

Longhui International Holdings Limited

龍輝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 01007

2019 年報  
ANNUAL REPORT





# Contents

## 目錄

2	Corporate Information 公司資料
4	Chairman's Statement 主席報告書
6	Management Discussion and Analysis 管理層討論與分析
19	Board of Directors and Senior Management 董事會及高級管理層
23	Directors' Report 董事會報告書
35	Corporate Governance Report 企業管治報告
51	Environment, Social and Governance Report 環境、社會及管治報告
67	Independent Auditors' Report 獨立核數師報告書
75	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
77	Consolidated Statement of Financial Position 綜合財務狀況表
79	Consolidated Statement of Changes in Equity 綜合權益變動表
80	Consolidated Statement of Cash Flows 綜合現金流量表
82	Notes to the Consolidated Financial Statements 綜合財務報表附註
208	Financial Summary 財務概要

# Corporate Information

## 公司資料



### BOARD OF DIRECTORS

#### Executive Directors

Mr. Hung Shui Chak (*Chairman*)  
Mr. So Kam Chuen  
Mr. Yuan Mingjie  
Mr. Chen Jun (resigned on 8 May 2020)  
Mr. Su Guicai (resigned on 1 March 2019)

#### Independent Non-executive Directors

Mr. Ha Kee Choy Eugene  
Mr. Chan Chun Yiu Thomas  
Mr. Tam Bing Chung Benson (appointed on 1 March 2019)  
Mr. Mai Guangfan (resigned on 1 March 2019)

### AUDIT COMMITTEE

Mr. Ha Kee Choy Eugene (*Chairman*)  
Mr. Chan Chun Yiu Thomas  
Mr. Tam Bing Chung Benson (appointed on 1 March 2019)  
Mr. Mai Guangfan (resigned on 1 March 2019)

### REMUNERATION COMMITTEE

Mr. Tam Bing Chung Benson (*Chairman*)  
(appointed on 1 March 2019)  
Mr. Ha Kee Choy Eugene  
Mr. Chan Chun Yiu Thomas  
Mr. Mai Guangfan (resigned on 1 March 2019)

### NOMINATION COMMITTEE

Mr. Chan Chun Yiu Thomas (*Chairman*)  
Mr. Ha Kee Choy Eugene  
Mr. Hung Shui Chak

### COMPANY SECRETARY

Mr. Wong Chun Kit

### AUTHORISED REPRESENTATIVES

Mr. Hung Shui Chak  
Mr. Yuan Mingjie

### 董事會

#### 執行董事

洪瑞澤先生(*主席*)  
蘇錦存先生  
袁明捷先生  
陳軍先生(於二零二零年五月八日辭任)  
蘇貴才先生(於二零一九年三月一日辭任)

#### 獨立非執行董事

夏其才先生  
陳浚曜先生  
譚秉忠先生(於二零一九年三月一日獲委任)  
麥廣帆先生(於二零一九年三月一日辭任)

### 審核委員會

夏其才先生(*主席*)  
陳浚曜先生  
譚秉忠先生(於二零一九年三月一日獲委任)  
麥廣帆先生(於二零一九年三月一日辭任)

### 薪酬委員會

譚秉忠先生(*主席*)  
(於二零一九年三月一日獲委任)  
夏其才先生  
陳浚曜先生  
麥廣帆先生(於二零一九年三月一日辭任)

### 提名委員會

陳浚曜先生(*主席*)  
夏其才先生  
洪瑞澤先生

### 公司秘書

王震傑先生

### 授權代表

洪瑞澤先生  
袁明捷先生

### REGISTERED OFFICE

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

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1502, 15/F.  
Lucky Building  
39 Wellington Street, Central  
Hong Kong

### PRINCIPAL BANKERS

The Bank of East Asia, Limited  
China CITIC Bank International Limited

### AUDITORS

HLB Hodgson Impey Cheng Limited  
Certified Public Accountants

### SHARE REGISTRARS

#### Cayman Islands Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### STOCK CODE

1007

### COMPANY WEBSITE

<http://www.cre8ir.com/longhui/>

### 註冊辦事處

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

### 香港主要營業地點

香港  
中環威靈頓街39號  
六基大廈  
15樓1502室

### 主要往來銀行

東亞銀行有限公司  
中信銀行(國際)有限公司

### 核數師

國衛會計師事務所有限公司  
香港執業會計師

### 股份登記處

#### 開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心  
17樓1712-1716室

### 股份代號

1007

### 公司網址

<http://www.cre8ir.com/longhui/>

# Chairman's Statement

## 主席報告書



Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Longhui International Holdings Limited (the "Company") (together with its subsidiaries, the "Group"), I hereby present to you the annual results for the year ended 31 December 2019.

### BUSINESS REVIEW

We are principally engaged in the hotpot restaurant business in the People's Republic of China (the "PRC"). The Group's revenue decreased by approximately 33.0% from approximately RMB624.7 million in 2018 to approximately RMB418.6 million in 2019. Loss for the year attributable to owners of the Company for 2019 was approximately RMB127.5 million, as compared with loss for the year of approximately RMB451.1 million for 2018. Basic loss per share for 2019 was approximately RMB0.02, as compared with basic loss per share of approximately RMB0.1 for 2018.

The net loss was mainly attributable to the challenging business environment during the year, which posed significant negative impact on the overall business operation and also inevitably led to the closure and suspension of certain restaurants of the Group and provision for impairment of property, plant and equipment and/or right-of-use assets in respect of these restaurants and certain underperforming restaurants of the Group during the year. The performance of the hotpot business fell short of expectations. The Group will review the weakness rigorously and to make further improvement.

The Board would like to assure the potential investors and the shareholders of the Company (the "Shareholders") that the Board is committed to (i) supervising the management of the Group and to maintain sound and effective internal controls to safeguard the Shareholders' investment and the Group's assets; and (ii) continuously and proactively strengthening the corporate governance of the Company to establish a solid foundation for the operation and future growth in order to maximise the value of the Company and hence the return to the Shareholders.

尊敬的各位股東：

本人謹代表龍輝國際控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事（「董事」）會（「董事會」）特此向各位股東呈報截至二零一九年十二月三十一日止年度的全年業績。

### 業務回顧

我們主要於中華人民共和國（「中國」）從事火鍋餐廳業務。本集團的收益由二零一八年的約人民幣624,700,000元減少約33.0%，至二零一九年約人民幣418,600,000元。於二零一九年本公司擁有人應佔虧損約人民幣127,500,000元，而二零一八年則為年度虧損約人民幣451,100,000元。二零一九年每股基本虧損約人民幣0.02元，而二零一八年為每股基本虧損約人民幣0.1元。

出現虧損淨額主要由於年內營商環境挑戰重重，對整體業務營運造成重大負面影響，並不可避免地導致本集團若干餐廳關閉及停業，以及年內本集團就該等餐廳及若干表現欠佳的餐廳的物業、廠房及設備及／或使用權資產的減值計提撥備。火鍋業務的表現未能達到預期。本集團將嚴格審查弱點，並進一步改善。

董事會謹此向準投資者及本公司股東（「股東」）保證，董事會致力(i)監督本集團管理，並會維持可靠兼有效的內部監控，保障股東投資和本集團資產；及(ii)持續及積極加強本公司的企業管治，為營運和將來增長奠下穩固基礎，藉此將公司的價值及其後的股東回報達致最高。



## Chairman's Statement 主席報告書

### APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere appreciation to our staff for their dedication and commitment as well as to our valued shareholders, customers, suppliers and other business partners for their support and encouragement to the Group in the past years.

*Chairman*

**Hung Shui Chak**

Hong Kong, 14 May 2020

### 致謝

最後，本人謹藉此機會代表董事會感謝本公司員工一直以來的付出及貢獻，以及對本公司尊貴的股東、客戶、供應商及其他業務夥伴過去多年的支持及鼓勵致以真誠的謝意。

*主席*

**洪瑞澤**

香港，二零二零年五月十四日

# Management Discussion and Analysis

## 管理層討論與分析



### BUSINESS REVIEW

The Group is principally engaged in the hotpot restaurant business in the PRC. The Company has a clear and distinct focus on the market segments that it appeals to and thus it created three brands, namely Faigo (“輝哥”), Xiao Faigo Hotpot (“小輝哥火鍋”) and Hong Yuanwai (“洪員外”). Restaurants operating under the brand Faigo appeal to the high-end market such as business clientele, while restaurants operating under the brands Xiao Faigo Hotpot (“小輝哥火鍋”) and Hong Yuanwai (“洪員外”) cater to the mid-tier market for a wide spectrum of guests.

The brand Faigo (“輝哥”) specializes in seafood hotpot cuisine with a signature menu which is characterized by the aromatic soup base and a wide range of selection of seafood and beef. The Company started its first restaurant in Shanghai in 2004 under the brand Faigo and gradually expanded its restaurant network to other major cities in the PRC including Beijing, Shenzhen, Nanjing and Hangzhou since 2010.

In 2013, Sina Weibo, a popular social media in the PRC, chose the brand Faigo as one of the most popular restaurants amongst foodies — “2013年最受吃貨喜愛的人氣餐廳”. In 2014, the Company was named as a five-star merchant by dianping.com, a widely used search engine for restaurants in the PRC. The brand Faigo was named as one of the top 10 hotpot brand in 2016 by the China Hotel Association. In 2018, Xiao Faigo Hotpot (“小輝哥火鍋”) was awarded “China’s Top 100 Hotpot Enterprises in 2017 (2017年度中國火鍋百強企業)” by China Cuisine Association.

### 業務回顧

本集團主要於中國從事火鍋餐廳業務。本公司定位清晰，目標市場明確，因此創立三個主要品牌，即「輝哥」、「小輝哥火鍋」及「洪員外」。「輝哥」食店主攻高端市場，賓客對象包括商務人員等，而「小輝哥火鍋」及「洪員外」食店面向中端市場，客源較廣。

「輝哥」專攻海鮮火鍋，招牌食譜包括香料湯底，以及多款海鮮及牛肉。本公司於二零零四年在上海開設首家「輝哥」食店，並自二零一零年起逐步將食店的網絡擴至中國其他主要城市，包括北京、深圳、南京及杭州。

本公司於二零一三年獲中國熱門社交媒體新浪微博選為「二零一三年最受吃貨喜愛的人氣餐廳」之一，二零一四年獲中國常用食店搜尋器大眾點評網評為五星商戶，二零一六年獲中國飯店協會評為「火鍋品牌十強」。二零一八年，「小輝哥火鍋」獲中國烹飪協會評為「二零一七年度中國火鍋百強企業」。



## Management Discussion and Analysis 管理層討論與分析

Set forth below are certain key performance indicators of the restaurants under the brands Xiao Faigo Hotpot (“小輝哥火鍋”) and Hong Yuanwai (“洪員外”) in different regions in the PRC:

下文列載「小輝哥火鍋」及「洪員外」在中國不同地區的食店往績記錄期內的若干主要績效指標：

		<b>Year ended 31 December</b>	
		<b>截至十二月三十一日止年度</b>	
		<b>2019</b>	2018
		<b>二零一九年</b>	二零一八年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
<b>Revenue (in RMB)</b>	<b>收入(人民幣)</b>		
Shanghai	上海	<b>204,473</b>	340,704
Beijing	北京	<b>30,175</b>	45,938
Wuxi	無錫	<b>25,725</b>	28,250
Nanjing	南京	<b>5,610</b>	12,144
Hangzhou	杭州	<b>4,316</b>	8,114
Other cities	其他城市	<b>57,890</b>	73,465
Nationwide	全國	<b>328,189</b>	508,715
<b>Number of restaurants</b>	<b>食店數目</b>		
Shanghai	上海	<b>44</b>	57
Beijing	北京	<b>7</b>	9
Wuxi	無錫	<b>4</b>	4
Nanjing	南京	<b>—</b>	2
Hangzhou	杭州	<b>—</b>	2
Other cities	其他城市	<b>16</b>	18
Nationwide	全國	<b>71</b>	92
<b>Average customer per day per restaurant (note 1)</b>	<b>單店日均顧客量 (附註1)</b>		
Shanghai	上海	<b>107.6</b>	132.8
Beijing	北京	<b>87.8</b>	115.2
Wuxi	無錫	<b>145.4</b>	145.5
Nanjing	南京	<b>72.4</b>	92.1
Hangzhou	杭州	<b>67.1</b>	94.1
Other cities	其他城市	<b>54.4</b>	95.6
Nationwide	全國	<b>94.6</b>	122.3

# Management Discussion and Analysis

## 管理層討論與分析



Year ended 31 December

截至十二月三十一日止年度

2019

2018

二零一九年

二零一八年

RMB'000

RMB'000

人民幣千元

人民幣千元

		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Seat turnover rate per day per restaurant</b>	<b>單店日均顧客入座率</b>		
<b>(note 2)</b>	<b>(附註2)</b>		
Shanghai	上海	0.5	1.2
Beijing	北京	0.8	1.0
Wuxi	無錫	1.3	1.3
Nanjing	南京	0.7	0.8
Hangzhou	杭州	0.6	0.9
Other cities	其他城市	0.6	0.9
Nationwide	全國	0.9	1.2
<b>Average daily restaurant sales (in RMB)</b>	<b>日均食店銷售(人民幣)</b>		
<b>(note 3)</b>	<b>(附註3)</b>		
Shanghai	上海	11,316.9	16,828.2
Beijing	北京	11,246.7	14,551.2
Wuxi	無錫	17,620.1	18,290.4
Nanjing	南京	8,752.1	11,859.8
Hangzhou	杭州	7,776.2	11,115.2
Other cities	其他城市	8,918.4	11,295.3
Nationwide	全國	10,976.9	15,317.8
<b>Average spending per customer (in RMB)</b>	<b>顧客人均消費(人民幣)</b>		
<b>(note 4)</b>	<b>(附註4)</b>		
Shanghai	上海	105.1	126.7
Beijing	北京	128.1	126.3
Wuxi	無錫	121.1	125.7
Nanjing	南京	120.9	128.8
Hangzhou	杭州	115.8	118.2
Other cities	其他城市	164.0	118.2
Nationwide	全國	116.0	125.2



## Management Discussion and Analysis 管理層討論與分析

### Notes:

1. Calculated by dividing total customer traffic for the year by total restaurant operation days during the year.
2. Calculated by dividing total customer traffic by the product of total restaurant operation days and average seating capacity per restaurant during the year.
3. Calculated by dividing revenue for the year by total restaurant operation days during the year.
4. Calculated by dividing revenue before business tax/value added tax for the year by total customer traffic for the year.

Set forth below are certain key performance indicators of the restaurants under the brand Faigo (“輝哥”) in different regions in the PRC:

### 附註：

1. 計算方法：全年顧客流量總數除以年內食店營運日總數。
2. 計算方法：顧客流量總數除以年內食店營運日總數與單店平均座數之積。
3. 計算方法：年內收入除以年內食店營運日總數。
4. 計算方法：年內扣除營業稅／增值稅前收入除以年內顧客流量總數。

下表列載在中國不同地區的「輝哥」食店往績記錄期內的若干主要績效指標：

		<b>Year ended 31 December</b>	
		<b>截至十二月三十一日止年度</b>	
		<b>2019</b>	2018
		<b>二零一九年</b>	二零一八年
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
<b>Revenue (in RMB)</b>	<b>收入(人民幣)</b>		
Shanghai	上海	<b>73,923</b>	92,494
Beijing	北京	<b>9,463</b>	13,103
Other cities	其他城市	<b>6,990</b>	10,395
Nationwide	全國	<b>90,376</b>	115,992
<b>Number of restaurants</b>	<b>食店數目</b>		
Shanghai	上海	<b>4</b>	4
Beijing	北京	<b>1</b>	1
Other cities	其他城市	<b>1</b>	2
Nationwide	全國	<b>6</b>	7
<b>Average customer per day per restaurant (note 1)</b>	<b>單店日均顧客量 (附註1)</b>		
Shanghai	上海	<b>50.6</b>	65.1
Beijing	北京	<b>34.9</b>	50.1
Other cities	其他城市	<b>30.2</b>	61.3
Nationwide	全國	<b>40.0</b>	62.2

# Management Discussion and Analysis

## 管理層討論與分析



### Year ended 31 December

截至十二月三十一日止年度

2019

2018

二零一九年

二零一八年

RMB'000

RMB'000

人民幣千元

人民幣千元

<b>Seat turnover rate per day per restaurant (note 2)</b>	<b>單店日均顧客入座率 (附註2)</b>		
Shanghai	上海	0.4	0.4
Beijing	北京	0.9	1.3
Other cities	其他城市	0.3	1.4
Nationwide	全國	0.4	0.6
<b>Average daily restaurant sales (in RMB) (note 3)</b>	<b>日均食店銷售(人民幣) (附註3)</b>		
Shanghai	上海	50,632.5	54,280.4
Beijing	北京	25,925.9	35,898.8
Other cities	其他城市	12,571.9	20,106.5
Nationwide	全國	34,948.3	44,853.8
<b>Average spending per customer (in RMB) (note 4)</b>	<b>顧客人均消費(人民幣) (附註4)</b>		
Shanghai	上海	999.7	834.3
Beijing	北京	742.2	717.7
Other cities	其他城市	416.0	327.8
Nationwide	全國	873.2	721.1

Notes:

1. Calculated by dividing total customer traffic for the year by total restaurant operation days during the year.
2. Calculated by dividing total customer traffic by the product of total restaurant operation days and average seating capacity per restaurant during the year.
3. Calculated by dividing revenue for the year by total restaurant operation days during the year/period.
4. Calculated by dividing revenue before business tax/value added tax for the year by total customer traffic for the year.

附註：

1. 計算方法：全年顧客流量總數除以年內食店營運日總數。
2. 計算方法：顧客流量總數除以年內食店營運日總數與單店平均座數之積。
3. 計算方法：年內收入除以年／期內食店營運日總數。
4. 計算方法：年內扣除營業稅／增值稅前收入除以年／期內顧客流量總數。



## Management Discussion and Analysis 管理層討論與分析

Having in-depth investigation, the Company closed down 27 underperforming restaurants and opened 5 restaurants in popular shopping malls during 2019. As at 31 December 2019, the Company owned and operated a total of 77 restaurants (2018: 99 restaurants). As at 31 December 2019, in addition to the restaurants owned and operated by the Group itself, the Group had also granted to an independent third party the right to operate one restaurant under the brand Faigo, in relation to which the Company received a monthly management fee and the results of that franchised restaurant was not consolidated in the Group's results.

The growing concern of food safety in the PRC from the consumers is an issue that each and every restaurant chain in the PRC needs to respond. The Company realizes that the reputation which takes years to build and protect can be ruined by one single food safety incident and therefore the Company attaches paramount importance to the safety and quality of food and has in place a reliable procurement system which ensures visibility and traceability of food ingredients throughout the catering service industry value chain. The staff of the Group also receives comprehensive training to minimize the risk of contamination during the preparation of foods before they are served at the table.

Since all restaurants operating under the brands owned by the Group are self-owned except the franchised restaurant in Beijing and one restaurant to be operated as a joint venture held as to 70% by the Group and 30% by an independent third party, this enables the Group to closely control the development of businesses in terms of quality of the foods, services standards and brand awareness.

Looking forward to 2020 taking product quality as our lifeline and upholding the philosophy of "seizing market opportunities through reform and gaining market shares by transformation and upgrade", we will continue to overcome challenges ahead and introduce more innovative ideas to consolidate our leading position in the catering industry, with an aim to develop into the brand with the highest market capitalization in the Asia-pacific catering industry. With our commitment to transformation and product quality, we are confident to build the Company as the leader of the casual restaurants in China.

經深入調查，本公司於二零一九年已關閉27家經營表現不理想的食店，並於人氣較旺的商場開設5家食店。於二零一九年十二月三十一日，本公司擁有及經營合共77家食店(二零一八年：99家食店)。於二零一九年十二月三十一日，除本集團自行持有及自主經營的食店外，本集團亦已向一名獨立第三方授權，以「輝哥」品牌經營一家食店，而本公司就此收取每月管理費，且該特許加盟食店的業績並無併入本集團的業績。

中國消費者對食品安全問題日益關注，在中國經營的每一家連鎖食店都必須對此作出應對措施。本公司深悉，一次個別的食品安全事故，足以將長年經營、悉心維護的聲譽毀於一旦，因此本公司極為重視食品安全與質量，並已設立可靠的採購制度，確保整個飲食服務產業價值鏈的流程均具高透明度，可追溯食材來源。本集團職員也會接受全面培訓，在食品上桌前製作過程中的污染風險降至最低。

由於本集團所擁有品牌旗下的所有營運餐廳為自家擁有(除了位於北京的特許加盟餐廳及一間餐廳將以合資形式經營並由本集團與獨立第三方分別擁有70%及30%)，此舉讓本集團於食物質素、服務標準及品牌知名度方面緊密控制業務發展。

展望二零二零年，以產品質量作為我們的使命，秉承「在改革中把握市場機遇、在轉型升級中增加市場份額」的理念，我們將繼續克服挑戰，積極創新，鞏固我們於餐飲行業的領先地位，從而發展成為亞太餐飲行業擁有最高市值的知名品牌。由於我們致力於轉型及提高產品質量，我們對建設本公司成為中國休閒餐廳龍頭充滿信心。

# Management Discussion and Analysis

## 管理層討論與分析



### FINANCIAL REVIEW

#### Revenue

Due to the slowdown in China's economic growth and the increasing uncertainty in the external environment, as well as the intense competition in the market, the Group's revenue decreased by approximately 33.0% from approximately RMB624.7 million in 2018 to approximately RMB418.6 million in 2019, mainly attributable to the challenging business environment during the year, which posed significant negative impact on the overall business operation and also inevitably led to the closure and suspension of certain restaurants of the Group.

#### Foods and beverage and other materials consumables used

The Group's foods and beverage and other materials consumables costs mainly represents the costs of food ingredients for the hotpot business, and were the largest component of the Group's operating expenses. The foods and beverage and other materials consumables costs decreased by approximately 33.9% from approximately RMB253.8 million in 2018 to approximately RMB167.7 million in 2019. As a percentage of the Group's revenue, the Group's foods and beverage and other materials consumables costs remain stable from approximately 40.6% in 2018 to approximately 40.1% in 2019, mainly attributable to better procurement planning in order to minimize the material cost.

#### Employee benefit and related expenses

The Group's employee benefit and related expenses, being one of the largest components of the operating expenses of the Group, consist of wages and salaries, labour outsourcing expenses, defined contribution plan, other social security costs and housing benefits and other employee benefits.

The employee benefit and related expenses decreased by approximately 10.0% from approximately RMB166.0 million in 2018 to approximately RMB149.4 million in 2019, mainly attributable to reduction in manpower from company restructuring during the year.

The Group entered into an agreement with a third party agent who provides catering outsourcing services. Pursuant to this agreement, the Group outsources a portion of its low-level positions, such as waiter or waitress, kitchen assistants etc. The Group pays annual service fee and other related cost, such as training and social welfare. In order to minimise the labour cost, a new service contract will be entered into in 2020.

### 財務回顧

#### 收益

由於中國經濟增長放緩、外部環境的不確定性因素增加及市場競爭激烈，本集團的收益由二零一八年的約人民幣624,700,000元減少約33.0%，至二零一九年約人民幣418,600,000元，主要由於年內營商環境挑戰重重，對整體業務營運造成重大負面影響，並不可避免地導致本集團若干餐廳關閉及停業。

#### 食品及飲料以及已用其他耗材

本集團已使用的食品及餐飲及其他材料消耗品的成本主要指火鍋業務食材成本，屬本集團經營開支的最大部份。食品及餐飲及其他材料消耗品的成本由二零一八年的約人民幣253,800,000元減少約33.9%，至二零一九年約人民幣167,700,000元。以本集團收益的百分比計，本集團的食品及餐飲及其他材料消耗品成本維持穩定，二零一八年約40.6%，而二零一九年約40.1%，主要由於完善的採購計劃將材料成本降至最低。

#### 僱員福利及相關開支

本集團僱員福利及相關開支是本集團營運開支的最大部份之一，包括工資及薪金、勞工外判開支、定額供款計劃、其他社會保險成本及住房福利以及其他僱員福利。

僱員福利及相關開支由二零一八年約人民幣166,000,000元減少約10.0%至二零一九年約人民幣149,400,000元，主要由於年內公司重組，削減人手所致。

本集團已與提供餐飲外判服務的一名第三方代理訂立協議。據此，本集團將男侍應或女侍應、廚房助理等部分初級職位外判。本集團支付年度服務費及其他相關成本，例如培訓及社會福利。為了減低勞工成本，將於二零二零年訂立新服務合約。



## Management Discussion and Analysis 管理層討論與分析

### Property rentals and related expenses

The Group's property rentals and related expenses decreased by approximately 78.3% from approximately RMB144.1 million in 2018 to approximately RMB31.2 million in 2019, mainly attributable to closure and suspension of certain restaurants and the adoption of IFRS 16 "Leases" which effective from 1 January 2019.

### Depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets and intangible asset

The Group's depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets and intangible asset increased by approximately 134.8% from approximately RMB54.0 million in 2018 to approximately RMB126.8 million in 2019, mainly attributable to the adoption of IFRS 16 as mentioned above on the expenditures spent on the leases of the restaurants the Group operates.

The Group's impairment of property, plant and equipment and right-of-use assets amounted to approximately RMB22.8 million in 2019 mainly attributable to the closure and suspension of certain restaurants of the Group.

The Directors will continue to look for better control in the property, rental and related expenses, such as entering into long-term rental agreements so as to maintain the rental expenses at a reasonable level.

### Other expenses

The Group's other expenses, which mainly consist of cleaning fee, audit related fee, maintenance fee and professional fees, decreased by approximately 21.3% from approximately RMB50.8 million in 2018 to approximately RMB40.0 million in 2019 mainly attributable to decrease in legal and professional fee and absence of listing expenses arisen from 2018.

### Finance expense, net

The Group's finance expenses mainly represent interest expense on borrowings, imputed interest on convertible bonds and interest expense on lease liabilities.

### 物業租金及相關開支

本集團的物業租金及相關開支由二零一八年約人民幣144,100,000元減少約78.3%至二零一九年約人民幣31,200,000元，主要由於結束及暫停營運若干餐廳及採納由二零一九年一月一日起生效的國際財務報告準則第16號「租賃」所致。

### 物業、廠房及設備、使用權資產以及無形資產的折舊、攤銷及減值

本集團物業、廠房及設備、使用權資產以及無形資產的折舊、攤銷及減值由二零一八年約人民幣54,000,000元增加約134.8%至二零一九年約人民幣126,800,000元，主要由於上述採用國際財務報告準則第16號對本集團所經營餐廳的租賃支出造成的影響。

本集團於二零一九年的物業、廠房及設備及使用權資產減值為約人民幣22,800,000元，主要由於結束及暫停營運本集團若干餐廳所致。

董事將持續尋找更有效地監控物業、租金及相關開支的方法，例如訂立長期租賃協議，以將租金維持於合理水平。

### 其他開支

本集團的其他開支主要包括清潔費及相關審核費用、保養費及專業費，由二零一八年約人民幣50,800,000元減少約21.3%，至二零一九年約人民幣40,000,000元，主要由於法律及專業費用減少及不存在於二零一八年產生之上市開支。

### 財務開支淨額

本集團的財務開支主要指借款利息開支、可換股債券推算利息開支及租賃負債利息開支。

## Management Discussion and Analysis 管理層討論與分析



The Group's net finance expense increased by approximately 2,442.9% from approximately RMB0.7 million in 2018 to approximately RMB17.8 million in 2019, mainly attributable to increase in finance expenses charged on lease liabilities amounting to approximately RMB12.2 million resulted from the adoption of IFRS 16 as mentioned above.

### Loss for the year

Loss for the year attributable to owners of the Company for 2019 was approximately RMB127.5 million, as compared with loss for the year of approximately RMB451.1 million for 2018. Basic loss per share for 2019 was approximately RMB0.02, as compared with basic loss per share of approximately RMB0.1 for 2018. The net loss was mainly attributable to the challenging business environment during the year, which posed significant negative impact on the overall business operation and also inevitably led to the closure and suspension of certain restaurants of the Group and provision for impairment of property, plant and equipment and/or right-of-use assets in respect of these restaurants and certain underperforming restaurants of the Group during the year.

### PROSPECTS

The Group plans to open more restaurants in order to expand and develop the business of the Group in the coming financial years as intended. However, due to the current poor sentiment of the food and beverages market in the PRC and the uncertainty over the impact of the Sino-US trade war and the COVID-19 coronavirus outbreak, it is prudent for the Board to withhold the planned expansion.

#### Targeting the High-End Segment

Hotpot restaurants offering meat as their major food ingredient have a lower customer's average spending compared with those serving seafood. Therefore, more hotpot restaurants begin to offer more diversified food materials to target different customer segments. Seafood has been introduced in hotpot restaurants recently, which will attract more customers from the high-end segment. The Group will continue to target more high-end food ingredients as additional drive for the growth of revenue of our restaurants.

本集團的財務開支淨額由二零一八年約人民幣700,000元增加約2,442.9%至二零一九年約人民幣17,800,000元，主要由於上述採用國際財務報告準則第16號後計入租賃負債的財務開支增加約人民幣12,200,000元所致。

### 年度虧損

於二零一九年本公司擁有人應佔虧損約人民幣127,500,000元，而二零一八年則為年度虧損約人民幣451,100,000元。二零一九年每股基本虧損約人民幣0.02元，而二零一八年為每股基本虧損約人民幣0.1元。出現虧損淨額主要由於年內營商環境挑戰重重，對整體業務營運造成重大負面影響，並不可避免地導致本集團若干餐廳關閉及停業，以及年內本集團就該等餐廳及若干表現欠佳的餐廳的物業、廠房及設備、金融資產及／或使用權資產的減值計提撥備。

### 展望

本集團有意於未來的財政年度開設更多餐廳，務求按計劃擴張及發展其業務。然而，由於目前中國餐飲市場的市道低迷，加上中美貿易戰及COVID-19冠狀病毒疫情的影響尚未明朗，董事會為審慎起見暫緩擴張計劃。

#### 瞄準高端市場

與供應海鮮的火鍋餐廳相比，以肉類為主要食品成分的火鍋餐館的消費購買力較低。因此，越來越多的火鍋餐廳開始提供更多樣化的食材，以滿足不同顧客群體。海鮮已於近期引入火鍋餐廳，這將吸引更多來自高端市場的顧客。本集團將繼續以高端食材為目標，作為餐廳收益增長的額外動力。



## Management Discussion and Analysis 管理層討論與分析

### Inclusive of New Food Ingredients and Flavors

New food ingredients will be added to hotpot dining. As hotpot is more inclusive than other styles of cooking, new food ingredients can be easily introduced to hotpot dining. Hotpot restaurants are more willing to stay appealing to customers by offering new food ingredients in their menus rather than stick to their own understanding of hotpot stereotype.

### Growth of Delivery Business

Delivery food service is growing fast in the PRC in the past few years. The Group plans to strengthen our competitiveness in the delivery segment to fully utilize the business hours of rush hours in a day such as lunch and dinner time to improve our revenue density. The Group will closely cooperate with online ordering and delivery platforms to promote the delivery business.

### DIVIDEND

The Board resolved not to recommend the payment of any dividend for the year ended 31 December 2019 (2018: Nil).

### LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 December 2019, the Group recorded cash and bank balances amounting to approximately RMB5.3 million (2018: approximately RMB51.6 million) and the net current liabilities value was approximately RMB182.5 million (2018: approximately RMB53.5 million).

The net liabilities value per share of the Company was approximately RMB1.49 cents as at 31 December 2019 (2018: approximately RMB0.82 cents). The net liabilities value per share was computed based on 5,517,313,735 and 4,476,238,151 weighted average number of ordinary shares as at 31 December 2019 and 2018 respectively.

The Group's gearing ratio as at 31 December 2019 was approximately 0.01 (2018: 0.29), being a ratio of total debts, including borrowings and convertible bonds, of approximately RMB2.9 million (2018: RMB95.3 million) to the total assets of approximately RMB305.3 million (2018: approximately RMB323.5 million).

### 廣納新食材及口味

火鍋餐廳將添加新食品配料。由於火鍋比其他烹飪方式更具包容性，因此可以輕易將新食品成分引入火鍋餐廳。火鍋餐廳更願意透過在菜單中提供新食品成分來吸引顧客，而非固守自身對火鍋的刻板印象。

### 外賣業務增長

中國外賣食品服務過去數年迅速增長。本集團計劃加強外賣分部的競爭力，以全面利用午市及晚市等每日營業時間中的繁忙時段，以提升收益密度。本集團將與網上訂餐及外送平台緊密合作，以推廣外賣業務。

### 股息

董事會決議不會就截至二零一九年十二月三十一日止年度派發股息(二零一八年：無)。

### 流動資金、財務資源及資產負債比率

於二零一九年十二月三十一日，本集團錄得現金及銀行結餘約人民幣5,300,000元(二零一八年：約人民幣51,600,000元)及流動負債淨額約人民幣182,500,000元(二零一八年：約人民幣53,500,000元)。

本公司於二零一九年十二月三十一日的每股負債淨額約為人民幣1.49分(二零一八年：約人民幣0.82分)。每股負債淨值乃根據分別於二零一九年及二零一八年十二月三十一日的普通股加權平均數5,517,313,735及4,476,238,151股股份計算。

本集團於二零一九年十二月三十一日的資產負債比率約為0.01(二零一八年：0.29)，即包括借貸及可換股債券之總債務約人民幣2,900,000元(二零一八年：人民幣95,300,000元)對總資產約人民幣305,300,000元(二零一八年：約人民幣323,500,000元)的比率。

# Management Discussion and Analysis

## 管理層討論與分析



### USE OF PROCEEDS FROM SHARE PLACING

On 2 May 2018, the Company and the placing agent entered into a placing agreement (the “Placing Agreement”) on a fully underwritten basis, to not less than six placees who and whose ultimate beneficial owners are independent third parties (the “Share Placing”).

The completion of Share Placing took place on 4 July 2018. An aggregate of 757,875,000 ordinary shares of HK\$0.00002 each with aggregate nominal value of HK\$15,157.50 (the “Placing Shares”) were placed at the placing price of HK\$0.1025 per Placing Share pursuant to the terms and conditions of the Placing Agreement. The Placing Shares were issued under a specific mandate obtained at the extraordinary general meeting held on 28 May 2018. The net proceeds from the Share Placing (after deducting the expenses) were approximately HK\$75.73 million. As previously disclosed in the circular of the Company dated 9 May 2018, the Company intended to apply the net proceeds of approximately HK\$75.73 million from the Share Placing to expand and develop the business of the Group.

Due to the current poor sentiment of the food and beverages market in the PRC and the uncertainty over the impact of the Sino-US trade war and the COVID-19 coronavirus outbreak, it is prudent for the Board to withhold the planned expansion and hence the proceeds from the Share Placing was not utilised as previously disclosed in the circular of the Company dated 9 May 2018.

The Group utilized the net proceeds from the Share Placing as to approximately RMB70 million for the expansion and development of the business of the Group, 13 restaurants were opened from the completion of Share Placing to 31 December 2019. The unutilised net proceeds have been placed as the interest bearing saving deposits with licensed banks in Hong Kong and the PRC.

The Group plans to utilise the remaining proceeds from the Share Placing to expand and develop the business of the Group in the coming financial years as intended. However, given the uncertainties mentioned above, the Company is unable to set out a detail timeline for the utilisation of the proceeds.

### 股份配售所得款項用途

於二零一八年五月二日，本公司與配售代理訂立配售協議（「配售協議」），按全數包銷基準向不少於六名承配人（彼等與其最終實益擁有人均為獨立第三方）進行配售（「股份配售」）。

股份配售已於二零一八年七月四日完成。根據配售協議的條款及條件，合共757,875,000股總面值為15,157.50港元的每股面值0.00002港元的普通股（「配售股份」）以每股配售股份0.1025港元的配售價獲配售。配售股份已根據於二零一八年五月二十八日舉行的股東特別大會上獲取的特別授權而發行。誠如先前於本公司日期為二零一八年五月九日的通函披露，股份配售所得款項淨額（經扣除開支後）約為75,730,000港元。本公司擬動用股份配售所得款項淨額約75,730,000港元拓展及發展本集團的業務。

由於中國當前餐飲業市場低迷，加上中美貿易戰及COVID-19冠狀病毒疫情影響所帶來的不確定性，董事會暫緩擬定擴充計劃實屬謹慎，故尚未動用先前於本公司日期為二零一八年五月九日的通函內所披露的股份配售所得款項。

本集團動用股份配售所得款項淨額約人民幣70,000,000元於擴充及發展本集團業務，由股份配售完成至二零一九年十二月三十一日，開設了13間餐廳。未動用所得款項淨額存置於香港及中國的持牌銀行，作為計息儲蓄存款。

本集團擬動用股份配售的餘下所得款項按原定計劃於往後多個財政年度擴充和發展本集團業務。然而，鑒於上文所述的不確定性，本公司未能制定動用所得款項的詳細時間表。



## Management Discussion and Analysis 管理層討論與分析

### PLEDGE OF ASSETS

As at 31 December 2019, the Company had no charges on its assets (2018: Nil).

### CHANGE OF DIRECTORS

Mr. Su Guicai has resigned as an executive Director with effect from 1 March 2019.

Mr. Mai Guangfan has resigned as an independent non-executive Director with effect from 1 March 2019.

Mr. Tam Bing Chung Benson has been appointed as an independent non-executive Director with effect from 1 March 2019.

Mr. Chen Jun has resigned as an executive Director with effect from 8 May 2020.

### CAPITAL STRUCTURE

On 15 July 2019, the Company received a conversion notice to convert the 5-year zero coupon convertible bonds issued by the Company (the "Convertible Bonds") in the principal amount of approximately HK\$3,806,000 into ordinary shares of the Company (the "Shares"). Based on the conversion price of HK\$0.1025 per Share, a total of 37,135,875 Shares were allotted and issued by the Company on 17 July 2019.

On 12 September 2019, the Company received another conversion notice to convert the Convertible Bonds in the principal amount of approximately HK\$121,249,000 into Shares. Based on the conversion price of HK\$0.1025 per Share, a total of 1,182,916,562 Shares were allotted and issued by the Company on 16 September 2019.

Save as disclosed above, the Company had no changes in capital structure during the year ended 31 December 2019.

### SIGNIFICANT INVESTMENT AND ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

There was no acquisition or disposal of subsidiary and associated company or significant investments of the Group, which would have been required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") for the year ended 31 December 2019.

### 資產抵押

於二零一九年十二月三十一日，本公司概無抵押任何資產(二零一八年：無)。

### 更換董事

蘇貴才先生自二零一九年三月一日起已辭任執行董事。

麥廣帆先生自二零一九年三月一日起已辭任獨立非執行董事。

譚秉忠先生自二零一九年三月一日起已獲委任為獨立非執行董事。

陳軍先生自二零二零年五月八日起已辭任執行董事。

### 資本架構

於二零一九年七月十五日，本公司接獲兌換通知，兌換本金額約為3,806,000港元的本公司發行的五年期零票息可換股債券(「可換股債券」)為本公司普通股(「股份」)。於二零一九年七月十七日，本公司根據換股價每股股份0.1025港元配發及發行合共37,135,875股股份。

於二零一九年九月十二日，本公司接獲兌換通知，兌換另一份本金額約為121,249,000港元的可換股債券為股份。於二零一九年九月十六日，本公司根據換股價每股股份0.1025港元配發及發行合共1,182,916,562股股份。

除上文所披露者外，於截至二零一九年十二月三十一日止年度，本公司概無資本架構變動。

### 附屬公司重大投資及收購及出售

截至二零一九年十二月三十一日止年度，本集團概無任何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」)規定須予披露之收購或出售本集團附屬公司及聯營公司或重大投資。

# Management Discussion and Analysis

## 管理層討論與分析



### CONTINGENT LIABILITIES

Save as disclosed in note 34 to the financial statements, the Group had no other contingent liabilities as at 31 December 2019.

### CAPITAL COMMITMENTS

As at 31 December 2019, save as disclosed elsewhere in this annual report, the Group had no significant capital commitments.

### FOREIGN CURRENCY RISK

Most of the Group's business transactions, assets and liabilities are denominated in Renminbi and settled in Renminbi, which is the functional currency of respective group companies. The Group's exposure to currency risk is minimal. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

### EMPLOYEES AND REMUNERATION POLICIES

The number of employees of the Group as at 31 December 2019 was 1,784 (2018: 3,057). Employees' remuneration is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors. The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee.

### 或然負債

除財務報表附註34所披露者外，本集團於二零一九年十二月三十一日並無其他或然負債。

### 資本承擔

於二零一九年十二月三十一日，除本年報另頁所披露者外，本集團並無重大資本承擔。

### 外幣風險

本集團大部分的業務交易、資產及負債乃以人民幣計值及以人民幣結付，該等貨幣為相關集團公司的功能貨幣。本集團所受外幣風險低微。本集團並無就外匯風險訂立任何工具。本集團將密切監察匯率變動，並將採取適當行動降低匯率風險。

### 僱員及薪酬政策

本集團於二零一九年十二月三十一日之僱員人數為1,784名(二零一八年：3,057名)。員工薪酬按其工作性質、資歷及經驗而釐定。通常薪酬及薪金根據表現評核及其他相關因素作每年檢討。本集團會根據本集團及個別員工的表現，繼續向符合資格的員工給予具競爭力的薪酬組合和花紅。



## Board of Directors and Senior Management 董事會及高級管理層

### EXECUTIVE DIRECTORS

**Mr. Hung Shui Chak (“Mr. Hung”)** (formerly known as Hung Pan), aged 50, was appointed as the chairman of the Board, an executive Director, a member of the nomination committee of the Company (the “Nomination Committee”) and an authorised representative of the Company in July 2018. He is also a director of various subsidiaries of the Company.

Mr. Hung is primarily responsible for formulating the overall development strategies and business plan of the Group. Mr. Hung has engaged in the investment and operation of trading of raw materials in food and catering and automobile business in Hong Kong prior to 1990. He has vast experiences of investments in various businesses in the PRC and commenced in investments in the PRC. He has now accumulated over 9 years of experience in the management of food and catering industry in the PRC.

Mr. Hung took the overall business development of the Group since 2012 and continues to oversee the management of the operations and business of the Group. He has guided the operations and business of the Group in adhering to quality and innovation in the operations since he took up the business development of the Group in 2009.

Mr. Hung held a controlling interest in Carsone Car Detailing Service Company Limited\* (上海比鄰美車堂汽車美容有限公司) (“Carsone”), a company which principally engaged in motor detailing business in the PRC, and Mr. Hung disposed of his interest in Carsone to an independent third party in 2012 and now retains a minority interest of approximately 5.4% in Carsone. Mr. Hung also remains as a director of a holding company of Carsone.

Mr. Hung is the sole shareholder and the sole director of Shui Chak Group Limited, a company incorporated in the British Virgin Islands with limited liability, the controlling Shareholder (as defined in the Listing Rules). Mr. Hung is deemed, by virtue of his interest in Shui Chak Group Limited, to be interested in 3,231,666,250 Shares under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), representing approximately 50.70% of the issued share capital of the Company.

### 執行董事

洪瑞澤先生(「洪先生」)(前名洪斌)，50歲，於二零一八年七月獲委任為董事會主席、執行董事、本公司提名委員會(「提名委員會」)成員及本公司授權代表。彼亦為本公司多間附屬公司之董事。

洪先生主要負責制訂集團的整體發展策略及業務計劃。洪先生於一九九零年之前在香港從事食品及餐飲原材料貿易以及汽車業務的投資及營運。彼於中國的不同業務累積大量投資經驗，並開始在中國進行投資。彼目前於中國食品及餐飲業累積逾9年管理經驗。

洪先生自二零一二年起接管集團的整體業務發展，並持續監督集團的營運及業務管理。自二零零九年接管集團的業務發展以來，彼領導集團的營運及業務，堅守營運質量及創新。

洪先生持有上海比鄰美車堂汽車美容有限公司(「美車堂」)的控股權益，該公司主要於中國從事汽車美容業務。二零一二年，洪先生出售其於美車堂的權益予獨立第三方，目前於美車堂保留約5.4%的少數權益。洪先生亦為美車堂一間控股公司的董事。

洪先生為瑞澤集團有限公司(在英屬處女群島註冊成立的有限公司)的唯一股東、唯一董事及控股股東(定義見上市規則)。洪先生根據其於瑞澤集團有限公司擁有的權益而被視為根據香港法例第571章《證券及期貨條例》，於3,231,666,250股股份中擁有權益，佔本公司已發行股本約50.70%。

## Board of Directors and Senior Management 董事會及高級管理層



**Mr. So Kam Chuen (“Mr. So”)**, aged 39, was appointed as an executive Director in July 2018. He is also a director of a subsidiary of the Company and the supervisor of a subsidiary of the Company.

Mr. So is responsible for overseeing the overall management, day-to-day operation and production of the Group. He joined the Group in November 2004 and is serving as the Executive Chef and Brand General Manager of Faigo (輝哥) and Xiao Faigo (小輝哥) and has over 14 years of experience in the catering industry and operations management. He joined the catering business in Hong Kong after finishing school education in Hong Kong in 1997. During his service with the Group, Mr. So is responsible for overseeing the operations of all the restaurants of the Group, developing new cuisine, controlling the quality of food and services of Faigo (輝哥) and Xiao Faigo (小輝哥) to ensure the upscale of food and services.

**Mr. Yuan Mingjie (“Mr. Yuan”)**, aged 41, was appointed as an executive Director and an authorised representative of the Company in July 2018.

Mr. Yuan is responsible for overseeing the overall financial management and reporting and corporate finance matters of the Group. He has over 14 years of experience in auditing and accounting in various industries. He was the Vice President and Corporate Secretary of CY Oriental Holdings Ltd., a company listed on the Toronto Stock Exchange (stock code: CYO:APH), from 2004 to 2008. He also served as an auditor at PricewaterhouseCoopers Zhong Tian CPAs Limited Company from 2001 to 2003. Mr. Yuan served as the Executive Vice President & Chief Operating Officer of Carsone from 2012 to 2018. Mr. Yuan was awarded a Bachelor Degree in English Language and Literature from Shanghai International Studies University (上海外國語大學) in 2001 and a Master Degree in Business Administration from Shanghai Jiao Tong University (上海交通大學) in 2012.

蘇錦存先生(「蘇先生」)，39歲，於二零一八年七月獲委任為執行董事。彼亦為本公司一間附屬公司之董事及本公司一間附屬公司之監事。

蘇先生負責監督集團的整體管理、日常營運及生產。彼於二零零四年十一月加入集團，擔任輝哥及小輝哥的行政總廚及品牌總經理，在餐飲業以及營運管理方面累積逾14年經驗。彼於一九九七年在香港完成學業後投身香港餐飲業。蘇先生任職於集團期間，負責監督集團所有食店的營運、開發新菜式、控制輝哥及小輝哥的食品及服務質素，確保食品及服務的優質水平。

袁明捷先生(「袁先生」)，41歲，於二零一八年七月獲委任為本公司執行董事及授權代表。

袁先生負責監督集團的整體財務管理及報告與企業融資事宜。彼於不同行業累積超過14年核數及會計經驗。彼自二零零四年至二零零八年擔任CY Oriental Holdings Ltd. (一家多倫多證券交易所上市公司，股份代號：CYO:APH)的副總裁及公司秘書。彼自二零零一年至二零零三年於普華永道中天會計事務所有限公司任職核數師。袁先生自二零一二年至二零一八年於美車堂任職執行副總裁兼首席營運官。袁先生於二零零一年取得上海外國語大學的英國語文及文學學士學位，於二零一二年取得上海交通大學的工商管理碩士學位。



## Board of Directors and Senior Management 董事會及高級管理層

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Ha Kee Choy Eugene (“Mr. Ha”)**, aged 63, was appointed as an independent non-executive Director in January 2016. He was subsequently appointed as the chairman of the remuneration committee of the Company (the “Remuneration Committee”) and a member of each of the audit committee of the Company (the “Audit Committee”) and the Nomination Committee in February 2016, and re-designated as the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee in July 2018.

