments). Details of which are disclosed in their respective notes.

All other loans are repayable within one year from drawdown date.

於二零二零年六月三十日，其他貸款以本集團固定資產及使用權資產(二零一九年：固定資產及預付土地租賃款項)作抵押。詳情披露於其各自的附註。

所有其他貸款須於提取日期起一年內償還。

### 36. BANK LOANS

The Group's bank loans are repayable as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Term loans subject to a repayment on demand clause	須遵守催繳條款之定期貸款	15,805	18,670
Within one year	一年內	32,722	33,770
In the second year	第二年	2,725	2,663
In the third to fifth years inclusive	第三年至第五年(包括首尾兩年)	8,526	8,330
After five years	五年後	7,526	10,410
		<b>67,304</b>	73,843
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內須償還之款項(列作流動負債)	<b>(48,527)</b>	(52,440)
		<b>18,777</b>	21,403



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 36. BANK LOANS (Continued)

The carrying amounts of the Group's bank loans are denominated in the following currencies:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong dollars	港元	21,446	24,009
RMB	人民幣	45,858	49,834
		<b>67,304</b>	73,843

### 36. 銀行貸款(續)

本集團銀行貸款之賬面值乃以下列貨幣為單位：

### 37. BONDS PAYABLE

The movement of the bonds payable is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	906,361	820,458
Issuance of bonds	發行債券	-	22,380
Interest charge for the year	年內利息開支	98,606	71,910
Interest paid for the year	年內支付的利息	(5,449)	(8,387)
Redemption of bonds	贖回債券	(11,250)	-
At the end of year	於年末	<b>988,268</b>	906,361

### 37. 應付債券

應付債券之變動如下：

During the year ended 30 June 2019, the Group and the Company issued fixed rate corporate bonds with total principal amount of approximately HK\$307,000,000 (2020: Nil).

本集團及本公司於截至二零一九年六月三十日止年度發行固定利率之企業債券，本金總額約為307,000,000港元(二零二零年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 37. BONDS PAYABLE (Continued)

The Group's total outstanding bonds were repayable as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	於一年內	12,641	11,250
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	1,192,277	722,878
After five years	五年後	245,550	725,790
		<b>1,450,468</b>	1,459,918

The bonds payables are unsecured and interest bearing at coupon rates ranging from 3% to 12%.

The bonds payable are measured at amortised cost, using the effective interest method, and the effective rates are ranging from 2.2% to 18.92% p.a. (2019: 2.2% to 18.92% p.a.) after taking into account the transaction costs directly attributable to the issuance of the bonds.

### 37. 應付債券(續)

本集團未償還之債券總額須於下列期間償還：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
於一年內	12,641	11,250
第二年至第五年(包括首尾兩年)	1,192,277	722,878
五年後	245,550	725,790
	<b>1,450,468</b>	1,459,918

應付債券為無抵押及按票息率介乎3厘至12厘計息。

應付債券以實際利率法按攤銷成本計量，經計及發行債券直接應佔之交易費用後實際年利率介乎於2.2厘至18.92厘(二零一九年：年利率介乎2.2厘至18.92厘)。

### 38. LEASE LIABILITIES

		2020 二零二零年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	1,975
Within a period of more than one year but not more than two years	一年以上但不超過兩年的期間	2,275
Within a period of more than two years but not more than five years	兩年以上但不超過五年的期間	1,483
		<b>5,733</b>
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債項下所示於12個月內到期結算的金額	<b>(1,975)</b>
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債項下所示於12個月後到期結算的金額	<b>3,758</b>





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 39. BUSINESS COMBINATION

#### 2019

#### Business combination that took place in the year

On 5 October 2018, Prosper Path Limited ("Prosper Path"), a subsidiary of the Company acquired 100% issued share capital in Xinyang Maojian International Holding Limited (the "Sale Share") and its subsidiaries from the vendor (the "Vendor"), at consideration of 220,000,000 shares at HK\$0.39, in order to continue the Group's expansion of new operation. The 220,000,000 shares will be issued to the vendor upon satisfy the profit guarantee according to a share transfer agreement (the "Share Agreement") as below:

Guarantee Period	For the six months ended 31 December 2018 截至二零一八年十二月三十一日止六個月	For the year ended 30 June 2019 截至二零一九年六月三十日止年度	For the eighteen months ending 31 December 2019 截至二零一九年十二月三十一日止十八個月	For the two years ending 30 June 2020 截至二零二零年六月三十日止兩個年度
Accumulated audited profit/(loss) after tax	Not more than loss of RMB5,000,000	Not less than profit of RMB8,500,000	No loss	Not less than profit of RMB21,500,000
除稅後累計經審核溢利/(虧損)	虧損不超過人民幣5,000,000元	溢利不少於人民幣8,500,000元	無虧損	溢利不少於人民幣21,500,000元

