



SHIFANG HOLDING LIMITED
十方控股有限公司

(Incorporated in the Cayman Islands and re-domiciled and continued in Bermuda with limited liability)
(於開曼群島註冊成立並遷冊至百慕達及於百慕達存續的有限公司)

Stock Code 股份代號 : 1831

Annual Report
2022 年報



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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Chen Zhi (*Chairman & Chief Executive Officer*)

Mr. Yu Shi Quan

Mr. Wang Xu (Appointed as on 9 January 2023)

Non-executive Directors

Ms. Chen Min

Mr. Chen Ye (Appointed as on 9 January 2023)

Mr. Chen Wei Dong (Resigned as on 9 January 2023)

Independent non-executive Directors

Mr. Wong Heung Ming, Henry (Resigned as on 19 April 2023)

Mr. Mao Xiangyun (Appointed as on 9 January 2023)

Mr. Wei Hong (Appointed as on 9 January 2023)

Mr. Cai Jian Quan (Resigned as on 9 January 2023)

Mr. Zhou Chang Ren (Resigned as on 9 January 2023)

COMPANY SECRETARY

Ms. Chan Ching Yi

AUTHORISED REPRESENTATIVES

Mr. Chen Zhi

Ms. Chan Ching Yi

AUDIT COMMITTEE

Mr. Wong Heung Ming, Henry (*Chairman*)

(Resigned as on 19 April 2023)

Mr. Mao Xiangyun (Appointed as on 9 January 2023)

Mr. Wei Hong (Appointed as on 9 January 2023)

Mr. Zhou Chang Ren (Resigned as on 9 January 2023)

Mr. Cai Jian Quan (Resigned as on 9 January 2023)

REMUNERATION COMMITTEE

Mr. Wei Hong (*Chairman*)

(Appointed as on 9 January 2023)

Mr. Chen Zhi

Mr. Wong Heung Ming, Henry (Resigned as on 19 April 2023)

Mr. Mao Xiangyun (Appointed as on 9 January 2023)

Mr. Zhou Chang Ren (Resigned as on 9 January 2023)

董事

執行董事

陳志先生 (*主席兼行政總裁*)

余詩權先生

王旭先生 (於二零二三年一月九日獲委任)

非執行董事

陳敏女士

陳擘先生 (於二零二三年一月九日獲委任)

陳偉東先生 (於二零二三年一月九日辭任)

獨立非執行董事

黃向明先生 (於二零二三年四月十九日辭任)

毛翔雲先生 (於二零二三年一月九日獲委任)

魏弘先生 (於二零二三年一月九日獲委任)

蔡建權先生 (於二零二三年一月九日辭任)

周昌仁先生 (於二零二三年一月九日辭任)

公司秘書

陳靜儀女士

授權代表

陳志先生

陳靜儀女士

審核委員會

黃向明先生 (*主席*)

(於二零二三年四月十九日辭任)

毛翔雲先生 (於二零二三年一月九日獲委任)

魏弘先生 (於二零二三年一月九日獲委任)

周昌仁先生 (於二零二三年一月九日辭任)

蔡建權先生 (於二零二三年一月九日辭任)

薪酬委員會

魏弘先生 (*主席*)

(於二零二三年一月九日獲委任)

陳志先生

黃向明先生 (於二零二三年四月十九日辭任)

毛翔雲先生 (於二零二三年一月九日獲委任)

周昌仁先生 (於二零二三年一月九日辭任)

CORPORATE INFORMATION 公司資料

NOMINATION COMMITTEE

Mr. Chen Zhi (*Chairman*)
Mr. Wong Heung Ming, Henry
Mr. Mao Xiangyun (Appointed as on 9 January 2023)
Mr. Wei Hong (Appointed as on 9 January 2023)
Mr. Cai Jian Quan (Resigned as on 9 January 2023)

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

6/F, Hua Fu Mansion
No. 121 Gutian Road
Gulou District
Fuzhou, Fujian Province, PRC

PLACE OF BUSINESS IN HONG KONG

Rooms 2801-05, 28/F.,
China Insurance Group Building,
141 Des Voeux Road Central,
Hong Kong

LEGAL ADVISORS

As to Hong Kong law:
Lawrence Chan & Co

As to PRC law:
Beijing P.H. Law Firm

As to Bermuda law:
Conyers, Dill & Pearman

提名委員會

陳志先生 (主席)
黃向明先生
毛翔雲先生 (於二零二三年一月九日獲委任)
魏弘先生 (於二零二三年一月九日獲委任)
蔡建權先生 (於二零二三年一月九日辭任)

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

總部及中國主要營業地點

中國福建省福州市
鼓樓區
古田路121號
華福大廈6樓

香港營業地點

香港
中環德輔道中141號
中保集團大廈
28樓2801-05室

法律顧問

關於香港法律：
陳振球律師事務所

關於中國法律：
北京市普華律師事務所

關於百慕達法律：
康德明律師事務所

CORPORATE INFORMATION

公司資料

INDEPENDENT AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road,
Hong Kong

PRINCIPAL BANKERS

China Construction Bank Co., Limited
China Merchants Bank Co., Limited

STOCK CODE

01831

COMPANY WEBSITE

<http://www.shifangholding.com>

獨立核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

中國建設銀行股份有限公司
招商銀行股份有限公司

股份代號

01831

公司網址

<http://www.shifangholding.com>

FINANCIAL HIGHLIGHTS AND SUMMARY

財務摘要及概要

RESULTS

業績

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | | |
|--------------------------------|---------------|--|-----------|----------|-----------|-----------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 二零二二年 | 二零二一年 | 二零二零年 | 二零一九年 | 二零一八年 |
| | | 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 |
| Revenues | 收入 | 129,321 | 265,158 | 126,384 | 122,374 | 55,016 |
| Gross profit | 毛利 | 10,829 | 21,729 | 13,870 | 21,044 | 18,495 |
| Operating loss | 經營虧損 | (80,476) | (213,310) | (74,812) | (121,284) | (156,578) |
| Loss attributable to: | 以下各項應佔虧損： | | | | | |
| (i) Owners of the Company | (i)本公司所有者 | (169,809) | (187,468) | (73,784) | (139,165) | (164,403) |
| (ii) Non-controlling interests | (ii)非控股權益 | 1,894 | (1,396) | (755) | (4,385) | (194) |
| Loss per share – Basic (RMB) | 每股虧損—基本 (人民幣) | (0.1668) | (0.2029) | (0.0889) | (0.2028) | (0.3161) |

ASSETS AND LIABILITIES

資產及負債

| | | As at 31 December 於十二月三十一日 | | | | |
|--------------------------------|-----------|-------------------------------|-----------|---------|---------|---------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 二零二二年 | 二零二一年 | 二零二零年 | 二零一九年 | 二零一八年 |
| | | 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 |
| Total assets | 總資產 | 257,289 | 240,045 | 433,245 | 465,158 | 477,201 |
| Total debt | 總債項 | 54,422 | 194,436 | 193,623 | 169,124 | 177,061 |
| Total liabilities | 總負債 | 219,333 | 359,565 | 371,513 | 350,043 | 289,239 |
| Equity attributable to: | 以下各項應佔權益： | | | | | |
| (i) Owners of the Company | (i)本公司所有者 | 5,686 | (125,626) | 54,230 | 106,907 | 175,282 |
| (ii) Non-controlling interests | (ii)非控股權益 | 32,270 | 6,106 | 7,502 | 8,208 | 12,680 |

FINANCIAL HIGHLIGHTS AND SUMMARY

財務摘要及概要

FINANCIAL RATIOS

財務比率

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | | |
|---|----------------------|--|----------|----------|----------|----------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | 二零二二年 | 二零二一年 | 二零二零年 | 二零一九年 | 二零一八年 |
| | | 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 |
| Gross profits margins: | 毛利率： | | | | | |
| (i) Overall | (i) 整體 | 8.4% | 8.2% | 17.2% | 33.6% | 27.7% |
| (ii) Newspaper and vehicles advertising | (ii) 報紙及移動傳媒廣告 | 18.9% | 58.5% | 45.4% | 57.1% | 40.9% |
| (iii) Marketing, consulting and printing services | (iii) 營銷、諮詢及印刷服務 | (0.8%) | 4.2% | 25.6% | 30.7% | 24.9% |
| (iv) Sales of agricultural products | (iv) 銷售農產品 | 13.6% | 9.9% | 12.5% | 0.5% | – |
| (v) Others | (v) 其他 | 38.0% | (236.3%) | 37.5% | 100% | – |
| Operating margins | 經營利潤率 | (62.4%) | (80.5%) | (59.2%) | (99.1%) | (284.7%) |
| Net margins | 淨利潤率 | (129.8%) | (71.2%) | (59.0%) | (117.2%) | (299.3%) |
| Return on equity ⁽¹⁾ | 股本回報率 ⁽¹⁾ | (442.4%) | (158%) | (120.7%) | (124.7%) | (87.6%) |
| Return on assets ⁽²⁾ | 資產回報率 ⁽²⁾ | (65.3%) | (78.7%) | (17.2%) | (30.8%) | (34.5%) |
| Trade receivables turnover (days) | 貿易應收款項周轉率(日) | 30.4 | 2.3 | 17 | 26 | 46 |
| Trade payables turnover (days) | 貿易應付款項周轉率(日) | 109 | 30 | 168 | 55 | 404 |
| Gearing ratio | 資產負債比率 | 21.2% | 44.7% | 44.7% | 36.4% | 37.1% |

Notes:

附註：

⁽¹⁾ Return on equity is calculated based on loss for the year divided by total equity.

⁽¹⁾ 股本回報率按年內虧損除以權益總額計算。

⁽²⁾ Return on assets is calculated based on loss for the year divided by total assets.

⁽²⁾ 資產回報率按年內虧損除以總資產計算。

CHAIRMAN'S STATEMENT 主席報告書

According to the National Bureau of Statistics of China, China's GDP exceed RMB121 trillion in 2022, representing a growth of 3.0% as compared with 2021. The total economic output reached USD18 trillion, ranking second in the world after the United States. The per capita GDP of RMB85,698 (equivalent to USD12,741) remained above the USD12,000 mark. In 2022, China's employment and prices were generally stable, with the national urban survey unemployment rate down to 5.5% at year-end from its high in April last year. China's consumer price index (CPI) went up by only 2.0% for the whole year, far lower than the 8.0% rise in the United States and 8.4% rise in the Eurozone and other developed economies,

Under the influence of multiple unexpected challenges such as the epidemic impact and complex and acute domestic and international market environments, China's advertising market continued to decline since the beginning of 2022. The overall market showed obvious signs of recovery in the second half year, but owing to the epidemic rebound in the fourth quarter, the placement of multiple types of advertising channels was affected, and once again entered a volatile stage. According to data from Media Intelligence of CCTV Market Research (CTR), China's annual advertising market in 2022 decreased by 11.8% year-on-year. Advertising revenues of traditional outdoor, newspaper, and cinema video declined significantly, while television, elevator, and Internet advertising fluctuated but performed resiliently.

根據中國國家統計局核算2022年中國GDP超過人民幣121萬億元，較2021年增長3.0%；經濟總量達18萬億美元，僅次於美國，穩居世界第二。人均國內生產總值為人民幣85,698元，折算達12,741美元，繼續保持在1.2萬美元以上。2022年中國就業和物價總體穩定，年末全國城鎮調查失業率從去年4月份的高點降低至5.5%。中國居民消費價格指數(CPI)全年僅上漲2.0%，遠低於美國8.0%、歐元區8.4%等發達經濟體的漲幅，

在受到疫情衝擊、國內外市場環境複雜嚴峻等多重超預期挑戰的影響下，2022年開年以來中國廣告市場持續下滑，下半年整體市場雖有明顯的回升跡象，但由於四季度疫情反彈，多類廣告管道的投放受到影響，再次進入了波動階段。根據央視市場研究(CTR)媒介智訊的資料顯示，2022年中國全年廣告市場同比減少11.8%，傳統戶外、報紙、影院視頻廣告收入明顯下滑，電視、電梯、互聯網廣告雖有波動但表現強韌。

CHAIRMAN'S STATEMENT

主席報告書

With the rapid advancement of technology and speedy changes in the market environment, the advertising industry is swiftly changing its placement model. Traditional media such as newspapers, radio, and television are gradually declining, while the mobile Internet and new media are beginning to dominate a strong lead. According to QuestMobile, a research institution specializing in the PRC mobile internet market, the scale of mobile Internet users in the PRC has exceeded the 1.2 billion mark. Among them, short videos show significant growth in both media platforms and advertising forms. In view of the rapid growth of the market size of short video advertising, the Group entered into an acquisition agreement with a short video player in PRC on 31 July 2022 to acquire 49.95% equity interests in the short video player. The short video player operates a video content creation platform namely Xiaozhu Youban (小豬優版), which provides content creators with a simple, fast, efficient, and high-value content open platform for their creation and distribution of short videos.

According to data published by the China Film Administration, the total box office of China in 2022 was RMB30.067 billion, only half of the box office of RMB64.266 billion in 2019 before the epidemic. Total attendance declined from 123 million in 2021 to 102 million. Movie-going attendance fell from 1.17 billion in 2021 to 710 million. The movie-watching rate continued to decline over three years, from 8.1% in 2020 to only 5.8% in 2022. According to preliminary statistical data from the National Film Development Funds Management Committee, benefiting from the substantial adjustment of the prevention and control policy, the 2023 Spring Festival season has ushered in a strong recovery in the film market in the PRC, laying a solid foundation for the recovery of the yearly box office. The outlook for 2023 will welcome a box office rebound, with full-year gross film box office revenue expected to reach approximately RMB54.6 billion, and the revenue recovery reaching 85% of the average box office level in 2019.

隨著科技快速進步以及市場環境迅速變化，廣告行業投放模式正在快速變革。傳統媒體報紙、廣播、電視等逐漸沒落，移動互聯網、新媒體開始成為強勢的主導。根據QuestMobile（專注於中國移動互聯網市場的調研機構）資料顯示，中國移動互聯網使用者規模突破12億大關。其中，短視頻在媒體平台與廣告形式上都呈現明顯增長。因應短視頻廣告市場規模快速增長，本集團於2022年7月31日與一家中國短視頻營運商簽訂了收購協定，收購該短視頻營運商的49.95%股權。該短視頻營運商運營一個視頻內容創作平台小豬優版，為內容創作者提供一個簡單、便捷、高效及高價值的內容開放平台，供其創作及分發短視頻。

根據中國國家電影局發佈資料，2022年度全國電影總票房為人民幣300.67億元，只及疫情爆發前2019年票房人民幣642.66億元的一半水準。總場次從2021年的1.23億場下降至1.02億場；觀影人次從2021年的11.7億下降至7.1億；上座率在三年內持續下滑，從2020年的8.1%下降至2022年僅5.8%。根據國家電影專資辦統計資料，受惠於防控政策大幅度調整，2023年春節檔為中國電影市場迎來強勢復甦，為全年票房恢復打下堅實基礎。展望2023年將迎來票房回暖，全年電影大盤票房營收預計將達到約為人民幣546億元，收入恢復情況達到2019年平均票房水準的85%。

CHAIRMAN'S STATEMENT 主席報告書

For the twelve months ended 31 December 2022, the Group recorded a revenue of RMB129.3 million (2021: RMB265.2 million) in its principal business. Gross profit was RMB10.8 million (2021: RMB21.7 million). Net loss after taxation was approximately RMB167.9 million (2021: RMB188.9 million).

The Group will continue to focus on providing customers with value-added services such as advertising, marketing and consulting. At the same time, the Group actively leverages its experience and resources in the advertising, film, culture and media industries to develop integrated projects on the theme of film or media by seeking locations with unique environmental elements for developing integrated projects focusing on industry positioning, cultural heritage, tourism features, eco-agriculture, entertainment and community functions such as health and wellness. In addition, the Group will continue to strive to identify suitable industry partners and investment or cooperation projects to capture business opportunities which form synergy with our existing businesses, as well as the transformation and upgrade that combine the strength of online and offline activities in the new media era. Finally, on behalf of the Board, I would like to thank the management team and all employees for their hard work and dedication. At the same time, I would like to express my sincere gratitude to our respectable shareholders, customers and business partners for their long-term trust and unwavering support.

Chen Zhi

Chairman, Chief Executive Officer & Executive Director

Hong Kong, 31 March 2023

截至二零二二年十二月三十一日止十二個月，本集團主營業務錄得收入人民幣129.3百萬元（二零二一年：人民幣265.2百萬）。毛利為人民幣10.8百萬元（二零二一年：人民幣21.7百萬元）。除稅後虧損淨額約為人民幣167.9百萬元（二零二一年：人民幣188.9百萬元）。

本集團將繼續專注於為客戶提供廣告、行銷及諮詢等增值服務。與此同時，本集團積極利用於廣告、電影、文化及媒體行業的經驗及資源開發以電影或媒體為主題的綜合專案，透過尋求具備特色環境因素的區域，打造具有產業定位、文化內涵、旅遊特徵、生態農業、娛樂和一定社區功能如養生等的綜合開發專案。此外，本集團將繼續努力物色合適的業內合作夥伴及投資或合作項目，以把握可與現有業務形成協同效應，及在新媒體時代線上線下互補轉型升級的商機。最後，本人代表董事會感謝管理團隊和全體員工的辛勤工作及奉獻精神，也同時對我們尊敬的股東、客戶和商業夥伴的長期信任和不懈支持表示誠摯的感謝。

主席、行政總裁兼執行董事

陳志

香港，二零二三年三月三十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

INDUSTRY REVIEW

In 2022, both the domestic and international situation was complex and acute. Despite a smooth start in the first quarter, the early stage of the second quarter was affected by factors that exceeded expectations, especially the epidemic in Shanghai in Spring, which exerted a significant drag on the economic data in the second quarter. In the second quarter of 2022, China's gross domestic product (GDP) growth rate was only 0.4%, which also posed a new blow to the slowly recovering investment and consumption from the epidemic. In facing such a difficult situation, the central government promptly introduced a basket of policies and successive measures to stabilize the economy, and all regions and departments performed better coordination in epidemic prevention and control as well as economic and social development. Under the accelerated implementation of the packaged tax and fee support policies, the domestic economy gradually recovered. The economy stabilized in the third quarter with a GDP growth rate of 3.9%. In the fourth quarter, despite the rebounding impact of the epidemic, the overall recovery persisted under the joint efforts of all parties. According to the National Bureau of Statistics of China, China's GDP exceed RMB121 trillion in 2022, representing a growth of 3.0% as compared with 2021. The total economic output reached USD18 trillion, ranking second in the world after the United States. The per capita GDP of RMB85,698 (equivalent to USD12,741) remained above the USD12,000 mark. In 2022, China's employment and prices were generally stable, with the national urban survey unemployment rate down to 5.5% at year-end from its high in April last year. China's consumer price index (CPI) went up by only 2.0% for the whole year, far lower than the 8.0% rise in the United States and 8.4% rise in the Eurozone and other developed economies, and significantly lower than the 6%-10% rise in other emerging economies. "China's stable price" and "global inflation" form an extremely sharp contrast.

行業回顧

二零二二年，國內外形勢複雜嚴峻，儘管一季度開局平穩，二季度前期受超預期因素影響，尤其是春季上海疫情對二季度經濟數據的拖累尤其顯著。二零二二年二季度，中國國內生產總值(GDP)增速僅為0.4%，同時也對正在從疫情中緩慢恢復的投資和消費造成了新的打擊。面對困難局面，中央政府及時出台穩經濟一攬子政策和接續措施，各地區各部門更好統籌疫情防控和經濟社會發展，組合式稅費支持政策加快實施，國內經濟逐步復甦。三季度經濟回穩，GDP增速為3.9%；四季度儘管疫情反彈衝擊再度加大，但在各方面共同努力下，總體延續恢復態勢。根據中國國家統計局核算二零二二年中國GDP超過人民幣121萬億元，較二零二一年增長3.0%；經濟總量達18萬億美元，僅次於美國，穩居世界第二。人均國內生產總值為人民幣85,698元，折算達12,741美元，繼續保持在1.2萬美元以上。二零二二年中國就業和物價總體穩定，年末全國城鎮調查失業率從去年4月份的高點降低至5.5%。中國居民消費價格指數(CPI)全年僅上漲2.0%，遠低於美國8.0%、歐元區8.4%等發達經濟體的漲幅，也明顯低於其他新興經濟體6%—10%的漲幅。「中國價穩」與「全球通脹」形成極為鮮明的對比。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For the advertising and marketing market, the macroeconomic trends affect brand owners' confidence in short-term business operations, which in turn affect the size of budgets spent on advertising and marketing. China's advertising market continued to decline since the beginning of 2022, with a more pronounced month-on-month decline. The overall market showed obvious signs of recovery in the second half year, but owing to the epidemic rebound in the fourth quarter in which some cities were seriously affected by the epidemic, the placement of multiple types of advertising channels was affected, and once again entered a volatile stage. As of December, the advertising market returned to growth month-on-month. According to data from Media Intelligence of CCTV Market Research (CTR), China's annual advertising market in 2022 decreased by 11.8% year-on-year. Under the influence of multiple unexpected challenges such as the epidemic impact and complex and acute domestic and international market environments, advertising revenues of traditional outdoor, newspaper, and cinema video declined significantly, while television, elevator, and Internet advertising fluctuated but performed resiliently. The four industries of food, pharmaceuticals, transportation, and household products ride against the tide in the advertising market. With the implementation of security regulations such as the Data Security Law and Personal Information Protection Law one after another, the IT products and service industries, education and training, cultural and entertainment industries, medical beauty and health, games, Internet finance industries, and other sub-segments were subject to stringent regulation and other factors, with a large number of brands in the industry being lost, resulting in a decrease of 34.5% year-on-year in industry advertising placement. According to the data published by the 2022 China Internet Advertising Data Report (《二零二二中國互聯網廣告數據報告》) jointly compiled by Interactive Marketing Lab Zhongguancun (中關村互動營銷實驗室), PricewaterhouseCoopers, Miaozen Academy of Marketing Science (秒針營銷科學院) and School of Journalism and Communication of Beijing Normal University (北京師範大學新聞傳播學院), in 2022, the size of China's Internet advertising market was approximately RMB508.8 billion, representing a decrease of 6.38% as compared with 2021, which was the first negative growth in market size in nearly seven years. The size of China's Internet marketing market was expected to be approximately RMB615 billion, representing a decrease of 0.37% as compared with the previous year. The total size of the advertising and marketing market was approximately RMB1,123.8 billion, representing a decrease of 3.19% as compared with 2021. The video has become an effective tool for marketing products and engaging users. Among them, short videos show significant growth in both media platforms and advertising forms, indicating that the structure of Internet video advertising was tilting toward short videos, and the form of short video advertising highlighted its market advantages.

對於廣告營銷市場來說，宏觀經濟的勢態影響著品牌主對短期企業經營的信心，進而會影響在廣告營銷上的預算規模。二零二二年開年以來中國廣告市場持續下滑，環比降幅較明顯，下半年整體市場有明顯的回升跡象，但由於四季度疫情反彈，部分城市受疫情影響嚴重，多類廣告渠道的投放受到影響，因此又進入了波動階段，截至12月，廣告市場環比重現增長。根據央視市場研究(CTR)媒介智訊的數據顯示，二零二二年中國全年廣告市場同比減少11.8%。在受到疫情衝擊、國內外市場環境複雜嚴峻等多重超預期挑戰的影響下，傳統戶外、報紙、影院視頻廣告收入明顯下滑，電視、電梯、互聯網廣告雖有波動但表現強韌。食品、藥品、交通、家居用品四個行業在廣告市場的投放逆勢增長。隨著《數據安全法》和《個人信息保護法》等安全法規相繼施行，IT產品及服務性行業、教育培訓、文娛業、醫美健康、遊戲、互聯網金融業等細分領域受到嚴格監管等多方面因素的影響，行業內大量品牌流失，導致行業廣告投放同比減少34.5%。根據中關村互動營銷實驗室聯合普華永道、秒針營銷科學院、北京師範大學新聞傳播學院共同編製《二零二二中國互聯網廣告數據報告》公佈的數據顯示，二零二二年，中國互聯網廣告市場規模約為人民幣5,088億元，較二零二一年下降6.38%，市場規模近七年首次出現負增長；中國互聯網營銷市場規模預計約人民幣6,150億元，較上年下降0.37%；廣告與營銷市場規模合計約為人民幣11,238億元，較二零二一年下降3.19%。視頻已成為營銷產品和吸引用戶的有效工具。其中，短視頻在媒體平台與廣告形式上都呈現明顯增長，表明互聯網視頻廣告的結構在向短視頻傾斜，短視頻廣告形式凸顯其市場優勢。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

According to data published by the China Film Administration, the total box office of China in 2022 was RMB30.067 billion, representing a decrease of 36.07% as compared to RMB47.033 billion in 2021 and only half of the box office of RMB64.266 billion in 2019 before the epidemic. Among them, the box office of Chinese films was RMB25.511 billion, accounting for 84.85% of the total box office. Total attendance declined from 123 million in 2021 to 102 million. Movie-going attendance fell from 1.17 billion in 2021 to 710 million, with significantly fewer people going to cinemas. The movie-watching rate continued to decline over three years, from 8.1% in 2020 to only 5.8% in 2022. In the three years since the epidemic, China's film industry fell into the doldrums, with box office plummeting year-over-year, willingness to watch movies declining, cinemas struggling to survive, the propaganda cycle lengthening, and the supply of upstream films insufficient. Under the influence of the epidemic, the surface impact was a drop in the box office, and the deeper level was that consumers' willingness to watch movies declined, as well as their preferences, requirements for the content, and form of watching quietly changed.

BUSINESS REVIEW

For the twelve months ended 31 December 2022, the Group recorded a revenue of RMB129.3 million (2021: RMB265.2 million) in its principal business. Gross profit was RMB10.8 million (2021: RMB21.7 million), and gross profit margin increased slightly from 8.2% in 2021 to 8.4% in 2022. Net loss after taxation decreased to approximately RMB167.9 million (2021: RMB188.9 million).

根據中國國家電影局發佈數據，二零二二年度全國電影總票房為人民幣300.67億元，比二零二一年的人人民幣470.33億元，下降36.07%，只及疫情爆發前二零一九年票房人民幣642.66億元的一半水平。其中國產電影票房為人民幣255.11億元，在總票房中佔比為84.85%；總場次從二零二一年的1.23億場下降至1.02億場；觀影人次從二零二一年的11.7億下降至7.1億，走進電影院的人明顯減少了；上座率在三年內持續下滑，從二零二零年的8.1%下降至二零二二年僅5.8%。疫情三年，中國電影行業陷入低迷，票房同比大幅下滑、觀影意願下降，影院艱難生存、宣發週期拉長，上游影片供給不足。疫情影響下，表層影響是票房下降，更深層次的是消費者們的觀影意願下降、對內容的喜好、要求、觀影形式都悄然起了變化。

業務回顧

截至二零二二年十二月三十一日止十二個月，本集團主營業務錄得收入人民幣129.3百萬元（二零二一年：人民幣265.2百萬元）。毛利為人民幣10.8百萬元（二零二一年：人民幣21.7百萬元）。毛利率由二零二一年的8.2%輕微上升至二零二二年的8.4%。除稅後虧損淨額縮小至約為人民幣167.9百萬元（二零二一年：人民幣188.9百萬元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Newspapers and Public Vehicles Advertising

With the rapid advancement of technology and speedy changes in the market environment, the advertising industry is swiftly changing its placement model. Traditional media such as newspapers, radio, and television are gradually declining, while the mobile Internet and new media are beginning to dominate a strong lead in the advertising industry. During the year, the circulation and operation of Southeast Express operated by the Group continued to be unsatisfactory, coupled with the termination of the contract of the public vehicles advertising project in Fuzhou due to changes in the operating environment. During the year ended 31 December 2022, newspapers and public vehicles advertising contributed RMB6.5 million to the Group's revenue, representing a decrease of 51.2% (2021: RMB13.3 million) as compared to 2021, with a gross profit margin of 18.9%.

Marketing and Consulting Services and Printing Services

For the twelve months ended 31 December 2022, the Group's revenue from marketing and consulting services was approximately RMB54.1 million, representing a decrease of 28.0% as compared with 2021, with a gross loss margin of 1.5%. The revenue from printing services also decreased to RMB3.0 million, representing a decrease of 28.6% as compared with 2021, with a gross profit margin of 9.8%.

報紙廣告及移動傳媒廣告

隨著科技快速進步以及市場環境迅速變化，廣告行業投放模式快速變革。傳統媒體報紙、廣播、電視等逐漸沒落，移動互聯網、新媒體成為廣告行業強勢的主導。年內，本集團旗下《東南快報》的發行量及經營持續欠理想，疊加福州移動傳媒廣告項目合約因經營環境變化而終止，於截至二零二二年十二月三十一日止年度，報紙及移動傳媒廣告為本集團收入貢獻人民幣6.5百萬元，較二零二一年減小51.2%（二零二一年：人民幣13.3百萬元），毛利率為18.9%。

營銷及諮詢服務以及印刷服務

截至二零二二年十二月三十一日止十二個月，本集團營銷及諮詢服務所得收入約為人民幣54.1百萬元，較二零二一年減少28.0%，毛虧率為1.5%。印刷服務收入亦降至人民幣3.0百萬元，較二零二一年減少28.6%，毛利率為9.8%。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Sales of Agricultural Products

For the twelve months ended 31 December 2022, the Group's revenue from sales of agricultural products was approximately RMB61.0 million (2021: RMB171.7 million), with a gross profit margin of 13.6%. The sales of agricultural products of the Group mainly focus on ornamental plants, which tend to record higher sales in the second half year, and the sales of which are generally peaked towards the end of the calendar year.

Agency commission services

For the twelve months ended 31 December 2022, the Group's revenue from agency commission services was RMB3.4 million (2021: Nil), with a gross profit margin of 57.5%.

Internet and other Services

During the Period under Review, the Group was still conducting market survey to decide the business models of www.dnkb.com.cn and www.duk.cn and as such, the Internet services segment has yet to contribute any revenue to the Group.

銷售農產品

截至二零二二年十二月三十一日止十二個月，本集團銷售農產品所得收入約為人民幣61.0百萬元（二零二一年：人民幣171.7百萬元），毛利率為13.6%。本集團的農產品銷售主要專注於觀賞植物，往往於下半年錄得更高的銷售額，一般在西曆年底銷售會達致高峰。

代理佣金服務

截至二零二二年十二月三十一日止十二個月，本集團代理佣金服務所得收入為人民幣3.4百萬元（二零二一年：無），毛利率為57.5%。

網絡及其他服務

回顧期內，本集團仍在進行市場調查，以決定東快網(www.dnkb.com.cn)及讀客網(www.duk.cn)的業務模式。因此，網絡服務分類並未為本集團貢獻任何收入。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue

Total revenue decreased by 51.2% from RMB265.2 million for the year ended 31 December 2021 to RMB129.3 million for the year ended 31 December 2022, primarily due to the decrease in revenue from sales of agricultural products. Revenue from marketing and consulting services decreased from RMB75.2 million for the year ended 31 December 2021 to RMB54.1 million for the year ended 31 December 2022. Revenue from newspaper and public vehicle advertising decreased from RMB13.3 million for the year ended 31 December 2021 to RMB6.5 million for the year ended 31 December 2022. Revenue from sales of agricultural products decreased from RMB171.7 million for the year ended 31 December 2021 to RMB61.0 million for the year ended 31 December 2022. Revenue from printing services decreased from RMB4.2 million for the year ended 31 December 2021 to RMB3.0 million for the year ended 31 December 2022.

Gross profit and gross profit margin

Gross profit decreased by 50.2% from RMB21.7 million for the year ended 31 December 2021 to RMB10.8 million for the year ended 31 December 2022. Gross profit margin increased from 8.2% in 2021 to 8.4% in 2022, which was primarily attributable to the slightly increase in gross profit margin of agricultural products.

Other income

Other income decreased from RMB1.0 million for the year ended 31 December 2021 to RMB0.1 million for the year ended 31 December 2022, mainly due to the decrease in the income from government grant during the year.

財務回顧

收入

總收入由截至二零二一年十二月三十一日止年度的人民幣265.2百萬元減少51.2%至截至二零二二年十二月三十一日止年度的人民幣129.3百萬元，主要是由於銷售農產品收入減少所致。營銷及諮詢服務收入由截至二零二一年十二月三十一日止年度的人民幣75.2百萬元減至截至二零二二年十二月三十一日止年度的人民幣54.1百萬元。報紙及移動傳媒廣告收入由截至二零二一年十二月三十一日止年度的人民幣13.3百萬元減至截至二零二二年十二月三十一日止年度的人民幣6.5百萬元。銷售農產品所得收入由截至二零二一年十二月三十一日止年度的人民幣171.7百萬元減至截至二零二二年十二月三十一日止年度的人民幣61.0百萬元。印刷服務收入由截至二零二一年十二月三十一日止年度的人民幣4.2百萬元減至截至二零二二年十二月三十一日止年度的人民幣3.0百萬元。

毛利及毛利率

毛利由截至二零二一年十二月三十一日止年度的人民幣21.7百萬元減少50.2%至截至二零二二年十二月三十一日止年度的人民幣10.8百萬元。毛利率由二零二一年的8.2%增至二零二二年的8.4%，主要是由於農產品毛利率輕微增加所致。

其他收入

其他收入由截至二零二一年十二月三十一日止年度的人民幣1.0百萬元減至截至二零二二年十二月三十一日止年度的人民幣0.1百萬元，主要是由於年內政府補貼收入減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Selling and marketing expenses

Selling and marketing expenses decreased by 63.5% from RMB26.3 million for the year ended 31 December 2021 to RMB9.6 million for the year ended 31 December 2022, mainly due to the decrease in selling and marketing expenses of the sales of agricultural products.

General and administrative expenses

General and administrative expenses decreased by 41.4% from RMB40.8 million for the year ended 31 December 2021 to RMB23.9 million for the year ended 31 December 2022, mainly due to (i) decrease in staff costs of RMB4.2 million and (ii) decrease in amortisation of intangible assets of RMB2.5 million.

Loss before income tax

As a result of (i) the provision for impairment on goodwill and other intangible assets, property, plant and equipment and right-of-use assets; and (ii) the increase in other net income and gains, loss before income tax for the year ended 31 December 2022 was RMB168.6 million, representing a decrease of 27.7% as compared to loss before income tax of RMB233.2 million for the year ended 31 December 2021.

Loss for the year

The Group recorded a net loss for the year of RMB167.9 million for the year ended 31 December 2022, representing a decrease of 11.1% as compared to loss for the year of RMB188.9 million for the year ended 31 December 2021. Decrease in loss for the year was mainly due to the decrease in selling and marketing expenses and general and administrative expenses.

銷售及營銷開支

銷售及營銷開支由截至二零二一年十二月三十一日止年度的人民幣26.3百萬元減少63.5%至截至二零二二年十二月三十一日止年度的人民幣9.6百萬元，主要是由於銷售農產品的銷售及營銷開支減少所致。

一般及行政開支

一般及行政開支由截至二零二一年十二月三十一日止年度的人民幣40.8百萬元減少41.4%至截至二零二二年十二月三十一日止年度的人民幣23.9百萬元，主要是由於(i)員工成本減少人民幣4.2百萬元；及(ii)無形資產攤銷減少人民幣2.5百萬元所致。

除所得稅前虧損

由於(i)商譽及其他無形資產、物業、廠房及設備以及使用權資產減值撥備；及(ii)其他收入及收益淨額增加，於截至二零二二年十二月三十一日止年度，除所得稅前虧損為人民幣168.6百萬元，較截至二零二一年十二月三十一日止年度的除所得稅前虧損人民幣233.2百萬元減少27.7%。

年內虧損

於截至二零二二年十二月三十一日止年度，本集團錄得年內虧損淨額人民幣167.9百萬元，較截至二零二一年十二月三十一日止年度的年內虧損人民幣188.9百萬元減少11.1%。年內虧損減少主要是由於銷售及營銷開支以及一般及行政開支減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Loss attributable to non-controlling interests

As a result of the above factors, loss attributable to non-controlling interests increased from RMB1.4 million for the year ended 31 December 2021 to profit attributable to non-controlling interests of RMB1.9 million for the year ended 31 December 2022.

Loss attributable to owners of the Company

As a result of the above factors, loss attributable to owners of the Company decreased from RMB187.5 million for the year ended 31 December 2021 to RMB169.8 million for the year ended 31 December 2022.

Liquidity and capital resources

As at 31 December 2022, the Group had total assets of approximately RMB257.3 million (2021: RMB240.0 million) and total borrowings (including amount due to a joint venture, loan from a shareholder and financial liabilities at fair value through profit or loss and lease liabilities) totalling approximately RMB54.4 million (2021: RMB195.9 million), representing a gearing ratio, defined as total borrowings over total assets, of approximately 21.2% (2021: 81.6%).

The Group had net current liabilities of approximately RMB58.2 million (2021: RMB213.2 million), calculated on the basis of the current assets of approximately RMB145.1 million (2021: RMB139.2 million) divided by current liabilities of approximately RMB203.3 million (2021: RMB352.5 million), representing a current ratio of approximately 0.7 (2021: 0.4).

As at 31 December 2022, the Group had cash and bank balances of approximately RMB46.6 million (2021: RMB9.8 million), including restricted cash of RMB0.6 million.

非控股權益應佔虧損

由於上述因素，非控股權益應佔虧損由截至二零二一年十二月三十一日止年度的人民幣1.4百萬元增至截至二零二二年十二月三十一日止年度的非控股權益應佔溢利人民幣1.9百萬元。

本公司所有者應佔虧損

由於上述因素，本公司所有者應佔虧損由截至二零二一年十二月三十一日止年度的人民幣187.5百萬元減至截至二零二二年十二月三十一日止年度的人民幣169.8百萬元。

流動資金及資本資源

於二零二二年十二月三十一日，本集團擁有總資產約人民幣257.3百萬元（二零二一年：人民幣240.0百萬元）及借款總額（包括應付一間合資企業款項、應收一名股東貸款及公允值經損益表入賬的金融負債及租賃負債）合計約人民幣54.4百萬元（二零二一年：人民幣195.9百萬元），即資產負債比率（指借款總額除以總資產）約為21.2%（二零二一年：81.6%）。

本集團擁有流動負債淨額約人民幣58.2百萬元（二零二一年：人民幣213.2百萬元），按流動資產約人民幣145.1百萬元（二零二一年：人民幣139.2百萬元）除以流動負債約人民幣203.3百萬元（二零二一年：人民幣352.5百萬元）計算，流動比率約為0.7（二零二一年：0.4）。

於二零二二年十二月三十一日，本集團現金及銀行結餘約為人民幣46.6百萬元（二零二一年：人民幣9.8百萬元），包括受限制現金人民幣0.6百萬元。

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Going concern

For year ended 31 December 2022, the Group reported a net loss of RMB167,915,000 and had a net cash outflow from operating activities of RMB11,645,000. As at 31 December 2022, the Group's current liabilities exceeded its current assets by RMB58,200,000 while the Group had cash and cash equivalents of approximately RMB46,025,000.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

The directors of the Company have assessed the appropriateness of adopting the going concern basis for the preparation of the consolidated financial statements for the year ended 31 December 2022. In order to improve the Group's liquidity and financial position, the directors of the Company have been implementing various measures as follows:

- (i) The Group has successfully obtained a borrowing facility of RMB20,000,000 from a company wholly-owned by a major shareholder of the Company on 1 August 2021. RMB1,500,000 had been drawn in 2021 and a further RMB2,919,000 had also been drawn in 2022. The borrowing will be repayable in two years from the date of drawdown with an interest rate of 5% per annum. On 6 March 2023, the repayment period of facility was extended from repayable in two years to repayable in four years from the date of drawdown. In addition, the major shareholder has issued a letter of financial support to the Company for a period of eighteen months from 31 December 2022 to enable the Group to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operations;

持續經營

截至二零二二年十二月三十一日止年度，本集團錄得虧損淨額人民幣167,915,000元及經營活動現金流出淨額人民幣11,645,000元。於二零二二年十二月三十一日，本集團的流動負債超出其流動資產人民幣58,200,000元，而本集團的現金及現金等值項目約為人民幣46,025,000元。

上述狀況表明存在重大不確定性可能導致本集團能否持續經營嚴重成疑。

本公司董事已評估就編製截至二零二二年十二月三十一日止年度的合併財務報表採納持續經營基準的適當性。為改善本集團的流動資金及財務狀況，本公司董事已實施以下若干措施：

- (i) 本集團於二零二一年八月一日成功自本公司主要股東全資擁有的公司取得借款融資人民幣20,000,000元。人民幣1,500,000元已於二零二一年提取及進一步人民幣2,919,000元亦已於二零二二年提取。借款將自提取日期起計兩年內償還，年利率為5%。於二零二三年三月六日，融資的償還期限由自提取日期起計兩年內償還延長至四年內償還。此外，主要股東已向本公司發出財務支持函件，自二零二二年十二月三十一日起計為期十八個月，令本集團得以在債務到期時應付其債務，並在無須大幅削減營運下開展其業務；

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- (ii) The Group has obtained written confirmations from the directors and related parties which confirmed that they will not demand the Group for repayment of the amounts due by the Group in aggregate of RMB23,867,000 for the next eighteen months from 31 December 2022;
 - (iii) The Group is closely monitoring the progress of the Group's tourism project in Yongtai County in the PRC. As there were certain delays in the preparation work, the Group has revised the plan and anticipates the construction of the project will be commenced in 2023 and the project will be ready for commercial operation in 2025. The directors are confident that the Group would be able to commence the commercial operations of the tourism project in Yongtai County in 2025 which would start to generate income and operating cash inflows to the Group;
 - (iv) The Group is in negotiation with certain potential investors to raise fund to finance the capital investments for its tourism and integrated development projects;
 - (v) The Group is maximising its efforts to dispose its properties held for sales with a carrying amount of approximately RMB15,097,000 as at 31 December 2022 and expected to collect the sales proceeds within the cashflow forecast period;
 - (vi) The Group will continue to take initiatives to implement cost control measures, including adjustment to management remuneration and streamlining administrative costs; and
- (ii) 本集團已取得董事及其關連人士發出的確認書，確認彼等將不會要求本集團償還本集團自二零二二年十二月三十一日起計未來十八個月到期應還的金額共計人民幣23,867,000元；
 - (iii) 本集團正密切監控本集團於中國永泰縣旅遊項目的進展。由於籌備工作有所延遲，本集團已修訂規劃，預計項目將於二零二三年開工建設，項目將於二零二五年投入商業營運。董事相信本集團能於二零二五年開始其於永泰旅遊項目的商業營運，這將為本集團產生收入及經營現金流入；
 - (iv) 本集團正與若干潛在投資者進行磋商，以籌集資金為其旅遊及整合發展項目的資本投資提供資金；
 - (v) 本集團正盡最大努力出售其於二零二二年十二月三十一日賬面金額約人民幣15,097,000元的持作出售物業，並預計將於現金流量預測期內收取銷售所得款項；
 - (vi) 本集團將繼續主動採取措施實施成本管控措施，包括調整管理層薪酬及精簡行政成本；及

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(vii) The Group will continue its efforts to implement measures to strengthen its operating cash flows and working capital position, including expediting collection of outstanding trade receivables and deferring discretionary capital expenditures, where necessary.