Mr. Ha holds a Master’s Degree in Business Administration and is a fellow member of the Association of Chartered Certified Accountants. He has over 20 years of experience in the finance and banking industry and acts or/and acted as director of a number of private and listed companies in Hong Kong. Mr. Ha is the director of a certified public accountants corporate practice in Hong Kong. He is currently an independent non-executive director of each of China Touyun Tech Group Limited (stock code: 1332), International Entertainment Corporation (stock code: 1009) and Planetree International Development Limited (stock code: 613). The shares of these companies are listed on the Main Board of the Stock Exchange.

**Mr. Chan Chun Yiu Thomas (“Mr. Chan”)** (formerly known as Chan Chee Choi), aged 56, was appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee in July 2018.

Mr. Chan obtained a bachelor of laws degree in 1987 and the postgraduate certificate in laws in 1988, both at the University of Hong Kong. He was admitted as a solicitor in Hong Kong in 1990, and as a solicitor in the United Kingdom in 1991. Following his admission as a solicitor in Hong Kong, he spent almost 15 years in private practice in Hong Kong with various local and international law firms, specialising in banking, commercial and real estate areas. He then left private practice and joined the Hong Kong branch of Société Générale S.A. in March 2005, and left in August 2011 as its legal counsel at director level, specialising in listed and unlisted structured products, retail funds, exchange traded funds and general banking advisory work. Subsequently, he joined CLSA Hong Kong Holdings Limited and worked as its senior legal adviser from August 2011 to April 2015. Mr. Chan is an executive director and the chief executive officer of International Entertainment Corporation (stock code: 1009). He also served as an independent non-executive director of LEAP Holdings Group Limited (stock code: 1499) (now known as OKG Technology Holdings Limited) from November 2017 to April 2018. The shares of these two companies are listed on the Main Board of the Stock Exchange.

### 獨立非執行董事

夏其才先生(「夏先生」)，63歲，於二零一六年一月獲委任為獨立非執行董事。彼隨後於二零一六年二月獲委任為本公司薪酬委員會(「薪酬委員會」)主席，以及本公司審核委員會(「審核委員會」)及提名委員會各自之成員，及後於二零一八年七月調任為審核委員會主席，以及提名委員會及薪酬委員會各自之成員。

夏先生持有工商管理碩士學位，並為特許公認會計師公會資深會員。彼於金融及銀行業擁有逾20年經驗，並且現任或／及曾任香港多間私人及上市公司董事。夏先生為香港一間執業會計師行之董事。彼目前分別為中國透雲科技集團有限公司(股份代號：1332)、國際娛樂有限公司(股份代號：1009)及梧桐國際發展有限公司(股份代號：613)之獨立非執行董事。上述公司之股份均於聯交所主板上市。

陳浚曜先生(「陳先生」)(前名陳子才)，56歲，於二零一八年七月獲委任為獨立非執行董事、提名委員會主席及審核委員會和薪酬委員會成員。

陳先生於一九八七年在香港大學取得法學學士學位，並於一九八八年在香港大學獲頒法律深造證書。彼於一九九零年取得資格成為香港事務律師，並於一九九一年取得資格成為英國事務律師。彼在香港取得資格後，曾在香港多間本地及國際律師事務所私人執業近十五年，專門從事銀行、商業及物業之範疇。彼其後脫離私人執業，並於二零零五年三月加入法國興業銀行香港分行，二零一一年八月離職時擔任董事職級的法律顧問，並擔任法律部門結構產品／基金團隊負責人，專門從事上市及非上市結構性產品、零售基金、交易所買賣基金及一般銀行業務諮詢工作。其後，彼加入CLSA Hong Kong Holdings Limited，並於二零一一年八月至二零一五年四月擔任其高級法律顧問。陳先生為國際娛樂有限公司(股份代號：1009)之執行董事兼行政總裁。彼亦於二零一七年十一月至二零一八年四月期間擔任前進控股集團有限公司(股份代號：1499)(現稱歐科雲鏈控股有限公司)之獨立非執行董事。該兩間公司的股份均於聯交所主板上市。

## Board of Directors and Senior Management 董事會及高級管理層



**Mr. Tam Bing Chung Benson (“Mr. Tam”)**, aged 56, was appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee in March 2019.

Mr. Tam is a member of The Institute of Chartered Accountants in England and Wales. He holds a Master of Science degree from University of Oxford and a Bachelor of Science (Engineering) degree in civil engineering from Imperial College of University of London.

Mr. Tam is the founder and chairman of Venturous Group, a China-based family investment platform. From 2002 to 2012, he was a partner of Fidelity Growth Partners Asia (formerly named Fidelity Asia Ventures), an Asian venture capital firm with a principal focus on China. Prior to joining Fidelity Growth Partners Asia, Mr. Tam was an investment banker and a private equity investor in Europe and Asia with leading financial institutions. He is currently a director of several private companies. Mr. Tam is also an independent director of Momo Inc. (stock symbol: MOMO), the shares of which are listed on the NASDAQ Stock Exchange.

### SENIOR MANAGEMENT

**Ms. Bi Jia (畢佳女士) (“Ms. Bi”)**, aged 39, is the Public Affair Manager of the Group. She is primarily responsible for managing the public and external affairs, coordination between departments and handling brands related matters of the Group. Ms. Bi joined the Group on 1 September 2012. She has over 7 years of experience in secretarial duties. Prior to joining the Group, Ms. Bi served as the Chairman Assistant at Carsone from 2010 to 2012. Prior to it, she was the Finance Manager of Carsone from 2005 to 2010. She obtained a Diploma in Finance and Accounting (財務會計) from Central Radio and TV University\* (中央廣播電視大學) (currently known as The Open University of China) in 2002.

**Mr. Yu Jun (余俊先生) (“Mr. Yu”)**, aged 37, is the Manager of Information Technology of the Group. He is primarily responsible for managing IT related matters of the Group. Mr. Yu joined the Group on 18 October 2013. He has over 10 years of experience in managing IT operations. Prior to joining the Group, Mr. Yu served as IT Manager at Shanghai Longbong Clothing Company Limited\* (上海隆邦服飾有限公司) from 2012 to 2013. He was the IT Manager at Shanghai Baishihao Electronic Business Company Limited\* (上海百世好電子商務有限公司) from 2007 to 2012. He obtained a Bachelor degree in Mathematics and Applied Mathematics from Donghua University (東華大學) in 2005.

**Mr. Wu Yuanqing (吳元慶先生) (“Mr. Wu”)**, aged 47, is the Logistics Director of the Group. He is primary responsible for managing warehouse and logistics related matters of the Group. Mr. Wu joined the Group on 1 November 2004. He has over 13 years of experience in management of engineering and logistics in the food and beverage industry. Mr. Wu obtained a Bachelor in Economics and Management from Beijing Science Technology College\* (北京科技管理學院) in July 2016.

\* For identification purposes only

**譚秉忠先生(「譚先生」)**，56歲，於二零一九年三月獲委任為獨立非執行董事、薪酬委員會主席及審核委員會成員。

譚先生為英格蘭及威爾士特許會計師公會會員。彼持有牛津大學理學碩士學位及倫敦大學帝國學院土木工程系理學(工程)學士學位。

譚先生為Venturous Group(一家以中國為基地的家族投資平台)的創辦人及主席。由二零零二年至二零一二年，彼為Fidelity Growth Partners Asia(前稱Fidelity Asia Ventures)(一家主要著重中國的亞洲創業基金公司)的合伙人。在加入Fidelity Growth Partners Asia之前，譚先生為領先的金融機構出任歐洲及亞洲投資銀行家及私募股權投資商。彼目前為數間私營公司的董事。譚先生亦為Momo Inc.(股票代碼：MOMO)的獨立董事，其股份於納斯達克聯交所上市。

### 高級管理層

**畢佳女士(「畢女士」)**，現年39歲，為本集團的公關經理。畢女士主要負責管理公關及外部事宜、部門協調及處理本集團品牌方面事宜。畢女士於二零一二年九月一日加入本集團，於秘書工作有逾7年經驗。加入本集團前，畢女士曾於二零一零年至二零一二年擔任美車堂主席助理。此前，在二零零五年至二零一零年間，彼為美車堂的財務經理。彼於二零零二年獲中央廣播電視大學(現稱國家開放大學)頒授財務會計文憑。

**余俊先生(「余先生」)**，現年37歲，為本集團的資訊科技經理，主要負責管理本集團的資訊科技方面事宜。余先生於二零一三年十月十八日加入本集團，於資訊科技方面有逾10年經驗。加入本集團前，余先生在二零一二年至二零一三年間任職上海隆邦服飾有限公司的資訊科技經理。彼於二零零七年至二零一二年為上海百世好電子商務有限公司的資訊科技經理。余先生於二零零五年獲東華大學頒授數學與應用數學學士學位。

**吳元慶先生(「吳先生」)**，現年47歲，為本集團的物流總監。彼主要負責管理本集團的倉庫及物流相關事宜。吳先生於二零零四年十一月一日加入本集團，於管理工程與餐飲業物流有逾13年經驗。吳先生於二零一六年七月獲得北京科技管理學院頒授經濟及管理學學士學位。

\* 僅供識別

The Directors submit herewith their annual report together with the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company is a limited liability company incorporated in the Cayman Islands and its principal place of business in Hong Kong is Room 1502, 15/F., Lucky Building, 39 Wellington Street, Central, Hong Kong.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 37 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 75 and 76.

The Board resolved not to pay any final dividend for the year ended 31 December 2019.

### BUSINESS REVIEW

The business review of the Company for the year ended 31 December 2019 is set out in the "Chairman's Statement" and "Management Discussion and Analysis" on pages 4 to 5 and pages 6 to 18 of this report respectively. Those sections form part of this "Directors' Report".

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2019, as a restaurant chain, the Group has a large and diverse customer base. The revenue derived from the top five largest customers accounted for less than 30% of the total revenue for the year ended 31 December 2019.

For the year ended 31 December 2019, the purchases of food ingredients and other supplies from the Group's top five largest suppliers accounted for less than 30% of the Group's total purchases from all suppliers for the year.

董事會茲提呈本公司及其附屬公司截至二零一九年十二月三十一日止年度之年度報告及經審核綜合財務報表。

### 香港主要營業地點

本公司在開曼群島註冊成立為有限公司，其於香港的主要營業地點位於香港中環威靈頓街39號六基大廈15樓1502室。

### 主要業務

本公司為投資控股公司。其主要附屬公司之業務載於綜合財務報表附註37。

### 業績及股息

本集團截至二零一九年十二月三十一日止年度之業績載於第75及76頁之綜合損益及其他全面收益表。

董事會議決不就截至二零一九年十二月三十一日止年度派付任何末期股息。

### 業務回顧

本公司截至二零一九年十二月三十一日止年度的業務回顧分別載於本報告第4至5頁的「主席報告書」及第6至18頁的「管理層討論與分析」等節。該兩節組成本「董事會報告書」的一部分。

### 主要客戶及供應商

截至二零一九年十二月三十一日止年度，作為連鎖餐廳，本集團擁有龐大且多元化的客戶基礎。源自五大客戶的收益佔截至二零一九年十二月三十一日止年度總收益不足30%。

截至二零一九年十二月三十一日止年度，採購自本集團五大供應商的食材及其他供應品佔本集團於年內採購自所有供應商的採購總額不足30%。

## Directors' Report 董事會報告書



None of our Directors, any of their close associates or any Shareholders that, to the knowledge of our Directors, own more than 5% of the issued share capital of the Company had any interest in any of the Group's five largest customers and suppliers during the year ended 31 December 2019.

### PROPERTY, PLANT AND EQUIPMENT

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

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 22 to the consolidated financial statements.

### RESERVES

Details of movements in the reserves of the Company during the year are set out on page 203.

### DISTRIBUTABLE RESERVES OF THE COMPANY

At 31 December 2019, the Company had no reserves available for distribution (2018: Nil).

### EVENTS AFTER THE REPORTING PERIOD

The outbreak of COVID-19 coronavirus since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position and performance. The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include: i) negotiating with the landlords for rent concessions due to the reduced number of customers as overshadowed by the outbreak of COVID-19 coronavirus; and ii) the Group will strengthen its promotional efforts to maintain the Group's competitiveness, including closely cooperating with online ordering and delivery platforms to promote the delivery business. The Group will keep its contingency measures under review as the situation evolves. As far as the Group's businesses are concerned, the outbreak has materially and adversely impacted the revenue from restaurants' operations, some debtors' repayment abilities and turnover of inventory. As the extent to which the outbreak of COVID-19 coronavirus will continue is uncertain, it is not practicable to estimate the full financial effect that the outbreak of COVID-19 coronavirus may have on the Group's businesses as at the date when the financial statements are authorised to issue.

截至二零一九年十二月三十一日止年度，概無董事、任何彼等之緊密聯繫人或任何股東（據董事所知擁有本公司已發行股本5%以上者）於本集團五大客戶及供應商中擁有任何權益。

### 物業、廠房及設備

本集團物業、廠房及設備於年內之變動詳情載於綜合財務報表附註15。

### 股本

年內的本公司股本變動詳情載於綜合財務報表附註22。

### 儲備

本公司儲備於年內之變動詳情載於第203頁。

### 本公司可供分派儲備

於二零一九年十二月三十一日，本公司並無可供分派儲備（二零一八年：無）。

### 報告期間後事項

二零二零年初，COVID-19冠狀病毒疫情爆發後，為本集團經營環境帶來額外不穩定因素，對本集團的營運以及財務狀況及表現造成影響。本集團已密切監察事態發展對本集團業務的影響，以及制定應急措施應對。該等應急措施包括：i)與業主磋商減租，因為在COVID-19冠狀病毒疫情爆發的陰影下，客戶數目減少；及ii)本集團將加強其推廣活動，維持本集團的競爭力，包括與網上訂購及送貨平台緊密合作，促進送貨業務。本集團將隨情況發展，檢討其應急措施。就本集團的業務而言，疫情對餐廳的營運、若干債務人的還款能力及存貨周轉情況，構成重大不利影響。倘COVID-19冠狀病毒疫情的爆發繼續難以受控，則於財務報表獲授權發表當日，無法切實地估計COVID-19冠狀病毒疫情爆發可能對本集團業務的全面財務影響。

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 208.

## DIRECTORS

The Directors during the financial year and up to the date of this report were:

### Executive Directors

Mr. Hung Shui Chak (*Chairman*)  
Mr. So Kam Chuen  
Mr. Yuan Mingjie  
Mr. Chen Jun (resigned on 8 May 2020)  
Mr. Su Guicai (resigned on 1 March 2019)

### Independent Non-executive Directors

Mr. Ha Kee Choy Eugene  
Mr. Chan Chun Yiu Thomas  
Mr. Tam Bing Chung Benson (appointed on 1 March 2019)  
Mr. Mai Guangfan (resigned on 1 March 2019)

Pursuant to article 84(1) of the articles of association of the Company, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Mr. So Kam Chuen and Mr. Chan Chun Yiu Thomas shall retire from office by rotation at the forthcoming annual general meeting of the Company and shall then be eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

Mr. Ha Kee Choy Eugene, an independent non-executive Director, is not appointed for a specific term but is subject to retirement by rotation in accordance with the Company's articles of association. Mr. Chan Chun Yiu Thomas and Mr. Tam Bing Chung Benson, the other independent non-executive Directors, are appointed for a specific term and are subject to retirement by rotation in accordance with the Company's articles of association.

None of the Directors 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.

## 財務概要

本集團過去五個財政年度的業績及資產負債概要載於第208頁。

## 董事

於本財政年度及截至本報告日期，董事包括：

### 執行董事

洪瑞澤先生(主席)  
蘇錦存先生  
袁明捷先生  
陳軍先生(於二零二零年五月八日辭任)  
蘇貴才先生(於二零一九年三月一日辭任)

### 獨立非執行董事

夏其才先生  
陳浚曜先生  
譚秉忠先生(於二零一九年三月一日獲委任)  
麥廣帆先生(於二零一九年三月一日辭任)

根據本公司章程細則第84(1)條，在每屆股東週年大會上，當時三分之一的董事(若其人數並非三(3)的倍數，則以最接近但不少於三分之一的人數)將輪流退任，惟每位董事必須最少每三年於股東週年大會上退任一次。蘇錦存先生及陳浚曜先生將於本公司應屆股東週年大會上輪流退任，屆時將符合資格並願意於本公司應屆股東週年大會上重選連任。

獨立非執行董事夏其才先生並無按固定任期獲委任，惟彼等須根據本公司章程細則輪值退任。其他獨立非執行董事陳浚曜先生及譚秉忠先生按固定任期獲委任，且須遵照本公司章程細則輪值退任。

建議在應屆股東週年大會上重選連任之董事，概無與本公司訂立一年內在不作賠償(法定補償除外)下本公司不得終止之任何服務合約。



**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

**董事及主要行政人員於股份、相關股份及債權證的權益或淡倉**

As at 31 December 2019, the interests or short positions of the Directors and chief executives 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 (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as follows.

於二零一九年十二月三十一日，董事及本公司主要行政人員概無於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）股份、相關股份及債權證中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的權益或淡倉（包括彼等根據證券及期貨條例的有關條文被當作或視為擁有的權益或淡倉），或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據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的權益或淡倉如下：

Name of Director 董事姓名	Capacity 身份	Number of underlying shares held 所持相關股份數目	Number of shares held 所持股份數目	Total number of shares and underlying shares held 所持股份及相關股份總數	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比
					(Note 3) (附註3)

Mr. Hung Shui Chak 洪瑞澤先生	Interest of controlled corporation 受控制法團權益	—	3,231,666,250 (L) (Note 1) (附註1)	3,231,666,250 (L)	50.70%
Mr. So Kam Chuen 蘇錦存先生	Beneficial owner 實益擁有人	14,904,875 (L) (Note 2) (附註2)	44,714,625 (L)	59,619,500 (L)	0.94%

(L): Long position

(L): 好倉

Note 1: These 3,231,666,250 Shares were held by Shui Chak Group Limited. Shui Chak Group Limited was wholly-owned by Mr. Hung. Thus, Mr. Hung was deemed to be interested in the 3,231,666,250 Shares held by Shui Chak Group Limited pursuant to the SFO.

附註1：3,231,666,250股股份乃由瑞澤集團有限公司持有。瑞澤集團有限公司由洪先生全資擁有。故此，根據證券及期貨條例，洪先生被視為於瑞澤集團有限公司所持有的3,231,666,250股股份中擁有權益。

Note 2: These underlying Shares represented a maximum of 14,904,875 new Shares to be issued to Mr. So upon full conversion of the Convertible Bonds which, in an aggregate principal amount of HK\$1,527,749.6875 at a conversion price of HK\$0.1025 per Share, were issued to Mr. So on 4 July 2018.

附註2：該等相關股份指可換股債券獲悉數轉換後將向蘇先生發行的最多14,904,875股新股份，本金總額為1,527,749.6875港元，轉換價為每股0.1025港元，於二零一八年七月四日發行予蘇先生。

Note 3: The percentage is calculated on the basis of 6,373,602,437 shares of the Company in issue as at 31 December 2019.

附註3：該百分比乃按本公司於二零一九年十二月三十一日有6,373,602,437股已發行股份之基準計算。

Save as disclosed above, as at 31 December 2019, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一九年十二月三十一日外，董事或本公司主要行政人員並無於本公司及其相聯法團（定義見證券及期貨條例第XV部）股份、相關股份或債券中擁有或視為擁有根據證券及期貨條例第352條須記錄於該條所述登記冊的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

### 主要股東於股份、相關股份及債權證的權益及淡倉

As at 31 December 2019, the following persons or corporations (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules:

於二零一九年十二月三十一日，以下人士或公司（董事或本公司主要行政人員除外）按本公司根據證券及期貨條例第336條須存置的權益登記冊所示，或於根據證券及期貨條例第XV部第2及3分部的條文及上市規則須披露的本公司已發行股本中擁有5%或以上權益：

Name of shareholder	Capacity	Number of underlying shares held	Number of shares held	Total number of shares and underlying shares held	Approximate percentage of the issued share capital of the Company
股東姓名	身份	所持相關股份數目	所持股份數目	所持股份及相關股份總數	佔本公司已發行股本概約百分比
Shui Chak Group Limited 瑞澤集團有限公司	Beneficial owner 實益擁有人	—	3,231,666,250 (L) (Note 1) (附註1)	3,231,666,250 (L)	50.70%
Futec International Group Limited ("FIGL") 富德國際集團有限公司(「富德國際集團」)	Person having a security interest in shares 於股份擁有抵押權益之人士	—	3,231,666,250 (L) (Note 2) (附註2)	3,231,666,250 (L)	50.70%
Mr. Lau Kan Sum ("Mr. Lau") 劉根森先生(「劉先生」)	Interest of controlled corporation 受控制法團權益	—	3,231,666,250 (L) (Note 3) (附註3)	3,231,666,250 (L)	50.70%
Mr. Yau Kwok Wing Tony ("Mr. Yau") 邱國榮先生(「邱先生」)	Interest of controlled corporation 受控制法團權益	—	3,231,666,250 (L) (Note 4) (附註4)	3,231,666,250 (L)	50.70%

## Directors' Report 董事會報告書



(L): Long position

Note 1: These 3,231,666,250 Shares were held by Shui Chak Group Limited. Shui Chak Group Limited was wholly-owned by Mr. Hung. Thus, Mr. Hung was deemed to be interested in the 3,231,666,250 Shares held by Shui Chak Group Limited pursuant to the SFO.

Note 2: FIGL had a security interest in 3,231,666,250 shares. Accordingly, FIGL was deemed to be interested in the 3,231,666,250 shares representing approximately 50.70% of the total number of issued shares under the SFO.

Note 3: Mr. Lau held 100% interest in XJG Capital Management Limited, which in turn held 50% interest in FIH (BVI) Limited, which in turn held 100% interest in Futech International Holdings Limited, which in turn held 100% interest in FIGL. Accordingly, under the SFO, Mr. Lau was deemed to be interested in 3,231,666,250 shares in which FIGL had a security interest.

Note 4: Mr. Yau held 100% interest in Century Ally Ventures Limited, which in turn held 50% interest in FIH (BVI) Limited, which in turn held 100% interest in Futech International Holdings Limited, which in turn held 100% interest in FIGL. Accordingly, under the SFO, Mr. Yau was deemed to be interested in 3,231,666,250 shares in which FIGL had a security interest.

Note 5: The percentage is calculated on the basis of 6,373,602,437 shares of the Company in issue as at 31 December 2019.

Save as disclosed above, as at 31 December 2019, the Company had not been notified by any person or company, other than Directors or chief executives of the Company whose interest are set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in this report, who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register to be kept by the Company under section 336 of the SFO.

(L): 好倉

附註1: 3,231,666,250股股份乃由瑞澤集團有限公司持有。瑞澤集團有限公司由洪先生全資擁有。故此，根據證券及期貨條例，洪先生被視為於瑞澤集團有限公司所持有的3,231,666,250股股份中擁有權益。

附註2: 富德國際集團於3,231,666,250股股份中擁有抵押權益。故此，根據證券及期貨條例，富德國際集團被視為於該3,231,666,250股股份中擁有權益，佔已發行股份總數約50.70%。

附註3: 劉先生持有XJG Capital Management Limited全部權益，XJG Capital Management Limited持有FIH (BVI) Limited的50%權益，FIH (BVI) Limited持有富德國際控股有限公司全部權益，而富德國際控股有限公司則持有富德國際集團全部權益。故此，根據證券及期貨條例，劉先生被視為於富德國際集團擁有抵押權益的3,231,666,250股股份中擁有權益。

附註4: 邱先生持有Century Ally Ventures Limited全部權益，Century Ally Ventures Limited持有FIH (BVI) Limited的50%權益，FIH (BVI) Limited持有富德國際控股有限公司全部權益，而富德國際控股有限公司則持有富德國際集團全部權益。故此，根據證券及期貨條例，邱先生被視為於富德國際集團擁有抵押權益的3,231,666,250股股份中擁有權益。

附註5: 有關百分比乃以於二零一九年十二月三十一日之6,373,602,437股本公司已發行股份為基準計算。

除上文所披露者外，於二零一九年十二月三十一日，概無任何人士或公司(董事或本公司主要行政人員於本報告「董事及主要行政人員於股份、相關股份及債券證的權益或淡倉」所載之權益除外)曾知會本公司其於根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或於根據證券及期貨條例第336條須記錄於該條所述登記冊的本公司股份、相關股份或債券中擁有權益或淡倉。

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") which was approved by the written resolutions of all the Shareholders and adopted by the resolutions of the Board passed on 10 October 2010 (the "Adoption Date"). The Share Option Scheme is for a period of 10 years commencing from the Adoption Date, after which period no further options shall be granted.

The purpose of the Share Option Scheme is to reward the Participants (as defined below) who have contributed to the Group and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

Under the Share Option Scheme, the Board may offer (the "Offer") options to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors and any of their respective associates) and employees (including any of their associates) of the Group, companies owned by directors of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group (the "Participants"), to subscribe for Shares in the Company in accordance with the terms of the Share Option Scheme.

The total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 10% in nominal amount of the aggregate of Shares in issue on the listing date without prior approval from the Shareholders. The maximum number of Shares issued and to be issued upon exercise of the options granted to a single Participant under the Share Option Scheme and any other share option scheme of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

## 購股權計劃

本公司採納經全體股東以書面決議案批准並  
以於二零一零年十月十日(「採納日期」)通過  
的董事會決議案採納的購股權計劃(「購股權  
計劃」)。購股權計劃自採納日期起為期10年，  
其後將不得另行授出購股權。

購股權計劃旨在獎勵為本集團作出貢獻的參  
與者(定義見下文)，並鼓勵參與者致力於為  
本公司及其股東之整體利益而提升本公司及  
其股份的價值。

根據購股權計劃，董事會可向本集團董事(包  
括執行董事、非執行董事及獨立非執行董事  
以及彼等各自之任何聯繫人)及僱員(包括彼  
等之任何聯繫人)、本集團董事擁有的公司以  
及董事會依其唯一酌情權認為已經或將會為  
本集團作出貢獻之本集團任何成員公司的任  
何顧問、諮詢師、分銷商、承包商、供應  
商、代理、客戶、業務夥伴、合營業務夥  
伴、發起人、服務供應商(「參與者」)提呈可  
根據購股權計劃條款認購本公司股份之購股  
權(「要約」)。

未經股東事先批准，根據購股權計劃及本公  
司任何其他購股權計劃可授出的購股權之相  
關股份總數合共不得超過於上市日期已發行  
股份總數賬面值之10%。因行使根據購股權  
計劃及本公司任何其他購股權計劃而授予單  
一股東的購股權(包括已行使及尚未行使購  
股權)而已發行及將予發行的股份數目於任  
何12個月期間最多不得超過當時已發行股份  
之1%。

## Directors' Report 董事會報告書



Any Offer will remain open for acceptance by a Participant for 28 days from the date of grant and is deemed to be accepted when the Company receives from the relevant Participant the Offer letter signed by him/her specifying the number of Shares in respect of which the Offer is accepted and a remittance to the Company of HK\$1.00 as consideration for the grant of option. The option may be exercised at any time during the period to be determined and notified by the Board to the Participant at the time of making an Offer which shall not be later than 10 years from the date of grant. The exercise price will be determined by the Board, and but in any event shall not be less than the highest of (i) the nominal value of the Shares, (ii) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, or (iii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

There were no options outstanding, granted, exercised, cancelled or lapsed during the year ended 31 December 2019.

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

At no time during the financial year was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations (with the meaning of Part XV of the SFO).

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, no Directors or their respective associates (as defined in the Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Company.

任何要約自授出日期起計28日內可供參與者接納，並於本公司自相關參與者接獲列明所接納要約之相關股份數目的經其簽署的要約函件以及作為授出購股權的代價匯予本公司之1.00港元之時被視為已獲接納。購股權可於董事會於提出要約之時釐定並知會參與者之期間內隨時行使，惟自授出日期起計不得超過10年。行使價將由董事會釐定，惟無論如何不得低於(i)股份的賬面值，(ii)股份於授出日期在聯交所發佈的每日報價表所報的收市價，或(iii)股份於緊接授出日期前五個營業日在聯交所發佈的每日報價表所報的平均收市價三者中之最高者。

截至二零一九年十二月三十一日止年度，概無購股權尚未行使、已授出、已行使、已註銷或已失效。

### 董事購買股份或債券的權利

本公司或其任何控股公司、附屬公司或同系附屬公司於財政年度任何時間概無訂立任何安排促使董事及本公司主要行政人員(包括彼等的配偶及18歲以下子女)可於本公司或其相聯法團(定義見證券及期貨條例第XV部)股份、相關股份或債權證中持有任何權益或淡倉。

### 董事於競爭業務之權益

年內，概無董事或彼等各自之聯繫人(定義見上市規則)於與本公司業務直接或間接構成競爭或可能構成競爭之業務中擁有任何權益。

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance in relation to the Group's business to which any of the Company's subsidiaries and fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the year or at the end of the year.

## EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme as disclosed in the section headed "Share Option Scheme" above, no equity-linked agreements were entered into by the Company, or existed during the year under review.

## PERMITTED INDEMNITY PROVISION

Pursuant to Code Provision A.1.8 of the Corporate Governance Code set out under Appendix 14 to the Listing Rules and subject to the provisions of the Companies Ordinance, the Company has arranged for appropriate insurance cover for directors' and officers' liabilities in respect of any losses or liabilities incurred, or any legal actions brought against the directors and senior management of the Group which may arise out of corporate activities. The permitted indemnity provision is in force for the benefit of the directors as required by section 470 of the Companies Ordinance.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole and any substantial part of the business of the Company was entered into or in existence during the year.

## CONNECTED TRANSACTIONS

The Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules for the year ended 31 December 2019.

## 董事於交易、安排或合約之權益

除本年報所披露者外，概無本公司任何附屬公司及同系附屬公司有份訂約並與本集團業務有關，而董事或與董事有關連之實體直接或間接擁有重大利益之重大交易、安排或合約，於本年度任何時間或本年度末仍然存續。

## 股權掛鈎協議

除上文「購股權計劃」一節披露的購股權計劃外，於回顧年度，本公司並無訂立任何股權掛鈎協議，亦無現存此類協議。

## 經准許彌償準備金

根據上市規則附錄14所載企業管治守則守則條文第A.1.8條及根據公司條例規定，本公司已就本集團董事及高級管理層於經營業務過程中可能招致之一切損失或責任或任何法律行動投購合適董事及高級職員責任保險。基於董事利益的獲准許彌償條文乃根據公司條例第470條之規定生效。

## 管理合同

年內概無訂立任何有關本公司整體業務及任何重大部分的治理及行政管理的合同，或現存此類合同。

## 關連交易

截至二零一九年十二月三十一日止年度，本公司概無任何須遵守上市規則第14A章申報規定之關連交易。



## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

There was no material breach of or non-compliance with applicable laws and regulations by the Group during 2019 that has a significant impact on the business and operations of the Group.

## EMOLUMENT POLICY AND RETIREMENT BENEFITS

The emolument policy of the senior employees of the Company is set and recommended by the Remuneration Committee to the Board on the basis of the employees' merit, qualifications and competence.

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

The Company has adopted the Share Option Scheme as an incentive to the Directors and eligible employees of the Company, details of which are set out in the section headed "Share Option Scheme" above.

Details of the Company's retirement benefit plans are set out in note 9 to the consolidated financial statements.

## RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus the Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

The Group also understands that it is important to maintain good relationship with business partners to achieve its long-term goals. Accordingly, our management have kept good communication, promptly exchanged ideas and shared business update with them when appropriate. During the year, there was no material and significant dispute between the Group and its business partners.

## 遵守相關法律及法規

本集團於二零一九年概無適用法律及法規的重大違反或不合規情況，而對本集團業務及營運有重大影響。

## 薪酬政策及退休福利

本公司高級僱員的薪酬政策由薪酬委員會按僱員價值、資質及能力釐定，並向董事會作出建議。

董事的薪酬乃由薪酬委員會按本公司經營業績、董事個人表現及可資比較市場數據制定，並向董事會作出建議。

本公司已採納購股權計劃，作為對本公司董事及合資格僱員的獎勵，詳情載於上文「購股權計劃」一節。

本公司退休福利計劃詳情載於綜合財務報表附註9。

## 與利益相關人士的關係

本公司認同，僱員乃其寶貴資產。因此，本集團提供具競爭力之薪酬待遇，以吸引並激勵僱員。本集團定期檢討僱員之薪酬待遇，並會因應市場標準而作出必要調整。

本集團亦明白，與商業夥伴保持良好商業關係對達成其長遠目標而言屬至關重要。因此，管理層會在適當情況下與彼等保持良好溝通、適時交流想法及共享最新業務資料。年內，本集團與其商業夥伴並無重大而明顯之糾紛。

## KEY RISKS AND UNCERTAINTIES

The Company has reviewed the possible risks and uncertainties which may affect its operations, financial position and prospects. The following are the key risks and uncertainties identified by the Company that may materially and adversely affect the Group: (i) future growth of the Group depends on its ability to open and profitably operate new restaurants; (ii) historical financial and operating results of the Group are not indicative of future performance and the Group may not be able to achieve and sustain the historical level of growth for revenue and profitability; and (iii) results of operations of the Group may fluctuate significantly due to various factors that are beyond the control of the Group. For instance, the outbreak of COVID-19 coronavirus since early 2020 may pose significant impact on the Group's operations and financial position and performance for the 2020 financial year. Please refer to "Events After the Reporting Period" for details.

There may be other risks and uncertainties in addition to those shown below which are not known to the Company or which may not be material now but could turn out to be material in the future.

## TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to shareholders of the Company by reason of their holding of the Company's securities.

## PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

## 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 financial year.

## CORPORATE GOVERNANCE

Full details on the Company's corporate governance practices are set out on pages 35 to 50.

## 主要風險及不確定因素

本公司已審閱可能對其營運、財務狀況及前景構成影響之可能風險及不確定因素。以下為本公司已識別之主要風險及不確定因素，可能對本集團造成重大不利影響：(i)本集團的未來增長視乎其開辦新餐廳並從經營中獲利的能力；(ii)本集團的過往財務及經營業績並非未來表現的指標，而本集團或許無法達致及維持收益及盈利能力的歷史增長水平；及(iii)本集團的經營業績或會受本集團無法控制的各種因素影響而大幅波動，例如二零二零年初COVID-19冠狀病毒疫情爆發，可能會對本集團二零二零年財政年度的營運以及財務狀況及表現造成重大影響，有關詳情請參閱「報告期間後事項」。

除下文所示者外，本公司尚未知悉，或現時並不重大但未來可能變得重大之其他風險及不確定因素可能存在。

## 稅務寬免及豁免

本公司並不知悉本公司股東因持有本公司證券可獲任何稅務寬免及豁免。

## 優先購股權

本公司章程細則及開曼群島(即本公司註冊成立的司法權區)法例概無優先購股權條文。

## 購買、贖回或出售本公司上市證券

於財政年度，本公司或其任何附屬公司概無購買、贖回或出售任何本公司上市證券。

## 企業管治

本公司企業管治常規之全部詳情載於第35至50頁。



## AUDIT COMMITTEE

The Audit Committee was established with written terms of reference which are in line with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules and the Audit Committee comprises three independent non-executive Directors.

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2019.

## 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 report, the Company had maintained the public float as required under the Listing Rules.

## AUDITORS

The consolidated financial statements for the year ended 31 December 2019 have been audited by HLB Hodgson Impey Cheng Limited ("HLB") who will retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting.

By order of the Board  
**Hung Shui Chak**  
*Chairman*  
Hong Kong, 14 May 2020

## 審核委員會

本公司已成立審核委員會，並制定符合上市規則附錄十四所載企業管治常規的守則之書面職權範圍，審核委員會由三名獨立非執行董事組成。

審核委員會已審閱本集團截至二零一九年十二月三十一日止年度的綜合財務報表。

## 充足公眾持股量

根據本公司所獲資料及就董事所知，截至本報告日期，本公司已維持上市規則規定的公眾持股量。

## 核數師

截至二零一九年十二月三十一日止年度之綜合財務報表已由國衛會計師事務所有限公司（「國衛」）審核，其將於應屆股東週年大會退任及符合資格並願意膺選連任。

承董事會命  
主席  
**洪瑞澤**  
香港，二零二零年五月十四日



## CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the shareholders of the Company as a whole. Thus, the Company adopted the principles and the code provisions of the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Listing Rules.

During the year under review, the Company complied with the CG Code except for the deviation from the code provisions which are explained below.

### Code Provision A.2.1

The role of the chairman of the Board is performed by Mr. Hung Shui Chak who possesses essential leadership skills and has extensive knowledge in the business of the Group. The Board believes that vesting the role of the chairman in Mr. Hung provides the Company with strong and consistent leadership, facilitates effective and efficient planning, implementation of business decisions and strategies, and ensures the generation of benefits to the shareholders of the Company.

Although the appointment of the chief executive officer of the Company remains outstanding, the overall management of the Company is performed by the executive Directors and the senior management of the Group whom have extensive experience in the business of the Group. Their respective areas of profession spearhead the Group’s overall development and business strategies.

### Code Provision A.4.1

Under the code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. Mr. Ha Kee Choy Eugene, an independent non-executive Director, is not appointed for a specific term as required under code provision A.4.1 but is subject to retirement by rotation and re-election at annual general meeting in accordance with the Company’s articles of association. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

## 企業管治

董事認同為達致向本公司整體股東有效的問責性，在本集團管理架構及內部控制程序引進良好企業管治元素非常重要。因此，本公司採用上市規則附錄十四所載的企業管治守則（「企業管治守則」）的原則及守則條文。

於回顧年度，本公司已遵守企業管治守則，惟下文闡述偏離守則條文的情況除外：

### 守則條文第A.2.1條

由洪瑞澤先生擔任董事會主席，彼具備必要的領導技能，並對本集團業務擁有深入的了解。董事會認為，主席一職由洪先生擔任，令本公司之領導強勢及貫徹一致，可促進有效及快速計劃及實行業務決策及策略，確保本公司股東的整體利益。

儘管尚未委任本公司行政總裁，本公司的整體管理由對本集團業務具備豐富經驗的執行董事及本集團高級管理層實施。彼等各自的專業範圍引導了本集團整體發展及業務策略。

### 守則條文第A.4.1條

根據企業管治守則守則條文第A.4.1條，非執行董事須按固定任期獲委任，並須重選連任。獨立非執行董事夏其才先生並無根據守則條文第A.4.1條之規定按固定任期獲委任，惟彼等須根據本公司章程細則於股東週年大會輪值退任及重選連任。因此，本公司認為已採取足夠措施以確保本公司奉行良好企業管治慣例。



## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the required standard for securities transactions by directors. The prohibitions on securities dealing and disclosure requirements in the Model Code apply to specified individuals including the Group's senior management and also persons who are privy to price sensitive information of the Group. The Company has made specific enquiries of all Directors held offices during the year under review. All of them have confirmed that they complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the year ended 31 December 2019.

## BOARD OF DIRECTORS

### Composition of the Board of Directors

The Board comprises three executive Directors, namely Mr. Hung Shui Chak (being the chairman), Mr. So Kam Chuen and Mr. Yuan Mingjie; and three independent non-executive Directors, namely Mr. Ha Kee Choy Eugene, Mr. Chan Chun Yiu Thomas and Mr. Tam Bing Chung Benson. This constitutes a deviation from code provision A.2.1 of the CG Code but the Board believes that vesting the role of the chairman in Mr. Hung provides the Company with strong and consistent leadership, facilitates effective and efficient planning, implementation of business decisions and strategies, and ensures the generation of benefits to the Shareholders.

Although the appointment of the chief executive officer of the Company remains outstanding, the overall management of the Company is performed by the executive Directors and the senior management of the Group whom have extensive experience in the business of the Group. Their respective areas of profession spearhead the Group's overall development and business strategies. Biographical information of the Directors and the senior management of the Group is set out in the section headed "Board of Directors and Senior Management" of this annual report.

Appropriate liability insurance for the Directors has been arranged for indemnifying their liabilities arising out of corporate activities.

## 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則作為董事進行證券交易的規定標準。標準守則就證券買賣之限制及披露規定適用於特定個別人士，包括本集團之高級管理人員及其他知悉可影響股價之本集團資料之人士。本公司已向年內在任的全體董事作出具體查詢。全體董事確認，於截至二零一九年十二月三十一日止年度，彼等已遵守標準守則及董事進行證券交易的操守守則的規定標準。

## 董事會

### 董事會的組成

董事會由三名執行董事，即洪瑞澤先生(主席)、蘇錦存先生及袁明捷先生；以及三名獨立非執行董事，即夏其才先生、陳浚曜先生及譚秉忠先生組成。此舉有違企業管治守則之守則條文第A.2.1條，惟董事會認為主席一職由洪先生擔任，令本公司之領導強勢及貫徹一致，可促進有效及快速計劃及實行業務決策及策略，確保股東的整體利益。

儘管尚未委任本公司行政總裁，本公司的整體管理由對本集團業務具備豐富經驗的執行董事及本集團高級管理層實施。彼等各自的專業範圍引導了本集團整體發展及業務策略。董事及本集團高級管理層實施之履歷詳情載於本年報「董事會及高級管理層」一節。

本公司已為董事安排適當之責任保險，就彼等因企業活動須承擔之責任給予彌償。



### Functions of the Board

The principal function of the Board is to consider and approve strategies, financial objectives, annual budget, investment proposals of the Group and to assume the responsibilities of corporate governance of the Group. The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, management of the Company and certain specific responsibilities to the Board committees.

### Board Meetings and Board Practices

During the year ended 31 December 2019, the Board held five board meetings. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association. All Directors may access the advice and services of the company secretary who regularly updates the Board on governance and regulatory matters. All Directors will also be provided with sufficient resources to discharge their duties, and upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expense. All minutes of board meetings were recorded in sufficient detail of the matters considered by the Board and the decisions reached.

### 董事會的職能

董事會的主要職能為考慮及批核本集團的策略、財務目標、年度預算及投資建議，以及承擔本集團企業管治的責任。董事會將執行日常運作、業務策略及本集團業務管理的權力及責任授予執行董事及本公司管理層，並將若干具體責任授予董事會屬下委員會。

### 董事會會議及董事會常規

於截至二零一九年十二月三十一日止年度內，董事會召開了五次董事會會議。根據本公司章程細則，董事可親身或透過其他電子通訊方式出席會議。公司秘書向全體董事提供意見及服務，並定期向董事會提供管治及規管事宜的最新資料。所有董事亦將獲得充分的資源以履行其職責，並在合理的要求下，可按合適的情況尋求獨立專業意見，費用由本公司承擔。董事會會議的所有會議記錄需足夠詳細地記錄董事會已考慮的事項及作出的決定。

# Corporate Governance Report

## 企業管治報告



For the year ended 31 December 2019, five board meetings and one annual general meeting were held. Details of the attendance of Directors are as follows:

截至二零一九年十二月三十一日止年度，已舉行五次董事會會議及一次股東週年大會。董事之出席詳情如下：

Name of the Director 董事姓名	Board Meetings 董事會會議	Annual General Meeting 股東週年大會
<b>Executive Directors</b> 執行董事		
Mr. Hung Shui Chak 洪瑞澤先生	5/5	1/1
Mr. So Kam Chuen 蘇錦存先生	5/5	1/1
Mr. Yuan Mingjie 袁明捷先生	5/5	1/1
Mr. Chen Jun (resigned on 8 May 2020) 陳軍先生(於二零二零年五月八日辭任)	5/5	1/1
Mr. Su Guicai (resigned on 1 March 2019) 蘇貴才先生(於二零一九年三月一日辭任)	1/1	0/0
<b>Independent Non-executive Directors</b> 獨立非執行董事		
Mr. Ha Kee Choy Eugene 夏其才先生	5/5	1/1
Mr. Chan Chun Yiu Thomas 陳浚曜先生	5/5	1/1
Mr. Tam Bing Chung Benson (appointed on 1 March 2019) 譚秉忠先生(於二零一九年三月一日獲委任)	3/4	1/1
Mr. Mai Guangfan (resigned on 1 March 2019) 麥廣帆先生(於二零一九年三月一日辭任)	0/1	0/0

## CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS 董事之持續專業發展

For the year ended 31 December 2019, the Directors have participated in the following continuous professional development to develop and refresh their knowledge and skills:

於截至二零一九年十二月三十一日止年度，董事已參與以下持續專業發展，以發展及改進彼等之知識及技能：

Name of the Director 董事姓名	Attending seminars conducted by professional parties 出席專業人士主講之講座	Reading materials relating to directors' development and duties 閱讀有關董事發展及職務之材料	Attending in-house briefings 參加公司內部簡報
Mr. Hung Shui Chak 洪瑞澤先生		✓	✓
Mr. So Kam Chuen 蘇錦存先生		✓	
Mr. Yuan Mingjie 袁明捷先生		✓	
Mr. Chen Jun (resigned on 8 May 2020) 陳軍先生(於二零二零年五月八日辭任)		✓	
Mr. Ha Kee Choy Eugene 夏其才先生	✓	✓	
Mr. Chan Chun Yiu Thomas 陳浚曜先生	✓	✓	✓
Mr. Tam Bing Chung Benson (appointed on 1 March 2019) 譚秉忠先生(於二零一九年三月一日獲委任)		✓	✓

### Directors' Appointment, Re-election and Removal

By virtue of article 83(3) of the articles of association of the Company, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

### 委任、重選及罷免董事

根據本公司的章程細則第83(3)條，董事有權不時及隨時委任任何人士為董事以填補臨時董事空缺或增添董事。獲委任填補臨時空缺的任何董事須一直擔任該職務，直至本公司舉行其獲委任後的首屆股東大會為止，並於該大會上膺選連任，而獲委任新加入現行董事會的任何董事，則須擔任該職務直至本公司舉行下屆股東週年大會為止，並於該大會上合資格膺選連任。

## Corporate Governance Report 企業管治報告



In compliance with the code provision in A.4.2 of the CG Code all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the article 84(1) of the articles of association of the Company, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

A letter of appointment has been entered into between Mr. Ha Kee Choy Eugene, an independent non-executive Director, and the Company, which does not specify any fixed term of service and may be terminated by either party giving to the other not less than one-month prior notice in writing. In addition, each of Mr. Hung Shui Chak, Mr. So Kam Chuen and Mr. Yuan Mingjie, the executive Directors, has entered into a service contract with the Company for an initial term of 3 years and shall continue thereafter until terminated by either party by giving three (3) months' notice in writing at any time after such initial term to the other. Moreover, each of Mr. Chan Chun Yiu Thomas and Mr. Tam Bing Chung Benson, the other independent non-executive Directors, has entered into an appointment letter with the Company for an initial term of 3 years which may be terminated by either party by giving three (3) months' notice in writing at any time after such initial term to the other.

### Independent Non-executive Directors

Throughout the year and up to the date of this report, the Company complied and fulfilled with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the number of independent non-executive directors representing at least one-third of the board and that at least one of the independent non-executive directors has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from each of the current independent non-executive Directors an annual confirmation of their independence to Rules 3.13 of Listing Rules and the Board considers them to be independent during the year under review.