The acquisition has been treated as a business combination. The details are as follows:

收購已按業務合併處理，詳情如下：

	Principal activity of the acquiree 被收購方的主要業務	The Group's equity interest and voting power acquired 本集團收購的權益及投票權
Xinyang Maojian International Holding Limited and its subsidiaries 信陽毛尖國際控股有限公司及其附屬公司	Sales of beverage products 銷售飲料	100%

#### Contingent consideration

#### 或然代價

		HK\$'000 千港元
Fair value of contingent consideration	或然代價之公平值	11,250



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

**39. BUSINESS COMBINATION (Continued)**

**2019 (Continued)**

**Details of assets and liabilities of the acquiree  
recognised at the date of acquisition**

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	4
Accounts receivable	應收款項	5
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	475
Bank and cash balances	銀行及現金結存	850
Other financial asset	其他金融資產	1,016
Accounts payable	應付款項	(530)
Other payables and accruals	其他應付款項及應計款項	(2,432)
<b>Net liabilities acquired</b>	<b>購入之負債淨額</b>	<b>(612)</b>

**Goodwill arising on acquisition**

**收購產生之商譽**

		HK\$'000 千港元
Consideration	代價	87
Add: Identifiable net liabilities acquired	加：購入之可識別負債淨額	612
		699

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 39. BUSINESS COMBINATION (Continued)

#### 2019 (Continued)

#### Performance of the acquiree from the date of acquisition up to the end of the reporting period

Included in the Group's loss for the year was HK\$6,414,000 generated by Xinyang Maojian International Holding Limited and its subsidiaries since the date of acquisition. The Group's revenue for the year included HK\$662,000 generated by Xinyang Maojian International Holding Limited and its subsidiaries since the date of acquisition.

Goodwill arose in the acquisition of Xinyang Maojian International Holding Limited and its subsidiaries because the consideration for the acquisition reflects the future economic benefits expected to be generated from combining the acquiree's operation with the Group's operations.

If the acquisition of the Xinyang Maojian International Holding Limited and its subsidiaries had been completed on 1 July 2018, the Group's revenue for the year ended 30 June 2019 would have been approximately RMB665,000 (approximately to HK\$764,000) and loss for the year ended 30 June 2019 would have been RMB4,445,000 (approximately to HK\$5,107,000). The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 July 2018, nor is it intended to be a projection of future results.

### 39. 業務合併(續)

#### 二零一九年(續)

#### 被收購方自收購日期起直至報告期末之表現

自收購日期起，信陽毛尖國際控股有限公司及其附屬公司產生虧損6,414,000港元，計入本集團年度虧損。本集團的年度收益包括信陽毛尖國際控股有限公司及其附屬公司自收購日期起產生的662,000港元。

因收購代價反映日後經濟利益，預期收購信陽毛尖國際控股有限公司及其附屬公司產生之商譽將產生自被收購方營運及本集團營運的合併作用。

倘收購信陽毛尖國際控股有限公司及其附屬公司於二零一八年七月一日完成，本集團於截至二零一九年六月三十日止年度之收益將約為人民幣665,000元(約764,000港元)，而於截至二零一九年六月三十日止年度之虧損將為人民幣4,445,000元(約5,107,000港元)。此備考資料僅供說明用途，不一定為假若收購於二零一八年七月一日完成之情況下本集團實際所得收益及經營業績之指標，亦不擬以此作為日後業績之預測。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

#### 40. DISPOSAL OF SUBSIDIARIES

On 12 February 2020, in view of the profit guarantee set out in the Share Agreement and the supplement agreements entered on 11 June 2018 and 9 October 2019 (together the "Existing Agreements") was not met, Prosper Path entered into a termination agreement with the Vendor, pursuant to which the parties had agreed, among others, to terminate the Existing Agreements and Prosper Path exercised the put option in relation to the Sale Share at an exercise price of HK\$1. Upon the exercise of the put option, Xinyang Maojian International Holding Limited and its subsidiaries ceased to be subsidiaries of the Group and the Group recorded a loss on disposal of approximately HK\$5,505,000 as below.