The directors have reviewed the Group's cashflow forecast prepared by management which cover a period of not less than twelve months from 31 December 2022.

The directors, after making due enquiries and considering the basis of management's cashflow forecast described above and after taking into account the reasonably possible changes in the operation performance, believe there will be sufficient financial resources available to the Group at least in the coming twelve months after the balance sheet date to meet its financial obligations as and when they fall due. Accordingly, the directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exist as to whether management of the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through achieving the below plans and measures:

- (i) Successful draw down of financial resources from the above-mentioned (i) borrowing facility from the company wholly-owned by the major shareholder and (ii) financial support from the major shareholder, as and when required;
- (ii) Successful implementation of measures to complete the preparation work and commence the commercial operation of the Group's tourism and integrated development projects as planned;

(vii) 本集團將繼續努力實施多項措施提升其經營現金流量及營運資金狀況，包括加速收回未償還貿易應收款項及延緩支付酌情資本開支（倘必要）。

董事已審閱由管理層編製的涵蓋自二零二二年十二月三十一日起計不少於十二個月期間的本集團現金流量預測。

經詳細查詢，考慮到上述管理層進行現金流量預測的基準，並計及營運表現的合理可能變動後，董事相信本集團將具備足夠財務資源供其結算日後未來最少十二個月使用，以履行其到期的財務責任。因此，董事認為按持續經營基準編製合併財務報表乃屬適當。

儘管出現上述情況，本集團管理層是否能實現上述計劃及措施存在重大不確定性。本集團能否持續經營取決於本集團透過實現以下計劃及措施取得充足融資及經營現金流量的能力：

- (i) 於需要時成功向上述(i)一間由主要股東全資擁有的公司的借款融資及(ii)主要股東的財務援助提取財務資源；
- (ii) 成功實施措施按計劃完成本集團旅遊及整合發展項目的籌備工作及開始該等項目的商業營運；

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- (iii) Successful in raising funds to finance the Group's capital investments for its tourism and integrated development projects;
 - (iv) Successful in disposal of its properties held for sale and collection of sales proceeds as planned;
 - (v) Successful implementation of measures to control operating costs, expedite collection from customers, obtain additional sources of financing when needed and deferring discretionary capital expenditures where necessary, so as to improve the Group's cash flow position; and
 - (vi) Successful in obtaining additional sources of financing as and when needed.
- (iii) 成功籌集資金為本集團的旅遊及整合發展項目的資本投資提供資金；
 - (iv) 成功銷售其持作出售物業並按計劃收回銷售所得款項；
 - (v) 成功實施措施有效控制經營成本、加速向客戶的收款進程、於需要時獲得更多的融資來源及於必要時延緩支付酌情資本開支，以改善本集團的現金流量狀況；及
 - (vi) 於需要時成功獲得更多的融資來源。

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

倘本集團無法繼續持續經營，則需要作出調整，以撇減本集團資產的賬面值至其可收回金額，為日後可能產生的任何負債計提撥備，並將非流動資產及非流動負債分別重新分類至流動資產及流動負債。該等調整的影響尚未於合併財務報表內反映。

Cash flows used in operating activities

For the year ended 31 December 2022, net cash used in operating activities amounted to RMB11.6 million, primarily attributable to the loss before income tax for the year amounted to RMB168.6 million and partially offset by non-cash items, which primarily included (i) provision for impairment of intangible assets amounted to RMB7.1 million, (ii) disposal of subsidiaries and fixed assets of RMB9.5 million, and (iii) depreciation and amortisation of RMB4.4 million.

經營活動所用現金流量

於截至二零二二年十二月三十一日止年度，經營活動所用現金淨額為人民幣11.6百萬元，主要是由於年內除所得稅前虧損人民幣168.6百萬元，其中部分由非現金項目所抵銷，有關項目主要包括(i)無形資產減值撥備人民幣7.1百萬元，(ii)出售附屬公司及固定資產人民幣9.5百萬元；及(iii)折舊及攤銷人民幣4.4百萬元。

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Cash flows used in investing activities

For the year ended 31 December 2022, net cash generated from investing activities amounted to RMB26.0 million, resulted primarily from receipt from disposal of property plant and equipment of RMB8 million.

Cash flows generated from financing activities

For the year ended 31 December 2022, net cash generated from financing activities amounted to RMB22.8 million, mainly attributable to capital injection from non-controlling shareholders of a subsidiary of RMB30.0 million and borrowing from joint venture of RMB12.3 million.

Capital expenditures

Capital expenditures incurred during the year are mainly for the purchase or construction costs related to property, plant and equipment. Capital expenditures were RMB1.4 million and RMB1.0 million for the years ended 31 December 2021 and 2022, respectively.

Trade receivables – net

The aging analysis of the Group's trade receivables based on invoice dates is set out in note 16 to the audited consolidated financial statements.

Trade receivables increased by 107.1% from RMB7.0 million as at 31 December 2021 to RMB14.5 million as at 31 December 2022. Such increase was mainly attributable to the increase of marketing agency about RMB10 million.

投資活動所用現金流量

於截至二零二二年十二月三十一日止年度，投資活動所得現金淨額為人民幣26.0百萬元，主要來自收取出售物業、廠房及設備所得款項人民幣8百萬元。

融資活動所得現金流量

於截至二零二二年十二月三十一日止年度，融資活動所得現金淨額為人民幣22.8百萬元，主要是由於附屬公司非控股股東注資人民幣30.0百萬元及合資企業借款人民幣12.3百萬元所致。

資本支出

年內產生的資本支出主要用於物業、廠房及設備的購買或建造成本。截至二零二一年及二零二二年十二月三十一日止年度的資本支出分別為人民幣1.4百萬元及人民幣1.0百萬元。

貿易應收款項—淨額

本集團基於發票日期的貿易應收款項賬齡分析載列於經審核合併財務報表附註16。

貿易應收款項由二零二一年十二月三十一日的人民幣7.0百萬元增加107.1%至二零二二年十二月三十一日的人民幣14.5百萬元。有關增加主要是由於營銷代理增加約人民幣10百萬元所致。

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Prepayments, deposits and other receivables

The non-current prepayments, deposits and other receivables maintained at RMB20.8 million as at 31 December 2022, while the current prepayments, deposits and other receivables slightly increased from RMB62.1 million as at 31 December 2021 to RMB63.7 million as at 31 December 2022, mainly due to the new subsidiary with amount of RMB1.7 million, which is an allowance paid in advance to the employees.

Properties held for sale

As at 31 December 2022, properties held for sale amounted to approximately RMB15.1 million (2021: RMB22.8 million). The properties in the PRC were received in exchange of advertising services to real estate developers in the PRC. The Group's intention is to sell these properties, accordingly, such rights are recognised as properties held for sale upon the completion of the advertising sales transaction if the related properties are ready to be sold.

Management assessed the fair value less costs to sell of the properties with reference to their market value with the assistance of an independent property valuer. For the year ended 31 December 2022, the management compared the carrying amount and fair value less costs to sell of the properties made impairment provision of RMB5,323,000 based on the valuation of the valuer (2021: Nil).

Trade payables

The aging analysis of the Group's trade payables based on invoice dates is set out in note 22. Trade payables increased from approximately RMB12.8 million as at 31 December 2021 to RMB26.5 million as at 31 December 2022. Turnover days of trade payables increased from 30 days for the year ended 31 December 2021 to 109 days for the year ended 31 December 2022 due to significant increase of purchases of agricultural products for sales.

預付款項、按金及其他應收款項

於二零二二年十二月三十一日非流動預付款項、按金及其他應收款項維持於人民幣20.8百萬元，而流動預付款項、按金及其他應收款項由二零二一年十二月三十一日的人民幣62.1百萬元輕微增加至二零二二年十二月三十一日的人民幣63.7百萬元，主要由於新附屬公司向僱員提前支付津貼人民幣1.7百萬元所致。

持作出售物業

於二零二二年十二月三十一日，持作出售物業約為人民幣15.1百萬元（二零二一年：人民幣22.8百萬元）。中國物業乃向中國房地產開發商提供廣告服務交換所得。本集團的意向為銷售該等物業，因此，若相關物業可供出售，則有關權利會於廣告銷售交易完成時確認為持作出售物業。

管理層在獨立物業估值師的協助下參照物業市值評估其公允值減去銷售成本。於截至二零二二年十二月三十一日止年度，管理層已根據估值師的估值比較物業的賬面值與公允值減銷售成本，並作出減值撥備人民幣5,323,000元（二零二一年：無）。

貿易應付款項

本集團基於發票日期的貿易應付款項賬齡分析載於附註22。貿易應付款項由二零二一年十二月三十一日的約人民幣12.8百萬元增至二零二二年十二月三十一日的人民幣26.5百萬元。貿易應付款項周轉日數由截至二零二一年十二月三十一日止年度的30日增至截至二零二二年十二月三十一日止年度的109日，此乃由於用於銷售的農產品採購量大幅增加所致。

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Other payables, accrued expenses and contract liabilities

The current other payables, accrued expenses and contract liabilities decreased by 12.9% from RMB123.8 million as at 31 December 2021 to RMB107.8 million as at 31 December 2022, mainly due to the decrease in the contract liabilities of RMB14.0 million.

Share capital

- (a) On 4 November 2022, the authorised share capital of the Company has increased to HK\$1,100,000,000, comprising:
- (a) 100,000,000,000 ordinary shares of HK\$0.01 each;
 - and (b) 10,000,000,000 non-voting Convertible Preference Shares of HK\$0.01 upon the resolution passed at the Special General Meeting. On 11 November 2022, 383,636,331 Convertible Preference Shares were allotted and issued to the TopBig International Development Limited under the Convertible Preference Shares Specific Mandate at the subscription price of HK\$0.57 per Convertible Preference Shares, in full and final settlement of the entire outstanding balance of the TopBig International Development Limited's Loan (including principal and interest) owed by the Group to the TopBig International Development Limited.
- (b) On 14 October 2022 and 15 November 2022, the convertible bonds with carrying amount of RMB27,063,000 and RMB27,490,000, respectively, were converted based on the principal amount of HK\$30,803,000 and HK\$30,803,000 (equivalent to RMB27,859,000 and RMB28,298,000, respectively). As a result, 44,003,571 and 44,003,571, respectively, new shares were issued and allotted.

其他應付款項、應計開支及合約負債

流動其他應付款項、應計開支及合約負債由二零二一年十二月三十一日的人民幣123.8百萬元減少12.9%至二零二二年十二月三十一日的人民幣107.8百萬元，主要由於合約負債減少人民幣14.0百萬元所致。

股本

- (a) 於二零二二年十一月四日，本公司法定股本已增加至1,100,000,000港元，包括：(a)100,000,000,000股每股面值0.01港元的普通股；及(b)經股東特別大會通過決議後的10,000,000,000股每股面值0.01港元的無投票權可轉換優先股。於二零二二年十一月十一日，根據可轉換優先股特別授權按每股可轉換優先股0.57港元的認購價向昇平國際發展有限公司配發及發行383,636,331股可轉換優先股，以悉數及最終結清本集團結欠昇平國際發展有限公司的昇平國際發展有限公司貸款（包括本金及利息）的全部未償還結餘。
- (b) 於二零二二年十月十四日及二零二二年十一月十五日，賬面值分別為人民幣27,063,000元及人民幣27,490,000元的可換股債券分別以本金額30,803,000港元及30,803,000港元（分別相當於人民幣27,859,000元及人民幣28,298,000元）為基礎進行轉換。因此，分別發行及配發44,003,571股及44,003,571股新股份。

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管理層討論與分析

Convertible bonds

On 24 January 2019, the Company entered into the convertible bond subscription agreement with TopBig International Development Limited (the “**Subscriber**”), a company wholly-owned by Mr. Chen Zhi, an Executive Director and a shareholder of the Company, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, 3% per annum convertible bonds (the “**Convertible Bonds**”) in the aggregate principal amount of HK\$250,000,000 (equivalent to RMB215,750,000).

The initial conversion price of the Convertible Bonds is HK\$0.24 per conversion share. The Convertible Bonds matures at the day falling on the third anniversary of the date of issue of the Convertible Bonds and the conversion period covers the period commencing on the date of issue of the Convertible Bonds and ending on the maturity date.

On 23 April 2019, the Convertible Bonds were issued. The initial value of the liability component was calculated using a market interest rate for an equivalent non-convertible bond of the Company.

On 22 April 2022, the conversion option of convertible bonds remained unexercised and it was lapsed. The Group and the Subscriber entered into a loan agreement where the outstanding convertible bonds is replaced by a 2-year loan with Top Big International Development Limited with face value of RMB187,310,000 at an interest rate of 3% p.a. (the “**shareholder loan**”).

Indebtedness

Indebtedness consists of obligations to lenders, including commercial banks and certain related parties and companies.

During the year ended 31 December 2022, the Group has successfully obtained a borrowing of RMB12,300,000 from a joint venture on 1 August 2022, 27 September 2022 and 11 November 2022. The borrowing is unsecured, interest-free and the maturity over 4 years.

可換股債券

於二零一九年一月二十四日，本公司與昇平國際發展有限公司（「**認購人**」）（一間由本公司執行董事及股東陳志先生全資擁有的公司）訂立可換股債券認購協議，據此，本公司有條件同意發行而認購人有條件同意認購本金總額為250,000,000港元（相當於人民幣215,750,000元）的按年利率3厘計息的可換股債券（「**可換股債券**」）。

可換股債券的初步換股價為每股換股股份0.24港元。可換股債券到期日為發行可換股債券當日起計滿三週年當日期到，而可換股期間涵蓋發行可換股債券當日起至到期日止期間。

可換股債券於二零一九年四月二十三日發行。負債部分的初始價值採用本公司等同非可換股債券的市場利率計算得出。

於二零二二年四月二十二日，可換股債券的轉換選擇權仍未行使且已失效。本集團與認購人訂立貸款協議，以面值為人民幣187,310,000元、年利率3厘的來自昇平國際發展有限公司的兩年期貸款（「**股東貸款**」）取代尚未行使可換股債券。

債項

債項包括結欠貸款人（包括商業銀行以及若干關連人士及公司）的債項。

截至二零二二年十二月三十一日止年度，本集團於二零二二年八月一日、二零二二年九月二十七日及二零二二年十一月十一日成功自合資企業取得借款人民幣12,300,000元。該借款為無抵押、免息及於四年後到期。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group has successfully obtained a borrowing facility of RMB20,000,000 from a shareholder on 1 August 2021. RMB1,500,000 had been drawn in 2021 and a further RMB2,919,000 had also been drawn in 2022. The borrowing will be repayable in two years from the date of drawdown with an interest rate of 5% per annum. On 6 March 2023, the borrowing period of facility was extended from repayable in two years to repayable in four years from the date of drawdown.

As at 31 December 2022, all bank borrowings were repaid.

Commitments

(a) Operating lease commitments – as a lessor

The future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------|-----------------------------------|-----------------------------------|
| Not later than 1 year | 一年以下 | 652 | 1,253 |
| Later than 1 year and not later than 5 years | 一年以上及五年以下 | 2,116 | 5,536 |
| | | 2,768 | 6,789 |

(b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|----------|-----------------------------------|-----------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 2,640 | 4,266 |

本集團於二零二一年八月一日成功自一名股東取得借款融資人民幣20,000,000元。人民幣1,500,000元已於二零二一年提取及進一步人民幣2,919,000元亦已於二零二二年提取。借款將自提取日期起計兩年內償還，年利率為5%。於二零二三年三月六日，融資的借款期限由自提取日期起計兩年內償還延長至四年內償還。

於二零二二年十二月三十一日，所有銀行借款已償還。

承擔

(a) 經營租賃承擔—作為出租人

不可撤銷經營租賃的日後最低租賃收款總額如下：

(b) 資本承擔

於報告期末已訂約但未確認為負債的重大資本開支如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Contingent liabilities

As at 31 December 2022 and 2021, the Group had no material contingent liabilities.

Human resources

As at 31 December 2022, the Group had 106 full-time employees (2021: 213). Total staff costs including directors' remuneration for the year ended 31 December 2022 were RMB19.4 million (2021: RMB27.1 million).

The remuneration of the directors is evaluated by the remuneration committee, which also makes recommendations to the Board. In addition, the remuneration committee reviews the performance, and determines the remuneration structure, of the Group's senior management.

The Company operates an employee share option scheme, the purpose of which is to incentivise or reward eligible individuals who provide services to the Company for their contributions and their continuing efforts to promote the interests of the Company, and for other purposes as the Board may approve from time to time. The employee share option scheme lapsed in November 2020.

或有負債

於二零二二年及二零二一年十二月三十一日，本集團並無重大或有負債。

人力資源

於二零二二年十二月三十一日，本集團擁有106名（二零二一年：213名）全職僱員。於截至二零二二年十二月三十一日止年度的員工成本總額（包括董事薪酬）為人民幣19.4百萬元（二零二一年：人民幣27.1百萬元）。

薪酬委員會負責評估董事薪酬，並向董事會提供推薦意見。此外，薪酬委員會亦會檢討本集團高級管理層表現及制訂彼等的薪酬結構。

本公司營辦一項僱員購股權計劃，藉以鼓勵或獎賞為本公司提供服務的合資格人士對本公司作出貢獻及努力不懈地促進本公司利益，以及董事會可能不時批准的其他原因。僱員購股權計劃已於二零二零年十一月失效。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Subsequent events

- (i) With effect from 9 January 2023, the following directors of the Company has resigned:

Mr. Chen Wei Dong, non-executive Director;

Mr. Zhou Chang Ren, independent non-executive Director;
and

Mr. Cai Jian Quan, independent non-executive Director.

- (ii) With effect from 9 January 2023, the following directors of the Company were appointed:

Mr. Wang Xu, executive Director;

Mr. Chen Ye, non-executive Director;

Mr. Mao Xiangyun, independent non-executive Director; and

Mr. Wei Hong, independent non-executive Director.

- (iii) With effect from 19 April 2023, Mr. Wong Heung Ming, Henry was resigned as our independent non-executive Director.

期後事項

- (i) 自二零二三年一月九日起，本公司的以下董事已辭任：

非執行董事陳偉東先生；

獨立非執行董事周昌仁先生；及

獨立非執行董事蔡建權先生。

- (ii) 自二零二三年一月九日起，本公司的以下董事已獲委任：

執行董事王旭先生；

非執行董事陳擘先生；

獨立非執行董事毛翔雲先生；及

獨立非執行董事魏弘先生。

- (iii) 自二零二三年四月十九日起，黃向明先生已辭任獨立非執行董事。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Prospects

In 2022, affected by the COVID-19 resurgence, the Ukrainian crisis, the macroeconomic downturn, global inflation and other factors, the business environment was grim, consumer confidence was weak, and the market sentiment was at a low level.

With the optimisation and adjustment of the epidemic prevention and control measures, production and life order have gradually resumed, coupled with the complete lifting of restrictions on consumption scenarios, offline consumption of all kinds, including food and beverage, has rapidly resumed. At the same time, the current policy of promoting consumption is also gaining momentum, with certain venues issuing consumption vouchers and consumption subsidies of varying scales, and financial institutions increasing their consumer credit allocations. In addition, part of the excess savings accumulated last year is also being converted into consumption. These factors have provided strong support for the rebound in consumption at the beginning of the year. With the gradual economic recovery, increase in employment, and the rise of residents' income, consumption power will gradually increase. At the same time, the restrictive effect of the epidemic on consumption over the past year will gradually be removed, which will be conducive to releasing consumption potential. Affected by the base factor, the market generally predicts that it will not be difficult for China's economy to achieve growth of about 5% in 2023, and the peak of economic recovery will be seen in the second quarter, with year-on-year growth expected to reach about 7% or even higher, after which the recovery will continue in the third and fourth quarters, but the growth rate may slow down. Despite the strong momentum of the post-epidemic recovery in the first half year, we need to be cautious about the economic development prospect in the second half year, given the domestic and international challenges such as pressure on exports due to weak global demand, the volatility in the global economy and financial markets caused by the FED's rapid interest rate hikes, the intensification of geopolitical tensions, and the recovery of the domestic property market, which has yet to gain momentum.

前景

二零二二年，受新冠疫情反覆，烏克蘭危機、宏觀經濟不景氣、全球通貨膨脹等因素影響，企業經營環境嚴峻，消費者信心疲軟，市場景氣度處於低位。

隨著疫情防控措施優化調整，生產生活秩序逐步恢復，伴隨消費場景限制全面解除，包括餐飲在內的各類線下消費迅速恢復。同時，當前促消費政策也在發力，一些地方發放規模不等的消費券和消費補貼，金融機構加大消費信貸投放力度等。另外，去年積累的一些超額儲蓄也在轉化為消費。這些因素都對年初消費反彈形成較強支撐。隨著經濟逐步恢復，就業增加，居民收入增加，消費能力會逐步增強。同時，過去一年疫情對消費的限制作用會逐步消除，這些都有利於釋放消費潛力。受基數因素影響，市場普遍預測，二零二三年全年中國經濟實現5%左右的增長難度並不大，經濟修復的高點將在二季度出現，同比增速有望達到7%左右甚至更高，此後三、四季度復甦延續，但增速可能放緩。儘管上半年經濟復甦的勢頭強勁，但考慮到全球需求疲軟令出口承壓、美聯儲快速加息引發全球經濟和金融市場大幅波動、地緣政治緊張局勢加劇、國內房地產市場復甦仍有待發力等國內外挑戰，對下半年經濟發展前景需持謹慎態度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

With the rapid advancement of technology and speedy changes in the market environment, the advertising industry is swiftly changing its placement model. Traditional media such as newspapers, radio, and television are gradually declining, while the mobile Internet and new media are beginning to dominate a strong lead. According to QuestMobile, a research institution specializing in the PRC mobile internet market, the scale of mobile Internet users in the PRC has exceeded the 1.2 billion mark, while user loyalty has further increased, with monthly per capita hours and frequency of use exceeding 177.3 hours and 2,633 times respectively. QuestMobile forecasts that the China advertising market will grow from RMB798.74 billion to RMB1,165.89 billion from 2018 to 2023, with a 5-year CAGR of 7.9%, while the scale of Internet advertising in the PRC is expected to grow from RMB409.45 billion to RMB792.48 billion, with a 5-year CAGR of 14.1%. The future growth rate of the Internet advertising market is expected to continue to outpace the market size of the advertising industry, reflecting the continuous trend of online advertising placement. In terms of content, short video marketing offers an immersive viewing experience, with greater interactivity, more focused information, richer content, visualisation and better integration with the platform ecosystem. In terms of format, short video advertising time is shorter, and better use fragmented time. In terms of technology, based on the constantly optimised recommendation algorithm, short video platforms can recommend more targeted content to users and improve the accuracy of placement. With these multiple advantages, more and more advertisers are choosing to place short video advertising, and the market size of the short video is expected to escalate from RMB19.24 billion in 2018 to RMB137.99 billion in 2023, with market share increasing from 4.7% in 2018 to 17.4% in 2023, with a 5-year CAGR of 48.3%. The placement cost of short video advertising is expected to grow by 15.2% in 2022.

隨著科技快速進步以及市場環境迅速變化，廣告行業投放模式正在快速變革。傳統媒體報紙、廣播、電視等逐漸沒落，移動互聯網、新媒體開始成為強勢的主導。根據QuestMobile（專注於中國移動互聯網市場的調研機構）數據顯示，中國移動互聯網用戶規模突破12億大關，同時，用戶黏性也進一步增加，月人均時長和使用次數分別突破177.3小時及2,633次。QuestMobile預測2018-2023年，中國廣告市場規模將從人民幣7,987.4億元增長至人民幣11,658.9億元，5年CAGR為7.9%，中國互聯網廣告規模預計從人民幣4,094.5億元增長至人民幣7,924.8億元，5年CAGR為14.1%，互聯網廣告市場未來增速預計持續高於廣告行業市場規模的增速，由此反映出廣告投放持續線上化的態勢。內容上，短視頻營銷提供了沉浸式的觀看體驗，互動性更強、信息更集中、內容更豐富，具備可視化優勢，能與平台生態更好地融合。形式上，短視頻廣告時間短，更能利用碎片化時間。技術上，基於不斷優化的推薦算法，短視頻平台可以向用戶推薦更加有針對性的內容，提高投放精準度。在多重優勢下，越來越多的廣告主選擇投放短視頻廣告，預計短視頻市場規模將從二零一八年的人民幣192.4億元攀升至二零二三年的人民幣1,379.9億元，市場份額從二零一八年的4.7%提升至二零二三年的17.4%，5年CAGR為48.3%，二零二二年短視頻廣告投放費用預計增長15.2%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In view of the rapid growth of the market size of short video advertising, it is expected to become the second largest media advertising type after e-commerce advertising. As stated in the Group's announcement dated 4 August 2022, the Group entered into a sale and purchase agreement with a short video player in PRC on 31 July 2022 to acquire an effective 49.95% equity interest in Baiming (Beijing) Information Technology Co., Ltd. (百鳴(北京)信息技術有限公司) and its subsidiary. The short video player operates a video content creation platform namely Xiaozhu Youban (小豬優版), which provides content creators with a simple, fast, efficient, and high-value content open platform for their creation and distribution of short videos.

According to preliminary statistical data from the National Film Development Funds Management Committee, benefiting from the substantial adjustment of the prevention and control policy and the strong recovery of the Spring Festival season, the 2023 Spring Festival season was the first core season after the optimization of the COVID-19 prevention and control policy, which has released the market demand that was being suppressed in the previous periods and ushered in the opening of the film market in the PRC. The data shows that the box office of the film market in the PRC is expected to reach around RMB15.5 billion in the first quarter of 2023, laying a solid foundation for the recovery of the yearly box office. The recovery trend of the film industry is apparent, and combined with sufficient quality content on the domestic supply side, expected lower production costs, and shorten production cycles, normalized creation is expected to resume. The outlook for 2023 will welcome a box office rebound, with full-year gross film box office revenue expected to reach approximately RMB54.6 billion, and the revenue recovery reaching 85% of the average box office level in 2019. At the same time, the market relies too much on popular slots and the unbalanced situation of the gross film market still exists. Participants in the film industry have generally realized and actively conducted in-depth studies to create films suitable for a certain period of time, so that the film market trend throughout the year is more balanced and orderly, and also can effectively cultivate the audience's consumption habits and enhance the audience's film watching frequency, which is also the key to restore the yearly box office to the pre-pandemic level.

因應短視頻廣告市場規模快速增長，有望成為繼電商廣告之後的第二大媒體廣告類型。誠如本集團於二零二二年八月四日刊發公告所述，本集團於二零二二年七月三十一日與一家中國短視頻營運商簽訂了買賣協議，收購百鳴(北京)信息技術有限公司及其附屬公司的實際49.95%股權。該短視頻營運商運營一個視頻內容創作平台小豬優版，為內容創作者提供一個簡單、便捷、高效及高價值的內容開放平台，供其創作及分發短視頻。

根據國家電影專資辦初步統計數據，受惠於防控政策大幅度調整及春節檔的強勢復甦，二零二三年春節檔是疫情防控政策優化後的第一個核心檔期，前期受到壓抑的市場需求得到了釋放，也為中國電影市場迎來開門紅。數據顯示，二零二三年度一季度中國電影市場票房預計將達到人民幣155億元左右，為全年票房恢復打下堅實基礎。電影行業復甦態勢顯現，結合國內供給端優質內容充足，且製作成本和製作週期預計將會縮短，常態化的創作有望恢復。展望二零二三年將迎來票房回暖，全年電影大盤票房營收預計將達到約為人民幣546億元，收入恢復情況達到二零一九年平均票房水平的85%。與此同時，市場過於依賴熱門檔期，大盤「冷熱不均」的狀況依然存在，業界已普遍意識到並積極深入研究來打造適合一定時期的電影作品，讓全年的電影市場走勢更加均衡、有序，也能有效培養觀眾的消費習慣，提升觀眾的觀影頻次，這也是全年票房恢復到疫情前的關鍵。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Going forward, these positive factors are expected to drive the Group to continue to develop its existing businesses of advertising, marketing and consulting, and agricultural products. At the same time, the Group will continue to focus on restructuring its publishing and advertising businesses by consolidating with cultural and film media businesses in PRC, so as to broaden the long-term income sources of the Group. The Group will more actively leverage its experience and resources in the advertising, film, culture, and media industries to develop integrated projects on the theme of film or media, and develop these projects focusing on industry positioning, cultural heritage, tourism features, eco-agriculture, entertainment and community functions such as health and wellness, so as to form synergies with the existing businesses. In addition, the Group will continue to strive to identify suitable industry partners and investment or cooperation projects to capture business opportunities which form synergy with our existing businesses, as well as the transformation and upgrade that combine the strength of online and offline activities in the new media era.

展望未來，憑藉這些利好因素，有望帶動本集團繼續發展其現有的廣告、營銷及諮詢以及農產品業務。同時，本集團將繼續專注於透過整合中國文化及電影媒體業務，重組出版及廣告業務，以拓展本集團的長期收入來源。集團將更積極利用在廣告、電影、文化及媒體行業的經驗及資源開發以電影或媒體為主題的綜合項目，把其打造具有產業定位、文化內涵、旅遊特徵、生態農業、娛樂和一定小區功能如養生等元素，為現有業務產生協同效應。另外，本集團將繼續努力物色合適的業內合作夥伴及投資或合作項目，以把握可與現有業務形成協同效應，及在新媒體時代在線線下互補轉型升級的商機。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Chen Zhi, aged 56, is an executive Director. He is a qualified accountant as conferred by the Ministry of Finance. Mr. Chen was a cadre of the Fuzhou Minhou Tax Bureau from 1982 to 1989 (during which he was granted leave from 1985 to 1988 to pursue his studies at Fujian Radio and Television University), deputy section chief of the Fuzhou Economic and Technology Development Area Tax Bureau from 1989 to 1993, and subsequently the section chief from 1993 to 2002. He joined our Group in 2003 and pioneered our distinctive business model of cooperating with newspaper partners to provide integrated print media services to advertisers, undertook the main decision-making role in the management of our overall operations and oversaw the strategic development of our Group. He was appointed as the chairman, chief executive officer and an executive Director of our Company on 9 December 2009, resigned as the chief executive officer of the Company on 29 January 2016 and resigned as the chairman of the Company on 25 February 2016. On 9 October 2019, Mr. Chen Zhi was appointed as the chairman and chief executive officer of the Company. Mr. Chen has accumulated more than ten years of relevant experience from developing the business of our Group and possesses a deep understanding of the PRC print media and advertising industries. Mr. Chen graduated from Fujian Radio and Television University in 1988 with a diploma in financial economics. Mr. Chen is one of our controlling shareholders. He is also a director of TopBig International Development Limited (“TopBig International”). Mr. Chen is the brother of Ms. Chen Min, a non-executive Director of the Company.

執行董事

陳志先生，56歲，執行董事。彼為財政部認可的合資格會計師。陳先生於一九八二年至一九八九年（期間曾於一九八五年至一九八八年獲批准離職前往福建廣播電視大學深造）為福州閩侯稅務局的一名幹部，於一九八九年至一九九三年為福州經濟技術開發區稅務局的副科長，其後於一九九三年至二零零二年擔任科長。彼於二零零三年加入本集團，並開創本公司獨樹一幟的業務模式（即與報章合夥人合作，向廣告客戶提供綜合印刷媒體服務），在本公司整體經營管理中擔當主要決策角色及監督本集團的策略開發。彼於二零零九年十二月九日獲委任為本公司的主席、行政總裁兼執行董事，於二零一六年一月二十九日辭任本公司的首席執行官，並於二零一六年二月二十五日辭任本公司的主席。於二零一九年十月九日，陳志先生獲委任為本公司主席兼行政總裁。陳先生於發展本集團業務方面積逾十年相關經驗，諳熟中國印刷媒體及廣告行業。陳先生於一九八八年畢業於福建廣播電視大學，獲經濟財政學文憑。陳先生為本公司控股股東之一。彼亦為昇平國際發展有限公司（「昇平國際」）的董事。陳先生為本公司非執行董事陳敏女士的胞兄。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Yu Shi Quan, aged 46, is an executive Director and the chief financial officer. He is a qualified accountant as conferred by the Ministry of Finance. Mr. Yu was an accountant at Fujian Lan Tian Tax Accounting Co., Ltd. from 1996 to 1997, the finance director of Fujian Huanyu Investment Development Co., Ltd from 1997 to 1998 and the finance director of Fujian ShiFang Investment Co. Ltd. (“Fujian ShiFang”) from 1998 to 2000. He joined our Group in 2000 and was head of finance of Fujian ShiFang until 2008 when he became the head of finance of Olympia Media, and, subsequently, vice president of finance of China TopReach Inc. in 2009, and was appointed as Director of our Company on 20 December 2011. He graduated from Fujian Radio and Television University in 1996 with a diploma in finance and accounting. Mr. Yu has gained significant management experience from his work with the overall financial operations of our Group and was appointed as the chief financial officer of the Group on 9 June 2014. He obtained a bachelor’s degree in management from Dongbei University of Finance and Economics (online education) in financial management in January 2019.

Mr. Wang Xu, aged 38, has experience in the internet industry and copyright industry, and is the legal representative and director of Zhuoshi Technology (Beijing) Co., Ltd. (琢石科技(北京)有限公司) (“Zhuoshi”) and the legal representative, chairman of the board of directors of Baiming (Beijing) Information Technology Co., Ltd. (百鳴(北京)信息技術有限公司) (“Baiming”). Zhuoshi is associated company of the Company and Baiming is joint venture of the Company. Mr. Wang studied statistics and obtained a bachelor of science degree from Jilin University. Prior to founding Zhuoshi and Baiming, Mr. Wang had previously occupied management positions in enterprises in China engaged in broadcasting and copyright businesses. He was appointed as an executive Director of the Group on 9 January 2023.

余詩權先生，46歲，執行董事兼首席財務官。彼為財政部認可的合資格會計師。余先生一九九六年至一九九七年於福建藍天稅務師事務所有限公司任會計師，一九九七年至一九九八年於福建省環宇投資發展有限公司擔任財務總監，而一九九八年至二零零零年於福建十方投資有限公司（「福建十方」）擔任財務總監。彼於二零零零年加入本集團，出任福建十方的財務總監，直至彼於二零零八年成為奧海傳媒的財務總監止，其後於二零零九年擔任中國天瑞控股有限公司的財務副總裁，並於二零一一年十二月二十日獲委任為本公司董事。彼於一九九六年畢業於福建廣播電視大學，獲財務及會計文憑。余先生在本集團的整體財務運營工作中積累了豐富的管理經驗，並於二零一四年六月九日獲委任為本集團首席財務官。彼於二零一九年一月獲得東北財經大學（網絡教育）財務管理授予管理學學士學位。

王旭先生，38歲，於互聯網產業及版權產業擁有經驗，為琢石科技(北京)有限公司（「琢石」）的法定代表兼董事及百鳴(北京)信息技術有限公司（「百鳴」）的法定代表兼董事會主席。琢石為本公司的聯營公司及百鳴為本公司的合資企業。王先生主修統計學並取得吉林大學理學學士學位。於創立琢石及百鳴前，王先生曾於中國從事廣播及版權業務的企業擔任管理職務。彼於二零二三年一月九日獲委任為本集團執行董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

NON-EXECUTIVE DIRECTORS

Ms. Chen Min, aged 51, is a non-executive Director. Ms. Chen is a professor and doctoral supervisor, and holds a bachelor's degree of Arts, a master's degree and a doctorate degree. Ms. Chen is currently a non-executive director of China TopReach (listed and traded on the OTC Bulletin Board in the United States). She was appointed as our Director on 20 December 2011. Ms. Chen is the sister of Mr. Chen Zhi, an executive Director of the Company.

Mr. Chen Ye, aged 30, joined the Group in May 2018 and is currently a vice-president and investment director of the Company. Mr. Chen Ye obtained a bachelor's degree in communications engineering from Gengdan Institute of Beijing University of Technology. Prior to joining the Group, Mr. Chen Ye had several years of experience in investment companies and participated in the various investment projects involving investment targets engaged in internet and technology, properties and financial services. Mr. Chen Ye is the son of Mr. Chen Zhi and a nephew of Ms. Chen Min. He was appointed as a non-executive Director of the Group on 9 January 2023.

非執行董事

陳敏女士，51歲，非執行董事。陳女士為教授，博士生導師，並持有文學學士、碩士、博士學位。陳女士現任中國天瑞（於美國的場外交易議價板上市及買賣）的非執行董事。彼於二零一一年十二月二十日獲委任為本公司董事。陳女士為本公司執行董事陳志先生的胞妹。

陳擘先生，30歲，於二零一八年五月加入本集團，現任本公司副總裁及投資總監。陳擘先生取得北京工業大學耿丹學院通信工程學士學位。於加入本集團前，陳擘先生在投資公司擁有多年經驗，曾參與涉及從事互聯網及科技、物業及金融服務的投資目標的多個投資項目。陳擘先生為陳志先生之子及陳敏女士之侄。彼於二零二三年一月九日獲委任為本集團非執行董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Chen Wei Dong, aged 52, is a non-executive Director. He was appointed as our Director on 1 April 2015 and was resigned as on 9 January 2023. He is currently served as the managing director of Xiamen Siruite Business Consulting Co., Ltd. (廈門斯銳特商務諮詢有限公司), a position with effective since January 1 2014. From January 2010 to October 2017, he served as the managing director of Shenzhen China Science & Kingwin Venture Capital Co., Ltd. He served as the deputy director of business of Shenzhen China Science & Merchants Capital Management Group Co., Ltd., from January 2003 to December 2009. From March 1996 to December 2012, Mr. Chen held the position as an assistant general manager of 廈門華閩包裝有限公司 (Xiamen Huamin Packaging Co., Ltd.). From December 2013 to November 2018, He has served as the general manager of China Science & Kingwin Investment Management Limited. In addition, he also had approximately six years of experience working in the Local Taxation Bureau of Pingyu County, Henan Province. Mr. Chen received his Bachelor's degree from the College of Online Education (now known as College of Continuing Education) of the Xiamen University in China in 2006, and has been enrolled in the Executive Master of Business Administration programme of School of Management of the Xiamen University since September 2009.

陳偉東先生，52歲，非執行董事。彼於二零一五年四月一日獲委任為董事並於二零二三年一月九日辭任。彼現任廈門斯銳特商務諮詢有限公司的董事經理，自二零一四年一月一日起擔任此職位。彼於二零一零年一月至二零一七年十月任深圳市中科宏易創業投資管理有限公司董事總經理。彼於二零零三年一月至二零零九年十二月期間擔任深圳市中科招商創業投資管理有限公司業務副總監。於一九九六年三月至二零一二年十二月，陳先生出任廈門華閩包裝有限公司的助理總經理。於二零一三年十二月至二零一八年十一月任深圳市中科宏易創業投資有限公司的總經理。此外，彼亦於河南省平輿縣地方稅務局任職約六年。陳先生於二零零六年自中國廈門大學網絡教育學院（現稱遠程教育學院）取得學士學位，並自二零零九年九月起參與廈門大學管理學院工商管理碩士課程學習。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Heung Ming Henry (“Mr. Wong”), aged 52, is an independent non-executive Director. He was appointed as our Director on 8 November 2010. Resigned as on 19 April 2023.

Mr. Wong was appointed as an independent non-executive director of E-Home Household Service Holding Ltd. (stock ticker: EIH) on March 28th, 2023. Prior to this, Mr. Wong was appointed as an independent non-executive director of Sansheng Holdings (Group) Co. Ltd. (stock code: 2183) and Ostin Technology Group Co., Ltd. (stock ticker: OST) on August 1st, 2022 and April 26th, 2022, respectively. Additionally, Mr. Wong has been serving as an independent non-executive director of Helens International Holdings Company Limited (stock code: 9896) and TD Holdings, Inc. (stock ticker: GLG) since August 30th, 2021 and April 27th, 2021, respectively.

Mr. Wong is currently serving as the non-executive Chairman and independent non-executive director for Raffles Interiors Limited (stock code: 1376), a Hong Kong Mainboard Stock Exchange listed company, since September 23rd, 2022. Previously, Mr. Wong was also an independent non-executive director of ShiFang.

With over 29 years of experience in finance, accounting, internal controls, and corporate governance in Singapore, China, and Hong Kong, Mr. Wong has helped a number of companies listed in overseas stock exchanges, including those in the United States and China Hong Kong. He was the CFO of Metn Holding Group Ltd. (stock ticker: Metx).

獨立非執行董事

黃向明先生（「黃先生」），52歲，獨立非執行董事。彼於二零一零年十一月八日獲委任為本公司董事及於二零二三年四月十九日辭任。

黃先生於二零二三年三月二十八日委任為 E-Home Household Service Holding Ltd. (股份代號：EIH) 的獨立非執行董事。此前黃先生分別於二零二二年八月一日及二零二二年四月二十六日委任為三盛控股(集團)有限公司(股票代號：2183)及奧斯汀科技集團(股份代號：OST)的獨立非執行董事。並於二零二一年八月三十日及二零二一年四月二十七日也分別獲委任為海倫司國際有限公司(股份代號：9869)及銅道控股(股票代碼：GLG)的獨立非執行董事。

黃先生於二零二二年九月二十三日起分別擔任 Raffles Interior Limited (股份代號：1376，一家香港主板上市公司) 的非執行主席及獨立非執行董事。此前黃先生亦為十方的獨立非執行董事。

黃先生擁有超過29年於新加坡、中國及香港從事財務、會計、內部監控及企業管治之經驗。王先生曾幫助多家公司於海外證券交易所上市，包括該等於美國及中國香港上市的公司。彼為美聯科技教育(股份代號：Metx)首席財務官。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

He has also served as CFO and senior finance executive of various companies, including Frontier Services Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0500), and Beijing Oriental Yuhong Waterproof Technology Co., Ltd., a leading waterproof materials manufacturer in China and a company listed on the Shenzhen Stock Exchange (stock code: 2271).