遵照企業管治守則的守則條文第A.4.2條的規定，全體董事必須最少每三年輪流退任一次。此外，根據本公司章程細則第84(1)條，在每屆股東週年大會上，當時三分之一的董事（若其人數並非三(3)的倍數，則以最接近但不超過三分之一的人數）將輪流退任，惟每位董事必須最少每三年於股東週年大會上退任一次。

獨立非執行董事夏其才先生已與本公司訂立委任函，當中並無列明任何固定任期，且可由任何一方向另一方發出不少於一個月事先書面通知予以終止。此外，執行董事洪瑞澤先生、蘇錦存先生及表明捷先生與本公司訂立服務合約，初步為期三年，其後將持續有效，直至任一方於有關初始期間後任何時間向另一方發出三(3)個月書面通知終止為止。此外，餘下的獨立非執行董事，即陳浚曜先生及譚秉忠先生各自與本公司訂立委任函，初步為期三年，可由任一方於有關初始期間後任何時間向另一方發出三(3)個月書面通知終止。

### 獨立非執行董事

於年內及直至本報告日期，本公司已遵守及履行上市規則第3.10(1)、3.10(2)及3.10A條，規則內容有關獨立非執行董事人數佔董事會成員人數至少三分之一，其中最少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

本公司已收到現任獨立非執行董事各自根據上市規則第3.13條發出的年度獨立確認書，董事會認為彼等於回顧年度為獨立人士。

## Delegation of Powers

The Board delegates day-to-day operations of the Group to executive Directors and management of the Company responsible for different aspects of the business/functions, while reserving certain key matters in making strategic decision for its approval. When the Board delegates aspects of its management and administration functions to management, it gives clear directions as to the powers of management, in particular, with respect to the circumstances where management need to report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

## BOARD COMMITTEES

### Audit Committee

The Audit Committee was established on 10 October 2010 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision C.3.3 of the CG Code as set out in Appendix 14 to the Listing Rules. As at the date of this annual report, the Audit Committee comprises all three independent non-executive Directors, namely Mr. Ha Kee Choy Eugene (Chairman of the Audit Committee), Mr. Chan Chun Yiu Thomas and Mr. Tam Bing Chung Benson, with written terms of reference which are available on the website of the Stock Exchange and the website of the Company. At least one of the members of the Audit Committee possesses appropriate professional accounting qualification as defined under the Listing Rules. The primary duties of the Audit Committee are, inter alia, to provide the Board with an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

### 授權

董事會授權執行董事及本公司管理層負責本集團的日常營運，負責不同的業務職責，惟若干重大事項的策略決定仍須經董事會批准。董事會授權管理層負責管理及行政職務時會對管理層的權力作出明確指示，特別是代表本公司作出決定或訂立任何承擔前須向董事會報告並獲董事會事先批准。

### 董事委員會

#### 審核委員會

本公司於二零一零年十月十日成立審核委員會，並遵照上市規則第3.21條及上市規則附錄十四企業管治守則之守則條文第C.3.3條制定書面職權範圍。於本年報日期，審核委員會由全部三名獨立非執行董事組成，即夏其才先生(審核委員會主席)、陳浚曜先生及譚秉忠先生，並訂立書面職權，可於聯交所及本公司網站查閱。審核委員會至少一名成員擁有上市規則界定的合適專業會計資質。審核委員會的主要職責是(其中包括)就本集團財務報告程序、內部控制及風險管理制度的有效程度向董事會提供獨立檢討，監管審計程序及履行董事會所委派的其他職務及責任。

# Corporate Governance Report

## 企業管治報告



During the year ended 31 December 2019, the Audit Committee held two meetings to review, among other things, the financial reporting process, internal controls and risk management systems of the Group, the effectiveness of the internal audit function of the Group, the Company's reports and accounts including the interim and annual results of the Group and provide advice and recommendations to the Board. The Audit Committee also met with the external auditors twice to discuss the financial reporting process and internal controls of the Group during the year and reviewed the interim report of the Company for the six months ended 30 June 2019 and the annual report of the Company for the year ended 31 December 2019. The attendance records of the members of the Audit Committee are set out below:

截至二零一九年十二月三十一日止年度，審核委員會舉行了兩次會議，以審閱(其中包括)本集團的財務申報程序、內部監控及風險管理系統、本集團內部審核職能的成效、本公司報告及賬目，包括本集團中期及年度業績，以及向董事會提供意見及建議。審核委員會亦與外部核數師會面兩次，以討論本集團年內的財務申報程序及內部監控，並已審閱本公司截至二零一九年六月三十日止六個月的中期報告及本公司截至二零一九年十二月三十一日止年度的年報。審核委員會成員的出席記錄載列如下：

Name of Director 董事姓名	Audit Committee Meeting 審核委員會
Mr. Ha Kee Choy Eugene 夏其才先生	2/2
Mr. Chan Chun Yiu Thomas 陳浚耀先生	2/2
Mr. Tam Bing Chung Benson (appointed on 1 March 2019) 譚秉忠先生(於二零一九年三月一日獲委任)	2/2
Mr. Mai Guangfan (resigned on 1 March 2019) 麥廣帆先生(於二零一九年三月一日辭任)	0/0

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2019.

審核委員會已審閱本集團截至二零一九年十二月三十一日止年度的綜合財務報表。

### Remuneration Committee

### 薪酬委員會

The Remuneration Committee was established on 10 October 2010 with written terms of reference in compliance with code provision B.1.2 of the CG Code as set out in Appendix 14 to the Listing Rules. As at the date to this annual report, the Remuneration Committee comprises three independent non-executive Directors, namely Mr. Tam Bing Chung Benson (Chairman of the Remuneration Committee), Mr. Ha Kee Choy Eugene and Mr. Chan Chun Yiu Thomas, with written terms of reference which are available on the website of the Stock Exchange and the website of the Company. The primary duties of the Remuneration Committee include (but without limitation): (a) making recommendations to the Directors on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (b) determining the terms of the specific remuneration package of

本公司於二零一零年十月十日成立薪酬委員會，並遵照上市規則附錄十四企業管治守則之守則條文第B.1.2條制定書面職權範圍。於本年報日期，薪酬委員會由三名獨立非執行董事組成，即譚秉忠先生(薪酬委員會主席)、夏其才先生及陳浚耀先生，其書面職權範圍可於聯交所網站及本公司網站查閱。薪酬委員會的主要職責包括(但不限於)：(a)就全體董事及高級管理層的薪酬政策及結構，以及就制訂該等薪酬政策設立正式而具透明度的程序，向董事作出建議；(b)釐定董事及高級

the Directors and senior management; (c) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time; and (d) considering and approving the grant of share options to eligible Participants under the Share Option Scheme.

The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Group's performance, the remuneration benchmark in the industry and the prevailing market conditions. During the year ended 31 December 2019, the Remuneration Committee held two meetings to review, among other things, the remuneration policy of the Company and make recommendations to the Board on the remuneration of the Directors. The attendance records of the members of the Remuneration Committee are set out below:

管理層的具體薪酬福利條款；(c) 參照董事不時議決的公司目標及宗旨，檢討及批准按表現為基準的薪酬；及(d) 審議及批准向購股權計劃的合資格參與者授予購股權。

董事的薪酬乃根據個人表現及經驗，以及參考本集團的表現、行內薪酬基準及當前市況釐定。截至二零一九年十二月三十一日止年度，薪酬委員會舉行了兩次會議以審閱(其中包括)本公司的薪酬政策及就董事的薪酬向董事會提出推薦建議。薪酬委員會成員的出席記錄載列如下：

Name of Director 董事姓名	Remuneration Committee Meeting 薪酬委員會會議
Mr. Ha Kee Choy Eugene 夏其才先生	2/2
Mr. Chan Chun Yiu Thomas 陳浚曜先生	2/2
Mr. Tam Bing Chung Benson (appointed on 1 March 2019) 譚秉忠先生(於二零一九年三月一日獲委任)	1/1
Mr. Mai Guangfan (resigned on 1 March 2019) 麥廣帆先生(於二零一九年三月一日辭任)	0/1

### Remuneration Policy for Directors and Senior Management

The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

The emoluments of the Directors are recommended and determined by the Remuneration Committee, having regard to the corporate goals and objectives resolved by Directors from time to time. Directors are entitled to an aggregate annual basic salary. In addition, each of the Directors is also entitled to a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group.

### 董事及高級管理層的薪酬政策

本集團僱員的薪酬政策按彼等的價值、資質及能力而釐定。

董事酬金乃經考慮董事不時議決的公司目標，由薪酬委員會建議及釐定。董事有權享有基本年薪總額。此外，各董事亦可有權享有薪酬委員會經參考本集團業績而釐定的酌情花紅。

# Corporate Governance Report

## 企業管治報告



The Company adopted the Share Option Scheme on 10 October 2010. The purpose of the Share Option Scheme is to reward eligible Participants who have contributed to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

### Nomination Committee

The Nomination Committee was established on 10 October 2010 with written terms of reference of the Company in compliance with code provision A.5.2 of the CG Code as set out in Appendix 14 to the Listing Rules. As at the date of this annual report, the Nomination Committee comprises one executive Director and two independent non-executive Directors, namely Mr. Chan Chun Yiu Thomas (Chairman of the Nomination Committee), Mr. Ha Kee Choy Eugene and Mr. Hung Shui Chak, with written terms of reference which are available on the website of the Stock Exchange and the website of the Company. The primary duties of the Nomination Committee are, inter alia, to formulate the nomination procedures and standards for candidates for Directors and senior management, to conduct preliminary review of the qualifications and other credentials of the candidates for Directors and senior management and to recommend suitable candidates for Directors and senior management to the Board.

The Board has adopted a nomination policy (the "Nomination Policy"). A summary of this policy is disclosed as below.

#### 1. Criteria

The Nomination Committee and/or the Board shall consider the following criteria in evaluating and selecting candidates for directorships:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy.
- Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments.

本公司於二零一零年十月十日採納購股權計劃。購股權計劃旨在獎勵對本集團有貢獻之合資格參與者，並鼓勵參與者致力為本公司及其股東之整體利益提升本公司及其股份的價值。

### 提名委員會

本公司於二零一零年十月十日成立提名委員會，並遵照上市規則附錄十四企業管治守則之守則條文第A.5.2條制定書面職權範圍。於本年報日期，提名委員會由一名執行董事及兩名獨立非執行董事組成，即陳浚曜先生(提名委員會主席)、夏其才先生及洪瑞澤先生，其書面職權範圍可於聯交所網站及本公司網站查閱。提名委員會的主要職責為(其中包括)就董事及高級管理層人選制定提名程序及標準，以初步審閱董事及高級管理層人選的資格及其他重要證明，並向董事會推薦合適的董事及高級管理層人選。

董事會已採用提名政策(「提名政策」)。該政策之概要披露如下。

#### 1. 準則

提名委員會及／或董事會在評估及甄選候任董事時應考慮以下因素：

- 品格及誠信。
- 資格，當中包括與本公司業務及公司策略相關之專業資格、技能、知識及經驗。
- 願意投入充足時間履行作為董事會成員及其他董事職責以及重大承擔。

- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Diversity policy and any measurable objectives adopted by the Company for achieving diversity on the Board.
- Such other perspectives appropriate to the Company's business.

## 2. Nomination Process

### 2.1 Appointment of New Director

- 2.1.1 The Nomination Committee and/or the Board shall, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out in section 1 to determine whether such candidate is qualified for directorship.
- 2.1.2 If the process yields one or more desirable candidates, the Nomination Committee and/or the Board shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- 2.1.3 The Nomination Committee shall make recommendation to the Board in respect of the appointment of appropriate candidate for directorship.
- 2.1.4 For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board shall evaluate such candidate based on the criteria as set out in section 1 to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendation to shareholders in respect of the proposed election of director at the general meeting.

- 根據上市規則規定為董事會設立獨立董事，以及候選人是否會根據上市規則所載獨立指引被視為獨立董事。
- 多元化政策及本公司為實現董事會成員多元化而採取之任何可計量目標。
- 適用於本公司業務之其他範疇。

## 2. 提名程序

### 2.1 委任新董事

- 2.1.1 提名委員會及／或董事會應在接獲有關委任新董事的建議及候選人的履歷(或相關詳情)後，根據第1節所列之準則評估該候選人，以確定該候選人是否合資格擔任董事。
- 2.1.2 倘提名程序產生一個或多個理想的候選人，則提名委員會及／或董事會應根據本公司的需要及各候選人的資歷查核結果(如適用)將彼等按優先順序排名。
- 2.1.3 提名委員會應就委任合適人選擔任董事向董事會提出建議。
- 2.1.4 就任何股東在本公司股東大會上就董事選舉提名之候選人而言，提名委員會及／或董事會應根據第1節所列之準則對該候選人進行評估，以確定該候選人是否合資格擔任董事，如有需要，提名委員會及／或董事會應在股東大會上就建議選舉董事向股東提出推薦建議。

# Corporate Governance Report

## 企業管治報告



### 2.2 Re-election of Director at General Meeting

2.2.1 The Nomination Committee and/or the Board shall review the overall contribution and service to the Company of the retiring director including his/her attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board.

2.2.2 The Nomination Committee and/or the Board shall also review and determine whether the retiring director continues to meet the criteria as set out in section 1.

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

During the year ended 31 December 2019, the Nomination Committee held two meetings to review, among other things, the structure, size and composition of the Board; to assess the appropriate mix of skills, experience, knowledge, expertise and diversity on the Board; to review the Board Diversity Policy (as defined below) and monitor its implementation; to review the independence of the independent non-executive Directors; to recommend the appointment of new Directors; and to consider the qualifications of the retiring Directors standing for election at the annual general meeting of the Company. The attendance records of the members of the Nomination Committee are set out below:

#### Name of Director 董事姓名

Mr. Chan Chun Yiu Thomas  
陳浚曜先生  
Mr. Ha Kee Choy Eugene  
夏其才先生  
Mr. Hung Shui Chak  
洪瑞澤先生

Since 31 March 2016, the Board has adopted a board diversity policy (the "Board Diversity Policy") setting out the approach to achieve diversity on the Board.

### 2.2 在股東大會上重選董事

2.2.1 提名委員會及／或董事會應審查退任董事對本公司的整體貢獻及其服務，當中包括其出席董事會會議以及(如適用)股東大會的次數以及其在董事會的參與程度及表現。

2.2.2 提名委員會及／或董事會亦應審查並確定退任董事是否繼續符合第1節所列準則。

2.2.3 提名委員會及／或董事會應就建議在股東大會上重選董事向股東提出推薦建議。

截至二零一九年十二月三十一日止年度，提名委員會舉行了兩次會議，以審閱(其中包括)董事會的架構、規模及組成;評估董事會的技能、經驗、知識、專長及多元化組合的適當性;審閱董事會成員多元化政策(定義見下文)及監察其實施;審閱獨立非執行董事的獨立性;推薦新董事的任命;以及考慮於本公司股東週年大會選舉的退任董事的資格。提名委員會成員的出席記錄載列如下:

#### Nomination Committee Meeting 提名委員會會議

2/2  
2/2  
2/2

自二零一六年三月三十一日起，董事會已採納董事會成員多元化政策(「董事會成員多元化政策」)，列載為達致成員多元化之方針。

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects including, but not limited to, educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

## ACCOUNTABILITY AND AUDIT

### Directors' and Auditors' Responsibilities for the Financial Statements

The Board acknowledges its responsibility to prepare the Group's financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements for the year ended 31 December 2019, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

### Auditors' Remuneration

The remuneration in respect of audit and non-audit services for the year ended 31 December 2019 provided by the auditors of the Company, HLB, are as follows:

Type of Services 服務類別		RMB'000 人民幣千元
Audit services	核數服務	1,600
Non-audit services	非核數服務	—
Total	總計	1,600

為達致持續及平衡之發展，本公司視提升董事會層面之成員多元化方針為達到其策略目標及持續發展為之主要元素。在策劃董事會之組成架構方面，董事會成員多元化會考慮眾多因素，包括但不限於教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並參照客觀標準及審慎考慮董事會成員多元化的裨益下，以甄別各候選人。

## 問責及審核

### 董事及核數師對財務報表的責任

董事會知悉有責任編製本集團各財政期間的財務報表，以真實而公允地呈列本集團該期間的財務狀況及業績與現金流量。編製截至二零一九年十二月三十一日止年度的財務報表時，董事會已選取適用會計政策並貫徹使用，並審慎、公允而合理地作出判斷及估計，以及按持續經營基準編製財務報表。董事有責任作出一切合理而必要的步驟，保護本集團的資產，並且防止及偵查欺詐及其他不正常情況。

### 核數師酬金

有關本公司核數師國衛於截至二零一九年十二月三十一日止年度提供核數服務及非核數服務之酬金如下：

# Corporate Governance Report

## 企業管治報告



### CORPORATE GOVERNANCE FUNCTIONS

The Board has the following responsibilities:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations from time to time;
- (b) to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and the employees of the Group; and
- (e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is their responsibility to maintain effectiveness of the Group's internal control and risk management systems. Internal control designs are implemented to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss. Such controls cover major areas such as corporate governance, revenue and receipt cycle, expenses and payment cycle, financial reporting and compliance management. The Audit Committee evaluates the effectiveness of the internal control and risk management systems of the Group on behalf of the Board.

The Group's risk management process includes identification, evaluation, implementation of mitigation measures and review. In order to further ensure compliance with relevant statutory requirements, the Group engages external professional advisers, such as consultancy firms, auditors and external legal advisers to render professional advice so as to comply with statutory requirements (including PRC rules and regulations and the Listing Rules) as applicable to the Group from time to time. The Group had provided Directors with training, development programs and/or updates regarding the legal and regulatory requirements applicable to the business operations of the Group.

### 企業管治職能

董事會職責如下：

- (a) 制定及檢討本公司之企業管治政策及常規，並不時提出建議；
- (b) 檢討及監察本集團董事及高級管理人員之培訓及持續專業發展；
- (c) 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；
- (d) 制定、檢討及監察董事及本集團僱員之操守準則及合規手冊(如有)；及
- (e) 檢討本公司遵守守則之情況及在企業管治報告內之披露。

### 風險管理及內部監控

董事會認同其有責任維持本集團內部監控與風險管理系統行之有效。實行內部監控設計，旨在管理而非杜絕未能達致業務目標的風險，並僅可就重大失實或損失提供合理而非絕對的保證。有關監管涵蓋例如企業管治、收益及收款周期、開支及付款周期、財務報告及合規管理等重要範疇。審核委員會代表董事會，評估本集團的內部監控風險管理系統的效能。

本集團的風險管理程序包括辨別、評估、實行緩解程序及審議。為了進一步確保遵從相關法定規例，本集團委聘外部專業顧問如顧問公司、核數師及外部法律顧問提供專業意見，讓本集團不時遵從適用的法定規例(包括中國法例及法規和上市規則)。本集團亦為董事提供培訓、發展課程及/或適用於本集團業務營運的法律及監管規定的最新進展。



## Corporate Governance Report 企業管治報告

During the year, the Group engaged a professional internal control consultant to conduct a review of the Group's internal control design effectiveness, including controls and procedures over enterprise risk management, revenue & receivable cycle (customer credit management), cash management & treasury cycle, property, plant & equipment cycle, financial reporting & disclosure control and compliance risk management.

The internal control consultant reported directly and primarily to the Audit Committee and assist the Board in monitoring and managing the risks and internal controls of the Group. Internal control design weaknesses and recommendations for areas of improvements have been reported to the Audit Committee. The Group has established management action plan to implement the internal control enhancement measures recommended by the internal control consultant.

The Audit Committee concluded that there were no significant internal control failings, weaknesses or significant areas of concern identified during the year which might affect our shareholders. It opined that an adequate and effective internal control system is maintained to safeguard the shareholders' investment and the Group's assets.

### COMPANY SECRETARY

Mr. Wong Chun Kit ("Mr. Wong"), is engaged and appointed by the Company from an external secretarial services provider as its Company Secretary. The primary corporate contact person of the Company is Mr. Hung Shui Chak, an executive Director. Mr. Wong confirmed that he has received 15 hours professional training under the requirement of Rule 3.29 of the Listing Rules during the year under review.

### INVESTORS AND SHAREHOLDERS RELATIONS

The Board recognises the importance of maintaining clear, timely and effective communication with the Shareholders and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure that the investors and the Shareholders receive accurate, clear, comprehensive and timely information of the Group by the publication of annual reports, interim reports, announcements and circulars. The Company also publishes all documents on the Company's website at <http://www.cre8ir.com/longhui/>. The Board continues to maintain regular dialogues with institutional investors and analysts to keep them informed of the Group's strategy, operations, management and plans. The Directors and the committee members are available to answer questions at annual general meetings of the Company. Separate resolutions would be proposed at general meetings of the Company on each substantially separate issue.

年內，本集團已委聘一名專業內部監控顧問，檢討本集團的內部監管設計效能，包括企業風險管理的監控和程序、收益及收款周期(客戶信用管理)、資金管理及庫務周期、物業、廠房及設備周期、財務呈報及披露監控及合規風險管理。

內部監控顧問直接及主要向審核委員會匯報，並協助董事會監察和管理本集團的風險及內部監控。有關內部監控設計的缺陷和改善範圍的建議，已向審核委員會匯報。本集團已設立管理層行動方案，執行內部監控顧問所建議的提高內部監控措施。

審核委員會的得出的結論為於本年度，內部監控並無重大缺點、弱點或察覺到可能影響股東的重大關注所在範圍。審核委員會認為，本集團維持充足及有效的內部監控系統，保障股東投資及本集團資產。

### 公司秘書

王震傑先生(「王先生」)乃本公司自外間秘書服務提供商聘請及委任為其公司秘書。本公司之主要公司聯繫人為執行董事洪瑞澤先生。王先生確認彼於回顧年度已根據上市規則第3.29條接受十五小時之專業培訓。

### 投資者及股東關係

董事會認同與股東及投資者保持清晰、及時而有效的溝通的重要性。董事會亦認同與投資者進行有效溝通是建立投資者信心及吸引新投資者的關鍵所在。因此，本集團致力保持高透明度，確保投資者及股東通過刊發年報、中期報告、公佈及通函得到準確、清晰、完整而及時的本公司資料，而本公司亦在公司網站<http://www.cre8ir.com/longhui/>刊登全部文件。董事會與機構投資者及分析員保持定期溝通，讓彼等得悉本集團的策略、營運、管理及計劃。董事及委員會成員均出席本公司股東週年大會解答問題。各區別分明的議題須以獨立決議案方式於本公司股東大會上提呈。

# Corporate Governance Report

## 企業管治報告



### Shareholders' Right

Pursuant to the Company's memorandum and articles of association, the Board may whenever it thinks fit call extraordinary general meetings. Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may put forward their proposals or inquiries to the Board by sending their written request to the Company's correspondence address in Hong Kong.

### AMENDMENT OF THE COMPANY'S CONSTITUTIONAL DOCUMENTS

There have been no changes in the Company's constitutional documents during the year ended 31 December 2019. The consolidated version of the memorandum of association of the Company and the articles of association of the Company is available on the website of the Stock Exchange and the website of the Company.

### DIVIDEND POLICY

Under the dividend policy adopted by the Company with effect from 1 January 2019, dividends may be declared and paid to the Shareholders by way of cash or by other means that the Board considers appropriate. It is the policy of the Board, in recommending dividends, to allow the Shareholders to participate in the Company's profits, and at the same time, to ensure the Company to retain adequate reserves for future growth. The Company's decision to declare or to pay any dividends in the future, and the amount of such dividends will depend upon, among other things, the current and future operations, financial condition, liquidity position and capital requirements of the Group, as well as dividends received from the Company's subsidiaries and associates, which in turn will depend on the ability of those subsidiaries and associates to pay a dividend. In addition, any final dividends for a financial year will be subject to the approval of the Shareholders. The declaration and payment of dividends by the Company is also subject to any restrictions under the laws of the Cayman Islands, the laws of Hong Kong, the Company's articles of association and any applicable laws, rules and regulations. The Board will continue to review the dividend policy from time to time and the Board may exercise its sole and absolute discretion to update, amend and/or modify the dividend policy at any time as it deems fit and necessary.

### 股東權利

根據本公司之組織章程大綱及章程細則，董事會可於其認為適當的任何時候召開股東特別大會。任何一位或以上於遞呈要求當日持有本公司有權於股東大會上投票之繳足股本不少於十分之一的股東，有權隨時透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項；上述會議應於相關要求遞呈後兩(2)個月內舉行。倘遞呈後二十一日內董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

股東可將書面要求發送至本公司在香港的通訊地址，藉此向董事會提交建議或諮詢。

### 本公司憲章文件之修訂

截至二零一九年十二月三十一日止年度，本公司之憲章文件並無任何變動。本公司組織章程大綱及本公司組織章程細則之綜合版本可於聯交所網站及本公司網站瀏覽。

### 股息政策

根據本公司採納的股息政策，自二零一九年一月一日起，股息可以現金方式或董事會認為適當的其他方式宣派及派付予股東。董事會於推薦派付股息方面的政策乃為允許股東分享本公司溢利，並同時確保本公司留存充足儲備作未來發展。本公司宣派或派付任何未來股息的決定及有關股息的數額將取決於(其中包括)本集團的現時及未來營運業務、財務狀況、流動資金狀況及資本需求，以及收取自本公司附屬公司及聯營公司的股息(這反而將取決於該等附屬公司及聯營公司派付股息的能力)。此外，財政年度的任何末期股息將須遵守股東批准規定。本公司的股息宣派及派付亦須受開曼群島法例、香港法律、公司細則及任何適用法律、規則及法規項下的任何限制規限。董事會將繼續不時審閱股息政策，且董事會可行使其全權絕對酌情權於其認為適當且必須的任何時間更新、修訂及／或修改股息政策。



## Environment, Social and Governance Report 環境、社會及管治報告

### CONCEPTS AND PRINCIPLES

Reporting period of this section covers the period from 1 January 2019 to 31 December 2019 with certain content beyond such period.

Longhui International Holdings Limited (“Longhui International”) issues its ESG report regularly on an annual basis.

Report content covers the business performance of Longhui International’s headquarter and its subsidiaries, including the 77 restaurants under the brand of Faigo (“輝哥”), Xiao Faigo Hotpot (“小輝哥火鍋”) and Hong Yuanwai (“洪員外”) across different provinces and cities in China, as well as the Group’s office located at Lucky Building, Central, Hong Kong.

This section is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) set out in Appendix 27 to the Listing Rules issued by the Hong Kong Stock Exchange (“HKEx”). This report covers the same period as the Group’s fiscal year.

The figures and data in this section are from our archived files, records and statistics. If you have any feedback about this section, please email to [jyuan@faigo.com.cn](mailto:jyuan@faigo.com.cn), to help us strive for improvement and keep abreast of the times.

### OUR COMMITMENT TO SUSTAINABILITY

As a renowned national hotpot chain, Longhui International has always upheld the correct mode of business operation and ethics. We are committed to replicate the successful business model into various regions of China, so as to expand our brand network and strive to become an outstanding hotpot restaurant chain in the PRC.

### 內容概念及匯報原則

本概覽匯報時間範圍二零一九年一月一日至二零一九年十二月三十一日，部分內容超出上述範圍。

龍輝國際控股有限公司(「龍輝國際」)環境、社會及管治報告為年度報告，每年定期發佈。

報告內容覆蓋龍輝國際總部及旗下企業業務表現，包括：遍佈中國各省市77所「輝哥」、「小輝哥火鍋」、「洪員外」餐廳及位於香港中環區六基大廈的辦公室。

本概覽乃根據香港交易所(「港交所」)所發出的上市規則附錄二十七所載的《環境、社會及管治報告指引》(「指引」)之要求而撰寫。本報告涵蓋期與本集團財政年度相同。

本概覽的數據及資料均源於我們各項存檔文件、記錄及統計。如閣下對本概覽有任何反饋，歡迎發送電郵至[jyuan@faigo.com.cn](mailto:jyuan@faigo.com.cn)，以推動我們邁步向前，與時並進。

### 對可持續發展的承諾

作為國家知名連鎖火鍋品牌之一，龍輝國際一直推崇正確的營運模式及商業操守，致力將成功的業務模式複製到中國各地，以擴充品牌網絡，成為全國首屈一指的連鎖火鍋食店。

# Environment, Social and Governance Report

## 環境、社會及管治報告



We believe that outstanding environmental, social and governance management is the cornerstone of sustainable development. Therefore, while striving for sizable, rapid and steady development, Longhui International promises that we will proactively make necessary adjustments that are compatible with the environment and society to formulate a sustainable development plan for Longhui International, contributing to the planet's sustainable development.

我們堅信優秀的環境、社會及管治是企業長期可持續發展的基石。因此，龍輝國際承諾，未來，在追求規模化快速穩定發展的同時，本集團還會積極配合環境和社會各方面需要作出相應調整，確保龍輝國際做好可持續發展規劃，為全球的可持續發展盡一分力。

### Corporate Governance Responsibility 企業管治責任

### Environmental Responsibility 環境責任

### Social Responsibility 社會責任

- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Strictly comply to all relevant laws and high ethical standards<br/>嚴格遵守各項法律以及道德操守標準</li> <li>• Strictly examine partner suppliers while establishing good and long-term cooperative relationships with the suppliers<br/>嚴謹檢核合作供應商，同時建立長期友好合作關係</li> <li>• Establish a fair and effective employment system, safeguarding the rights and safety of employees and retaining talents<br/>建立公平有效的僱傭制度，確保員工的權利及安全，並保留人才</li> <li>• Conduct quality management and establish a trustful relationship with clients<br/>品質管理，與客戶建立互信關係</li> </ul> | <ul style="list-style-type: none"> <li>• Control energy consumption<br/>監管能源消耗</li> <li>• Implement proactive waste monitoring<br/>積極的廢棄物監管</li> <li>• Increase employees' awareness on environmental protection.<br/>提高員工的環保意識</li> </ul> | <ul style="list-style-type: none"> <li>• Bring communities together by regular community activities<br/>定期社區活動，緊密聯繫社區</li> <li>• Build a harmonious community through mutual assistance.<br/>互幫互助，打造和諧社區</li> </ul> |
|--|--|---|



## Environment, Social and Governance Report 環境、社會及管治報告

### PERFORMANCE IN 2019

#### Environmental Responsibility

As a food and beverage enterprise, the Group always adheres to the principle of environmental protection. To cater for the needs of environmental protection, the Group has replaced all gas stoves with induction stoves in daily operation, which greatly reduced greenhouse gas emissions. Meanwhile, we strictly comply with and adhere to the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》) and other relevant laws to conserve energy and restrain from wastage as well as promote the recycling of resources in an effort to protect and improve our environment. Pursuant to relevant laws, the Group has put in place strict supply chain management processes and strengthened its management of daily operation.

During the reporting period, given the nature of the Group's business, hotpot catering service, which does not involve any production or processing business, the Group's greenhouse gas emission mainly derived from its 77 restaurants around the PRC and the electricity consumption, water consumption, diesel and gasoline consumption of its delivery vehicles and printing carbon footprint.

The total greenhouse gas emissions in 2019 amounted to 7,885.9 tonnes of carbon dioxide equivalent, representing a significant decrease of 43.3% as compared to 2018. The CO<sub>2</sub> equivalent (tonnes) per million RMB of revenue in 2019 was 18.8, representing a year-on-year decrease of 15.4%. This was mainly due to (i) the number of restaurant has decreased materially to 77 in 2019 from 99 in 2018 as a result of the fierce market competition and the Group's strategic adjustment on the locations and scale of new restaurants, (ii) regarding administration, we encourage staff to conserve resources by reducing paper usage, printing on both sides and reusing paper where possible, turning off unnecessary electronic equipment and lighting systems, as well as repairing electronic appliances instead of discarding and replacing them, so as to avoid unwarranted waste, (iii) reduce energy waste through strict management of supply chain and daily operations, for example, we optimized our logistics routes and reduced the number of trips taken, thereby reducing greenhouse gas emissions generated from trips taken by our automobiles.

### 二零一九年表現

#### 環境責任

作為餐飲企業，本集團時刻秉承保護環境的宗旨，為配合保護環境需要，本集團的日常營運全部以電磁爐取代瓦斯氣爐，大大減少溫室氣體排放。同時，我們嚴謹遵守及配合《中華人民共和國環境保護法》、《中華人民共和國節約能源法》及其他之相關法例去節約用能源、制止浪費的情況，推動循環利用資源及為保護改善環境出力。根據相關法例，本集團訂立了嚴格的供應鏈管理流程，並強化了日常營運管理。

於報告期內，基於本集團業務的性質為火鍋餐飲服務，當中不涉及任何生產或加工業務，本集團的溫室氣體排放主要源自遍佈國內77家店舖和送貨車輛的耗電、耗水、柴油汽油消耗、印製的碳足跡。

二零一九年的溫室氣體排放總量為7,885.9噸二氧化碳當量，較二零一八年大幅減少43.3%；二零一九年每百萬人民幣收入的二氧化碳排放當量(噸)為18.8，按年減少15.4%。主要原因是：一，因市場競爭激烈且本集團正策略調整開店地址和規模，二零一九年的店舖數量較二零一八年的99家明顯下跌至77家；二，在行政層面上，我們鼓勵員工節省資源，例如：減少使用紙張，盡量雙面打印並循環再用，關閉不必要的電子設備及照明系統，同時鼓勵維修電子用品代替丟棄更換，不隨便浪費；三、嚴格的供應鏈管理流程和日常營運管理減少了能源浪費，例如：優化物流路線和出車次數，減少車輛出行產生的溫室氣體排放。

# Environment, Social and Governance Report

## 環境、社會及管治報告



Greenhouse gas emissions (in tonnes of carbon dioxide equivalent)	溫室氣體排放量 (噸二氧化碳當量)	2019 二零一九年	2018 二零一八年
<b>Scope 1 (Direct Emissions)</b>	<b>範圍一(直接排放)</b>	<b>628.35</b>	1,720.84
Fuels in stationary sources	固定源燃料	<b>566.36</b>	1,675.01
Combustion of fuels for automobiles	汽車燃料燃燒	<b>61.99</b>	45.83
<b>Scope 2 (Indirect Emissions)</b>	<b>範圍二(間接排放)</b>	<b>7,257.55</b>	12,194.57
Purchased electricity	購電	<b>7,257.55</b>	12,194.57
<b>Energy consumption</b>	<b>能源消耗</b>		
Diesel	柴油	<b>0 litres 升<sup>1</sup></b>	4,066.91 litres 升
Petroleum	汽油	<b>27,338.39 litres 升<sup>2</sup></b>	15,433.95 litres 升
Electricity	電力	<b>10,685,744.82 kWh 千瓦時</b>	14,659,253.23 kWh 千瓦時
Natural gas	天然氣	<b>410,282.53 cubic metres 立方米</b>	766,193.68 cubic metres 立方米
<b>Waste disposal<sup>1</sup></b>	<b>廢物棄置量<sup>1</sup></b>		
General waste (Food waste) disposal (daily average of each restaurant)	一般廢物(廚餘)棄置量 (平均每家店每天)	<b>An amount equivalent to two full designated rubbish bins (240 litres per bin) 兩桶專用垃圾桶的數量(每桶240公升)</b>	An amount equivalent to two full designated rubbish bins (240 litres per bin) 兩桶專用垃圾桶的數量(每桶240公升)
Hazardous waste disposal	有害廢物棄置量	<b>No hazardous waste was treated or generated during the course of business 業務中並無處理或產生任何有害廢物</b>	No hazardous waste was treated or generated during the course of business 業務中並無處理或產生任何有害廢物
Water consumption (monthly average of each restaurant) <sup>2</sup>	用水量(平均每家店每月) <sup>2</sup>	<b>430 tonnes 噸</b>	451 tonnes 噸

<sup>1</sup> Traditional diesel vehicles held by the Group in 2018 were all replaced by the end of 2018. Therefore, there was no consumption of diesel in 2019.

<sup>2</sup> After the replacement of diesel vehicles, the Group purchased a new batch of vehicles, all of which use gasoline.

<sup>3</sup> The general wastes produced by the Group were mainly food wastes. Since the Group has no existing official record of the quantity of food waste produced, industry norms (i.e. two bins of food wastes) are employed for the time being to serve the purpose of data disclosure. When the scale of relevant surveys becomes more sizeable, we will make more systematic disclosures as far as possible in the future.

<sup>4</sup> There were about 100 restaurants of the Group during the period, and the rents of some of our branch restaurants are inclusive of water bills, making the process of collecting relevant data rather complicated since enquiries to landlords of the relevant shopping malls in which the restaurants operate are required. This is the first time that our Group has prepared an environmental report, so the water consumption of six restaurants of the Group has been disclosed for the time being, which was averaged over the figures from the surveys to serve as a reference. When the relevant statistical system becomes more mature, we will make disclosures covering a broader scope.

\* The data shown above are from the 77 self-operated restaurants under the respective brands of "Faigo" ("輝哥"), "Xiao Faigo Hotpot" ("小輝哥火鍋") and "Hong Yuanwai" ("洪員外") of the Group across various provinces and cities in Mainland China, as well as our office in Hong Kong.

<sup>1</sup> 集團二零一八年持有的柴油類舊車型已經在二零一八年年末全部被淘汰。因此二零一九年無柴油消耗。

<sup>2</sup> 柴油類淘汰後，二零一九年新增了一批車，均使用的是汽油。

<sup>3</sup> 集團所產生的一般廢物主要為廚餘。由於集團現時未有正式收集廚餘產生量，故暫以行業常態(每日兩桶廚餘)為披露數據，待未來相關統計更有規模，我們會盡量作更有系統性的披露。

<sup>4</sup> 由於集團旗下於期內有接近100家店，部份分店的水費已包含在租金之內，需要向商場業主查詢數據，收集訊息流程甚複雜。本次為集團第一次作環境報告，所以先披露集團旗下六家店的用水量，按所得數字以平均計算作為相關參考。待未來相關統計系統成熟，將再作更廣的相關披露。

\* 以上數據均來自於本集團旗下「輝哥」、「小輝哥火鍋」及「洪員外」分別遍佈中國國內各省市的77家自營店，以及位於香港的辦公室。



## Environment, Social and Governance Report 環境、社會及管治報告

On top of greenhouse gas emissions, the Group also attaches great importance to the discharge of non-hazardous waste. Our strict and proactive waste monitoring highlights the Group's outstanding management capabilities, which established pride among our employees and trust among our customers, as well as pushed our suppliers to be more attentive.

### *Reduce Food Waste and Strive for Zero Wastage*

Longhui International is committed to reducing food waste. We have taken action in two directions in our daily operation management: restaurant customers and strict internal supervision.

Regarding restaurant customers, we have adopted a three-step approach, namely promotion, reminder and suggestion. For promotion, we have signs posted on eye-catching spots in the restaurants, reminding customers to order food based on their actual needs and not to waste food. For reminder, once customers are seated, we will inform them the portion of each serving as well as remind them there are various choices on the menu with small portion, such as platter etc. For suggestion, we will review customer's orders and suggest them to reduce the portion if they have over-ordered; we also serve certain dishes at a later time and if necessary, so as to avoid excessive serving and the subsequent wastage.

In terms of strict internal supervision, we will standardize the amount of food plated, aiming to standardize the services at each restaurant and reduce food waste as much as possible. At the same time, in order to meet customers' desire to try new foods while preventing food waste, we add on our menu a variety of platters to cater for their demands. Moreover, we provide trainings for our employees to ensure that they know the amount of food in each dish of the restaurant, so that they can provide customers with appropriate instructions and suggestions, preventing customers from misestimating the amount of food and the subsequent wastage.

### *Strict Monitoring on Food Waste*

In respect of food waste management and disposal, we have established strict internal guidelines and staff codes, which strictly comply with the Environmental Protection Law of the People's Republic of China, ensuring that employees deal with and dispose food waste and other waste in accordance with the requirements of the local governments and shopping malls. For example, pursuant to the Measures on the Disposal of Kitchen Wastes in Shanghai (《上海市餐廚垃圾處理管理辦法》) established by the Department of City Waste Management of Yangpu District, Shanghai (上海市楊浦區城

除了溫室氣體排放外，本集團對於無害廢棄物的排放亦特別重視，嚴謹且積極的廢棄物監管更彰顯出本集團優異的管理能力，令本集團的員工更自豪、客人更信任、供應商更仔細。

### *減廚餘不浪費*

龍輝國際力爭減廚餘不浪費，在管理日常運作中，我們分兩步走：用餐客人和內部嚴謹監管。

用餐客人方面，我們採取了一宣傳、二提示、三建議的方針。一宣傳：通過於店舖當眼處貼上標示，提醒客人在點餐的時候要根據實際需要來下單，教育他們不要浪費食物；二提示：客人落座後我們會提示客人每份食物的份量有多少，告知他們餐單上有各式小份的選擇，例如拼盤等；三建議：客人完成點單後，我們會幫忙檢視，如果過多，會建議客人相應少點，或者有些菜晚一些有需要時再上，避免過多而造成浪費。

內部嚴謹監管方面，我們會統一上菜份量，旨在統一每家店舖的服務準則之餘，盡量減少廚餘產生。同時，為了顧及客戶想嚐鮮的心態，同時避免浪費食物，我們在餐牌上增設多種拼盤形式的菜款，以滿足客人的需要。此外，我們亦有對員工進行培訓，確保他們了解店舖內各菜品的份量，以便給予客人適當的指導及建議，避免客人錯誤估算食物的份量而造成浪費。

### *嚴格監控廢棄物*

在廚餘處理及廢物棄置方面，我們設立了嚴格的內部指引及員工守則，嚴格遵守《中華人民共和國環境保護法》，確保店員已按當地政府及商場的規定，處理並丟棄廚餘及其他

## Environment, Social and Governance Report 環境、社會及管治報告



市廢棄物管理), our restaurant in Shanghai Bailian Yangpu Binjiang Department Store (上海百聯楊浦濱江購物中心) has reached an agreement with the shopping mall on the disposal of food waste: complying with relevant provisions, our staff should discard food waste into special containers and, assuring that the waste does not overflow the containers, leave them to the shopping mall for collection and follow-up treatment. The waste will then be transported away by the environment and hygiene department.

In addition, in respect of the disposal of hotpot soup base, the Group also strictly adheres to the requirements of the local governments, such as the Implementation Opinions of the General Office of the Shanghai Municipal People's Government on Further Tightening the Regulatory and Remediation of the Disposal of Waste Grease from Kitchens in Shanghai (《上海市人民政府辦公廳關於進一步加強本市餐廚廢棄油脂從嚴監管整治工作的實施意見》). Waste grease is separated out from the used soup base in a grease trap in accordance with the relevant requirements and collected in designated sealed containers. Then, the waste grease collected will be transferred to professional recycling service providers for follow-up treatment. The treated waste broth will only be discarded after all these processes. To ensure that our employees fully comply with the regulatory requirements, each restaurant of our Group is required to sign relevant documents and contracts, such as Agreement for the Engagement of Recycling Waste Grease from Kitchens (《餐廚廢棄油脂委託回收協議》) and Labour and Services Agreement for Disposing and Cleaning of Grease Trap (Oil-water Separator)(《隔油池(油水分離器)清理、保潔勞務協議》), under which the penalties commensurate with the non-compliance cases are specified to ensure the implementation of the provisions.

### *Efficient Use of Water Resources*

The Group as a food and beverage enterprise utilizes a large amount of water. We are always concerned about escalating water shortage around the globe as well as other issues. We are therefore in the process of establishing a water-saving mechanism aiming for water conservation. For example, we reuse scouring water in an effort to reduce washing time with running water without compromising hygiene.

### *Making Employees our Priority*

The Group has attained remarkable achievements and is well acclaimed within and outside of the industry. In 2019, the Group ranked among the Top 20 Hotpot Restaurants in China 2019 (《2019中國火鍋Top 20》) in the Annual Report on Catering Industry of

廢棄物。例如，我們在上海百聯楊浦濱江購物中心的食店會根據上海市楊浦區城市廢棄物管理所訂立的《上海市餐廚垃圾處理管理辦法》，與商場就有關餐飲垃圾清運達成共識：我們的店員則必須履行相關條款，利用專用垃圾桶承載廚餘並蓋好，在確保污物不外溢的狀況下，讓商場負責清運並作後續處理，再委託環境衛生部門負責運出。

另外，針對火鍋湯底的棄置，我們本集團亦嚴格根據地方政府規定處理，例如《上海市人民政府辦公廳關於進一步加強本市餐廚廢棄油脂從嚴監管整治工作的實施意見》。我們會按規定，把湯底用油水分離器去作分隔，並將廢棄油脂存放在已設置好的蜜罐收集容器內，再轉交具專業資質的環保回收服務公司作後續處理，最後才會把已瀝清的湯水倒掉。為了確保員工全面遵守法例要求，我們旗下的每一家店舖均需簽署相關的文件及合同，例如《餐廚廢棄油脂委託回收協議》和《隔油池(油水分離器)清理、保潔勞務協議》等，任何違規的情況都會有相應的罰則，保障規條的切實執行。

### *有效使用水資源*

作為餐飲企業，本集團需要使用大量的水。我們時刻關注全球水資源的日益短缺等問題，因此，我們正逐步建立節水機制，以期達到節約用水的目的。例如，洗滌水重用，在保證清潔的情況下減少流水洗滌的時間等。

### *以員工為先*

本集團屢創佳績，在行內外廣受好評。於二零一九年，中國飯店協會聯合新華網共同發佈的《2019中國餐飲業年度報告》中，本集團躋身於《2019中國火鍋Top 20》；於二零一八年，



## Environment, Social and Governance Report 環境、社會及管治報告

China in 2019 (《2019中國餐飲業年度報告》) co-published by China Hotel association and Xinhuanet. In 2018, the Group's "Xiao Faigo Hotpot" came out on top among numerous hotpot chains in the PRC and was awarded "China's Top 100 Hotpot Enterprises (年度中國火鍋百強企業)" by China Cuisine Association.

Employees are the greatest asset of a food and beverage enterprise, all of the Group's recent achievements should be attributed to our outstanding employees for their reliable and high quality products and services. Therefore, we always place emphasis on talent management and consider it an integral part of the long-term development of the Group. Longhui International offers a fair and auspicious development platform to the employees through effective talent acquisition and performance assessment and supervision. To achieve co-development between employee's capability and the Group's growth, we offer an enticing package to attract talents and provide various opportunities of training and promotion to make sure every employee may excel at their position and be properly remunerated.

### Employee related data

本集團旗下「小輝哥火鍋」更於芸芸的國內連鎖火鍋店中突圍而出，榮獲中國烹飪協會頒發「年度中國火鍋百強企業」。

餐飲企業最大的資本就是員工，本集團近些年的成就都要歸功於優秀員工提供優質可靠的產品和服務。因此，我們一直非常重視人才管理，視之為本集團長遠發展不可或缺的一部分。龍輝國際透過有效的人才招聘及職能評核監管，為員工提供公平及充滿機遇的發展平台。而為了能夠讓員工的能力發展能夠與本集團的發展步伐匹配，我們在提供良好待遇吸引人才加入的同時，亦會提供各種僱員培訓及晉升機會，讓各人能在工作崗位上一展所長，並享受有尊嚴的待遇。

### 僱員相關數據

		2019 二零一九年	2018 二零一八年
<b>Total number of employees</b>	<b>整體員工人數</b>	<b>1,784</b>	2,825
Proportion of male employees	男性員工佔比	<b>44.90%</b>	63.01%
Proportion of female employees	女性員工佔比	<b>55.10%</b>	36.99%
<b>Turnover rate</b>	<b>員工流失率</b>	<b>9.30%</b>	19.19%
Proportion of male employees	男性員工佔比	<b>44.58%</b>	50.40%
Proportion of female employees	女性員工佔比	<b>55.42%</b>	49.60%
<b>Age distribution of employees</b>	<b>員工年齡分佈</b>		
Aged 16-24	16-24歲	<b>23.21%</b>	9.50%
Aged 25-40	25-40歲	<b>38.96%</b>	71.50%
Aged 41-59	41-59歲	<b>36.77%</b>	18.88%
Aged 60 or above	60歲或以上	<b>1.06%</b>	0.12%

### Employment and Recruitment Practices

The Group places strong emphasis on compliance and strictly complies with the national code and regulation of employment in our talent acquisition procedures. A series of review procedures are in place to prevent any misstatement and illegalities, such as the use of child labour and forced labour. We offered fair opportunities to our employees with a standardized policy, and they are assessed based on their work attitude and competency for any personnel affairs, including promotion and re-designation.