##### Loss on disposal of subsidiaries

		HK\$'000 千港元
Exercise of the put option	行使認沽期權	—*
Waiver of receivables due from the subsidiaries disposed	豁免應收已出售附屬公司之應收款項	(5,507)
Net liabilities of the subsidiaries disposed	已出售附屬公司之負債淨額	6,078
Carrying amount of the put option exercised	已行使認沽期權之賬面值	(6,351)
Release of exchange reserve	撥回外匯儲備	275
		(5,505)

\* Less than HK\$1,000

#### 40. 出售附屬公司

於二零二零年二月十二日，由於分別於二零一八年六月十一日及二零一九年十月九日訂立的股份協議及補充協議(統稱「現有協議」)所載的溢利擔保並未達成，Prosper Path與賣方訂立終止協議，據此，各訂約方同意(其中包括)終止現有協議及Prosper Path以行使價1港元行使有關銷售股份的認沽期權。於行使認沽期權後，信陽毛尖國際控股有限公司及其附屬公司不再為本集團的附屬公司，且如下文所示，本集團錄得出售虧損約5,505,000港元。

##### 出售附屬公司之虧損

		HK\$'000 千港元
Exercise of the put option	行使認沽期權	—*
Waiver of receivables due from the subsidiaries disposed	豁免應收已出售附屬公司之應收款項	(5,507)
Net liabilities of the subsidiaries disposed	已出售附屬公司之負債淨額	6,078
Carrying amount of the put option exercised	已行使認沽期權之賬面值	(6,351)
Release of exchange reserve	撥回外匯儲備	275
		(5,505)

\* 少於1,000港元

##### Details of assets and liabilities of the subsidiaries disposed at the date of disposal

##### 於出售日期已出售附屬公司的資產及負債詳情

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	14
Inventories	存貨	6
Accounts receivable	應收款項	2,007
Prepayment, deposit and other receivables	預付款項、訂金及其他應收款項	1,637
Bank and Cash Balances	銀行及現金結存	59
Accounts payable	應付款項	(2,652)
Other payables and accruals	其他應付款項及應計款項	(7,149)
		(6,078)
Net liabilities disposed	出售之負債淨額	(6,078)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 41. CONTINGENT LIABILITIES

On 19 November 2012, China Electricity Construction Consultant Group Dongbei Electricity Design College (translated from the Chinese name of 中國電力工程顧問集團東北電力設計院) (the "Plaintiff") filed a writ (the "Writ") at the high court of Heilongjiang Province in the PRC (the "Heilongjiang High Court") against Mudanjiang BD Power, an indirect wholly-owned subsidiary of the Company.

Mudanjiang BD Power had contracted the Plaintiff to construct certain coal-powered electricity generating facilities at the business address of Mudanjiang BD Power (the "Contract"). Owing to the alleged delay in the progress of the construction, the Plaintiff claimed (i) the payment of the contract sum in the amount of approximately RMB42,700,000 and the interest thereon; (ii) the grant of the first priority right to receive payment from Mudanjiang BD Power in respect of the subject construction project under the Contract; (iii) damages in the sum of approximately RMB13,300,000 for alleged termination of the Contract; and (iv) the legal fees arising from this legal case. The Company has been seeking legal advice in respect of the Writ on the dispute in the payment for the Contract since December 2012. According to the management of Mudanjiang BD Power, the construction work had been slowed down because the financial resources available for the project development were tied up by unfavourable business operations since 2009.

During the year end 30 June 2019, the Heilongjiang High Court had adjudged that Mudanjiang BD Power was liable to compensate the Plaintiff of approximately RMB36,700,000. Upon the end of the year ended 30 June 2020, Mudanjiang BD Power was negotiating with the Plaintiff to continue the construction of the coal-powered electricity generating facilities. Once performance of the Contract was resumed under the mutual agreement between Mudanjiang BD Power and the Plaintiff, part of the damages granted may be absorbed in the cost of construction.

The management has made sufficient provision for this legal claim and believes that a favorable settlement could be reached with the Plaintiff.