Mr. Wong began his career in an international accounting firm and moved along in audit fields by taking some senior positions both in internal and external audits including being a senior manager and a manager in PricewaterhouseCoopers, Beijing office and Deloitte Touche Tohmatsu, Hong Kong, respectively. Mr. Wong graduated from City University of Hong Kong in 1993 with a bachelor's degree in Accountancy and also obtained a master's degree in Electronic Commerce from The Open University of Hong Kong in 2003. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

Mr. Wong began his career in an international accounting firm and moved along in audit fields by taking some senior positions both in internal and external audits including being a senior manager and a manager in PricewaterhouseCoopers, Beijing office and Deloitte Touche Tohmatsu, Hong Kong, respectively. Mr. Wong graduated from City University of Hong Kong in 1993 with a bachelor's degree in Accountancy and also obtained a master's degree in Electronic Commerce from The Open University of Hong Kong in 2003. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

黃先生也曾擔任個多個公司的首席財務官及財務高管職位，包括曾任先豐服務集團有限公司，一聯交所主板上市公司，股份代號：0500) 及北京東方雨虹防水技術股份有限公司 (中國領先的防水材料製造商，並為一間於深圳證券交易所上市的公司，股票代碼：2271) 的首席財務官。

黃先生的事業始於國際會計師事務所，並在審計領域發展，包括在普華永道北京辦事處擔任高級經理及審計師及德勤·關黃陳方會計師行 (香港) 擔任經理。黃先生於一九九三年畢業於香港城市大學，取得會計學學士學位，並於二零零三年取得香港公開大學的電子商務碩士學位。彼為英國特許公認會計師公會及香港會計師公會的資深會員。

黃先生的事業始於一家國際會計師事務所，並一直於審計領域發展，包括在普華永道北京辦事處擔任高級經理及審計師及德勤·關黃陳方會計師行 (香港) 擔任經理。黃先生於一九九三年畢業於香港城市大學，取得會計學學士學位，並於二零零三年取得香港公開大學的電子商務碩士學位。彼為英國特許公認會計師公會及香港會計師公會的資深會員。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Mao Xiangyun, aged 61, obtained a master degree of business administration from the Hong Kong Metropolitan University (formerly known as the Open University of Hong Kong). Prior to joining the Company, Mr. Mao had over 25 years of experience working with Fuzhou Economic and Technological Development Zone (福州經濟技術開發區) (“Fuzhou ETDZ”), occupying senior management positions responsible for investment attractions, corporate services and overseeing the management of technology projects in Fuzhou ETDZ.

Mr. Wei Hong, aged 34, obtained a bachelor’s degree in finance from Fujian Agriculture and Forestry University. Prior to joining the Company, Mr. Wei occupied management positions with various business enterprises in China including a financing and guarantee company and an investment fund, having over ten years of working experience related to data analysis, project approvals, project management, credit risk assessments, corporate procedures and internal controls. Mr. Wei is currently the investment manager of a capital management company and the general manager of a private equity investment company. Upon the issuance of conformation letter, Mr. Wei was interested in 490,000 shares of the Company, representing approximately 0.05% of the total issued share capital of the Company. He was appointed as an independent non-executive Director of the Group on 9 January 2023.

毛翔雲先生，61歲，取得香港都會大學（前稱為香港公開大學）工商管理碩士學位。於加入本公司前，毛先生於福州經濟技術開發區（「福州經濟技術開發區」）擁有逾25年工作經驗，擔任高級管理職位，負責招商引資、企業服務及監督福州經濟技術開發區的技術項目管理。

魏弘先生，34歲，取得福建農林大學金融學學士學位。於加入本公司前，魏先生曾在中國多家企業（包括一家融資擔保公司及一家投資基金）擔任管理職務，在數據分析、項目審批、項目管理、信用風險評估、公司程序及內部控制方面擁有逾十年工作經驗。魏先生現任一家資本管理公司投資經理及一家私募股權投資公司總經理。於確認函出具時，魏先生於490,000股本公司股份中擁有權益，佔本公司已發行股本總額約0.05%。彼於二零二三年一月九日獲委任為本集團獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

Mr. Zhou Chang Ren, aged 75, is an independent non-executive Director. He was appointed as our Director on 8 November 2010 and was resigned as on 9 January 2023. He is a qualified senior economist as conferred by the Fujian Provincial Department of Personnel. Mr. Zhou was appointed as the chairman of the Qingliu Country Party Committee in 1990. He was engaged in the newspaper industry in the PRC and held several positions including the deputy bureau chief and editorial board member of Fujian Daily from 1996 to 2002, and the general manager, senior economist and Party Committee deputy secretary of the Fujian Daily Newspaper Group from 2002 to 2008. In addition, Mr. Zhou was the vice chairman, and later chairman, of the Fujian Province Newspaper Industry Association during the same periods, before retiring in 2008. He graduated from Fujian Provincial Party School of the CPC in 1986 with a diploma in politics. Mr. Zhou has extensive print media experience and expertise with particular knowledge of the Fujian newspaper industry.

Mr. Cai Jian Quan, aged 60, is an independent non-executive Director. He was appointed as our Director on 20 December 2011 and was resigned as on 9 January 2023. He graduated from the Anhui University of Finance Economics with a bachelor's degree in financial accounting in July 1984. Mr. Cai was a finance manager of the finance department of Shanghai Baihuo Headquarters Watches and Glasses Branch between July 1984 and June 1992. He was the general manager of the sales department of Shenyin & Wanguo Securities Co. Ltd. between June 1992 and June 2002. He has also been the chairman of the board of directors of Shanghai Guantong Investment Co. Ltd. since September 2002.

周昌仁先生，75歲，獨立非執行董事。彼於二零一零年十一月八日獲委任為本公司董事並於二零二二年一月九日辭任。彼擁有福建省人事廳認可具有高級經濟師資格。周先生於一九九零年獲委任為中共清流縣黨委書記。彼曾從事於中國的報紙行業，並擔任多種職務，包括於一九九六年至二零零二年為《福建日報》副社長及編委委員，以及於二零零二年至二零零八年為福建日報報業集團總經理、高級經濟師及黨委副書記。此外，周先生曾於同期在福建省報業協會先為副主席後升任為主席，直至二零零八年退休。彼於一九八六年畢業於中共福建省委黨校，獲政治學文憑。周先生擁有豐富的印刷媒體經驗及專業知識，諳熟福建的報紙行業。

蔡建權先生，60歲，獨立非執行董事。彼於二零一一年十二月二十日獲委任為本公司董事並於二零二二年一月九日辭任。彼於一九八四年七月畢業於安徽財經大學，持有財務會計學學士學位。蔡先生自一九八四年七月至一九九二年六月為上海百貨總公司鐘錶眼鏡分公司財務部的財務經理。彼自一九九二年六月至二零零二年六月為申銀萬國證券股份有限公司的營業部總經理。彼自二零零二年九月以來亦一直為上海冠通投資有限公司的董事會主席。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理層履歷

COMPANY SECRETARY

Ms. Chan Ching Yi, aged 48, is our company secretary. She is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. Ms. Chan holds a bachelor's degree in accountancy and has accumulated more than 20 years of financial and auditing experience. She is currently the company secretary of Xinjiang Tianye Water Saving Irrigation System Company Limited (stock code: 840), a company listed on the Main Board of the Stock Exchange. She is also the independent non-executive director of Pak Tak International Limited (stock code: 2668), a company Listed on the Main Board of the Stock Exchange. Ms. Chan joined our Group in August 2010.

公司秘書

陳靜儀女士，48歲，本公司的公司秘書。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。陳女士持有會計學學士學位，並積累了逾二十年財務及審計經驗。彼目前為聯交所主板上市公司新疆天業節水灌溉股份有限公司（股份代號：840）的公司秘書。彼亦為聯交所主板上市公司百德國際有限公司（股份代號：2668）的獨立非執行董事。陳女士於二零一零年八月加入本集團。

DIRECTORS' REPORT

董事報告

The directors (the "Directors") of ShiFang Holding Limited (the "Company") present their report and the audited financial statements of the Company and its subsidiaries (together, the "Group") for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in the business of publishing and advertising (the "Publishing and Advertising Businesses") in the People's Republic of China (the "PRC"). The Group has been focusing on restructuring its publishing and advertising businesses by consolidating with cultural media and film media businesses in PRC, and diversifying into tourism and integrated developments.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2022 are set out in the consolidated statement of comprehensive income on pages 104 to 105.

The Directors did not recommend the payment of any final dividend for the year ended 31 December 2022.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development and possible risks and uncertainties that the Group may be facing are provided in the "Management Discussion and Analysis" section of this annual report.

The financial risk management objectives and policies of the Group are set out in note 3 to the consolidated financial statements. Particulars of important events affecting the Group that have occurred since the end of the financial year ended 31 December 2022 are set out in note 40 to the consolidated financial statements.

十方控股有限公司（「本公司」）董事（「董事」）謹此提呈彼等的報告，以及本公司及其附屬公司（統稱「本集團」）截至二零二二年十二月三十一日止年度的經審核財務報表。

主要業務

本公司為一間投資控股公司，而其附屬公司主要於中華人民共和國（「中國」）從事出版及廣告業務（「出版及廣告業務」）。本集團一直專注於透過整合中國文化傳媒及電影媒體業務，重組其出版及廣告業務，並跨界旅遊，整合發展。

業績及分配

本集團截至二零二二年十二月三十一日止年度的業績載於第104至105頁的合併全面收益表。

董事不建議派付截至二零二二年十二月三十一日止年度任何末期股息。

業務回顧

本集團年內業務審視以及對本集團業務未來發展及可能面對的風險及不明朗因素的討論載於本年報「管理層討論與分析」一節。

本集團的財務風險管理目標及政策載於合併財務報表附註3。於截至二零二二年十二月三十一日止財政年度結束後發生的、對本集團有影響的重大事件的詳情載於合併財務報表附註40。

An analysis of the Group's performance during the year using financial key performance indicators is set out in the "Financial Highlights and Summary" section on pages 5 to 6 of this annual report.

USE OF PROCEEDS

During the year of 2022, the Group had no equity fund-raising and no unutilised proceeds as of the beginning of period.

PROPERTY, PLANT AND EQUIPMENT

During the year of 2022, the Group had acquired property, plant and equipment of approximately RMB1.1 million.

Details of these and other movements in the property, plant and equipment of the Group during the year of 2022 are set out in note 7 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 18 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association or the bye-laws of the Company (the "Articles" or the "Bye-laws"), or the laws of the Cayman Islands or Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

對本集團年內表現運用財務關鍵表現指標進行的分析載於本年報第5至6頁「財務摘要及概要」一節。

所得款項用途

於二零二二年度，本集團並無股本集資，於期初亦無尚未動用的所得款項。

物業、廠房及設備

於二零二二年度，本集團收購約人民幣1.1百萬元物業、廠房及設備。

上述及二零二二年度其他有關本集團物業、廠房及設備的變動詳情載於合併財務報表附註7。

股本

本公司股本於年內的變動詳情載於合併財務報表附註18。

優先購買權

本公司組織章程細則或公司細則（「細則」或「公司細則」）或開曼群島或百慕達法律並無任何規定本公司須向現有股東按比例發售新股份的優先購買權的條文。

購買、贖回或出售本公司上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

DIRECTORS' REPORT

董事報告

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 41 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2022, the Company has no reserve available for distribution to the Shareholders.

DONATIONS

No charitable and other donations have been made by the Group during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year of 2022, the aggregate sales attributable to the Group's five largest customers comprised approximately 65.5% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 41.7% of the Group's total sales.

The aggregate purchases during the year of 2022 attributable to the Group's five largest suppliers were approximately 63.8% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 44.6% of the Group's total purchases.

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

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC. The Group's establishment and operations accordingly shall comply with relevant laws and regulations in the PRC. During the Year, the Group has complied, to the best knowledge of the Directors, with the relevant laws and regulations that have a significant impact on the Group.

儲備

本公司及本集團儲備於年內的變動詳情分別載於合併財務報表附註41及合併權益變動表。

可供分派儲備

於二零二二年十二月三十一日，本公司並無可供分派予股東的儲備。

捐款

本集團年內並無作出慈善及其他捐款。

主要客戶及供應商

於二零二二年度，本集團五大客戶應佔銷售總額佔本集團總銷售額約65.5%，而本集團最大客戶應佔銷售額佔本集團總銷售額約41.7%。

於二零二二年度，本集團五大供應商應佔購貨總額佔本集團總購貨額約63.8%，而本集團最大供應商應佔購貨額佔本集團總購貨額約44.6%。

概無任何董事、彼等緊密聯繫人或本公司任何股東（據董事所深知，擁有本公司逾5%已發行股份之股東）於本集團五大供應商及客戶中擁有任何權益。

遵守法律及法規

本集團的業務主要由本公司的中國附屬公司進行，因此本集團的成立及業務應遵守中國相關法律及法規。據董事所深知，本集團於年內已遵守對本集團有重大影響的相關法律及法規。

DIRECTORS

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

Executive directors:

Mr. Chen Zhi, Chairman and chief executive officer

(appointed as a Director on 9 December 2009)

Mr. Yu Shi Quan

(appointed on 20 December 2011)

Mr. Wang Xu

(Appointed as on 9 January 2023)

Non-executive directors:

Ms. Chen Min

(appointed on 20 December 2011)

Mr. Chen Ye

(Appointed as on 9 January 2023)

Mr. Chen Wei Dong

(Resigned as on 9 January 2023)

Independent non-executive directors:

Mr. Wong Heung Ming, Henry *(Resigned as on 19 April 2023)*

Mr. Mao Xiangyun *(Appointed as on 9 January 2023)*

Mr. Wei Hong *(Appointed as on 9 January 2023)*

Mr. Zhou Chang Ren

(Resigned as on 9 January 2023)

Mr. Cai Jian Quan

(Resigned as on 9 January 2023)

In accordance with the Bye-laws, one-third of the Directors will retire and, being eligible, offer themselves for re-election, at the forthcoming annual general meeting of the Company. Moreover, the Directors appointed during the year will hold office until the forthcoming annual general meeting of the Company and will be eligible for re-election.

董事

年內及直至本報告日期的董事如下：

執行董事：

陳志先生 (主席兼行政總裁)

(於二零零九年十二月九日獲委任為董事)

余詩權先生

(於二零一一年十二月二十日獲委任)

王旭先生

(於二零二三年一月九日獲委任)

非執行董事：

陳敏女士

(於二零一一年十二月二十日獲委任)

陳擘先生

(於二零二三年一月九日獲委任)

陳偉東先生

(於二零二三年一月九日辭任)

獨立非執行董事：

黃向明先生 *(於二零二三年四月十九日辭任)*

毛翔雲先生 *(於二零二三年一月九日獲委任)*

魏弘先生 *(於二零二三年一月九日獲委任)*

周昌仁先生

(於二零二三年一月九日辭任)

蔡建權先生

(於二零二三年一月九日辭任)

按照公司細則，三分一的董事將於本公司應屆股東週年大會上退任，並符合資格且願意於會上膺選連任。此外，於年內獲委任的董事，其任期直至本公司應屆股東週年大會為止，並符合資格於會上膺選連任。

DIRECTORS' REPORT

董事報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 33 to 41.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE

The Company has received, from each of its independent non-executive Directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of its independent non-executive Directors are independent.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors and the non-executive Director has entered into a service contract with the Company for a term of three years, which may be terminated by not less than six months' notice (for executive Directors) or one month's notice (for non-executive Directors) in writing served by either party on the other. Each of the independent non-executive Director has been appointed by the Company for a term of three years and shall be terminable by either party by giving not less than one month prior notice in writing.

During the year, none of the Directors had a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

董事及高級管理層履歷

本集團董事及高級管理層履歷詳情載於第33至41頁。

獨立非執行董事的獨立身份確認書

本公司已接獲獨立非執行董事各自根據上市規則第3.13條發出的獨立身份確認書。本公司認為其全部獨立非執行董事均為獨立人士。

董事服務合約

各執行董事及非執行董事已與本公司訂立服務合約，為期三年，可由任何一方向另一方發出不少於六個月（就執行董事而言）或不少於一個月（就非執行董事而言）的書面通知而終止。本公司委任的各獨立非執行董事的任期為三年，有關任命可由任何一方發出不少於一個月的事先書面通知而終止。

年內，各董事概無與本公司訂有任何不可由本公司於一年內免付賠償（法定賠償除外）而終止的服務合約。

REMUNERATION POLICY

The remuneration policy for the Directors and senior management members of the Group was based on their individual performance as well as market trends and practices. In addition, each of the executive Directors and the non-executive Directors is entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to all the executive Directors at the sole and absolute discretion of the Company. Details of the remuneration of the Directors are set out in note 42 to the consolidated financial statements.

The emoluments paid to the senior management (excluding the Directors) during the year ended 31 December 2022 were within the following bands:

薪酬政策

董事及本集團高級管理層成員的薪酬政策乃依照個人表現以及市場趨勢與慣例制訂。此外，各執行董事及非執行董事均有權獲得酌情花紅，惟應支付予所有執行董事的花紅總額由本公司全權酌情決定。董事薪酬詳情載於合併財務報表附註42。

於截至二零二二年十二月三十一日止年度，已付高級管理層（董事除外）的酬金介乎下列幅度：

| | | Number of Senior Management 高級 管理層人數 |
|------------------------------|-----------------------|---|
| Nil to HK\$500,000 | 零至500,000港元 | 5 |
| HK\$500,001 to HK\$1,000,000 | 500,001港元至1,000,000港元 | 1 |
| Total: | 總計： | <u>6</u> |

DIRECTORS' INTERESTS IN CONTRACTS

Save and except the Convertible Bonds held by TopBig International (a wholly owned company by Mr. Chen Zhi) which already lapsed without conversion in April 2022, no Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year.

董事於合約中的權益

除由昇平國際（陳志先生全資擁有之公司）持有之可換股債券（已於二零二二年四月在並無轉換的情況下失效）外，董事概無於本公司或其任何控股公司、附屬公司或同系附屬公司於年內訂立而對本集團業務而言屬重大的任何合約中直接或間接擁有重大權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors held any interests in any competing business against the Company or any of its jointly controlled entities and subsidiaries for the year ended 31 December 2022.

董事於競爭業務中的權益

截至二零二二年十二月三十一日止年度，董事概無於任何與本公司或其任何共同控制實體及附屬公司競爭的業務中擁有權益。

DIRECTORS' REPORT

董事報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2022, the interests and short positions of the directors in the share capital and underlying shares (the "Share(s)") of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to 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, were set out as follows:

(i) Long position in the Company

| Name of Director | Capacity/Nature of Interest | Number of Shares | Approximate percentage of interest |
|------------------|---|-------------------|------------------------------------|
| 董事姓名 | 身份／權益性質 | 股份數目 | 權益概約百分比 |
| Mr. Chen Zhi | Interest in controlled corporation and beneficial owner | 610,835,005 | 59.22% |
| 陳志先生 | 於受控制法團的權益及實益所有者 | (Note 1) (附註1) | |
| Mr. Yu Shi Quan | Beneficial Owner | 223,049 | 0.02% |
| 余詩權先生 | 實益所有者 | | |

Notes:

- Mr. Chen Zhi (an executive director of the Company) was deemed to be interested in 610,835,005 Shares and underlying Shares, comprising (i) 1,758,164 Shares directly held by him; (ii) 225,440,510 Shares held by TopBig International Development Limited ("TopBig International"), a controlled corporation which is wholly-owned by Mr. Chen Zhi; and (iii) 383,636,331 underlying Shares attributable to the conversion right attaching to convertible preference shares issued by the Company held by TopBig International.
- The percentage interests are calculated on the basis of 1,031,445,978 issued Shares of the Company as at 31 December 2022.

董事於股份及相關股份的權益及淡倉

於二零二二年十二月三十一日，董事於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股本及相關股份（「股份」）中擁有記錄於根據證券及期貨條例第352條本公司須存置的登記冊，或根據上市發行人董事進行證券交易的標準守則已知會本公司及聯交所的權益及淡倉載列如下：

(i) 於本公司的好倉

附註：

- 本公司執行董事陳志先生被視為於610,835,005股股份及相關股份中擁有權益，包括(i)由其直接持有的1,758,164股股份；(ii)由陳志先生全資擁有的受控制法團昇平國際發展有限公司（「昇平國際」）持有的225,440,510股股份；及(iii)昇平國際持有的本公司發行的可轉換優先股隨附之轉換權利應佔383,636,331股相關股份。
- 百分比權益乃基於本公司於二零二二年十二月三十一日1,031,445,978股已發行股份計算。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2022, the following persons (other than Directors or chief executives of the Company) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in Shares:

| Name 姓名／名稱 | Capacity/Nature of Interest 身份／權益性質 | Number of Shares 股份數目 | Approximate percentage of interest 權益概約百分比 |
|---|---|---------------------------------|--|
| TopBig International 昇平國際 | Beneficial Owner (Note 1) 實益所有者 (附註1) | 609,076,841 | 59.05% |
| Nian Jiaying 念家興 | Beneficial Owner 實益所有者 | 132,010,713 | 12.80% |
| Forever Joy Investments Limited | Beneficial owner (Note 2) 實益所有者 (附註2) | 82,307,493 | 9.05% |
| Victory Color International Investment Limited 益美國際投資有限公司 | Beneficial owner (Note 3) 實益所有者 (附註3) | 75,759,903 | 8.33% |

主要股東於股份及相關股份的權益

於二零二二年十二月三十一日，以下人士（董事或本公司最高行政人員除外）於股份及相關股份中擁有記錄於根據證券及期貨條例第336條本公司須存置的登記冊的權益或淡倉：

於股份的好倉：

DIRECTORS' REPORT

董事報告

Notes:

- (1) TopBig International is a controlled corporation wholly-owned by Mr. Chen Zhi, an executive Director. TopBig International was deemed to be interested in 609,076,841 Shares and underlying Shares, comprising (i) 225,440,510 Shares held by TopBig International; and (ii) 383,636,331 underlying Shares attributable to the conversion right attaching to preference shares issued by the Company held by TopBig International.
- (2) Based on disclosure of interest filings, Forever Joy Investments Ltd. is a controlled corporation 90% owned by Shenzhen Energy Gaofei Fund Management Co., Ltd which is 70% owned by Ms. Xu Dan.
- (3) Based on disclosure of interest filings, Victory Color International Investment Ltd. is a controlled corporation wholly-owned by Ms. Wu Yufang.
- (4) The percentage of interests are calculated on the basis of 1,031,445,978 issued Shares of the Company as at 31 December 2022.

Save as disclosed herein, the Company has not been notified of any other person (other than a Director or a chief executive of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 31 December 2022.

CONTINUING CONNECTED TRANSACTIONS

The Company has entered into the transactions set out below which will be regarded as continuing connected transactions under the Listing Rules and subject to the disclosure requirements under Chapter 14A of the Listing Rules. Unless otherwise defined, capitalised terms below has the same meanings as those defined in the Prospectus.

附註：

- (1) 昇平國際為由執行董事陳志先生全資擁有之受控制法團。昇平國際被視為於609,076,841股股份及相關股份中擁有權益，包括(i)昇平國際持有之225,440,510股股份；及(ii)昇平國際持有的本公司發行的優先股隨附之轉換權利應佔383,636,331股相關股份。
- (2) 根據權益備案披露，Forever Joy Investments Ltd.為一間由深圳能量高飛基金管理有限公司擁有90%權益的受控制法團，而深圳能量高飛基金管理有限公司由徐丹女士擁有70%權益。
- (3) 根據權益備案披露，益美國際投資有限公司為一間由吳育芳女士全資擁有的受控制法團。
- (4) 百分比權益乃基於本公司於二零二二年十二月三十一日的1,031,445,978股已發行股份計算。

除本文所披露者外，於二零二二年十二月三十一日，本公司並無獲知會有任何其他人士（董事或本公司最高行政人員除外）於本公司股份及相關股份中擁有記錄於根據證券及期貨條例第336條本公司須存置的登記冊的權益或淡倉。

持續關連交易

本公司已訂立下文所載根據上市規則將被視為持續關連交易並須遵守上市規則第十四A章下的披露規定的交易。除非另有界定，否則下文的專有詞彙具有招股章程所界定的相同涵義。

The Structure Contracts

Background

Fuzhou ShiFangCe Culture Media Co., Ltd. (“Original WFOE”), which was a wholly-owned subsidiary of the Company prior to 24 December 2015, entered into (a) structured contracts (the “Internet Structured Contracts”) to enable the Group to capture the economic benefits of and obtain the effective control over Beijing BaiChuanDuKe Science and Technology Co., Ltd. (“Internet Opco” or “Beijing BaiChuanDuKe”) and its subsidiaries (collectively, the “Internet Opco Group”); and (b) structured contracts (the “Publishing Structured Contracts”) to enable the Group to capture the economic benefits of and obtain the effective control over Beijing HongXinTu Culture Communication Co., Ltd (“Publishing Opco” or “Beijing HongXinTu”) and its subsidiaries (collectively, the “Publishing Opco Group”).

Pursuant to the Catalogue of Industries for Guiding Foreign Investment jointly promulgated by the National Development and Reform Commission of the PRC and the Ministry of Commerce of the PRC, foreign investors are (i) prohibited from investing in news websites and online publication services; and (ii) restricted from investing in more than 50% controlling stake in value-added telecommunication and printing of publications. At the time of the entering into of the Internet Structured Contracts and the Publishing Structured Contracts, the Company could not directly acquire the equity interest in Internet Opco and the controlling equity interest in Publishing Opco. Therefore, the Company entered into the Internet Structured Contracts and the Publishing Structured Contracts to capture the economic benefits of and obtain the effective control over the Internet Opco and the Publishing Opco.

架構合約

背景

福州十方策文化傳媒有限公司（「原外商獨資企業」，於二零一五年十二月二十四日前為本公司的全資附屬公司）訂立(a)多項架構合約（「互聯網架構合約」），讓本集團可獲得北京百傳讀客科技有限公司（「互聯網營運公司」或「北京百傳讀客」）及其附屬公司（統稱「互聯網營運公司集團」）的經濟利益及取得其實際控制權；及(b)多項架構合約（「出版架構合約」），以讓本集團可獲得北京鴻馨圖文化傳播有限公司（「出版營運公司」或「北京鴻馨圖」）及其附屬公司（統稱「出版營運公司集團」）的經濟利益及取得其實際控制權。

依據由中國國家發展和改革委員會及中國商務部聯合頒佈的《外商投資產業指導目錄》，外國投資者(i)被禁止投資於新聞網站及網絡出版服務；及(ii)被限制不得投資於增值電訊業務及出版物印刷的控股權超過50%。於訂立互聯網架構合約及出版架構合約之時，本公司不能直接收購互聯網營運公司的股權及出版營運公司的控股股權。因此，本公司訂立互聯網架構合約及出版架構合約以讓本集團可獲得互聯網營運公司及出版營運公司的經濟利益及取得其實際控制權。

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On 17 December 2015, in anticipation of the imminent disposal of Original WFOE by the Group to an independent third party, the Internet Structured Contracts were novated from Original WFOE to another wholly-owned subsidiary of the Company, Fuzhou DingCe Culture Communication Co. Ltd. ("New WFOE" or "Fuzhou DingCe"). With the disposal by the Group of its equity interests in Original WFOE, the Group ceased to be interested in the Publishing Structured Contracts or the Publishing Opco Group. With the novation of the Internet Structured Contracts to New WFOE, the Group continues to consolidate the financial results of the Internet Opco Group through the contractual arrangements under the Internet Structured Contracts. As disclosed in the section headed "VIE Arrangements and the Structured Contracts" in the Company's announcement dated 4 August 2022, supplemental agreements were entered into on 31 July 2022 in respect of the Structured Contracts to better align with rule changes and containing house-keeping amendments but without revising any of the key terms. In addition, two spousal undertakings dated 31 July 2022 were signed by the spouse of Mr. Xu and the spouse of Mr. Zheng to acknowledge that the equity interests held by Xu and Zheng in the Internet Opco do not form part of the matrimonial property and containing a renunciation by spouse on any right to the Internet Opco. Further details of the VIE arrangements can be found in the Company's announcement dated 4 August 2022.

Internet Opco and Internet Opco Shareholders

Internet Opco is a limited liability company established under the laws of the PRC with a registered capital of RMB1 million and principally engaged in value-added telecommunication business, news websites, online publication services and printing of publications. Internet Opco Group holds a Permit for Internet Publication (互聯網出版許可證), an Operation Permit for Value-added Telecommunication Business (增值電信業務經營許可證) and an Operation Permit for News Publication Printing (新聞出版物印刷經營許可證).

The registered capital of Internet Opco is registered as to 60% in the name of Zheng Bo Ling ("Zheng") and 40% in the name of Xu Kai Ning ("Xu", and together with Zheng, collectively the "Internet Opco Shareholders").

於二零一五年十二月十七日，鑑於本集團即將向獨立第三方出售原外商獨資企業，互聯網架構合約由本公司另一全資附屬公司福州鼎策文化傳播有限公司（「新外商獨資企業」或「福州鼎策」）代替原外商獨資企業承擔。隨著本集團出售其於原外商獨資企業的股權，本集團不再擁有出版架構合約或出版營運公司集團的權益。鑑於互聯網架構合約改由新外商獨資企業承擔，本集團繼續透過互聯網架構合約下的合約安排，將互聯網營運公司集團的財務業績合併入賬。誠如本公司日期為二零二二年八月四日的公告「可變利益實體安排及架構合約」一節所披露，已就架構合約於二零二二年七月三十一日訂立補充協議，以更好地配合規則變動及包含內務管理修訂，惟未修訂任何關鍵條款。此外，許先生的配偶及鄭先生的配偶簽署兩份日期為二零二二年七月三十一日的配偶承諾書，承認許及鄭於互聯網營運公司持有的股權不構成其婚姻財產的一部分，並載有配偶放棄互聯網營運公司的任何權利的放棄書。有關可變利益實體安排的進一步詳情，請參閱本公司日期為二零二二年八月四日的公告。

互聯網營運公司及互聯網營運公司股東

互聯網營運公司為根據中國法律成立的有限責任公司，註冊資本為人民幣1百萬元，主要從事增值電信業務、新聞網站、網絡出版服務和出版物印刷業務。互聯網營運公司集團持有互聯網出版許可證、增值電信業務經營許可證及新聞出版物印刷經營許可證。

互聯網營運公司的註冊資本中，60%以鄭柏齡（「鄭」）的名義註冊，而40%以許開寧（「許」）的名義註冊。鄭及許統稱為「互聯網營運公司股東」。

Reasons for the entering into of the Internet Structured Contracts

The principal reasons for the entering into of the Internet Structured Contracts were (a) to establish a contractual position which allows the economic benefits of the businesses and operations of the Internet Opco Group to flow to the Group; (b) through the control of the right of nomination of directors of Internet Opco, to monitor, supervise and effectively control the business, operations and financial policies of the Internet Opco Group which in turn ensure due implementation of the Internet Structured Contracts; (c) to prevent any possible leakage of assets to the Internet Opco Shareholders; and (d) to enable the Group to acquire the equity interest of the Internet Opco at an agreed price, which was fixed as a matter of relatively nominal sums and being the lowest prices permissible under PRC law.

Save for the foreign investment restrictions described above, the contractual arrangements under the Internet Structured Contracts are not related to any other regulations or requirements.

Key terms of the Internet Structured Contracts

In the summary table below, we set out the current status and the key terms of the Internet Structured Contracts:

Loan Agreement 貸款協議

Date: 17 December 2015 (as supplemented on 31 July 2022)
日期：二零一五年十二月十七日（於二零二二年七月三十一日補充）

Parties: New Wfoe (as lender), Zheng and Xu (as borrowers)
訂約方：新外商獨資企業（作為貸款人），鄭及許（作為借款人）

Loan sum: RMB600,000 (for Zheng) and RMB400,000 (for Xu)
貸款額：人民幣600,000元（鄭）及人民幣400,000元（許）

Term: 10 years, automatically renewable for successive periods of 5 years unless terminated by notice by New Wfoe

年期：10年，除非被新外商獨資企業發出通知終止，否則自動續期每次5年

訂立互聯網架構合約的理由

訂立互聯網架構合約的主要理由乃(a)確立一個合約地位，使互聯網營運公司集團業務及營運的經濟利益得以流入本集團；(b)透過控制互聯網營運公司董事的提名權，監控、監察及實際控制互聯網營運公司集團的業務、營運及財務政策，進而確保妥為實行互聯網架構合約；(c)防止有任何資產可能洩漏予互聯網營運公司股東的情況；及(d)使本集團可按協定價格（按相對名義款額釐定，即中國法律下允許的最低價格）購入互聯網營運公司的股權。

除上述外商投資限制外，互聯網架構合約下的合約安排與任何其他規例或規定無關。

互聯網架構合約的主要條款

下表概列互聯網架構合約目前狀況及主要條款：

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No early repayment: Each of Zheng and Xu is not permitted to repay any loan without prior written consent of New Wfoe.

不得提早還款：鄭及許均不得在未經新外商獨資企業事先書面同意下償還任何貸款。

Equity Pledge Agreement 股權質押協議

Date: 17 December 2015 (as supplemented on 31 July 2022)

日期：二零一五年十二月十七日（於二零二二年七月三十一日補充）

Parties: Zheng and Xu (as pledgors), New Wfoe (as pledgee), Internet Opco

訂約方：鄭及許（作為質押人），新外商獨資企業（作為承押人），互聯網營運公司

Pledged assets: 60% equity interest in Internet Opco (by Zheng), 40% equity interest in Internet Opco (by Xu)

質押資產：互聯網營運公司60%股權（由鄭質押），互聯網營運公司40%股權（由許質押）

Guaranteed obligations: To guarantee the repayment of the loans under the Loan Agreement and the payment of the service fees under the Service Agreement.

擔保責任：擔保償還貸款協議下的貸款及支付服務協議下的服務費。

Dividends: Pursuant to the Equity Pledge Agreement, New Wfoe is entitled to all of the benefits arising from the pledged equity interests including dividends.

股息：依據股權質押協議，新外商獨資企業有權取得所有已質押股權產生的利益（包括股息）。

**Voting Right Proxy
Agreement**
投票權代表委任協議

Date: 17 December 2015 (as supplemented on 31 July 2022)

日期：二零一五年十二月十七日（於二零二二年七月三十一日補充）

Parties: Zheng and Xu (as appointers), New Wfoe (as appointee), Internet Opco

訂約方：鄭及許（作為委任人），新外商獨資企業（作為獲委任人），互聯網營運公司

Power granted: Each of Zheng and Xu granted to New Wfoe and its designee(s) the power to exercise the rights as the registered shareholders of Internet Opco including but not limited to those relating to: the right to vote in a shareholders' meeting, sign minutes, file documents with the relevant companies registry, and the right to appoint liquidator(s) to exercise all of the rights of Zheng and Xu and to seize the Internet Opco's assets upon winding-up of the Internet Opco for the benefit of the New Wfoe or creditors.

所授權力：鄭及許各自向新外商獨資企業及其指派者授出行使作為互聯網營運公司登記股東的權力，包括但不限於與以下項目相關者：於股東大會上投票、簽署會議記錄、向相關公司註冊處提交文件備案的權利，及委任清盤人行使鄭及許所有權利及於互聯網營運公司清盤後為新外商獨資企業或債權人的利益獲取互聯網營運公司資產的權利。

Restriction on equity transfer: None of Zheng nor Xu may transfer all or any part of their equity interest in Internet Opco without the prior written consent of New Wfoe.

股權轉讓限制：鄭及許均不得在未經新外商獨資企業事先書面同意下轉讓彼等於互聯網營運公司的全部或任何部分股權。

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Exclusive Purchase Option Agreement 獨家選擇購買權協議

Date: 17 December 2015 (as supplemented on 31 July 2022)

日期：二零一五年十二月十七日（於二零二二年七月三十一日補充）

Parties: Zheng and Xu (as grantors), New Wfoe (as grantee), Internet Opco
訂約方：鄭及許（作為授權人），新外商獨資企業（作為承授人），互聯網營運公司

Option: Each of Zheng and Xu irrevocably granted to New Wfoe or its designee(s) an exclusive option to purchase, at any time if and when permitted under PRC laws, all or part of their equity interests in Internet Opco at the agreed price, being the higher of (i) RMB1 million (being its paid up registered capital); and (ii) the lowest price permissible under PRC laws, and requiring Zheng and Xu to return to New Wfoe or its nominee any consideration that Zheng and Xu had received from New Wfoe for the acquisition of the equity interests in Internet Opco.

選擇權：鄭及許各自不可撤回地向新外商獨資企業或其指派者授出獨家選擇購買權，以於中國法律允許的任何時間內按協定價格（即(i)人民幣1百萬元（為其實繳註冊股本）；及(ii)中國法律下允許的最低價格兩者中的較高者）購買彼等於互聯網營運公司的全部或任何部分股權，並要求鄭及許向新外商獨資企業或其代名人退還鄭及許就收購互聯網營運公司的股權而向新外商獨資企業收取的任何代價。

Service Agreement 服務協議

Date: 17 December 2015 (as supplemented on 31 July 2022)

日期：二零一五年十二月十七日（於二零二二年七月三十一日補充）

Parties: New Wfoe (as consultant) and Internet Opco (as appointer)
訂約方：新外商獨資企業（作為顧問）及互聯網營運公司（作為委任人）

Term: 10 years, automatically renewable for successive periods of 5 years unless terminated by notice by New Wfoe.

年期：10年，除非被新外商獨資企業發出通知終止，否則自動續期每次5年。

Scope of services: New Wfoe agreed to provide to Internet Opco consulting services including (i) market research; (ii) business development and market consultation; (iii) consulting services in respect of labor matters; (iv) construction and maintenance of information networks and network security; (v) technical support for software and technology; and (vi) other services in relation to its business operations, at such service fees as are according to the nature of the service content and time spent on market price.

服務範圍：新外商獨資企業同意向互聯網營運公司提供諮詢服務，包括(i)市場研究；(ii)業務發展及市場諮詢；(iii)有關勞務的諮詢服務；(iv)建設及維護資訊網絡及網絡安全；(v)軟件及科技技術支援；及(vi)有關互聯網營運公司業務經營的其他服務，有關服務費根據服務內容的性質及所花費的時間按市價收取。

Service fees: The service fees are according to the nature of the service content and time spent based on market price.

服務費：服務費按照服務內容性質及所費時間依照市價計算。

Unwinding of the Structured Contracts

The Internet Structured Contract has not been unwound up to the date of this report. The Company does not intend to unwind any Internet Structured Contract unless and until the foreign investment restriction relating to ownership of the equity interest in Internet Opco is lifted. When the foreign investment restriction is lifted, the Company intends to exercise its exclusive purchase right under the Exclusive Purchase Option Agreement to acquire the entire equity interest in Internet Opco, so that the Company can control the Internet Opco Group through the direct shareholding relationship rather than through the Internet Structured Contracts.

撤銷架構合約

截至本報告日期，互聯網架構合約並未被撤銷。除非及直至與互聯網營運公司股權的擁有權有關的外商投資限制被撤銷，否則本公司無意撤銷互聯網架構合約。倘若外商投資限制被撤銷，本公司有意行使其於獨家選擇購買權協議下的獨家選擇購買權，收購互聯網營運公司的全部股權，致使本公司能夠透過直接持股關係而非互聯網架構合約控制互聯網營運公司集團。

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Accounting policies and financial information

The consolidated financial statements include the financial information of the Company, its subsidiaries, and structured entity where the Company is deemed the primary beneficiary. Fuzhou DingCe (a wholly owned subsidiary of the Company) entered into the Internet Structured Contracts with Beijing BaiChuanDuKe, whereby Fuzhou DingCe provides consulting services to Beijing BaiChuanDuKe and is entitled to (1) receive a substantial portion of the economic benefits from Beijing BaiChuanDuKe; (2) exercise effective control over Beijing BaiChuanDuKe, and (3) have an exclusive option to purchase all or part of the equity interests in Beijing BaiChuanDuKe when and to the extent permitted by the PRC laws. By virtue of the contractual arrangements under the Internet Structured Contracts, Beijing BaiChuanDuKe is a structured entity and deemed as a subsidiary of the Company under the requirements of IFRS 10 "Consolidated financial statements".

When assessing whether to combine a structured entity, the Group evaluates a range of factors, including whether (1) the activities of the structured entity are being conducted on behalf of the Group according to its specific business needs so that the Group obtains the benefits from the structured entity's operations, (2) the Group has decision-making powers to obtain the majority of the benefits, (3) the Group obtains the majority of the benefits of the activities of the structured entity, and (4) the Group retains the majority of the residual ownership risks related to the assets in order to obtain the benefits from its activities. The Group consolidates a structured entity if an assessment of the relevant factors indicates that it controls the structured entity. Based on the contractual arrangements under the Internet Structured Contracts, the Company consolidated the results, assets and liabilities of Beijing BaiChuanDuKe in the consolidated financial statements of the Group.

會計政策及財務資料

合併財務報表包括本公司、其附屬公司及本公司被視為首要受益人的結構性實體的財務資料。本公司全資附屬公司福州鼎策與北京百傳讀客訂立互聯網架構合約，據此，福州鼎策向北京百傳讀客提供諮詢服務，並有權(1)收取來自北京百傳讀客的絕大部分經濟利益；(2)對北京百傳讀客實施有效控制；及(3)擁有在中國法律允許的時間及範圍內購買北京百傳讀客全部或部分股權的獨家選擇權。憑藉互聯網架構合約下的合約安排，北京百傳讀客為結構性實體，且根據國際財務報告準則第10號「合併財務報表」的規定，北京百傳讀客被視為本公司的附屬公司。

當評估是否將結構性實體合併入賬時，本集團會評估多項因素，包括(1)結構性實體業務活動是否根據其特殊業務需要代表本集團進行，而本集團因此從結構性實體業務中獲利；(2)本集團是否擁有獲得大多數利益的決策權；(3)本集團是否獲得結構性實體業務活動的大多數利益；及(4)本集團是否保留大多數與資產有關的餘下擁有權風險以從其業務活動中獲利。倘評估相關因素後顯示其控制結構性實體，則本集團會將結構性實體合併入賬。基於互聯網架構合約下的合約安排，本公司將北京百傳讀客的業績、資產及負債於本集團的合併財務報表合併入賬。

DIRECTORS' REPORT 董事報告

PRC laws strictly prohibits foreign investment in, and ownership of, companies engaging in news websites and online publication services, and place significant restrictions on foreign investment in, and ownership of, companies engaging in the value-added telecommunication business (Chinese parties as controlling shareholders) and printing of publications (Chinese parties as controlling shareholders). The Company is considered as a foreign-invested enterprise, and is required to comply with the PRC laws and regulations applicable to foreign-invested enterprises. Due to such restrictions, the Company are not permitted to have and does not have direct ownership of any interest in Beijing BaiChuanDuKe as Beijing BaiChuanDuKe, together with its subsidiaries, holds a Permit for Internet Publication (互聯網出版許可證), an Operation Permit for Value-added Telecommunication Business (增值電信業務經營許可證) and an Operation Permit for News Publication Printing (新聞出版物印刷經營許可證). Instead, the Company conducts the above operations in China principally through contractual arrangements among its subsidiary Fuzhou DingCe on the one hand, and Beijing BaiChuanDuKe and its shareholders, on the other. These contractual arrangements permit the financial results of Beijing BaiChuanDuKe to be consolidated with and effectively all of the economic benefits of its business to be transferred to Fuzhou DingCe. The contractual arrangement is not related to any regulations other than the restriction on foreign investment.