### 僱傭招聘常規

本集團高度注重合法性，在開展人才招聘程序時，嚴格遵守國家僱傭守則及規例並執行一系列審核過程，避免出現失實陳述和使用童工和強制勞工等違法情形。我們採用統一政策，給予員工平等機會，根據個人的工作態度和能力作評估，其中包括陞遷等人事事務。

## Environment, Social and Governance Report 環境、社會及管治報告



During the reporting period, the Group was not aware of any non-compliance in relation to regulations on employment or forced labour and child labour.

The Group attaches great importance to human resources affairs. In this connection, we refined relevant policies and the personnel and administration department. The employment terms and conditions are expressly stipulated in employment contract, Employee Handbook, Role Description and Employee Attendance and Absence System, etc., and were explained to the employee prior to employment. In addition, with a view to ensuring fair and impartial recruitment of talent, the Group takes the initiative to create discrimination-free and respectful workplace for every employee. We guarantee fair treatment to employees and applicants regardless of their race, colour, gender or religious belief and adopt the same method in calculating remuneration for all employees.

In order to retain talents, the Group upholds the principle of fairness and has put in place a polished reward and punishment mechanism to improve the enthusiasm of our employees and reward them for their contribution, while further boosting the efficiency and service quality of our restaurants or departments. The Group has a series of requirements on remuneration management which are expressly set out in the Requirements on Employee Reward and Disciplinary Action. Direct supervisors will report to department managers or directors on employees who satisfy the reward conditions for their review, then Reward Application Forms of relevant employees will be submitted to the personnel and administration department for final approval. Relevant reward will be distributed along with salary. Subsequently, such Reward Application Form will serve as a reference for career advancement of the employee. At the same time, the Group encourages education, training and instruction for any employee involved in minor disciplinary offences. Nevertheless, in more severe cases, instead of consultation, the employee will be subject to formal disciplinary actions for the offence and the employment contract may be terminated if necessary. Relevant employee shall compensate the Group for the losses suffered by the Group arising from such disciplinary offence. The system is applicable to every staff.

The Group will keep pace with the times and polish the existing policies to complement a more comprehensive range of disclosure in the future.

於報告期內，本集團沒有發現任何因違反有關僱傭或強制勞工和聘用童工的法規的情況。

本集團重視人力資源工作，完善了相關的政策和人事行政部門。於僱傭合約、《員工手冊》、《工作崗位說明書》和《員工考勤休假制度》等裡均列明清楚各僱員工作條款跟條件，在聘用前亦會明確向員工詳細講解。另外，為了確保能夠公平及公正招聘可用人才，本集團積極向全體僱員提供不受歧視且備受尊重的環境工作。我們承諾公平看待任何種族、膚色、性別或宗教信仰等界別的僱員和申請者，對所有員工採用相同的薪酬水平計算方法。

為留住人才，除了堅持公平原則，本集團訂立了完善的員工獎罰機制，推動員工積極表現並肯定員工付出同時，進而提高店舖或部門之工作效率跟服務素質。本集團一系列薪酬管理規定在《員工獎勵及違紀處罰規定》中清楚列明，只要員工符合獎勵條件，員工直屬上級就會提報，經過部門經理或總監審核，就會把相關人員的《獎勵申請單》交到人事行政部作最後復核，隨工資發放相關獎金。之後這些《獎勵申請單》也會作為該員工職務職級晉升的依據之一。同時，本集團提倡對有輕微違紀現象的員工進行教育、培訓、說明。但如果事件明顯較為嚴重，應停止交談，並通知員工該事件將按正式的違紀處理方式處理，在必要時本集團會解除勞工合同，若違紀行為給本集團造成損失，相關員工也要賠償本集團損失。此制度適用於全體人員。

本集團會一直與時並進，將完善現有政策，以配合未來更詳細的披露範圍。



## Environment, Social and Governance Report 環境、社會及管治報告

### *Staff Training*

Hygiene is essential to food and beverage industry, nonetheless, the brand image of an enterprise is directly determined by the service performance of its employees. Employees are provided specific trainings for each job position upon employment, equipping them with sufficient knowledge to discharge duties in their respective position. We also target to explore more potential of employees through on-the-job training, which enable us to adjust work assignment accordingly to align with the Group's sustainable development.

In 2019, each employee of the Group, including the management, undertook training with an average training time of 29 hours. Since most of our shop employees are required to serve customers directly, on-the job training for such experienced staff is also important. During the year, all employees have undertaken on-the-job training with an average training time of over 36 hours. In the future, we will continue to enhance our existing training system, provide more systematic training for our employees, enhance the quality of teamwork and promote employees' emergency handling abilities in daily operation, so as to provide our customers with services of highest quality and satisfaction.

### *Recognition and Appreciation to Our Staff*

In addition to remuneration, promotion and medical insurance, the Group offers different kinds of rewards to our staff in recognition of their dedication and contribution, so as to increase their sense of belonging to the Group. For example, we count the number of staff celebrating birthday every month and offer them respective birthday benefit vouchers. Meanwhile, we offer festival benefit vouchers and new restaurant opening benefit voucher on various festivals to encourage our staff to share happiness with their family and friends. Besides, team building activities such as gatherings and outdoor activities will be held by various departments of the Group from time to time to strengthen relationship among our employees and promote teamwork.

### *員工培訓*

在餐飲業，衛生情況至關重要之餘，員工的服務表現亦將直接決定企業的品牌形像。我們在員工入職時，設立了各個崗位相對應的培訓，從而讓員工在崗位上有足夠認識以處理工作事務。透過在職培訓，我們也期望發掘更多員工的潛能而作出工作調整以配合本集團的可持續發展。

在二零一九年，本集團每位員工，包括管理層都有接受培訓，平均受培訓時數為29小時。由於大部分店舖員工需要直接服務客人，因此，有經驗的店員進行的在職培訓亦同樣重要，今年，員工平均在職培訓的時數均不少於36小時。未來，我們將持續改進現有的培訓系統，為員工提供更具有系統性的培訓，提升團隊質素，提高日常工作上處理狀況能力，務求給予客人最高質和滿意的服務。

### *認可與肯定員工*

除了以薪酬、升遷、繳納醫保等方式外，本集團為了增加員工對本集團的歸屬感，我們會給予各種獎勵，以肯定他們的辛勞與付出。例如，我們每個月都會統計當月生日的員工，並發放相應的生日福利券，並於各種節日慶典，發放節日福利券，新店開張福利券，同時鼓勵員工與家人朋友分享喜悅。此外，為更緊密員工和團隊的協作，本集團各部門會有不定期的聚餐活動、戶外拓展活動等團建活動。

# Environment, Social and Governance Report

## 環境、社會及管治報告



### *Ensuring Health and Safety of Employees*

During the year, there were no case arising from job-related injuries or casualties.

Health and safety of employees are of utmost importance. We have strictly complied with the laws and requirements in the PRC to ensure our employees work in a safe environment. Pursuant to existing laws including Labour Contract Law of the People's Republic of China(《中華人民共和國勞動合同法》), Regulation on Paid Annual Leave for Employees (《職工帶薪年假條例》), Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) and Regulation on Labour Protection for Female Workers (《女職工勞動保護辦法》), the Group has formulated a series of measures for relevant standards, ensuring that all of our employees are protected in respect of their health and occupational safety.

#### — *Body checks for employees*

In terms of employees' health, we believe that good health and safety are a prerequisite for our staff to provide the best service for our customers, therefore we arrange body checks for staff in the course of recruitment. Moreover, the Group provides its employees with annual body checks so that they can understand their own health conditions and the Group can assign workload accordingly. Additionally, our catering staff is required to obtain a health card under the Company's specific Health Certificate Management System of Employees before they commence working. Accordingly, all of our restaurants are required to follow this system and shall require the staff to review and renew their health card regularly. The Group places high emphasis on our employee's body checks during recruitment and employment as well as annual body checks. We hope our customers will have a high quality and exceptional customer service in our restaurants.

#### — *Safety and protection measures for employees*

We ensure a safe workplace for employees to achieve smooth daily operation for our business. Therefore, we arrange on-the-job guidance and training on daily operation for newly recruited employees in relation to understanding the requirement of their positions with an emphasis on the prevention of potential damage to their health and safety. Upon induction, employees also receive regular instruction aiming to remind them of the importance of occupational health and safety.

### *確保員工健康安全工作*

年內，我們並沒有發生任何因工作關係而受傷或死亡的個案。

員工的健康與安全是至關重要的。我們嚴守國家法規以確保我們的僱員能夠在崗位上安全工作，根據現有法律《中華人民共和國勞動合同法》、《職工帶薪年假條例》、《中華人民共和國社會保險法》及《女職工勞動保護辦法》等，本集團就相關規範訂立一系列措施確保員工的健康與職業安全都受相對應的保障。

#### — *員工健康檢查*

於員工健康方面，我們相信員工需要自身健康及安全的情況下才能夠把最好的服務給予我們的客人，所以我們在聘請員工的過程中會先做好他們健康檢查工作。此外，本集團為員工每年提供一次健康體檢，讓員工對自己的健康有一定了解，讓本集團也能就各人體質分配工作量。另外，我們的餐飲服務人員必須遵行公司特有的《員工健康證管理制度》，取得健康證方能上崗，本集團旗下每家門店都需要遵行並要求員工定時複檢更換健康證。本集團高度重視從聘請到僱用，再到每年的健康檢查，期望我們客人在光臨我們旗下品牌也會接受到高質優秀的客戶服務。

#### — *員工安全防護措施*

我們要確保員工在自身安全的情況下工作，我們才會安心營運我們每天的業務，故此在日常運作上，我們為新員工提供入職在崗指導和培訓。培訓包涵了解崗位需求，會特別強調如何避免任何潛在構成健康與安全上受傷的機會。入職後，員工也會有固定的宣導，以提醒員工職業健康和安全性的重要性。



## Environment, Social and Governance Report 環境、社會及管治報告

We are in strict compliance with Fire Control Law of the People's Republic of China (《中華人民共和國消防法》) to regulate fire control at our restaurants. In order to set out regulations and response in a more systematic manner, we have also formulated the Training Manual on Fire Control over Safe Food Production (《消防食品生產安全培訓手冊》), which sets out common causes of restaurant fires such as improper operation or aging electric circuit. It raises the fire safety awareness of employees and educates them about firefighting equipment, standard of use and other points to note. Each department and outlet conduct its own safety review to identify loopholes. The Group also assigns a responsible personnel to conduct restaurant inspection and immediately rectify any loopholes identified, and impose disciplinary action on the person in charge of the venue in accordance with the specific situation. In addition, with a view to improving the contingency capability of our restaurants, we also arrange fire drill for employees to become more capable of reacting to any emergency in a timely manner, thereby offering further safety protection for our customers and employees.

### — Insurance coverage for employees

The health of employees is the key to success of an enterprise. The Group provides medical insurance pursuant to the regulations of its operating regions, so as to safeguard our employee's life effectively. We make contributions to social insurance for our employees in accordance with the law, providing protection for our employees at all time. For example, once an accident occurs, the personnel department of the Group will approve the work injury report from employee and calculate the salary and reimburse the medical expense during convalescence in accordance with the local law. After the convalescence, the personnel department will assess capacity for work of the employee and make reasonable work injury compensation based on respective injury severity.

On top of various insurances, the Group has put in place a comprehensive set of structures and terms to expressly stipulate the reasonable protection for employee rights. For example, Employee Attendance and Absence System clearly sets out a management guide that complements and protects employee rights. Overtime work shall be assessed and recorded by relevant person in charge and the calculation of overtime work should start after the end of regular work hour at 18:30. Various policies formulated by the Group require support by different measures, departments and structures and Longhui promises to provide continuous protection for each and every valued employee in an active manner.

我們嚴格執行《中華人民共和國消防法》以監管我們店舖的消防安全，同時撰寫了《消防食品生產安全培訓手冊》，以更有系統性解釋如何監管和應對。《消防食品生產安全培訓手冊》中列明了操作不當或電路老化引起火災等店舖平常起火的大致原因，以引起員工對於火災的重視，也教導他們滅火設備的知識、使用標準和其他要注意事項。我們各部門、各門店會自查安全隱患。本集團也會委派專人進行巡店檢查，一旦發現安全隱患，我們會立刻進行整改，並根據具體情況處罰場地的負責人。另外，為了增強店舖處理突發事故的反應能力，我們也有安排消防安全演練的機會讓員工能夠更容易對任何緊急事故做出及時反應，進一步保障客戶和員工自身的安全。

### — 員工保險保障

員工健康是企業致勝關鍵，本集團依法提供符合業務運營地規定的醫療保險，切實保障員工的生活。我們亦依法替員工繳納社會保險，讓員工時刻都能有保障。例如：當發生事故時，本集團人事部更會將工傷僱員的申報作認定後，根據當地法律為工傷康復期員工結算薪資和報銷治療費用。康復期結束後，人事部會鑑定員工的勞動能力，對員工受傷程度作出合理工傷理賠。

除了各類保險，本集團也有一套完善的架構和條款去進一步確保員工利益有受合理的保護，例如：於我們的《員工考勤休假制度》裡面列明清楚我們一套管理模式去配合及保障員工利益，員工加班工時要由相應負責人員去評定跟記錄，標準工時制晚於下午18:30後便可計算在加班工時裡等。各種本集團訂立下來的政策均需要各方面措施及部門架構加以配合，龍輝承諾會一直積極提供保障給予我們每一位尊貴的員工。

# Environment, Social and Governance Report

## 環境、社會及管治報告



### Strict Supervision for Outstanding Quality

### 密切監管，品質出眾

#### — Assessment and Recruitment of Suppliers

#### — 考核及聘用供應商

Number of suppliers by brands per area in 2019

二零一九年品牌按地區劃分的供應商數目

		Xiao Faigo (Jiangsu) 小輝哥 (江蘇)	Xiao Faigo (Zhejiang) 小輝哥 (浙江)	Xiao Faigo (Shanghai) 小輝哥 (上海)	Da Faigo (Beijing) 大輝哥 (北京)	Hong Yuan Wai (Shanghai) 洪員外 (上海)
Domestic Suppliers	國內供應商	20	12	81	10	32

During the Year, the Group had an aggregate of 155 qualified suppliers, all being suppliers from mainland China.

年內，本集團共有155家合格供應商，全部均為中國內地供應商。

As the Group engages in hot pot business, most of our operating risks lie on the quality of our food. Since we do not run our own production lines, therefore the Group places extremely high requirements on supply chains. Factors the Group puts strong emphasis on in consideration for recruiting suppliers are set out below, the stability of such factors is also a standard for supplier assessment:

由於本集團的業務為火鍋餐飲，我們營運風險大部分落於我們食物的質素。我們沒有自營生產線，所以本集團對於供應鏈有極其高的要求，以下是本集團對於聘用供應商非常重視的考慮因素，其因素之穩定性皆是我們考慮供應商的準則：

- Product Quality
- On time delivery
- Product Price
- Suitability

- 產品質量
- 交貨準時性
- 產品價格
- 配合度

The Group's restaurants cover different regions of the country. In order to unify the quality of our food throughout the country, the Group has established a set of guidelines and procedures applicable to restaurants in different regions, enabling each region to identify available suppliers via standardized approach. Base on this, adjustments on the assessment process will be made according to the specific needs of each region, thereby promoting the efficiency and accuracy of such assessment. The general monitoring process in each region is as follows:

本集團旗下的店舖覆蓋全國不同區域，為了能夠統一我們全國的食品質量，本集團訂立了一套適用於不同區域店舖的準則和流程，以便各區能用統一方法辨別可用供應商，在這個基礎上，可因應各區不同需要改制一些考測過程，以提高效率和準確性。各地區普遍的監測流程如下：

First, we make comparisons according to the market prices, and also consider cost factors such as procurement cycle, inventory and transportation to determine the allocation of orders. For quality inspection, the receiving department is responsible for the preliminary acceptance of products with the main duties of checking the product packaging, quantity and supplier's inspection report. The user department is responsible

首先，我們會根據市場的價格作比較，同時考慮採購週期、庫存、運輸等成本因素，決定怎樣分配訂單數量。對於品質檢測，收貨部門負責產品初步驗收，主要檢驗產品包裝、數量和供應商的檢驗報告。使用部門負責跟蹤產品使用情況，如有發現質量不穩定，



## Environment, Social and Governance Report 環境、社會及管治報告

for tracking the use of products. If the quality is found to be unstable, the department should investigate the reasons. If such problem is found to be caused by suppliers, we would first warn the suppliers and request for return, and then help them conduct acceptance inspection pursuant to our delivery standard. In addition, the delivery time of suppliers is also of great importance. Our purchasing department is responsible for filling out the relevant orders according to the summary statement of their on-time delivery rate, while the warehouse was responsible for recording the delivery time and quantity. Each department works in coordination to achieve the most effective evaluation on the suppliers. In order to assure the quality of our suppliers as well as the stability of our products, contracts are generally entered into on an annual basis and will only be renewed if the suppliers have outstanding performance.

Under strict supplier management, our product quality maintained stable over the past year, achieving a satisfying operation performance. In addition, the quality of our suppliers has significantly improved. There were only three certified suppliers in 2018, while ten suppliers were certified under different systems, including five with ISO 9001 certification and five with ISO 22000 certification. In the future, we will encourage our suppliers to optimize product quality and enhance their respective availability for further development by collaborating with suppliers in every respect for mutual prosperity.

### — *Gain Popularity among Customers with Multiple levels of Supervision.*

*During 2019, no product of the Group has been returned for safety and health reasons.*

Customers always come first for the Group. Customer satisfaction is an important indicator for a restaurant's performance. We have in place an Express Hotline for Opinion Feedbacks and online evaluation platform, allowing customers to make direct conversation with our senior management and give feedbacks with only a call. For complaints we will investigate the cause down to employee level, and for appreciation, we will raise the performance evaluation of involved employees.

All restaurants under the Group's brands uphold the principle of customer orientation, safeguarding the quality of our dishes strictly. Quality is strictly monitored by kitchen staff and

會盡量找出原因，若發現是供應商問題，我們會先警告並退貨，並且協助對方按照我們的供貨標準進行驗收。另外，供應商交貨期也至關重要，我們採購部負責根據它們交貨及時率的匯總數據來填寫有關訂單，然後倉庫負責記錄交貨時間、數量，各部門互相配合以達到最有效的供應商評核。為確保供應商的質素以保證我們的出品穩定，我們的合同一般都是是一年一簽，持續表現良好的才會續簽。

在嚴格的供應商管理之下，我們的產品在過去一年繼續保持穩定的質量，整體營運表現良好。另外，旗下供應商的品質顯著提高，二零一八年僅3家有認證，二零一九年獲不同體系認證供應商共10家，其中5家供應商獲得了ISO 9001，5家供應商獲得了ISO 22000。於未來的路上，我們堅持會在各方面配合供應商，跟它們一同進步，致力推動鼓勵它們優化產品質量，提高各自的可用性以致能夠有更長遠的發展。

### — *多重把關，客人青睞*

*二零一九年內，本集團沒有任何因安全或健康理由而須回收的產品。*

本集團以客為本，客人是否滿意成為店鋪表現的重要指標。我們設有《意見反饋電話直通車》和網上評價平台，客人直接致電就可以與本集團的高級管理層直接對話，反饋意見。客人若是投訴，我們會查找原因落實到員工；客人若是讚揚，我們會提高相應員工的績效。

本集團旗下所有餐廳，以顧客至上為原則，旗下店鋪嚴謹把守菜品高質量，並由後廚和前台員工嚴格雙重把關，絕

## Environment, Social and Governance Report 環境、社會及管治報告



waitstaff so as to assure that no expired or unhealthy, stale food will be served on table. During the process of cutting and allocating the dishes by kitchen staff, the first round of food safety guarantee would be conducted. Our frontline staff is also responsible for receiving and checking the dishes before serving them to the customers. Once any improper quality is identified in a restaurant, the relevant restaurant staff has the responsibility to inform the receiving department and the purchasing department, and then investigate the cause of defections and use it as an evidence for follow-up actions.

Our Fire Prevention and Food Production Safety Training Handbook sets out explanations of food safety including causes, symptoms and precautions of food poisoning, as well as specifying the duty and structure of Safety Committee. It is the responsibility of the committee to research and solve any problems relating to food safety, organize and coordinate various departments within the Group for the inspection and monitor of food safety supervision and management.

### Further Protection and Respect of Our Customers

#### — *Respect Customer's Opinion*

During the reporting period, the Group did not record any complaint from our customers in respect of food safety issue or required follow-up actions for a long period.

Given that food and beverage industry belongs to service industry, each of our restaurants collect a large amount of customer opinion in our day-to-day operations. The scope of opinion is very broad, ranging from quality and taste of food, quality of service, to dining environment, and we may receive opinion in various aspects. The Group operates with customer-oriented principle and renders quality service. Once a customer gives feedback, our restaurant staff would ask for the reason first, and manage to answer respective questions. If we fail to completely meet the customer's requirements, restaurant manager will also help address the issue, so as to properly handle the customer's opinion through discussion and negotiation.

In general, customers give their feedback in our restaurants immediately, and our staff will also communicate with customers and manage to satisfy their needs in accordance with our internal code. For instance, if a customer complains about the appearance or amount of our food, adhering to our customer-oriented principle, we will meet the customer's

對不會允許出現過期或是不健康、不新鮮的食品上餐桌。出品會由廚房工作人員切配，過程會先作第一輪食品安全保證，我們的前台店員也有責任在接過菜品後檢查沒有問題才可以送到客人桌上。一旦店舖有發現任何不妥當的質量，相關店舖人員有責任告知收貨部門和採購部，然後查明品壞的原因，再以其作後續跟進的證據。

在我們的《消防食品生產安全培訓手冊》裡面，列有食品安全闡釋，也列有分辨食物中毒的病因、症狀還有預防措施，以及我們的安全委員職責與架構等等。有關委員會有責任研究並解決食品安全發生的任何問題，組織並協調本集團各部門以檢查督促食品安管監管的落實。

### 進一步對客戶的保護與尊重

#### — *尊重客人意見*

報告期內，本集團沒有記錄到任何因食品安全問題或需要長期作出跟進的客戶投訴。

由於餐飲業屬於服務性行業，各店舖在日常營運中均會收集到大量的顧客意見，意見內容範圍亦非常廣泛，從食物品質、味道、服務質量到用餐環境，均有可能收到不同層次的意見。本集團一直秉承以客人為先的宗旨運作並提供優質服務，一旦有客人有所反饋，食店店員會先向客人了解原因和盡量解答有關問題，如果未能夠完全處理客人需要，相關店舖經理亦會協助解決，務求透過討論協商的方式，讓客人的意見得到應有的處理。

一般而言，顧客都會即時於店舖裡進行意見反映，而店員亦會按內部設立的守則，與顧客溝通協調，盡量滿足客戶的要求。例如，若客人對食品外觀或份量進行投訴，我們本著顧客至上的原則，會盡量滿足客人的要求，包括退菜



## Environment, Social and Governance Report 環境、社會及管治報告

requirements as fully as possible, including return of the food or providing refunds. If customers' opinion is not well handled, they may contact the customer service department of the Group for further handling.

We hope to further improve the Group's policies in the future by collecting customer's feedback and complaint, understanding the inadequacies in different aspects by analysing customer's opinion, so as to enhance our service and food quality, which in turn improve customer satisfaction on our brand.

### — Customer Privacy Protection

During the reporting period the Group did not receive any complaint due to leakage of customer information.

When collecting customer information for the Group's record of premium membership, our staff will explain to them the purpose for which it is collected, and relevant personal information will only be collected with their prior consent. In the meantime, it is our policy that only authorized staff can get access to customer information. For example, modification of member information or processing of member's accumulated points are limited to the system administrator, store manager and cashier. Relevant name lists will be given in each restaurant and office for record with their respective authorization of staff expressly stipulated. Our frontline staff serving in each restaurant should follow our guideline when collecting personal information, which shall not be disclosed without authorization. After filing customer information in the Group's internal database, any access to the database shall be approved by relevant authorized persons and records thereof should be kept. We believe that under our close surveillance of privacy, we are able to protect customer information from unauthorized access by individual staff, thereby avoid customer information leakage. Other than that, the employment contract signed by our staff has set out relevant confidential clauses which stipulated that no leakage of the Group's information is allowed. Those who acted otherwise will be subject to punishment or termination of employment contract, or in extreme cases, be required to make up any loss incurred by the Group.

或減免餐費等方式。若客人的意見得不到完善的解決，他們可聯絡至本集團之客戶服務部，進行更深入的後續處理。

透過收集客戶的意見反饋及投訴，我們希望未來可以更完善本集團的政策，透過分析客人意見，了解到不同範疇的不足之處，以提升我們服務和食品質量，進而提高客戶對於我們品牌的滿意度。

### — 保護客戶私隱

報告期內，本集團沒有收到因洩露客戶資料而引致的投訴。

在收集客戶資料作為本集團高級會員記錄的時候，我們員工會向他們解釋其個人資料的用途，在取得他們同意後才會收集相關個人資料。同時，我們規定只有獲授權的員工才可接觸客人資料，例如系統管理員、店長和收銀員才有權修改會員資料或處理會員儲值等，相關的名單亦會給予門店及辦公室作為記錄，並清楚列明各分店授權員工的權限。前線店舖服務員在收集個人資料時必須根據指引處理，絕不可未經授權對外透露有關資料。而客戶的資料在存入本集團內部資料庫後，任何查閱行為均有所記錄都需要得到相關有權人士的批准。在我們的嚴密隱私監測下，我們相信能夠防止個別員工擅自取用顧客資料，避免客戶資料的洩漏。同時，員工所簽訂的僱傭合約上已列載有相關的保密條款，他們不得向外洩任何有關本集團資料，否則會受到相應懲罰，甚至於終止跟他們的僱傭合約或賠償本集團有關損失。

# Environment, Social and Governance Report

## 環境、社會及管治報告



### Anti-Corruption and Building a Culture of Honesty and Integrity

During 2019, the Group did not record any case in relation to corruption.

All employees are required to read and sign the Rules on Staff Reward and Disciplinary Penalty upon induction, which sets out various scenarios of non-compliance by employees categorized into serious or less serious violations, while different degrees of penalties will be imposed for different levels of violations. Forging or fraudulent use of the company seal or any document, private transaction with clients or vendors through job advantages, bribery or profiteering or other activities detrimental to the Company's interests conducted by any employee is considered a serious case of violation. If any employee is found to violate such rules, upon investigation by various departments and the personnel and administration department, the Group shall terminate the labour contract and demand such employee to compensate for relevant losses of the Group. The Group wishes to enlarge the scale of group monitoring and promote overall awareness of anti-corruption in our Group through internal structure review combining with staff reporting.

In the future, we will strive to further optimize the Group's anti-corruption mechanism with established policies and to enhance preventive and deterrent measures against employees' non-compliance attempts, in order to minimize our operating risks and lay a sound foundation for further business expansion going forward. With such measures, we hope to strengthen the faith of our management, stakeholders and the public in Longhui Group.

### CIVIC RESPONSIBILITY

#### Giving Back to Society

The Group has been committed to giving back to society with our main business and holding various activities annually, among which regular activities in 2019 included warmth sending activities on the first and fifteenth day of every lunar month. Annual blood donations are held regularly.

In our warmth sending activities on the first and fifteenth day of every lunar month, we set up a counter outside our stores to serve food for people in need, including low income families, cleaning workers, the elderly, etc., to collect what they need. Our employees are keen to take part in the service and these regular activities allow us to understand the needs of the society and lay the foundation for our further integration into and contribution to the society.

Looking ahead, the Group will continue to fulfil our corporate social responsibility, and participate in or host various types of activities in order to facilitate healthy development of the society. We also intend to invest more resources in charity events and encourage all employees to participate so as to promote awareness for social care and thereby enhancing the social profile of our Group.

### 反貪污，締造廉潔文化

二零一九年內，本集團沒有錄得任何有關貪污的案件。

我們於員工入職時會閱讀並簽署《員工獎勵及違紀處罰規定》。該規定列明了各類員工違規的情況，並分為嚴重或較不嚴重違規範圍，對於各個層面的犯規，我們都有不同處罰程度。假設有員工偽造或盜用公司印章或文件者、借工作之便與客人或客商私下做交易、行賄受賄者或賺取不正當利益者等損害公司利益活動都被列為嚴重性高的違規。員工一旦違反規定，經過各部門和認識行政部調查以後，本集團將會解除勞動合同，並要求違規員工賠償相關的本集團損失。本集團希望透過自有審核架構和員工舉報相配合的形式，使監督可以更有規模並提高本集團整體的廉潔意識。

於未來，我們期望能夠進一步完善本集團的反貪污機制，加強對員工嘗試違規的阻嚇作用，降低本集團的營運風險，為之後進一步的業務擴展打好基礎，也讓本集團管理層、持份者、大眾能對我們更有信心。

### 公民責任

#### 回饋社會

本集團堅持以主營業務回饋社會，每年都組織各類活動。其中，二零一九年，定期的活動包括：初一和十五送溫暖活動和每年定期參與獻血等。

初一和十五送溫暖活動中，我們會在分店門口擺放食物供應攤位，周圍的有需要人士，例如：低收入家庭、環衛工人以及老人家等等，會紛紛按需拿取食物。員工的服務積極性也很高，通過定期的活動，讓我們了解到社區的所需，為我們進一步融入社區和為社區做貢獻奠定了基礎。

展望未來，本集團將繼續積極履行企業公民責任，透過參與或舉辦各類活動以協助社會健康發展。我們也計劃投入更多資源於公益活動，鼓勵本集團全體員工一同參與，推動社會關懷的認識，進而提高本集團的企業形象。



## Independent Auditors' Report 獨立核數師報告書



國衛會計師事務所有限公司  
HODGSON IMPEY CHENG LIMITED

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

### TO THE SHAREHOLDERS OF LONGHUI INTERNATIONAL HOLDINGS LIMITED

*(Incorporated in Cayman Islands with limited liability)*

致龍輝國際控股有限公司股東

*(於開曼群島註冊成立之有限公司)*

### QUALIFIED OPINION

We have audited the consolidated financial statements of Longhui International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 75 to 207, which comprise the consolidated statement of financial position as at 31 December 2019, and 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

### 保留意見

吾等已審計龍輝國際控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)載於第75至207頁的綜合財務報表，其中包括於二零一九年十二月三十一日的綜合財務狀況表，與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

吾等認為，除本報告中保留意見之基準一節所述事項之可能影響外，該等綜合財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照《公司條例》的披露規定妥為擬備。

### BASIS FOR QUALIFIED OPINION

#### Opening balances and the comparative information

Our auditors' report on the consolidated financial statements of the Group for the financial year ended 31 December 2018 as contained in the annual report of the Company for that financial year (the "Prior Year's Consolidated Financial Statements") contained disclaimer of opinion as we were unable to obtain sufficient appropriate audit evidence in respect of accrued expenses and other payables. Details of these matters that led to us disclaiming opinion on the Prior Year's Consolidated Financial Statements are set out in our auditors' report dated 29 March 2019 contained in the annual report of the Company for the financial year ended 31 December 2018.

### 保留意見之基準

#### 年初結餘及比較資料

吾等就貴集團截至二零一八年十二月三十一日止財政年度之年報載列的該財政年度綜合財務報表(「過往年度綜合財務報表」)之核數師報告書載有不發表意見，理由是吾等無法取得有關應計費用及其他應付款項的充足適當的審計憑證。導致吾等就過往年度綜合財務報表作出不發表意見的事項詳情，載於吾等日期為二零一九年三月二十九日之核數師報告書，已載入貴公司截至二零一八年十二月三十一日止財政年度之年報。

# Independent Auditors' Report

## 獨立核數師報告書



### BASIS FOR QUALIFIED OPINION (Continued)

#### Opening balances and the comparative information (Continued)

Due to the lack of complete books and records of the Company, the board of directors of the Company was unable to ascertain the completeness and recording accuracy of certain of the accrued expenses and other payable (the "Unknown Liabilities") as at 1 January 2018 and 4 July 2018 (the "Acquisition Date"). The nil balances of the Unknown Liabilities recognised by the Group on the Acquisition Date entered into the determination of the financial performance of the Group for the year ended 31 December 2018 and have carryforward effects on the closing balances of the assets and liabilities of the Group as at 31 December 2018. We have been unable to carry out alternative audit procedures to obtain sufficient appropriate audit evidence to satisfy ourselves as to (i) the validity and accuracy of not recognising any amount of the Unknown Liabilities upon application of the Reverse Acquisition and as at 31 December 2018; (ii) the validity, accuracy and completeness of the nil carrying amounts of the Unknown Liabilities at the Acquisition Date which were recognised by the Group in the consolidated financial statements as disclosed in Note 32 to the consolidated financial statements and the carryforward effects on the closing balances of the assets and liabilities of the Group as at 31 December 2018; and (iii) the accuracy of the deemed listing expenses and hence as to whether the amount of the deemed listing expenses recognised as expense in the consolidated profit or loss was appropriate. There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the nil Unknown Liabilities and the deemed listing expenses included in the consolidated financial statements as at the Acquisition Date and as at 31 December 2018 were free from material misstatements. Our opinion on the current year's consolidated financial statements for the year ended 31 December 2019 is also modified because of the possible effects of these matters on the comparability of the current year's figures and the corresponding figures.

### 保留意見之基準(續)

#### 年初結餘及比較資料(續)

由於 貴公司之賬冊及記錄不完整， 貴公司董事會未能確定若干應計費用及其他應付款項(「未知負債」)於二零一八年一月一日及二零一八年七月四日(「收購日期」)的完整性及記錄準確性。 貴集團於收購日期確認的未知負債的零結餘已計入 貴集團截至二零一八年十二月三十一日止年度財務表現的釐定中，並對 貴集團於二零一八年十二月三十一日的年末資產及負債結餘產生結轉影響。吾等並無其他可進行的審核程序以取得充足適當的審計憑證，以令吾等信納(i)申請反收購時及於二零一八年十二月三十一日不確認任何未知負債金額的有效性、準確性；(ii)綜合財務報表附註32所披露，於收購日期 貴集團確認的未知負債的零賬面值的有效性、準確性及完整性，以及 貴集團於二零一八年十二月三十一日資產與負債的年末結餘造成的結轉影響的有效性、準確性及完整性；及(iii)視作上市開支之準確性，以至於綜合損益表確認為開支之視作上市開支金額是否合適。概無吾等可履行之替代審核程序以讓吾等信納於收購日期及二零一八年十二月三十一日的綜合財務報表所載的零未知負債及視作上市開支為概無錯誤陳述。吾等對截至二零一九年十二月三十一日止年度的本年度綜合財務表的意見亦為修訂意見，原因為該等事項對本年度數字與同期數字的可比性的可能影響。



## Independent Auditors' Report 獨立核數師報告書

### BASIS FOR QUALIFIED OPINION (Continued)

#### Opening balances and the comparative information (Continued)

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion. 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.

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2.1 to the consolidated financial statements which indicates that the Group incurred a net loss of approximately RMB128,247,000 during the year ended 31 December 2019 and, as of that date, the Group’s current liabilities exceeded its current assets by approximately RMB182,473,000. As stated in Note 2.1 to the consolidated financial statements, these events or conditions, along with other matters as set forth in Note 2.1, indicate that existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section and the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

### 保留意見之基準(續)

#### 年初結餘及比較資料(續)

吾等根據香港會計師公會(「香港會計師公會」)頒佈之香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等之責任於報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。吾等相信，吾等獲得之審計憑證能充分及適當地為吾等之保留意見提供基礎。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已遵循守則履行其他道德責任。

### 有關持續經營之重大不確定因素

吾等提請注意綜合財務報表附註2.1，其顯示於截至二零一九年十二月三十一日止年度，貴集團招致經營淨虧損約人民幣128,247,000元。於同日，貴集團之流動負債超出流動資產約人民幣182,473,000元。誠如綜合財務報表附註2.1所述，該等事件或狀況加上附註2.1所載之其他事宜，顯示存在重大不確定因素，有可能對貴集團持續經營之能力構成重大疑慮。吾等就此事宜並無修訂意見。

### 關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等不會對這些事項提供單獨的意見。除了「保留意見之基礎」部分及「有關持續經營之重大不確定因素」所述事項外，吾等確定以下事項為需要在報告中溝通的關鍵審計事項。

# Independent Auditors' Report

## 獨立核數師報告書



### KEY AUDIT MATTERS (Continued)

### 關鍵審計事項(續)

#### Impairment of property, plant and equipment and right-of-use assets

#### 物業、廠房及設備及使用權資產減值

Refer to Notes 15 and 16 to the consolidated financial statements.

請參閱綜合財務報表附註15及16。

#### The key audit matter

#### 關鍵審計事項

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

#### 吾等的審計如何處理有關事項

The Group's management performed impairment assessment of property, plant and equipment and right-of-use assets for identified restaurants that continued to underperform by estimating the recoverable amounts of their property, plant and equipment and right-of-use assets based on value-in-use calculations.

本集團管理層對已識別持續表現欠佳的餐廳之物業、廠房及設備及使用權資產進行減值評估，評估方法為根據使用價值計算估計其物業、廠房及設備及使用權資產的可收回金額。

The Group recorded property, plant and equipment and right-of-use assets of RMB39,034,000 and RMB123,444,000 as at 31 December 2019, respectively, and impairment loss amounting to RMB14,770,000 and RMB8,009,000 were recognised for the year ended 31 December 2019, respectively.

於二零一九年十二月三十一日，貴集團分別錄得物業、廠房及設備及使用權資產人民幣39,034,000元及人民幣123,444,000元，並於截至二零一九年十二月三十一日止年度分別確認減值虧損人民幣14,770,000元及人民幣8,009,000元。

We identified the impairment of properties, plant and equipment and right-of-use assets as a key audit matter due to the significance of the balance on the consolidated statement of financial position as at 31 December 2019 and the significant judgement and estimates were involved in assessment of the recoverable amounts of property, plant and equipment and right-of-use assets including assumptions on the budgeted revenue and discount rate.

吾等將物業、廠房及設備及使用權資產減值識別為關鍵審計事項，由於二零一九年十二月三十一日之綜合財務狀況表有重大結餘以及評估物業、廠房及設備及使用權資產之可收回金額涉及重大判斷及估計，包括關於預算收益及貼現率之假設。

Our procedures in relation to management's impairment assessment of property, plant and equipment and right-of-use assets included:

吾等有關管理層就物業、廠房及設備及使用權資產減值評估的程序包括：

- Inquiring the management on their identification of impairment indication and their method used for the impairment assessment of properties, plant and equipment and right-of-use assets;  
查詢管理層對減值跡象的識別以及物業、廠房及設備及使用權資產減值評估所用方法；
- Assessing the appropriateness of the valuation methodology and assumption of pre-tax discount rate used in determining the recoverable amount;  
評估估值方法及釐定可收回金額時假設使用稅前折讓率的合適性；
- Assessing the appropriateness of other key assumptions and inputs, including the growth rate of revenue and major costs (include raw materials, consumables used and staff costs) to revenue ratio by comparing to historical performance and relevant operation plans;  
評估其他關鍵假設及輸入數據的合適性，包括收益及主要成本(包括原材料、所用耗材及員工成本)的增長率與收益比率之比，方法為比較歷史表現及相關營運計劃；
- Checking, on a sampling basis, the accuracy and relevance of the input data used.  
抽樣檢查所用輸入數據的準確性及相關性。

We found the key assumptions used by management in the impairment assessment of property, plant and equipment and right-of-use assets were supported by available evidence.

吾等發現管理層進行物業、廠房及設備及使用權資產減值評估所用的關鍵假設獲得佐證支持。



## Independent Auditors' Report 獨立核數師報告書

### OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard. Because of the possible effects of the matter described in the Basis for Qualified Opinion section of our report, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

### RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE 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 IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### 其他資訊

董事須對其他資訊負責。其他資訊包括年報內的資訊，但不包括綜合財務報表及吾等的核數師報告書（「其他資訊」）。

吾等對綜合財務報表的意見並不涵蓋其他資訊，吾等亦不對該等其他資訊發表任何形式的鑒證結論。

結合吾等對綜合財務報表的審計，吾等的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或吾等在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於吾等已執行的工作，如果吾等認為其他資訊存在重大錯誤陳述，吾等需要報告該事實。就此方面，吾等並無任何事項需要報告。由於保留意見之基準所述之事項之可能影響，吾等未能總結就此事項是否有嚴重遺漏其他資料。

### 董事及審核委員會就綜合財務報 表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及公司條例的披露規定，擬備真實而中肯的綜合財務報表，並對其認為就使綜合財務報表的擬備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。

在擬備綜合財務報表時，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。

審核委員會須負責監察 貴集團之財務報告程序。

# Independent Auditors' Report

## 獨立核數師報告書



### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 核數師就審核綜合財務報表須承擔的責任

吾等的目標，是對綜合財務報表整體是否不存在由於舞弊或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告書。吾等僅向閣下(作為整體)報告，除此之外本報告別無其他目的。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。合理保證是高水準的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由舞弊或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於舞弊或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於舞弊可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因舞弊而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



## Independent Auditors' Report 獨立核數師報告書

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

### 核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告書中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則須修訂意見。吾等的結論是基於核數師報告書日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。吾等負責貴集團審計的方向、監督和執行。吾等為審計意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括吾等在審計中識別出內部控制的任何重大缺陷。

吾等還向審核委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響吾等獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

## Independent Auditors' Report 獨立核數師報告書



### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

The engagement director on the audit resulting in this independent auditors' report is Hon Koon Fai, Alex.

**HLB Hodgson Impey Cheng Limited**  
*Certified Public Accountants*  
**Hon Koon Fai, Alex**  
Practising Certificate Number: P05029

Hong Kong, 14 May 2020

### 核數師就審核綜合財務報表須承 擔的責任(續)

從與審核委員會溝通的事項中，吾等確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。吾等在核數師報告書中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中溝通該事項。

出具本獨立核數師報告書的審計項目總監是韓冠輝。

**國衛會計師事務所有限公司**  
香港執業會計師  
**韓冠輝**  
執業證書編號：P05029

香港，二零二零年五月十四日



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

### 綜合損益及其他全面收益表

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

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	Notes 附註			
Revenue	7	收益	<b>418,565</b>	624,707
Foods and beverage and other materials consumables used		食品及飲料以及已用其他耗材	<b>(167,726)</b>	(253,798)
Employee benefit and related expenses	9	僱員福利及相關開支	<b>(149,376)</b>	(166,008)
Property rentals and related expenses		物業租金及相關開支	<b>(31,160)</b>	(144,098)
Utilities expenses		公共設施開支	<b>(19,968)</b>	(20,841)
Depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets and intangible asset	15, 16, 17	物業、廠房及設備、使用權資產以及無形資產的折舊、攤銷及減值	<b>(126,845)</b>	(54,017)
Other expenses		其他開支	<b>(39,969)</b>	(50,837)
Other gains, net	8	其他收益淨額	<b>3,769</b>	2,977
<b>Loss from operating activities</b>	10	來自經營活動的虧損	<b>(112,710)</b>	(61,915)
Deemed listing expenses	32	視作上市開支	—	(399,670)
Finance expenses, net	11	融資開支淨額	<b>(17,771)</b>	(668)
<b>Loss before tax</b>		除稅前虧損	<b>(130,481)</b>	(462,253)
Income tax credit	12	所得稅抵免	<b>2,234</b>	10,625
<b>Loss for the year</b>		年內虧損	<b>(128,247)</b>	(451,628)
<b>Loss attributable to:</b>		以下各方應佔虧損：		
Owners of the Company		本公司擁有人	<b>(127,513)</b>	(451,095)
Non-controlling interest		非控股權益	<b>(734)</b>	(533)
			<b>(128,247)</b>	(451,628)
<b>Loss for the year</b>		年內虧損	<b>(128,247)</b>	(451,628)
Other comprehensive (loss)/income, net of income tax		其他全面(虧損)/收入，扣除所得稅		
<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：		
Currency translation differences		匯兌差額	<b>(912)</b>	2,283
<b>Total comprehensive loss for the year</b>		年內全面虧損總額	<b>(129,159)</b>	(449,345)

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

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



			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註		
<b>Total comprehensive loss attributable to:</b>	<b>以下各方應佔全面虧損總額：</b>			
Owners of the Company	本公司擁有人		<b>(128,425)</b>	(448,812)
Non-controlling interest	非控股權益		<b>(734)</b>	(533)
			<b>(129,159)</b>	(449,345)
<b>Loss per share</b>	<b>每股虧損</b>			
— Basic	— 基本	13	<b>(0.02)</b>	(0.10)
— Diluted	— 攤薄		<b>(0.02)</b>	(0.10)



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2019 於二零一九年十二月三十一日

			As at 31 December 2019 於二零一九年 十二月三十一日	As at 31 December 2018 於二零一八年 十二月三十一日
	Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	15	39,034		69,270
Right-of-use assets	16	123,444		—
Intangible asset	17	100		309
Prepayments and other receivables	19	22,719		22,717
Deferred tax assets	27	26,150		26,349
			<b>211,447</b>	118,645
<b>Current assets</b>				
Inventories	20	27,098		31,387
Trade receivables	18	5,907		16,988
Prepayments and other receivables	19	55,534		78,513
Restricted cash	21	—		26,286
Cash and cash equivalents	21	5,338		51,631
			<b>93,877</b>	204,805
<b>Total assets</b>			<b>305,324</b>	323,450
<b>Capital and reserves</b>				
Share capital	22	109		87
Reserves		(81,390)		(36,764)
			<b>(81,281)</b>	(36,677)
<b>Non-controlling interest</b>			<b>(690)</b>	44
<b>Total equity</b>			<b>(81,971)</b>	(36,633)

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2019 於二零一九年十二月三十一日



			As at 31 December 2019 於二零一九年 十二月三十一日	As at 31 December 2018 於二零一八年 十二月三十一日
	Notes 附註		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Liabilities</b>		<b>負債</b>		
<b>Non-current liabilities</b>		<b>非流動負債</b>		
Lease liabilities	16	租賃負債	107,837	—
Convertible bonds	29	可換股債券	2,942	72,892
Other non-current liabilities	28	其他非流動負債	—	22,369
Deferred tax liabilities	27	遞延稅項負債	166	6,535
			<b>110,945</b>	101,796
<b>Current liabilities</b>		<b>流動負債</b>		
Trade payables	23	貿易應付款項	52,865	63,933
Other payables and accruals	24	其他應付款項及應計費用	134,609	131,784
Contract liabilities	25	合約負債	42,824	39,343
Income tax payables		應付所得稅	892	797
Borrowings	26	借貸	—	22,430
Lease liabilities	16	租賃負債	45,160	—
			<b>276,350</b>	258,287
<b>Total liabilities</b>		<b>負債總額</b>	<b>387,295</b>	360,083
<b>Total equity and liabilities</b>		<b>總權益及負債</b>	<b>305,324</b>	323,450
<b>Net current liabilities</b>		<b>流動負債淨額</b>	<b>(182,473)</b>	(53,482)

The consolidated financial statements on pages 75 to 207 were approved and authorised for issue by the board of directors on 14 May 2020 and are signed on its behalf by:

第75至207頁之綜合財務報表乃於二零二零年五月十四日經董事會批准及授權刊發，並由以下董事代表簽署：

**Hung Shui Chak**  
洪瑞澤  
Director  
董事

**Yuan Mingjie**  
袁明捷  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
	Share Capital	Share premium	Convertible bonds reserve	Statutory reserve (Note i)	Capital reserve (Note ii)	Exchange Reserve	Retained earnings/ (accumulated losses)	Sub-total	Non-controlling interests	Total Equity
	股本	股份溢價	可換股債券儲備	法定儲備 (附註i)	資本儲備 (附註ii)	匯兌儲備	保留盈利 / (累計虧損)	小計	非控股權益	總權益
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣	人民幣
At 1 January 2018 as originally presented (restated)	—	—	—	10,491	—	—	39,296	49,787	577	50,364
Initial application of IFRS 9	—	—	—	—	—	—	(3,509)	(3,509)	—	(3,509)
At 1 January 2018 as restated	—	—	—	10,491	—	—	35,787	46,278	577	46,855
Loss for the year	—	—	—	—	—	—	(451,095)	(451,095)	(533)	(451,628)
Other comprehensive income:										
Currency translation difference	—	—	—	—	—	2,283	—	2,283	—	2,283
Total comprehensive income/(loss) for the year	—	—	—	—	—	2,283	(451,095)	(448,812)	(533)	(449,345)
Recognition of share capital and share premium of the Company immediately before the Acquisition (as defined in Note 2)	23	118,893	—	—	(118,137)	—	—	779	—	779
Deemed consideration for the Acquisition and recognition of equity component of convertible bonds issued in the Acquisition	64	334,182	37,539	—	—	—	—	371,785	—	371,785
Deferred tax arising on convertible bonds	—	—	(6,707)	—	—	—	—	(6,707)	—	(6,707)
At 31 December 2018 and 1 January 2019	87	453,075	30,832	10,491	(118,137)	2,283	(415,308)	(36,677)	44	(36,633)
Loss for the year	—	—	—	—	—	—	(127,513)	(127,513)	(734)	(128,247)
Other comprehensive loss:										
Currency translation difference	—	—	—	—	—	(912)	—	(912)	—	(912)
Total comprehensive loss for the year	—	—	—	—	—	(912)	(127,513)	(128,425)	(734)	(129,159)
Shares issued upon conversion of convertible bonds	22	113,562	(29,763)	—	—	—	—	83,821	—	83,821
At 31 December 2019	109	566,637	1,069	10,491	(118,137)	1,371	(542,821)	(81,281)	(690)	(81,971)

### Notes:

#### (i) Statutory reserve

In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China ("PRC"), those subsidiaries are required to transfer 10% of the profit after taxation to the statutory reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operation or convert into additional capital of the subsidiaries.