### 41. 或然負債

於二零一二年十一月十九日，中國電力工程顧問集團東北電力設計院(「原告」)向中國黑龍江省高等法院(「黑龍江高等法院」)提出針對本公司間接全資附屬公司牡丹江佳日熱電之令狀(「令狀」)。

牡丹江佳日熱電將位於牡丹江佳日熱電營業地點之若干煤炭發電設施建設工程外判予原告(「合同」)。由於指稱建設工程進度拖延，原告申索(i)支付合同金額為數約人民幣42,700,000元及其利息；(ii)授出自牡丹江佳日熱電就合同項下主體建設項目收取款項之首先優先權；(iii)因聲稱終止合同賠償為數約人民幣13,300,000元；及(iv)本法律訴訟產生之法律費用。本公司自二零一二年十二月起一直就有關合同付款爭議之令狀尋求法律意見。根據牡丹江佳日熱電管理層，由於自二零零九年起可供項目發展動用之財務資源受不利營商環境所緊縮，令建設工程一直緩慢。

於截至二零一九年六月三十日止年度，黑龍江高等法院已判令牡丹江佳日熱電須向原告賠償約人民幣36,700,000元。於截至二零二零年六月三十日止年度末後，牡丹江佳日熱電與原告進行磋商，以繼續建設煤炭發電設施。合同一經牡丹江佳日熱電與原告雙方同意下恢復履行，部分經批准賠償可隨即吸納於建築成本中。

管理層已就此法律申索計提充足撥備，並相信可與原告達成有利結付條款。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 42. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Contracted but not provided for	已訂約但未撥備		
Buildings and construction in progress	樓宇及在建工程	35,553	38,379
Capital investment in joint venture	於合營企業之資本投資	-	2,214
		<b>35,553</b>	<b>40,593</b>

## 42. 資本承擔

於報告期間結算日，本集團之資本承擔如下：

## 43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

## 43. 融資活動產生之負債對賬

下表詳列本集團融資活動產生之負債變動(包括現金及非現金變動)。融資活動產生之負債為其現金流量已經，或未來現金流量將會於本集團的綜合現金流量表內分類為融資活動之現金流量之負債。

		Other loans 其他貸款 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Bonds payable 應付債券 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	53,339	97,775	820,458	-	971,572
Changes from financing cash flows	融資現金流量之變動	(25,076)	(23,932)	22,380	-	(26,628)
Interest expenses	利息開支	-	-	80,710	-	80,710
Interest paid classified as operating cash flows	分類為經營現金流量之 已付利息	-	-	(17,187)	-	(17,187)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	28,263	73,843	906,361	-	1,008,467
New lease entered	訂立新租賃	-	-	-	6,478	6,478
Changes from financing cash flows	融資現金流量之變動	38,433	(4,898)	(11,250)	(745)	21,540
Exchange differences	匯兌差額	(980)	(1,641)	-	-	(2,621)
Interest expenses	利息開支	-	-	98,606	353	98,959
Interest paid classified as operating cash flows	分類為經營現金流量之已付 利息	-	-	(5,449)	(353)	(5,802)
At 30 June 2020	於二零二零年六月三十日	65,716	67,304	988,268	5,733	1,127,021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

#### 44. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with related parties:

##### (a) Transactions with related parties

The Group had the following transaction with the related parties during the year:

		Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Acquisition of subsidiaries	收購附屬公司	(i)	-	87
Purchases of goods from related company	自關聯公司購買產品	(i)	-	754

Note:

- (i) The related company was controlled and beneficially owned by connected person.

##### (b) Other transaction with related parties Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	2,502	2,210
Post-employment benefits	離職後福利	39	33
		2,541	2,243

#### 44. 關連人士交易

除綜合財務報表所披露者外，本集團與關連人士的交易如下：

##### (a) 與關連人士的交易

於年內，本集團與關連人士的交易如下：

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Acquisition of subsidiaries	(i)	-	87
Purchases of goods from related company	(i)	-	754

附註：

- (i) 關聯公司由關連人士控制並實益擁有。

##### (b) 與關連人士的其他交易 主要管理層人員的薪酬待遇

年內，董事及其他主要管理層成員的薪酬如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short-term employee benefits	2,502	2,210
Post-employment benefits	39	33
	2,541	2,243



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 45. EVENTS AFTER THE REPORTING PERIOD

#### Disposal of 40% equity interests in a subsidiary

On 4 September 2020, Mudanjiang New Energy, an indirect wholly-owned subsidiary of the Company) entered into an equity transfer agreement (the “Equity Transfer Agreement”) with Mr. Lv, an independent third party, to dispose of 40% of the equity interest (the “Disposal”) in Mudanjiang BD Power. Subject to the terms and conditions of the Equity Transfer Agreement, the consideration of the Disposal was RMB70 million, which shall be settled as follows: (i) RMB7 million shall be paid on the date of signing of the Equity Transfer Agreement (the “First Payment”); (ii) RMB18 million shall be paid on or prior to 14 September 2020; (iii) RMB20 million shall be paid on or prior to 31 December 2020; and (iv) the remaining RMB25 million shall be paid on or prior to 4 March 2022 (being eighteen months after the date of signing of the Equity Transfer Agreement) (the “Final Payment”).