中國法律嚴格禁止外商投資及擁有從事新聞網站、網絡出版服務公司，亦嚴格限制外商投資及擁有從事增值電信業務(中方控股)及出版物印刷(中方控股)公司。本公司被視為外商投資企業，須遵守適用於外商投資企業的中國法律法規。由於該等限制，而北京百傳讀客及其附屬公司持有互聯網出版許可證、增值電信業務經營許可證及新聞出版物印刷經營許可證，故本公司不得亦並無直接擁有北京百傳讀客的任何權益。因此，本公司主要透過附屬公司福州鼎策作為一方與北京百傳讀客以及其股東作為另一方訂立合約安排在中國經營上述業務。該等合約安排使得北京百傳讀客的財務業績與福州鼎策合併，並且實際上其業務的所有的經濟利益均能由此轉移至福州鼎策。合約安排並非與外資進入限制以外的規定相關。

DIRECTORS' REPORT

董事報告

For the year ended 31 December 2022, revenue generated from the printing and online services businesses through Beijing BaiChuanDuKe amounted to RMB4.2 million and nil (2020: RMB4.1 million and nil) respectively, which accounted for 1.6% and 0% of total revenue (2020: 3.3% and 0%) of the total revenue; and the assets of Beijing BaiChuanDuke and the relevant businesses amounted to RMB16.0 million (2020: RMB28.7 million). As Beijing BaiChuanDuke and the relevant businesses have not contributed any significant profit to the Group in the past, Beijing BaiChuanDuke and the relevant businesses were insignificant to the Group respectively, of total revenue. The Company relied on and expects to continue to rely on contractual arrangements with Beijing BaiChuanDuKe and its shareholders to operate the printing and online services business components in China. The PRC legal advisor has advised the Company that the contractual arrangements are in compliance with and enforceable under the relevant PRC laws. However, there exist uncertainties regarding the interpretation and application of PRC laws and regulations regarding the performance and enforcement of such contractual arrangements. As such, there can be no assurance that the relevant PRC regulatory authorities will not, in the future, determine that the contractual arrangements are in breach of applicable PRC laws. If the contractual arrangements are found to be in breach of any existing or future PRC laws, the relevant PRC regulatory authorities would have broad discretion in dealing with such violations, including revoking the business and operating licenses held by Beijing BaiChuanDuKe, restricting or prohibiting any transactions between the Company and Beijing BaiChuanDuKe, imposing penalties or other requirements with which the Company may not be able to comply, or requiring the Company to restructure the relevant ownership, control or operating structure of the Company or its business. The imposition of any of these penalties or requirements could result in a material and adverse effect on its business, and could even result in us being required to cease the printing and online services businesses completely.

截至二零二二年十二月三十一日止年度，透過北京百傳讀客進行的印刷及網絡服務業務所得收入分別為人民幣4.2百萬元及無（二零二零年：人民幣4.1百萬元及無），分別佔收入總額的1.6%及0%（二零二零年：3.3%及0%）；北京百傳讀客及相關業務的資產為人民幣16.0百萬元（二零二零年：人民幣28.7百萬元）。由於過往北京百傳讀客及相關業務對集團並未有重大盈利的貢獻，北京百傳讀客及相關業務對本集團的重要性低。本公司一貫依賴並預期將繼續依賴與北京百傳讀客以及其股東訂立的合約安排，以經營在中國的印刷及網絡服務業務部分。中國法律顧問告知本公司，合約安排符合相關中國法律，可根據相關中國法律強制執行。然而，中國法律法規有關履行及強制執行相關合約安排的詮釋及應用方面存在不確定因素。因此，無法保證中國有關監管機關日後不會認定該等合約安排違反有關適用中國法律。倘若合約安排被發現違反中國的任何現行法律或日後通過的法律，則相關中國監管機關處理有關違法情況時將擁有高度自由裁量權，包括吊銷北京百傳讀客所持有的營業及經營執照、限制或禁止本公司與北京百傳讀客進行任何交易、徵收罰款或施加本公司可能無法遵守的其他要求，或要求本公司重組本公司或其業務的相關擁有權、控制權或經營架構。該等懲罰或要求可能對本公司的業務構成重大不利影響，甚至可能導致本公司須完全中止印刷及網絡服務業務。

DIRECTORS' REPORT

董事報告

In addition to the possibility of administrative penalties or other requirements being imposed upon us due to the relationships with Beijing BaiChuanDuKe and its shareholders, the Company may not be able to effectively enforce such contractual relationships in a cost-effective manner or at all. Under the current contractual arrangements, if Beijing BaiChuanDuKe or any of their shareholders fails to perform their respective obligations under these contractual arrangements, or are required to incur substantial costs to do so, the Company may be forced to incur substantial costs and resources to enforce such arrangements or to rely on PRC law to obtain remedies, including specific performance or damages, and we may not be successful in obtaining such remedies or obtaining such remedies might be cost prohibitive. In the event the Company is unable to enforce these contractual arrangements, its business, financial condition and results of operations may be materially and adversely affected.

Fuzhou ShiFang Printing Co., Ltd. and Guizhou ShiFang Printing Co., Ltd, which are subsidiaries of Beijing BaiChuanDuKe, currently hold Operation Permits for News Publication Printing (新聞出版物印刷經營許可證). Xiamen DuKe Information Science & Technology Co., Ltd., a subsidiary of Beijing BaiChuanDuKe, currently holds a Permit for Internet Publication (互聯網出版許可證) and a Operation Permit for Value-added Telecommunication Business (增值電信業務經營許可證) for the operation of www.duk.cn. Pursuant to the Catalogue of Industries for Guiding Foreign Investment (外商投資產業指導目錄) jointly promulgated by NDRC and MOFCOM, news websites and online publication services are classified as industries in which foreign investors are prohibited from investing, and value-added telecommunication business (Chinese parties as controlling shareholders) and printing of publications (Chinese parties as controlling shareholders) is classified as an industry in which foreign investors are restricted from investing. These views have been confirmed by our PRC legal advisor.

除本公司可能因與北京百傳讀客及其股東的關係而被處以行政處分或施加其他要求外，本公司亦可能無法以符合成本效益的方式有效強制執行該等合約關係，或根本無法強制執行合約關係。根據現行合約安排，倘北京百傳讀客或其任何股東無法履行各自於該等合約安排下的責任，或須支付巨額成本方能履行有關責任，則本公司可能被迫付出巨額成本及資源以強制執行有關安排或依賴中國法律獲得補救措施，包括尋求特定的履約或損害賠償，而本公司未必能成功獲得該類補救措施，或本公司可能須付出高昂成本方可獲得該類補救措施。倘本公司無法強制執行該等合約安排，則本公司的業務、財務狀況及營運業績可能受到重大不利影響。

福州十方印務有限公司及貴州十方印務有限公司(為北京百傳讀客的附屬公司)目前持有新聞出版物印刷經營許可證。廈門讀客信息科技有限公司(為北京百傳讀客的附屬公司)目前持有經營讀客網(www.duk.cn)的互聯網出版許可證和增值電信業務經營許可證。依據國家發改委及商務部共同頒佈的《外商投資產業指導目錄》，新聞網站、網絡出版服務是外國投資者被禁止投資的產業，而增值電信業務(中方控股)及出版物印刷(中方控股)是限制外商投資經營的產業。此等意見已獲中國法律顧問確認。

DIRECTORS' REPORT

董事報告

The Directors believe that the Company's structure whereby Beijing BaiChuanDuKe's financial results are consolidated into the Company's financial statements as if it was a wholly-owned subsidiary and the flow of economic benefits from its business to the Company, places the Group in a special position in relation to the connected transactions rules. Accordingly, notwithstanding that the transactions contemplated under the Structure Contracts technically constitute continuing connected transactions for the purposes of Chapter 14A of the Listing Rules, the Directors consider that it would be unduly burdensome and impracticable and would impose unnecessary administrative costs on us to be subject to strict compliance with the requirements set out under Chapter 14A of the Listing Rules in respect of these continuing connected transactions.

Pursuant to the Listing Rules, in relation to the transactions regarding Beijing BaiChuanDuKe, the Company has applied for and the Stock Exchange has granted a waiver from strict compliance with the reporting, announcement, independent shareholders' approval, annual cap and agreements with fixed term of no more than three years requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions under the Structure Contracts for so long as the Shares are listed on the Stock Exchange.

In accordance with the relevant Structured Contracts, no dividends or other distributions has been made by Beijing BaiChuanDuKe to their shareholders.

董事相信本公司的架構(據此,北京百傳讀客的財務業績將於本公司的財務報表內合併入賬,猶如其為本公司的全資附屬公司,且其業務的經濟利益流入本公司),使本集團處於關連交易規則的特殊位置。因此,儘管根據架構合約擬進行的交易技術上構成上市規則第十四A章項下的持續關連交易,惟董事認為就該等持續關連交易嚴格遵守上市規則第十四A章所載的規定會構成不必要的繁重負擔及不可行,並會為本公司帶來不必要的行政費用。

依據上市規則,本公司已就有關北京百傳讀客的交易向聯交所申請於股份在聯交所上市期間豁免嚴格遵守上市規則第十四A章下有關架構合約下的持續關連交易的申報、公告、獨立股東批准、年度上限及協議固定年期不得超過三年的規定,並已獲聯交所批准。

按照相關架構合約,北京百傳讀客並無向其股東派發股息或作出其他分派。

DIRECTORS' REPORT 董事報告

The independent non-executive Directors have reviewed the Structure Contracts and the above continuing connected transactions. In the opinion of the independent non-executive Directors:

- (i) the continuing connected transactions carried out during the year are in the ordinary and usual course of business of the Group and have been entered into in accordance with the relevant provisions of the Structure Contracts so that the revenue generated by Beijing BaiChuanDuKe and the subsidiaries of the Company have been mainly retained by the Group;
- (ii) the continuing connected transactions were entered into either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are no less favourable to the Group than terms to or from independent third parties;
- (iii) no dividends or other distributions have been made by Beijing BaiChuanDuKe to their shareholders; and
- (iv) any new Structure Contracts entered into, renewed or reproduced between Beijing BaiChuanDuKe and the Company during the relevant financial period are fair and reasonable, or advantageous, so far as the Company are concerned and in the interests of our shareholders as a whole.

獨立非執行董事已審閱架構合約及上述持續關連交易。獨立非執行董事認為：

- (i) 年內進行的持續關連交易乃於本集團日常及一般業務過程中訂立，並遵照架構合約有關規定而訂立，故北京百傳讀客與本公司的附屬公司產生的收入主要撥歸本集團；
- (ii) 持續關連交易乃(a)按正常商業條款；或(b) (倘無條款可作比較) 按不遜於本集團給予或來自獨立第三方的條款訂立；
- (iii) 北京百傳讀客並無向其股東派發股息或作出其他分派；及
- (iv) 於有關財政期間內，北京百傳讀客與本公司訂立、續簽或重訂的任何新架構合約對本公司而言是公平合理或有利，且符合股東整體利益。

DIRECTORS' REPORT

董事報告

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged PricewaterhouseCoopers, the auditor of the Company, to report on the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers has reported the results and their work to the Board, confirming that the transaction has received the approval of the Directors, has been entered into in accordance with the relevant Structured Contracts and that no dividends or other distributions has been made by Beijing BaiChuanDuKe to its Shareholders.

CONNECTED TRANSACTIONS

On 24 January 2019, the Company entered into the convertible bond subscription agreement with TopBig International (a wholly owned company by Mr. Chen Zhi, the Executive Director and a shareholder of the Company), pursuant to which the Company conditionally agreed to issue, and TopBig International conditionally agreed to subscribe for, the 3% Convertible Bonds in the aggregate principal amount of HK\$250,000,000 (equivalent to RMB215,750,000). The subscription was completed on 23 April 2019.

The initial conversion price of the Convertible Bonds is HK\$0.24 per conversion share (equivalent to HK\$0.06 per share prior to the Capital Reorganisation), subject to adjustment. The Convertible Bond matures at the day falling on the third anniversary of the date of issue of the convertible bonds and the conversion period covers the period commencing on the date of issue of the Convertible Bonds and ending on maturity date.

依據上市規則第14A.56條，董事會已委聘本公司核數師羅兵咸永道會計師事務所根據香港會計師公會頒佈的香港鑒證業務準則第3000號(修訂)「歷史財務資料審計或審閱以外的鑒證業務」，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。羅兵咸永道會計師事務所已向董事會匯報有關結果及彼等的工作，並確認交易已獲董事批准，已根據相關架構合約進行以及北京百傳讀客概無向其股東派發股息或作出其他分派。

關連交易

於二零一九年一月二十四日，本公司與昇平國際(由本公司執行董事及股東陳志先生全資擁有)訂立可換股債券認購協議，據此，本公司有條件同意發行而昇平國際有條件同意認購本金總額為250,000,000港元(相當於人民幣215,750,000元)的按利率3厘計息的可換股債券。認購事項已於二零一九年四月二十三日完成。

可換股債券的初步換股價為每股換股股份0.24港元(相當於股本重組前每股0.06港元)(可予調整)。可換股債券到期日為發行可換股債券當日起計滿三週年當日到期，而可換股期間涵蓋發行可換股債券當日起至到期日止期間。

On 22 April 2022, the conversion option of convertible bond remained unexercised and it was lapsed. The Group and the subscriber entered into a loan agreement where the outstanding convertible bonds were replaced by a 2-year loan from Top Big International Development Limited with face value of RMB187,310,000 at an interest rate of 3% p.a (the "shareholder's loan"). The shareholder's loan was recognised and initially measured at fair value of RMB144,483,000 (equivalent to approximately HK\$174,363,000). A gain of RMB42,826,000 have been recognised in the Group's profit or loss.

Conversion of convertible bonds

Based on the conversion price of HK\$0.24 per Share, 185,600,000 Shares (the "Conversion Shares") were allotted and issued by the Company to TopBig International on 21 May 2019 (the "Partial Conversion"). As a result of the Partial Conversion, the issued share capital of the Company has increased from 571,999,030 Shares to 757,599,030 Shares. The Conversion Shares rank pari passu with all the existing Shares in issue as at the date of allotment and among themselves in all respects. The 185,600,000 Conversion Shares represent: (a) approximately 32.45% of the issued share capital immediately before the Partial Conversion; and (b) approximately 24.50% of the issued share capital as enlarged by the Partial Conversion.

Conversion of convertible preference shares

On 30 July 2022, the Group and TopBig International Development Limited entered into the Loan Capitalisation Agreement where the Company conditionally agreed to issue, and TopBig International Development Limited agreed to subscribe for 383,636,331 convertible preference shares (the "CPS") at the subscription price of HK\$0.57 per CPS, to settle the entire outstanding balance (including the principal and interest) of the shareholder's loan. The completion of the Loan Capitalisation is subject to satisfaction of conditions precedent. Hence, loss of RMB72,719,000 was recognized for the difference between the carrying amount of the shareholder's loan and the initial fair value of the contingently convertible loan.

於二零二二年四月二十二日，可換股債券的轉換選擇權仍未行使且已失效。本集團與認購人訂立貸款協議，以面值為人民幣187,310,000元、年利率3厘的來自昇平國際發展有限公司的兩年期貸款（「股東貸款」）取代尚未行使可換股債券。股東貸款按公允值人民幣144,483,000元（相當於約174,363,000港元）進行確認及初始計量。已於本集團損益確認收益人民幣42,826,000元。

轉換可換股債券

本公司已於二零一九年五月二十一日按每股股份0.24港元的換股價向昇平國際配發及發行185,600,000股股份（「可換股股份」）（「部分轉換」）。因應該部分轉換，本公司的已發行股本已由571,999,030股股份增至757,599,030股股份。可換股股份與配發日期的所有現有已發行股份及彼此之間在各方面享有同等地位。185,600,000股可換股股份相當於(a)緊接該部分轉換前的已發行股本約32.45%；及(b)經該部分轉換擴大的已發行股本約24.50%。

轉換可轉換優先股

於二零二二年七月三十日，本集團與昇平國際發展有限公司訂立貸款資本化協議，據此，本公司有條件同意發行，而昇平國際發展有限公司有條件同意按認購價每股可轉換優先股（「CPS」）0.57港元認購383,636,331股CPS，以清償股東貸款之全部未償還餘額（包括本金及利息）。貸款資本化須待先決條件獲達成後方告完成。因此，就股東貸款的賬面值與或有可換股貸款的初始公允值之間的差額確認虧損人民幣72,719,000元。

DIRECTORS' REPORT

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The issuance of the CPS was approved by the independent shareholders of the Company at a special general meeting on 4 November 2022 and the Loan Capitalisation was approved by the stock exchange on 9 November 2022. Therefore, contingent convertible loan was remeasured on 9 November 2022 and fair value loss of RMB25,350,000 was recognised.

On 11 November 2022, 383,636,331 Convertible Preference Shares were allotted and issued to the TopBig International Development Limited under the Convertible Preference Shares Specific Mandate at the subscription price of HK\$0.57 per Convertible Preference Shares, in full and final settlement of the entire outstanding balance of the TopBig International Development Limited's Loan (including principal and interest) owed by the Group to the TopBig International Development Limited.

Other than disclosed above, there was no other transaction which needs to be disclosed as connected transaction in accordance with the requirements of the Listing Rules during the twelve months ended 31 December 2022.

SUFFICIENCY OF PUBLIC FLOAT

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

RELATIONSHIP WITH STAKEHOLDER

The Group is committed to operate in a sustainable manner while balancing the interests of its various stakeholders including customers, suppliers and employees. Through regular stakeholder engagement via different channels, the stakeholders are encouraged to give their opinions regarding the environmental, social and governance policies of the Group.

This includes providing quality services to customers, developing effective and mutual beneficial working relationships with its suppliers, and offering competitive remuneration package with safety working environments to employees.

發行CPS於二零二二年十一月四日的股東特別大會上獲本公司獨立股東批准，貸款資本化於二零二二年十一月九日獲聯交所批准。因此，或有可換股貸款於二零二二年十一月九日重新計量，並確認公允值虧損人民幣25,350,000元。

於二零二二年十一月十一日，根據可轉換優先股特別授權按認購價每股可轉換優先股0.57港元向昇平國際發展有限公司配發及發行383,636,331股可轉換優先股，以悉數及最終結清本集團結欠昇平國際發展有限公司的昇平國際發展有限公司貸款（包括本金及利息）的全部未償還結餘。

除上文所披露者外，於截至二零二二年十二月三十一日止十二個月，並無其他交易須按照上市規則規定披露為關連交易。

公眾持股量充足程度

依照本公司可公開獲得的資料及就董事所知，於本報告日期，本公司已發行股本總額最少25%由公眾人士持有。

與持份者的關係

本集團致力以可持續方式經營，同時平衡各持份者（包括客戶、供應商及僱員）的利益。本集團透過定期從不同渠道接觸持份者，鼓勵彼等就本集團的環境、社會及管治政策提供意見。

此等舉措包括為客戶提供優質服務，與供應商建立有效率且互惠互利的合作關係，以及為僱員提供具競爭力的薪酬待遇及安全的工作環境。

DIRECTORS' REPORT 董事報告

The details of environmental, social and governance policies and performance of the Group will be disclosed in a standalone Environmental, Social and Governance Report, which is available on the Company's website (www.shifangholding.com) and on the website of the Stock Exchange (www.hkexnews.hk).

AUDITOR

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

ON BEHALF OF THE BOARD

Chen Zhi

Executive Director (Chairman and Chief Executive Officer)

Hong Kong

31 March 2023

本集團環境、社會及管治的政策及表現詳情將於本集團的獨立環境、社會及管治報告中披露，而該報告可於本公司網站 (www.shifangholding.com) 及聯交所網站 (www.hkexnews.hk) 閱覽。

核數師

羅兵咸永道會計師事務所已審核合併財務報表。羅兵咸永道會計師事務所將於本公司應屆股東週年大會上任滿告退，惟合資格並願意於會上獲續聘。

代表董事會

執行董事 (主席兼行政總裁)

陳志

香港

二零二三年三月三十一日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE CODE

The Company recognises the importance and value of achieving high standards of corporate governance practices. The Board believes that good corporate governance is an essential element in maintaining and promoting shareholder value and investor confidence.

Corporate Governance

The Company has adopted the principles and complied with the former and revised code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance since the date of the listing of the shares of the Company on the Main Board of the Stock Exchange on 3 December, 2010, which shall also be revised from time to time in accordance with the Listing Rules. Save as disclosed below, the Board considers the Company has complied with the code provisions as set out in the CG Code.

Apart from the corporate governance aspect, which will be further discussed in this report below, the Company has prepared and published its first environmental, social and governance report (the “ESG Report”) in accordance with the Environmental, Social and Governance Reporting Guide contained in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), which sets out information regarding the year from 1 January to 31 December 2022, which is available on the Company’s website (www.shifangholding.com) and on the website of the Stock Exchange (www.hkexnews.hk).

During the year ended 31 December 2022, the Company fully complied with the Code Provisions in the CG Code save for the from code provisions B.2.3 and C.2.1, which are explained in the relevant paragraph below.

企業管治守則

本公司深明達致高水平企業管治常規的重要性及價值。董事會相信良好企業管治乃維持及提升股東價值與投資者信心的要素。

企業管治

自本公司股份於聯交所主板上市日期二零一零年十二月三日起，本公司一直採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載先前及經修訂企業管治守則（「企業管治守則」）的原則，並遵守該守則的守則條文，作為本身的企業管治守則，而本公司亦須按照上市規則不時修訂此守則。除下文所披露者外，董事會認為本公司已遵守企業管治守則所載的守則條文。

除將於本報告下文進一步討論的企業管治層面外，本公司已按照香港聯合交易所有限公司證券上市規則（「上市規則」）附錄二十七所載的環境、社會及管治報告指引編製及刊發其首份環境、社會及管治報告，當中載有關於二零二二年一月一日至十二月三十一日年度的資料。環境、社會及管治報告可於本公司網站（www.shifangholding.com）及聯交所網站（www.hkexnews.hk）閱覽。

截至二零二二年十二月三十一日止年度，本集團已全面遵守企業管治守則的守則條文，惟偏離守則條文B.2.3及C.2.1除外，其已於下文相關段落說明。

CORPORATE GOVERNANCE REPORT

企業管治報告

Set out below the corporate governance principles and the practices adopted and observed by the Company during the year ended 31 December 2022.

THE BOARD

The Board provides effective and responsible leadership for the Company in setting the strategic decision and overseeing the Company's overall operations. The Board meets regularly and each Director has to make decisions objectively in the best interests of the Company and its shareholders.

Board Composition

At the date of this report, the Board comprises 8 Directors, of which three are executive Directors, Mr. Chen Zhi, Mr. Yu Shi and Mr. Wang Xu, two are non-executive Directors, Ms. Chen Min and Mr. Chen Ye and three are independent non-executive Directors, Mr. Wong Ming, Henry, Mr. Mao Xiangyun and Mr. Wei Hong. The Composition of the Board is well balanced with each Director having extensive knowledge, experience and expertise relevant to the business operations and development of the Group. The biographies of all Directors are set out on pages 33 to 41 of this annual report. Ms. Chen Min is the sister of Mr. Chen Zhi. Save as disclosed in this annual report, none of the Directors has any other financial, business, family or other material or relevant relationships among members of the Board.

The Company has adopted the Board Diversity Policy in March 2014. The policy sets out the approach to achieve diversity on the Board of the Company which includes but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee made an annual review on the structure, size and composition of the Board and where appropriate, made recommendations on changes to the Board that are relevant to the Company's business growth.

下文載列本公司於截至二零二二年十二月三十一日止年度採納及遵循的企業管治原則及常規。

董事會

董事會負責有效領導本公司，制訂策略及監督本公司整體營運。董事會定期舉行會議，各董事須以本公司及其股東的最佳利益為依歸，客觀地作出決策。

董事會組成

於本報告日期，董事會成員包括八名董事，三名為執行董事，即陳志先生、余詩權先生及王旭先生，兩名為非執行董事，即陳敏女士及陳擘先生，其餘三名為獨立非執行董事，即黃向明先生、毛翔雲先生及魏弘先生。董事會的組成均衡，各董事均具備與本集團業務營運及發展相關的豐富知識、經驗及專長。各董事的履歷載於本年報第33至41頁。陳敏女士為陳志先生的胞妹。除本年報所披露者外，概無董事與董事會成員擁有任何其他財務、業務、家族或其他重大或相關關係。

本公司已於二零一四年三月採納董事會多元政策，制訂實現本公司董事會多元化的方針，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗。提名委員會將每年檢討董事會的架構、規模及組成，並在適當時候就本公司的業務發展提供改變董事會的推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Chairman and Chief Executive Officer

Under Code provision C.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. During the year under review, the position of chairman was vacated before 9 October 2019, while Mr. Chen Zhi was appointed as the Chairman and the CEO of the Company on 9 October 2019.

The Board met regularly to consider and review the major and appropriate issues which may affect the operations of the Company arising from the overlap of Chairman and CEO and/or the vacancy of chairmanship. As such, the Board considers that the sufficient measures had been taken and that either the overlap of chairman and CEO and/or the vacancy of chairmanship should not impair the balance of power and authority between the Board and the management.

During the report period, the Chairman also met the Independent Non-executive Directors each year without the presence of other Directors in accordance with Corporate Governance Code.

Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed three independent non-executive Directors representing more than one-third of the Board. The Company has received from each of its independent non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board, based on such confirmation, considers all independent non-executive Directors independent.

Access to Independent Views and Opinions by the Board

The Company has put in place a mechanism to ensure that the Board has access to independent views and opinions and reviews the implementation and effectiveness of the mechanism every year. All independent non-executive Directors are identified as such in all corporate communications containing the names of the Directors.

主席及行政總裁

根據企業管治守則的守則條文C.2.1，主席與行政總裁的角色應有區分，並不應由一人同時兼任。於回顧年度，主席職位於二零一九年十月九日之前一直空缺，陳志先生於二零一九年十月九日獲委任為本公司主席兼行政總裁。

董事會定期舉行會議，考慮及審議主席及行政總裁角色重疊及／或主席職位懸空可能影響本公司經營的重大及合適議題。因此，董事會認為已採取足夠措施，且主席及行政總裁角色重疊及／或主席職位懸空應不會使董事會與管理層之間的權力及授權失衡。

於報告期間，主席亦根據企業管治守則每年在其他董事避席的情況下與獨立非執行董事舉行會議。

獨立非執行董事

本公司已遵守上市規則第3.10(1)條，委任三名獨立非執行董事，佔董事會人數三分之一以上。本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出的書面確認。基於有關確認，董事會認為全體獨立非執行董事均屬獨立人士。

董事會獲取獨立觀點及意見

本公司已制定機制確保董事會可獲取獨立觀點及意見，並每年檢討機制的實施及成效。所有載有董事姓名的公司通訊中，均已說明全體獨立非執行董事的身份。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Proceedings

The Company will hold at least four board meetings at approximately quarterly intervals and will also meet at such other times when necessary. Formal agenda of all Board meetings are distributed to the Directors for comments and approval, generally, at least 14 days before the meetings. Adequate time and sufficient resources will be provided to all Directors to discharge their duties at which the Directors actively participate and hold informed discussions. All minutes of Board meetings will be recorded in sufficient detail the matters considered by the Board and decisions reached.

During the year, the Board convened 2 shareholders' general meetings, 5 board meetings, 4 Audit Committee meetings, 1 Remuneration Committee meeting and 1 Nomination Committee meeting respectively. The attendance of individual Directors at general meetings and meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee is as follows:

董事會程序

本公司將最少舉行四次董事會會議，約每季舉行一次，有需要時亦會於其他時間舉行會議。所有董事會會議的正式議程一般於會議前最少十四日分發予董事，以供發表意見及批准。各董事將獲賦予足夠時間及充足資源履行其職務，而董事須積極參與並於知情情況下進行討論。董事會會議所有會議紀錄將充分詳細記錄董事會審議的議題及作出的決策。

年內，董事會分別曾召開兩次股東大會、五次董事會會議、四次審核委員會會議、一次薪酬委員會會議及一次提名委員會會議。個別董事於股東大會以及董事會、審核委員會、薪酬委員會及提名委員會各會議的出席率如下：

| | | Meeting attended/held 出席 / 舉行會議次數 | | | | |
|---|---------------------------------------|--|--------------|--------------------------|---------------------------------|-------------------------------|
| | | Shareholders' General Meeting 股東大會 | Board 董事會 | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 |
| Executive Directors | 執行董事 | | | | | |
| Chen Zhi (Chief Executive Officer) (appointed as Chief Executive Officer of 9 October 2019) | 陳志 (行政總裁) (於二零一九年十月九日 獲委任為行政總裁) | 2/2 | 5/5 | NA 不適用 | 1/1 | 1/1 |
| Yu Shi Quan (Chief Financial Officer) | 余詩權 (首席財務官) | 2/2 | 5/5 | NA 不適用 | NA 不適用 | NA 不適用 |
| Wang Xu (appointed as on 9 January 2023) | 王旭 (於二零二三年一月九日獲委任) | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 |
| Non-executive Directors | 非執行董事 | | | | | |
| Chen Min | 陳敏 | 1/2 | 5/5 | NA 不適用 | NA 不適用 | NA 不適用 |
| Chen Wei Dong (resigned as on 9 January 2023) | 陳偉東 (於二零二三年一月九日辭任) | 1/2 | 5/5 | NA 不適用 | NA 不適用 | NA 不適用 |
| Chen Ye (appointed as on 9 January 2023) | 陳擘 (於二零二三年一月九日獲委任) | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | |
| Wong Heung Ming, Henry | 黃向明 | 2/2 | 5/5 | 4/4 | 1/1 | 1/1 |
| Zhou Chang Ren (resigned as on 9 January 2023) | 周昌仁 (於二零二三年一月九日辭任) | 0/2 | 5/5 | 4/4 | 1/1 | NA 不適用 |
| Cai Jian Quan (resigned as on 9 January 2023) | 蔡建權 (於二零二三年一月九日辭任) | 1/2 | 5/5 | 4/4 | NA 不適用 | 1/1 |
| Mao Xiangyun (appointed as on 9 January 2023) | 毛翔雲 (於二零二三年一月九日獲委任) | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 |
| Wei Hong (appointed as on 9 January 2023) | 魏弘 (於二零二三年一月九日獲委任) | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 | NA 不適用 |

CORPORATE GOVERNANCE REPORT

企業管治報告

All the Directors have access to relevant and timely information. They also have access to the advice and services of the company secretary of the Company, who is responsible for providing the Directors with Board papers and related materials. Where queries are raised by the Directors, prompt and full responses will be given if possible.

Should a potential conflict of interest involving a substantial shareholder of the Company or a Director arise, the matter will be discussed in a physical Board meeting, as opposed to being dealt with by a written resolution. Independent Non-Executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

Independent Non-Executive Directors are identified in all corporate communications containing the names of the Directors. An updated list of the Directors identifying the Independent Non-Executive Directors and the roles and functions of the Directors is maintained on the website of the Company and the website of the Stock Exchange.

Roles and responsibilities of the Board

The Board is collectively responsible for promoting the success and interest of the Group through its leadership and supervision. The principal tasks of the Board are to:

- (i) provide entrepreneurial leadership for the Company with a framework of prudent and effective controls which enables risks to be assessed and managed;
- (ii) set the Company's strategic aims, ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and review its management performance; and
- (iii) set the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.

所有董事可獲得相關及適時的資料。彼等亦可獲得本公司的公司秘書提供的意見及服務，公司秘書負責向董事提供董事會文件及有關材料。倘董事提出問題，本公司會在可能情況下儘快作出詳盡回應。

倘出現涉及本公司主要股東或董事的潛在利益衝突，有關事宜將於實際董事會會議上討論，而不會透過提呈書面決議案處理。並無涉及利益衝突的獨立非執行董事將會出席會議，處理有關衝突事宜。

所有載有董事姓名的公司通訊均會列出獨立非執行董事的身份。列有獨立非執行董事身份以及董事角色及職能的最新董事名單載於本公司網站及聯交所網站。

董事會的角色及責任

董事會通過領導及監督，集體負責推動本集團的成功及增進其利益。董事會的主要工作為：

- (i) 以審慎有效的監控架構為本公司提供企業領導，令風險得以評估及管理；
- (ii) 制定本公司的策略目標，確保所需財務及人力資源配置得宜，令本公司可達成其目標及檢討其管理層的表演；及
- (iii) 訂定本公司的價值及標準，確保可了解及履行其對股東及其他人士的責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Directors, after making due enquiries and considering the basis of management's projections and after taking into account the reasonably possible changes in the operation performance, believe that there will be sufficient financial resources available to the Group at least in the coming twelve months to meet its financial obligations as and when they fall due. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements set out in the audited financial statements on pages 102 to 257 of this annual report on a going concern basis.

Skills, knowledge, experience and attributes of Directors

All Directors of the Board served in office during the year. Every Director commits to give sufficient time and attention to the affairs of the Company. The Directors also demonstrate their understanding and commit to high standards of corporate governance. The Executive Director brings his perspectives to the Board through his deep understanding of the Group's business. The Non-Executive Directors and the Independent Non-Executive Directors contribute their own skills and experience, understanding of local and global economies, and knowledge of capital markets to the Group's business. The Company is responsible for arranging and funding suitable continuous professional development programmes for all Directors to hone and refresh their knowledge and skills.

Induction and training

Each newly appointed Director, executive or non-executive, is required to undertake an induction program to ensure that he has a proper understanding of his duties and responsibilities. The induction program includes an overview of the Group's business operation and governance policies, the Board meetings' procedures, matters reserved to the Board, an introduction of the Board committees, the Directors' responsibilities and duties, relevant regulatory requirements, review(s) of minutes of the Board and Board committees in the past 12 months, and briefings with senior officers of the Group and site visits (if necessary).

經詳細查詢及考慮管理層預測基準，計及營運表現可能合理出現的變動後，董事相信本集團將具備足夠財務資源供其未來最少十二個月使用，以履行其到期的財務責任。因此，董事認為按持續經營基準編製本年報第102至257頁之經審核財務報表所載合併財務報表乃屬適當。

董事技能、知識、經驗及特性

董事會所有董事於年內在任。各董事承諾投放足夠時間及注意力處理本公司事務。董事亦表明了解並致力維持高水平的企業管治。執行董事透過對本集團業務的深入了解將其視野帶入董事會。非執行董事及獨立非執行董事則因應本身的技能及經驗、對本地及全球經濟的了解以及對資本市場的認識，為本集團業務作出貢獻。本公司有責任為所有董事安排及出資提供合適的持續專業發展課程，以增進及更新彼等的知識及技能。

就職與培訓

各新任執行或非執行董事須參與就職計劃，以確保對其職責及責任有正確理解。就職計劃包括本集團業務營運及管治政策概覽、董事會會議程序、保留予董事會決策的事項、董事委員會簡介、董事責任及職責、有關監管規定、過往十二個月董事會及董事委員會的會議紀錄回顧以及本集團高級管理人員簡報與實地考察(如有需要)。

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Pursuant to the Code Provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure their contribution to the Board remains informed and relevant. During the year, all Directors had participated in appropriate continuous professional development activities by ways of attending training and/or reading materials relevant to the Company's business or to the Directors' duties and responsibilities. In addition, all Directors have been updated on the latest development regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. A summary of training received by Directors for the year ended 31 December 2022 according to the records provided by the Directors is as follow:

根據企業管治守則的守則條文C.1.4，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其在具備全面資訊及切合所需的情況下對董事會作出貢獻。本年度內，所有董事已透過參加培訓及／或閱讀有關本公司業務或董事職責及責任的材料參與適當的持續專業發展活動。此外，所有董事已獲提供關於上市規則及其他適用監管規定的最新發展資料，以確保遵守及提升彼等對良好企業管治常規的認知。按照董事提供的紀錄，董事於截至二零二二年十二月三十一日止年度接受的培訓概要如下：

| Director | 董事 | Training on corporate governance, regulatory development and other relevant topics 有關企業管治、監管發展及其他相關課題的培訓 |
|---|--------------------------------|---|
| Executive: | 執行： | |
| Chen Zhi (CEO) (appointed as CEO on 9 October 2019) | 陳志 (行政總裁) (於二零一九年十月九日獲委任為行政總裁) | ✓ |
| Yu Shi Quan | 余詩權 | ✓ |
| Wang Xu (appointed as on 9 January 2023) | 王旭 (於二零二三年一月九日獲委任) | N/A不適用 |
| Non-executive: | 非執行： | |
| Chen Min | 陳敏 | ✓ |
| Chen Ye (appointed as on 9 January 2023) | 陳擘 (於二零二三年一月九日獲委任) | N/A不適用 |
| Chen Wei Dong (resigned as on 9 January 2023) | 陳偉東 (於二零二三年一月九日辭任) | ✓ |
| Independent Non-executive: | 獨立非執行： | |
| Wong Heung Ming, Henry | 黃向明 | ✓ |
| Mao Xiangyun (appointed as on 9 January 2023) | 毛翔雲 (於二零二三年一月九日獲委任) | N/A不適用 |
| Wei Hong (appointed as on 9 January 2023) | 魏弘 (於二零二三年一月九日獲委任) | N/A不適用 |
| Zhon Chang Ren (resigned as on 9 January 2023) | 周昌仁 (於二零二三年一月九日辭任) | ✓ |
| Cai Jian Quan (resigned as on 9 January 2023) | 蔡建權 (於二零二三年一月九日辭任) | ✓ |

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Directors' and officers' liability insurance and indemnity

The Company has arranged appropriate liability insurance to indemnify its Directors and officers in respect of legal actions against the Directors. Throughout 2022 no claim had been made against the Directors and the officers of the Company.

Appointment and Re-election of Directors

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company for a term of three years, which may be terminated by not less than six months' notice (for executive Directors) or one month's notice (for non-executive Directors) in writing served by either party on the other. The independent non-executive Directors have been appointed for a term of three years and shall be terminable by either party giving not less than one month prior notice in writing. The Directors have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next annual general meeting of our Company and shall then be eligible for re-election at that meeting. In accordance with the Articles or Bye-laws of the Company, at every annual general meeting of the Company, one-third of the Directors for the time being or, if the number is not three or a multiple of three, then the number nearest to, but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

董事及高級職員的責任保險及彌償保證

本公司已安排適當責任保險，以就針對董事的法律訴訟向董事及高級職員作出彌償保證。於二零二二年全年，並無任何人士向本公司董事及高級職員提出索償。

委任及重選董事

各執行董事及非執行董事已與本公司訂立服務合約，為期三年，可由任何一方向另一方發出不少於六個月（就執行董事而言）或不少於一個月（就非執行董事而言）的書面通知而終止。獨立非執行董事委任年期為三年，可由任何一方發出不少於一個月的事先書面通知而終止。董事有權隨時及不時委任任何人士出任董事，以填補臨時空缺或出任新增的董事職位。按上述方式委任的董事，任期將於本公司下屆股東週年大會舉行時屆滿，屆時符合資格可於會上重選連任。根據本公司細則或公司細則，於本公司每年的股東週年大會上，三分之一在任董事，或倘董事人數並非三位或三的倍數，則最接近但不少於三分之一的董事須輪席告退，惟每名董事（包括按特定任期獲委任的董事）均須最少每三年輪席告退一次。

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Relationships and associations among the Directors

Ms. Chen Min is the sister of Mr. Chen Zhi. Save as disclosed, there was no relationship between members of the Board (including financial, business, family or other material/relevant relationship(s)).

Company secretary

The company secretary of the Company (the “Company Secretary”) is responsible for keeping detailed minutes of each meeting of the Board or the Board committees including any dissenting views expressed by the Directors, which should be made available to all Directors for inspection. She is also responsible for ensuring that the Board procedures comply with all applicable laws, rules and regulations and advising the Board on corporate governance matters. All agenda, relevant materials and document are required to be sent out at least 3 days prior to the intended dates of the Board meetings or meetings of the Board committees. It is the responsibility of the Company Secretary to send the draft minutes of the meetings of the Board or the Board committees to all Directors for comments within a reasonable time after the aforesaid meetings. Final versions of minutes of meetings of the Board or the Board committees are also required to be sent to all Directors for record. All Directors have access to the advice and services of the Company Secretary to ensure that the Board procedures and all applicable laws are followed.

Moreover, the Company Secretary is responsible for keeping all Directors updated on the Listing Rules, regulatory requirements, as well as internal codes of conduct of the Company.

During the Year, the Company Secretary had confirmed that she had taken no less than 15 hours of relevant professional training.

董事間之關係及聯繫

陳敏女士為陳志先生的胞妹。除已披露者外，董事會成員間並無任何關係（包括財務、業務、家族或其他重大／相關關係）。

公司秘書

本公司的公司秘書（「公司秘書」）負責保存各董事會會議或董事委員會會議的詳細會議紀錄，當中包括董事發表的任何相反意見。有關會議紀錄應可供全體董事查閱。彼亦負責確保董事會程序符合所有適用法律、規則及規例，以及就企業管治事宜向董事會提供意見。所有會議議程、有關資料及文件至少須於董事會或董事委員會會議預定舉行日期前3天發出。公司秘書有責任於上述會議結束後，在合理時間內將董事會或董事委員會會議的會議紀錄初稿提交予全體董事，讓董事給予意見，而董事會或董事委員會會議紀錄定稿亦須交予全體董事備存。所有董事可取得公司秘書的意見及享用其提供的服務，以確保董事會程序及所有適用法律得以遵循。

再者，公司秘書有責任讓全體董事得悉有關上市規則、監管規定及本公司內部行為守則的最新資訊。

於年內，公司秘書確認已參加不少於15個小時的相關專業培訓。

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Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "Model Code") as set forth in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities by the directors of the Company. Specific enquiries have been made with all the incumbent directors of the Company and all of them confirmed and declared that they have complied with the required standards as set out in the Model Code during the year ended to 31 December 2022.