#### (ii) Capital reserve

It represents the difference between the issued share capital and share premium of the Company and the share capital of Longhui International Catering Management Holdings Limited (the accounting acquirer) immediately before the Acquisition (as defined in note 2).

### 附註:

#### (i) 法定儲備

根據所有在中華人民共和國(「中國」)成立的附屬公司之組織章程細則，該等附屬公司須將10%除稅後溢利撥至法定儲備，直接該儲備達到註冊資本的50%為止。撥入該儲備必須在向權益持有人派發股息前進行。法定儲備可用於彌補以往年度的虧損、擴充現有營運或轉換為附屬公司額外資本。

#### (ii) 資本儲備

其指本公司已發行股本及股份溢價與龍輝國際餐飲管理控股有限公司(會計收購人)於緊接收購事項(定義見附註2)前的股本之差額。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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



	Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流量</b>		
Loss before income tax	除所得稅前虧損	<b>(130,481)</b>	(462,253)
Adjustments for:	已就以下項目調整：		
Finance expenses, net	財務開支淨額	11 <b>17,771</b>	668
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15 <b>21,066</b>	44,857
Impairment of property, plant and equipment	物業、廠房及設備減值	15 <b>14,770</b>	8,955
Loss on disposal of property, plant and equipment	出售物業及設備之虧損	8 <b>5,587</b>	2,065
Written off of property, plant and equipment	撇銷物業、廠房及設備	<b>12,112</b>	—
Depreciation of right-of-use assets	使用權資產折舊	16 <b>82,791</b>	—
Impairment of right-of-use assets	使用權資產減值	16 <b>8,009</b>	—
Amortisation of intangible asset	無形資產攤銷	17 <b>209</b>	205
(Reversal of)/allowance for expected credit loss on trade and other receivables	貿易及其他應收款項 預期信貸虧損(撥回)/撥備	10 <b>(1,531)</b>	57
Gain on lease termination	終止租賃收益	<b>(2,263)</b>	—
Deemed listing expense	視作上市開支	32 <b>—</b>	399,670
Operating cash flows before movements in working capital	扣除營運資金變動前之經營現金流	<b>28,040</b>	(5,776)
Decrease/(increase) in inventories	存貨減少/(增加)	<b>4,289</b>	(3,432)
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)	<b>11,680</b>	(3,565)
Decrease/(increase) in prepayments and other receivables	預付款項及其他應收款項 減少/(增加)	<b>23,121</b>	(46,414)
Decrease in trade payables	貿易應收款項減少	<b>(11,068)</b>	(10,506)
Increase in other payables and accruals	其他應收款項及應計費用 增加	<b>7,934</b>	23,302
Increase/(decrease) in contract liabilities	合約負債增加/(減少)	<b>3,481</b>	(2,250)
Decrease in other non-current liabilities	其他非流動負債減少	<b>—</b>	(4,561)
Cash generated from/(used in) operating activities	經營活動所得/(所用) 現金	<b>67,477</b>	(53,202)
Income tax refund/(paid)	已退/(已付)所得稅	<b>1,730</b>	(13,110)



## Consolidated Statement of Cash Flows 綜合現金流量表

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

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Net cash generated from/(used in) operating activities</b> 經營活動所得/(所用)現金淨額	<b>69,207</b>	(66,312)
<b>Cash flows from investing activities</b> 投資活動所得現金流量		
Purchases of property, plant and equipment 購買物業、廠房及設備	<b>(25,747)</b>	(27,323)
Purchases of intangible asset 購買無形資產	—	(46)
Proceeds from disposal of property, plant and equipment 出售物業、廠房及設備之所得款項	<b>2,448</b>	1,416
Loans granted to related parties 向關聯方授出貸款	—	(14,609)
Receipt of loan repayments by related parties 收取關聯方償還的貸款	—	94,132
Interest received 已收利息	<b>163</b>	—
Placement of restricted cash 存放受限制現金	—	(26,286)
Withdrawal of restricted cash 提取受限制現金	<b>26,286</b>	—
Cash received from the reverse acquisition 反收購所得現金	—	81,394
<b>Net cash generated from investing activities</b> 投資活動所得現金淨額	<b>3,150</b>	108,678
<b>Cash flows from financing activities</b> 融資活動所得現金流量		
Dividend paid to former shareholders before the reverse acquisition 支付反收購前之前股東股息	—	(33,226)
Repayments of borrowings 償還借貸	<b>(22,430)</b>	(41,795)
Proceeds from borrowings 借貸所得款項	—	22,430
Interest expense on borrowings 借貸利息開支	<b>(877)</b>	(1,637)
Repayment of lease liabilities 償還租賃負債	<b>(97,893)</b>	—
<b>Net cash used in financing activities</b> 融資活動所用現金淨額	<b>(121,200)</b>	(54,228)
<b>Net decrease in cash and cash equivalents</b> 現金及現金等價物減少淨額	<b>(48,843)</b>	(11,862)
<b>Cash and cash equivalents at the beginning of the year</b> 年初現金及現金等價物	<b>51,631</b>	60,431
<b>Effects of exchange rate changes on cash and cash equivalents</b> 現金及現金等價物的匯率變動影響	<b>2,550</b>	3,062
<b>Cash and cash equivalents at the end of the year</b> 年末現金及現金等價物	<b>5,338</b>	51,631

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 1. GENERAL

Longhui International Holdings Limited (the “Company”), formerly known as Daqing Dairy Holdings Limited, is a limited company incorporated in the Cayman Islands on 15 October 2009. As announced by the Company on 30 July 2018, the English and Chinese names of the Company have been changed to “Longhui International Holdings Limited” and “龍輝國際控股有限公司” respectively. According to the register of substantial shareholders maintained by the Company as at 31 December 2019, Shui Chak Group Limited (“Shui Chak Group”) is the substantial corporate shareholders of the Company. The ultimate controlling party of Shui Chak Group Limited is Mr. Hung Shui Chak (“Mr. Hung”).

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is Room 1502, 15/F, Lucky Building, 39 Wellington Street, Central, Hong Kong.

The Company acts as an investment holding company. Its subsidiaries are engaged in restaurants operation located in the People’s Republic of China (the “PRC”).

#### 2.1 BASIS OF PREPARATION

The consolidated statements has been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) issued by the International Accounting Standards Board (“IASB”). The consolidated statements are presented in Renminbi (“RMB”), and all values are rounded to the nearest thousand (RMB’000) except otherwise indicated. RMB is the Company’s presentation currency and the functional currency of the principal operating subsidiaries of the Group. The functional currency of the Company is Hong Kong dollars (“HK\$”). The Directors consider the choosing RMB as the presentation currency best suits the needs of the shareholders and investors.

The consolidated financial statements as at and for the year ended 31 December 2019 comprise the Company and its subsidiaries (collectively referred to as the “Group”).

### 1. 一般資料

龍輝國際控股有限公司(「本公司」)(前稱大慶乳業控股有限公司)為於二零零九年十月十五日在開曼群島註冊成立之有限公司。誠如本公司於二零一八年七月三十日所公佈，本公司之英文名稱及中文名稱已分別更改為「Longhui International Holdings Limited」及「龍輝國際控股有限公司」。根據截至二零一九年十二月三十一日本公司所存置之主要股東名冊，瑞澤集團有限公司(「瑞澤集團」)為本公司之主要法團股東。瑞澤集團有限公司之最終控股方為洪瑞澤先生(「洪先生」)。

本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之主要營業地點為香港中環威靈頓街39號六基大廈15樓1502室。

本公司作為投資控股公司行事，其附屬公司於中華人民共和國(「中國」)從事餐廳業務。

#### 2.1 編製基準

綜合財務報表已遵照國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)(包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)編製。綜合財務報表以人民幣(「人民幣」)計值，除非另有所指，所有數值均四捨五入至最接近的千位數(人民幣千元)。人民幣為本公司之呈列貨幣及本集團主要營運附屬公司之功能貨幣。本公司之功能貨幣為港元(「港元」)。董事認為選擇人民幣作為呈列貨幣，最適合股東及投資者之需要。

於二零一九年十二月三十一日及截至該日止年度之綜合財務報表包括本公司及其附屬公司(統稱為「本集團」)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.1 BASIS OF PREPARATION (Continued)

On 4 July 2018 (the “Acquisition Date”), the Company completed (I) acquisition of Longhui International Catering Management Holdings Limited (the “Acquisition”), (II) disposal of Global Milk Products Pte Ltd. (“Global Milk”, which was the Company’s wholly-owned subsidiary incorporated in the Republic of Singapore) and its subsidiaries incorporated in the PRC (the “Disposal”) (III) placing of consolidated shares and (IV) open offer. Details of these transactions are set out in the Company’s announcements dated 4 July 2018.

The Acquisition constituted a very substantial acquisition and reverse takeover of the Company and involved a new listing application. Under the Acquisition, the Company acquired the entire issued share capital of Longhui International Catering Management Holdings Limited (the “Legal Acquiree” or the “Accounting Acquirer”), a company incorporated in the PRC with limited liability, in consideration of the issue of 3,789,375,000 ordinary shares of the Company at the issue price of HK\$0.125 per share (the “Consideration Shares”) and convertible bonds (the “Consideration Convertible Bonds”) in the aggregate principal amount of approximately HK\$129,470,000 to the vendors. The details of the Acquisition are set out in the Company’s circular dated 9 May 2018.

For the purpose of preparation of the consolidated financial statements for the year ended 31 December 2018, the Company is deemed to have been acquired by the Accounting Acquirer. These consolidated financial statements had been prepared on the basis that the Accounting Acquirer has acquired the Company on the Acquisition Date (the “Reverse Acquisition”). Under the Reverse Acquisition basis of accounting, the consolidated financial statements had been prepared as a continuation of the consolidated financial statements of the Accounting Acquirer and its subsidiaries (the “Longhui Group”) and accordingly:

- (i) The assets and liabilities of the Longhui Group were recognised in the consolidated financial statements of the Group and measured at their carrying amounts as presented in the consolidated financial statements of the Longhui Group;

### 2.1 編製基準(續)

於二零一八年七月四日(「收購日期」)，本公司完成(I)收購龍輝國際餐飲管理控股有限公司(「收購事項」)，(II)出售Global Milk Products Pte Ltd. (「Global Milk」，為本公司於新加坡共和國註冊成立之全資附屬公司)及其於中國註冊成立之附屬公司(「出售事項」)，(III)配售合併股份及(IV)公開發售。有關該等該交易之詳情載於本公司日期為二零一八年七月四日之公告內。

收購事項構成本公司之非常重大收購事項及反收購及涉及新的上市申請。根據收購事項，本公司收購龍輝國際餐飲管理控股有限公司(「法定被收購方」或「會計上的收購方」，為於中國註冊成立之有限公司)全部已發行股本，作為代價，本公司按發行價每股0.125港元向賣方發行3,789,375,000股普通股(「代價股份」)及本金總額為約129,470,000港元之可換股債券(「代價可換股債券」)。收購事項之詳情載於本公司日期為二零一八年五月九日之通函。

就編製截至二零一八年十二月三十一日止年度之綜合財務報表而言，本公司視作由會計上的收購方收購。該等綜合財務報表乃基於會計上的收購方已於收購日期收購本公司(「反收購」)之基準編製。根據反收購會計處理基準，綜合財務報表乃作為會計上的收購方及其附屬公司(「龍輝集團」)綜合財務報表之延續而編製，因此：

- (i) 龍輝集團之資產及負債於本集團之綜合財務報表確認及按龍輝集團綜合財務報表內呈列之賬面值計量；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 2.1 BASIS OF PREPARATION (Continued)

- (ii) The identifiable assets and liabilities of the Company deemed to be acquired or assumed by the Accounting Acquirer were initially recognised on the Acquisition Date at their fair values as at that date. The fair value of the purchase consideration deemed to be transferred in exchange for the Company was determined based on the number of equity interests the Accounting Acquirer would have had to issue to give to the owners of the Company the same percentage equity interest in the combined Group that results from the Acquisition and measured at the fair value of the equity consideration deemed to be issued to the then shareholders of the Company (the “Deemed Consideration”). The Deemed Consideration was in excess of the fair values of the assets acquired and liabilities assumed by the Group and the difference was recognised as deemed listing expenses (see Note 32 to the consolidated financial statements);
- (iii) The comparative information for the year ended 31 December 2017 presented in the consolidated financial statements was restated to be that of the Longhui Group;
- (iv) The results and cash flows of the Company and its original subsidiaries had been consolidated in the consolidated financial statements since the completion date of the Acquisition.

Further details of the Acquisition and the Deemed Consideration and deemed listing expenses arising on the Acquisition are set out in Note 32.

### 2.1 編製基準(續)

- (ii) 視作由會計上的收購方收購或承擔之本公司可識別資產及負債初步於收購日期按其於當日之公平值確認。為交換本公司而視作轉讓之收購代價公平值乃根據會計上的收購方為了讓本公司擁有人持有與收購事項所產生相同比例的合併集團權益而須發行的股權數目釐定及按視作發行予本公司其時股東之股權代價(「視作代價」)公平值計量。視作代價超出本集團已收購資產及所承擔負債之公平值，差額作為視作上市開支確認(見附綜合財務報表附註32)；
- (iii) 於綜合財務報表呈列之截至二零一七年十二月三十一日止年度之比較資料已重新呈列，已符合龍輝集團之資料；
- (iv) 本公司及其原附屬公司之業績及現金流已於收購事項完成日期後在綜合財務報表內綜合入賬。

有關收購事項及視作代價以及收購事項所產生之視作上市開支的進一步詳情載於附註32。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.1 BASIS OF PREPARATION (Continued)

#### Prior year's consolidated financial statements

As disclosed in the consolidated financial statements included in the annual report of the Company for the financial year ended 31 December 2018 (the "Prior Year's Financial Statements"), the Directors were unable to locate complete books and records of the Company and Global Milk and to get access to the books and records of the wholly-owned subsidiaries of Global Milk incorporated in the PRC (the "PRC Subsidiaries") and in the absence of the Group's previous management to explain and validate the true state of the affairs of, inter alia, the Company for the previous financial years, it was considered by the Directors that it would be extremely difficult and time consuming to ascertain the true and correct financial position and profit or loss of the previous years for, inter alia, the Company or to obtain sufficient documentary information to satisfy themselves regarding the treatment of the transactions during the year ended 31 December 2018 and various balances of the Company, Global Milk and the PRC Subsidiaries for the previous years. In the opinion of the Directors, any reconstruction of the correct accounting records would also be almost impossible as it would be necessary to verify the information with external and independent sources and such sources might not be available or might be unreliable. As of the date of approval of the Prior Year's Financial Statements, the Directors had used its best efforts, to the extent commercially practicable, to reconstruct the accounting records of the Company, Global Milk and the PRC Subsidiaries for the year ended 31 December 2018 and previous years and applied the best estimates and judgement based on the information of these entities that were available to the Directors. However, given substantial portion of the books and records of these entities could not be located or accessed and the previous management of the Group did not respond to the management's request, the Directors believed that as at the date of approval of the Prior Year's Financial Statements, it was impossible and impractical to ascertain the transactions and balances of the Company, Global Milk and the PRC Subsidiaries for inclusion in the financial statements of the Company and its consolidated financial statements since the year ended 31 December 2011.

### 2.1 編製基準(續)

#### 過往年度之綜合財務報表

誠如本公司截至二零一八年十二月三十一日止財政年度之年報載列的綜合財務報表(「過往年度財務報表」)所披露，董事未能找到本公司及Global Milk之完整賬冊及記錄以及查閱Global Milk於中國註冊成立之全資附屬公司(「中國附屬公司」)之賬冊及記錄，加上本集團前任管理層不在場，不能解釋及核實(其中包括)本公司於過往財政年度之真實事務狀況，故董事認為，核實確定(其中包括)本公司於過往年度之真實及正確財務狀況及損益，或取得充足文檔資料令彼等信納截至二零一八年十二月三十一日止年度交易處理及本公司、Global Milk及中國附屬公司於過往年度之各項結餘將極為困難及費時。董事認為，重構正確會計記錄亦將近不可能，因為此舉須與外部及獨立資料來源核實資料，而有關資料來源未必可得或可靠。於批准過往年度財務報表之日期，董事已在商業上屬切實可行之情況下竭盡所能重構本公司、Global Milk及中國附屬公司於截至二零一八年十二月三十一日止年度及過往年度之會計記錄，並根據董事可得之該等實體資料應用最佳估計及判斷。然而，由於無法找到或查閱該等實體之大部分賬冊及記錄，而本集團前任管理層並無回應管理層之要求，董事認為，於批准過往年度財務報表之日期，確定本公司、Global Milk及中國附屬公司之交易及結餘以載入本公司自截至二零一一年十二月三十一日止年度起之財務報表及其綜合財務報表屬不可能及不可行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 2.1 BASIS OF PREPARATION (Continued)

#### Prior year's consolidated financial statements (Continued)

During the financial year ended 31 December 2018, the Company disposed of its entire equity interests in Global Milk and the PRC Subsidiaries upon the completion of the Disposal (Note 33). The Disposal was completed immediately prior to the completion of the Acquisition and hence the assets and liabilities of Global Milk and the PRC Subsidiaries were not part of the assets and liabilities deemed acquired or assumed by the Group in the Acquisition.

#### Going concern basis

The Group reported a consolidated net loss of approximately RMB128,247,000 for the current year and net current liabilities of approximately RMB182,473,000 as at 31 December 2019. The unrestricted cash and cash equivalent balance amounted to approximately RMB5,338,000 at 31 December 2019. These circumstances may cast significant doubt on the Group's ability to continue as a going concern.

### 2.1 編製基準(續)

#### 過往年度之綜合財務報表(續)

於截至二零一八年十二月三十一日止財政年度，完成出售事項後，本公司出售其於Global Milk及中國附屬公司全部股權(附註33)。出售事項於緊接收購事項完成前完成，因此Global Milk及中國附屬公司之資產及負債並非本集團於收購事項中視作收購或承擔之資產及負債的一部分。

#### 持續經營基準

本集團於本年度及二零一九年十二月三十一日錄得綜合虧損淨額約人民幣128,247,000元及流動負債淨額約人民幣182,473,000元。於二零一九年十二月三十一日，未受限制現金及現金等價物結餘約為人民幣5,338,000元。該等狀況可能令本集團持續經營的能力遭受重大質疑。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.1 BASIS OF PREPARATION (Continued)

#### Going concern basis (Continued)

During the year, the directors of the Company (“Directors”) have taken various measures with an aim to improve the Group’s liquidity position. The Directors have prepared a cash flow forecast of the Group for the next twelve months based on the existing situation, the future events and commitments of the Group. The Directors considered that the Group will have adequate working capital to meet its obligations, therefore the consolidated financial statements of the Group have been prepared under a going concern basis. Measures and estimations have been taken into consideration by the Directors, including but not limited to:

- (i) the substantial shareholders of the Company have given their consent to provide continuous financial support to the Group to enable the Group to meet its obligations when due;
- (ii) negotiating with banks and other financial institution for new banking facilities;
- (iii) management has been endeavoring to improve the Group’s operating results and cash flows through various cost control measures and will slow down the opening of new restaurants or will close underperforming restaurants in the future;
- (iv) negotiating with the landlords for rent concessions due to the reduced number of customers as overshadowed by the outbreak of COVID-19 coronavirus.

Notwithstanding the above, given the outbreak of COVID-19 coronavirus in early 2020 and the uncertainties to obtain continuous support by the banks and the Group’s creditors, material uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above.

Should the Group fail to realise its plans to improve its financial position, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts other than those currently recorded in the consolidated statement of financial position as at 31 December 2019. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these consolidated financial statements.

### 2.1 編製基準(續)

#### 持續經營基準(續)

年內，本公司董事(「董事」)已採取多項措施，旨在改善本集團的流動資金狀況。董事已根據本集團的現有狀況、未來事件及承諾，編製本集團未來十二個月的現金流量預測。董事認為本集團將擁有充足的營運資金履行其責任，因此本集團的綜合財務報表已根據持續經營基準編製。董事已考慮以下措施及估計，包括但不限於：

- (i) 本公司主要股東已同意向本集團持續提供財務支援，以讓本集團履行其到期責任；
- (ii) 與銀行及其他金融機構磋商新銀行融資；
- (iii) 管理層致力透過各項成本控制措施改善本集團營運業績及現金流量，並將於未來減慢開設新餐廳的步伐或關閉表現欠佳的餐廳；
- (iv) 因應COVID-19冠狀病毒疫情令客戶數目減少，與業主商討租金優惠。

儘管已採取上述措施，惟鑒於二零二零年初爆發COVID-19冠狀病毒疫情，且未能確定可取得銀行及本集團債權人的持續支持，對於本公司管理層將來是否能實現其上述的計劃及措施，仍存在重大不確定因素。

倘本集團無法實現改善其財務狀況之計劃，則須作出調整以反映資產可能需要以截至二零一九年十二月三十一日的綜合財務狀況表內現時所載金額以外的金額變現之情況。此外，本集團可能必須為可能產生的進一步負債計提撥備，並將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響並未反映在此等綜合財務報表中。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

The Group has applied the following new and amendments to IFRSs (“new IFRSs”) issued by the International Accounting Standard Board (the “IASB”) for the first time in the current year:

IAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement
IAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures
IFRSs (Amendments)	Annual Improvements to IFRSs 2015–2017 Cycle
IFRS 9 (Amendments)	Prepayment Features with Negative Compensation
IFRS 16	Leases
IFRIC-Int 23	Uncertainly over Income Tax Treatments

The above new IFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures.

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

#### IFRS 16 Leases

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

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

本集團於本年度已首次應用以下國際會計準則理事會(「國際會計準則理事會」)頒佈之新訂及經修訂國際財務報告準則(「國際財務報告準則」)：

國際會計準則第19號(修訂本)	計劃修正、縮減或清償
國際會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益
國際財務報告準則(修訂本)	國際財務報告準則二零一五年至二零一七年週期之年度改進
國際財務報告準則第9號(修訂本)	具有負面補償特性之預付款項
國際財務報告準則第16號	租賃
國際財務報告詮釋委員會詮釋第23號	所得稅處理的不確定性

上述新訂國際財務報告準則已根據相應準則及修訂本的有關過渡條文應用，其導致會計政策、呈報金額及／或披露變動。

除了下文所述者外，於本年度應用新訂國際財務報告準則對本集團於本期間及過往期間之財務狀況及表現及／或對綜合財務報表所載披露資料並無重大影響。

#### 國際財務報告準則第16號租賃

本集團已於本年度首次應用國際財務報告準則第16號。國際財務報告準則第16號取代國際會計準則第17號租賃(「國際會計準則第17號」)及相關詮釋。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### Definition of a lease

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

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

#### As a lessee

As at 1 January 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 IFRS 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.

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

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 租賃的定義

本集團已選擇可行權宜方法將國際財務報告準則第16號應用於先前應用國際會計準則第17號及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，而並非將該等準則應用於先前並非識別為包含租賃的合約。因此，本集團並無重新評估於首次應用日期前早已存在的合約。

就於二零一九年一月一日或之後訂立或修改的合約而言，本集團應用國際財務報告準則第16號所載規定的租賃定義評估合約是否包含租賃。

#### 作為承租人

於二零一九年一月一日，本集團透過採用國際財務報告準則第16.C8(b)(ii)號過渡條文確認額外的租賃負債和使用權資產，其金額等於通過任何預付或應計的租賃付款調整的相關租賃負債。於首次應用日期的任何差額會於期初保留利潤確認，且比較資料不予重列。

於過渡期間應用國際財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就先前根據國際會計準則第17號分類為營業租約且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 選擇對租期在初始應用日期12個月內完結之租賃不會確認使用權資產及租賃負債；
- (ii) 於初始應用日期計量使用權資產時撇除初始直接成本；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### As a lessee (Continued)

- (iii) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment; and
- (iv) relied on the assessment of whether leases are onerous by applying HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" as an alternative of impairment review.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

When measuring lease liabilities for leases that were classified as operating leases, the Group discount future lease payments using the interest rate implicit to the lease or the incremental borrowing rate as of the date of initial application. The rate applied range from 4.57% to 6.50%.

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 作為承租人(續)

- (iii) 就剩餘租期相近於類似經濟環境內類別相若的相關資產組成的租賃組合應用單一貼現率。具體而言，於中國的若干樓宇租賃的貼現率按組合基準釐定；及
- (iv) 通過應用香港會計準則第37號「撥備、或然負債及或然資產」作為減值審閱的替代方法，評估租賃是否屬有償；

為計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將國際會計準則第12號「所得稅」規定分別應用於使用權資產及租賃負債。有關使用權資產及租賃負債的暫時差額，由於應用初步確認豁免，故此不會於初步確認及租賃期內確認。

為分類為經營租賃的租賃計量租賃負債時，本集團使用租賃隱含的利率或初始應用日期的增量借款利率以貼現未來租賃付款。利率介乎4.57%至6.50%。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### As a lessee (Continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 is as follows:

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 作為承租人(續)

於二零一九年一月一日的租賃負債與二零一八年十二月三十一日的經營租賃承擔的對賬如下：

		RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	255,614
Lease liabilities discounted at relevant incremental borrowing rates	以相關增量借款利率貼現租賃負債	227,387
Less: short-term leases recognised on a straight-line basis as expense	減：短期租賃按直線法確認為開支	(3,157)
Less: low-value leases recognised on a straight-line basis as expense	減：低價值租賃按直線法確認為開支	(2,087)
Lease liabilities recognised at 1 January 2019	於二零一九年一月一日確認的租賃負債	222,143
Analysed as:	分析為：	
— Current lease liabilities	— 即期租賃負債	85,573
— Non-current lease liabilities	— 非即期租賃負債	136,570
		222,143

The recognised right-of-use assets relate to the following types of assets:

與以下資產類型有關的已確認使用權資產：

		As at 1 January 2019 於二零一九年 一月一日 RMB'000 人民幣千元
Shops	店舖	178,858
Offices	辦公室	16,038
Warehouses	倉庫	557
		195,453

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### As a lessee (Continued)

In summary, the following adjustments were made to the amounts recognised in the consolidated statement of financial position at the date of initial application (1 January 2019):

#### Summary of effects arising from initial application of IFRS 16

The table below illustrates effect of IFRS 16 at the date of initial application, 1 January 2019. Line item that were not affected by the changes have not been included.

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 作為承租人(續)

總之，已就首次應用日期(二零一九年一月一日)於綜合財務狀況表中確認的款項作出如下調整：

#### 初次應用國際財務報告準則第16號所產生的影響概述

下表載列國際財務報告準則第16號於首次應用日期(二零一九年一月一日)的影響。不受變動所影響的項目並不包括在內。

		Prepayments Right-of- use assets	and other receivables	Other payables and accruals	Other non-current liabilities	Lease liabilities	Accumulated losses
		預付款項及 使用權資產	其他應收款項	其他應付款項 及應計費用	其他 非流動負債	租賃負債	累計虧損
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Closing balance at 31 December 2018	於二零一八年十二月 三十一日的期末結餘	—	78,513	(131,784)	(22,369)	—	(415,308)
Effect arising from initial application of IFRS 16:	初次應用國際財務報告 準則第16號所產生的 影響：						
Remeasurement	重新計量	195,453	(788)	5,109	22,369	(222,143)	—
Opening balance at 1 January 2019	於二零一九年一月一日的 期初結餘	195,453	77,725	(126,675)	—	(222,143)	(415,308)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 2.2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and revised IFRSs that have been issued but are not yet effective

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

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

- <sup>1</sup> Effective for business combination and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2020.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021.
- <sup>4</sup> Effective for annual periods beginning on or after a date to be determined.

In addition to the above new and amendments to IFRSs, a revised “Conceptual Framework for Financial Reporting” was issued in 2018. Its consequential amendments, the “Amendments to References to the Conceptual Framework” in IFRS Standards, will be effective for annual periods beginning on or after 1 January 2020. The Directors anticipate that the application of all other new and revised IFRSs will have no material impact on the unaudited consolidated financial statements in the foreseeable future.

### 2.2 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

國際會計準則第1號 及國際會計準則 第8號(修訂本)	重大的定義 <sup>2</sup>
國際財務報告準則 第3號(修訂本)	業務的定義 <sup>1</sup>
國際財務報告準則 第10號及國際會 計準則第28號 (修訂本)	投資者與其聯營公司 或合營企業之間出 售或注入資產 <sup>4</sup>
國際財務報告 準則第9號、 國際會計準則 第39號及國際 財務報告準則 第7號(修訂本)	利率基準改革 <sup>2</sup>
國際財務報告準則 第17號	保險合約 <sup>3</sup>

- <sup>1</sup> 於二零二零年一月一日或之後開始的首個年度期間開始或之後的收購日期的業務合併與資產收購生效。
- <sup>2</sup> 於二零二零年一月一日或之後開始的年度期間生效。
- <sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效。
- <sup>4</sup> 於待釐定日期或之後開始的年度期間生效。

除上述新訂及經修訂國際財務報告準則外，於二零一八年頒佈經修訂「財務報告概念框架」。其相應修訂(即「對國際財務報告準則中概念框架的引用之修訂」)於二零二零年一月一日或之後開始的年度期間生效。本公司董事預期應用所有其他新訂及經修訂國際財務報告準則將不會在可見將來對未經審核綜合財務報表造成重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

### 3. 重要會計政策概要

綜合財務報表根據國際會計準則理事會所頒佈的國際財務報告準則編製。此外，綜合財務報表包括上市規則及香港公司條例所規定的適用披露。

綜合財務報表已按照歷史成本基準編製。歷史成本一般基於為換取貨品及服務而支付代價的公平值釐定。

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付的價格，不論該價格是否直接觀察可得或使用另一種估值技術估計。就估計資產或負債的公平值而言，本集團考慮市場參與者於計量日期為該資產或負債進行定價時所考慮有關資產或負債的特徵。在綜合財務報表中計量及／或披露的公平值均在此基礎上予以釐定，惟屬於國際財務報告準則第2號範圍內的以股份為基礎付款交易、國際會計準則第17號範圍內（應用國際財務報告準則第16號前）或國際財務報告準則第16號（自二零一九年一月一日）的租賃交易，以及與公平值部分類似但並非公平值的計量（例如國際會計準則第2號內的可變現淨值或國際會計準則第36號的使用價值）除外。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

#### (a) Basis of consolidation

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

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

### 3. 重要會計政策概要(續)

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

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

#### (a) 合併基準

綜合財務報表包括本公司及本公司附屬公司所控制的實體(包括結構性實體)的財務報表。倘屬以下情況，則本公司取得控制權：

- 於被投資方擁有權力；
- 因參與被投資方的業務而獲得或有權獲得可變回報；及
- 有能力行使其權力影響其回報。

倘有事實及情況顯示上文所述的三項控制元素中的一項或以上出現變動，本公司將重新評估其是否控制被投資方。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company 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 Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component 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.

### 3. 重要會計政策概要(續)

#### (a) 合併基準(續)

倘本集團於投資對象之投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指揮投資對象的相關活動時即對投資對象擁有權力。本公司於評估本公司於投資對象的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相較其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有之投票權；
- 其他合約安排產生的權利；及
- 需要作出決定時，本集團目前能夠或不能指揮相關活動的任何額外事實及情況(包括於過往股東會議上的投票模式)。

本公司於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於報告期內購入或出售之附屬公司的收入及開支，按自本公司獲得控制權當日起至本公司失去附屬公司控制權當日止，計入合併損益及其他綜合收益表內。

損益及其他全面收益各部分乃歸屬於本公司擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司擁有人及非控股權益，即使這導致非控股權益發生虧絀結餘。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into 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.

#### *Subsidiaries*

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give the Group the current ability to direct the relevant activities of the investee).

### 3. 重要會計政策概要(續)

#### (a) 合併基準(續)

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團的會計政策一致。

集團內公司間的所有資產及負債、權益、收入、開支以及本集團成員公司間交易的相關現金流量於合併時悉數對銷。

附屬公司之非控股權益與本集團所佔之權益分開呈列，其代表目前所有權權益，有關權益賦予其持有人權力，於清盤時按比例取得相關附屬公司之資產淨值。

#### *附屬公司*

附屬公司指受本公司直接或間接控制的實體(包括結構性實體)。倘本集團透過參與被投資方業務而享有或有權取得被投資方的可變回報，且有能力行使在被投資方的權力影響有關回報，則本集團擁有該實體的控制權(即現時賦予本集團指導被投資方相關活動的能力)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

##### *Subsidiaries (Continued)*

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) The contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The results of subsidiaries are included in the Company's profit or loss to the extent of dividends received and receivables. The Group's investments in subsidiaries are stated at cost less any impairment.

### 3. 重要會計政策概要(續)

#### (a) 合併基準(續)

##### *附屬公司(續)*

倘本公司直接或間接擁有的被投資方投票權或類似權利不及大半，則評估本公司對被投資方是否擁有權力時，本集團會考慮所有相關事實及情況，包括：

- (a) 與該被投資方其他投票權擁有人的合約安排；
- (b) 根據其他合約安排所享有的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的業績計入本公司損益，以已收及應收股息為限。本集團對附屬公司的投資按成本減任何減值列賬。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF 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:

- (i) deferred tax assets or liabilities, and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- (ii) liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- (iii) assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

### 3. 重要會計政策概要(續)

#### (b) 業務合併

業務收購乃採用收購法入賬。於業務合併轉撥的代價按公平值計量，而計算方法為本公司所轉撥資產、本集團對被收購方原擁有人產生的負債及本集團就交換被收購方的控制權發行的股權於收購日期的公平值總和。與收購事項有關的成本於產生時在損益中確認。

於收購日期，已收購的可識別資產及已承擔負債按其公平價值予以確認，惟下列各項除外：

- (i) 遞延稅項資產或負債及與僱員福利安排有關的負債或資產分別根據國際會計準則第12號「所得稅」及國際會計準則第19號「僱員福利」確認及計量；
- (ii) 與被收購方以股份為基礎付款交易有關的負債或股本工具或以股份為基礎付款交易重置被收購方以股份為基礎付款交易乃根據國際財務報告準則第2號「以股份為基礎付款」計量；及
- (iii) 根據國際財務報告準則第5號「持作出售的非流動資產及已終止經營業務」劃分為持作出售的資產(或出售組合)根據該項準則計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

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

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from 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, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

### 3. 重要會計政策概要(續)

#### (b) 業務合併(續)

所轉撥代價、與被收購方的任何非控股權益及收購方先前持有被收購方股權(如有)的公平值合計,倘超出所收購可識別資產及所承擔負債於收購日期的淨額,超出的部分確認為商譽。倘(經重新評估後)已收購的可識別資產及承擔的負債於收購日期的淨額超出所轉撥代價、於被收購方任何非控股權益的金額及收購方先前持有被收購方權益(如有)的公平值總和,超出部分即時於損益中確認為議價收購收益。

屬現時擁有之權益且於清盤時賦予其持有人權利按比例分佔實體淨資產之非控股權益,可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公平值或另一項準則指定之計量基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債,則或然代價按其於收購日期之公平值計量,並計入於業務合併所轉讓之代價之一部分。符合資格為計量期間調整之或然代價公平值變動將予追溯調整,相應調整於商譽調整或議價收購收益。計量期間調整為於「計量期間」取得有關於收購日期已存在之事實及情況之額外資料產生之調整。計量期間不可超過自收購日期起計一年。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The subsequent accounting for changes in the fair value of 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 at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, 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. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

### 3. 重要會計政策概要(續)

#### (b) 業務合併(續)

不合資格為計量期間調整之或然代價公平值變動之後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價將根據國際會計準則第39號或國際會計準則第37號撥備、或然負債及或然資產(如適用)於後續報告日期重新計量，相應之盈虧於損益內確認。

倘業務合併分階段完成，本集團以往持有的被收購方股權按收購日期(即本集團取得控制權當日)的公平值重新計量，產生的收益或虧損(如有)於損益確認。過往於收購日期前於其他全面收益確認之被收購方權益所產生款額於損益重新分類(倘有關處理方法適用於出售權益)。

先前持有並於收購日期前在其他全面收益確認及於權益累計的股權的價值變動在本集團取得被收購方的控制權時重新分類至損益。

倘業務合併的初步會計處理於合併產生的報告期末仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間內作出調整(見上文)，或確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

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 customers.

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

Control of the asset may be transferred over time or at a point in time. Control of the asset is transferred over time if:

- The customer simultaneously receives and consumes the benefits provided by the entity’s performance as the entity performs; or
- The Group’s performance creates and enhances an asset that the customer controls as the Group performs; or

### 3. 重要會計政策概要(續)

#### (c) 客戶合約收益

我們確認收益以體現向客戶轉移承諾貨品或服務，其金額反映本集團預期就交換該等貨品或服務有權獲得的代價。具體而言，本集團就收益確認使用五步驟方法：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於(或隨著)實體完成履約責任時確認收益

本集團於(或隨著)履約責任完成時(即當某履約責任的相關貨品或服務的控制權轉移至客戶時)確認收益。

履約責任指不同的商品及服務(或一組商品或服務)或不同的商品及大致相同的服務。

資產的控制權可能隨著時間或於某個時間點轉移。倘滿足以下其中一項標準，資產的控制權隨時間轉移：

- 隨實體履約，客戶同時取得並耗用實體履約所提供的利益；或
- 本集團之履約創建或強化一資產，該資產於創建或強化之時即由客戶控制；或



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- 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.

If the control of the asset transfers over time, revenue is recognised over the period to the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

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 IFRS 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.

The Group recognised a refund liability if the Group receives consideration from a customer and expects to refund some or all of that consideration to the customer. A refund liability is measured at the amount of consideration received (or receivable) for which the Group does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price and, therefore, the contract liability) is updated at the end of each reporting period for changes in circumstances.

The Group generates revenues from restaurant operation.

Revenue is measured at the fair value of consideration received or receivable. Revenue is reduced for discounts and sales related taxes.

### 3. 重要會計政策概要(續)

#### (c) 客戶合約收益(續)

- 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之款項具有可執行之權利。

倘資產的控制權隨時間轉移，收益參考該履約責任的完成進度於合約期內確認。否則，收入於客戶獲得資產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)。其根據國際財務報告準則第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對價(或已可自客戶收取對價)，而須轉讓商品或勞務予客戶之義務。

倘本集團自客戶收取代價及預期將該代價的部分或全部退回予客戶，則本集團確認退款負債。退款負債按已收(或應收)金額計量，本集團預期無權收取該款額(即並非計入交易價格的金額)。退款負債(及交易價格的相應變動以及進而合約負債)於各報告期末進行更新，以反映有關情況的變化。

本集團自餐廳業務產生收益。

收益按已收或應收代價的公平值計量。收益就扣除及銷售相關稅項予以扣減。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Revenue is recognised when the amount of revenue can be reliably measure; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

For restaurant operation for which the control of services is transferred at a point in time, revenue is recognised when the related services have been rendered to customers.

Advance from customers for which the services have not been rendered are recognised as liabilities until the relevant services are performed and was classified as contract liabilities.

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the original effective interest rate.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated statements of profit or loss and other comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statements of profit or loss and other comprehensive income on a straight-line basis over the expected lives of the related assets.

### 3. 重要會計政策概要(續)

#### (c) 客戶合約收益(續)

當收益金額能夠可靠計量、未來經濟利益很可能流入本集團及達成本集團各項活動的具體標準時，即按下文所述確認收益。

就服務控制權於某時間點轉移的餐廳業務而言，收益於向客戶提供相關服務時確認。

尚未提供服務的客戶墊款於履行相關服務時才確認為負債及分類為合約負債。

利息收入採取實際利率法確認。倘應收款項減值，本集團將賬面值減少至可回收金額(為按工具原實際利率貼現的估計未來現金流量)及繼續將折扣回撥為利息收入。已減值應收款項的利息收入採取原實際利率法確認。

政府補貼在可合理保證將可收取該補貼及本集團將遵守所有附帶條件時按其公平值確認。與成本有關的政府補貼予以遞延及於使其配對擬定補償的成本所必需的期內在綜合損益及其他全面收益表內確認。

與物業及設備有關的政府補貼作為遞延政府補貼列入非流動負債，並按直線基準於相關資產的預期年期內計入綜合損益及其他全面收益表。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Leasing (upon application of IFRS 16)

##### *Definition of a lease*

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

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

##### *The Group as a lessee*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

##### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to leases of shops, office and warehouse that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

### 3. 重要會計政策概要(續)

#### (d) 租賃(應用國際財務報告準則第16號後)

##### *租賃的定義*

倘合約賦予於一段時期內對使用一項已識別資產的控制權以換取代價，則該合約為一項租賃或包含一項租賃。

就初步應用日期或之後訂立或修訂或自業務合併產生的合約而言，本集團根據國際財務報告準則第16號項下的定義，於開始、修訂日期或收購日期(倘適合)評估合約是否為一項租賃或包含一項租賃。除非合約條款及條件於其後發生變更，否則將不會對有關合約進行重新評估。

##### *本集團作為承租人*

就包含一項或多項額外租賃部分及非租賃部分的合約而言，本集團根據各租賃部分的相對單獨價格以及非租賃部分的單獨價格總額分攤合約代價。

##### *短期租賃及低價值資產租賃*

本集團對自租賃開始日起租賃期為12個月或以下且不包含購買選擇權的店舖、辦公室及倉庫租賃應用短期租賃的確認豁免。本集團亦對低價值資產租賃應用該項確認豁免。短期租賃及低價值資產租賃的租賃款項於租賃期內採用直線法或另一系統性基準確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Leasing (upon application of IFRS 16) (Continued)

##### Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

### 3. 重要會計政策概要(續)

#### (d) 租賃(應用國際財務報告準則第16號後)(續)

##### 使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於租賃期開始日期或之前支付的任何租賃款項，減任何所得租賃優惠金額；
- 本集團產生的任何初始直接成本；及
- 本集團拆卸及移除相關資產、復原相關資產所在地或將相關資產恢復至租賃條款及條件所規定的狀態所產生的估計成本。

使用權資產按成本計量，減去任何累計折舊及減值虧損，並就任何重新計量租賃負債作出調整。

本集團已合理地確定可於租期結束時取得相關租賃資產所有權的使用權資產由開始日期起至可使用年期結束止計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期(以較短者為準)內計提折舊。

本集團呈列使用權資產為綜合財務狀況表之獨立項目。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Leasing (upon application of IFRS 16) (Continued)

##### *Refundable rental deposits*

Refundable rental deposits paid are accounted under IFRS 9 Financial Instruments (“IFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

##### *Lease liabilities*

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease;

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

### 3. 重要會計政策概要(續)

#### (d) 租賃(應用國際財務報告準則第16號後)(續)

##### *可退回租賃按金*

已付的可退回租賃按金乃根據國際財務報告準則第9號金融工具(「國際財務報告準則第9號」)入賬，並初步按公平值計量。初步確認公平值的調整被視為額外租賃款項，並計入使用權資產成本。

##### *租賃負債*

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。倘租賃隱含的利率難以釐定，則本集團會使用租賃開始日期的增量借款利率計算租賃付款的現值。

租賃付款包括：

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠；
- 取決於指數或比率的可變租賃付款額，最初使用開始日期的指數或比率計量；
- 本集團根據剩餘價值擔保預期應付的金額；
- 本集團合理確定行使購買選擇權下的選擇權行使價；
- 倘租期反映本集團行使選擇權終止租賃，則就終止租賃支付的罰款；

開始日期後，租賃負債按利息增幅及租賃付款作出調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Leasing (upon application of IFRS 16) (Continued)

##### *Lease liabilities (Continued)*

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment; and
- the lease payments change due to changes in market rental rates following a market rent review/ expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

### 3. 重要會計政策概要(續)

#### (d) 租賃(應用國際財務報告準則第16號後)(續)

##### *租賃負債(續)*

出現以下情況時，本集團重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租期有變或有關行使購買選擇權的評估有變，於此情況下，相關租賃負債透過使用於重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量；及
- 租賃付款因進行市場租金調查後市場租金變動／有擔保剩餘價值下預期付款變動而出現變動，在此情況下，相關租賃負債透過使用初步貼現率貼現經修訂租賃付款而重新計量。

本集團呈列租賃負債為綜合財務狀況表之獨立項目。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Leasing (upon application of IFRS 16) (Continued)

##### *Lease modifications*

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

### 3. 重要會計政策概要(續)

#### (d) 租賃(應用國際財務報告準則第16號後)(續)

##### *租賃修訂*

倘存在下列情形，則本集團將租賃修訂作為一項單獨租賃入賬：

- 該項修訂通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約情況對單獨價格所作的任何適當調整。

就並非作為一項單獨租賃入賬的租賃修訂而言，本集團會透過使用修訂生效日期的經修訂貼現率貼現經修訂租賃付款，按經修訂租賃的租期重新計量租賃負債。

本集團透過對相關使用權資產作出相應調整重新計量租賃負債。當經修改合約包含一項租賃成分以及一項或多項額外租賃或非租賃成分，本集團基於租賃成分的相關單獨價格與非租賃成分的單獨價格總和，將經修改合約中的代價分攤至每一租賃成分中。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Leasing (prior to 1 January 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownerships to the lessee. All other leases are classified as operating leases.