Pursuant to the Equity Transfer Agreement, the parties have agreed that during the period between the First Payment and the Final Payment, Mr. Lv may divide the transfer of the 40% of the equity interest in Mudanjiang BD Power into a maximum of three transactions (each a “Transaction”, and collectively, the “Transactions”), with the percentage of equity interest to be transferred for each Transaction to be further agreed between the parties. The completion date of each Transaction shall take place on which the relevant business registration filing requirements are completed, and the Disposal shall take place when the Transactions have been completed. Upon completion of the Disposal, the Group will hold, indirectly through Mudanjiang New Energy, 60% of the equity interest in Mudanjiang BD Power and Mudanjiang BD Power will remain as a subsidiary of the Company. As at the date of this report, the Disposal had not been completed yet and the company had received RMB25 million from the Purchaser.

The heat and electricity supply business, in which Mudanjiang New Energy is the operating subsidiary, is one of the core businesses of the Group. As at the date of this report, it is the Board’s intention that the heat and electricity supply business will continue to remain as one of the core businesses of the Group and the Board has no intention to further dispose the Group’s remaining interest in Mudanjiang New Energy.

Details of the Disposal were disclosed in the announcements of the Company dated 4 September 2020 and 19 October 2020, respectively.

### 45. 報告期後事件

#### 出售一間附屬公司40%股權

於二零二零年九月四日，牡丹江新能源(本公司間接全資附屬公司)與獨立第三方呂先生訂立股權轉讓協議(「股權轉讓協議」)，以出售牡丹江佳日熱電40%股權(「出售事項」)。根據股權轉讓協議之條款及條件，出售事項之代價為人民幣70百萬元，按以下方式結付：(i)人民幣7百萬元將於簽訂股權轉讓協議日期支付(「首筆付款」)；(ii)人民幣18百萬元將於二零二零年九月十四日或之前支付；(iii)人民幣20百萬元將於二零二零年十二月三十一日或之前支付；及(iv)餘下人民幣25百萬元將於二零二二年三月四日(即簽訂股權轉讓協議日期後十八個月)或之前支付(「最終付款」)。

根據股權轉讓協議，訂約方已同意，於首筆付款至最終付款期間，呂先生可將轉讓牡丹江佳日熱電40%股權分為最多三項交易(各為一項「交易」，統稱「該等交易」)，各項交易將予轉讓的股權百分比有待訂約方進一步協定。各項交易將於相關商業登記要求達成當日完成，而出售事項則於該等交易完成時發生。出售事項完成後，本集團將透過牡丹江新能源間接持有牡丹江佳日熱電60%股權及牡丹江佳日熱電將繼續為本公司之附屬公司。於本報告日期，出售事項尚未完成，而本公司已從買方收到人民幣25百萬元。

供熱及供電業務(其營運附屬公司為牡丹江新能源)為本集團的核心業務之一。截至本報告日期，董事會擬繼續將供熱及供電業務維持為本集團的核心業務之一，且董事會無意進一步出售本集團於牡丹江新能源的餘下權益。

出售事項的詳情分別於本公司日期為二零二零年九月四日及二零二零年十月十九日之公告內披露。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

for the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 45. EVENTS AFTER THE REPORTING PERIOD

(Continued)

#### Issue of convertible bonds under general mandate

On 28 October 2020, the Company entered into subscription agreements with subscribers in relation to the issue of convertible bonds in an aggregate principal amount of HK\$100,000,000.

The gross proceeds and net proceeds from the issue of convertible bonds will be HK\$100,000,000 and HK\$97,360,000 respectively. As of the date of this report, the entire principal amount of HK\$100,000,000 was received by the Group.

Details of the issue of convertible bonds were disclosed in the announcement of the Company dated 28 October 2020.

### 46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 October 2020.

### 45. 報告期後事件(續)

#### 根據一般授權發行可換股債券

於二零二零年十月二十八日，本公司與認購方訂立認購協議，內容有關發行本金總額為100,000,000港元的可換股債券。

發行可換股債券的所得款項總額及所得款項淨額將分別為100,000,000港元及97,360,000港元。截至本報告日期，本集團已悉數收取本金額100,000,000港元。

發行可換股債券的詳情於本公司日期為二零二零年十月二十八日的公告內披露。

### 46. 批准財務報表

財務報表已於二零二零年十月三十日獲董事會批准及授權刊發。