BOARD COMMITTEES

Audit Committee

The audit committee of the Company (the "Audit Committee") has been established on 8 November 2010 with written terms of reference in compliance with the CG Code. The Audit Committee comprises three members, all being independent non-executive Directors, namely Mr. Wong Heung Ming, Henry (Chairman), Mr. Mao Xiangyun (Appointed as on 9 January 2023) and Mr. Wei Hong (appointed as on 9 January 2023). Mr. Zhou Cheng Ren and Mr. Cai Jianquan were resigned as Audit Committee member on 9 January 2023.

The primary duties of the Audit Committee are:

- To make recommendations to the Board on (i) the appointment, reappointment and removal of the external auditors; (ii) the audit fee and terms of engagement of the external auditors; and (iii) any questions of resignation or dismissal of that auditor
- To review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易的行為守則。在向本公司全體董事作出具體查詢後，彼等全部確認及聲明彼等於上市日期至截至二零二二年十二月三十一日止年度期間一直遵守標準守則所載的規定標準。

董事委員會

審核委員會

本公司於二零一零年十一月八日成立審核委員會，並制訂符合企業管治守則的書面職權範圍。審核委員會包括三名成員，即黃向明先生（主席）、毛翔雲先生（於二零二三年一月九日獲委任）及魏弘先生（於二零二三年一月九日獲委任），均為獨立非執行董事。周昌仁先生及蔡建權先生於二零二三年一月九日辭任審核委員會成員。

審核委員會的主要職責為：

- 就(i)委任、重新委任及撤換外部核數師；(ii)外部核數師的核數費用及委聘條款；及(iii)任何有關核數師辭任或解聘的問題向董事會提出建議
- 按照適用準則，檢討及監察外部核數師的獨立及客觀性，以及核數程序的成效

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- To monitor the integrity of the financial statements of the Company and the Company's annual report and accounts, interim report and quarterly financial highlights, and reviewing significant financial reporting judgements contained in those reports
 - To review the adequacy and monitor the effectiveness of the Company's financial reporting system, internal control and risk management systems.
 - To review the financial reporting system, risk management and internal control system.
- 監察本公司財務報表、本公司年報及賬目、中期報告及季度財務摘要的完整性，並審閱該等報告所載就財務報告作出的重大判斷
 - 檢討本公司財務報告制度、內部監控及風險管理制度是否全面，並監察其成效。
 - 檢討財務報告制度、風險管理及內部監控制度。

The Audit Committee has reviewed with the management in conjunction with the external auditor, the annual results and annual report of the Group for the year ended 31 December 2022, including the accounting policies and practice adopted by the Group.

審核委員會已會同外部核數師與管理層審閱本集團截至二零二二年十二月三十一日止年度的年度業績及年報，包括本集團採納的會計政策及慣例。

During the year ended 31 December 2022, the Audit Committee had performed their primary duties to review and supervise the financial reporting process and the internal control procedures of the Company. The Audit Committee has also held meeting with the Company's external auditor, Messrs. PricewaterhouseCoopers ("PwC") without the presence of executive Directors and management, to discuss matters arising from the auditing and report to the Board on material issues, if any, and make recommendations to the Board.

於截至二零二二年十二月三十一日止年度，審核委員會已履行其主要職責，檢討及監督本公司的財務報告程序及內部監控程序。審核委員會亦在執行董事及管理層避席的情況下，與本公司外部核數師羅兵咸永道會計師事務所舉行會議，討論因核數而產生的事項，並向董事會匯報重大事宜（如有），以及向董事會提供推薦意見。

The Audit Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Audit Committee can be viewed on the website of the Company and the website of the Stock Exchange.

本公司已向審核委員會提供足夠資源，供其履行職責。審核委員會的最新職權範圍可在本公司網站及聯交所網站查閱。

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Remuneration Committee

The remuneration committee of the Company (the “Remuneration Committee”) has been established on 8 November 2010 with written terms of reference in compliance with the CG Code. The Remuneration Committee comprises three members, namely Mr. Wei Hong (Chairman) (appointed as on 9 January 2023), Mr. Chen Zhi, Mr. Wong Heung Ming, Henry, and Mr. Mao Xiangyun (Appointed as on 9 January 2023), the majority of which being independent non-executive Directors. Mr. Zhou Chang Ren was resigned as Remuneration committee member on 9 January 2023. The primary duties of the Remuneration Committee are to evaluate and make recommendations to the Board regarding the remuneration packages to the Directors and senior management which will be determined by reference to the performance of the individual and the Company as well as market trends and practices.

The Remuneration Committee is provided with sufficient resources to perform its duties. The current duties and responsibilities of the Remuneration Committee are more specifically set out in its latest terms of reference, details of which can be viewed on the website of the Company and the website of the Stock Exchange.

The following is a summary of work performed by the Remuneration Committee during the year:

- (a) formulating and recommending the policy and structure of the remuneration of the Directors and senior officers of the Group to the Board;
- (b) assessing individual performance of the Directors and senior officers of the Group;
- (c) reviewing specific remuneration packages of the Directors and senior officers of the Group with reference to the Board’s corporate goals and objectives as well as individual performances; and
- (d) reviewing and making recommendations to the Board on compensation-related issues.

薪酬委員會

本公司於二零一零年十一月八日成立薪酬委員會，並制訂符合企業管治守則的書面職權範圍。薪酬委員會包括三名成員，即魏弘先生（主席）（於二零二三年一月九日獲委任）、陳志先生、黃向明先生及毛翔雲先生（於二零二三年一月九日獲委任），大部分為獨立非執行董事。周昌仁先生於二零二三年一月九日辭任薪酬委員會成員。薪酬委員會的主要職責為評估董事及高級管理層的薪酬待遇，並就此向董事會提供推薦意見。有關薪酬將參照個人及本公司表現以及市場趨勢及慣例釐定。

本公司已向薪酬委員會提供足夠資源，供其履行職責。薪酬委員會現時的職責及責任於其最新職權範圍有更具體描述，詳情可在本公司網站及聯交所網站查閱。

於年內，薪酬委員會已進行的工作概列如下：

- (a) 制訂本集團董事及高級職員的薪酬政策及架構，並向董事會提供建議；
- (b) 評估本集團董事及高級職員的個別表現；
- (c) 參照董事會的企業目標及目的以及個別表現，檢討本集團董事及高級職員的特定薪酬待遇；及
- (d) 檢討有關薪酬相關問題，並向董事會提供建議。

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Nomination Committee

The nomination committee of the Company (the “Nomination Committee”) has been established on 8 November 2010 with written terms of reference in compliance with the CG Code. The Nomination Committee currently comprises three members, namely Mr. Chen Zhi (Chairman), Mr. Wong Heung Ming, Mr. Mao Xiangyun (appointed as on 9 January 2023), and Mr. Wei Hong (appointed as on 9 January 2023), the majority of which being independent non-executive Directors. Mr. Cai Jianquan was resigned as Nomination Committee member on 9 January 2023. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee selects and recommends the candidates for directorship shall base on the criterion including professional knowledge, competence, experience, independence and integrity.

The Nomination Committee is provided with sufficient resources to perform its duties. The current duties and responsibilities of the Nomination Committee are more specifically set out in its latest terms of reference, details of which can be viewed on the website of the Company and the website of the Stock Exchange.

The Company has adopted the Board Diversity Policy in March 2014. The policy sets out the approach to achieve diversity on the Board of the Company which include but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board that are relevant to the Company’s business growth.

提名委員會

本公司於二零一零年十一月八日成立提名委員會，並制訂符合企業管治守則的書面職權範圍。提名委員會現時包括三名成員，即陳志先生（主席）、黃向明先生、毛翔雲先生（於二零二三年一月九日獲委任）及魏弘先生（於二零二三年一月九日獲委任），大部分為獨立非執行董事。蔡建權先生於二零二三年一月九日辭任提名委員會成員。提名委員會的主要職責為就委任或重新委任董事及董事繼任計劃向董事會提供推薦意見。提名委員會根據專業知識、勝任能力、經驗、獨立性及誠信等準則挑選及推薦董事人選。

本公司已向提名委員會提供足夠資源，供其履行職責。提名委員會現時的職責及責任於其最新職權範圍有更具體描述，詳情可在本公司網站及聯交所網站查閱。

本公司已於二零一四年三月採納董事會多元政策，制定實現本公司董事會多元化的方針，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗。提名委員會將每年檢討董事會的架構、規模及組成，並在適當時候就本公司的業務發展提供改變董事會的推薦建議。

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The following is a summary of the work performed by the Nomination Committee during the year:

- (a) reviewing and evaluating the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the Directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
- (b) reviewing and recommending the re-appointment of the retiring Directors for re-election at the previous general meeting; and
- (c) assessing independence of the Independent Non-Executive Directors.

During the year ended 31 December 2022, the Nomination Committee had performed their primary duties to review and make recommendations to the Board on the structure, size and composition of the Board, including its diversity, based on a range of perspectives with reference to the Company's business model and requirements, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional experience. The Nomination Committee considered that the current composition of the Board is balanced in terms of diversity and is able to meet the objectives of the Board.

於年內，提名委員會已進行的工作概列如下：

- (a) 參照若干準則檢討及評價董事會組成。該等準則包括上市規則或任何其他相關法例規定須具備的資格，包括董事個性及技能、專業操守及誠信、適合的專業知識及行業經驗、能否付出足夠時間參與董事會及其委員會的工作以及參與所有董事會會議及股東大會；
- (b) 檢討續聘於之前股東大會上膺選連任的退任董事，並提供建議；及
- (c) 評估獨立非執行董事的獨立性。

於截至二零二二年十二月三十一日止年度，提名委員會已履行其主要職責，參照本公司的業務模式及需要及從多個角度（包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區經驗）檢討董事會的架構、規模及組成（包括其多元性），並就此向董事會提供推薦建議。提名委員會認為，董事會目前之組成在多元性方面誠屬均衡，並夠達到董事會的目標。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT

Directors' and Auditor's Responsibilities for the Financial Statements

The Directors acknowledge their responsibility for preparing the Company's financial statements for the year ended 31 December 2022 which reflect true and fair view of the financial position of the Company and the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. The Board is responsible for presenting a balanced, clear and comprehensible assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules.

The Group appointed PwC as the Group's external auditor. The statement by PwC regarding their reporting responsibility to the shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 89 to 101 of this annual report.

During the year ended 31 December 2022, the remuneration paid or payable to PwC for audit services and non-audit services amounted to RMB4,800,000 (2021: RMB3,474,000) and nil (2021: nil) respectively.

問責及核數

董事及核數師就財務報表的責任

董事清楚彼等須負責編製本公司截至二零二二年十二月三十一日止年度的財務報表，而財務報表須真實及公平地反映本公司及本集團的財務狀況，及符合相關法例及上市規則的披露規定。董事會負責衡平、清晰及全面地呈列年報及中期報告、其他股價敏感公告及上市規則規定的其他財務披露事項。

本集團已委任羅兵咸永道會計師事務所為本集團外部核數師。羅兵咸永道會計師事務所就其向股東報告本集團合併財務報表的責任發出的聲明載於本年報第89至101頁的獨立核數師報告內。

於截至二零二二年十二月三十一日止年度，就審核服務及非審核服務而已付或應付羅兵咸永道會計師事務所的酬金分別為人民幣4,800,000元（二零二一年：人民幣3,474,000元）及零（二零二一年：零）。

CORPORATE GOVERNANCE REPORT

企業管治報告

Internal Control and Risk Management

The Board is responsible for maintaining sound and effective risk management and internal control systems, and for reviewing their design, operational adequacy, and effectiveness on an ongoing basis to safeguard the shareholders' investment and the assets of the Group. During the year ended 31 December 2022, the Board has reviewed the effectiveness of the risk management and internal control systems of the Group through the Audit Committee. The Board engaged an internal audit team which carries out the analysis and independent assessment of the adequacy and effectiveness of the Company's risk management and internal control systems and reports to the Board. Review of the Group's internal controls cover major financial, operational and compliance controls as well as risk management functions of different systems has been done on a systematic basis based on the risk assessments of the operations and controls. The scope of review for the year had been determined and approved by the Audit Committee. Saved as disclosed below, no major issues but areas for improvement have been identified. The Board and the Audit Committee considered that the key areas of the Group's internal control systems are reasonably implemented.

The Company recognises that the overlap of chairman and CEO and/or the vacancy of chairmanship may affect the operations of the Company. The Board has met regularly to consider and review the major and appropriate issues. As such, the Board considers that the sufficient measures had been taken and the overlap of chairman and CEO and/or the vacancy of chairmanship should not impair the balance of power and authority between the Board and the management.

內部監控及風險管理

董事會負責維持穩健而有效的風險管理及內部監控制度，且不斷檢討其設計、運作充份性及效益，以保障股東的投資及本集團資產。於截至二零二二年十二月三十一日止年度，董事會已透過審核委員會檢討本集團風險管理及內部監控制度的成效。董事會亦已委聘一支內部審核團隊，就本公司風險管理及內部監控系統是否充足及有效進行分析及獨立評估，並向董事會匯報。本集團的內部監控檢討涵蓋主要的財務、營運及合規監控，而不同系統之風險管理職能已基於對營運及監控作出之風險評估按有系統基準履行。年度檢討範圍已由審核委員會釐定及批准。除下文所披露者外，撇除確認需予改進之處，並無發現重大問題。董事會及審核委員會認為，本集團已合理實施內部監控系統的主要部分。

本公司確認，主席及行政總裁角色重疊及／主席職位懸空或會影響本公司營運。董事會定期舉行會議，考慮及審議重大及合適議題。因此，董事會認為已採取足夠措施，不會因主席及行政總裁角色重疊及／或主席職位懸空而使董事會與管理層之間的權力及授權失衡。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has set up certain procedures and internal controls for the handling and dissemination of inside information in relation to the disclosure of inside information. The Directors, supervisors, management and employees of the Company are required to comply strictly with the statutory requirements, rules and regulations in relation to the duty of confidentiality of information and the Company's internal regulations on inside information to ensure that the disclosure of inside information complies with the requirements of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company has adopted a whistleblowing policy which is designed to encourage all stakeholders of the Group to express their concerns or report any actual or suspected misconduct in relation to the Group through confidential whistleblowing channels. The Group will handle such reports prudently and will address the concerns raised by the whistleblowers in a fair and appropriate manner.

The Company has incorporated anti-bribery provisions into its staff handbook and provided practical guidance in accordance with section 9 of the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong).

本公司已就內幕消息的披露設立若干程序及內部監控，用於處理及發佈內幕消息。本公司董事、監事、管理層及僱員應當嚴格遵守有關信息保密義務的法定要求、規則及規例及本公司有關內幕消息的內部規定，確保內幕消息的披露符合證券及期貨條例（香港法例第571章）的規定。

本公司已採納舉報政策，旨在鼓勵本集團所有持份者透過保密的舉報渠道，表達其關注或舉報任何與本集團有關的任何實際或疑似不當行為。本集團將審慎處理有關舉報，並以公平及適當的方式解決舉報人提出的關注。

本公司已將反賄賂條文納入其員工手冊，並根據《防止賄賂條例》（香港法例第201章）第9條提供實務指引。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate governance functions

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of the Directors and senior officers 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 codes of conduct applicable to employees and the Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

During the year, the Board considered the following corporate governance matters:

- (i) review of the compliance with the CG Code; and
- (ii) review of the effectiveness of the internal controls and risk management systems of the Group through the Audit Committee.

企業管治職能

董事會有責任根據企業管治守則履行下列企業管治職責：

- (a) 制定及檢討本公司的企業管治政策及常規；
- (b) 檢討及監察本集團董事及高級職員的培訓及持續專業發展；
- (c) 檢討及監察本公司遵守法定及監管規定的政策及常規；
- (d) 制定、檢討及監察適用於僱員及董事的行為守則；及
- (e) 檢討本公司有否遵守企業管治守則，以及審閱本企業管治報告內的披露資料。

於年內，董事會已考慮以下企業管治事宜：

- (i) 檢討有否遵守企業管治守則；及
- (ii) 透過審核委員會檢討本集團的內部監控及風險管理系統的成效。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTORS AND SHAREHOLDERS RELATIONS

The Board recognises the importance of effective communication with shareholders and continues to act in the best interests of the Company and its shareholders. The Company keeps shareholders and investors informed of its business performance and strategies by adopting a transparent and timely disclosure policy which complies with the Listing Rules and provides all shareholders equal access to such information. The Company also publishes all documents on the Company's website at www.shifangholding.com.

The Board reviews the shareholder communication policy on an annual basis to ensure a good relationship with shareholders and compliance with the relevant rules and Corporate Governance Code.

The annual general meeting of the Company (the "AGM") also provides a forum for the Board to dialogue and interact with the Shareholders directly. The Directors and the committee members are available to answer questions during the AGM.

Notice of AGM, annual report, financial statements and related papers were posted to shareholders of the Company for their consideration at least 20 clear business days prior to the AGM. AGM proceedings of the Company are continually reviewed in the light of corporate governance best practices.

投資者及股東關係

董事會了解與股東有效溝通的重要性，繼續以本公司及其股東的最佳利益為依歸行事。本公司透過採納符合上市規則、具透明度及適時的披露政策，讓股東及投資者清楚其業務表現及策略，並為所有股東提供取得該等資料的平等途徑。本公司亦於本公司網站 (www.shifangholding.com) 登載所有文件。

董事會每年檢討股東通訊政策，以確保與股東保持良好關係，並遵守相關規則及企業管治守則。

本公司股東週年大會（「股東週年大會」）亦為董事會提供與股東直接對話及互動的平台。董事及委員會成員均會出席股東週年大會解答提問。

股東週年大會通告、年報、財務報表及有關文件已於股東週年大會舉行前最少20個完整營業日寄予本公司股東，供彼等省覽。本公司股東週年大會程序會根據企業管治最佳常規持續檢討。

CORPORATE GOVERNANCE REPORT

企業管治報告

Set out below is a summary of certain rights of the shareholders of the Company as required to be disclosed pursuant to the mandatory disclosure requirements under Paragraph O of the CG Code which is effective from 1 April 2012.

(a) Convening of general meeting on requisition by shareholders

General meetings shall also be convened on the written requisition of any one or more members of the Company to the Board or the Secretary of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionist(s) held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

以下載有根據由二零一二年四月一日起生效的企業管治守則第O段的強制性披露規定須予披露的本公司股東若干權利概要。

(a) 應股東要求召開股東大會

股東大會亦須在一名或以上本公司董事會成員或秘書向本公司於香港的主要辦事處或(倘本公司並無主要辦事處)登記辦事處送達書面要求的情況下召開，書面要求須列明大會目的，並由提出要求的人士簽署，惟提出要求的人士於遞交要求當日須持有有權於本公司股東大會上投票的本公司繳足股本不少於十分一。股東大會亦可在任何一名屬認可結算所的本公司股東(或其代名人)向本公司於香港的主要辦事處或(倘本公司並無主要辦事處)登記辦事處送達書面要求的情況下召開，書面要求須列明大會目的，並由提出要求的人士簽署，惟提出要求的人士於遞交要求當日須持有有權於本公司股東大會上投票的本公司繳足股本不少於十分一。

CORPORATE GOVERNANCE REPORT

企業管治報告

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within further 2 months of the deposit of such requisites, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

(b) Procedures for putting forward proposals at a Shareholders' meeting

There are no provisions allowing Shareholders to put forward new resolutions at the general meetings under the Bermuda Companies Act 1981 or the bye-laws of the Company. However, Shareholders who wish to put forward a resolution may request the Company to convene an special general meeting following the procedures set out above.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

(c) Enquiries to the Board

Shareholders may put forward enquiries to the Board in writing to the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the enquiries.

Constitutional documents

During the year, there had been no significant change in the Company's constitutional documents. The New Memorandum of Continuance and Bye-Laws was adopted conditionally at an Extraordinary General Meeting held at 25 February 2019 with effect from the date of continuance of the Company under the laws of Bermuda.

倘董事會未有於提交要求日期後21天內正式召開須於其後提交該要求日期的2個月內舉行的大會，提出要求的人士或當中持有彼等總投票權過半的任何人士可自行以與董事會召開大會同樣的方式（盡可能相近）召開股東大會，惟如此召開的大會不可遲於提交要求當日起三個月後召開，而提出要求的人士因董事會未能完成有關要求而產生的所有合理開支，將由本公司向彼等作出補償。

(b) 於股東大會上提呈議案的程序

百慕達一九八一年公司法或本公司之公司細則並無容許股東於股東大會上提呈新決議案的條文。然而，股東如欲提呈決議案，可按上文所載程序要求本公司召開股東特別大會。

股東提名任何人士參選董事的詳細程序可於本公司網站查閱。

(c) 向董事會查詢

股東可以書面形式向董事會作出查詢，有關查詢應送遞至本公司於香港的主要辦事處或（倘本公司並無主要辦事處）登記辦事處，並列明查詢事項。

憲章文件

於年內，本公司的憲章文件並無重大變動。新存續章程及公司細則已於二零一九年二月二十五日舉行之股東特別大會上獲有條件採納，自本公司根據百慕達法律存續日期起生效。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

To the Shareholders of ShiFang Holding Limited

(incorporated in the Cayman Islands and redomiciled and continued in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of ShiFang Holding Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 102 to 260, comprise:

- the consolidated balance sheet as at 31 December 2022;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致十方控股有限公司股東

(於開曼群島註冊成立並遷冊至百慕達及於百慕達存續的有限公司)

意見

我們已審計的內容

十方控股有限公司（以下簡稱「貴公司」）及其附屬公司（以下統稱「貴集團」）列載於第102至260頁的合併財務報表，包括：

- 於二零二二年十二月三十一日的合併資產負債表；
- 截至該日止年度的合併全面收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括重大會計政策及其他解釋信息。

我們的意見

我們認為，該等合併財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於二零二二年十二月三十一日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). 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 opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA 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 RMB167,915,000 and a net cash used in operating activities of RMB11,645,000 during the year ended 31 December 2022 and, as at 31 December 2022, the Group’s current liabilities exceeded its current assets by RMB58,200,000 while the Group had cash and cash equivalents of approximately RMB46,025,000. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate that a material uncertainty exists that 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.

意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會頒佈的《國際專業會計師職業道德守則》(包括國際獨立性標準)(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他職業道德責任。

與持續經營有關的重大不確定性

我們籲請關注合併財務報表附註2.1，貴集團在截至二零二二年十二月三十一日止年度內產生淨虧損人民幣167,915,000元及經營活動所用現金淨額人民幣11,645,000元，而於二零二二年十二月三十一日，貴集團的流動負債超出其流動資產人民幣58,200,000元，而貴集團的現金及現金等值項目約為人民幣46,025,000元。如合併財務報表附註2.1所載，該等事件或情況連同其他事項，表明存在重大不確定性，其可能會對貴集團持續經營的能力構成重大疑慮。我們的意見未有就此事項作出修訂。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments for Yongtai Township Development Project
- Valuation of the Group's properties held for sale

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在我們審計整體合併財務報表及出具意見時進行處理的，我們不會對該等事項提供單獨的意見。除了與持續經營有關的重大不確定性部分所述的事項外，我們已確定以下事項為需要在報告中溝通的關鍵審計事項。

我們在審計中識別的關鍵審計事項概述如下：

- 永泰小鎮開發項目的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項的減值評估
- 貴集團持作出售物業的估值

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

Impairment assessment of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments for Yongtai Township Development Project
永泰小鎮開發項目的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項的減值評估

Refer to note 2.9 (Accounting policies), note 4(a) (Critical accounting estimates and assumptions), note 7 (property, plant and equipment), note 27 (lease), note 9 (Intangible assets) and note 11 (prepayments, deposits and other receivable) to the consolidated financial statements.

請參閱合併財務報表附註2.9（會計政策）、附註4(a)（關鍵會計估計及假設）、附註7（物業、廠房及設備）、附註27（租賃）、附註9（無形資產）及附註11（預付款項、按金及其他應收款項）。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to management's impairment assessment included:

我們就管理層減值評估的程序包括：

- (i) Obtaining an understanding of the management's internal control and assessment process of impairment assessment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;
- (i) 了解管理層進行減值評估的內部控制及評估流程，並考量不確定性估計的程度及其他固有風險因素水平以評估重大錯誤陳述的固有風險；
- (ii) Evaluating the outcome of prior period assessment of impairment assessment to assess the effectiveness of management's estimation process;
- (ii) 評估減值評估的前期評估結果，以評估管理層估計過程的有效性；

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Key Audit Matter

關鍵審計事項

Impairment assessment of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments for Yongtai Township Development Project (Continued)

永泰小鎮開發項目的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項的減值評估(續)

As at 31 December 2022, the carrying amounts of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments related to the Yongtai Township Development Project were approximately RMB28,719,000, RMB1,880,000, RMB24,704,000 and RMB20,785,000 (2021: RMB27,914,000, RMB2,142,000, RMB25,410,000 and RMB20,785,000) respectively before the impairment charges for the year ended 31 December 2022. Accordingly, management considered that there was indicator of potential impairment of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments due to certain delays in the project development.

於二零二二年十二月三十一日，有關永泰小鎮開發項目的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項於扣除截至二零二二年十二月三十一日止年度的減值費用前的賬面值分別約為人民幣28,719,000元、人民幣1,880,000元、人民幣24,704,000元及人民幣20,785,000元(二零二一年：人民幣27,914,000元、人民幣2,142,000元、人民幣25,410,000元及人民幣20,785,000元)。因此，管理層認為，由於項目開發有所延遲，物業、廠房及設備、使用權資產、其他無形資產及長期預付款項存在潛在減值跡象。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- (iii) Evaluating the independent external valuer's objectivity, capability and competency to perform the valuation;
- (iii) 評價獨立外部估值師是否客觀、有能力及勝任進行估值；
- (iv) Evaluating management's assessment on identification of CGU;
- (iv) 評估管理層針對識別現金產生單位作出的評估；
- (v) Considering the appropriateness of the valuation methodologies used based on our industry knowledge and relevant market practice;
- (v) 基於我們的行業知識及相關市場慣例，考慮所用估值方法是否合適；
- (vi) Assessing the appropriateness of valuation methodology adopted and the reasonableness of key assumptions used in determining the recoverable amount with the involvement of our internal valuation expert;
- (vi) 內部估值專家參與評估釐定可收回金額所採納估值方法的適當性及所使用主要假設的合理性；

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Key Audit Matter

關鍵審計事項

Impairment assessment of property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments for Yongtai Township Development Project (Continued)

永泰小鎮開發項目的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項的減值評估(續)

The Group has performed impairment assessments to compare the recoverable amounts of the cash generating unit ("CGU") to which these assets belong, based on discounted cash flow projections using fair value less costs of disposal ("FVLCD") or value in use ("VIU") calculations, to their carrying amounts. The key assumptions used in the valuation including revenue compound annual growth rate, post-tax discount rate and forecasted revenue. Based on the impairment tests performed, no impairment charges was recognised against property, plant and equipment, right-of-use assets, other intangible assets and long term prepayments for the year ended 31 December 2022 and 2021, respectively.

貴集團基於貼現現金流量預測，使用公允值減出售成本或使用價值計算的方法，比較該等資產所歸屬的現金產生單位的可收回金額與其賬面值，藉此進行減值評估。估值所用主要假設包括收入複合年增長率、稅後貼現率及預測收入。基於所進行的減值測試，並無就截至二零二二年及二零二一年十二月三十一日止年度的物業、廠房及設備、使用權資產、其他無形資產及長期預付款項確認減值費用。

We focused on this area due to the significant management judgment involved to determine the assumptions used in the impairment assessment.

我們關注此範疇是鑑於減值評估時所用假設涉及重大管理層判斷。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- (vii) Assessing the reasonableness of key assumptions used in the valuation by comparing assumptions such as post-tax discount rate, revenue compound annual growth rate and forecasted revenue against the approved budget, latest development of projects, relevant market data and industry information;
- (vii) 通過對比稅後貼現率、收入複合年增長率及預測收入等假設與經批准預算、項目的近期發展狀況、相關市場數據及行業資料，評估估值所用主要假設是否合理；
- (viii) Considering management's sensitivity analysis with respect to variations of key assumptions adopted, to evaluate the extent to which reasonably possible changes, both individually and in aggregate, would result in material changes in the assessment on impairment.
- (viii) 考慮管理層有關所採納主要假設變動的敏感度分析，以在合理可行範圍內評估個別及共同可能對減值評估造成重大變動的可能變動。

Based on the above, we found management's judgements and assumptions involved in the impairment assessment were supported by available evidence.

基於上文所述，我們發現減值評估涉及的管理層判斷及假設有可得憑證支持。

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獨立核數師報告

Key Audit Matter

關鍵審計事項

Valuation of the Group's properties held for sale
貴集團持作出售物業的估值

Refer to note 2.11 (Accounting policies), note 4(d) (Critical accounting estimates and assumptions) and note 14 (Properties held for sale) to the consolidated financial statements

請參閱合併財務報表附註2.11 (會計政策)、附註4(d) (關鍵會計估計及假設) 及附註14 (持作出售物業)

The Group owns certain properties held for sale which are stated at the lower of carrying amount and fair value less costs to sell. The net carrying value of the Group's properties held for sale was RMB15,097,000 (2021: RMB22,793,000) as at 31 December 2022.

貴集團擁有若干持作出售物業，該等物業按賬面值與公允值減出售成本較低者列賬。貴集團持作出售物業於二零二二年十二月三十一日的賬面淨值為人民幣15,097,000元 (二零二一年：人民幣22,793,000元)。

Management engaged an independent external valuer to appraise the value of the properties held for sale using the direct market comparable approach and income approach. Management assessed the appropriateness of methodologies and assumptions underlying the valuations performed by the independent external valuer.

管理層委聘獨立外部估值師採用直接市場比較法及收入法評估持作出售物業的價值。管理層已評估獨立外部估值師進行估值時的相關方法及假設是否合適。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to management's judgement and estimates used to determine the fair value less costs to sell of the Group's properties held for sale included:

我們就管理層用以釐定 貴集團持作出售物業的公允值減出售成本的管理層判斷及估計所用程序包括：

- (i) Obtaining an understanding of the management's internal control and assessment process of valuation of properties held for sale and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;
- (i) 了解管理層對持作出售物業進行估值的內部控制及評估流程，並考量不確定性估計的程度及其他固有風險因素水平以評估重大錯誤陳述的固有風險；
- (ii) Evaluating the outcome of prior period assessment of valuation of properties held for sale to assess the effectiveness of management's estimation process;
- (ii) 評估持作出售物業估值的前期評估結果，以評估管理層估計過程的有效性；
- (iii) Evaluating the independent external valuer's objectivity, capability and competency to perform the valuation;
- (iii) 評價獨立外部估值師是否客觀、有能力及勝任進行估值；
- (iv) Considering the appropriateness of the valuation methodologies used by the independent external valuer with reference to the nature and purposes of the Group's properties and relevant market practice with the involvement of our internal valuation expert;
- (iv) 參照 貴集團物業的性質及用途以及相關市場慣例，在我們的內部估值專家參與下考慮獨立外部估值師所用估值方法是否合適；

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獨立核數師報告

Key Audit Matter

關鍵審計事項

Valuation of the Group's properties held for sale (Continued)
貴集團持作出售物業的估值(續)

We focused on this area due to the significant management judgement and estimates used to determine the fair value less costs to sell and, consequentially, the provision for loss for the Group's properties held for sale.

我們關注此範疇是鑑於釐定 貴集團持作出售物業的公允價值減出售成本及因此得出的虧損撥備時須運用重大管理層判斷及估計。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- (v) Discussing with management the appropriateness of the selection criteria of comparable properties and the adjusting factors used in the independent external valuer's valuation under market comparable approach having regard to the location, size and nature of the properties; and
- (v) 與管理層討論可比較物業的挑選準則及獨立外部估值師根據市場比較法就物業位置、大小及性質所用的調整因素是否合適；及
- (vi) Assessing the reasonableness of key assumptions used in the valuation under income approach, including expected rental income, growth rate and discount rate, based on our knowledge of the business and industry and comparing with relevant market data;
- (vi) 根據我們對有關業務及行業的知識，評估根據收入法進行估值時所用的關鍵假設(包括預期租金收入、增長率及貼現率)是否合理，並與相關市場數據進行比較；

Based on the above, we found management's judgements and assumptions involved in the impairment assessment were supported by available evidence.

基於上文所述，我們發現減值評估所涉及的管理層判斷及估計有可得憑證支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in ShiFang Holding Limited Annual Report 2022 (the "annual report") other than the consolidated financial statements and our auditor's report thereon. We have obtained some of the other information including Corporate Information and Management Discussion and Analysis prior to the date of this auditor's report. The remaining other information, including Financial Highlights and Summary, Chairman's Statement, Directors and Senior Management Profile, Directors' Report, Corporate Governance Report and the other sections to be included in the annual report, is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

When we read the remaining other information to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate action considering our legal rights and obligations.

其他信息

貴公司董事須對其他信息負責，其他信息包括十方控股有限公司二零二二年年報（「年報」）內除合併財務報表及我們的核數師報告外的所有信息。我們已於本核數師報告日期前取得公司資料及管理層討論與分析等若干其他信息。餘下的其他信息包括財務摘要及概要、主席報告書、董事及高級管理層履歷、董事報告、企業管治報告及將包括在年報的其他部份，將預期會在本核數師報告日後取得。

我們對合併財務報表的意見並不涵蓋其他信息，我們既不也將不對該等其他信息發表任何形式的鑒證結論。

結合我們對合併財務報表的審計，我們的責任是閱讀上述有關信息，並在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所了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。

基於我們對在本核數師報告日期前取得的其他信息所執行的工作，如果我們認為該等其他信息存在重大錯誤陳述，我們需要報告該事實，在這方面，我們沒有任何報告。

當我們閱讀年報內餘下其他信息後，如果我們認為其中存在重大錯誤陳述，我們須將有關事項與審核委員會溝通，並考慮我們的法律權利和義務後採取適當的行動。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

董事及審核委員會就合併財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併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。

在擬備合併財務報表時，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督 貴集團的財務報告過程。

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向 閣下（作為整體）報告，除此之外本報告別無其他目的。我們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。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with ISAs, 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.

核數師就審計合併財務報表承擔 的責任 (續)

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致合併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，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，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 AUDITOR'S REPORT

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AUDITOR'S 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.

核數師就審計合併財務報表承擔 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。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日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。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併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信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們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，包括我們在審計中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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, actions taken to eliminate threats or safeguards applied.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ho Chun Yu.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 31 March 2023
SHIFANG HOLDING LIMITED

核數師就審計合併財務報表承擔 的責任 (續)

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關職業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅採取行動或應用防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，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，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是
何振宇。

羅兵咸永道會計師事務所

執業會計師

香港，二零二三年三月三十一日
十方控股有限公司

CONSOLIDATED BALANCE SHEET

合併資產負債表

AS AT 31 DECEMBER 2022

於二零二二年十二月三十一日

| | | Note 附註 | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|-------------------|------------|-----------------------------------|-----------------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 7 | 30,735 | 39,822 |
| Investment properties | 投資物業 | 8 | 29,204 | – |
| Right-of-use assets | 使用權資產 | 26 | 2,738 | 3,241 |
| Intangible assets | 無形資產 | 9 | 28,720 | 36,958 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 11 | 20,785 | 20,785 |
| Investments accounted for using the equity method | 採用權益法入賬的投資 | 10 | – | – |
| | | | 112,182 | 100,806 |
| Current assets | 流動資產 | | | |
| Biological assets | 生物資產 | 12 | 185 | 119 |
| Inventories | 存貨 | 13 | 371 | 917 |
| Properties held for sale | 持作出售物業 | 14 | 15,097 | 22,793 |
| Financial assets at fair value through profit or loss | 公允值經損益表入賬的金融資產 | 15 | 4,376 | 7,432 |
| Trade receivables – net | 貿易應收款項－淨額 | 16 | 14,518 | 7,004 |
| Contract assets – net | 合約資產－淨額 | 5 | 260 | 2,419 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | 11 | 63,697 | 62,088 |
| Restricted cash | 受限制現金 | | 578 | 935 |
| Cash and cash equivalents | 現金及現金等值項目 | 17 | 46,025 | 8,851 |
| | | | 145,107 | 112,558 |
| Assets classified as held for sale | 分類為持作出售資產 | 38 | – | 26,681 |
| Total assets | 總資產 | | 257,289 | 240,045 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the Company | 本公司所有者應佔權益 | | | |
| Share capital | 股本 | 18 | 261,475 | 8,065 |
| Share premium | 股份溢價 | 18 | 109,546 | 55,796 |
| Other reserves | 其他儲備 | 19 | 185,662 | 191,702 |
| Accumulated deficits | 累計虧絀 | | (550,997) | (381,189) |
| | | | 5,686 | (125,626) |
| Non-controlling interests | 非控股權益 | 20(d) | 32,270 | 6,106 |
| Total equity/(deficit) | 權益／(虧絀) 總額 | | 37,956 | (119,520) |

CONSOLIDATED BALANCE SHEET

合併資產負債表

AS AT 31 DECEMBER 2022
於二零二二年十二月三十一日

| | Note 附註 | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|------------|-----------------------------------|-----------------------------------|
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Lease liabilities | 26 | 4,315 | 4,694 |
| Loan from a shareholder | 35(d) | 2,919 | 1,500 |
| Amount due to a joint venture | 23 | 8,792 | – |
| Deferred income tax liabilities | 21 | – | 888 |
| | | 16,026 | 7,082 |
| Current liabilities | | | |
| Trade payables | 22 | 26,508 | 12,790 |
| Other payables, accrued expenses and contract liabilities | 22 | 107,817 | 123,764 |
| Financial guarantees | | 851 | 865 |
| Lease liabilities | 26 | 2,126 | 2,036 |
| Loan from a shareholder | 35(d) | 1,500 | – |
| Borrowings | 23 | – | 6,350 |
| Convertible bonds | 24 | – | 181,356 |
| Financial liabilities at fair value through profit or loss | 25 | 25,690 | – |
| Current income tax liabilities | | 5,868 | 5,851 |
| Amount due to a joint venture | | 9,080 | – |
| Amounts due to related parties | 37(c) | 23,867 | 19,471 |
| | | 203,307 | 352,483 |
| Total liabilities | | 219,333 | 359,565 |
| Total equity/(deficit) and liabilities | | 257,289 | 240,045 |

Approved and authorised for issue by the Board of Directors on 31 March 2023 and signed on behalf of the Board by:

經董事會於二零二三年三月三十一日批准及授權刊發，並由下列董事代表董事會簽署：

Chen Zhi
陳志

Director
董事

Yu Shi Quan
余詩權

Director
董事

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述合併資產負債表須與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2022
截至二零二二年十二月三十一日止年度

| | | Note 附註 | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|-----------------------------|------------|-----------------------------------|-----------------------------------|
| Revenue | 收入 | 5 | 129,321 | 265,158 |
| Cost of sales | 銷售成本 | 28 | (118,492) | (243,429) |
| Gross profit | 毛利 | | 10,829 | 21,729 |
| Selling and marketing expenses | 銷售及營銷開支 | | (9,556) | (26,253) |
| General and administrative expenses | 一般及行政開支 | | (23,884) | (40,833) |
| Impairment loss of properties held for sale | 持作出售物業減值虧損 | 14 | (5,323) | – |
| Gain on conversion of convertible bond to shareholder loan | 可換股債券轉換為股東貸款的收益 | 24 | 42,827 | – |
| Loss on conversion of shareholder loan to contingent convertible loan | 股東貸款轉換為或有可換股貸款的虧損 | 18 | (72,719) | – |
| Fair value change of contingent convertible loan | 或有可換股貸款的公允值變動 | 18 | (25,350) | – |
| Net fair value (loss)/gain on financial assets at fair value through profit or loss | 公允值經損益表入賬的金融資產的公允值(虧損)/收益淨額 | 15 | (3,056) | 868 |
| Provision for impairment of trade receivables and contract assets, net | 貿易應收款項及合約資產減值撥備淨額 | 28 | (1,609) | 1,796 |
| Provision for impairment on property, plant and equipment | 物業、廠房及設備減值撥備 | 7 | – | (8,818) |
| Provision for impairment on right-of-use assets | 使用權資產減值撥備 | 26 | – | (1,550) |
| Provision for impairment on goodwill and other intangible assets | 商譽及其他無形資產減值撥備 | 9 | (7,148) | (161,318) |
| Other income | 其他收入 | 27 | 109 | 950 |
| Other gains – net | 其他收益—淨額 | 27 | 14,404 | 119 |
| Operating loss | 經營虧損 | | (80,476) | (213,310) |
| Finance income | 財務收入 | 31 | 16 | 53 |
| Finance costs | 財務成本 | 31 | (13,125) | (19,959) |
| Finance costs – net | 財務成本—淨額 | 31 | (13,109) | (19,906) |
| Share of loss of investments accounted for using the equity method | 分佔採用權益法入賬的投資虧損 | 10 | (75,034) | – |
| Loss before income tax | 除所得稅前虧損 | 28 | (168,619) | (233,216) |
| Income tax credit | 所得稅抵免 | 32 | 704 | 44,352 |
| Loss for the year | 年內虧損 | | (167,915) | (188,864) |
| Loss attributable to: | 下列項目應佔虧損： | | | |
| – Owners of the Company | – 本公司所有者 | | (169,809) | (187,468) |
| – Non-controlling interests | – 非控股權益 | | 1,894 | (1,396) |
| | | | (167,915) | (188,864) |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2022
截至二零二二年十二月三十一日止年度

| | | | 2022 | 2021 |
|--|-------------------------|------|------------------|------------------|
| | | | 二零二二年 | 二零二一年 |
| | | Note | RMB'000 | RMB'000 |
| | | 附註 | 人民幣千元 | 人民幣千元 |
| Other comprehensive income | 其他全面收益 | | | |
| <i>Item that may be reclassified subsequently to profit or loss</i> | <i>其後可重新分類至損益賬的項目</i> | | | |
| Currency translation differences | 貨幣換算差額 | | <u>(6,040)</u> | <u>1,724</u> |
| Other comprehensive (loss)/income for the year | 年內其他全面(虧損)/收益 | | <u>(6,040)</u> | <u>1,724</u> |
| Loss and total comprehensive loss for the year | 年內虧損及全面虧損總額 | | <u>(173,955)</u> | <u>(187,140)</u> |
| Loss and total comprehensive loss attributable to: | 下列項目應佔虧損及全面虧損總額： | | | |
| – Owners of the Company | – 本公司所有者 | | <u>(175,849)</u> | <u>(185,744)</u> |
| – Non-controlling interests | – 非控股權益 | | <u>1,894</u> | <u>(1,396)</u> |
| | | | <u>(173,955)</u> | <u>(187,140)</u> |
| Loss per share for loss attributable to owners of the Company | 本公司所有者應佔虧損的每股虧損 | | | |
| – Basic (RMB per share) | – 基本(每股人民幣) | 33 | <u>(0.1668)</u> | <u>(0.2029)</u> |
| – Diluted (RMB per share) | – 攤薄(每股人民幣) | 33 | <u>(0.1668)</u> | <u>(0.2029)</u> |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述合併全面收益表須與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2022
截至二零二二年十二月三十一日止年度

| | | Attributable to owners of the Company 本公司所有者應佔 | | | | | | | | | | | Non-controlling interests | Total equity |
|---|------------------|---|--------------------------|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|---------------------------|--------------------------|
| | | Share Capital | Share premium | Convertible bonds reserve 可換股債券儲備 | Capital redemption reserve | Capital reserves | Contributed surplus | Exchange reserves | Revaluation surplus | Statutory Reserves | Accumulated deficits | Total | | |
| | | 股本 RMB'000 人民幣千元 | 股份溢價 RMB'000 人民幣千元 | 債券儲備 RMB'000 人民幣千元 | 股本贖回儲備 RMB'000 人民幣千元 | 資本儲備 RMB'000 人民幣千元 | 實繳盈餘 RMB'000 人民幣千元 | 匯兌儲備 RMB'000 人民幣千元 | 重估盈餘 RMB'000 人民幣千元 | 法定儲備 RMB'000 人民幣千元 | 累計虧絀 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 | 非控股權益 RMB'000 人民幣千元 | 權益總額 RMB'000 人民幣千元 |
| Balance at 1 January 2022 | 於二零二二年一月一日的結餘 | 8,065 | 55,796 | 33,135 | 997 | 41,297 | 96,890 | 3,609 | 2,629 | 13,145 | (381,189) | (125,626) | 6,106 | (119,520) |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | - | - | - | (169,809) | (169,809) | 1,894 | (167,915) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Currency translation differences | 貨幣換算差額 | - | - | - | - | - | - | (6,040) | - | - | - | (6,040) | - | (6,040) |
| Total comprehensive loss | 全面虧損總額 | - | - | - | - | - | - | (6,040) | - | - | (169,809) | (175,849) | 1,894 | (173,955) |
| Transactions with owners | 與擁有人的交易 | | | | | | | | | | | | | |
| Appreciation of statutory reserve | 轉撥至法定儲備 | - | - | - | - | - | - | - | - | 57 | (57) | - | - | - |
| Disposal of equity interest in a subsidiary | 出售附屬公司股權 | - | - | - | - | - | - | - | - | - | - | - | 9,405 | 9,405 |
| Conversion of convertible bonds to preference shares | 轉換可換股債券為優先股 | 18(a) | 252,608 | - | - | - | - | - | - | - | - | 252,608 | - | 252,608 |
| Capital injection from non-controlling shareholders of a subsidiary | 來自附屬公司非控股股東的注資 | - | - | - | - | - | - | - | - | - | - | - | 14,865 | 14,865 |
| Acquisition | 收購 | 18(b) | 802 | 53,750 | - | - | - | - | - | - | - | 54,552 | - | 54,552 |
| Total transactions with owners | 與擁有人的交易總額 | 253,410 | 53,750 | - | - | - | - | - | - | 57 | (57) | 307,160 | 24,270 | 331,431 |
| Balance at 31 December 2022 | 於二零二二年十二月三十一日的結餘 | 261,475 | 109,546 | 33,135 | 997 | 41,297 | 96,890 | (2,431) | 2,629 | 13,202 | (551,055) | 5,685 | 32,270 | 37,956 |

| | | Attributable to owners of the Company 本公司所有者應佔 | | | | | | | | | | | Non-controlling interests | Total equity |
|-------------------------------------|------------------|---|--------------------------|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------|---------------------------|--------------------------|
| | | Share Capital | Share premium | Convertible bonds reserve 可換股債券儲備 | Capital redemption reserve | Capital reserves | Contributed surplus | Exchange reserves | Revaluation surplus | Statutory Reserves | Accumulated deficits | Total | | |
| | | 股本 RMB'000 人民幣千元 | 股份溢價 RMB'000 人民幣千元 | 債券儲備 RMB'000 人民幣千元 | 股本贖回儲備 RMB'000 人民幣千元 | 資本儲備 RMB'000 人民幣千元 | 實繳盈餘 RMB'000 人民幣千元 | 匯兌儲備 RMB'000 人民幣千元 | 重估盈餘 RMB'000 人民幣千元 | 法定儲備 RMB'000 人民幣千元 | 累計虧絀 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 | 非控股權益 RMB'000 人民幣千元 | 權益總額 RMB'000 人民幣千元 |
| Balance at 1 January 2021 | 於二零二一年一月一日的結餘 | 7,769 | 48,820 | 34,519 | 997 | 41,297 | 96,890 | 1,885 | 2,629 | 13,146 | (193,722) | 54,230 | 7,502 | 61,732 |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | - | - | - | (187,468) | (187,468) | (1,396) | (188,864) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Currency translation differences | 貨幣換算差額 | - | - | - | - | - | - | 1,724 | - | - | - | 1,724 | - | 1,724 |
| Total comprehensive loss | 全面虧損總額 | - | - | - | - | - | - | 1,724 | - | - | (187,468) | (185,744) | (1,396) | (187,140) |
| Transactions with owners | 與擁有人的交易 | | | | | | | | | | | | | |
| Appropriation of statutory reserves | 轉撥至法定儲備 | - | - | - | - | - | - | - | - | (1) | 1 | - | - | - |
| Conversion of convertible bonds | 轉換可換股債券 | 18(b) | 296 | 6,976 | (1,384) | - | - | - | - | - | - | 5,888 | - | 5,888 |
| Total transactions with owners | 與擁有人的交易總額 | 296 | 6,976 | (1,384) | - | - | - | - | - | (1) | 1 | 5,888 | - | 5,888 |
| Balance at 31 December 2021 | 於二零二一年十二月三十一日的結餘 | 8,065 | 55,796 | 33,135 | 997 | 41,297 | 96,890 | 3,609 | 2,629 | 13,145 | (381,189) | (125,626) | 6,106 | (119,520) |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述合併權益變動表須與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022
截至二零二二年十二月三十一日止年度

| | | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|------------|-------------------|-----------------------------------|-----------------------------------|
| | Note 附註 | | | |
| Cash flows from operating activities | | 經營活動所得現金流量 | | |
| Cash used in operations | 35(a) | 經營業務所用現金 | (11,186) | (4,676) |
| Interest received | | 已收利息 | 16 | 53 |
| Interest paid | | 已付利息 | (309) | (548) |
| Income tax paid | | 已付所得稅 | (166) | (256) |
| Net cash used in operating activities | | 經營活動所用現金淨額 | <u>(11,645)</u> | <u>(5,427)</u> |
| Cash flows from investing activities | | 投資活動所得現金流量 | | |
| Payments for property, plant and equipment | | 物業、廠房及設備的付款 | (1,045) | (1,578) |
| Additions of intangible assets | 9 | 添置無形資產 | - | (35) |
| Refund of prepayment for property, plant and equipment | | 物業、廠房及設備的預付款項退款 | - | 5,306 |
| Return of prepayment for township development | 11(i) | 小鎮項目開發的預付款項退款 | - | 900 |
| Down payment received for asset classified as held for sale | 38 | 已收分類為持作出售資產的首付款項 | - | 8,539 |
| Proceeds for disposal of property, plant and equipment | | 出售物業、廠房及設備所得款項 | 8,000 | - |
| Acquisition of subsidiaries, net of cash received | | 收購附屬公司，扣除所收取現金 | 3,905 | - |
| Dividend received from investments accounted for using the equity method | | 自使用權益法入賬的投資收取的股息 | 15,135 | - |
| Net cash generated from investing activities | | 投資活動所得現金淨額 | <u>25,995</u> | <u>13,132</u> |
| Cash flows from financing activities | | 融資活動所得現金流量 | | |
| Capital injection from non-controlling shareholders of a subsidiary | | 來自一間附屬公司非控股股東的注資 | 14,865 | - |
| Repayment of bank borrowings | 23 | 償還銀行借款 | (6,350) | (12,110) |
| Principal payment of lease liabilities | | 租賃負債的本金款項 | (910) | (1,680) |
| Drawdown of loan from a joint venture | | 提取來自一間合資企業的貸款 | 12,300 | - |
| Drawdown of bank borrowings | 23 | 提取銀行借款 | - | 600 |
| Drawdown of loan from a shareholder | 37 | 提取來自一名股東的貸款 | 2,919 | 1,500 |
| Net cash generated from/(used in) financing activities | | 融資活動所得／(所用) 現金淨額 | <u>22,824</u> | <u>(11,690)</u> |

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2022
截至二零二二年十二月三十一日止年度

| | Note 附註 | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|------------|-----------------------------------|-----------------------------------|
| Net increase/(decrease) in cash and cash equivalents | | 37,174 | (3,985) |
| Cash and cash equivalents at beginning of the year | 17 | 8,851 | 12,889 |
| Exchange gains on cash and cash equivalent | | — | (53) |
| Cash and cash equivalents at end of the year | 17 | 46,025 | 8,851 |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述合併現金流量表須與隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

1 GENERAL INFORMATION

ShiFang Holding Limited (the “Company”) is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in the business of publishing and advertising (the “Publishing and Advertising Businesses”) in the People’s Republic of China (the “PRC”). The Group has been focusing on restructuring its publishing and advertising businesses by consolidating with cultural media and film media businesses in PRC and diversifying into tourism and integrated developments.

The Company was incorporated in the Cayman Islands on 9 December 2009 as an exempted company with limited liability under the Companies Law (2009 Revision as amended, supplemented or otherwise modified) of the Cayman Islands.

The Company changed the domicile of the Company from the Cayman Islands to Bermuda by way of discontinuation in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. The change has been effective on 18 March 2019 (Bermuda time). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda after the change of domicile.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements for the year ended 31 December 2022 are presented in thousands of units of Renminbi (RMB’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 31 March 2023.

1 一般資料

十方控股有限公司（「本公司」）為一間投資控股公司，而其附屬公司（統稱「本集團」）主要於中華人民共和國（「中國」）從事出版及廣告業務（「出版及廣告業務」）。本集團一直專注於透過整合中國文化傳媒及電影媒體業務，重組其出版及廣告業務，並跨界旅遊及整合發展。

本公司於二零零九年十二月九日在開曼群島根據開曼群島公司法（二零零九年修訂版，經修訂、補充或以其他方式修改）註冊成立為獲豁免有限公司。

本公司透過撤銷於開曼群島的註冊及根據百慕達法例以獲豁免公司的形式存續，將本公司由開曼群島遷冊至百慕達。該變更自二零一九年三月十八日（百慕達時間）生效。於遷冊後，本公司註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司股份於香港聯合交易所有限公司主板上市。

除另有說明者外，截至二零二二年十二月三十一日止年度的本合併財務報表以人民幣千元呈列。本合併財務報表已於二零二三年三月三十一日獲董事會批准刊發。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of ShiFang Holding Limited have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared on a historical cost basis, except for below:

- financial assets and liabilities at fair value through profit or loss – measured at fair value;
- investment properties – measured at fair value; and
- biological assets – measured at fair value less costs to sell.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2 重大會計政策概要

2.1 編製基準

十方控股有限公司的合併財務報表已按照所有適用國際財務報告準則及香港《公司條例》(第622章)的披露規定編製。合併財務報表乃根據歷史成本基準編製，惟以下各項除外：

- 公允值經損益表入賬的金融資產及負債—按公允值計量；
- 投資物業—按公允值計量；及
- 生物資產—按公允值減出售成本計量。

編製符合國際財務報告準則的合併財務報表需要採用若干關鍵會計估計。管理層亦須在採用本集團會計政策的過程中作出判斷。涉及高度判斷或極為複雜的範疇，或涉及對合併財務報表屬重大的假設及估計的範疇於附註4披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern

For year ended 31 December 2022, the Group reported a net loss of RMB167,915,000 and had a net cash outflow from operating activities of RMB11,645,000. As at 31 December 2022, the Group's current liabilities exceeded its current assets by RMB58,200,000 while the Group had cash and cash equivalents of approximately RMB46,025,000.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

The directors of the Company have assessed the appropriateness of adopting the going concern basis for the preparation of the consolidated financial statements for the year ended 31 December 2022. In order to improve the Group's liquidity and financial position, the directors of the Company have been implementing various measures as follows:

- (i) The Group has successfully obtained a borrowing facility of RMB20,000,000 from a company wholly-owned by a major shareholder of the company on 1 August 2021. RMB1,500,000 had been drawn in 2021 and a further RMB2,919,000 had also been drawn in 2022. The borrowing will be repayable in two years from the date of drawdown with an interest rate of 5% per annum. On 6 March 2023, the repayment period of facility was extended from repayable in two years to repayable in four years from the date of drawdown. In addition, the major shareholder has issued a letter of financial support to the Company for a period of eighteen months from 31 December 2022 to enable the Group to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operations;

2 重大會計政策概要 (續)

2.1 編製基準 (續)

持續經營

截至二零二二年十二月三十一日止年度，本集團錄得虧損淨額人民幣167,915,000元及經營活動現金流出淨額人民幣11,645,000元。於二零二二年十二月三十一日，本集團的流動負債超出其流動資產人民幣58,200,000元，而本集團的現金及現金等值項目約為人民幣46,025,000元。

上述狀況表明存在重大不確定性可能導致本集團能否持續經營嚴重成疑。

本公司董事已評估就編製截至二零二二年十二月三十一日止年度的合併財務報表採納持續經營基準的適當性。為改善本集團的流動資金及財務狀況，本公司董事已實施以下若干措施：

- (i) 本集團於二零二一年八月一日成功自本公司主要股東全資擁有的公司取得借款融資人民幣20,000,000元。人民幣1,500,000元已於二零二一年提取及進一步人民幣2,919,000元亦已於二零二二年提取。借款將自提取日期起計兩年內償還，年利率為5%。於二零二三年三月六日，融資的償還期限由自提取日期起計兩年內償還延長至四年內償還。此外，主要股東已向本公司發出財務支持函件，自二零二二年十二月三十一日起計為期十八個月，令本集團得以在債務到期時應付其債務，並在無須大幅削減營運下開展其業務；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

- (ii) The Group has obtained written confirmations from the directors and related parties which confirmed that they will not demand the Group for repayment of the amounts due by the Group in aggregate of RMB23,867,000 for the next eighteen months from 31 December 2022;
- (iii) The Group is closely monitoring the progress of the Group's tourism project in Yongtai County in the PRC. As there were certain delays in the preparation work, the Group has revised the plan and anticipates the construction of the project will be commenced in 2023 and the project will be ready for commercial operation in 2025. The directors are confident that the Group would be able to commence the commercial operations of the tourism project in Yongtai County in 2025 which would start to generate income and operating cash inflows to the Group;
- (iv) The Group is in negotiation with certain potential investors to raise fund to finance the capital investments for its tourism and integrated development projects;

2 重大會計政策概要 (續)

2.1 編製基準 (續)

持續經營 (續)

- (ii) 本集團已取得董事及其關連人士發出的確認書，確認彼等將不會要求本集團償還本集團自二零二二年十二月三十一日起計未來十八個月到期應還的金額共計人民幣23,867,000元；
- (iii) 本集團正密切監控本集團於中國永泰縣旅遊項目的進展。由於籌備工作有所延遲，本集團已修訂規劃，預計項目將於二零二三年開工建設，項目將於二零二五年投入商業營運。董事相信本集團能於二零二五年開始其於永泰旅遊項目的商業營運，這將為本集團產生收入及經營現金流入；
- (iv) 本集團正與若干潛在投資者進行磋商，以籌集資金為其旅遊及整合發展項目的資本投資提供資金；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

- (v) The Group is maximising its efforts to dispose its properties held for sales with a carrying amount of approximately RMB15,097,000 as at 31 December 2022 and expected to collect the sales proceeds within the cashflow forecast period;
- (vi) The Group will continue to take initiatives to implement cost control measures, including adjustment to management remuneration and streamlining administrative costs; and
- (vii) The Group will continue its efforts to implement measures to strengthen its operating cash flows and working capital position, including expediting collection of outstanding trade receivables, obtaining additional sources of financing and deferring discretionary capital expenditures, where necessary.

The directors have reviewed the Group's cashflow forecast prepared by management which covers a period of not less than twelve months from 31 December 2022.

The directors, after making due enquiries and considering the basis of management's cashflow forecast described above and after taking into account the reasonably possible changes in the operation performance, believe there will be sufficient financial resources available to the Group at least in the coming twelve months after the balance sheet date to meet its financial obligations as and when they fall due. Accordingly, the directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

持續經營 (續)

- (v) 本集團正盡最大努力出售其於二零二二年十二月三十一日賬面金額約人民幣15,097,000元的持作出售物業，並預計將於現金流量預測期內收取銷售所得款項；
- (vi) 本集團將繼續主動採取措施實施成本管控措施，包括調整管理層薪酬及精簡行政成本；及
- (vii) 本集團將繼續努力實施多項措施提升其經營現金流量及營運資金狀況，包括加速收回未償還貿易應收款項、獲取額外融資來源及延緩支付酌情資本開支 (倘必要)。

董事已審閱由管理層編製的涵蓋自二零二二年十二月三十一日起計不少於十二個月期間的本集團現金流量預測。

經詳細查詢，考慮到上述管理層進行現金流量預測的基準，並計及營運表現的合理可能變動後，董事相信本集團將具備足夠財務資源供其結算日後未來最少十二個月使用，以履行其到期的財務責任。因此，董事認為按持續經營基準編製合併財務報表乃屬適當。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

Notwithstanding the above, a material uncertainty exist as to whether management of the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through achieving the below plans and measures:

- (i) Successful draw down of financial resources from the above-mentioned (i) borrowing facility from the company wholly-owned by the major shareholder and (ii) financial support from the major shareholder, as and when required;
- (ii) Successful implementation of measures to complete the preparation work and commence the commercial operation of the Group's tourism and integrated development projects as planned;
- (iii) Successful in raising funds to finance the Group's capital investments for its tourism and integrated development projects;
- (iv) Successful in disposal of its properties held for sale and collection of sales proceeds as planned;

2 重大會計政策概要 (續)

2.1 編製基準 (續)

持續經營 (續)

儘管出現上述情況，本集團管理層是否能實現上述計劃及措施存在重大不確定性。本集團能否持續經營取決於本集團透過實現以下計劃及措施取得充足融資及經營現金流量的能力：

- (i) 於需要時成功向上述(i)一間由主要股東全資擁有的公司的借款融資及(ii)主要股東的財務援助提取財務資源；
- (ii) 成功實施措施按計劃完成本集團旅遊及整合發展項目的籌備工作及開始該等項目的商業營運；
- (iii) 成功籌集資金為本集團的旅遊及整合發展項目的資本投資提供資金；
- (iv) 成功銷售其持作出售物業並按計劃收回銷售所得款項；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

- (v) Successful implementation of measures to control operating costs, expedite collection from customers, obtain additional sources of financing when needed and deferring discretionary capital expenditures where necessary, so as to improve the Group's cash flow position; and

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

持續經營 (續)

- (v) 成功實施措施有效控制經營成本、加速向客戶的收款進程、於需要時獲得更多的融資來源及於必要時延緩支付酌情資本開支，以改善本集團的現金流量狀況；及

倘本集團無法繼續持續經營，則需要作出調整，以撇減本集團資產的賬面值至其可收回金額，為日後可能產生的任何負債計提撥備，並將非流動資產及非流動負債分別重新分類至流動資產及流動負債。該等調整的影響尚未於合併財務報表內反映。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New and amended standards

- (i) Amended standards adopted by the Group
The Group has applied the following amendments to standards for the first time for the annual reporting period commencing 1 January 2022.

| | |
|---|---|
| Amendments to IAS 16 | Property, Plant and Equipment: Proceeds before Intended Use |
| Amendments to IAS 37 | Onerous Contracts – Cost of Fulfilling a Contract |
| Annual improvement project (Amendments) | Annual Improvements to HKFRS Standards 2018-2020 |
| Amendments to IFRS 3 | Reference to the Conceptual Framework |
| Amendment to IFRS 16 (March 2021) | Covid-19 Related Rent Concessions beyond 30 June 2021 |
| Amendments to AG 5 | Merger Accounting for Common Control Combinations |

The Group has assessed the impact of the adoption of these amended standards and considered that there was no significant impact on the Group's results and financial position.

2 重大會計政策概要 (續)

2.2 新訂及經修訂準則

- (i) 本集團採納的經修訂準則
本集團已於二零二二年一月一日開始的年度報告期間首次應用以下經修訂準則。

| | |
|----------------------------|------------------------------|
| 國際會計準則第16號的修訂本 | 物業、廠房及設備：作擬定用途前的所得款項 |
| 國際會計準則第37號的修訂本 | 虧損性合約－履行合約的成本 |
| 年度改進項目的修訂本 | 二零一八年至二零二一年香港財務報告準則的年度改進 |
| 國際財務報告準則第3號的修訂本 | 概念框架的引用 |
| 國際財務報告準則第16號的修訂本 (二零二一年三月) | 於二零二一年六月三十日後的 Covid-19相關租金寬減 |
| 會計指引第5號的修訂本 | 共同控制合併的合併會計處理 |

本集團已評估採納該等經修訂準則的影響，並認為對本集團的業績及財務狀況並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New and amended standards

- (ii) New standards, amendments to standards and interpretations that are not yet effective and have not been early adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.3 Principal of consolidation

- (a) Subsidiaries

Consolidation

Subsidiaries are all entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2 重大會計政策概要 (續)

2.2 新訂及經修訂準則

- (ii) 尚未生效且本集團並無提早採納的新訂準則、準則修訂本及詮釋

若干已頒佈的新訂會計準則及詮釋於二零二二年十二月三十一日報告期間並非強制生效，而本集團並無提早採納。該等準則預期不會對本集團於目前或未來報告期間或可見未來的交易產生重大影響。

2.3 合併入賬原則

- (a) 附屬公司

合併入賬

附屬公司為受本集團控制的實體（包括結構性實體）。當本集團因參與實體的營運而承擔可變回報的風險或享有可變回報的權利，並有能力透過其對該實體的權力影響有關回報時，本集團即控制該實體。附屬公司自控制權轉讓予本集團當日起合併入賬，並自該項控制權終止當日起終止合併入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(a) Subsidiaries (Continued)

Consolidation (Continued)

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(a) 附屬公司 (續)

合併入賬 (續)

集團內公司間交易、結餘及集團內公司間交易未變現收益均會抵銷。未變現虧損亦會抵銷，惟該交易有證據顯示已轉讓資產出現減值則除外。附屬公司的會計政策已在有需要時作出調整，以確保與本集團所採納有關政策一致。

附屬公司業績及權益中的非控股權益分別於合併全面收益表、合併權益變動表及合併資產負債表中單獨呈列。

出售附屬公司

本集團失去控制權時，於實體的任何保留權益將按失去控制權當日的公允值重新計量，有關賬面金額變動在損益賬內確認。就其後入賬列作聯營公司、合資企業或金融資產的保留權益，其公允值為初始賬面金額。此外，先前於其他全面收益內確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前在其他全面收益內確認的金額重新分類至損益賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(a) Subsidiaries (Continued)

Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(b) Structured entity

The consolidated financial statements include the financial statements of the Company, its subsidiaries, and structured entity where the Company is deemed the primary beneficiary. Fuzhou DingCe Culture, one of the Company's wholly-owned subsidiaries, entered into contractual agreements with Beijing BaiChuanDuKe (the "Structural Agreements"), where Fuzhou DingCe Culture provides consulting services to Beijing BaiChuanDuKe, and is entitled to (1) receive a substantial portion of the economic benefits from Beijing BaiChuanDuKe; (2) exercise effective control over Beijing BaiChuanDuKe, and (3) have an exclusive option to purchase all or part of the equity interests in Beijing BaiChuanDuKe when and to the extent permitted by the PRC laws. By virtue of the contractual arrangements, Beijing BaiChuanDuKe is a structured entity and deemed as subsidiary of the Company under the requirements of IFRS 10 "Consolidated financial statements".

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(a) 附屬公司 (續)

獨立財務報表

於附屬公司的投資乃以成本減減值的方法記賬。成本包括投資的直接應佔成本。附屬公司的業績由公司按已收及應收股息入賬。

當收到於附屬公司的投資的股息，而股息超過附屬公司在宣派股息期間的全面收益總額，或倘獨立財務報表的投資賬面金額超過被投資方淨資產（包括商譽）在合併財務報表的賬面金額，則必須對有關投資進行減值測試。

(b) 結構性實體

合併財務報表包括本公司、其附屬公司及本公司被視為首要受益人的結構性實體的財務報表。本公司全資附屬公司福州鼎策文化與北京百傳讀客訂立合約性協議（「架構協議」），據此，福州鼎策文化向北京百傳讀客提供諮詢服務，並有權(1)收取來自北京百傳讀客的絕大部分經濟利益；(2)對北京百傳讀客實施有效控制；及(3)擁有在中國法律允許的時間及範圍內購買北京百傳讀客全部或部分股權的獨家選擇權。憑藉該等合約安排，北京百傳讀客為結構性實體，且根據國際財務報告準則第10號「合併財務報表」的規定被視為本公司的附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(b) Structured entity (Continued)

When assessing whether to combine a structured entity, the Group evaluates a range of factors, including whether (1) the activities of the structured entity are being conducted on behalf of the Group according to its specific business needs so that the Group obtains the benefits from the structured entity's operations, (2) the Group has decision-making powers to obtain the majority of the benefits, (3) the Group obtains the majority of the benefits of the activities of the structured entity, and (4) the Group retains the majority of the residual ownership risks related to the assets in order to obtain the benefits from its activities. The Group consolidates a structured entity if an assessment of the relevant factors indicates that it controls the structured entity.

Based on the contractual arrangements, the Company consolidated Beijing BaiChuanDuKe's results, assets and liabilities in its consolidated financial statements.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(b) 結構性實體 (續)

當評估是否將結構性實體合併入賬時，本集團會評估多項因素，包括(1)結構性實體業務活動是否根據其特殊業務需要代表本集團進行，而本集團因此從結構性實體業務中獲利；(2)本集團是否擁有獲得大多數利益的決策權；(3)本集團是否獲得結構性實體業務活動的大多數利益；及(4)本集團是否保留大多數與資產有關的餘下擁有權風險以從其業務活動中獲利。倘評估相關因素後顯示其控制結構性實體，則本集團會將結構性實體合併入賬。

基於該等合約安排，本公司將北京百傳讀客的業績、資產及負債於其合併財務報表合併入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(c) Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(c) 聯營公司

聯營公司指本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。於聯營公司的投資以權益會計法入賬。根據權益法，投資初步按成本確認，並調高或調低賬面金額以確認投資者於收購日期後應佔的被投資方損益。在收購聯營公司的擁有權權益時，該聯營公司的成本與本集團應佔該聯營公司可識別資產及負債的公允淨值的任何差額會入賬列為商譽。

倘於聯營公司的擁有權權益減少，而重大影響力獲保留，則先前於其他全面收益內確認的金額僅有一定比例部分重新分類至損益賬（視情況而定）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(c) Associates (Continued)

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of losses of associates' for using equity method in the consolidated statement of comprehensive income.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(c) 聯營公司 (續)

本集團應佔的收購後溢利或虧損於合併全面收益表內確認，應佔收購後其他全面收益的變動則於其他全面收益內確認，而投資賬面金額會作相應調整。當本集團應佔聯營公司虧損等於或超過其佔聯營公司的權益(包括任何其他無抵押應收款項)時，本集團不再確認進一步虧損，除非本集團須承擔法定或推定負債或代聯營公司支付款項。

本集團在每個報告日期釐定於聯營公司的投資是否存在客觀減值證據。倘存在減值證據，則本集團會按聯營公司可收回金額與其賬面值差額計算減值金額，並使用權益法於合併全面收益表「應佔聯營公司虧損」確認有關金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(c) Associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interest in associates are recognised in the consolidated statement of comprehensive income.

(d) Joint arrangements

The Group has applied IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Interests in joint ventures are accounted for using the equity method.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(c) 聯營公司 (續)

本集團與其聯營公司之間的上游及下游交易產生的溢利及虧損於本集團的財務報表內確認，惟僅以聯營公司中的非關連投資者權益為限。未變現虧損已對銷，除非有關交易有證據顯示所轉讓資產出現減值。聯營公司的會計政策已作必要更改，以確保與本集團所採納政策貫徹一致。

攤薄於聯營公司的股權所產生的收益或虧損於合併全面收益表內確認。

(d) 合資安排

本集團已對所有合資安排應用國際財務報告準則第11號。根據國際財務報告準則第11號，於合資安排的投資視乎各投資方的合約權利及責任分類為合資業務或合資企業。本集團已評估合資安排的性質，將其釐定為合資企業。於合資企業的權益採用權益法入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principal of consolidation (Continued)

(d) Joint arrangements (Continued)

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in joint ventures equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重大會計政策概要 (續)

2.3 合併入賬原則 (續)

(d) 合資安排 (續)

根據權益會計法，於合資企業的權益初步按成本確認，隨後調整以確認本集團應佔收購後利潤或虧損及其他綜合收益的變動。本集團於合資企業的投資包括收購時產生的商譽。收購合資企業的所有權權益時，合資企業的成本與本集團應佔合資企業可識別資產及負債的公允值淨額的任何差額入賬列作商譽。倘本集團應佔合資企業的虧損等於或超過所持合資企業的權益（包括實際屬於本集團於合資企業投資淨額的任何長期權益），本集團不再確認虧損，除非本集團產生責任或代合資企業付款，則作別論。

本集團與其合資企業交易的未變現收益全對銷，以本集團所持合資企業的權益為限。除非有證據顯示交易所轉讓資產出現減值，否則未變現虧損亦會對銷。合資企業的會計政策如有需要已改變以符合本集團採納的政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Non-current assets (or disposal groups) held for sale and discontinued operation

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group) but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

2 重大會計政策概要 (續)

2.4 持作出售的非流動資產(或出售組別)及已終止經營業務

倘非流動資產(或出售組別)的賬面值將主要透過銷售交易而非透過持續使用收回及銷售被視為極有可能進行,則其會分類為持作出售。該等資產以其賬面值及公允值減出售成本兩者之較低者計量,惟遞延稅項資產、因員工福利而產生的資產、按公允值入賬的金融資產及投資物業等資產以及保險合約下的合約權利獲指定豁免此項規定除外。

減值虧損於初始或其後任何時點按撇銷至資產(或出售組別)公允值減出售成本確認。收益乃按公允值扣除出售資產(或出售組別)成本的任何其後增加確認,惟不超過先前確認的任何累計減值虧損。於出售非流動資產(或出售組別)日期先前尚未確認的收益或虧損會於終止確認日期確認。

分類為持作出售的非流動資產(包括屬於出售組別的非流動資產)不作折舊或攤銷處理。分類為持作出售的出售組別負債應佔的利息及其他開支繼續獲確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Non-current assets (or disposal groups) held for sale and discontinued operation (Continued)

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities directly associated with assets classified as held for sale or of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the profit or loss.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors (the “Board”) that makes strategic decisions.

2 重大會計政策概要 (續)

2.4 持作出售的非流動資產(或出售組別)及已終止經營業務(續)

分類為持作出售的非流動資產及分類為持作出售的出售組別的資產於資產負債表中與其他資產分開呈列。與分類為持作出售的資產或分類為持作出售的出售組別直接相關的負債於資產負債表中與其他負債分開呈列。

已終止經營業務乃實體已出售或分類為持作出售的部分，而該部分屬於獨立主要業務或地區經營業務、屬於出售該業務或地區經營業務的單一協調計劃一部分，或純粹為轉售而收購的附屬公司。已終止經營業務的業績於損益表中單獨地呈列。

2.5 分類報告

經營分類按與向首席營運決策人(「首席營運決策人」)作內部呈報者一致的方式呈報。首席營運決策人負責分配資源及評核經營分類的表現，被認為負責作出策略決定的董事會(「董事會」)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group'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 Renminbi ("RMB"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 consolidated statements of comprehensive income.

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'general and administrative expenses'.

2 重大會計政策概要 (續)

2.6 外幣換算

(a) 功能及呈列貨幣

本集團旗下各實體財務報表計入的項目，均以該實體經營所在主要經濟環境的通行貨幣（「功能貨幣」）計量。合併財務報表以人民幣呈列，而人民幣為本公司功能貨幣及本集團呈列貨幣。

(b) 交易及結餘

外幣交易均按交易當日或倘有關項目經重計則按估值當日的匯率換算為功能貨幣。因結算該等交易及按年終匯率換算以外幣列值的貨幣資產和負債而產生的外匯收益及虧損均在合併全面收益表內確認。

所有外匯收益及虧損均於合併全面收益表的「一般及行政開支」內呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation

(c) Group companies

The results and financial positions of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

2 重大會計政策概要 (續)

2.6 外幣換算 (續)

(c) 集團公司

功能貨幣有別於呈列貨幣的海外經營實體(並不涉及嚴重通脹經濟地區的貨幣)的業績及財務狀況，按下述方式換算為呈列貨幣：

- (i) 各資產負債表內呈列的資產與負債以該資產負債表結算日的收市匯率換算；
- (ii) 各全面收益表內的收入及支出乃按平均匯率換算，惟倘該平均值並非交易日通行匯率累計影響的合理約數，則收入及支出按交易日的匯率換算；及
- (iii) 所產生的所有匯兌差額均於其他全面收益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

(c) Group companies (Continued)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. 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 consolidated statement of comprehensive income during the financial period in which they are incurred.

2 重大會計政策概要 (續)

2.6 外幣換算 (續)

(c) 集團公司 (續)

於合併入賬時，因換算海外實體投資淨額而產生的匯兌差額乃計入其他全面收益。當出售海外業務時，相關匯兌差額作為出售的部分收益或虧損重新分類為損益。

因收購海外實體而產生的商譽及公允值調整，均視作為該海外實體的資產及負債處理，並以收市匯率換算。

2.7 物業、廠房及設備

物業、廠房及設備按過往成本減累計折舊及累計減值虧損入賬。過往成本包括收購項目直接應佔的開支。

當項目相關的未來經濟利益可能會流入本集團及能可靠地計算項目成本時，其後成本方會視適用情況計入資產賬面金額或確認為獨立資產。替代部分的賬面金額會終止確認。所有其他維修及保養於產生財政期間自合併全面收益表扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

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:

| | |
|----------------------------------|--|
| Buildings | 40 years |
| 樓宇 | 40年 |
| Leasehold improvements | 5-10 years or the remaining term of any non-renewable lease, whichever is shorter |
| 租賃物業裝修 | 5至10年或不可重續租賃的餘下年期(以較短者為準) |
| Machinery | 5-10 years |
| 機器 | 5至10年 |
| Fixture, furniture and equipment | 5 years |
| 裝置、傢俬及設備 | 5年 |
| Motor vehicles | 5-10 years |
| 汽車 | 5至10年 |
| Exhibition animals | 5 years |
| 展覽動物 | 5年 |
| Bearer plants | 15-25 years |
| 生產性植物 | 15至25年 |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The Group's golden camellia trees qualify as bearer plants under the definition in IAS 41 "Agriculture" and are therefore accounted for under the rules for plant and equipment. Golden camellia trees are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences. Immature golden camellia trees are measured at accumulated cost.

2 重大會計政策概要 (續)

2.7 物業、廠房及設備 (續)

物業、廠房及設備的折舊以直線法計算，按估計可使用年期將成本分攤至其剩餘價值。有關年期如下：

資產的剩餘價值及可使用年期在各報告期末進行審閱，並在適當時作出調整。

本集團的金花茶樹合資格為國際會計準則第41號「農業」所界定的生產性植物，因此按廠房及設備規則入賬。金花茶樹於能產生商業收成前分類為未成熟的生產性植物。其後會被重新分類及開始計提折舊。未成熟金花茶樹按累計成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

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 (Note 2.10).

For transfer of property, plant and equipment to investment properties because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in revaluation surplus. On the subsequent sale or retirement of the asset, the relevant revaluation surplus will be transferred to retained earnings.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'General and administrative expenses' in the consolidated statement of comprehensive income.

2.8 Investment properties

Investment properties, principally freehold office buildings, are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value.

Changes in fair values are presented in profit or loss as part of other income.

2 重大會計政策概要 (續)

2.7 物業、廠房及設備 (續)

倘資產的賬面金額超過其估計可收回金額，則資產的賬面金額即時撇減至其估計可收回金額(附註2.10)。

就物業、廠房及設備轉撥至投資物業而言，因為經證實不再由擁有人自用，其用途有所改變，則該項目於轉撥日期的賬面值與公允值之間的任何差額應於其他全面收益確認，並累計列入重估盈餘。於資產的其後出售或停用時，有關重估盈餘將轉撥至保留收益。

出售產生的收益及虧損乃透過比較所得款項與賬面金額而釐定，並於合併全面收益表的「一般及行政開支」內確認。

2.8 投資物業

投資物業，主要是為賺取長期租賃收益而持有且不被本集團佔用的不動產辦公樓。投資物業按成本進行初始計量，包括相關交易成本及適用的借款成本。後續按公允值列賬。

公允值變動於損益成立為部分其他收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 重大會計政策概要 (續)

2.9 無形資產

商譽

收購附屬公司所產生的商譽，指所轉讓代價、於被收購方的任何非控股權益金額及於被收購方的任何先前股權的收購日公允值超出所收購可識別淨資產的公允值的差額。

就減值測試而言，因業務合併獲得的商譽會分配至預期將受惠於合併的協同效應的各個或各組現金產生單位。獲分配商譽的各單位或各組單位指實體內為內部管理目的而對商譽進行監督的最低層面。商譽按經營分類層面監督。

商譽會每年進行減值檢討，或當有事件出現或情況轉變顯示可能出現減值時，作出更頻密檢討。包括商譽在內的現金產生單位的賬面值與可收回金額作比較，可收回金額為使用價值與公允值減去銷售成本後的數額兩者的較高者。任何減值即時確認為開支，且其後不會撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

Trademarks and licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of seven years.

Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate over the expected life of the customer relationship of three years.

2 重大會計政策概要 (續)

2.9 無形資產 (續)

商標及特許權

分開購入的商標及特許權按歷史成本列示。經業務合併購入的商標及特許權按於收購當日的公允值確認。

商標及特許權有限定可使用年限，並按成本減累計攤銷列賬。攤銷利用直線法將商標及特許權的成本於其估計可使用年限七年攤分計算。

合約客戶關係

經業務合併獲得的合約客戶關係按收購當日的公允值確認。合約客戶關係具有有限定可使用年限，並按成本減累計攤銷列賬。攤銷利用直線法於客戶關係的預計年期三年攤分計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

Computer software and web site

Costs associated with maintaining computer software program and web site are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique computer software and web site controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the computer software and web site so that they will be available for use;
- Management intends to complete the computer software and web site, and use or sell them;
- There is an ability to use or sell the computer software and web site;
- It can be demonstrated how the computer software and web site will generate probable future economic benefits;

2 重大會計政策概要 (續)

2.9 無形資產 (續)

電腦軟件及網站

有關維護電腦軟件程式及網站的成本在產生時確認為開支。直接歸屬於設計及測試由本集團控制的可識別及獨特電腦軟件及網站的開發成本，會於符合以下標準時確認為無形資產：

- 於完成電腦軟件及網站使其可供使用方面，屬技術上可行者；
- 管理層有完成該電腦軟件及網站並使用或將其出售的意圖；
- 有使用或出售該電腦軟件及網站的能力；
- 能顯示該電腦軟件及網站將可能產生未來經濟利益；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

Computer software and web site (Continued)

- Adequate technical, financial and other resources to complete the development and to use or sell the computer software and web site are available; and
- The expenditure attributable to the computer software and web site during their development can be reliably measured.

Directly attributable costs that are capitalised as part of the computer software and web site cost include the software development employee costs. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Remaining computer software and web site costs recognised as assets are amortised over their estimated useful lives and the terms of validity granted by corresponding authorities, which are three years.

2 重大會計政策概要 (續)

2.9 無形資產 (續)

電腦軟件及網站 (續)

- 有足夠的技術、財務及其他資源完成開發及使用或出售該電腦軟件及網站；及
- 能可靠地計量開發該電腦軟件及網站應佔的支出。

資本化為電腦軟件及網站成本一部分的直接應佔成本包括參與軟件開發的僱員成本。其他不符合該等標準的開發支出於產生時確認為開支。先前確認為開支的開發成本不會在後續期間確認為資產。

確認為資產的餘下電腦軟件及網站成本於其估計可使用年期及相關機關授予的三年有效期攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

Right to a land lease

Right to a land lease represents the operating lease with favourable terms relative to market terms as acquired in a business combination that is recognised at fair value at the acquisition date. The right to a land lease has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected useful life of 41 years.

Township operation right

Township operation right represents a 40-years' exclusive operation right to develop, construct, manage and operate commercial activities in the operation site. The township operation right are shown at historical cost. It has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected useful life of 40 years.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised as an expense as incurred.