##### *The Group as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

#### (f) Foreign currencies

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the functional and presentation currency of the Group.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

### 3. 重要會計政策概要(續)

#### (e) 租賃(於二零一九年一月一日前)

如租賃的條款訂明向承租人轉讓擁有權的絕大部分風險及回報，則該租賃分類為融資租賃。所有其他租賃分類為經營租賃。

##### *本集團作為承租人*

經營租賃的應付租金在有關租賃期內按直線法確認為開支，惟另一系統基準為更具代表性之時間段除外，據此，租賃資產產生之經濟利益於該時間段內消耗。經營租賃項下產生之或有租金於其產生期內確認為開支。

#### (f) 外幣

本公司每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。綜合財務報表以人民幣呈列，港元為本集團的功能及列賬貨幣。

外幣交易採用交易日的匯率換算為功能貨幣。除了符合在權益中遞延入賬的現金流量對沖或淨投資對沖外，結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在收益表確認。

與借款以及現金及現金等價物有關的匯兌收益及虧損，會在收益表內「財務收入或費用」一項呈列。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Foreign currencies (Continued)

The results of operations outside the PRC are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation with a financial currency other than RMB, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

#### (g) Current and deferred tax

Tax expense comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the jurisdictions where the Company and its subsidiaries, associates and jointly controlled entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 3. 重要會計政策概要(續)

#### (f) 外幣(續)

中國境外的經營業績按與交易當日匯率相若的匯率換算為人民幣。財務狀況表項目按報告期末的收市匯率換算為人民幣。所得的匯兌差異於其他全面收益確認及於權益的匯兌儲備內分開累計。

當出售財務貨幣為人民幣以外的海外業務時，與該海外業務有關的匯兌差異的累計金額於確認出售盈虧時由權益重新分類至損益。

#### (g) 即期及遞延稅項

稅項費用包括即期和遞延所得稅。除了直接與權益相關的項目的稅項於其他全面收益或直接在權益中確認外，其餘均在損益表中確認。就此而言，稅項亦分別於其他全面收益或直接於權益確認。

即期所得稅開支乃按本公司及其附屬公司、聯營公司及共同控制實體經營及產生應課稅收入之司法權區於結算日實行或大致已實行之稅務法律計算。管理層就需作詮釋適用稅項法規下所作稅務申報定期評估，並按預期將支付稅務機關的款項基準計提適當撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Current and deferred tax (Continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets arising from deductible temporary differences associated with such investments are recognised only to the extent that it is probable the temporary difference will reverse in the foreseeable future and there is sufficient taxable profit available against which the temporary difference can be utilised.

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.

### 3. 重要會計政策概要(續)

#### (g) 即期及遞延稅項(續)

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在綜合財務報表的賬面值之差產生的暫時差異確認。然而，倘若遞延稅項負債乃因初次確認商譽而產生則不予確認，而倘若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而又卻在交易時不影響會計損益或應課稅盈虧，則不作確認。遞延稅項採用在結算日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

遞延所得稅負債就附屬公司、聯營公司及共同控制實體投資產生之暫時差異而撥備，但假若本公司可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回之情況則除外。

與該等投資相關之可抵扣暫時差異所產生之遞延所得稅資產僅於預計暫時差異於可見將來可以撥回及有足夠應課稅盈利以使用暫時差異時確認。

遞延稅項資產的賬面值於各報告期末審閱，並在不可能有足夠應課稅溢利以收回全部或部分資產之金額時作調減。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Current and deferred tax (Continued)

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 income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 3. 重要會計政策概要(續)

#### (g) 即期及遞延稅項(續)

遞延稅項資產及負債乃根據於報告期末已生效或實質上生效之稅率(及稅法)，按預期於負債獲清償或資產獲變現期間適用之稅率計量。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算其資產及負債的賬面值將帶來的稅務後果。

當有法定可執行權利可將本期稅務資產與本期稅務負債抵銷，而遞延所得稅資產及負債涉及同一稅務機關向應課稅實體或不同應課稅實體徵收之所得稅，並有意按淨額結算餘款，則可將遞延所得稅資產與負債抵銷。

就稅務寬減源自租賃負債的租賃交易而言，本集團就整體租賃交易應用國際會計準則第12號所得稅規定。有關使用權資產及租賃負債的臨時差額乃按淨額基準評估。使用權資產折舊超過租賃負債本金部分之租賃付款導致可扣減臨時淨差額。

即期及遞延稅項於損益確認，惟當有關稅項與其他全面收益或直接於權益確認之項目相關時則除外，在該情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘即期稅項或遞延稅項產生自業務合併的初始會計，稅務影響則計入業務合併的會計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the combined statements of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### (i) 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.

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.

### 3. 重要會計政策概要(續)

#### (h) 借貸

借貸初步按公平值扣除所產生的交易成本予以確認。借貸其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值間的任何差額使用實際利息法於借貸期間在合併全面收益表內確認。

在貸款很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款的交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無跡象顯示該貸款很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款，並於其相關融資期間內予以攤銷。

除非本公司有無條件權利將債務結算遞延至報告期末後至少12個月，否則借貸將被劃分為流動負債。

#### (i) 借款成本

對於需要長時間為擬定用途或出售作準備的資產，由收購、建設或生產符合規定的資產所直接產生的借款成本，將計入該資產的成本，直到資產大體上達到擬定用途或出售時為止。

特定借款於用作合格資產開支前的臨時投資所得投資收入從合資格資本化的借款成本中扣除。

所有其他借款成本會於產生期間於損益賬確認。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (j) Retirement benefit costs

##### *Pension obligations*

##### (i) Hong Kong

The Group participates in a mandatory provident fund scheme (the "MPF scheme"), which is a defined contribution scheme, for its employees in Hong Kong. The assets of the MPF scheme are held separately from those of the Group in an independent administered fund.

Both the Group and the employees are required to contribute 5% of the employee's relevant income, subject to a maximum of HK\$1,500 per employee per month. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due and prepaid contributions are recognised as an asset to the extent that a cash refund is available.

##### (ii) The PRC

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme. Payments to defined contribution retirement plans are charged as an expense when employees have rendered service entitling them to the contributions.

### 3. 重要會計政策概要(續)

#### (j) 退休福利成本

##### *退休金責任*

##### (i) 香港

本集團為其於香港之僱員參與一項界定供款計劃，強制性公積金計劃(「強積金計劃」)。強積金計劃之資產由獨立於本集團資產之獨立管理基金持有。

本集團及僱員均須就僱員之有關收入作出5%供款，每名僱員之每月供款上限為1,500港元。本集團於作出供款後並無任何其他付款責任。供款於須繳付時確認為僱員福利開支，而預付供款於可取得現金退款時確認為資產。

##### (ii) 中國

本集團於中國經營的附屬公司的僱員須參與由地方市政府營運的中央退休金計劃。該等附屬公司須將其工資成本的某一百分比向中央退休金計劃供款。該等供款在其根據中央退休金計劃規則應付時於損益扣除。界定供款退休計劃的付款在僱員提供服務並賦予彼等享有供款的權利時作為開支扣除。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property, plant and equipment other than construction in progress as described below are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the combined statements of comprehensive income during the financial period in which they are incurred. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Vehicles: 5 years
- Machinery: 5 years
- Furniture: 5 years
- Equipment and computers: 3 years
- Leasehold improvements: 5 years to 8 years (shorter of remaining term of the lease and the estimated useful lives of assets)

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### 3. 重要會計政策概要(續)

#### (k) 物業、廠房及設備

物業、廠房及設備(下文所載在建工程除外)按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。後續成本僅在與該項目有關的未來經濟利益很可能流入本集團且該項目的成本能可靠計量時,方會計入資產的賬面值或確認為一項獨立資產(如適當)。被取代部分的賬面值終止確認。所有其他維修及保養費用於其產生的財政期間自匯總綜合收入表中支銷。物業、廠房及設備折舊採用以下的估計可使用年期將其成本按直線法分攤其剩餘價值計算:

- 車輛: 五年
- 機器: 五年
- 傢具: 五年
- 設備及電腦: 三年
- 租賃改善裝修: 五年至八年(資產餘下租賃期及估計可使用年期的較短者)

折舊被確認以使用直線法撇銷資產成本減去其於估計可使用年期之殘值。資產的剩餘價值及可使用年期在各報告期末進行審核,並在適當時予以調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Construction in progress represents machinery and leasehold improvements under construction. It is stated at cost less accumulated impairment losses, if any. Cost includes the costs of construction and acquisition, and capitalised costs attributable to the construction during the period of construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are available for use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated in above.

The cost of property, plant and equipment also includes the estimated costs of dismantling and removing the asset and restoring the site on which it is located (“decommissioning costs”).

Decommissioning costs such as dilapidation expenditure arose in connection with leasehold improvements are capitalised when the leases start and will be recognised in the consolidated statement of comprehensive income over the useful life of the asset (generally the expected lease term) as part of the depreciation charge. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

#### (l) Prepaid lease payments

Prepaid lease payments represent payments for leasehold land and are released over the lease terms on a straight-line basis. Prepaid lease payments which are to be released in the next twelve months or less are classified as current assets.

### 3. 重要會計政策概要(續)

#### (k) 物業、廠房及設備(續)

在建工程指興建中的機器及租賃改善裝修。在建工程按成本減累計減值虧損(如有)入賬。成本包括建築及收購成本,及於興建期間應佔工程之資本化成本。在建工程於有關資產完成及可供使用前不會作出折舊撥備。當有關資產可投入使用時,成本將轉撥至物業、廠房及設備,並且根據上文所載的政策折舊。

物業、廠房及設備的成本包括拆卸及搬遷資產與恢復資產所在地原貌的估計成本(「清拆費用」)。

清拆費用如租賃改善裝修產生的失修開支於租賃開始時被資本化,及將於綜合全面收入表就資產使用年期(一般而言為預期租賃年期)獲確認作部分折舊收費。資產的賬面值高於其估計可收回金額,則其賬面值即時撇減至可收回金額。

#### (l) 預付租賃款

預計租賃款指租賃土地付款,乃於租賃期間按直線法攤銷。於未來十二個月或少於十二個月將予攤銷的預付租金歸類為流動資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Intangible asset

##### *Intangible asset acquired separately*

Intangible asset with finite useful life that is acquired separately is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible asset with finite useful life is provided on a straight-line basis over its estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible asset include computer software, and is measured at cost. Computer software is amortised on a straight-line basis over the period of 5 years.

##### *Research and development expenditure*

Expenditure on research activities are recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

### 3. 重要會計政策概要(續)

#### (m) 無形資產

##### *獨立收購的無形資產*

獨立收購並有明確可用年期的無形資產按成本扣除累計攤銷及累計減值虧損列賬。該等無形資產乃以直線法按其估計可使用年期進行攤銷。估計可使用年期及攤銷方法乃於本報告期末檢討，任何估計變動的影響按預先計提的基準入賬。

無形資產包括電腦軟件，並以成本計量。電腦軟件以直線法按5年期間攤銷。

##### *研發支出*

研究工作之費用於產生之期間確認為開支。

因內部開發活動(或內部項目之開發階段)而產生之無形資產，僅於顯示下列各項後才確認：

- 完成無形資產之技術可行性報告致使該無形資產可供使用或銷售；
- 有意完成、使用或銷售該無形資產；
- 可使用或銷售該無形資產；
- 該無形資產如何產生日後經濟利益；



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Intangible asset (Continued)

##### Research and development expenditure (Continued)

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible asset that is acquired separately.

#### (n) Impairment of tangible and intangible asset other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible asset to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

### 3. 重要會計政策概要(續)

#### (m) 無形資產(續)

##### 研發支出(續)

- 具備充裕之技術、財務及其他資源，以完成開發工作及使用或銷售該無形資產；及
- 能夠可靠衡量該無形資產於開發時之開支。

內部產生之無形資產初步確認金額為自無形資產首次符合上述確認標準日期所產生之開支。倘並無可確認之內部產生無形資產，則開發成本於產生的期間於損益內確認。

於初步確認後，內部產生之無形資產按與分別收購之無形資產相同之基準以成本減累計攤銷及累計減值虧損計量。

#### (n) 有形資產及無形資產(商譽除外)

減值在各個報告期期末，本集團檢討其有形和無形資產的賬面值，以釐定是否有任何跡象顯示該等資產已發生減值損失。倘存在任何該等跡象，則會對資產的可收回金額作出估計，以釐定減值虧損的程度(如有)。倘無法估計一項資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。倘可識別合理及一致的分配基準，則公司資產亦分配至個別現金產生單位，或以可識別合理及一致的分配基準將其分配至最小組別的現金產生單位。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (n) Impairment of tangible and intangible asset other than goodwill (Continued)

Recoverable amount is the higher of fair value costs to sell 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 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 the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverse, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### (o) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

#### (p) Related parties transactions

A party is considered to be related to the Group if:

- (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;

### 3. 重要會計政策概要(續)

#### (n) 有形資產及無形資產(商譽除外)(續)

可收回金額為減除銷售成本後的公平值與使用價值的較高者。於評估使用價值時，估計未來現金流量乃使用除稅前折現率折減至其現值，以反映現時市場對貨幣時間值的評估及該資產(其估計未來現金流量尚未予以調整)特有的風險。

倘一項資產(或現金產生單位)的可收回數額估計為少於其賬面值，該項資產(或現金產生單位)的賬面值削減至其可收回數額。減值虧損即時於損益內確認。

當減值虧損其後撥回時，該項資產(或現金產生單位)的賬面值增至其可收回數額的經修訂估計數額，但所增加的賬面值不得超過該項資產(或現金產生單位)於以往年度原未確認減值虧損所釐定的賬面值。一項減值虧損撥回即時於損益內確認。

#### (o) 存貨

存貨按成本及可變現淨值中較低者列賬，而成本乃按加權平均法計算。

#### (p) 關連方交易

在下列情況下，有關人士被視為本集團之關連方：

- (a) 該人士或該人士之近親被視為本集團之關連方，倘該人士：
  - (i) 控制或共同控制本集團；



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Related parties transactions (Continued)

- (a) A person or a close member of that person's family is related to the Group if that person: (Continued)
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (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 subsidiaries 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 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 note (a);

### 3. 重要會計政策概要(續)

#### (p) 關連方交易(續)

- (a) 該人士或該人士之近親被視為本集團之關連方，倘該人士：(續)
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 該實體被視為本集團之關連方，倘符合下列任何條件：
  - (i) 該實體與本集團屬同一集團之成員公司(代表母公司、附屬公司及同系附屬公司各自互相關連)；
  - (ii) 一間實體為另一實體的聯營公司或合營企業(或為一集團之聯營公司或合營公司，而另一實體為該集團之成員)；
  - (iii) 兩個實體均為同一第三方的合營企業
  - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
  - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃；
  - (vi) 該實體被附註(a)內所指一名人士控制或共同控制；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Related parties transactions (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (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); or
- (viii) the entity, or any member of the Group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that person in their dealing with the entity.

A transaction is considered to be a related party transaction when there is a transfer of resources, or obligations between related parties.

#### (q) Financial instruments

##### Financial assets

##### Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### 3. 重要會計政策概要(續)

#### (p) 關連方交易(續)

- (b) 該實體被視為本集團之關連方，倘符合下列任何條件：  
(續)
- (vii) (a)(i)中的一名人士對該實體有重大影響或為該實體的主要管理層成員(或為該實體母公司的)；或
- (viii) 該實體或本集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。

某一人士之密切家族成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家族成員。

倘關連人士之間存在資源或責任轉讓，則被視為關連人士交易。

#### (q) 金融工具

##### 金融資產

##### 金融資產的分類及期後計量

滿足以下條件其後按攤銷成本計量的金融資產：

- 以收取合約現金流量為目的而持有資產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。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Classification and subsequent measurement of financial assets (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at financial assets at fair value through profit or loss ("FVTPL"), except that at the date of initial application of IFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 Business Combinations applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產的分類及期後計量(續)

滿足以下條件其後按以公平值計入其他全面收益(「按公平值計入其他全面收益」)計量的金融資產:

- 以出售及收取合約現金流量為目的而持有資產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。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」)計量, 惟在首次應用國際財務報告準則第9號/初始確認金融資產之日, 倘該股本投資並非持作買賣, 亦非收購方在國際財務報告準則第3號業務合併所適用的業務合併中確認的或然代價, 本集團可不可撤銷地選擇於其他綜合收益呈列股本投資公平值的其後變動。

倘符合下列條件, 則金融資產乃分類為持作買賣:

- 其乃主要獲收購以於短期內出售; 或
- 於初步確認時, 其為本集團共同管理之可識別金融工具組合的一部分, 並具有短期套利的近期實際模式; 或
- 其屬並非指定及作為對沖工具生效的衍生工具。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Classification and subsequent measurement of financial assets (Continued)

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significant reduces an accounting mismatch.

#### (1) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產的分類及期後計量(續)

此外，倘如此可消除或大幅減少會計錯配，則本集團可不可撤銷地指定符合按攤銷成本或按公平值計入其他全面收益計量的金融資產。

#### (1) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及其後按公平值計入其他全面收益計量的債務工具／應收款項乃使用實際利率法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Classification and subsequent measurement of financial assets (Continued)

#### (2) 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 excludes any interest earned on the financial asset.

##### Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under IFRS 9 (including trade and other receivables, pledged bank deposits, and bank balances and cash). 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.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產的分類及期後計量(續)

#### (2) 按公平值計入損益的金融資產

未能滿足按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益計量條件的金融資產按公平值計入損益計量。

按公平值計入損益的金融資產於各報告期末按公平值計量，任何公平值收益或虧損於損益中確認。於損益確認的收益或虧損淨額不包括任何金融資產所賺的利息。

##### 金融資產減值

本集團根據國際財務報告準則第9號就發生減值之金融資產(包括貿易及其他應收款項、已抵押銀行存款及銀行結餘及現金)確認預期信貸虧損(「預期信貸虧損」)的虧損準備。預期信貸虧損的金額於各報告日期更新，以反映自初始確認後信貸風險的變化。

存續期預期信貸虧損指將相關工具的預期使用期內所有可能的違約事件產生之預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)將預期於報告日期後12個月內可能發生的違約事件導致之存續期預期信貸虧損部分。評估乃根據本集團的歷史信用虧損經驗進行，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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

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.

#### (1) 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 instruments as at the reporting date with the risk of a default occurring on the financial instruments 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 instruments' external (if available) or internal credit rating;

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

本集團始終就貿易應收款項確認存續期預期信貸虧損。預期信貸虧損將對擁有重大結餘的上述債務人單獨進行評估及／或使用適宜組別的撥備矩陣進行集體評估。

對於所有其他工具，本集團計量的虧損準備等於12個月預期信貸虧損，除非自初始確認後信貸風險顯著增加，本集團確認存續期預期信貸虧損。是否應確認存續期預期信貸虧損的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加。

#### (1) 信貸風險顯著增加

於評估自初始確認後信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量和定性資料，包括無需付出不必要的成本或努力而可得之歷史經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信用評級的實際或預期顯著惡化；



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

##### (1) Significant increase in credit risk (Continued)

- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread;
- 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; and
- 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.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

##### (1) 信貸風險顯著增加(續)

- 外部市場信貸風險指標的顯著惡化，如信貸利差大幅增加；
- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；及
- 導致債務人履行其債務責任的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。

不論上述評估之結果如何，本集團認為，當合約付款逾期超過三十天，則自初始確認為以來信貸風險已顯著增加，除非本集團有合理且可支持之資料證明。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

#### (1) Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

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.

#### (2) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

#### (1) 信貸風險顯著增加(續)

儘管上文所述，倘一項債務工具於報告日期被釐定為低信貸風險，則本集團假設該項債務工具之信貸風險自初始確認以來並無顯著增加。在下列情況下，一項債務工具被釐定為具有低信貸風險：(i) 其違約風險低；(ii) 借款人近期具充分之能力以履行合約現金流量責任；及(iii) 長遠經濟及業務狀況之不利變動或會(但非必然)降低借款人之能力以履行其合約現金流量責任。倘一項債務工具之內部或外部信貸評級為國際通用之「投資評級」，則本集團認為該債務工具擁有低信貸風險。

本集團定期監控用以識別信貸風險有否顯著增加的標準之效益，且修訂標準(如適當)來確保標準能在金額逾期前識別信貸風險顯著增加。

#### (2) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

#### (2) Definition of default (Continued)

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### (3) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default 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:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

#### (2) 違約定義(續)

不論上文為何，本集團都認為，已於金融資產逾期超過90日後發生違約，惟本集團有合理及具理據資料來顯示更加滯後的違約標準更為恰當。

#### (3) 信貸減值金融資產

金融資產在一項或以上違約事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產維持信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或借款人的重大財困；
- 違反合約(如違約或逾期事件)；
- 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- 借款人將可能陷入破產或其他財務重組；或
- 因財政困難令金融資產活躍市場消失。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

#### (4) 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 one year 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.

#### (5) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值(續)

#### (4) 撇銷政策

資料顯示對手方處於嚴重財困及無實際收回可能時(例如對手方被清盤或已進入破產程序時)或倘為金額已逾期超過一年的貿易應收款項(以較早者為準),本集團則撇銷金融資產。經考慮法律意見後(倘合適),遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。

#### (5) 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(即違約時虧損大小)及違約時風險敞口之函數。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。預期信貸虧損的預估乃無偏概率加權平均金額,以各自發生違約的風險為權重確定。

一般而言,預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始確認時釐定之有效利率貼現)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Impairment of financial assets (Continued)*

#### (5) 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 into past-due status and nature, size and industry of debtors.

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.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

##### *Financial liabilities and equity instruments*

##### *Classification as debt or equity*

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### *金融資產(續)*

##### *金融資產減值(續)*

#### (5) 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水平證據未必存在的情況，則金融工具按債務人逾期情況及性質、規模及行業分類。

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入乃按金融資產的賬面總值計量，惟出現信貸減值的金融資產則按金融資產的攤銷成本計量利息收入。

本集團透過虧損撥備賬調整所有面臨預期信用虧損之金融資產的賬面值，以於損益確認彼等之減值收益或虧損。

##### *金融負債及權益工具*

##### *分類為債項或權益*

由一集團實體發行的債項及權益工具乃根據已訂立的合約安排內容以及金融負債及權益工具的定義分類為金融負債或權益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### *Financial liabilities and equity instruments (Continued)*

###### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Group 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.

###### *Financial liabilities at amortised cost*

Financial liabilities including convertible bonds, trade payables, other payables and accruals and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

###### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis and is included in finance costs.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### *金融負債及權益工具(續)*

###### *權益工具*

股本權益工具為證明於本集團資產經扣除其所有負債後所剩餘權益之任何合約。本公司發行的權益工具以已收所得款項減直接發行成本列賬。

###### *金融負債*

所有金融負債其後以實際利率法按攤銷成本計量。

###### *按攤銷成本計量之金融負債*

金融負債(包括可換股債券、貿易應付款項、其他應付款項及應計費用及租賃負債)其後以實際利率法按攤銷成本計量。

###### *實際利率法*

實際利率法乃計算金融負債的攤銷成本及按有關期間攤分利息開支的方法。實際利率乃按金融負債預計可使用年期(或按較短期間(倘適用))準確折讓估計未來現金收入的比率計入初步確認的賬面淨值。

利息開支按實際利率基準確認並計入財務費用。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### *Financial liabilities and equity instruments (Continued)*

###### *Convertible bonds*

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instrument is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. When the conversion option remains unexercised at the maturity date of the convertible notes, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### *金融負債及權益工具(續)*

###### *可換股債券*

根據合約安排內容以及金融負債與權益工具的定義，本公司發行的複合工具(可換股票據)的構成要件單獨分類為金融負債及權益。將以就本公司本身固定數目權益工具交換固定數額現金或其他金融資產方式結算的兌換選擇權為權益工具。

於發行日期，負債部分的公平值採用類似不可轉換工具的現行市場利率估計。該數額採用實際利息法按已攤餘成本入賬為負債，直至因兌換而償清或工具到期日為止。

分類為權益的兌換選擇權以從複合工具整體公平值中扣除負債部分金額的方式釐定，並於權益確認且計入權益(扣除所得稅影響)，其後概不重新計量。此外，分類為權益的兌換選擇權將始終計為權益，直至兌換選擇權獲行使，在此情況下，於權益確認的餘額將轉撥至股份溢價。倘兌換選擇權於可換股票據到期日仍未獲行使，於權益確認的餘額將轉撥至保留溢利。概不會因兌換選擇權獲兌換或到期而於損益內確認任何收益或虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### *Financial liabilities and equity instruments (Continued)*

##### *Convertible bonds (Continued)*

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

##### *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### *金融負債及權益工具(續)*

##### *可換股債券(續)*

發行可換股票據有關的交易費用按負債及權益部分在所得款項總額的比例，相應分配至負債及權益部分。與權益部分有關的交易費用直接於權益確認。與負債部分有關的交易費用計入負債部分的賬面值，並使用實際利息法於可換股票據的年期內攤銷。

##### *終止確認*

當從資產收取現金流量的權利屆滿，或金融資產被轉讓以及本公司已轉讓所持的金融資產的絕大部分風險及回報時，則會終止確認金融資產。

於終止確認全部金融資產時，該資產的賬面值與已收及應收代價總和的差額及於其他全面收益表確認的累計虧損以及累計股本在損益賬中確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Financial instruments (Continued)

##### *Derecognition (Continued)*

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Company retains control), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 重要會計政策概要(續)

#### (q) 金融工具(續)

##### *終止確認(續)*

除全面取消確認外(即當本公司保留購回部分已轉讓資產之選擇權或保留不會導致保留擁有權絕大部分風險及回報之餘下權益,及本公司保留控制權),於取消確認金融資產時,本公司會將金融資產之過往賬面值,根據於其確認為繼續參與之部分及不再確認之部分於轉讓日期之相對公平值在兩者間作出分配,而不再確認部分已於其他全面收益確認之已收代價及獲分配之任何累計收益或虧損之總和,乃於損益內確認。已於其他全面收益確認之累計收益或虧損,將按繼續確認之部分及不再確認之部分之相對公平值間作出分配。

當有關合約所指明的債項已清償、取消或到期時,則會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價的差額在損益賬中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (r) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

#### (s) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

#### (t) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents with original maturities of three months or less.

#### (u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### 3. 重要會計政策概要(續)

#### (r) 合約負債

本集團確認相關收益前，合約負債在客戶支代價時確認。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應應收款項亦會獲確認。

#### (s) 貿易及其他應收款項

貿易應收款項指就於日常業務過程中提供服務而應收客戶的款項。倘貿易及其他應收款項預期可於一年或以內收回(或在業務正常週期內的更長時間)，則分類為流動資產，否則作為非流動資產呈列。

貿易及其他應收款項初步按公平值確認，其後採用實際利率法按攤銷成本減去減值撥備計量。

#### (t) 現金及現金等價物

於綜合現金流量表中，現金及現金等價物的原訂期限三個月或以下。

#### (u) 股本

普通股分類為權益。發行新股的直接應佔新增成本於權益中列為除稅後所得款項的減項。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (v) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### (w) Employee benefits

##### (i) Pension Obligations

The entities within the Group registered in the PRC make employee benefit contributions based on certain percentage of the salaries of the employees to a defined contribution retirement benefit plan organised by relevant government authorities in the PRC on a monthly basis. The government authorities undertake to assume the retirement benefit obligations payable to the existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred. Assets of the plans are held and managed by government authorities and are separate from those of the Group.

### 3. 重要會計政策概要(續)

#### (v) 貿易應付款項

貿易應付款項指就於日常業務過程中向供應商取得的商品或服務付款的責任。

倘貿易應付款項於一年或以內(或如屬較長者, 在正常的業務周期內)到期, 則分類為流動負債, 否則作為非流動負債呈列。

貿易應付款項初步按公平值確認, 其後則以實際利率法按攤銷成本計量。

#### (w) 僱員福利

##### (i) 退休金責任

本集團旗下於中國註冊的實體按僱員薪資的特定比例, 每月向中國相關政府機關組織的定額供款退休福利計劃繳納僱員福利供款。政府機關承諾承擔根據該等計劃應付現有及日後退休僱員的退休福利責任。除上述供款外, 本集團並無其他責任支付退休後福利。該等計劃的供款於產生時支銷。該等計劃的資產由政府機關持有及管理, 獨立於本集團的資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (w) Employee benefits (Continued)

##### (ii) Housing Funds, Medical Insurances and Other Social Insurances

Employees of the Group in the PRC are entitled to participate in various government supervised housing funds, medical insurances and other employee social insurances plans. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group has no further payment obligation once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

##### (iii) Employee Leave Entitlements

Employees entitlement to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual 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 is not recognised until the time of leave.

#### (x) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

### 3. 重要會計政策概要(續)

#### (w) 僱員福利(續)

##### (ii) 住房基金、醫療保險及其他社會保險

本集團中國僱員有權參與多項政府監管的住房公積金、醫療保險及其他僱員社會保險計劃。本集團每月根據員工工資的特定百分比向該等基金供款(設有若干上限)。本集團於供款後再無其他付款責任。該等供款於到期時確認為僱員福利支出。

##### (iii) 僱員休假

僱員年假於對僱員累計時確認。就截至報告期末止僱員已提供服務所產生的年假計提估計負債撥備。僱員病假及產假於休假前不予確認。

#### (x) 撥備

當本集團因過往事件須承擔現有的法律或推定責任，而在解除責任時可能需流出資源，同時責任金額能夠可靠作出估計時，則會確認撥備。重組撥備包括租賃終止罰款及僱員離職付款。並無為未來經營虧損確認撥備。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (y) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

#### (z) Government grant

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 are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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.

### 3. 重要會計政策概要(續)

#### (y) 股息分派

向本公司股東所作的股息分派於本公司股東或董事(視情況而定)批准股息的期間在本公司的財務報表內確認為負債。

#### (z) 政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助乃就本集團確認的有關支出(預期補助可予抵銷成本的支出)期間按系統化的基準於損益中確認。具體而言，以要求本集團購買、建造或另行收購非流動資產為主要條件的政府補助乃於綜合財務狀況表確認為遞延收益，並於相關資產的可用年期內基於系統合理基準轉撥至損益中。

政府補助是抵銷已產生的支出或虧損或旨在給予本集團的即時財務支援(而無未來有關成本)，於有關補助成為應收款項的期間在損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 4. KEY SOURCE OF ESTIMATION

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (a) Income taxes

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes in various jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Deferred tax assets are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

### 4. 估計的主要來源

本集團就未來作出多項估計及假設。按其定義，就此產生的會計估計甚少相等於相關實際結果。很有可能導致下一個財政年度的資產及負債賬面值產生重大調整的主要風險的估計及假設於下文概述。

#### (a) 所得稅

本集團須繳納多個司法管轄權區的所得稅。於釐定各個司法管轄權區的所得稅撥備時須作出重大判斷。許多交易及計算方法難以確定最終稅項。本集團按照會否出現額外應繳稅項的估計確認預期稅務審計事宜所產生的負債。倘該等事宜的最終稅務結果與最初記賬的金額不同，該等差額將會影響作出有關決定期間的即期及遞延所得稅資產及負債。在管理層認為有可能獲得可供動用暫時性差額或稅項虧損的未來應課稅利潤時確認遞延稅項資產。其實際使用情況的結果可能不同。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 4. KEY SOURCE OF ESTIMATION (Continued)

#### (b) Impairment of property, plant and equipment, right-of-use assets and intangible asset

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains, net'.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 4. 估計的主要來源(續)

#### (b) 物業、廠房及設備、使用權資產及無形資產減值

出售的收益及虧損通過比較所得款項與賬面值釐定及於其他收益淨額內確認。

當發生事件或情況轉變，顯示賬面值可能無法收回時，則對已攤銷資產進行減值檢討。當資產賬面值超逾其可收回金額，則超出的數額將確認為減值虧損。可收回金額為資產公平值減出售成本與使用價值兩者中的較高者。就評估減值而言，資產按可獨立識別現金流(現金產生單位)的最低層次分類。出現減值的非金融資產(商譽除外)將於各報告日期檢討是否有可能作出減值撥回。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 4. KEY SOURCE OF ESTIMATION (Continued)

#### (c) Loss allowances of trade and other receivables

The Group estimates the loss allowances for trade and other receivables by assessing the expected credit loss. This requires the use of estimates and judgements. The management has established a loss allowance for trade and other receivables based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current conditions and forecasts of future economic conditions at the reporting date. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, such difference will affect the carrying amounts of trade and other receivables and thus the loss allowance in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade and other receivables during their expected lives.

#### (d) Determination on discount rates of lease contracts

The Group applies incremental borrowing rates as the discount rates of lease liabilities, which require financing spread adjustments and lease specific adjustments based on the relevant market rates. The assessments of the adjustments in determining the discount rates involved management's judgment, which may significantly affect the amount of lease liabilities and right-of-use assets.

### 4. 估計的主要來源(續)

#### (c) 貿易及其他應收款項的虧損撥備

本集團評估預期信貸虧損以估計貿易及其他應收款項的虧損撥備。這需要使用估計及判斷。管理層已根據本集團的過往信貸虧損經驗確定貿易及其他應收款項的虧損撥備，並就對債務人特定的因素及於報告日期對現時狀況及未來經濟狀況預測的評估作調整。倘發生事件或情況出現轉變顯示餘款未能收回，則會就貿易應收款項及其他應收款項計提撥備。倘預期貿易應收款項及其他應收款項的可收回水平與原先估計不同，有關差額將會影響貿易應收款項及其他應收款項的賬面金額，從而影響估計變更期間的虧損撥備。本集團持續評估預期年期內的貿易及其他應收款項預期信貸虧損。

#### (d) 釐定租賃合約的折讓率

本集團將增量借貸率作為租賃負債的折讓率使用，須根據相關市場比率作出融資利差調整及租賃特定調整。釐定折讓率的調整評估涉及管理層判斷，或會大幅影響租賃負債及使用權資產金額。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. FINANCIAL INSTRUMENTS BY CATEGORY

### 5. 按種類劃分的金融工具

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Financial assets at amortised cost:	按攤銷成本入賬金融資產：		
— Trade receivables	— 貿易應收款項	5,907	16,988
— Other receivables (excluding prepayments, rental deposits and value added tax inputs)	— 其他應收款項(不包括預付款項、租金按金及增值稅進項稅)	907	1,668
— Cash and cash equivalents (including restricted cash)	— 現金及現金等價物(包括受限制現金)	5,338	77,917
		<b>12,152</b>	<b>96,573</b>
Financial liabilities at amortised cost:	按攤銷成本入賬之金融負債：		
— Borrowings	— 借貸	—	22,430
— Trade payables	— 貿易應付款項	52,865	63,933
— Other payables and accruals (excluding accrued payroll and other tax liabilities)	— 其他應付款項及應計款項(不包括應計工資及其他稅項負債)	67,081	78,351
— Other non-current liabilities	— 其他非流動負債	—	22,369
— Convertible bonds	— 可換股債券	2,942	72,892
— Lease liabilities	— 租賃負債	152,997	—
		<b>275,885</b>	<b>259,975</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 5. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements are approximate to their fair values:

### 5. 按種類劃分的金融工具(續)

除下表所詳述者外，本董事認為綜合財務報表中已確認金融資產及金融負債之賬面值均與其公平值相若：

	2019 二零一九年		2018 二零一八年		
	Carrying Amount 賬面值 RMB'000 人民幣千元	Fair Value 公平值 RMB'000 人民幣千元	Carrying Amount 賬面值 RMB'000 人民幣千元	Fair Value 公平值 RMB'000 人民幣千元	
<b>Financial liabilities</b> Convertible bonds	<b>金融負債</b> 可換股債券	<b>2,942</b>	<b>3,876</b>	72,892	74,393

There were no transfer between Level 1 and 2 in both years. When a determination is made to classify an asset or liability within Level 3, the determination is based upon the significance of the unobservable inputs to the overall fair value measurement.

在兩個年度，第一級與第二級並無轉換。在第三級內釐定歸納資產或負債時，決定乃依據不可觀察數據對整體公平值計量的重要程度而作出。

Financial liabilities 金融負債	Valuation Techniques 估值方法	Unobservable inputs 不可觀察輸入數據	2019 二零一九年	2018 二零一八年
Convertible bonds 可換股債券	Binomial model 二項模式	Discount rate 貼現率	<b>11.28%</b>	9.40%

As at 31 December 2019, the discount rate used to compute the fair value is 11.28%. The higher the discount rate, the lower the fair value.

於二零一九年十二月三十一日，計算公平值所用的貼現率為11.28%。貼現率愈高，公平值愈低。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. FINANCIAL RISK MANAGEMENT

#### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity 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. The Group currently does not use any derivative financial instruments to hedge certain risk exposures during the years.

##### (i) Market risk

###### *Interest rate risk*

The Group considers that there is no significant cash flow interest rate risk and fair value interest rate risk as the Group does not have variable rate borrowings. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group currently does not have any interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

### 6. 財務風險管理

#### (a) 財務風險因素

本集團的業務面臨多項財務風險：市場風險(包括利率風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並尋求盡量降低對本集團財務表現可能構成的不利影響。於年內，本集團現時並無使用任何衍生金融工具以對沖若干面對之風險。

##### (i) 市場風險

###### *利率風險*

本集團認為並無重大現金流量利率風險及公平值利率風險，因為本集團並無浮息借款。本集團的收入及經營現金流量大致上不受市場利率變動影響。本集團現時並無任何利率對沖政策。然而，管理層會監察利率風險，並將於有需要時考慮對沖重大利率風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

#### (a) Financial risk factors (Continued)

##### (ii) Credit risk

The credit risk of the Group mainly arises from cash and cash equivalents, trade receivables, deposit and other receivables (including amounts due from related parties). The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

The credit quality of trade receivables, deposits and other receivables have been assessed by reference to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

The Group is exposed to credit risk in relation to its trade receivables, deposits and other receivables and cash deposits at banks. The carrying amounts of trade receivables, deposits and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group has large number of customers and there was no concentration of credit risk. No single customer accounted for more than 1% of the Group's total revenues during the year. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

#### (a) 財務風險因素(續)

##### (ii) 信貸風險

本集團信貸風險主要來自現金及現金等價物、貿易應收款項、按金以及其他應收款項(包括應收關連方款項)。該等結餘的賬面值為本集團所面臨有關金融資產的最大程度信貸風險。

貿易應收款項、按金及其他應收款項的信貸額度是參考對手方拖欠還款率過往資料而作出評估。現有對手方過往並無拖欠還款。

本集團因其貿易應收款項、按金及其他應收款項及銀行現金存款承受信貸風險。貿易應收款項、按金及其他應收款項及現金及現金等價物的賬面值為本集團有關金融資產的最大信貸風險。

本集團預期並無與銀行現金存款相關的重大信貸風險，因其主要存款於國營銀行及其他中大型上市銀行。管理層預期不會就該等對手方的不履約而產生任何重大虧損。

本集團的客戶數量眾多，並無信貸風險集中情況。年內，並無單一客戶佔本集團總收入超過1%。本集團已監控有關程序，確保採取跟進措施以收回逾期債務。此外，本集團於各報告期末審閱該等應收款項的可收回情況，確保已就不可收回金額計提足夠的減值虧損。



# Notes to the Consolidated Financial Statements 綜合財務報表附註

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

## 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

### (a) Financial risk factors (Continued)

#### (ii) Credit risk (Continued)

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the expected credit losses trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit loss. It considers available reasonable and supportive forwarding-looking information.

As at 31 December 2019 and 2018, trade receivables that are individually significant have been separately assessed for impairment. The Group makes periodic assessments on the recoverability of the receivables based on the background and reputation of the customers, historical settlement records and past experience.

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.

For trade receivables, a reversal of allowance for expected credit loss of approximately RMB599,000 (2018: provision of allowance for expected credit loss of approximately RMB57,000) was recognised during the year ended 31 December 2019.

### (a) 財務風險因素(續)

#### (ii) 信貸風險(續)

本集團應用國際財務報告準則第9號所指的簡化法就預期信貸虧損計提撥備，其允許就所有貿易應收款項使用全期預期信貸虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵分組。本集團已進行歷史分析及識別出影響信貸風險及預期信貸虧損的主要經濟變數。其考慮可得的合理及可支持前瞻性資料。

於二零一九年及二零一八年十二月三十一日，個別屬重大的貿易應收款項已單獨進行減值評估。本集團根據客戶的背景及聲譽、以往的結算記錄及過往經驗，定期評估應收款項的可收回性。

我們向信貸記錄良好的選定客戶作出信貸銷售。本集團已實施政策以確保未收回的貿易應收款項準時收回。

就貿易應收款項而言，於截至二零一九年十二月三十一日止年度已確認撥回預期信貸虧損撥備約人民幣599,000元(二零一八年：計提預期信貸虧損撥備約人民幣57,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

#### (a) Financial risk factors (Continued)

##### (ii) Credit risk (Continued)

For deposits and other receivables, individual credit evaluations are preferred. These evaluations focus on the counterparties' past history of making payment when due and current ability to pay, and take into account information specific to the counterparties as well as pertaining to the economic environment in which the counterparties operates. The Group does not obtain collateral from the counterparties.

The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. The Group has assessed that the expected credit loss rate for these receivables are immaterial under 12 months expected credit losses method.

For deposits and other receivables, a reversal of allowance for expected credit loss of approximately RMB932,000 (2018: Nil) was recognised during the year ended 31 December 2019.

No written off (2018: approximately RMB1,431,000) was recognised due to forfeiture of deposit upon early termination of tenancy agreement.

For amount due from related parties, The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. The Group has assessed that the expected credit loss rate for these receivables are immaterial under 12 months expected credit losses method. Thus, no loss allowance for amounts due from related parties was recognised as at 31 December 2019 and 2018.

#### (a) 財務風險因素(續)

##### (ii) 信貸風險(續)

對於按金及其他應收款項，本集團選擇個別進行信貸評估。該等評估集中於對手方的過往逾期款項支付記錄及現時的償款能力，並計及對手方特定的資料及與對手方經營所在經濟環境相關的資料。本集團不會向對手方取得抵押品。

本集團透過及時為預期信貸虧損適當計提撥備來說明其信貸風險。本集團已根據12個月預期信貸虧損方法，就該等應收款項評估預期信貸虧損率為非重大。

就按金及其他應收款項而言，於截至二零一九年十二月三十一日止年度已確認撥回預期信貸虧損撥備約人民幣932,000元(二零一八年：無)。

由於提前終止租賃協議後沒收按金，故並無確認撇銷(二零一八年：約人民幣1,431,000元)。

就應收關聯方款項而言，本集團透過適時為預期信貸虧損計提適當撥備，將其信貸風險入賬。本集團根據12個月預期信貸虧損法，評定該等應收款項的預期信貸虧損並不重大。因此，於二零一九年及二零一八年十二月三十一日概無就應收關聯方款項確認虧損撥備。



# Notes to the Consolidated Financial Statements 綜合財務報表附註

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

## 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

### (a) Financial risk factors (Continued)

#### (iii) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Group finance department.

The Group finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements — for example, currency restrictions.

At 31 December 2019, the Group held cash and cash equivalents of approximately RMB5,338,000 (2018: RMB51,631,000) (Note 21) and trade receivables of approximately RMB5,907,000 (2018: RMB16,988,000) (Note 18) that are expected to readily generate cash inflows for managing liquidity risk.

At 31 December 2019, the Group had net current liabilities of approximately RMB182,473,000 (2018: RMB53,482,000). With the consideration of anticipated operation cash inflows the ability of adjusting the pace of its operation expansion and expenditures and funding sources, the Directors are of the opinion that the Group has sufficient cash flows in the near future to manage the liquidity risks resulted from net current liability situations.

### (a) 財務風險因素(續)

#### (iii) 流動資金風險

現金流量預測乃由本集團各經營實體編製後由本集團財務部匯總而得。

本集團財務部對本集團之流動資金需求作出滾動預測，以確保隨時有足夠之現金滿足業務需要，致令本集團不會違反其任何借貸融資之借貸限額或契諾(如適用)。該預測計及本集團之債務融資計劃、契諾符合情況、是否符合內部資產負債表比率目標及(如適用)外部監管或法律規定(如貨幣限制)。

於二零一九年十二月三十一日，本集團持有約人民幣5,338,000元(二零一八年：人民幣51,631,000元)之現金及現金等價物(附註21)及約人民幣5,907,000元(二零一八年：人民幣16,988,000元)之貿易應收款項(附註18)，預計可為管理流動資金風險帶來現金流入。

於二零一九年十二月三十一日，本集團的流動負債淨額約人民幣182,473,000元(二零一八年：人民幣53,482,000元)。考慮到預期經營現金流入、調整經營擴展及開支步伐的能力及資金來源，董事認為本集團不久將來有足夠的現金流量，以管理流動負債淨額情況產生的流動資金風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

#### (a) Financial risk factors (Continued)

#### (a) 財務風險因素(續)

##### (iii) Liquidity Risk (Continued)

##### (iii) 流動資金風險(續)

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

下表為將按相關到期組別將本集團的非衍生金融負債分類後作出的分析，分類方法基於報告期末至合約到期日的剩餘期間。

		Weighted average effective interest rate	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total undiscounted cash flow	Total carry amount
		加權平均 實際利率	少於一年	一至兩年	兩至三年	三年以上	現金流量總額 未貼現	總賬面值
		%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		%	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2019	於二零一九年 十二月三十一日							
Trade payables	貿易應付款項	—	52,865	—	—	—	52,865	52,865
Other payables and accruals (excluding staff costs and welfare accruals and tax liabilities)	其他應付款項及應計款項 (不包括員工成本及 應計福利及稅項負債)	—	67,081	—	—	—	67,081	67,081
Convertible bonds	可換股債券	9.40	—	—	—	3,852	3,852	2,942
Lease Liabilities	租賃負債	4.74	67,429	47,559	32,627	20,671	168,286	152,997
			187,375	47,559	32,627	24,523	292,084	275,885



# Notes to the Consolidated Financial Statements 綜合財務報表附註

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

## 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

### (a) Financial risk factors (Continued)

#### (iii) Liquidity Risk (Continued)

### (a) 財務風險因素(續)

#### (iii) 流動資金風險(續)

	Weighted average effective interest rate	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total undiscounted cash flow	Total carrying amounts
	加權平均實際利率	少於一年	一至兩年	兩至三年	三年以上	現金流量總額	總賬面值
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	%	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2018							
Bank borrowings (principal plus interest)	4.66	23,326	—	—	—	23,326	22,430
Trade payables	—	63,933	—	—	—	63,933	63,933
Other payables and accruals (excluding staff costs and welfare accruals and tax liabilities)	—	78,351	—	—	—	78,351	78,351
Other non-current liabilities	—	—	7,398	3,516	11,455	22,369	22,369
Convertible bonds	9.84	—	—	—	109,387	109,387	72,892
		165,610	7,398	3,516	120,842	297,366	259,975

As at 31 December 2019 and 2018, the Group did not have derivative financial liability.

於二零一九年及二零一八年十二月三十一日，本集團並無衍生金融負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 6. FINANCIAL RISK MANAGEMENT (Continued) 6. 財務風險管理(續)

#### (b) Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as convertible bonds and borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statements of financial position plus net debt.

The gearing ratio as at 31 December 2019 and 2018 was as follows:

#### (b) 資本管理

本集團的資本管理主要旨在保障其按持續經營基準繼續營運的能力，以為股東提供回報及為其他持份者提供利益以及維持最佳的資本結構以降低資本成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額、向股東退還資本、發行新股份或出售資產以減少債務。

本集團利用負債比率監察其資本。該比率乃以債務淨額除以總資本計算得出。債務淨額按可換股債券及借款減去現金及現金等價物計算。資本總額按綜合財務狀況表載列的權益加債務淨額計算。

於二零一九年及二零一八年十二月三十一日的資產負債比率如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Convertible bonds (Note 29)	可換股債券(附註29)	2,942	72,892
Borrowings (Note 26)	借貸(附註26)	—	22,430
Lease liabilities (Note 16)	租賃負債(附註16)	152,997	—
Less: Cash and cash equivalent (Note 21)	減：現金及現金等價物 (附註21)	(5,338)	(77,917)
Net debt	債務淨額	150,601	17,405
Total equity	總權益	81,971	36,633
Add: Net debt	加：債務淨額	150,601	17,405
Total capital	總資本	232,572	54,038
Net debt-to-capital ratio	淨債務資本比率	64.8%	32.2%



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 7. REVENUE AND SEGMENT INFORMATION

The Company's chief operating decision maker (the "CODM"). Management has determined the operating segments based on the information reviewed by CODM for the purposes of allocating resources and assessing performance.

The CODM considers the business from both brand and geographic perspective. The Group has a clear and distinct focus on the market segments that it appeals to and thus it creates the two brands of "Faigo" and "Xiao Faigo Hotpot". Faigo appeals to high-end market such as business clientele, high-end fashion conscious and young clientele. Restaurants operating under the brand Xiao Faigo Hotpot cater for the mid-end market where a wide spectrum of guests are targeted, principally families, friends and tourists. Geographically, all of the Group's operations are located in the PRC and the management separately considers the performance of Faigo in Shanghai and Beijing and Xiao Faigo Hotpot in Shanghai, Beijing, Wuxi, Nanjing and Hangzhou. Faigo and Xiao Faigo Hotpot in other cities have been aggregated into two separate reportable segments, respectively. The CODM assesses the performance of the operating segments based on the revenue and operating profits. The operating expenses of headquarters of Faigo and Xiao Faigo Hotpot are common costs incurred for the Faigo and Xiao Faigo Hotpot as a whole and therefore they are not included in the measure of the segments' performance, which is used by the CODM as a basis for the purpose of resource allocation, and assessment of segment performance. Finance income and expense, other gains/losses including government grants and gain/loss of disposal of investments are not allocated to segments, as these types of activity are driven by the central treasury function of the Group.

There were no material inter-segment sales during the years. The revenue from external customers reported to the CODM are measured in a manner consistent with that applied in the consolidated statement of profit or loss and other comprehensive income.

### 7. 收益及分部資料

本公司之主要營運決策人(「主要營運決策人」)。管理層基於由主要營運決策人審閱之資料釐定經營分部，以進行資源分配及表現評估。

主要營運決策人從品牌及地理兩個角度考慮業務。本集團在其所吸引的市場分部方面具有清晰及獨特的重心，因此設立兩個品牌，即「輝哥」及「小輝哥火鍋」。輝哥吸引高端市場，例如商業客戶、高端新潮及年輕客戶。而小輝哥火鍋品牌下經營的餐廳則服務於中端市場，目標顧客的範圍廣泛，主要為家庭、朋友及遊客。在地理方面，本集團所有業務位於中國及管理層單獨考慮上海及北京的輝哥業績以及上海、北京、無錫、南京及杭州的小輝哥火鍋業績。其他城市的輝哥及小輝哥火鍋彙總分別為兩個單獨可呈報分部。主要營運決策人基於收益及經營溢利評估經營分部之表現。輝哥及小輝哥火鍋總部之經營開支指就輝哥及小輝哥火鍋整體產生之一般成本，因此並無計入主要營運決策人在資源分配及分部表現評估時作為依據使用的分部表現計量。財務收入及開支、其他收益／虧損(包括政府補貼)及出售投資之收益／虧損並無分配至分部，因為此類活動由本集團中央庫務職能所引導。

各年內並無重大分部間銷售。向主要營運決策人呈報之外部客戶所得收益按與綜合損益及其他全面收益表內使用的方式相一致的方式計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 7. REVENUE AND SEGMENT INFORMATION (Continued)

### 7. 收益及分部資料(續)

#### (A) Segment revenue

#### (A) 分部收益

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度												
		Faigo 輝哥				Xiao Faigo Hotpot 小輝哥火鍋					Unallocated 未分配		Total 總計	
		Shanghai 上海	Beijing 北京	Others 其他	Subtotal 小計	Shanghai 上海	Beijing 北京	Wuxi 無錫	Nanjing 南京	Hangzhou 杭州	Others 其他	Subtotal 小計		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	73,923	9,463	6,990	90,376	204,473	30,175	25,725	5,610	4,316	57,890	328,189	—	418,565
Depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets and intangible asset	物業、廠房及設備、使用權資產以及無形資產的折舊、攤銷及減值	8,737	372	8,994	18,103	68,520	13,077	4,798	1,935	1,581	18,748	108,659	83	126,845
Operating profit/(losses)	經營溢利/(虧損)	579	(2,794)	(4,595)	(6,810)	(56,617)	(7,749)	3,553	(1,881)	(2,554)	(12,144)	(77,392)	(28,508)	(112,710)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	469	(3,244)	(5,063)	(7,838)	(64,983)	(8,723)	3,159	(2,137)	(2,917)	(13,701)	(89,302)	(33,341)	(130,481)

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度												
		Faigo 輝哥				Xiao Faigo Hotpot 小輝哥火鍋					Unallocated 未分配		Total 總計	
		Shanghai 上海	Beijing 北京	Others 其他	Subtotal 小計	Shanghai 上海	Beijing 北京	Wuxi 無錫	Nanjing 南京	Hangzhou 杭州	Others 其他	Subtotal 小計		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	95,345	13,103	10,395	118,843	337,853	45,938	28,350	12,144	8,114	73,465	505,864	—	624,707
Depreciation, amortisation and impairment of property, plant and equipment and intangible asset	物業、廠房及設備以及無形資產的折舊、攤銷及減值	2,479	186	1,143	3,808	23,252	4,781	1,245	1,394	1,567	16,833	49,072	1,137	54,017
Operating profit/(losses)	經營溢利/(虧損)	13,908	(2,774)	(2,119)	9,015	(29,390)	(3,996)	(2,466)	(1,056)	(706)	(6,391)	(44,005)	(26,925)	(61,915)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	13,908	(2,774)	(2,119)	9,015	(29,390)	(3,996)	(2,466)	(1,056)	(706)	(6,391)	(44,005)	(427,263)	(462,253)

#### (B) Geographical information

#### (B) 地區資料

The Group's revenue from external customers by location of sales and information about its non-current assets by location of assets are detailed as below:

本集團按銷售地點劃分之外部客戶收益及按資產位置劃分之非流動資產詳列如下：

		Revenue from external customers 外部客戶收益		Non-current assets 非流動資產	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
The PRC	中國	418,565	624,707	211,447	118,645



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 7. REVENUE AND SEGMENT INFORMATION (Continued)

#### (C) Information about major customers

The Group are primarily engaged in the operation of a hotpot restaurant chain.

The Group's customer base is diversified. No individual customer (2018: nil) had transactions which exceeded 10% of the Group's aggregate revenue for the year ended 31 December 2019.

#### (D) Disaggregation of revenue

Revenue represents the sales value of goods supplied to customers (net of value-added tax, other sales tax and discounts). Disaggregation of revenue from contracts with customers by major product lines is as follows:

#### Revenue from contracts with customers within the scope of IFRS 15

Disaggregated by major product lines

— Hotpot business

屬於國際財務報告準則第15號範圍的客戶合約收益

按主要產品線劃分的明細

— 火鍋業務

2019  
二零一九年  
RMB'000  
人民幣千元

2018  
二零一八年  
RMB'000  
人民幣千元

418,565

624,707

The timing of revenue recognition of all revenue from contracts with customers is at a point in time.

所有客戶合約收益的收益確認時間為於某一時間點。

### 7. 收益及分部資料(續)

#### (C) 主要客戶資料

本集團主要從事經營連鎖火鍋餐廳。

本集團的客戶基礎很多元化。概無個人客戶(二零一八年:無)的交易超過本集團截至二零一九年十二月三十一日止年度總收益之10%。

#### (D) 收益明細

收益指供應予客戶的貨品銷售價值(已扣除增值稅、其他銷售稅及折扣)。按主要產品劃分之客戶合約收益明細如下:

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 8. OTHER GAINS — NET

### 8. 其他收益 — 淨額

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Government grants (Note (a))	政府補貼(附註(a))	1,307	1,768
Loss on disposal of property, plant and equipment	物業、廠房及設備出售虧損	(5,587)	(2,065)
Gains from default fine due to rental agreement early termination (Note (b))	租賃協議提早終止違約罰款的收益(附註(b))	500	2,895
Gain on lease termination	終止租賃收益	2,263	—
Promotion service income	推廣服務收入	1,509	—
Reversal of allowance for expected credit loss on trade and other receivables	撥回貿易及其他應收款項之預期信貸虧損準備	1,531	—
Others (Note (c))	其他(附註(c))	2,246	379
		<b>3,769</b>	<b>2,977</b>

Notes:

- (a) The amounts represent the subsidies received from local governments for the Group's local business developments. There were no unfulfilled conditions in the years in which they were recognised.
- (b) The gains represent the default fine received from landlords due to the early termination of certain lease agreement.
- (c) Others mainly included the tips income.

附註：

- (a) 金額指就本集團在當地的業務發展而從地方政府收取的補貼。年內概無已確認的未實現條件。
- (b) 收益指若干租賃協議提早終止而向業主收取違約罰款。
- (c) 其他主要包括小費收入。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 9. EMPLOYEE BENEFIT AND RELATED EXPENSES

### 9. 僱員福利開支

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	14,712	28,670
Defined contribution plan (Note i)	界定供款計劃(附註i)	4,912	8,812
Other social security costs and housing benefits	其他社會保障成本及住房福利	4,319	4,004
Other employee benefits	其他僱員福利	3,115	5,820
Labour outsourcing expenses (Note ii)	勞務外判開支(附註ii)	122,318	118,702
		<b>149,376</b>	<b>166,008</b>

#### Notes:

- (i) Employees of the Group established in the PRC are required to participate in a retirement benefit scheme administered and operated by the PRC government. The Group is required to contribute 14.0% to 22.5% of payroll costs as determined by respective local government authorities to the designated pension fund. The only obligation of the Group with respect to retirement benefit scheme is to make the specific contributions under the scheme.
- (ii) The Group entered into certain human resources agency agreements. Pursuant to these agreements, the Group outsourced a portion of its low level positions, such as waiter or waitress, kitchen assistants etc.

#### 附註：

- (i) 在中國成立的本集團的僱員須參與由中國政府管轄及經營的退休福利計劃。本集團須作出工資成本14.0%至22.5%的供款，由相關地方政府機關就指定養老金釐定。本集團就退休福利計劃而言的唯一責任為根據計劃作出具體供款。
- (ii) 本集團訂立若干人力資源代理協議。根據該等協議，本集團外包其部分低級職位（如侍應、廚房助手等）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 9. EMPLOYEE BENEFIT AND RELATED EXPENSES (Continued)

#### Five highest paid individuals

The five highest paid employees of the Group during the year included four directors (2018: two), details of whose remuneration are set out in Note 14. Details of the remuneration for the year of the remaining one (2018: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

Salaries, allowances and other benefits	工資、津貼及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

<b>2019</b>	2018
二零一九年	二零一八年
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元

<b>517</b>	787
<b>43</b>	172
<b>560</b>	959

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

Nil-HK\$1,000,000	零-1,000,000港元
-------------------	---------------

並非本公司董事而薪酬屬於以下範圍之最高薪僱員的數目列載如下：

<b>Number of individuals</b>	
人數	
<b>2019</b>	2018
二零一九年	二零一八年

<b>1</b>	3
----------	---



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. LOSS FROM OPERATING ACTIVITIES

### 10. 來自經營活動的虧損

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Loss from operating activities has been arrived at after charging/(crediting):		
Directors' emoluments		
— Fees	2,829	1,225
— Retirement benefits scheme contributions	—	8
Auditors' remuneration	1,600	1,000
Depreciation of property, plant and equipment	21,066	44,857
Amortisation of intangible asset	209	205
Depreciation of right-of-use assets	82,791	—
Impairment of right-of-use assets	8,009	—
Impairment of property, plant and equipment	14,770	8,955
Short-term lease payment	1,515	—
Low-value asset lease payment	1,525	—
Written off on properties, plant and equipment	12,112	—
(Reversal of)/allowance for expected credit loss on trade and other receivables	(1,531)	57
Forfeiture of deposit upon early termination of tenancy agreement	—	1,431
Loss on disposal of property, plant and equipment <sup>1</sup>	5,587	2,065
Professional service expenses <sup>2</sup>	4,949	20,420
Foreign exchange loss/(gain)	54	(534)

<sup>1</sup> These items were grouped under other gains, net.

<sup>2</sup> These items were grouped under other operating expenses.

<sup>1</sup> 該等項目歸納在其他收益淨額下。

<sup>2</sup> 該等項目歸納在其他營運開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 11. FINANCE EXPENSES, NET

### 11. 財務開支淨額

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Finance income:	財務收入：		
— Interest income on financing provided to related parties (Note 31(b)(iv))	— 向關聯方提供融資的利息收入 (附註31(b)(iv))	—	1,824
— Interest income on cash and cash equivalents	— 現金及現金等價物的利息收入	163	189
		<b>163</b>	<b>2,013</b>
Finance expenses:	財務開支：		
— Imputed interest on convertible bonds (Note 29)	— 可換股債券的預計利息 (附註29)	<b>(4,838)</b>	(1,044)
— Interest expense on borrowings	— 借款的利息開支	<b>(877)</b>	(1,637)
— Interest expense on lease liabilities (Note 16)	— 租賃負債利息開支 (附註16)	<b>(12,219)</b>	—
		<b>(17,934)</b>	<b>(2,681)</b>
<b>Finance expenses, net</b>	<b>財務開支淨額</b>	<b>(17,771)</b>	<b>(668)</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. INCOME TAX CREDIT

The income tax credit of the Group for the years are analysed as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
PRC Enterprise Income tax	中國企業所得稅		
— Current tax	— 即期稅項	70	3,136
— Over provision in prior years	— 過往年度超額撥備	(1,705)	—
Deferred tax (Note 27)	遞延稅項(附註27)	(599)	(13,761)
Income tax credit	所得稅抵免	<b>(2,234)</b>	(10,625)

Taxation for the years is reconciled to loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Loss before tax</b>	<b>除稅前虧損</b>	<b>(130,481)</b>	(462,253)
Tax calculated at domestic tax rates applicable to loss in the respective countries	按相關國家虧損適用的國內稅率計算的稅項	(29,970)	(115,563)
Tax effects of:	以下各項的稅務影響：		
— Expenses not deductible for tax purposes	— 無法扣稅的開支	12,742	104,980
— Income not taxable for tax purposes	— 毋須課稅收入	(1,316)	—
— PRC withholding income tax on dividends	— 股息產生的中國預扣所得稅	—	(1,300)
— Over provision in prior years	— 以往年度之超額撥備	(1,705)	—
— Tax losses not recognised	— 未確認稅項虧損	18,015	1,258
Tax credit	稅項抵免	<b>(2,234)</b>	(10,625)

本集團年內所得稅抵免的分析如下：

年內稅項與綜合損益及其他全面收益表所載除稅前虧損對賬如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 12. INCOME TAX CREDIT (Continued)

#### (a) Cayman Islands

Entities incorporated in the Cayman Islands as exempted companies with limited liability.

#### (b) British Virgin Islands income tax

Entities incorporated in the British Virgin Islands as an exempted company with limited liability under the Company Law of British Virgin Islands and, accordingly, are exempted from payment of British Virgin Islands income tax.

#### (c) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the Year.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits in Hong Kong for both years.

The two-tiered profits tax rates regime is applicable to the Group for the year ended 31 December 2019 and 2018.

At the end of the reporting period, the Group had unused tax losses of approximately RMB91,077,000 (2018: RMB19,017,000) available for offset against the future assessable profits. Tax losses may be carried forward for 5 years.

### 12. 所得稅抵免(續)

#### (a) 開曼群島

實體於開曼群島註冊成立為獲豁免有限公司。

#### (b) 英屬處女群島所得稅

實體於英屬處女群島根據英屬處女群島公司法註冊成立為獲豁免有限公司，因此獲豁免繳納英屬處女群島所得稅。

#### (c) 香港利得稅

年內，香港利得稅按估計應課稅溢利16.5% (二零一八年：16.5%) 計算。

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」) 引入利得稅兩級制。該條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊登憲報。

根據利得稅兩級制，合資格企業首筆2,000,000港元應課稅溢利將按8.25%的稅率繳稅，及超過2,000,000港元的應課稅溢利將按16.5%的稅率繳稅。不符合兩級制利得稅資格的企業的應課稅溢利將繼續按16.5%之劃一稅率徵收稅項。

由於本集團於該兩個年度在香港並無任何應課稅溢利，故並無作出香港利得稅撥備。

截至二零一九年及二零一八年十二月三十一日止年度，利得稅兩級制適用於本集團。

於報告期末，本集團有未動用稅項虧損約人民幣91,077,000元(二零一八年：人民幣19,017,000元)可供抵銷未來應課稅溢利。稅項虧損可結轉五年。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 12. INCOME TAX CREDIT (Continued)

#### (d) PRC Enterprise Income Tax

Entities incorporated in the PRC are generally subject to income tax rates of 25% (2018: 25%) throughout the years.

The income tax provision of the Group in respect of its operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits based on existing legislations, interpretations and practices.

#### (e) PRC withholding income tax

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on the dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower 5% withholding tax rate may be applied when the immediate holding companies established in Hong Kong satisfy the relevant conditions and requirements pursuant to the tax treaty arrangement between the PRC and Hong Kong and other applicable PRC laws. There is no provision of withholding tax made for the year ended 31 December 2019 as the directors have confirmed that the Group does not expect Shanghai Longhui Catering Management Company Limited ("Shanghai Longhui"), a subsidiary of the Group incorporated in the PRC, to distribute any retained earnings as at 31 December 2019 in the foreseeable future.

### 12. 所得稅抵免(續)

#### (d) 中國企業所得稅

於中國註冊成立的實體於年內一般按25% (二零一八年: 25%) 的稅率繳納所得稅。

根據現行法例、詮釋及慣例，本集團就中國營運計提之所得稅撥備乃按估計應課稅溢利之適用稅率計算。

#### (e) 中國預扣所得稅

根據中國企業所得稅法，須就在中國成立的外商投資企業向外國投資者宣派的股息徵收10%的預扣稅。規定自二零零八年一月一日起生效，並於二零零七年十二月三十一日後適用於盈利。根據中國與香港訂立的稅收協定安排及其他適用之中國法律，若成立於香港的直接控股公司符合相關條件及規定，可應用較低的5%預扣稅稅率。截至二零一九年十二月三十一日止年度概無計提預扣稅撥備，乃由於董事已確認本集團未有預期本集團於中國註冊成立的附屬公司上海龍輝餐飲管理有限公司(「上海龍輝」)於可見未來會分派於二零一九年十二月三十一日的保留盈利。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 13. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

#### Loss:

Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share 用於計算每股基本及攤薄虧損之本公司擁有人應佔年內虧損

#### Number of shares:

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share 用於計算每股基本及攤薄虧損之普通股加權平均數

For the year ended 31 December 2019 and 2018, the computation of diluted loss per share does not assume that the conversion of the outstanding convertible bonds, since their conversion would result in a decrease in loss per share.

The weighted average number of share used for the purpose of calculating basic loss per share for the year ended 31 December 2019 is determined by reference to the number of shares in issue adjusted with the effect of convertible bonds converted during the year.

The weighted average number of shares used for the purpose of calculating basic loss per share for the year ended 31 December 2018 is determined by reference to the number of ordinary shares issued for the acquisition of Longhui International Catering Management Holdings Limited (the "Acquisition") and the number of ordinary shares outstanding after completion of the Acquisition.

### 13. 本公司擁有人應佔每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據：

#### 虧損：

Year ended 31 December  
截至十二月三十一日止年度

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元

127,513

451,095

#### 股份數目：

Year ended 31 December  
截至十二月三十一日止年度

2019	2018
二零一九年	二零一八年

5,517,313,735

4,476,238,151

截至二零一九年及二零一八年十二月三十一日止年度，計算每股攤薄虧損時並無假設轉換未轉換可換股債券，皆因轉換可換股債券將會導致每股虧損減少。

用以計算截至二零一九年十二月三十一日止年度每基本虧損的股份加權平均數，乃經參考已發行股份總數（已就年內轉換可換股債券的影響作出調整）而釐定。

用作計算截至二零一八年十二月三十一日止年度的每股基本虧損的加權平均股數乃參考就收購龍輝國際餐飲管理控股有限公司（「收購事項」）而發行的普通股數目及完成收購事項後發行在外的普通股數目釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. DIRECTORS' EMOLUMENTS

For the year ended 31 December 2019, the emoluments paid or payable to the directors of the Company were as follows:

For the years ended 31 December 2019 and 2018:

### 14. 董事酬金

截至二零一九年十二月三十一日止年度，分別已付或應付本公司董事的酬金如下：

截至二零一九年及二零一八年十二月三十一日止年度：

	Fees		Salaries, allowance and benefits in kind		Retirement benefits scheme contributions		Share-based payments		Total	
	袍金	薪金、津貼及實物福利	退保福利計劃供款	以股份為基礎付款	總計					
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>									
Mr. Hung Shui Chak <sup>1</sup>	—	—	—	—	—	—	—	—	—	—
Mr. So Kam Chuen <sup>2</sup>	590	188	—	—	—	8	—	—	590	196
Mr. Yuen Mingjie <sup>3</sup>	470	150	—	—	—	—	—	—	470	150
Mr. Chen Jun <sup>4</sup>	569	182	—	—	—	—	—	—	569	182
Mr. Su Guicai <sup>5</sup>	588	403	—	—	—	—	—	—	588	403
Dr. Choi Chiu Fai Stanley <sup>6</sup>	—	—	—	—	—	—	—	—	—	—
Mr. Choi Ka Wai <sup>7</sup>	—	—	—	—	—	—	—	—	—	—
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>									
Mr. Ha Kee Choy Eugene	176	136	—	—	—	—	—	—	176	136
Mr. Chan Chun Yiu Thomas <sup>8</sup>	176	83	—	—	—	—	—	—	176	83
Mr. Mai Guangfan <sup>9</sup>	114	83	—	—	—	—	—	—	114	83
Mr. Szeto Tat Kwan Brandon <sup>10</sup>	—	—	—	—	—	—	—	—	—	—
Mr. Fok Wai Ming Eddie <sup>11</sup>	—	—	—	—	—	—	—	—	—	—
Mr. Tam Bing Chung Benson <sup>12</sup>	146	—	—	—	—	—	—	—	146	—
	2,829	1,225	—	—	—	8	—	—	2,829	1,233

No emoluments have been paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Company, or as compensation for loss of office for the both years.

於兩個年度，本集團概無支付任何酬金予本公司董事或五名最高薪人士，作為加入本公司或加入本公司時之獎金，或作為失去職位的補償。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 14. DIRECTORS' EMOLUMENTS (Continued)

Notes:

1. Mr. Hung Shui Chak was appointed as an executive director on 6 July 2018.
2. Mr. So Kam Chuen was appointed as an executive director on 6 July 2018.
3. Mr. Yuen Mingjie was appointed as an executive director on 6 July 2018.
4. Mr. Chen Jun was appointed as an executive director on 6 July 2018 and resigned as an executive director with effect from 8 May 2020.
5. Mr. Su Guicai was appointed as an executive director on 10 August 2018 and resigned as an executive director on 1 March 2019.
6. Dr. Choi Chiu Fai Stanley resigned as an executive director of the Company with effect from 6 July 2018.
7. Mr. Choi Ka Wai resigned as an executive director of the Company with effect from 6 July 2018.
8. Mr. Chan Chun Yiu Thomas was appointed as an independent non-executive director with effect from 6 July 2018.
9. Mr. Mai Guangfan was appointed as an independent non-executive director with effect from 6 July 2018 and resigned as an independent executive director with effect from 1 March 2019.
10. Mr. Szeto Tat Kwan Brandan resigned as independent executive director with effect from 6 July 2018.
11. Mr. Fok Wai Ming Eddie resigned as an independent executive director with effect from 6 July 2018.
12. Mr. Tam Bing Chung Benson was appointed as an independent non-executive director with effective from 1 March 2019.

### 14. 董事酬金(續)

附註：

1. 洪瑞澤先生於二零一八年七月六日獲委任為執行董事。
2. 蘇錦存先生於二零一八年七月六日獲委任為執行董事。
3. 袁明捷先生於二零一八年七月六日獲委任為執行董事。
4. 陳軍先生於二零一八年七月六日獲委任為執行董事及於二零二零年五月八日辭任執行董事。
5. 蘇貴才先生於二零一八年八月十日獲委任為執行董事及於二零一九年三月一日辭任執行董事。
6. 蔡朝暉博士於二零一八年七月六日起辭任本公司執行董事。
7. 蔡嘉偉先生於二零一八年七月六日起辭任本公司執行董事。
8. 陳浚曜先生於二零一八年七月六日起獲委任為獨立非執行董事。
9. 麥廣帆先生於二零一八年七月六日起獲委任為獨立非執行董事及於二零一九年三月一日起辭任獨立非執行董事。
10. 司徒達坤先生於二零一八年七月六日起辭任獨立非執行董事。
11. 霍偉明先生於二零一八年七月六日起辭任獨立非執行董事。
12. 譚秉忠先生已於二零一九年三月一日起獲委任為獨立非執行董事。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Vehicles 車輛 RMB'000 人民幣千元	Machineries 機器 RMB'000 人民幣千元	Furniture 傢具 RMB'000 人民幣千元	Equipment and computers 設備及電腦 RMB'000 人民幣千元	Leasehold improvements 租賃改善 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>							
At 1 January 2018	於二零一八年一月一日	6,128	33,064	21,520	27,413	178,483	4,883	271,491
Additions	添置	1,072	5,566	2,361	3,024	14,581	719	27,323
Disposals	出售	(396)	(3,643)	(2,300)	(2,043)	(24,341)	(84)	(32,807)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	6,804	34,987	21,581	28,394	168,723	5,518	266,007
Additions	添置	—	4,669	1,151	4,661	15,266	—	25,747
Disposals	出售	(364)	(4,448)	(2,517)	(12,586)	(33,652)	(4,247)	(57,814)
Written off	撇銷	—	(1,614)	(1,721)	(858)	(13,110)	—	(17,303)
At 31 December 2019	於二零一九年十二月三十一日	6,440	33,594	18,494	19,611	137,227	1,271	216,637
<b>Accumulated depreciation and impairment</b>	<b>累計折舊及減值</b>							
At 1 January 2018	於二零一八年一月一日	3,551	17,280	11,653	21,239	118,528	—	172,251
Charge for the year	年內扣除	935	5,798	3,525	4,276	30,323	—	44,857
Impairment	減值	—	1,942	902	495	5,616	—	8,955
Disposals	出售	(270)	(2,054)	(1,582)	(1,079)	(24,341)	—	(29,326)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	4,216	22,966	14,498	24,931	130,126	—	196,737
Charge for the year	年內扣除	765	5,009	1,965	2,471	10,856	—	21,066
Impairment	減值	—	2,805	651	1,237	10,077	—	14,770
Disposals	出售	(7)	(3,721)	(449)	(11,950)	(33,652)	—	(49,779)
Elimination upon written off	撇銷時抵銷	—	(384)	(1,212)	(302)	(3,293)	—	(5,191)
At 31 December 2019	於二零一九年十二月三十一日	4,974	26,675	15,453	16,387	114,114	—	177,603
<b>Carrying amounts</b>	<b>賬面值</b>							
At 31 December 2019	於二零一九年十二月三十一日	1,466	6,919	3,041	3,224	23,113	1,271	39,034
At 31 December 2018	於二零一八年十二月三十一日	2,588	12,021	7,083	3,463	38,597	5,518	69,270

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

#### Impairment tests for property, plant and equipment and right-of-use assets

For the purposes of assessing impairment, assets are grouped at each store level for which there are separately identifiable cash flows (cash-generating units). An impairment loss was recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. These calculations used income approach-discounted pre-tax cash flow method based on financial budgets approved by management. The key assumptions used for impairment tests for property, plant and equipment and right-of-use assets as at 31 December 2019 and 2018 are the revenue growth rates which are based on the estimated growth rate of each restaurant store unit taking into account the industry growth rate, past experience and the medium term growth target of restaurant business.

During the year ended 31 December 2019, the property, plant and equipment and right-of-use assets of several stores were impaired due to the continuous loss-making situation. The management used "value in use" as the recoverable amount of each store.

The Group recognised impairment loss of approximately RMB14,770,000 (2018: RMB8,955,000) and RMB8,009,000 (2018: Nil) to property, plant and equipment and right-of-use assets, respectively, for the year ended 31 December 2019 by comparing each store's recoverable amount with its carrying amounts.

### 15. 物業、廠房及設備(續)

#### 物業、廠房及設備及使用權資產減值測試

為評估減值，資產按可獨立產生可識別現金流量之各店舖水平(現金產生單位)組合。當資產賬面值超過可收回金額時則會確認減值虧損。可收回金額指資產公平值減出售成本與使用價值兩者之間的較高者。該等計算方法按根據管理層批准的財政預算使用收入法貼現稅前現金流量法作出。於二零一九年及二零一八年十二月三十一日用於物業、廠房及設備及使用權資產減值測試的關鍵假設為收益增長率，乃根據各店舖單位的估計增長率釐定，其中已計及餐廳業務的行業增長率、過往經驗及中期增長目標。

於截至二零一九年十二月三十一日止年度，由於不間斷的虧蝕情況或其他具體減值跡象的緣故，數間店舖的物業、廠房及設備及使用權資產減值。管理層用「使用價值」作為各店舖的可收回金額。

就物業、廠房及設備及使用權資產而言，本集團於截至二零一九年十二月三十一日止年度將各間店舖的可收回金額與其賬面值作比較，從而確認減值虧損分別約人民幣14,770,000元(二零一八年：人民幣8,955,000元)及人民幣8,009,000元(二零一八年：無)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

### 16. 使用權資產／租賃負債

		At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元
<b>Right-of-use assets</b>	<b>使用權資產</b>	
Shops	店舖	110,279
Offices	辦公室	12,866
Warehouses	倉庫	299
		<b>123,444</b>

		At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元
<b>Lease liabilities payables:</b>	<b>應付租賃負債：</b>	
— Within one year	— 一年內	45,160
— More than one year but not more than two years	— 一年以上但不超過兩年	57,779
— More than two years but less than five years	— 兩年以上但不超過五年	49,679
— More than five years	— 五年以上	379
		<b>152,997</b>

The Group obtains right to control the use of various shops, offices and warehouses for a period of time through lease arrangements. Rental contracts are typically made for fixed periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

During the year ended 31 December 2019, total cash outflow for leases of approximately RMB97,893,000 was included in net cash used in financing activities.

本集團透過租賃安排於一段時間內獲得使用多間店舖、辦公室及倉庫的控制權。租賃合約通常為固定租期1至5年。租賃條款乃個別磋商及包括多項不同條款及條件。

截至二零一九年十二月三十一日止年度，租賃的總現金流出約人民幣97,893,000元已計入融資活動所用現金淨額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (Continued)

Extension options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts.

#### Amounts recognised in the consolidated statement of financial position and profit or loss

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

### 16. 使用權資產／租賃負債(續)

本集團多項物業租賃包含延續權。該等條款旨在於管理合約方面爭取最大經營靈活性。

於綜合財務狀況及損益表中確認的款項

本集團使用權資產及租賃負債於截至二零一九年十二月三十一日止年度的賬面值及變動如下：

		Right-of-use assets 使用權資產 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	195,453	222,143
Additions	添置	37,786	37,786
Depreciation expense	折舊開支	(82,791)	—
Impairment	減值	(8,009)	—
Lease cancellation	租賃取消	(18,995)	(21,258)
Interest expense	利息開支	—	12,219
Payments	付款	—	(97,893)
As at 31 December 2019	於二零一九年十二月三十一日	123,444	152,997

For the details of impairment of right-of-use assets, please refer to Note 15 to the consolidated financial statements.

使用權資產減值之詳情，請參閱綜合財務報表附註15。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 17. INTANGIBLE ASSET

### 17. 無形資產

**Computer Software**  
電腦軟件  
**RMB'000**  
人民幣千元

<b>Cost:</b>	<b>成本：</b>	
At 1 January 2018	於二零一八年一月一日	581
Additions	添置	46
At 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年十二月三十一日、二零一九年一月一日及二零一九年十二月三十一日	627
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2018	於二零一八年一月一日	113
Amortisation for the year	年內攤銷	205
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	318
Amortisation for the year	年內攤銷	209
At 31 December 2019	於二零一九年十二月三十一日	527
<b>Carrying amounts:</b>	<b>賬面值：</b>	
At 31 December 2019	於二零一九年十二月三十一日	100
At 31 December 2018	於二零一八年十二月三十一日	309

The following useful lives are used in the calculation of amortisation:

Computer software 5 years

The above intangible asset is amortised on a straight-line basis.

計算攤銷時使用以下可用年期：

電腦軟件 五年

上述無形資產按直線基準攤銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 18. TRADE RECEIVABLES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	7,041	18,721
Less: Allowance for expected credit loss	減：預期信貸虧損撥備	(1,134)	(1,733)
		<b>5,907</b>	<b>16,988</b>

As at 31 December 2019 and 2018, the fair values of the trade receivables of the Group approximated their carrying amounts.

(a) The aging analysis of trade receivables, based on the invoice date and net of allowance for expected credit loss, were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Up to 6 months	六個月以下	4,886	14,493
6 months to 1 year	六個月至一年	1,021	2,495
		<b>5,907</b>	<b>16,988</b>

The Directors consider trade receivables mainly derived from sales through shopping malls or billed settled with credit cards, wechat or alipay, which are generally collectible within 1 month from sales date and no past due history.

No interest is charged on the trade receivables. The long aging balances are due from certain frequent customers and the management considers that these receivables are recoverable.

### 18. 貿易應收款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	7,041	18,721
Less: Allowance for expected credit loss	減：預期信貸虧損撥備	(1,134)	(1,733)
		<b>5,907</b>	<b>16,988</b>

於二零一九年及二零一八年十二月三十一日，本集團貿易應收款項的公平值與其賬面值相若。

(a) 根據發票日期劃分並扣除預期信貸虧損撥備的貿易應收款項賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Up to 6 months	六個月以下	4,886	14,493
6 months to 1 year	六個月至一年	1,021	2,495
		<b>5,907</b>	<b>16,988</b>

董事認為貿易應收款項主要來自透過購物商場作出的銷售或以信用卡、微信或支付寶結算的發票，其一般可於自銷售日期起1個月內收回且並無逾期記錄。

概無就貿易應收款項徵收利息。賬齡長久的結餘乃由若干頻繁客戶結欠，管理層認為該等應收款項可以收回。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 18. TRADE RECEIVABLES (Continued)

- (b) The aging analysis of past due but not impaired trade receivables were as follows:

Up to 6 months	六個月以下
6 months to 1 year	六個月至一年

Based on the past experience and customers' historical payment pattern, the Directors are of the view that past due but not impaired trade receivables, approximately RMB5,648,000 was not impaired as at 31 December 2018. There has not been a significant change in their credit quality as they were related to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amount can be recovered.

- (c) Movement in the allowance for expected credit loss of trade receivables:

### 18. 貿易應收款項(續)

- (b) 已逾期但未減值貿易應收款項的賬齡分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Up to 6 months	—	3,153
6 months to 1 year	—	2,495
	—	5,648

根據過往經驗及客戶過往付款習慣，董事認為，已逾期但尚未減值的貿易應收款項約人民幣5,648,000元於二零一八年十二月三十一日尚未減值。其信貸質素未有重大變動，因為其與並無面對重大財務困難的多名獨立客戶有關，而根據過往經驗，逾期款項可收回。

- (c) 貿易應收款項之預期信貸虧損撥備變動：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at beginning of the year	年初結餘	(1,733)	—
Initial application of IFRS 9	初次應用國際財務報告準則第9號	—	(1,733)
At 1 January	於一月一日	(1,733)	(1,733)
Reversal of/(allowance for) expected credit loss	預期信貸虧損撥回／(撥備)	599	(57)
Amounts written off as uncollectible	撇銷為無法收回的金額	—	57
At 31 December	於十二月三十一日	(1,134)	(1,733)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 18. TRADE RECEIVABLES (Continued)

- (c) Movement in the allowance for expected credit loss of trade receivables: (Continued)

The impairment losses recognised is the estimated amount of the trade receivables that will not be collected. As at 31 December 2018, amounts of RMB57,000 was directly written off due to uncollectibility.

### 18. 貿易應收款項(續)

- (c) 貿易應收款項之預期信貸虧損撥備變動：(續)

已確認減值虧損為將不會收回的貿易應收款項估計金額。於二零一八年十二月三十一日，款項人民幣57,000元由於不可收回性質而直接被撇銷。

### 19. PREPAYMENTS AND OTHER RECEIVABLES

### 19. 預付款項及其他應收款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Included in non-current assets:	計入非流動資產：		
Rental deposits — non-current portion	租賃按金 — 非流動部分	22,719	22,717
Included in current assets:	計入流動資產：		
Rental and utilities prepayments	租金及公共設施預付款項	7,455	16,055
Raw materials procurement prepayments	原材料採購預付款項	11,406	15,096
Rental deposits — current portion	租賃按金 — 流動部分	8,158	12,511
Value added tax inputs	增值稅輸入值	26,696	32,038
Staff advances	員工墊款	765	998
Other receivables and prepayments due from related parties (Note 31(c)(ii))	應收關聯方的其他款項及預付款項(附註31(c)(ii))	2,900	2,813
Others	其他	167	1,947
Less: Allowance for expected credit loss	減：預期信貸虧損撥備	(2,013)	(2,945)
		<b>55,534</b>	<b>78,513</b>

As at 31 December 2019 and 2018, the carrying amounts of prepayments and other receivables were primarily denominated in RMB and approximated their fair value. The maximum exposure to credit risk at each of the reporting dates is the carrying value of each class of prepayments and other receivables mentioned above. The Group does not hold any collateral as security. The amount reported in the impairment losses recognised on other receivables is the estimated amount of the accounts receivable that will not be collected.

於二零一九年及二零一八年十二月三十一日，預付款項及其他應收款項賬面值主要以人民幣計值，並與其公平值相若。於各報告日期承受的最高信貸風險是上述各類預付款項及其他應收款項的賬面值。本集團並無持有任何抵押品作擔保。就其他應收款項確認的減值虧損的報告金額為不可收回應收賬款的估計金額。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Movement in the allowance for expected credit loss of other receivables:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at beginning of the year	年初結餘	(2,945)	—
Initial recognition of IFRS 9	初次應用國際財務報告 準則第9號	—	(2,945)
At 1 January	於一月一日	(2,945)	(2,945)
Reversal of expected credit loss	預期信貸虧損撥回	932	—
At 31 December	於十二月三十一日	(2,013)	(2,945)

Details of assessment for expected credit loss was disclosed in Note 6(a).

其他應收款項之預期信貸虧損撥備變動：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at beginning of the year	(2,945)	—
Initial recognition of IFRS 9	—	(2,945)
At 1 January	(2,945)	(2,945)
Reversal of expected credit loss	932	—
At 31 December	(2,013)	(2,945)

預期信貸虧損的評估詳情於附註6(a)披露。

### 20. INVENTORIES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Foods and beverage	食品及飲品	25,495	29,909
Other materials consumables	其他材料耗材	1,603	1,478
		27,098	31,387

The cost of inventories recognised and included in "Raw materials and consumables used" in 2019 and 2018 amounted to approximately RMB167,726,000 and RMB253,798,000, respectively.

### 20. 存貨

於二零一九年及二零一八年，於「所用原材料及耗材」中確認及計入的存貨成本分別為約人民幣167,726,000元及人民幣253,798,000元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 21. CASH AND CASH EQUIVALENTS

### 21. 現金及現金等價物

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash at banks	銀行現金	5,338	77,917
Less: Restricted cash (Note i)	減：受限制現金(附註i)	—	(26,286)
		<b>5,338</b>	<b>51,631</b>

Note i: A fixed deposit HKD30,000,000 (equivalent to approximately RMB26,286,000) was pledged as collateral for the Group's short-term borrowings of approximately RMB22,430,000 as at December 2018. The fixed deposit was withdrawn during the year ended 31 December 2019.

附註i：於二零一八年十二月，定期存款30,000,000港元(相當於人民幣26,286,000元)已抵押為本集團短期借貸約人民幣22,430,000元的抵押品。定期存款於截至二零一九年十二月三十一日止年度獲提取。

Cash and bank balances are denominated in the following currencies:

現金及銀行結餘按下列貨幣計值：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
RMB	人民幣	3,892	34,276
HKD	港元	1,407	17,316
USD	美元	39	39
		<b>5,338</b>	<b>51,631</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. SHARE CAPITAL

#### Share capital of the Company

		Number of shares 股份數目	Amount 金額	
			HK\$'000 千港元	RMB'000 人民幣千元
<b>Authorised</b>	<b>法定</b>			
As at 1 January 2018 (HK\$0.00001 each)	於二零一八年一月一日 (每股0.00001港元)	38,000,000,000	380	306
Consolidated shares of HK\$0.00002 each (Note a)	合併股份每股0.00002港元 (附註a)	(19,000,000,000)	—	—
As at 31 December 2018, 1 January 2019 and 31 December 2019 (HK\$0.00002 each)	於二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日 (每股0.00002港元)	19,000,000,000	380	306
			<b>Amount in</b> 金額	<b>Amount in</b> 金額
		<b>Number of</b> shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元
<b>Issued and fully paid</b>	<b>已發行及繳足</b>			
As at 1 January 2018	於二零一八年一月一日	1,010,500,000	10	9
Share consolidation (Note a)	股份合併(附註a)	(505,250,000)	—	—
Placing of shares (Note b)	配售股份(附註b)	757,875,000	15	12
Open offer (Note c)	公開發售(附註c)	101,050,000	2	2
Issue of Consideration Shares (Note d)	發行代價股份(附註d)	3,789,375,000	76	64
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	5,153,550,000	103	87
Conversion of convertible bonds (Note e)	轉換可換股債券(附註e)	1,220,052,437	25	22
As at 31 December 2019	於二零一九年十二月三十一日	6,373,602,437	128	109

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 22. SHARE CAPITAL (Continued)

#### Share capital of the Company (Continued)

Notes:

- (a) On 4 July 2018, the Company consolidated every two (2) issued and unissued shares of HK\$0.00001 each into one (1) consolidated share of HK\$0.00002 each.
- (b) On 4 July 2018, the Company completed the share placing to qualifying shareholders on the record date at placing price of HK\$0.1025 and 757,875,000 ordinary shares have been issued and allotted with total proceeds received of approximately HK\$77,682,000 (equivalent to approximately RMB65,632,000).
- (c) On 4 July 2018, the Company completed the open offer on the basis of one (1) offer share for every five (5) consolidated shares at offer price of HK\$0.1025 and 101,050,000 ordinary shares have been issued and allotted with total proceeds received of approximately HK\$10,357,000 (equivalent to approximately RMB8,751,000).
- (d) On 4 July 2018, the Company allotted and issued 3,789,375,000 consideration shares to the vendors for acquiring the entire equity interest of Longhui International Catering Management Holdings Limited in accordance with the terms of the acquisition agreement.
- (e) On 15 July 2019 and 12 September 2019, the holders of the convertible bonds exercised the conversion right and the convertible bonds was converted into 1,220,052,437 ordinary shares of the Company of HK\$0.1025 each. The conversion shares rank pari passu in all respects with the shares of the Company.

### 22. 股本(續)

#### 本公司股本(續)

附註：

- (a) 於二零一八年七月四日，本公司將每兩(2)股每股0.00001港元的已發行及未發行股份合併為一(1)股每股0.00002港元的合併股份。
- (b) 於二零一八年七月四日，本公司完成向於記錄日期的合資格股東按配售價0.1025港元配售股份及757,875,000股普通股已發行及配發，已收所得款項總額為約77,682,000港元(相當於約人民幣65,632,000元)。
- (c) 於二零一八年七月四日，本公司按發售價0.1025港元根據每持有五(5)股合併股份獲發一(1)股發售股份的基準完成公開發售及101,050,000股普通股已配發及發行，已收所得款項總額為約10,357,000港元(相當於約人民幣8,751,000元)。
- (d) 於二零一八年七月四日，本公司根據收購協議之條款配發及發行3,789,375,000股代價股份予賣方，以收購龍輝國際餐飲管理控股有限公司。
- (e) 於二零一九年七月十五日及二零一九年九月十二日，可換股債券持有人行使轉換權，而可換股債券獲轉換為1,220,052,437股本公司每股面值0.1025港元的普通股。轉換股份在所有方面與本公司股份享有同等地位。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 23. TRADE PAYABLES

### 23. 貿易應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Raw material payables	原材料應付款項	<b>52,865</b>	63,933

As at 31 December 2019 and 2018, the aging analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date were as follows:

於二零一九年及二零一八年十二月三十一日，根據發票日期劃分的貿易應付款項賬齡分析(包括屬貿易性質的應付關聯方款項)如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Less than 1 year	少於一年	<b>46,170</b>	61,144
1 to 2 years	一至兩年	<b>5,618</b>	1,842
2 to 3 years	兩至三年	<b>984</b>	853
Over 3 years	三年以上	<b>93</b>	94
		<b>52,865</b>	63,933

As at 31 December 2019 and 2018, the carrying amount of the Group's trade payables were denominated in RMB.

於二零一九年及二零一八年十二月三十一日，本集團貿易應付款項的賬面值以人民幣計值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 24. OTHER PAYABLES AND ACCRUALS

### 24. 其他應付款項及應計費用

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Staff costs and welfare accruals	員工成本及福利應計費用	61,145	53,431
Leasehold improvements payable	租賃裝修應付款項	15,278	11,197
Payable to payroll related services (Note i)	就工資相關服務應付款項 (附註i)	9,028	12,861
Rental payable	租賃應付款項	9,948	8,197
Professional service expenses	專業服務開支	9,481	8,803
Utility payable	公共設施應付款項	1,324	1,542
Reinstatement costs — current portion	復原成本 — 流動部分	—	2,932
Business tax and other tax liabilities	商業稅及其他稅項負債	8	2
Amounts due to Directors	應付董事款項	—	1,118
Amounts due to related parties (Note 31(c)(iii))	應付關聯方款項 (附註31(c)(iii))	1,029	1,248
Amounts due to former shareholders (Note ii)	應付前股東款項 (附註ii)	24,968	24,968
Amount due to former directors (Note ii)	應付前董事款項(附註ii)	—	86
Dividend payable to former shareholders before Reverse Acquisition	反收購前應付前股東股息	—	210
Others	其他	2,400	5,189
		<b>134,609</b>	<b>131,784</b>

Note:

- (i) The Group engaged payroll services companies, the third party companies, for salary and wages distribution services for certain junior position staffs (such as waiters/waitress, kitchen assistants, etc.). On monthly basis, the payroll services companies distributes salary and wages to relevant individuals after receiving payments from the Group.
- (ii) The amounts due to former shareholders and directors do not bear any interest and are repayable on demand.

附註：

- (i) 本集團委聘工資服務公司(獨立第三方)向若干初級職位員工提供派發薪金及工資服務(例如男/女侍應生、廚房助理等)。工資服務公司每月在收到本集團的款項後會向相關人士派發薪金及工資。
- (ii) 應付前股東及董事的款項不計任何利息及應按需償還。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 25. CONTRACT LIABILITIES

### 25. 合約負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Advance received from online group-purchasing websites (Note a)	自網上團購網站接獲的墊款(附註a)	870	1,010
Prepaid cards (Note b)	預付卡(附註b)	40,936	38,332
Cash coupons and others (Note b)	現金券及其他(附註b)	1,018	1
		<b>42,824</b>	<b>39,343</b>

Notes:

- (a) The Group collaborated with online group-purchase websites in the PRC, which acted as the sales channels of the Group through which ultimate individual customers can purchase prepaid coupons to redeem goods and services at the Group's restaurants. The online group-purchasing websites make lump-sum payments to the Group in advance for the estimated value of electronic coupons that the websites would resell to end customers. The Group recognised such receipts as contract liabilities and when the relevant catering services are rendered to the customers who use the prepaid coupons in electronic form distributed online for settlement, the amount will be recognised as revenue and an equivalent amount will be deducted from the contract liabilities.
- (b) The prepaid cards and cash coupons of the Group are refundable. However, no refund liabilities were recognised during the years since the Directors expect that amounts to be refunded in the future reporting periods is insignificant.
- (c) Included in the contract liabilities at the beginning of the year of approximately RMB35,633,000 (2018: RMB41,593,000) were recognised as revenue during the year ended 31 December 2019.
- (d) The contract liabilities will be recognised as revenue when the Group fulfil the contract's obligation.