2 重大會計政策概要 (續)

2.9 無形資產 (續)

土地租賃權

土地租賃權指因業務合併獲得的經營租賃(享有較市場條款有利的條款),乃按於收購日期的公允值確認。土地租賃權有限定可使用年限,並按成本減累計攤銷列賬。攤銷利用直線法於預期可使用年限41年攤分計算。

小鎮項目經營權

小鎮項目經營權指以於經營選址內進行開發、建設、管理及商業運營活動的40年獨家經營權。小鎮項目經營權按歷史成本呈列。其擁有限定可使用年期,並按成本減累計攤銷列賬。攤銷利用直線法於預期使用年限40年攤分計算。

已資本化的無形資產其後開支僅於與其有關的特定資產所附帶日後經濟利益增加時方予撥充資本。所有其他支出均於產生時確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets (Continued)

Exclusive operation rights

Exclusive operation rights represent the exclusive rights arising from its contractual agreement as acquired in a business combination and are recognised at fair value at the acquisition date. The exclusive operation rights have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate over the expected life of the exclusive operation rights of approximately 7 years.

2.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. 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 to sell 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.

2 重大會計政策概要 (續)

2.9 無形資產 (續)

獨家經營權

獨家經營權指在業務合併中自其合約協議中產生的獨家權利，並於收購日期按公允值確認。獨家經營權具有有限的可使用年期，並按成本減累計攤銷列賬。攤銷使用直線法計算，於獨家經營權的預期可使用年期約7年內進行分配。

2.10 非金融資產減值

可使用年限不受限定的商譽及無形資產或尚未可供使用的無形資產毋須攤銷，但每年須就減值進行測試。須攤銷的資產會於出現顯示賬面金額可能無法收回的事件或情況轉變時檢討有否減值。當資產賬面金額高於可收回金額時，會將差額確認為減值虧損。可收回金額即資產公允值扣除銷售成本後的數額與使用價值兩者的較高者。為評估減值，資產按獨立可識別現金流量的最低級別（現金產生單位）分類。商譽以外的非金融資產若出現減值，則須於各報告日期評估其能否撥回減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Properties held for sale

Properties are classified as properties held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

2.12 Biological assets

Biological assets are measured at fair value less cost to sell, see note 12 for further information on determining the fair value.

Costs to sell include the incremental selling costs, including commission and estimated costs of transport to the market but excludes finance costs and income taxes.

The golden camellia trees are bearer plants and are therefore presented and accounted for as property, plant, and equipment (Note 7). However, the golden camellia flowers growing on the trees is accounted for as biological assets until the point of harvest. Harvested golden camellia are transferred to inventory at fair value less costs to sell when harvested.

Changes in fair value of golden camellia flowers on trees are recognised in the consolidated statement of comprehensive income.

Farming costs such as labour costs and fertiliser costs are expensed as incurred.

2 重大會計政策概要 (續)

2.11 持作出售物業

當物業的賬面金額將主要透過一項出售交易收回而該項出售被視為極有可能，則分類為持作出售物業。倘該等物業的賬面金額將主要透過一項出售交易而非持續使用而收回，則該等物業按賬面金額與公允值減去銷售成本後的數額兩者的較低者列賬。

2.12 生物資產

生物資產按公允值減銷售成本計量，有關釐定其公允值的進一步詳情見附註12。

銷售成本包括遞增銷售成本，包括佣金及市場運輸估計成本，但不包括財務成本及所得稅。

金花茶樹為生產性植物，因此按物業、廠房及設備呈列及列賬（附註7）。然而，正在樹上生長的金花茶於收成前按生物資產列賬。收成後的金花茶於收成時按公允值減出售成本轉化至存貨。

金花茶樹的公允值變動於合併全面收益表內確認。

勞工成本及肥料費等農業成本於產生時支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產

分類

本集團按以下計量類別分類其金融資產：

- 其後按公允值計量的金融資產 (經其他全面收益或經損益表呈列)，及
- 按攤銷成本計量的金融資產

該分類取決於主體管理金融資產的業務模式以及該資產的合同現金流量特徵。

就按公允值計量的資產而言，其收益及虧損於損益或其他全面收益內列賬。對於並非持作買賣的權益工具投資，則取決於本集團是否不可撤回地選擇於初始確認時列作公允值經其他全面收益入賬的權益投資。

本集團於且僅於其管理該等資產的業務模式變動時重新分類其債務投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gain. Impairment losses are presented as separate line item in the statement of comprehensive income.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

計量

於初始確認時，本集團的金融資產按公允值計量，另加（倘屬並非公允值經損益表入賬的金融資產）收購該金融資產產生的直接交易成本。公允值經損益表入賬的金融資產的交易成本於損益內列作開支。

對於包含嵌入式衍生工具的金融資產，會全面考慮其現金流量是否僅代表對本金和利息的支付。

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入財務收入。終止確認時產生的任何收益或虧損直接於損益中確認，並於其他收益內呈列。減值虧損於全面收益表內作為單獨項目列示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gain. Interest income from these financial assets is included in finance income using the effective interest rate method. Net foreign exchange gains and losses are presented in general and administrative expenses and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

債務工具 (續)

- 公允值經其他全面收益入賬：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產按公允值經其他全面收益入賬計量。賬面值變動乃透過其他全面收益確認，惟就確認減值收益或虧損，利息收入及外匯收益及虧損於損益確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益中確認。來自該等金融資產的利息收入採用實際利率法計入財務收入。外匯收益及虧損淨額於合併全面收益表內作為一般及行政開支呈列，而減值開支則作為單獨項目呈列。
- 公允值經損益表入賬：不符合攤銷成本或公允值經其他全面收益入賬標準的資產按公允值經損益表入賬計量。其後公允值經損益表入賬的債務投資產生的收益或虧損於其產生期間於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other financial assets at amortised cost, the Group measures the impairment as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

減值

本集團按前瞻性基準評估與其以攤銷成本列賬的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。

就貿易應收款項及合約資產而言，本集團採用國際財務報告準則第9號所允許的簡化方法，該方法規定預期全期虧損將自初始確認應收款項起確認。

按攤銷成本列賬的其他金融資產而言，本集團按12個月預期信貸虧損或全期預期信貸虧損計量減值，視乎信貸風險自初始確認後是否有大幅增加而定。倘應收款項的信貸風險自初始確認起大幅增加，減值乃按全期預期信貸虧損計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Impairment (Continued)

(a) *Assets carried at amortised cost*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

減值 (續)

(a) *按攤銷成本列賬的資產*

本集團於各報告期末評估是否有客觀證據表明一項或一組金融資產出現減值。僅於有客觀證據顯示因資產在初始確認後發生一項或多項事件（「虧損事件」）而出現減值，並能夠可靠地估計虧損事件對一項或一組金融資產估計未來現金流量構成的影響時，該項或該組金融資產方會減值並產生減值虧損。

本集團用以釐定是否有客觀證據顯示出現減值虧損的標準包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠或欠繳利息或本金款項；
- 因與借款人的財政困難相關的經濟或法律原因，本集團給予借款人在一般情況下貸款人不會考慮的優惠條件；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Impairment (Continued)

(a) Assets carried at amortised cost (Continued)

- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio; and
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

減值 (續)

(a) 按攤銷成本列賬的資產 (續)

- 借款人有可能破產或進行其他財務重組；
- 財政困難導致該金融資產的活躍市場消失；或
- 顯示金融資產組合所產生估計未來現金流量自該等資產獲初始確認起有可量度減幅 (即使未能於組合內個別金融資產內識別有關減幅) 的可觀察數據，包括：
 - (i) 組合內借款人的還款狀況有不利轉變；及
 - (ii) 與組合內資產逾期還款相關的國家或地區經濟狀況。

本集團首先評估是否存在減值的客觀證據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets (Continued)

Impairment (Continued)

(a) *Assets carried at amortised cost (Continued)*

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

減值 (續)

(a) *按攤銷成本列賬的資產 (續)*

虧損金額按資產賬面金額與按金融資產原實際利率貼現的估計未來現金流量現值(不包括尚未產生的未來信貸虧損)之間的差額計量。資產賬面金額會予以削減，而虧損金額會於合併全面收益表內確認。倘貸款按浮動利率計息，則計量任何減值虧損的貼現率為根據合約釐定的當前實際利率。在實際運作上，本集團可能以可觀察市價釐定的工具公允值為基準計量減值。

倘減值虧損金額在往後期間減少，減幅亦可與確認減值後發生的事件有客觀關連(例如債務人信貸評級改善)，則於合併全面收益表內確認撥回過往已確認的減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15 Financial guarantees

Financial guarantee are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

2 重大會計政策概要 (續)

2.14 抵銷金融工具

當有可依法執行抵銷已確認金額的權利，並有意按淨額基準結算或同一時間變現資產及清償負債時，金融資產及負債予以抵銷，淨額於資產負債表內呈列。可合法強制執行的權利不得視未來事件而定，必須於正常業務過程中及本公司或交易對手違約、無力償債或破產的事件中可強制執行。

2.15 財務擔保

財務擔保於發出擔保時確認為金融負債。負債初步按公允值計量，其後按以下兩者中之較高者計量：

- 根據國際財務報告準則第9號金融工具項下的預期信貸虧損釐定的金額；及
- 首次確認的金額減根據國際財務報告準則第15號客戶合約收益原則確認的累計收入金額 (如適用)。

財務擔保公允值按債務工具下的合約付款與在無擔保下須作出的付款之間的現金流量差額的現值，或就承擔責任而須向第三方支付估計金額釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Financial guarantees (Continued)

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises of newsprint paper and printing consumables. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 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 provision for impairment. See note 16 for further information about the Group's accounting for trade receivables and note 3.1(b) for a description of the Group's impairment policies.

2 重大會計政策概要 (續)

2.15 財務擔保 (續)

倘按無償方式就聯營公司的貸款或其他應付款項作出擔保，則公允值按出資入賬，並確認為部分投資成本。

2.16 存貨

存貨按成本與可變現淨值兩者的較低者入賬。成本按加權平均法釐定。製成品的成本包括新聞紙及印刷耗材。可變現淨值指日常業務過程中的估計售價減適用可變銷售開支。

2.17 貿易及其他應收款項

貿易應收款項為在日常業務過程中就已提供服務應收客戶的款項。倘貿易及其他應收款項預期可於一年或以內（或倘時間更長，則在業務的正常營運週期）收回，會分類為流動資產，否則以非流動資產呈列。

貿易及其他應收款項初步按公允值確認，其後採用實際利率法按攤銷成本並扣除減值撥備計量。有關本集團貿易應收款項的會計處理的進一步資料及有關本集團減值政策說明，請分別參閱附註16及附註3.1(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with banks with original maturities of three months or less.

2.19 Restricted cash

Bank deposits which are restricted to use are classified as "restricted cash". Restricted cash are excluded from cash and cash equivalents in the consolidated statement of cash flows.

2.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.21 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 payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 重大會計政策概要 (續)

2.18 現金及現金等值項目

在合併現金流量表內，現金及現金等值項目包括手頭現金及原定於三個月或以內到期的銀行活期存款。

2.19 受限制現金

用途受限的銀行存款分類為「受限制現金」。於合併現金流量表內，現金及現金等值項目不包括受限制現金。

2.20 股本

普通股歸類為權益。直接歸屬於發行新股或購股權的遞增成本在權益內列為所得款項的扣減項目(扣除稅項)。

2.21 貿易應付款項

貿易應付款項為在日常業務過程中自供應商取得貨品或服務的付款責任。倘貿易應付款項於一年或以內(或倘時間更長，則在業務的正常營運週期)到期，會分類為流動負債，否則以非流動負債呈列。

貿易應付款項初步按公允值確認，隨後採用實際利率法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, 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.

(a) Current income tax

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 countries where the Company's subsidiaries and associates 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. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅

期內稅項開支包括即期及遞延稅項。稅項乃在合併全面收益表內確認，惟涉及已於其他全面收益內確認或直接於權益內確認的項目則除外。在此情況下，有關稅項亦會分別於其他全面收益內或直接於權益內確認。

(a) 即期所得稅

即期所得稅支出乃按照本公司的附屬公司及聯營公司經營所在及產生應課稅收入的國家於結算日已頒佈或已大致頒佈的稅法計算。管理層定期就適用稅務條例出現須待詮釋的情況評估其採取的報稅立場。管理層會基於預期將向稅務機關繳付的金額於適當時作出撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

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, the 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 income 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 only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅 (續)

(b) 遞延所得稅

內在差異

遞延所得稅乃以負債方法按照資產負債的稅基與於合併財務報表內兩者賬面金額之間所產生的暫時差額確認。然而，倘遞延稅項負債因商譽經初步確認而產生，則不確認遞延稅項負債，倘遞延所得稅因一宗交易（而非業務合併）中的資產或負債經初始確認而產生（而該項交易當時並無對會計或應課稅溢利或虧損構成影響），則不會將遞延所得稅入賬。遞延所得稅乃以於結算日已頒佈或已大致頒佈、並預期會於有關遞延所得稅資產變現時或於遞延所得稅負債清償時應用的稅率（及稅法）釐定。

遞延所得稅資產僅於可能有未來應課稅溢利以供用於抵銷暫時差額時確認。

外在差異

遞延所得稅負債乃根據於附屬公司的投資所產生的應課稅暫時差額作撥備，惟對於撥回暫時差額的時間由本集團控制，並於可見將來不大可能撥回暫時差額的遞延所得稅負債則另作別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax (Continued)

(c) Offsetting

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 taxes 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.

2.23 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current accrual and other payables in the consolidated balance sheet.

2 重大會計政策概要 (續)

2.22 即期及遞延所得稅 (續)

(c) 抵銷

當享有可依法執行的權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產及負債乃關於同一稅務機關對有意按淨額基準結清即期所得稅資產及負債結餘的應課稅實體或不同應課稅實體所徵收的所得稅，遞延所得稅資產及負債會互相抵銷。

2.23 僱員福利

(a) 短期責任

工資及薪金責任 (包括預期在僱員提供相關服務期限結束後十二個月內全部結算的非貨幣福利及累計病假) 乃就直至報告期末的僱員服務於其他應付賬款確認，並按預期於結清責任時支付的金額計算。負債乃於合併資產負債表中呈列為即期應計費用及其他應付款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Employee benefits (Continued)

(b) Pension obligations

Full time employees of the PRC entities participate in a government mandated multiemployer defined contribution plan pursuant to which certain pension benefits, medical care, unemployment insurance, employee housing fund and other welfare benefits are provided to employees. Chinese labor regulations require the Company to accrue for these benefits based on certain percentages of the employees' salaries. Management believes full time employees who have passed the probation period are entitled to such benefits.

The Group contributes to Mandatory Provident Fund Scheme ("MPF") for eligible employees in Hong Kong. The assets of the MPF are held in a separate trustee administered fund. The Company's contributions to the MPF are expensed as incurred.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 重大會計政策概要 (續)

2.23 僱員福利 (續)

(b) 退休金責任

中國實體的全職僱員參與政府強制性多邊僱主界定供款計劃，據此，僱員享有若干退休金福利、醫療福利、失業保險、僱員住房津貼及其他福利。中國勞工法規規定本公司根據僱員薪金的若干比例計付該等福利。管理層認為，通過試用期的全職僱員有權享有該等福利。

本集團為香港合資格僱員提供強制性公積金計劃（「強制性公積金計劃」）。強制性公積金計劃資產由一獨立信託管理基金持有。本公司強制性公積金計劃供款為應計費用。

支付供款後，本集團再無其他付款責任。供款在到期時確認為僱員福利開支，並扣除在供款完全歸屬前離開計劃的僱員被沒收的供款。預付供款確認為資產，以可獲得現金退款或可從未來付款扣除者為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Employee benefits (Continued)

(b) Pension obligations (Continued)

There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

(c) Bonus plans

The Group recognises a liability and an expense for bonuses, based on performance and takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.24 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. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 重大會計政策概要 (續)

2.23 僱員福利 (續)

(b) 退休金責任 (續)

概無已被沒收供款 (即僱員於有關供款悉數歸屬前退出計劃, 由僱主代僱員處理的供款) 以抵銷界定供款計劃下的現有供款。

(c) 花紅計劃

本集團就按業績計算並計及本公司股東應佔溢利在作出若干調整後的花紅確認負債及開支。本集團於有合約責任或過往慣例產生推定責任時確認撥備。

2.24 撥備

當本集團因過去事件而須承擔現有法律或推定責任, 而履行該責任很有可能導致資源流出, 且能夠可靠地估計金額的情況下, 便會確認撥備。本集團不會就日後經營虧損確認撥備。

倘出現多項類似責任, 履行責任時導致資源流出的可能性乃考慮責任整體類別釐定。即使同類責任中任何一項可能導致資源流出的機會不大, 仍會確認撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Provisions (Continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.25 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 consolidated statement 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.

2 重大會計政策概要 (續)

2.24 撥備 (續)

撥備乃按採用稅前比率計算預期須就履行責任支付開支的現值計量，有關比率反映市場當時對貨幣時間價值及該責任的特定風險的評估。因時間流逝而產生的撥備增加確認為利息開支。

2.25 借款

借款於扣除所產生的交易成本後，初步按公允值確認，其後按攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的任何差額，於借款期內以實際利率法於合併全面收益表內確認。

在貸款融資將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為止。在並無跡象顯示將可能部分或全部提取該融資的情況下，該費用會撥充資本作為流動資金服務的預付款項，並於有關融資期間內攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Borrowings (Continued)

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of comprehensive income as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.26 Convertible bond

The fair value of the liability portion of a convertible bond is determined using a market interest rate for a non-convertible bond with similar terms. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion, early redemption or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity or derivative liability according to the conversion feature embedded. Any directly attributable transaction costs are allocated to the liability and equity or derivative liability component in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a convertible bond is measured at amortised cost using the effective interest method. The equity component of a convertible bond is not re-measured subsequent to initial recognition except on conversion or expiry.

2 重大會計政策概要 (續)

2.25 借款 (續)

當合約內規定的責任被解除、取消或屆滿，借款即從合併資產負債表剔除。已消除或轉移至另一方的金融負債的賬面金額與已付代價（包括已轉移的非現金資產或所承擔的負債）之間的差額，在合併全面收益表內確認為其他收入或財務成本。

除非本集團擁有無條件權利可將負債的償還日期遞延至報告期末後至少十二個月，否則借款乃分類為流動負債。

2.26 可換股債券

可換股債券負債部分的公允值按具有類似年期的非可換股債券的市場利率釐定。該金額按攤銷成本基準入賬為負債，直至債券轉換、提早贖回或到期時終止。剩餘的所得款項分配至換股權，並根據嵌入的換股權特徵，確認為及計入股東權益或衍生負債。任何直接應佔交易成本按其初始賬面值的比例分配至負債及權益或衍生負債組成部分。

於初步確認後，可換股債券的負債部分乃使用實際利率法按攤銷成本計量。可換股債券的權益部分毋須於初步確認後重新計量，惟於轉換或屆滿時除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition

The Group determined when to recognise revenue and how much revenue to recognise through a 5-step approach: (i) identify the contract(s) with customer; (ii) identify separate performance obligations in a contract; (iii) determine the transaction price; (iv) allocate transaction price to performance obligations; and (v) recognise revenue when performance obligation is satisfied.

- (i) **Newspaper and public vehicles advertising**
The Group renders services for the creation, production and placement of advertising materials through certain newspaper publishers and public vehicles operators. Revenue from providing the advertising services are recognised at a point in time when the services are rendered.

The Group's role in the provision of services on newspaper and public vehicles advertising is that of a principal. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Group and its business partners are reviewed to determine each party's respective role in the transaction. Hence, revenue from newspaper advertising services is recognised on a gross basis when services are rendered.

2 重大會計政策概要 (續)

2.27 收益確認

本集團透過五個步驟釐定確認收益的時間及確認收益的金額：(i) 與客戶確定合約；(ii) 確定合約中獨立的履約責任；(iii) 釐定交易價格；(iv) 將交易價格分配至履約責任；及 (v) 於履約責任達成時確認收益。

- (i) **報紙及移動傳媒廣告**
本集團透過若干報紙出版商及移動傳媒運營商提供創設、製作及投放廣告材料的服務。提供廣告服務的收益於提供服務時確認。

本集團在提供報紙及移動傳媒廣告服務方面的身份極為重要。在釐定收益或收益成本的最佳呈列基準時，本集團會審閱其與業務夥伴所訂立協議的法律形式及內容，以釐定各方在交易中的身份。因此，來自報紙廣告服務的收益於提供服務時按總額基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

(ii) Marketing and consulting services

Revenue from marketing services comprised (i) revenue from provision of marketing planning and consulting services and (ii) commission from sale of properties.

Revenue from marketing planning and consulting services is recognised over time when the services are rendered. Revenue are recognised over the respective contract terms.

Commission from sale of properties is recognised at a point in time when the services are rendered and the customer (i.e. property developer) has entered into the sales and purchase agreement with the buyer.

Customers are invoiced based on the payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

2 重大會計政策概要 (續)

2.27 收益確認 (續)

(ii) 營銷及諮詢服務

來自營銷服務的收益包括(i)提供營銷規劃及諮詢服務的收益及(ii)銷售物業所得佣金。

來自營銷規劃及諮詢服務的收益於提供服務時確認。收益於各合約期內確認。

銷售物業所得佣金於提供服務時確認，且客戶(即物業開發商)已與買家訂立買賣協議。

本集團按付款進度向客戶開具發票。倘本公司所提供的服務超過付款，則確認合約資產。倘付款超過所提供的服務，則確認合約負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Revenue recognition (Continued)

(iii) Printing services

Printing revenue is recognised at a point in time when printing services are rendered and the legal title of the newspaper is transferred to the customers.

(iv) Sales of agricultural products

Revenue from the sales of agricultural products is recognised at a point in time when control of the goods has transferred to the customer, generally on delivery of the goods to the customer. Delivery occurs when the goods have been placed at the customer's disposal (generally at the seller's premises), the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contracts, the acceptance provision have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(v) Others

Other revenue mainly includes rental income, agency commission and other miscellaneous income. Rental income are recognised on a straight-line basis over the respective lease terms. Revenue from agency commission is recognised at a point in time when sale transaction of service pack is completed, while the Group does not take control of the service pack sold. Other miscellaneous income are recognised at a point in time when the respective control on goods or services are transferred to the customers.

2 重大會計政策概要 (續)

2.27 收益確認 (續)

(iii) 印刷服務

印刷收益於提供印刷服務時確認，而報紙的合法所有權已轉讓予客戶。

(iv) 銷售農產品

銷售農產品的收益於貨品控制權轉讓至客戶時確認，通常為向客戶交付貨品時。交付於貨品存放至客戶出售點（通常為賣方的物業內）、報廢及虧損的風險已轉讓至客戶、客戶根據銷售合約接受貨品、接受條文失效或本集團有客觀證據表明所有接受標準已獲達成時落實。

(v) 其他

其他收益主要包括租金收入、代理佣金及其他雜項收入。租金收入於有關租期以直線法確認。代理佣金收入於服務包銷售交易完成時點確認，而本集團不控制所售服務包。租金收入於各租賃期按直線法確認。其他雜項收入於貨品或服務的各項控制權轉交至客戶時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Government grants

Grants from the government are recognised at 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 are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to expenses are shown separately as other income.

2.29 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The Group leases properties and land as lessee. Rental contracts are typically made for fixed periods of 1 to 41 years but may have termination options.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2 重大會計政策概要 (續)

2.28 政府補助

倘能合理保證將取得政府補助及本集團將符合所有附帶條件，則該等政府補助將按公允值確認。

為配合擬補償的成本，政府補助會於必要期間內遞延處理並於合併全面收益表內確認。與開支相關的政府補助獨立呈列為其他收入。

2.29 租賃

租賃在各租賃資產可供本集團使用之日確認為使用權資產及相應負債。

本集團作為承租人租賃多幅物業及土地。租賃合約的固定期限通常為1至41年，但可能有終止選擇權。

每筆租賃付款乃分配至負債及財務成本。財務成本於租期內自損益扣除，以計算出各期間負債結餘的固定週期利率。使用權資產乃以直線法按資產的可使用年期與租期兩者之中較短者折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.29 Leases (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- 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 that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

2 重大會計政策概要 (續)

2.29 租賃 (續)

租賃產生的資產及負債初步以現值基準計量。租賃負債包括以下租賃付款的現值淨額：

- 定額付款 (包括實質定額付款)，扣減任何應收租賃優惠
- 本集團預期根據剩餘價值擔保應付的金額
- 購買選擇權的行使價，惟本集團合理確定行使該選擇權；及
- 倘租期反映本集團行使終止選擇權時，有關終止租賃的罰款。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率此情況普遍存在於本集團租賃中，則使用承租人的增量借款利率，即個別承租人在類似條款、抵押及條件的類似經濟環境中借入獲得與使用權資產具有類似價值資產所需資金所必須支付的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.29 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of use assets is depreciated over the underlying asset's useful life.

2.30 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 重大會計政策概要 (續)

2.29 租賃 (續)

使用權資產按以下各項的成本計量：

- 初步計量租賃負債的金額
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠
- 任何初步直接成本；及

使用權資產通常按直線基準以資產可使用年期與租期內的較短者折舊。倘本集團合理確定會行使購買選擇權，則使用權資產於相關資產可使用年期內計提折舊。

2.30 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(如適用)批准的期間內於本集團的財務報表內確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.31 Borrowing costs

General and specific 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 the consolidated statement of comprehensive income in the period in which they are incurred.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow 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 has not used any derivative financial instruments to hedge its risk exposures.

2 重大會計政策概要 (續)

2.31 借款成本

收購、建造或生產合資格資產 (指需要用上大量時間準備就緒作擬定用途或出售的資產) 直接應佔的一般及特定借款成本乃計入該等資產的成本, 直至該等資產大致上已準備就緒作擬定用途或出售為止。

特定借款用於合資格資產之前作為短暫投資所賺取的投資收入, 自合資格撥充資本的借款成本扣除。

所有其他借款成本於產生期間於合併全面收益表內確認。

3 財務風險管理

3.1 財務風險因素

本集團的業務承受多項財務風險: 市場風險 (包括貨幣風險及現金流量利率風險)、信貸風險及流動資金風險。本集團的整體風險管理計劃集中於金融市場的不可預測事項, 並尋求盡量減低對本集團財務表現的潛在不利影響。本集團並無採用任何衍生金融工具對沖其所面對的風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The Group operates principally in the PRC. Majority of recognised assets and liabilities are denominated in RMB and majority of transactions are settled in RMB. Foreign exchange risk mainly arises from cash and cash equivalents, deposits and other receivables balance and other payables denominated in Hong Kong dollar (“HKD”). The Group does not hold or issue any derivative financial instruments to manage its exposure to foreign currency risk.

As at 31 December 2022, if HKD had weakened/strengthened by 5% against RMB with all other variables held constant, post-tax loss for the year would have been RMB436,000 lower/higher (2021: RMB453,000 lower/higher), mainly as a result of foreign exchange gains/losses on translation of HKD denominated cash and cash equivalents, deposits and other receivables balance and other payables.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險

(i) 外匯風險

本集團主要在中國經營業務。已確認的大部分資產及負債均以人民幣列值，且大部分交易均以人民幣結算。外匯風險主要來自以港元計值的現金及現金等值項目、按金及其他應收款項結餘及其他應付款項。本集團並無持有或發行任何衍生金融工具，以管理其所面對的外幣風險。

於二零二二年十二月三十一日，倘港元兌人民幣貶值／升值5%，而所有其他變數維持不變，則年內稅後虧損將減少／增加人民幣436,000元（二零二一年：減少／增加人民幣453,000元），主要是由於換算以港元計值的現金及現金等值項目、按金及其他應收款項結餘及其他應付款項產生的匯兌收益／虧損所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) *Cash flow interest rate risk*

The Group's interest rate risk arises from bank borrowings and bank deposits. Bank borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by bank deposits held at variable rates.

The sensitivity analysis below has been determined based on the exposure to interest rate risk on its variable rate bank borrowings and bank deposits at the balance sheet date and prepared assuming the amount of bank borrowings and bank deposits outstanding at each balance sheet date was outstanding for the whole year.

At 31 December 2022 and 2021, the Group does not have any interest-bearing financial assets or liabilities at variable rate. Hence, it is not exposed to interest rate risk.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) *現金流量利率風險*

本集團的利率風險來自銀行借款及銀行存款。按浮息取得的銀行借款使本集團面對現金流量利率風險，部分風險被按浮息持有的銀行存款所抵銷。

下列敏感度分析乃根據於結算日浮息銀行借款及銀行存款的利率風險釐定，並假設於各結算日現有銀行借款及銀行存款金額於全年內存置而編製。

於二零二二年及二零二一年十二月三十一日，本集團並無任何按浮息計息金融資產或負債。因此，並無面臨利率風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The carrying amounts of financial assets at fair value through profit or loss, trade receivables, contract assets, deposits and other receivables, amounts due from related parties, restricted cash, and cash and cash equivalents included in the consolidated financial statements represent the Group's maximum exposure to credit risk in relation to its financial assets. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem.

The credit risk of the Group mainly arises from cash and cash equivalents, restricted cash, trade receivables, contract assets, other financial assets at amortised cost (including deposits and other receivables and amounts due from related parties) and financial assets at fair value through profit or loss.

(i) Cash and cash equivalents

Management considers the Group has limited credit risk with its banks which are leading and reputable and are assessed as having low credit risk. Majority of bank balances are deposited with reputable banks. The Group has not incurred significant loss from non-performance by these parties in the past and management does not expect so in the future.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

本集團就金融資產面臨的最高信貸風險乃指合併財務報表所載公允值經損益表入賬的金融資產、貿易應收款項、合約資產、按金及其他應收款項、應收關連人士款項、受限制現金及現金及現金等值項目的賬面值。本集團管理信貸風險措施的目標乃為控制就收回款項而可能承擔的潛在風險。

本集團的信貸風險主要來自現金及現金等值項目、受限制現金、貿易應收款項、合約資產、按攤銷成本計量的其他金融資產 (包括按金及其他應收款項及應收關連人士款項) 及公允值經損益表入賬的金融資產。

(i) 現金及現金等值項目

管理層認為本集團面臨的銀行信貸風險有限，原因為該等銀行均為領先且信譽良好的銀行，被評估為信貸風險較低。大部分銀行結餘存於信譽良好的銀行。本集團過往未曾因該等人士違約而招致重大損失，且管理層預期日後亦不會遭受重大損失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Trade receivables and contract assets

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permit the use of lifetime expected loss provision for trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are determined based on historical credit losses and also incorporated forward-looking information.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項及合約資產

本集團僅與認可及信譽良好的第三方進行買賣。本集團的政策為所有有意按信貸條款進行買賣的客戶均須接受信貸審核程序。此外，本集團持續監控應收款項結餘，故此本集團面臨的壞賬風險並不重大。

本集團按國際財務報告準則第9號的規定使用簡化法對預期信貸虧損作出撥備，該方法允許就貿易應收款項及合約資產使用全期預期虧損撥備。

為計量預期信貸虧損，貿易應收款項及合約資產已按分佔信貸風險特點及逾期天數分組。預期信貸虧損率按歷史信貸虧損釐定，亦載有前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Trade receivables and contract assets (Continued)

As at 31 December 2022, the balance of loss allowance in respect of these trade receivables was RMB9,212,000 (2021: RMB7,498,000) based on expected credit loss rates up to 100% (2021: up to 100%) applied on different groupings.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporated forward looking information. The Group has identified the GDP of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on the expected changes in this forward-looking factor.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項及合約資產 (續)

於二零二二年十二月三十一日，按最高預期信貸虧損率100% (二零二一年：最高100%) 適用於不同組群的該等貿易應收款項虧損撥備結餘為人民幣9,212,000元 (二零二一年：人民幣7,498,000元)。

為計量預期信貸虧損，貿易應收款項及合約資產已按共享信貸風險特徵及逾期天數分組。預期信貸虧損亦載有前瞻性資料。本集團已將其出售貨品及服務國家的GDP確定為最為相關因素，並就此按該類前瞻性因素的預期變動調整歷史虧損比率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Trade receivables and contract assets (Continued)

When trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against the same line item.

(iii) Other financial assets at amortised cost

For other financial assets at amortised costs, the Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Management makes periodic collective assessments as well as individual assessment on the recoverability of the balances based on historical settlement records, past experience and forward-looking information.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項及合約資產 (續)

當貿易應收款項無法收回時，則以貿易應收款項虧損撥備撇銷。其後收回的先前撇銷金額計入同一項目。

(iii) 按攤銷成本列賬的其他金融資產

就按攤銷成本列賬的其他金融資產而言，本集團於初步確認資產時考慮違約的可能性及於各報告期間信貸風險是否持續大幅增加。

管理層按歷史結算記錄、過往經驗及前瞻性資料，定期對結餘的可收回性進行共同評估及個別評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iii) Other financial assets at amortised cost (Continued)

To assess whether there is a significant increase in credit risk, the Group compares the risk of default as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtors' ability to meet its obligations
- actual or expected significant changes in the operating results of debtors
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the expected performance and behaviour of debtors, including changes in the payment status of the debtor in the Group and changes in the operating results of the debtor

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(iii) 按攤銷成本列賬的其他 金融資產 (續)

為評估信貸風險是否有大幅增加，本集團比較於報告日期發生違約的風險及於初始確認日期發生違約的風險。本集團會考慮可獲取得合理及有據的前瞻性資料。尤其納入以下指標：

- 業務、財務或經濟狀況的實際或預期重大不利變動，預期引起債務人履行其責任的能力出現重大變動
- 債務人的經營業績產生實際或預期重大變動
- 同一債務人其他金融工具的信貸風險出現重大變動
- 債務人的預期表現及行為的重大變動，包括債務人於本集團的付款狀況的變動及債務人經營業績的變動

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(iii) *Other financial assets at amortised cost (Continued)*

Other financial assets at amortised cost have low risk of default and it is not expected any losses from non-performance by the counterparties. As at 31 December 2022, the Group assessed that there is no significant increase in credit risk for these balances from the end of previous reporting date and the expected credit loss rate for these financial assets is immaterial under 12 months expected credit losses model.

(iv) *Financial assets at fair value through profit or loss*

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(iii) *按攤銷成本列賬的其他 金融資產 (續)*

按攤銷成本列賬的其他金融資產違約風險較低，且預期並無交易對手未履約產生的任何虧損。於二零二二年十二月三十一日，本集團評估該等結餘自上一報告日期結束起信貸風險並無重大增加，而該等金融資產的預期信貸虧損率於12個月的預期信貸虧損模式項下並不重大。

(iv) *公允值經損益表入賬的 金融資產*

本集團亦就公允值經損益表入賬計量的債務投資承擔信貸風險。於報告期末的最高風險為該等投資的賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements for maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet its liquidity requirements in the short and longer term. The Group invests surplus cash in time deposits and money market deposits with appropriate maturities. The Group reported net loss of RMB167,915,000 and operating cash outflow of RMB11,645,000 during the year ended 31 December 2022. As at the same date, the Group held cash and cash equivalent of RMB46,025,000 (2021: RMB8,851,000) (Note 17), trade receivables of RMB14,518,000 (2021: RMB7,004,000) (Note 16) that are expected to readily generate cash inflows for managing liquidity risk and to fund the Group's operations.

As at 31 December 2022, the Group has no mortgage loans with a repayable on demand clause amounted (2021: RMB5,900,000).

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險

本集團的政策是定期監察即期及預期流動資金需求，以維持充足的現金，並透過足夠的承諾信貸融資額，滿足短期及長期的流動資金需求。本集團將現金盈餘投資於附有合適到期日的定期存款及貨幣市場存款。於截至二零二二年十二月三十一日止年度，本集團錄得虧損淨額人民幣167,915,000元及經營現金流出人民幣11,645,000元。同日，本集團持有現金及現金等值項目人民幣46,025,000元(二零二一年：人民幣8,851,000元)(附註17)以及貿易應收款項人民幣14,518,000元(二零二一年：人民幣7,004,000元)(附註16)預計可為管理流動資金風險帶來現金流入及為本集團營運提供資金。

於二零二二年十二月三十一日，本集團並無應要求償還的按揭貸款(二零二一年：人民幣5,900,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant. Specifically, for bank and other borrowing which contain a repayment on demand clause which can be exercised at the discretion of the counterparties, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

下表乃根據由結算日至合約到期日止剩餘期間，將本集團的金融負債劃分為相關到期日組別的分析。表中披露的金額為合約未貼現現金流。由於貼現的影響不大，於12個月內到期的結餘相等於其賬面結餘。具體而言，對於載有對方可酌情行使的應要求償還條款的銀行及其他借款，以下分析所示現金流出量乃以實體可能被要求付款的最早期限為基礎。

| | | Less than 1 year 一年以內 RMB'000 人民幣千元 | 1-2 years 一至兩年 RMB'000 人民幣千元 | 2-5 years 兩至五年 RMB'000 人民幣千元 | More than 5 years 五年以上 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|----------------------|---|---------------------------------------|---------------------------------------|--|---------------------------------|
| At 31 December 2022 | 於二零二二年十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 116,535 | - | - | - | 116,535 |
| Amounts due to related parties | 應付關連人士款項 | 23,867 | - | - | - | 23,867 |
| Convertible bonds | 可換股債券 | - | - | - | - | - |
| Loan from a shareholder | 來自一名股東的貸款 | - | - | 4,640 | - | 4,640 |
| Financial guarantees (maximum amount guaranteed) | 財務擔保 (最高擔保金額) | 1,521 | 3,070 | 1,630 | - | 6,221 |
| Lease liabilities | 租賃負債 | 587 | 443 | 768 | 4,988 | 6,786 |
| Amount due to a joint venture | 應付一間合資企業款項 | - | - | 12,300 | - | 12,300 |
| Financial liabilities at fair value through profit or loss | 公允值經損益表入賬的 金融負債 | 25,690 | - | - | - | 25,690 |
| | | 168,200 | 3,513 | 19,338 | 4,988 | 196,039 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 99,930 | - | - | - | 99,930 |
| Bank borrowings | 銀行借款 | 6,429 | - | - | - | 6,429 |
| Amounts due to related parties | 應付關連人士款項 | 19,471 | - | - | - | 19,471 |
| Convertible bonds | 可換股債券 | 186,089 | - | - | - | 186,089 |
| Loan from a shareholder | 來自一名股東的貸款 | - | 1,575 | - | - | 1,575 |
| Financial guarantees (maximum amount guaranteed) | 財務擔保 (最高擔保金額) | 2,726 | 3,048 | 4,020 | - | 9,794 |
| Lease liabilities | 租賃負債 | 1,084 | 480 | 1,446 | 5,588 | 8,598 |
| | | 315,729 | 5,103 | 5,466 | 5,588 | 331,886 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's 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, 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 total borrowings divided by total assets, as shown in the consolidated balance sheet.

Gearing ratio as at 31 December 2022 is 21.2% (2021: 81.6%).

3 財務風險管理 (續)

3.2 資本風險管理

在資本管理上，本集團的目標為保障本集團以持續經營基準繼續營運的能力，務求為股東提供回報及為其他持份者帶來利益，以及維持最有效的資本架構以減省資金成本。

為維持或調整資本架構，本集團或會調整派付予股東的股息額、發行新股或出售資產以削減債項。

本集團根據資產負債比率監察資本。該比率按合併資產負債表所示的借款總額除以總資產計算。

於二零二二年十二月三十一日的資產負債比率為21.2% (二零二一年：81.6%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Financial instruments by category

3 財務風險管理 (續)

3.3 按類別劃分的金融工具

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-------------------|-----------------------------------|-----------------------------------|
| Assets as per balance sheet | 資產負債表所列的資產 | | |
| Financial assets at fair value through profit or loss | 公允值經損益表入賬的金融資產 | 4,376 | 7,432 |
| Other financial assets at amortised cost: | 按攤銷成本列賬的 | | |
| | 其他金融資產： | | |
| Trade receivables, deposits and other receivables | 貿易應收款項、按金及其他應收款項 | 76,656 | 66,608 |
| Restricted cash | 受限制現金 | 578 | 935 |
| Cash and cash equivalents | 現金及現金等值項目 | 46,025 | 8,851 |
| Total | 總計 | <u>127,635</u> | <u>83,826</u> |
| Liabilities as per balance sheet | 資產負債表所列的負債 | | |
| Financial liabilities at fair value through profit or loss | 公允值經損益表入賬的金融負債 | 25,690 | - |
| Other financial liabilities carried at amortised cost: | 按攤銷成本列賬的其他金融負債： | | |
| Trade and other payables | 貿易及其他應付款項 | 116,535 | 99,930 |
| Borrowings | 借款 | - | 6,350 |
| Amounts due to related parties | 應付關連人士款項 | 23,867 | 19,471 |
| Convertible bonds | 可換股債券 | - | 181,356 |
| Financial guarantees | 財務擔保 | 851 | 865 |
| Lease liabilities | 租賃負債 | 6,441 | 6,730 |
| Loan from a shareholder | 來自一名股東的貸款 | 4,419 | 1,500 |
| Amount due to a joint venture | 應付一間合資企業款項 | 9,080 | - |
| Total | 總計 | <u>186,883</u> | <u>316,202</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation

The carrying amounts of the following financial assets and financial liabilities approximate their fair values as all of them are short-term in nature: cash and cash equivalents, restricted cash, trade and other receivables, amounts due from related parties, trade and other payables, bank and other borrowings, amounts due to related parties, financial guarantees, lease liabilities and convertible bonds. The fair value of other financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments, unless the discounting effect is insignificant.

As at 31 December 2022 and 31 December 2021, there are certain financial assets at fair value through profit or loss measured at value in use using discounted cash flow method which approximate their fair values. See note 15 for disclosures relevant to financial assets at fair value through profit or loss.

As at 31 December 2022, there are certain financial liabilities at fair value through profit or loss using direct market comparable approach which are approximate to their fair values. See note 25 for disclosures relevant to financial liabilities at fair value through profit or loss.

As at 31 December 2022 and 31 December 2021, there are certain properties held for sale measured at fair value less cost to sell using direct market comparable approach and income approach which are approximate to their fair values. See note 14 for disclosures relevant to properties held for sale.

3 財務風險管理 (續)

3.4 公允值估計

以下金融資產及金融負債的賬面金額與其公允值相若，此乃由於該等項目均屬短期性質所致：現金及現金等值項目、受限制現金、貿易及其他應收款項、應收關連人士款項、貿易及其他應付款項、銀行及其他借款、應付關連人士款項、財務擔保、租賃負債及可換股債券。就披露而言，其他金融負債的公允值按未來合約現金流量以本集團類似金融工具適用的現行市場利率貼現估計，惟貼現影響並不重大。

於二零二二年十二月三十一日及二零二一年十二月三十一日，若干公允值經損益表入賬的金融資產使用貼現現金流量法按與其公允值相若的使用價值計量。有關公允值經損益表入賬的金融資產的披露，請參閱附註15。

於二零二二年十二月三十一日，若干公允值經損益表入賬的金融負債使用直接市場可資比較法計量，與其公允值相若。有關公允值經損益表入賬的金融負債的相關披露，請參閱附註25。

於二零二二年十二月三十一日及二零二一年十二月三十一日，若干持作出售物業採用直接市場比較法及收益法按公允值減出售成本計量，與其公允值相若。持作出售物業的相關披露見附註14。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

As at 31 December 2022, there are certain investment properties measured at fair value less cost to sell using income approach which are approximate to their fair values. See note 8 for disclosures relevant to investment properties.