附註：

- (a) 本集團與中國網上團購網站合作，其擔當本集團的銷售渠道，最終個人客戶可透過它購買預付券，並於本集團的餐廳兌現商品及服務。網上團購網站就有關網站將轉售予終端客戶的電子券的估計價值，預先向本集團作出一筆過付款。本集團將該等收款確認為合約負債，而當向使用預付券(以電子形式網上分發)結算的客戶提供相關餐飲服務時，有關金額將確認為收益，並自合約負債扣除相應金額。
- (b) 本集團的預付卡及現金券為可退回。然而，年內概無確認退回負債，因為董事預計於未來報告期間將予退回的金額並不重大。
- (c) 於截至二零一九年十二月三十一日止年度，計入年初合約負債的約人民幣35,633,000元(二零一八年：人民幣41,593,000元)獲確認為收益。
- (d) 合約負債將於本集團履行合約責任時確認為收益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 26. BORROWINGS

### 26. 借貸

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Secured Loan (Note a)	有抵押貸款(附註a)	—	22,430
The carrying amounts of the above borrowings are repayable	上述借貸的賬面值須於以下時間償還		
— Within one year shown under current liabilities	— 一年內(計入流動負債)	—	22,430

Note:

- (a) On 6 November 2018, Shanghai Longhui took out an secured loan from China Everbright Bank with a principal of RMB22,430,000 (the "Loan"), which was secured by fixed deposits of HKD30,000,000, equivalent to approximately RMB26,286,000 (Note 21). The term of the Loan commenced from the drawdown date of 6 November 2018 and shall mature and be payable after 12 months. The Loan bears interest at 4.5675% per annum, which shall be payable in cash on a quarterly basis. The carrying amount of short-term borrowings approximated the fair values because the interest rate approximates the market rate. All outstanding amount of the Loan was repaid during the year ended 31 December 2019.

附註：

- (a) 於二零一八年十一月六日，上海龍輝向中國光大銀行取得本金額人民幣22,430,000元的有抵押貸款(「貸款」)，以定期存款30,000,000港元(相當於約人民幣26,286,000元)作抵押(附註21)。貸款的期限由提取日期二零一八年十一月六日及將於12個月後到期應付。貸款按年利率4.5675%計息，須每季以現金支付。短期借貸的賬面值與其公平值相若，因為利率與市場比率相近。所有貸款未償還款項已於截至二零一九年十二月三十一日止年度償還。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

### 27. 遞延所得稅

遞延稅項資產及遞延稅項負債分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets:	遞延稅項資產：		
— Deferred tax assets to be recovered after 12 months	— 十二個月後收回的遞延稅項資產	26,150	25,943
— Deferred tax assets to be recovered within 12 months	— 十二個月內收回的遞延稅項資產	—	406
		<b>26,150</b>	<b>26,349</b>
Deferred tax liabilities:	遞延稅項負債：		
— Deferred tax liabilities to be settled after 12 months	— 十二個月後結算的遞延稅項負債	(166)	(6,535)
		<b>(166)</b>	<b>(6,535)</b>
Deferred tax assets, net	遞延稅項資產(淨額)	<b>25,984</b>	19,814
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At the beginning of the year	年初	19,814	11,591
Initial application of IFRS 9	初次應用國際財務報告準則第9號	—	1,169
Issue of convertible bonds	發行可換股債券	—	(6,707)
Credit to the consolidated statement of profit or loss and other comprehensive income (Note 12)	於綜合損益及其他全面收入表內入賬(附註12)	599	13,761
Conversion of convertible bonds	轉換可換股債券	5,857	—
Exchange alignment	匯兌調整	(286)	—
At the end of the year	年末	<b>25,984</b>	19,814

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 27. DEFERRED INCOME TAX (Continued)

The movements in deferred tax assets are as follows:

### 27. 遞延所得稅(續)

遞延稅項資產變動如下：

	Accrual staff costs	Rental fee accruals	Tax loss	Allowance for expected credit loss	Accelerated tax depreciation	Rein- statement costs	Others	Total	
	應計 員工成本	應計 租金費用	稅項虧損	預期信貸 虧損撥備	加速稅項折舊	復原成本	其他	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
At 31 December 2017 (restated)	於二零一七年 十二月三十一日 (經重列)	14,562	6,087	—	—	(10,221)	1,895	568	12,891
Initial application of IFRS 9	初次應用國際財務報告 準則第9號	—	—	—	1,169	—	—	—	1,169
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	14,562	6,087	—	1,169	(10,221)	1,895	568	14,060
Charge/(credit) to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他 全面收益表內 扣減/(入賬)	(2,128)	(1,048)	10,076	14	4,594	38	743	12,289
At 31 December 2018 and 1 January 2019	於二零一八年 十二月三十一日及 於二零一九年 一月一日	12,434	5,039	10,076	1,183	(5,627)	1,933	1,311	26,349
Charge/(credit) to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他 全面收益表內 扣減/(入賬)	307	(2,326)	—	(383)	2,327	(124)	—	(199)
At 31 December 2019	於二零一九年 十二月三十一日	12,741	2,713	10,076	800	(3,300)	1,809	1,311	26,150



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. DEFERRED INCOME TAX (Continued)

The movements in deferred tax liabilities are as follows:

		Convertible bonds	PRC withholding income tax on dividends	Total
		可換股債券 RMB'000 人民幣千元	股息產生的 中國預扣所得稅 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	—	(1,300)	(1,300)
Issue of convertible bonds (Note 29)	發行可換股債券(附註29)	(6,707)	—	(6,707)
Credit to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他全面收益表內入賬	172	1,300	1,472
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	<b>(6,535)</b>	—	<b>(6,535)</b>
Credit to the consolidated statement of profit or loss and other comprehensive income	於綜合損益及其他全面收入表內入賬	<b>798</b>	—	<b>798</b>
Conversion of convertible bonds	轉換可換股債券	<b>5,857</b>	—	<b>5,857</b>
Exchange alignment	匯兌調整	<b>(286)</b>	—	<b>(286)</b>
At 31 December 2019	於二零一九年十二月三十一日	<b>(166)</b>	—	<b>(166)</b>

### 27. 遞延所得稅(續)

遞延稅項負債變動如下：

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of approximately RMB18,015,000 and RMB1,258,000 in respect of losses amounting to approximately RMB72,060,000 and RMB5,034,000 for the years ended 31 December 2019 and 2018, respectively.

倘有可能透過日後應課稅利潤變現為相關稅項優惠，則就結轉稅項虧損確認遞延稅項資產。截至二零一九年及二零一八年十二月三十一日止年度，本集團並無就約人民幣72,060,000元及人民幣5,034,000元虧損確認遞延稅項資產約人民幣18,015,000元及人民幣1,258,000元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 27. DEFERRED INCOME TAX (Continued)

As at 1 January 2018, deferred tax liabilities of approximately RMB1,300,000 have been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding tax of Shanghai Longhui. In the opinion of the Directors, except for Shanghai Longhui, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. During the year ended 31 December 2018, Shanghai Longhui incurred loss and the Directors considered that no dividend will be declared in the foreseeable future, provision of deferred tax relating to PRC withholding income tax on dividend of approximately RMB1,300,000 were reversed during the year. As at 31 December 2019, no aggregate amount of temporary differences associated with investments in subsidiaries in the PRC for which deferred tax liabilities have not been recognised (2018: approximately RMB17,107,000).

### 28. OTHER NON-CURRENT LIABILITIES

Provision of rental payable	應付租金撥備
Reinstatement costs of the stores (Note i)	店舖復原成本(附註i)

Notes:

- (i) According to the leasing contracts entered into by the Group and the landlords, the Group is required to restore the leased premises to its original status at the end of the lease period. The Group accrued for the related expenses based on its past experience of estimated reinstatement cost per square metre for stores.
- (ii) Upon application of IFRS 16, provision of rent payable and reinstatement costs of the store were adjusted in right-of-use assets as at 1 January 2019.

### 27. 遞延所得稅(續)

於二零一八年一月一日，就應繳納預扣稅的上海龍輝的未匯付盈餘的應繳預扣稅確認遞延稅項負債約人民幣1,300,000元。董事認為，除上海龍輝外，該等附屬公司於可見未來不可能派付該盈餘。截至二零一八年十二月三十一日止年度，上海龍輝產生虧損及董事認為於可見未來將不會宣派股息，年內撥回有關中國股息預扣所得稅的遞延稅項撥備約人民幣1,300,000元。於二零一九年十二月三十一日，概無與中國附屬公司投資有關的暫時差異總額而其遞延稅項負債尚未確認(二零一八年：約人民幣17,107,000元)。

### 28. 其他非流動負債

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	—	16,689
	—	5,680
	—	22,369

附註：

- (i) 根據本集團與業主訂立的租賃合約，本集團須在租賃期完結時還原租賃物業至原本狀態。本集團根據其過往估計店舖每平方米復原成本的經驗計提有關開支。
- (ii) 應用國際財務報告則第16號後，店舖的應付租金撥備及復原成本於二零一九年一月一日在使用權資產內調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 29. CONVERTIBLE BONDS

On 4 July 2018, the Company issued the convertible bonds, which is 5-year, zero coupon and in the aggregate principal amount of approximately HK\$129,470,000 (equivalent to approximately RMB109,388,000) to the vendors, including Mr. Hung, Ms. Hung Ying, Mr. Ho Roy Poon Kwong, Mr. So Kam Chuen and Ms. Szeto Yuen Man (collectively the "Vendors"), as part of the consideration of the Acquisition. Pursuant to the terms and conditions of the acquisition agreement, the convertible bonds are convertible into the Company's shares at the initial conversion price of HK\$0.1025 per conversion share (subject to adjustments). The conversion period is 5 years from the date of issue of the convertible Bonds.

The bondholder could convert the principal amount outstanding under the convertible bonds registered in its names into the Company's ordinary shares (the "Shares") subject to the terms and conditions.

Any amount of the convertible bonds which is converted will forthwith be cancelled. Certificate in respect of the convertible bonds cancelled will be forwarded to or to the order of the Company and the convertible bonds may not be reissued or resold. Any amount of the bonds which remains outstanding on the maturity date shall be redeemed at its then outstanding principal amount. The Company shall not be entitled to redeem any part of the convertible bonds prior to the maturity date.

The convertible bonds contained two components, liability and equity component. The fair value of the liability component was calculated using an effective interest rate of 9.41% per annum for instruments of comparable credit status. The residual amount, representing the value of the equity component, has been included in the convertible bonds reserve under the consolidated statement of change in equity.

### 29. 可換股債券

於二零一八年七月四日，本公司向賣方（包括洪先生、洪瑩女士、何馨光先生、蘇錦存先生及司徒婉雯女士）（統稱「賣方」）發行可換股債券，為五年、零票面息率及本金總額約129,470,000港元（相當於約人民幣109,388,000元），作為收購事項的代價。根據收購協議的條款及條件，可換股債券可初步轉換價每股轉換股份0.1025港元（可予調整）轉換為本公司股份。轉換期間為可換股債券發行日期起計五年。

債券持有人可將以其名義登記的可換股債券的未轉換本金額轉換為本公司普通股（「股份」），惟受限於條款及條件。

可換股債券獲兌換的任何金額將隨即註銷。所有已註銷可換股債券之證書將送呈本公司或由本公司掌管，而該等可換股債券均不會重新發行或重售。於到期日仍未兌換的可換股債券之任何金額須按當時未兌換本金額予以贖回。於到期日前，本公司不得贖回可換股債券的任何部分。

可換股債券包含兩個部分，即債務部分及權益部分。債務部分的公平值乃按可資比較信貸狀況的工具的實際年利率9.41%計算。餘值（即權益部分的價值）已計入綜合權益變動表的可換股債券儲備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 29. CONVERTIBLE BONDS (Continued)

The liability and equity components of the convertible bonds recognised in the consolidated statement of financial position were calculated as follows:

### 29. 可換股債券(續)

於綜合財務狀況表確認的可換股債券的負債及權益部分按下文計算：

		Liability component 債務部分 RMB'000 人民幣千元	Equity component 權益部分 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	—	—
Issue of the convertible bonds	發行可換股債券	71,848	37,539
Deferred tax liabilities recognised (Note 27)	已確認遞延稅項負債(附註27)	—	(6,707)
Imputed interest recognised (Note 11)	已確認應計利息(附註11)	1,044	—
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	72,892	30,832
Imputed interest recognised (Note 11)	已確認應計利息(附註11)	4,838	—
Conversion of convertible bonds (Note (i))	轉換可換股債券(附註(i))	(77,964)	(29,763)
Exchange alignment	匯兌調整	3,176	—
At 31 December 2019	於二零一九年十二月三十一日	2,942	1,069

On 15 July 2019 and 16 September 2019, the Company received conversion notices from two of the Vendors, Ms. Hung Ying and Mr. Hung, to convert the convertible bonds in the principal amount of approximately HK\$3,806,000 and HK\$121,249,000 into 37,135,875 shares and 1,182,916,562 shares of the Company at a conversion price of HK\$0.1025 each, respectively. For the details, please refer the Company's announcement dated 17 July 2019 and 16 September 2019.

於二零一九年七月十五日及二零一九年九月十六日，本公司接獲兩名賣方洪瑩女士及洪先生的轉換通知，按轉換價每股0.1025港元將本金額分別約3,806,000港元及121,249,000港元的可換股債券轉換為37,135,875股及1,182,916,562股本公司股份。有關詳情，請參閱本公司日期為二零一九年七月十七日及二零一九年九月十六日的公告。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. COMMITMENTS

#### (a) Capital commitments

Capital expenditure contracted for at the end of the years but not yet incurred are as follows:

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Property, plant and equipment 物業、廠房及設備	6,998	2,085

#### (b) Operating lease commitment

The Group leases certain of its restaurants, staff quarters, warehouses, and office premises under operating lease arrangements. Leases for restaurants are negotiated for terms ranging from five to eight years, while leases for warehouses, staff quarters and office premises are negotiated for terms ranging from one to three years.

At 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2018 二零一八年 RMB'000 人民幣千元
No later than 1 year 一年內	103,101
Later than 1 year and no later than 5 years 一年後但五年內	149,423
Later than 5 years 五年後	3,090
	255,614

### 30. 承擔

#### (a) 資本承擔

年末已訂約但未產生的資本開支如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Property, plant and equipment 物業、廠房及設備	6,998	2,085

#### (b) 經營租賃承擔

本集團根據經營租賃安排承租若干食店、員工宿舍、貨倉及辦公室物業。食店租約磋商為五至八年，而貨倉、員工宿舍及辦公室物業租約則磋商為一至三年。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃的未來最低租賃付款的到期情況如下：

	2018 二零一八年 RMB'000 人民幣千元
No later than 1 year 一年內	103,101
Later than 1 year and no later than 5 years 一年後但五年內	149,423
Later than 5 years 五年後	3,090
	255,614

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 31. MATERIAL RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, common significant influence or joint control.

Mr. Hung, members of key management and their close family members of the Group are also considered as related parties. In the opinion of the Directors, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and respective related parties.

### 31. 重大關聯方交易

若一方有能力直接或間接控制另一方，或在作出財務及經營決策時能對另一方行使重大影響力，即被視為關聯方。倘若所涉各方均受制於同一控制、同一重大影響或共同控制，則亦被視為相互關聯。

洪先生、本集團的主要管理層成員及與其關係密切之家庭成員亦被認為關聯方。董事認為，關聯方交易於業務正常過程進行，並按本集團與各自關聯方磋商之條款進行。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 31. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 31. 重大關聯方交易(續)

The following companies are related parties of the Group that had balances and/or transactions with the Group.

下列公司為本集團之關聯方與本集團有結餘及／或交易。

#### (a) Names and relationships with related parties

#### (a) 名稱及與關聯方關係

Name 名稱	Relationship 關係
Mr. Hung 洪先生	Controlling shareholder 控股股東
Shanghai Xiao Ducheng Food & Beverage Management Co., Ltd. ("Xiao Ducheng") 上海小都成餐飲管理有限公司(「小都成」)	Controlled by the controlling shareholder 由控股股東控制
Shanghai Zhaorong Investment Consulting Co., Ltd. ("Zhaorong") 上海兆榮投資諮詢有限公司(「兆榮」)	Controlled by the controlling shareholder 由控股股東控制
Shanghai Zhipeng Food & Beverage Management Co., Ltd. ("Zhipeng") 上海致鵬餐飲管理有限公司(「致鵬」)	Controlled by the controlling shareholder 由控股股東控制
Shanghai Tao Huayuan Food & Beverage Management Co., Ltd. ("Tao Huayuan") 上海桃花源餐飲管理有限公司(「桃花源」)	Controlled by Ms. Hung (Mr. Hung's elder sister) 由洪女士(洪先生之長姊)控制
Zhenwei (Shanghai) International Trading Co., Ltd. ("Zhenwei") 甄味(上海)國際貿易有限公司(「甄味」)	Controlled by Ms. Hung (Mr. Hung's elder sister) 由洪女士(洪先生之長姊)控制
Ma Shuaixiang 馬帥翔	Shareholder of a non-wholly owned subsidiary 非全資附屬公司的股東
Shanghai Arabica Coffee Co Ltd ("Arabica") 上海拉比卡咖啡有限公司(「拉比卡」)	Controlled by the controlling shareholder 由控股股東控制
Shanghai Tai Yeye Food & Beverage Management Co., Ltd. ("Grandpa Tai") 上海泰椰爺餐飲管理有限公司(「泰椰爺」)	Controlled by Ms. Hung (Mr. Hung's elder sister) 由洪女士(洪先生之長姊)控制
Shanghai Ji Ying Catering Management Co., Ltd. ("Ji Ying") 上海即盈餐飲管理有限公司(「即盈」)	Jointly controlled by the controlling shareholder 由控股股東共同控制

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 31. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 31. 重大關聯方交易(續)

#### (b) Significant transactions with related parties

##### (i) Purchases of goods

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Zhipeng	致鵬	1,744	1,785
Zhenwei	甄味	125	21
		<b>1,869</b>	<b>1,806</b>

##### (ii) Key management compensation

Key management includes the executive director, Mr. Hung, and certain executives of the Group who have important role in making operational and financial decisions. The compensation paid or payable to key management for employee services is shown below:

##### (ii) 關鍵管理人員薪酬

關鍵管理人員包括本集團執行董事洪先生及若干行政人員，彼等在營運及財務決策上擔任要職。就僱員服務已付或應付關鍵管理人員的薪酬載列如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	2,217	1,378
Defined contribution plan and other social security costs	界定供款計劃及其他社會保障成本	—	180
		<b>2,217</b>	<b>1,558</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 31. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 31. 重大關聯方交易(續)

#### (b) Significant transactions with related parties (Continued)

##### (iii) Loans granted to related parties during the years

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Mr. Hung	洪先生	—	13,572
Xiao Ducheng	小都成	—	1,037
		—	14,609

##### (iv) Interest income on financing provided for related parties (Note 11)

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Mr. Hung	洪先生	—	1,724
Xiao Ducheng	小都成	—	100
		—	1,824

#### (b) 與關聯方的重大交易(續)

##### (iii) 年內授予關聯方的貸款

##### (iv) 向關聯方提供融資所得利息收入(附註11)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 31. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 31. 重大關聯方交易(續)

#### (c) Balances with related parties

##### (i) Included in trade payables — (trade related)

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Zhenwei 甄味	2	11

##### (ii) Included in prepayments and other receivables

Other receivables and prepayments due from related parties — other receivables (non-trade related) (Note 19)

#### (c) 與關聯方的結餘

##### (i) 計入貿易應付款項 — (貿易相關)

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Zhenwei 甄味	2	11

##### (ii) 計入預付款項及其他應收款項

應收關聯方其他款項及預付款項 — 其他應收款項(非貿易相關)(附註19)

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Mr. Hung 洪先生	—	722
Arabica 拉比卡	—	1,625
Tao Huayuan 桃花源	30	24
Zhenwei 甄味	71	69
Zhaorong 兆榮	226	226
Zhipeng 致鵬	1,550	—
Grandpa Thai 泰椰爺	5	—
Xiao Ducheng 小都成	529	—
Ji Ying 即盈	342	—
	<b>2,753</b>	<b>2,666</b>

Other receivables from related parties are unsecured, interest-free and have no fixed terms of repayment. No provisions were made against receivables from related parties.

應收關聯方其他款項為無抵押、不計息及無固定還款期。並無就應收關聯方之款項作出撥備。



# Notes to the Consolidated Financial Statements 綜合財務報表附註

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

## 31. MATERIAL RELATED PARTY TRANSACTIONS (Continued) 31. 重大關聯方交易(續)

### (c) Balances with related parties (Continued)

#### (ii) Included in prepayments and other receivables (Continued)

Included in other receivables and prepayments due from related parties — prepayments (trade related) (Note 19)

Zhenwei 甄味

### (c) 與關聯方的結餘(續)

#### (ii) 計入預付款項及其他應收款項(續)

計入應收關聯方的其他款項及預付款項 — 預付款項(貿易相關)(附註19)

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

147

147

#### (iii) Included in other payables and accruals — (non trade related) (Note 24)

Ma Shuaixiang  
Zhipeng

馬帥翔  
致鵬

#### (iii) 計入其他應付款項及應計費用 — (非貿易相關)(附註24)

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

1,029

1,029

—

219

1,029

1,248

The payables due to related parties are unsecured, interest-free and are repayable on demand.

應付關聯方款項為無抵押、不計息及按要求償還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 32. ACQUISITION OF THE COMPANY

As disclosed in note 2.1, the Company allotted and issued to the vendor 3,789,375,000 Consideration Shares and Consideration Convertible Bonds in the aggregate principal amount of approximately HK\$129,470,000 which entitled the holders to convert into 1,263,125,000 conversion shares in full based on the initial conversion price of HK\$0.1025 per conversion share as consideration for acquiring the entire equity interest of Longhui International Catering Management Holdings Limited on 4 July 2018. The substance of the Acquisition is a reverse acquisition of the Company and as a result, the Acquisition is accounted for as such under IFRS 3. The Consideration Shares and Consideration Convertible Bonds allotted and issued to effect the Acquisition are measured at their fair values at the date of completion of the Acquisition but are not accounted for as Deemed Consideration for the Acquisition as the Acquisition is accounted for as reverse acquisition of the Company rather than as acquisition of the Legal Acquiree.

The fair value of the consideration was determined based on the number of the Company's shares outstanding immediately prior to the Acquisition and the share price of the Company immediately upon the trading resumption of the Company's share on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), which was determined using the published share price available on 6 July 2018 amounted to HK\$0.29 per share and the number of the Company's shares outstanding immediately prior to the Acquisition of 1,364,175,000 shares. Accordingly, the Deemed Consideration for the Acquisition is approximately HK\$395,611,000 (equivalent to approximately RMB334,246,000). The fair value hierarchy of the input (i.e. share price of the Company) to determine fair value of the Deemed Consideration is categorised under Level 1 by reference to the quoted bid price of the Company in an active market.

### 32. 收購公司

如附註2.1披露，本公司向賣方配發及發行3,789,375,000股代價股份及代價可換股債券，本金總額約為129,470,000港元，賦予持有人權利可根據初步轉換價每股轉換股份0.1025港元悉數轉換為1,263,125,000股轉換股份，作為於二零一八年七月四日收購龍輝國際餐飲管理控股有限公司全部股權的代價。收購事項的性質屬於本公司的反收購，因此，收購事項根據國際財務報告準則第3號入賬作為反收購。為落實收購事項而配發及發行的代價股份及代價可換股債券按其於收購事項完成日期的公平值計量，但並無入賬作為收購事項的視作代價，因為收購事項入賬作為本公司的反收購，而非作為收購法定被收購方。

代價的公平值乃根據本公司緊接收購事項前發行在外的股份數目及本公司緊隨本公司股份於香港聯合交易所有限公司（「聯交所」）恢復買賣後的股價釐定，後者採用二零一八年七月六日的公佈股價每股0.29港元及本公司緊接收購事項前發行在外的股份數目1,364,175,000股釐定。因此，收購事項的視作代價約為395,611,000港元（相當於約人民幣334,246,000元）。釐定視作代價公平值的輸入數據（即本公司股價）的公平值層級參考本公司於活躍市場的報價歸入第1級。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 32. ACQUISITION OF THE COMPANY (Continued)

The fair values of the identifiable assets and liabilities of the Company deemed acquired or assumed upon the Acquisition are set out as follows:

### 32. 收購公司(續)

於收購事項後視作獲得或承擔的本公司可識別資產及負債的公平值載列如下：

		RMB'000 人民幣千元
Net assets acquired	已收購資產淨值	
Bank and cash balances	銀行及現金結餘	81,394
Prepayments	預付款項	127
Trade receivables	貿易應收款項	20
Other payables	其他應付款項	(37,578)
		<u>43,963</u>
		RMB'000 人民幣千元
Deemed Consideration effectively transferred	已實際轉讓的視作代價	<u>334,246</u>
Add: Convertible bond liability component	加：可換股債券負債部分	71,848
Add: Convertible bond equity component	加：可換股債券權益部分	37,539
Less: Fair value of identifiable net assets of the Company	減：本公司可識別資產淨值的公平值	<u>(43,963)</u>
		<u>65,424</u>
Deemed listing expenses arising on the Acquisition	收購事項產生的視作上市開支	<u>399,670</u>
		RMB'000 人民幣千元
Net cash inflow in respect of the reverse acquisition	就反收購的現金流入淨額	
Bank and cash balances	銀行及現金結餘	<u>81,394</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 33. DISPOSAL OF SUBSIDIARIES

On 4 July 2018, the Group disposed of its 100% equity interest in Global Milk, together with its subsidiaries (collectively referred to as “Global Milk Group”) to an independent third party at a cash consideration of HK\$1.

As disclosed in the financial statements of the Company in previous years, the directors of the Company at that material time have been unable to (i) locate complete books and records of Global Milk; and (ii) get access to the books and records of its subsidiaries incorporated in the PRC. The directors of the Company have used its best effort, to the extent commercially practicable, to reconstruct the accounting records of the Global Milk Group for the previous years applying the best estimates and judgement based on the information that are available to the directors of the Company. However, given substantial portion of the books and records could not be located or accessed and the previous management of the Company did not response to the new management’s request, the directors of the Company at that material time concluded that it is impossible and impractical to ascertain the transactions and balances of the Company and the Global Milk Group for inclusion in the financial statements of the Company since the year ended 31 December 2011.

Given the above circumstances, the directors of the Company at that material time has not consolidated the financial statements of the Global Milk Group (collectively referred to as the “De-consolidated Subsidiaries”) and no consolidated financial statements of the Company were prepared since the year ended 31 December 2011. As such, the results, assets and liabilities of the De-consolidated Subsidiaries have not been included into the financial statements of the Company since 1 January 2011. The resulting loss on de-consolidation of approximately RMB1,583,093,000, which is determined based on the net asset value of the De-consolidated Subsidiaries as at 1 January 2011 has been recognised in the statement of profit or loss and other comprehensive income of the Company during the year ended 31 December 2011.

### 33. 出售附屬公司

於二零一八年七月四日，本集團出售其於 Global Milk 連同其附屬公司（統稱「Global Milk 集團」）的100%權益予獨立第三方，現金代價為1港元。

誠如過往年度的財務報表所披露，鑑於本公司於有關時間的董事未能(i)找到 Global Milk 之完整賬冊及記錄；及(ii)查閱於中國註冊成立的附屬公司之賬冊及記錄。本公司董事已在商業上屬切實可行之情況下竭盡所能重構 Global Milk 集團於過往年度之會計記錄，根據本公司董事可得之資料應用最佳估計及判斷。然而，由於無法找到或查閱大部分賬冊及記錄，而本公司前任管理層並無回應新管理層之要求，本公司於有關時間的董事斷定本公司及 Global Milk 集團之交易及結餘以載入本公司自截至二零一一年十二月三十一日止年度起之財務報表屬不可能及不可行。

鑑於上述情況，本公司於相關時間的董事並無將 Global Milk 集團（統稱「取消綜合入賬附屬公司」）之財務報表綜合入賬及概無編製本公司自截至二零一一年十二月三十一日止年度起之綜合財務報表。因此，自二零一一年一月一日起，取消綜合入賬附屬公司之業績、資產及負債並無計入本公司之財務報表。取消綜合入賬產生的虧損約人民幣1,583,093,000元（根據取消綜合入賬附屬公司於二零一一年一月一日的資產淨值釐定）已於本公司截至二零一一年十二月三十一日止年度的損益及其他全面收益表確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 34. CONTINGENT LIABILITIES

As disclosed in note 32 to the consolidated financial statements, the Company acquired the entire equity interest in the Longhui International Catering Management Limited (the "Accounting Acquirer") on 4 July 2018 (the "Acquisition Date") was accounted for in the consolidated financial statements as reverse acquisition of the Company by the Accounting Acquirer (the "Reverse Acquisition"). The Group recognised deemed listing expenses of approximately RMB399,670,000 upon the application of the Reverse Acquisition on the Acquisition Date ("Deemed Listing Expenses").

On the Acquisition Date, the Group applied the Reverse Acquisition method of accounting and recognised the identifiable assets and liabilities of the Company as at that date, including the recorded accrued expenses and other payables of approximately RMB37,578,000 as disclosed in Note 32 to the consolidated financial statements.

These recorded accrued expenses and other payables do not include any of the unknown liabilities of the Company brought forward from 1 January 2018, which included the amount due to a deconsolidated subsidiary of approximately RMB882,000 (equivalent to approximately HK\$1,028,000) and unknown other payables of approximately RMB15,182,000 (equivalent to approximately HK\$17,694,000) (collectively, the "Unknown Liabilities").

The Company had used its best effort to identify the nature of the Unknown Liabilities including publishing a public notice which invited any potential creditors to inform the Company of any debts or claims.

With the legal advice provided to the Company, according to Section 4(1)(a) of Cap. 347 provides that actions founded on simple contract shall not be brought after the expiration of 6 years from the date on which the course of action accrued whereas s.4(3) states that an action upon a specialty shall not be brought after the expiration of 12 years from the date on which the cause of action accrued.

### 34. 或然負債

誠如綜合財務報表附註32所披露，於二零一八年七月四日（「收購日期」），本公司收購龍輝國際餐飲管理控股有限公司全部股權（「會計收購方」），於綜合財務報表列賬為會計收購方對本公司作出的反收購（「反收購」）。本集團於收購日期應用反收購後確認視作上市開支約人民幣399,670,000元（「視作上市開支」）。

於收購日期，本集團應用反收購會計法及確認本公司於該日的可識別資產及負債，包括錄得應計費用及其他應付款項約人民幣37,578,000元（披露於綜合財務報表附註32）。

該等所錄得應計費用及其他應付款項並不包括本公司自二零一八年一月一日承前之任何未知負債（包括應付取消綜合入賬附屬公司款項約人民幣882,000元（相當於約1,028,000港元）及其他未知應付款項約人民幣15,182,000元（相當於約17,694,000港元）（統稱「未知負債」）。

本公司已盡全力識別未知負債的性質，包括刊發公共通告邀請任何潛在債務人向本公司知會任何債務或申索。

按照本公司獲提供之法律意見，根據第347章第4(1)(a)節，規定基於簡單合約或侵權行為的訴訟，不得於訴訟因由產生的日期起計滿6年後提出，而第4(3)節載明基於蓋印文據的訴訟，不得於訴訟因由產生的日期起計滿12年後提出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 34. CONTINGENT LIABILITIES (Continued)

The directors of the Company considered that the origin of the Unknown Liabilities is unlikely to be created under a deed and among other reasons, given actions founded on simple contract shall not be brought after 6 years from the date on which the cause of actions accrued pursuant to the Limitation Ordinance (Laws of Hong Kong Chapter 347), any potential creditors would be statutorily barred from taking action against another person 6 years after the date when the liabilities were due, unless such liabilities was created under deed, in which case, the limitation period shall be 12 years from the date of the liabilities were due. As the Unknown Liabilities were incurred during the year ended 31 December 2012 and 2013, the payment obligation is expired as at 31 December 2019.

Besides, the Company had entered into a debt assignment agreement with Global Courage Limited (“Global Courage”), pursuant to which Global Courage agrees to undertake all outstanding Unknown Liabilities.

Subject to the above matters, the possibility of outflow of economic resources in the settlement of Unknown Liabilities by the Group is not probable.

### 34. 或然負債(續)

本公司董事認為未知負債不大可能產生自契據，尤其是因為根據香港法例第347章時效條例，建立於簡單合約的法律行動在引致所涉法律行動日期起6年後不得再提出，任何潛在債權人禁止於負債到期日期後6年對另一人士採取法律行動，除非有關負債並非源自契據，在該情況下，時限將為負債到期日期後12年。由於未知負債於截至二零一二年及二零一三年十二月三十一日止年度產生，付款責任於二零一九年十二月三十一日到期。

此外，本公司已與 Global Courage Limited (「Global Courage」) 訂立債務轉讓協議，據此，Global Courage 同意承擔所有尚未清償未知負債。

綜上所述，本集團清償未知負債時出現經濟資源外流的可能性不大。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. 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 noncash 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.

### 35. 融資活動產生負債的對賬

下表詳列本集團因融資活動而產生的負債變動，包括現金及非現金變動。融資活動產生的負債指於本集團合併現金流量表中過去已分類為或將來會分類為融資活動產生的現金流量的融資活動現金流量。

		Borrowings		Interest	Convertible	Lease	Total
		Borrowings	(non-	payable	bonds	liabilities	
		(current)	current)		liabilities	liabilities	
		借貸	借貸	應付利息	可換股	租賃負債	總計
		(流動)	(非流動)	應付利息	債券負債	租賃負債	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	—	41,795	—	—	—	41,795
Proceeds from borrowings	借貸所得款項	22,430	—	—	—	—	22,430
Issue of Consideration	發行的代價	—	—	—	—	—	—
Convertible Bonds	可換股債券	—	—	—	71,848	—	71,848
Imputed interest recognised	已確認應計利息	—	—	—	1,044	—	1,044
Repayment of borrowings	償還借貸	—	(41,795)	—	—	—	(41,795)
Interest accrued	應計利息	—	—	1,637	—	—	1,637
Interest paid	已付利息	—	—	(1,637)	—	—	(1,637)
At 31 December 2018	於二零一八年十二月三十一日	22,430	—	—	72,892	—	95,322
Initial application of IFRS 16	首次應用國際財務報告準則第16號	—	—	—	—	222,143	222,143
At 1 January 2019	於二零一九年一月一日	22,430	—	—	72,892	222,143	317,465
Addition to lease liabilities	租賃負債添置	—	—	—	—	37,786	37,786
Lease cancellation	租賃註銷	—	—	—	—	(21,258)	(21,258)
Interest expense on lease liabilities	租賃負債的利息開支	—	—	—	—	12,219	12,219
Repayment of lease liabilities	償還租賃負債	—	—	—	—	(97,893)	(97,893)
Conversion of consideration convertible bonds	轉換代價可換股債券	—	—	—	(77,962)	—	(77,962)
Imputed interest recognised	已確認應計利息	—	—	—	4,838	—	4,838
Exchange alignment	匯兌調整	—	—	—	3,174	—	3,174
Repayment of borrowings	償還借貸	(22,430)	—	—	—	—	(22,430)
Interest accrued	應計利息	—	—	877	—	—	877
Interest paid	已付利息	—	—	(877)	—	—	(877)
At 31 December 2019	於二零一九年十二月三十一日	—	—	—	2,942	152,997	155,939

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 36. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 36. 有關本公司財務狀況表的資料

#### Statement of Financial Position

#### 財務狀況表

At 31 December 2019	於二零一九年十二月三十一日	Note 附註	As at 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元	As at 31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元
<b>Non-current asset</b>	<b>非流動資產</b>			
Investments in subsidiaries	附屬公司投資		—	437,549
<b>Current assets</b>	<b>流動資產</b>			
Trade and other receivables	貿易及其他應收款項		—	55,996
Prepayments	預付款項		500	105
Cash and cash equivalents	現金及現金等價物		782	17,355
			<b>1,282</b>	<b>73,456</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible bonds	可換股債券		2,942	72,892
Deferred tax liabilities	遞延稅項負債		166	6,707
			<b>3,108</b>	<b>79,599</b>
<b>Current liability</b>	<b>流動負債</b>			
Other payables and accruals	其他應付款項及應計費用		33,344	32,987
<b>Net current (liabilities)/assets</b>	<b>流動(負債)/資產淨值</b>		<b>(32,062)</b>	<b>40,469</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>(32,062)</b>	<b>478,018</b>
<b>Net (liabilities)/assets</b>	<b>(負債)/資產淨值</b>		<b>(35,170)</b>	<b>398,419</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	22	109	87
Reserves	儲備		(35,279)	398,332
<b>Total equity</b>	<b>總權益</b>		<b>(35,170)</b>	<b>398,419</b>

The Company's statement of financial position was approved and authorised for issue by the board of directors on 14 May 2020 and are signed on its behalf by:

本公司的財務狀況表乃於二零二零年五月十四日經董事會批准及授權刊發，並由以下董事代表簽署：

**Hung Shui Chak**  
洪瑞澤  
Director  
董事

**Yuan Miangjie**  
袁明捷  
Director  
董事



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### 36. 有關本公司財務狀況表的資料 (續)

#### Movement in the Company's reserves

#### 本公司儲備的變動

		Share premium	Convertible bonds reserve	Other reserve	Exchange reserve	Retained earnings/ (accumulated loss)	Total
		股份溢價	可換股債券儲備	其他儲備	匯兌儲備	保留盈利/ (累計虧損)	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 4 July 2018 (date of the Acquisition)	於二零一八年七月四日 (收購日期)	453,075	30,832	(118,137)	—	36,056	401,826
Loss for the year	年內虧損	—	—	—	—	(5,007)	(5,007)
Other comprehensive income	其他全面收益	—	—	—	1,513	—	1,513
Total comprehensive income/(loss) for the year	年內全面收益/ (虧損)總額	—	—	—	1,513	(5,007)	(3,494)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	453,075	30,832	(118,137)	1,513	31,049	398,332
Loss for the year	年內虧損	—	—	—	—	(519,267)	(519,267)
Other comprehensive loss	其他全面虧損	—	—	—	1,857	—	1,857
Total comprehensive income/(loss) for the year	年內全面收益/ (虧損)總額	—	—	—	1,857	(519,267)	(517,410)
Shares issued upon conversion of convertible bonds	轉換可換股債券而發行之股份	113,562	(29,763)	—	—	—	83,799
At 31 December 2019	於二零一九年十二月三十一日	566,637	1,069	(118,137)	3,370	(488,218)	(35,279)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 37. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2019 and 2018 are set out below:

### 37. 附屬公司詳情

本集團於二零一九年及二零一八年十二月三十一日的主要附屬公司詳情列載如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及 營運地點	Registered paid up capital 註冊繳足股本	Proportion of equity interest and voting power held by the Company				Principal activities 主要活動
			Directly 直接		Indirectly 間接		
			2019 二零一九年 %	2018 二零一八年 %	2019 二零一九年 %	2018 二零一八年 %	
Longhui International Catering Management Holdings Limited 龍輝國際餐飲管理控股有限公司	Cayman Islands 開曼群島	USD1 1美元	100.0	100.0	—	—	Investment holding 投資控股
Billion Express International Limited 億通國際有限公司	Hong Kong 香港	HKD1,000 1,000港元	—	—	100.0	100.0	Investment holding 投資控股
Billion Great International Limited 億高國際有限公司	Hong Kong 香港	HKD10,000 10,000港元	—	—	100.0	100.0	Investment holding 投資控股
Shanghai Qiaowei Investment Consulting Company Limited 上海喬威投資諮詢有限公司	The PRC 中國	USD2,160,000 2,160,000美元	—	—	100.0	100.0	Investment holding 投資控股
Shanghai Longhui Catering Management Company Limited 上海龍輝餐飲管理有限公司	The PRC 中國	RMB10,000,000 人民幣10,000,000元	—	—	100.0	100.0	Provision of food and beverage service 提供餐飲服務
Wuhun Huige Catering Management Company Limited 武漢輝哥火鍋餐飲有限公司	The PRC 中國	RMB993,471 人民幣993,471元	—	—	—	100.0	Provision of food and beverage services 提供餐飲服務
Beijing Huige Catering Management Company Limited 北京輝哥餐飲管理有限公司	The PRC 中國	RMB1,000,000 人民幣1,000,000元	—	—	100.0	100.0	Provision of food and beverage service 提供餐飲服務
Shanghai Huige Seafood Hotpot Catering Company Limited 上海輝哥海鮮火鍋餐飲有限公司	The PRC 中國	RMB3,000,000 人民幣3,000,000元	—	—	100.0	100.0	Provision of food and beverage service 提供餐飲服務
Hefei Huige Catering Management Company Limited 合肥輝哥餐飲管理有限公司	The PRC 中國	RMB2,000,000 人民幣2,000,000元	—	—	70.0	70.0	Provision of food and beverage service 提供餐飲服務
Shanghai Jinhong Catering Management Company Limited 上海錦宏餐飲管理有限公司	The PRC 中國	RMB500,000 人民幣500,000元	—	—	100.0	—	Provision of food and beverage service 提供餐飲服務

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

上表列載董事認為主要影響本集團業績或資產的本公司附屬公司。董事認為提供其他附屬公司的詳情將導致內容冗長。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 37. PARTICULARS OF SUBSIDIARIES (Continued) 37. 附屬公司詳情(續)

The table below shows details of non-wholly owned subsidiary of the Group that have material non-controlling interest:

下表列載擁有重大非控股權益的本集團非全資附屬公司：

Name of subsidiary	附屬公司名稱	Proportion of ownership interests and voting rights held by non-controlling interest		Loss allocated to non-controlling interest		Accumulated non-controlling interest	
		非控股權益持有的擁有權益及投票權比例	2019 二零一九年	2018 二零一八年	分配至非控股權益的虧損	2019 二零一九年	2018 二零一八年
		%	%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Hefei Huige Catering Management Company Limited	合肥輝哥餐飲管理有限公司	30.0	30.0	734	533	(690)	44

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

有關擁有重大非控股權益的本集團附屬公司的財務資料概要列載如下。以下財務資料概要表示集團內公司間對銷前金額。

#### Hefei Huige Catering Management Company Limited

#### 合肥輝哥餐飲管理有限公司

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	1,326	2,139
Non-current assets	非流動資產	2,767	4,424
Current liabilities	流動負債	(5,583)	(5,408)
Non-current liabilities	非流動負債	(811)	(1,009)
Equity attributable to owners of the Company	本公司擁有人應佔權益	(1,611)	102
Non-controlling interest	非控股權益	(690)	44

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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



### 37. PARTICULARS OF SUBSIDIARIES (Continued) 37. 附屬公司詳情(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	3,526	3,977
Expenses	開支	(5,972)	(3,953)
Loss for the year	年內虧損	<b>(2,446)</b>	(1,777)
Loss attributable to the owners of the Company	本公司擁有人應佔虧損	<b>(1,712)</b>	(1,244)
Loss attributable to non-controlling interest	非控股權益應佔虧損	<b>(734)</b>	(533)
Loss for the year	年內虧損	<b>(2,446)</b>	(1,777)
Total comprehensive loss attributable to the owners of the Company	本公司擁有人應佔全面虧損總額	<b>(1,712)</b>	(1,244)
Total comprehensive loss attributable to the non-controlling interest	非控股權益應佔全面虧損總額	<b>(734)</b>	(533)
Total comprehensive loss	全面虧損總額	<b>(2,446)</b>	(1,777)
Net cash (outflow)/inflow from operating activities	經營活動現金(流出)/流入淨額	<b>(707)</b>	717
Net cash outflow from investing activities	投資活動現金流出淨額	<b>(30)</b>	(290)
Net cash (outflow)/inflow from financing activities	融資活動現金(流出)/流入淨額	<b>(16)</b>	2
Net cash (outflow)/inflow	現金(流出)/流入淨額	<b>(753)</b>	429



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. COMPARATIVES

The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 2.2.

### 39. EVENTS AFTER THE REPORTING PERIOD

The outbreak of COVID-19 coronavirus since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position and performance. The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include: i) negotiating with the landlords for rent concessions due to the reduced number of customers as overshadowed by the outbreak of COVID-19 coronavirus; and ii) the Group will strengthen its promotional efforts to maintain the Group's competitiveness, including closely cooperating with online ordering and delivery platforms to promote the delivery business. The Group will keep its contingency measures under review as the situation evolves. As far as the Group's businesses are concerned, the outbreak has materially and adversely impacted the revenue from restaurants' operations, some debtors' repayment abilities and turnover of inventory. As the extent to which the outbreak of COVID-19 coronavirus will continue is uncertain, it is not practicable to estimate the full financial effect that the outbreak of COVID-19 coronavirus may have on the Group's businesses as at the date when the financial statements are authorised to issue.

### 38. 比較數字

本集團於二零一九年一月一日使用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，並無重列比較資料。會計政策變動的更多詳情於附註2.2披露。

### 39. 報告期後事項

二零二零年初，COVID-19冠狀病毒疫情爆發後，為本集團經營環境帶來額外不穩定因素，對本集團的營運及財務狀況造成影響。本集團已密切監察事態發展對本集團業務的影響，以及設立應急措施應對。該等應急措施包括：i)與業主磋商減租，因為在COVID-19冠狀病毒疫情爆發的陰影下，客戶數目減少；及ii)本集團將加強其推廣活動，維持本集團的競爭力，包括與網上訂購及送貨平台緊密合作，促進送貨服務。本集團將隨情況發展，檢討其應急措施。就本集團的業務而言，疫情對餐廳的營運、若干債務人的還款能力及存貨周轉情況，構成重大不利影響。倘COVID-19冠狀病毒疫情的爆發繼續難以受控，則於財務報表獲授權發表當日，無法切實地估計COVID-19冠狀病毒疫情爆發對本集團業務的全面財務影響。

# Financial Summary

## 財務概要



### RESULTS

### 業績

Year ended 31 December  
截至十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益	418,565	624,707	700,432	707,311	716,199
(Loss)/profit before tax	除稅前(虧損)/溢利	(130,481)	(462,253)	37,799	54,822	52,858
Income tax credit/(expense)	所得稅抵免/(開支)	2,234	10,625	(12,147)	(16,319)	(16,315)
(Loss)/profit for the year	年內(虧損)/溢利	(128,247)	(451,628)	25,652	38,503	36,543
Attributable to:	以下各方應佔:					
Owners of the Company	本公司擁有人	(127,513)	(451,095)	25,675	38,503	36,543
Non-controlling interests	非控股權益	(734)	(533)	(23)	—	—
(Loss)/profit for the year	年內(虧損)/溢利	(128,247)	(451,628)	25,652	38,503	36,543

### ASSETS AND LIABILITIES

### 資產與負債

At 31 December  
於十二月三十一日

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Total assets	資產總額	305,324	323,450	388,873	387,561	309,256
Total liabilities	負債總額	(387,295)	(360,083)	(338,509)	(328,069)	(288,266)
Non-controlling interest	非控股權益	(690)	44	577	—	—
Total equity attributable to owners of the Company	本公司擁有人應佔總權益	(81,281)	(36,677)	49,787	59,492	20,990

The summary above does not form part of the audited consolidated financial statements.

上述概要並不構成經審核綜合財務報表的一部分。

Longhui International Holdings Limited  
龍輝國際控股有限公司