As at 31 December 2022 and 31 December 2021, there are certain biological assets measured at fair value less cost to sell using discounted cash flow model which approximate to their fair values. See note 12 for disclosures relevant to biological assets.

3.5 Offsetting financial assets and financial liabilities

No disclosure of the offsetting of financial assets and financial liabilities is made as there is no netting arrangement in place during the year.

3 財務風險管理 (續)

3.4 公允值估計 (續)

於二零二二年十二月三十一日，若干投資物業採用收入法按公允值減出售成本計量，與其公允值相若。投資物業相關披露見附註8。

於二零二二年十二月三十一日及二零二一年十二月三十一日，若干生物資產採用貼現現金流量模式按公允值減出售成本計量，與其公允值相若。生物資產的相關披露見附註12。

3.5 抵銷金融資產及金融負債

由於年內並無淨額結算安排，因此並無作出抵銷金融資產及金融負債的披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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) Impairment of assets

The Group follows the guidance of IAS 36 "Impairment of Assets" to determine when assets are impaired, which requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the recoverable amount of assets is less than their carrying balance, including factors such as the industry performance and changes in operational and financing cash flows. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (a CGU). The recoverable amount of the CGU has been determined higher of value in use or fair value less cost of disposal. These calculations require the use of estimates, including operating results, income and expenses of the business, future economic conditions on growth rates and future returns.

4 關鍵會計估計及假設

本集團持續根據過往經驗及其他因素（包括對相信日後在若干情況下屬合理的若干事件的期望）衡量估計及判斷。

本集團對未來作出估計及假設。顧名思義，所得會計估計甚少等同相關實際結果。下文指出具有重大風險導致須就下個財政年度的資產和負債賬面金額作出重大調整的估計和假設。

(a) 資產減值

本集團遵從國際會計準則第36號「資產減值」的指引，以釐定資產何時出現減值（須作出重大判斷）。在作出此項判斷時，本集團評估（其中包括）資產的可收回金額少於賬面餘額的持續期間及程度，包括行業表現以及營運及融資現金流量變動等因素。就評估減值而言，資產按可獨立識別現金流量的最低水平（現金產生單位）分組。現金產生單位的可收回金額乃根據公允值減出售成本計算方法釐定。該等計算須使用估計，包括經營業績、業務的收入及開支、增長率等未來經濟狀況及未來回報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (Continued)

(a) Impairment of assets (Continued)

Management of the Group has performed goodwill impairment review annually. Details of goodwill impairment review are disclosed in note 9.

Changes in the key assumptions on which the recoverable amount of the assets is based could significantly affect the Group's financial position and results of operations.

(b) Valuation of financial assets at fair value through profit or loss

The Group owns an investment in a movie income right and a network drama which have been classified as financial assets at fair value through profit or loss. The management performed an assessment on the fair value of the balance based on discounted cash flow model which required significant estimates, including the streams of income which the Group is entitled, determination of appropriate discount rate and expected timing of settlement. Where the expectation is different from the original estimate, such difference will impact the carrying value of the financial assets at fair value in the period in which such estimate has been changed.

(c) Valuation of investment properties

The fair value of investment properties is determined by using valuation techniques. Further details of the judgements and assumptions made, see note 8.

4 關鍵會計估計及假設 (續)

(a) 資產減值 (續)

本集團管理層每年進行商譽減值檢討。有關商譽減值檢討的詳情於附註9內披露。

資產可收回金額所依據的主要假設的變動可對本集團的財務狀況及經營業績造成重大影響。

(b) 公允值經損益表入賬的金融資產估值

本集團擁有一項電影收益權及一項網絡劇收益權的投資，該等投資被歸類為公允值經損益表入賬的金融資產。管理層按貼現現金流量模式評估結餘的公允值，此乃需要重大估計，包括本集團有權享有的收入來源、釐定合適的貼現率及預期結算時間。倘預期有別於原本估計，該差異將影響有關估計變動期間按公允值列賬的金融資產的賬面值。

(c) 投資物業的估值

投資物業的公允值採用估值技術釐定。有關作出判斷及假設的進一步詳情，請參閱附註8。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (Continued)

(d) Valuation of properties held for sale

The Group owns certain properties held for sale which are stated at the lower of carrying amount and fair value less costs to sell. In absence of current price in an active market for similar properties which is the best evidence of fair value, the management determined the amount within a range of reasonable fair values estimates. In making its estimates, the management considers information from the valuations of properties performed by external professional valuer by (i) direct market comparable approach, including the assumptions of the adjusting factors regarding to the location, size and nature of the properties; and (ii) income approach, including the assumptions of the expected rent income, growth rate and discount rate to determine the fair value. Had the Group used different inputs or assumptions, the fair value of the properties would be different and thus caused impact to the consolidated income statement. Details of the valuation of properties held for sale are disclosed in note 14.

(e) Impairment of trade and other receivables and contract assets

The Group recognises impairment provisions based on expected credit losses model. The model involves the assessment on the probability of default on the balances based on historical settlement records, past experience and forward-looking information. Impairment is determined by evaluating a range of possible outcomes. The identification of probability of default requires the use of judgement and estimates. Details of key assumptions and inputs used are disclosed in note 3.1.

(f) Income taxes

The Group is principally subject to income taxes in the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax provision and deferred income tax assets and liabilities in the period in which such determination is made.

4 關鍵會計估計及假設 (續)

(d) 持作出售物業的估值

本集團擁有若干持作出售物業，按賬面值與公允值減出售成本的較低者列賬。類似物業於活躍市場的現價是公允值的最佳證據，倘無有關現價，管理層將於若干合理估計公允值範圍內釐定金額。於作出估計時，管理層考慮外部專業估值師所進行的物業估值資料，以釐定公允值，包括(i)直接市場比較法，當中包括有關物業位置、面積及性質的調整因素假設；及(ii)收入法，當中包括預期租金收入、增長率及貼現率等假設。倘本集團使用不同輸入數據或假設，則物業的公允值將有所不同，因而影響合併收益表。持作出售物業估值詳情於附註14內披露。

(e) 貿易及其他應收款項以及合約資產的減值

本集團按預期信貸虧損模式確認減值撥備。該模式涉及按歷史結算記錄、過往經驗及前瞻性資料評估結餘違約的可能性。減值透過評估各類可能結果釐定。確定違約可能性需要使用判斷及估計。有關所用主要假設及輸入數據的詳情乃於附註3.1內披露。

(f) 所得稅

本集團主要須在中國繳納所得稅。釐定所得稅撥備時須作出重大判斷。在日常業務過程中有許多交易及計算會導致難以明確作出最終的稅務釐定。倘有關事項最終的稅務結果與最初記入的金額不同，則該等差額會影響作出釐定期間的即期所得稅撥備以及遞延所得稅資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 REVENUE

Revenue from external customers are mainly derived from the provision of newspaper and public vehicles advertising services to advertisers in the PRC, the provision of marketing and consulting services, printing services and sales of agricultural products. Other revenue mainly includes rental income, agency commission and the miscellaneous income. The total sales amount of the Group's five largest customers is RMB84,527,000 for the year ended 31 December 2022 (2021: RMB141,687,000). An analysis of the Group's revenue for the year is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|----------------------|-----------------------------------|-----------------------------------|
| Newspaper and public vehicles advertising | 報紙及移動傳媒廣告 | 6,478 | 13,299 |
| Marketing and consulting services | 營銷及諮詢服務 | 54,142 | 75,243 |
| Printing services | 印刷服務 | 2,959 | 4,180 |
| Sales of agricultural products | 銷售農產品 | 61,304 | 171,654 |
| Others | 其他 | 4,438 | 782 |
| | | 129,321 | 265,158 |
| Timing of revenue recognition | 收入確認時間 | | |
| – At a point in time | – 某個時點 | 128,609 | 263,373 |
| – Over time | – 隨時間 | 104 | 1,470 |
| – Under IFRS16 | – 根據國際財務報告準則 第16號 | 608 | 315 |
| | | 129,321 | 265,158 |

During the year ended 31 December 2022, revenue derive from Customer A of the Group amounted to RMB53,863,000 which accounted for more than 10% of the Group's revenue (2021: RMB66,930,000 from Customer A).

5 收入

來自外部客戶的收入主要源於向中國廣告客戶提供報紙及移動傳媒廣告服務，以及提供營銷及諮詢服務、印刷服務及銷售農產品。其他收入主要包括租金收入、代理佣金及雜項收入。截至二零二二年十二月三十一日止年度，本集團五大客戶所佔銷售總額為人民幣84,527,000元（二零二一年：人民幣141,687,000元）。本集團年內收入分析如下：

截至二零二二年十二月三十一日止年度，來自本集團客戶A的收入人民幣53,863,000元佔本集團收入的10%以上（二零二一年：人民幣66,930,000元來自客戶A）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 REVENUE (Continued)

Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Contract assets (Note (i)) | 合約資產 (附註(i)) | 278 | 2,542 |
| Less: Provision for impairment (Note (ii)) | 減：減值撥備 (附註(ii)) | (18) | (123) |
| Contract assets – net | 合約資產－淨額 | <u>260</u> | <u>2,419</u> |
| Contract liabilities (Note (iii)) | 合約負債 (附註(iii)) | <u>5,242</u> | <u>19,194</u> |

Notes:

- (i) Contract assets represent the Group's right to consideration in the exchange for services that the Group has transferred to customer. The contract assets are transferred to trade receivables when the right to bill the customer has established and receipt of the consideration is conditional only on the passage of time.
- (ii) The Group expects that contract assets have the same risk characteristics as trade receivables.

The Group applies the simplified approach to provide for expected credit losses. As at 31 December 2022, a provision of RMB18,000(2021: RMB123,000) was made against the gross amount of contract assets.

5 收入 (續)

與客戶合約相關的資產及負債

本集團已確認以下與客戶合約相關的資產及負債：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Contract assets (Note (i)) | 合約資產 (附註(i)) | 278 | 2,542 |
| Less: Provision for impairment (Note (ii)) | 減：減值撥備 (附註(ii)) | (18) | (123) |
| Contract assets – net | 合約資產－淨額 | <u>260</u> | <u>2,419</u> |
| Contract liabilities (Note (iii)) | 合約負債 (附註(iii)) | <u>5,242</u> | <u>19,194</u> |

附註：

- (i) 合約資產指本集團對於向客戶轉讓服務以獲得代價的權利。當向客戶收款的權利已確立且僅當收取代價的條件為隨時間流逝，合約資產方會轉撥至貿易應收款項。
- (ii) 本集團預期合約資產與貿易應收款項具有相同的風險特徵。

本集團使用簡化法對預期信貸虧損作出撥備。於二零二二年十二月三十一日，就合約資產總額作出為數人民幣18,000元(二零二一年：人民幣123,000元)的撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 REVENUE (Continued)

Assets and liabilities related to contracts with customers (Continued)

Notes: (Continued)

- (iii) Contract liabilities represent receipts in advance of non-refundable payments made by customers.

Revenue recognised in relation to contract liabilities
The following table shows how much of the revenue, which was included in the contract liability balance at the beginning of the year, recognised during the year relates to carried-forward contract liabilities.

| | |
|---|----------------------|
| Revenue recognised that was included in the contract liability balance at the beginning of the year | 計入年初合約負債結餘的 已確認收入 |
|---|----------------------|

- (iv) Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from newspaper advertising services contracts:

| | |
|----------------------|------|
| Advertising services | 廣告服務 |
|----------------------|------|

Management expects there are no unsatisfied contracts will be recognized as revenue during the next report period as the unsatisfied performance obligations are from a subsidiary which was disposed during 2022.

5 收入 (續)

與客戶合約相關的資產及負債 (續)

附註：(續)

- (iii) 合約負債指先於客戶作出不可退還付款前收取的款項。

與合約負債相關的已確認收入

下表列示年內所確認與結轉合約負債相關的收入金額 (已計入年初合約負債結餘)。

| 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 12,563 | 2,421 |

- (iv) 尚未履行的履約責任

下表列示報紙廣告服務合約產生的尚未履行的履約責任：

| 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| - | 7,417 |

由於尚未履行的履約責任來自已於二零二二年出售的一間附屬公司，故管理層預期概無尚未履行的合約將於下一報告期間內確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 SEGMENT INFORMATION

(a) Description of segments and principal activities

The Executive Directors have been identified as the chief operating decision maker (“CODM”). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The Group has two business segments, namely (i) Publishing and advertising segment and (ii) Tourism and integrated developments segment.

The Executive Directors assess the performance of the operating segments based on a measure of earnings before interest, other income, other gain and income tax. This measurement basis excludes the effects of non-recurring expenditure from operating segments. Loss on conversion of shareholder loan to contingent convertible loan, gain on conversion of convertible bond to shareholder loan, fair value change of contingent convertible loan, share of losses of investment accounted for using the equity method, impairment loss of properties held for sales interest income and finance cost are not allocated to segment. No analysis of segment assets and liabilities is regularly provided to the Executive Directors.

As the CODM considers most of the Group’s consolidated revenue and results are attributable to the market in the PRC and the Group’s consolidated assets are substantially located in the PRC, no geographical information is presented.

6 分類資料

(a) 分類及主要業務說明

執行董事被認定為首席營運決策人（「首席營運決策人」）。管理層已根據首席營運決策人為分配資源及評估表現而審閱的資料釐定經營分類。

本集團擁有兩個業務分類，即(i)出版及廣告分類；及(ii)旅遊及整合發展分類。

執行董事根據除利息、其他收入、其他收益及所得稅前的盈利計量評估經營分類的表現。該計量基準剔除經營分類的非經常性開支影響。股東貸款轉換為或有可換股貸款的虧損、可換股債券轉換為股東貸款的收益、或有可換股貸款的公允值變動、分佔採用權益法入賬的投資虧損、持作出售物業的減值虧損、利息收入及融資成本並無分配至分類。並未定期向執行董事提供有關分類資產及負債的分析。

首席營運決策人認為本集團大部分合併收入及業績來自中國市場，且本集團合併資產大致位於中國，故並無呈報地區資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 SEGMENT INFORMATION (Continued)

(b) Segment revenue and segment results

As at 31 December 2022, the Executive Directors considered the nature of the Group's business and determined that the Group has two reportable operating segments as follows:

- (i) Publishing and advertising segment, which mainly included provision of the advertising services, marketing and consulting services, printing services and agency commission from sales of service pack.
- (ii) Tourism and integrated developments segment, which mainly included provision of tourism and integrated services through its media, resort and eco-tourism integrated development projects and sales of agricultural products, including the Yongtai Distinctive Town Project and Cooperative Project in YongFu Town.

6 分類資料 (續)

(b) 分類收入及分類業績

於二零二二年十二月三十一日，執行董事考慮本集團的業務性質後，確定本集團擁有以下兩個呈報經營分類：

- (i) 出版及廣告分類，主要包括提供廣告服務、營銷及諮詢服務、印刷服務以及來自銷售服務包的代理佣金。
- (ii) 旅遊及整合發展分類，主要包括透過其媒體、度假村及生態旅遊整合發展項目提供旅遊及整合服務以及銷售農產品，包括永泰功夫小鎮項目及永福鎮合作項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 SEGMENT INFORMATION (Continued)

(b) Segment revenue and segment results (Continued)

The table below shows the segment results and other segment items provided to the Executive Directors for the reportable segments for the year ended 31 December 2022.

6 分類資料 (續)

(b) 分類收入及分類業績 (續)

下表列示截至二零二二年十二月三十一日止年度就呈報分類提供予執行董事的分類業績及其他分類項目。

| | | Tourism and integrated developments 旅遊及整合發展 RMB'000 人民幣千元 | Publishing and advertising 出版及廣告 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|-------------------|--|--|---------------------------------|
| Segment revenue from external customers | 來自外部客戶的分類收入 | 61,304 | 68,017 | 129,321 |
| Timing of revenue recognition for revenue | 收入確認時間 | | | |
| At a point in time | 某個時點 | 61,304 | 67,305 | 128,609 |
| Over time | 隨時間 | - | 104 | 104 |
| Under IFRS16 | 根據國際財務報告準則第16號 | - | 608 | 608 |
| Segment results | 分類業績 | (11,719) | (22,705) | (34,424) |
| Loss on conversion of shareholder loan to contingent convertible loan | 股東貸款轉換為或有可換股貸款的虧損 | | | (72,719) |
| Gain on conversion of convertible bond to shareholder loan | 可換股債券轉換為股東貸款的收益 | | | 42,827 |
| Fair value change of contingent convertible loan | 或有可換股貸款的公允值變動 | | | (25,350) |
| Share of losses of investment accounted for using the equity method | 分佔採用權益法入賬的投資虧損 | | | (75,034) |
| Impairment loss of properties held for sales | 持作出售物業減值虧損 | | | (5,323) |
| Other income | 其他收入 | | | 109 |
| Other gain | 其他收益 | | | 14,404 |
| Finance costs – net | 財務成本—淨額 | | | (13,109) |
| Loss before income tax | 除所得稅前虧損 | | | (168,619) |
| Income tax credit | 所得稅抵免 | | | 704 |
| Loss for the year | 年內虧損 | | | (167,915) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 SEGMENT INFORMATION (Continued)

(b) Segment revenue and segment results (Continued)

The table below shows the segment results and other segment items provided to the Executive Directors for the reportable segments for the year ended 31 December 2021.

| | | Tourism and integrated developments 旅遊及整合發展 RMB'000 人民幣千元 | Publishing and advertising 出版及廣告 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|----------------|--|--|---------------------------------|
| Segment revenue from external customers | 來自外部客戶的分類收入 | 172,103 | 93,055 | 265,158 |
| Timing of revenue recognition for revenue | 收入確認時間 | | | |
| At a point in time | 某個時點 | 172,103 | 91,270 | 263,373 |
| Over time | 隨時間 | – | 1,470 | 1,470 |
| Under IFRS16 | 根據國際財務報告準則第16號 | – | 315 | 315 |
| Segment results | 分類業績 | (188,940) | (25,439) | (214,379) |
| Other income | 其他收入 | | | 950 |
| Other gain | 其他收益 | | | 119 |
| Finance costs – net | 財務成本—淨額 | | | (19,906) |
| Loss before income tax | 除所得稅前虧損 | | | (233,216) |
| Income tax credit | 所得稅抵免 | | | 44,352 |
| Loss for the year | 年內虧損 | | | (188,864) |

The accounting policies of the reportable segments are the same as the Group's accounting policies.

6 分類資料 (續)

(b) 分類收入及分類業績 (續)

下表列示截至二零二一年十二月三十一日止年度就呈報分類提供予執行董事的分類業績及其他分類項目。

呈報分類的會計政策與本集團的會計政策相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT

7 物業、廠房及設備

| | | Buildings | Construction in progress | Leasehold improvements | Machinery | Fixture, furniture and equipment | Motor vehicles | Exhibition animals | Mature bearer plants | Immature bearer plants | Total |
|------------------------------------|-------------------------------|--------------|-----------------------------|---------------------------|-----------|--|-------------------|-----------------------|-------------------------|---------------------------|---------------|
| | | | | | | 裝置、傢私及 設備 | | | | | |
| | | 樓宇 | 在建工程 | 租賃物業裝修 | 機器 | 設備 | 汽車 | 展覽動物 | 產花果植物 成熟 | 產花果植物 未成熟 | 總計 |
| | | 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 |
| Year ended 31 December 2021 | 截至二零二一年 十二月三十一日止年度 | | | | | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 10,649 | 15,598 | 4,165 | - | 2,423 | 570 | 2,432 | 5,173 | 10,048 | 51,058 |
| Additions | 添置 | - | 1,398 | - | - | 180 | - | - | - | - | 1,578 |
| Disposals | 出售 | - | - | - | - | (123) | - | - | - | - | (123) |
| Depreciation (Note 28) | 折舊(附註28) | (505) | - | (1,559) | - | (543) | (140) | (859) | (274) | - | (3,880) |
| Impairment | 減值 | (3,216) | (5,602) | - | - | - | - | - | - | - | (8,818) |
| Currency translation differences | 貨幣換算差額 | - | - | - | - | - | 7 | - | - | - | 7 |
| Closing net carrying amount | 年末賬面淨額 | <u>6,928</u> | <u>11,394</u> | <u>2,606</u> | <u>-</u> | <u>1,937</u> | <u>437</u> | <u>1,573</u> | <u>4,899</u> | <u>10,048</u> | <u>39,822</u> |
| At 31 December 2021 | 於二零二一年十二月三十一日 | | | | | | | | | | |
| Cost | 成本 | 17,638 | 17,832 | 10,699 | 32,123 | 23,541 | 7,125 | 4,293 | 5,585 | 10,048 | 128,884 |
| Accumulated depreciation | 累計折舊 | (2,185) | - | (7,124) | (28,591) | (20,638) | (6,414) | (2,720) | (686) | - | (68,358) |
| Accumulated impairment losses | 累計減值虧損 | (8,525) | (6,438) | (969) | (3,532) | (966) | (274) | - | - | - | (20,704) |
| Net carrying amount | 賬面淨額 | <u>6,928</u> | <u>11,394</u> | <u>2,606</u> | <u>-</u> | <u>1,937</u> | <u>437</u> | <u>1,573</u> | <u>4,899</u> | <u>10,048</u> | <u>39,822</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (Continued)

7 物業、廠房及設備 (續)

| | | Fixture, furniture and equipment | | | | | | | | Total | |
|------------------------------------|--------------------------|----------------------------------|--------------------------|------------------------|-----------|-----------|----------------|--------------------|----------------------|---------|------------------------|
| | | Buildings | Construction in progress | Leasehold improvements | Machinery | equipment | Motor vehicles | Exhibition animals | Mature bearer plants | | Immature bearer plants |
| | | 樓宇 | 在建工程 | 租賃物業裝修 | 機器 | 設備 | 汽車 | 展覽動物 | 產花果植物 | 產花果植物 | 總計 |
| | | 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 |
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 6,928 | 11,394 | 2,606 | - | 1,937 | 437 | 1,573 | 4,899 | 10,048 | 39,822 |
| Additions | 添置 | - | 922 | - | - | 29 | 106 | - | - | - | 1,057 |
| Disposals | 出售 | (5,147) | - | - | - | (12) | (11) | - | - | - | (5,170) |
| Disposal of subsidiary | 出售附屬公司 | (1,607) | - | - | - | - | - | - | - | - | (1,607) |
| Depreciation (Note 28) | 折舊(附註28) | (174) | - | (1,058) | - | (961) | (42) | (858) | (274) | - | (3,367) |
| Closing net carrying amount | 年末賬面淨額 | - | 12,316 | 1,548 | - | 993 | 490 | 715 | 4,625 | 10,048 | 30,735 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | | | | | | | | | | |
| Cost | 成本 | 9,539 | 18,755 | 10,699 | 32,123 | 23,326 | 3,376 | 4,293 | 5,585 | 10,048 | 117,744 |
| Accumulated depreciation | 累計折舊 | (1,014) | - | (8,181) | (28,579) | (20,904) | (2,613) | (3,578) | (960) | - | (65,829) |
| Accumulated impairment losses | 累計減值虧損 | (8,525) | (6,439) | (970) | (3,544) | (1,429) | (273) | - | - | - | (21,180) |
| Net carrying amount | 賬面淨額 | - | 12,316 | 1,548 | - | 993 | 490 | 715 | 4,625 | 10,048 | 30,735 |

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statement of comprehensive income as follows:

本集團的物業、廠房及設備折舊已按下列方式於合併全面收益表扣除：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------------|---------|-----------------------------------|-----------------------------------|
| Cost of sales | 銷售成本 | 342 | 274 |
| General and administrative expenses | 一般及行政開支 | 3,025 | 3,606 |
| Total | 總計 | 3,367 | 3,880 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expense of RMB342,000 (2021: RMB274,000) for the year ended 31 December 2022 has been included in cost of sales. Depreciation expense of RMB3,025,000 (2021: RMB3,606,000) for the year ended 31 December 2022 has been included in administrative expenses.

The directors carried out an impairment assessment on the recoverable amounts of property, plant and equipment of Yongtai Township development project with carrying amount of RMB28,719,000 (2021: RMB27,914,000) as a result of the delay in project development for the year ended 31 December 2022. The recoverable amount is calculated based on a valuation performed by Valplus Consulting Limited, an independent qualified professional valuer. Key assumptions for the fair value less cost to disposal calculation include revenue compound annual growth rate, post-tax discount rate and forecasted revenue.

The key assumptions are as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|------------|-------------------------------------|-----------------------------------|
| Forecasted revenue at the year of commencement of the project | 項目開始年度預測收入 | 0.35% | 0.12% |
| | | of Fuzhou visitors 福州遊客的 | of Fuzhou visitors 福州遊客的 |
| Revenue compound annual growth rate | 收入複合年增長率 | 0.35% | 0.12% |
| Post-tax discount rate | 稅後貼現率 | 14% | 31.5% |
| | | 19.5% | 15.6% |

The recoverable amount of the CGU would equal its carrying amount of the key assumptions were to change as follows:

| | | 2022 二零二二年 | | 2021 二零二一年 | |
|--|-----------------------|---------------|--------------|---------------|---------|
| | | From 自 | To 至 | From 自 | To 至 |
| Revenue compound annual growth rate based on forecasted revenue at the year of commencement of the project | 基於項目開始年度預測收入的收入複合年增長率 | 14.0% | 13.9% | 31.5% | 30.5% |
| Post tax discount rate | 稅後貼現率 | 19.5% | 19.8% | 15.6% | 18.8% |

7 物業、廠房及設備 (續)

截至二零二二年十二月三十一日止年度，折舊開支人民幣342,000元（二零二一年：人民幣274,000元）已計入銷售成本。於截至二零二二年十二月三十一日止年度，折舊開支人民幣3,025,000元（二零二一年：人民幣3,606,000元）已計入行政開支。

由於截至二零二二年十二月三十一日止年度項目開發延遲，董事已就永泰小鎮開發項目賬面值為人民幣28,719,000元（二零二一年：人民幣27,914,000元）的物業、廠房及設備的可收回金額進行減值評估。可收回金額乃根據獨立合資格專業估值師瑋鉞顧問有限公司進行的估值計算。公允值減出售成本計算的關鍵假設包括收入複合年增長率、稅後貼現率及預測收入。

關鍵假設如下：

倘關鍵假設按以下方式變動，現金產生單位的可收回金額將等同於其賬面值：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

7 PROPERTY, PLANT AND EQUIPMENT (Continued)

Management has determined the recoverable amount of the Yongtai Township development project by assessing the fair value less costs of disposal of the CGU. The recoverable amount of the CGU is RMB28,205,000 (2021: RMB58,416,000) and the carrying amount of the CGU is RMB27,211,000 (2021: RMB39,208,000). Management has considered the reasonably possible impact brought by the project delay by reducing the revenue compound annual growth rate to 14% (2021: 31.5%) and increasing the post-tax discount rate to 19.5% (2021: 15.6%), resulted in headroom of RMB994,000 (2021: RMB19,208,000). Based on the results of the assessment, the directors are of the opinion that there was no impairment of property, plant and equipment as at 31 December 2022.

8 INVESTMENT PROPERTIES

| | |
|--|---------------------|
| Fair value | 公允值 |
| At 1 January | 於一月一日 |
| Transfer to assets classified as held for sale (Note 38) | 轉撥至分類為持作出售資產 (附註38) |
| Transfer from assets classified as held for sale (Note 38) | 轉撥自分類為持作出售資產 (附註38) |
| Fair value change | 公允值變動 |
| At 31 December | 於十二月三十一日 |

Rental income derived from investment properties amounted to approximately RMB608,000 (2021: RMB315,000) during the year.

Valuation process of the Group

The Group measures its investment properties at fair value. The fair value of the Group's investment properties at 31 December 2022 has been determined on the basis of valuation carried out by Fuzhou Mingshi Asset, Appraisal Real Estate Land Appraisal Co., Ltd., an independent qualified valuer.

7 物業、廠房及設備 (續)

管理層通過評估現金產生單位的公允值減出售成本釐定永泰小鎮開發項目的可收回金額。現金產生單位的可收回金額為人民幣28,205,000元(二零二一年：人民幣58,416,000元)及現金產生單位的賬面值為人民幣27,211,000元(二零二一年：人民幣39,208,000元)。管理層經考慮項目延遲帶來的合理可能影響，將收入複合年增長率降低至14%(二零二一年：31.5%)，並將稅後貼現率增加至19.5%(二零二一年：15.6%)，產生的餘額為人民幣994,000元(二零二一年：人民幣19,208,000元)。根據評估結果，董事認為，於二零二二年十二月三十一日，概無物業、廠房及設備出現減值。

8 投資物業

| | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------------------------------|-----------------------------------|
| Fair value | | |
| At 1 January | – | 26,681 |
| Transfer to assets classified as held for sale (Note 38) | – | (26,681) |
| Transfer from assets classified as held for sale (Note 38) | 26,681 | – |
| Fair value change | 2,523 | – |
| At 31 December | 29,204 | – |

年內，投資物業的租金收入約為人民幣608,000元(二零二一年：人民幣315,000元)。

本集團的估值程序

本集團按公允值計量其投資物業。本集團投資物業於二零二二年十二月三十一日的公允值乃根據由獨立合資格估值師福州名實資產評估房地產土地估價有限公司進行的估值釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

8 INVESTMENT PROPERTIES (Continued)

Fair value measurement using significant unobservable inputs

The table below analyses investment property carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted price (unadjusted in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included with level that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group's investment properties are categorised as Level 3.

Fair value of the Group's investment properties is derived using the income approach, by taking into account the unobservable inputs included expected rental income, growth rate and discount rate.

8 投資物業 (續)

採用重大不可觀察輸入數據進行的公允值計量

下表按估值方法分析以公允值列賬的投資物業。不同等級界定如下：

- 報價 (在活躍市場中未對相同資產或負債進行調整) (第一級)。
- 除包括在級別的報價外，資產或負債的直接 (由價格) 或間接 (由價格衍生) 可觀察輸入數據 (第二級)。
- 資產或負債的輸入數據並非基於可觀察市場數據 (不可觀察輸入數據) (第三級)。

本集團的投資物業分類為第三級。

本集團投資物業的公允值乃經計及不可觀察輸入數據 (包括預期租金收入、增長率及折現率) 採用收入法得出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTANGIBLE ASSETS

9 無形資產

| | | Computer software | Non-competitive agreement | Goodwill | Customer relationships | Trademark | Web site | Right to a land lease | Township operation right | Exclusive operating right | Total |
|------------------------------------|--------------------------|-------------------|---------------------------|----------|------------------------|-----------|----------|-----------------------|--------------------------|---------------------------|-----------|
| | | 電腦軟件 | 不競爭協議 | 商譽 | 客戶關係 | 商標 | 網站 | 土地租賃權 | 小鎮項目經營權 | 獨家經營權 | 總計 |
| | | (Note a) | | (Note a) | | | | | (Note b) | | |
| | | (附註a) | | (附註a) | | | | | (附註b) | | |
| | | 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 |
| Year ended 31 December 2021 | 截至二零二一年十二月三十一日止年度 | | | | | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 55 | - | 11,208 | - | - | - | 159,208 | 26,117 | 5,220 | 201,808 |
| Additions | 添置 | 35 | - | - | - | - | - | - | - | - | 35 |
| Amortisation (Note 28) | 攤銷(附註28) | (8) | - | - | - | - | - | (1,982) | (707) | (870) | (3,567) |
| Impairment | 減值 | - | - | (4,092) | - | - | - | (157,226) | - | - | (161,318) |
| Closing net carrying amount | 年末賬面淨額 | 82 | - | 7,116 | - | - | - | - | 25,410 | 4,350 | 36,958 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | | | | | | | | | | |
| Cost | 成本 | 3,181 | 11,500 | 89,839 | 14,500 | 9,400 | 8,476 | 193,439 | 28,000 | 5,582 | 363,917 |
| Accumulated amortisation | 累計攤銷 | (2,688) | (11,500) | - | (14,500) | (7,135) | (8,476) | (14,667) | (2,590) | (1,232) | (62,788) |
| Accumulated impairment losses | 累計減值虧損 | (411) | - | (82,723) | - | (2,265) | - | (178,772) | - | - | (264,171) |
| Net carrying amount | 賬面淨額 | 82 | - | 7,116 | - | - | - | - | 25,410 | 4,350 | 36,958 |
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | | | | | | | |
| Opening net carrying amount | 年初賬面淨額 | 82 | - | 7,116 | - | - | - | - | 25,410 | 4,350 | 36,958 |
| Disposal | 出售 | (12) | - | - | - | - | - | - | - | - | (12) |
| Amortisation (Note 28) | 攤銷(附註28) | (9) | - | - | - | - | - | - | (706) | (363) | (1,078) |
| Impairment | 減值 | - | - | (3,161) | - | - | - | - | - | (3,987) | (7,148) |
| Closing net carrying amount | 年末賬面淨額 | 61 | - | 3,955 | - | - | - | - | 24,704 | - | 28,720 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | | | | | | | | | | |
| Cost | 成本 | 3,159 | 11,500 | 89,839 | 14,500 | 9,400 | 8,476 | 193,439 | 28,000 | 5,582 | 363,895 |
| Accumulated amortisation | 累計攤銷 | (2,687) | (11,500) | - | (14,500) | (7,135) | (8,476) | (14,667) | (3,296) | (1,595) | (63,856) |
| Accumulated impairment losses | 累計減值虧損 | (411) | - | (85,884) | - | (2,265) | - | (178,772) | - | (3,987) | (271,319) |
| Net carrying amount | 賬面淨額 | 61 | - | 3,955 | - | - | - | - | 24,704 | - | 28,720 |

The amortisation of intangible assets has been charged in the consolidated statement of comprehensive income.

無形資產攤銷已於合併全面收益表扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTANGIBLE ASSETS (Continued)

Notes:

- (a) For the purpose of impairment testing, goodwill has been allocated to the cash generating units as summarised below:

| | | Opening 年初 RMB'000 人民幣千元 | Impairment 減值 RMB'000 人民幣千元 | Net Carrying amount 賬面淨額 RMB'000 人民幣千元 |
|---|-----------------------|-----------------------------------|--------------------------------------|---|
| Year ended 31 December 2022 | | 截至二零二二年 十二月三十一日止年度 | | |
| Public vehicles advertising project in Fuzhou (Note (i)) | 福州移動傳媒廣告項目 (附註(i)) | 3,161 | (3,161) | - |
| Cooperative project in Yongfu Town (Note (ii)) | 永福鎮合作項目 (附註(ii)) | 3,955 | - | 3,955 |
| | | <u>7,116</u> | <u>(3,161)</u> | <u>3,955</u> |
| Year ended 31 December 2021 | | 截至二零二一年 十二月三十一日止年度 | | |
| Public vehicles advertising project in Fuzhou (Note (i)) | 福州移動傳媒廣告項目 (附註(i)) | 7,253 | (4,092) | 3,161 |
| Cooperative project in Yongfu Town (Note (ii)) | 永福鎮合作項目 (附註(ii)) | 3,955 | - | 3,955 |
| | | <u>11,208</u> | <u>(4,092)</u> | <u>7,116</u> |

- (i) **Public vehicles advertising project in Fuzhou**
Goodwill amounting to RMB7,253,000 was recognised as a result of acquisition of Fuzhou Mobile Media Co., Ltd in 2020. Goodwill has been allocated to the CGU that engaged in provision of the public vehicles advertising services for the purpose of impairment testing. The recoverable amount of the CGU determined based on the higher of value in use and the fair value less costs of disposal was higher than the carrying amount of the CGU.

As at 31 December 2022, due to termination of the contract of vehicles advertising projects in Fuzhou, management determined to make a full provision for impairment of goodwill of RMB3,161,000 (2021: RMB4,092,000).

9 無形資產 (續)

附註：

- (a) 就減值測試而言，商譽已分配至下述現金產生單位：

- (i) **福州移動傳媒廣告項目**
於二零二零年，因收購福州移動媒體有限公司確認商譽人民幣7,253,000元。就減值測試而言，商譽已分配至從事提供移動傳媒廣告服務的現金產生單位。根據使用價值與公允值減出售成本的較高者釐定的現金產生單位的可收回金額高於現金產生單位的賬面值。

於二零二二年十二月三十一日，由於終止福州移動傳媒廣告項目合約，管理層確定全額計提商譽減值撥備人民幣3,161,000元（二零二一年：人民幣4,092,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

9 INTANGIBLE ASSETS (Continued)

Notes: (Continued)

(a) (Continued)

- (ii) Cooperative project in Yongfu Town
Goodwill amounting to RMB3,955,000 was recognised as a result of acquisition of Zhang Ping Nong Bo Hui New Specialized Farmers' Cooperative in 2019.

As at 31 December 2022 and 2021, management of the Group determined that there was no impairment of the CGU to which the goodwill has been allocated.

- (b) The Group entered into an operation right agreement with the Yongtai Government for the acquisition of a 40-years' exclusive operation right to develop, construct, manage and operate commercial activities such as tourism, sightseeing, resort, culture, sports and entertainment in the operation site at a consideration of RMB28,000,000. The directors carried out an impairment assessment on the recoverable amounts of township operating right with carrying amount of RMB24,704,000 (2021: RMB25,410,000) as a result of delay in project development for the year ended 31 December 2022. Details of impairment assessment for intangible assets are disclosed in note 7.

9 無形資產 (續)

附註：(續)

(a) (續)

- (ii) 永福鎮合作項目
於二零一九年，因收購漳平農博滙現代農業專業合作社確認商譽人民幣3,955,000元。

於二零二二年及二零二一年十二月三十一日，本集團管理層確定概無已分配商譽的現金產生單位出現減值。

- (b) 本集團與永泰縣政府訂立一項經營權協議，內容有關收購40年獨家經營權，以於經營選址內進行包括旅遊、觀光、度假村、文化、體育及娛樂在內的開發、建設、管理及商業運營活動，代價為人民幣28,000,000元。由於截至二零二二年十二月三十一日止年度項目開發延遲，董事已就賬面值為人民幣24,704,000元（二零二一年：人民幣25,410,000元）的小鎮項目經營權的可收回金額進行減值評估。有關無形資產減值評估的詳情於附註7披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

On 14 October 2022, the Group completed the acquisition of 100% equity interest in Zhongxing Hongye (Beijing) Enterprise Management Co., Ltd (“Zhongxing”), 3% equity interest in Baiming (Beijing) Information Technology Co., Ltd. (“Beijing Baiming”) and 35% equity interest in Zhuoshi Technology (Beijing) Co., Ltd. (“Zhuoshi”) from an independent third party. The details are disclosed in note 20(f).

(a) The amounts recognised in the consolidated balance sheet are as follows:

| At 31 December | 於十二月三十一日 |
|----------------|----------|
| Joint venture | 合資企業 |
| Associate | 聯營公司 |

(b) The amounts recognised in the consolidated income statement are as follows:

| For the year ended 31 December | 截至十二月三十一日止年度 |
|--------------------------------|--------------|
| Joint venture | 合資企業 |
| Associate | 聯營公司 |

(c) Interest in a joint venture

Set out below is the joint venture of the Group as at 31 December 2022 which, in the opinion of the directors, is material to the Group. The details of the joint venture are disclosed in note 20.

10 採用權益法入賬的投資

於二零二二年十月十四日，本集團完成向一名獨立第三方收購中興弘業（北京）企業管理有限公司（「中興」）的100%股權、百鳴（北京）信息技術有限公司（「北京百鳴」）的3%股權及琢石科技（北京）有限公司（「琢石」）的35%股權。詳情於附註20(f)披露。

(a) 於合併資產負債表確認的金額如下：

| 2022 二零二二年 RMB'000 人民幣千元 |
|-----------------------------------|
| - |
| - |
| - |
| - |

(b) 於合併收益表確認的金額如下：

| 2022 二零二二年 RMB'000 人民幣千元 |
|-----------------------------------|
| (34,912) |
| (40,122) |
| (75,034) |

(c) 於一間合資企業的權益

下文載列本集團於二零二二年十二月三十一日董事認為對本集團而言屬重大的合資企業。有關該合資企業的詳情於附註20披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(c) Interest in a joint venture (Continued)

The amount recognised in the consolidated balance sheet is as follows:

10 採用權益法入賬的投資 (續)

(c) 於一間合資企業的權益 (續)

於合併資產負債表確認的金額如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|--|--------------------------------|-----------------------------------|
| At 14 October 2022 | 於二零二二年十月十四日 | |
| Acquisition of interest in a joint venture | 收購一間合資企業權益 | 44,047 |
| Share of losses during the period from 14 October 2022 to 31 December 2022 | 應佔二零二二年十月十四日至二零二二年十二月三十一日期間的虧損 | (34,912) |
| Additional investment during the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至二零二二年十二月三十一日期間的額外投資 | 6,000 |
| Dividend distribution | 股息分派 | (15,135) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | - |
| The Group's share of a joint venture's commitments | 本集團應佔合資企業的承擔 | - |

Notes:

- (i) The joint venture is a private company and there is no quoted market prices available for its shares.
- (ii) There is no contingent liability relating to the Group's interest in a joint venture.

附註：

- (i) 合資企業為一間私人公司，其股份並無市場報價。
- (ii) 概無與本集團於合資企業的權益相關的或有負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(c) Interest in a joint venture (Continued)
Summarised financial information for a joint venture

10 採用權益法入賬的投資 (續)

(c) 於一間合資企業的權益 (續)
一間合資企業的財務資料概要

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|-----------------------|-----------------------------------|
| Assets and liabilities as at 31 December | 於十二月三十一日的資產及負債 | |
| Current assets | 流動資產 | |
| Cash and cash equivalents | 現金及現金等值項目 | 450,802 |
| Other current assets | 其他流動資產 | 23,266 |
| Total current assets | 總流動資產 | 474,068 |
| Non-current assets | 非流動資產 | 11,596 |
| Current liabilities | 流動負債 | |
| Financial liabilities (excluding trade payables) | 金融負債 (不包括貿易應付款項) | 3,000 |
| Other current liabilities | 其他流動負債 | 318,830 |
| Advance receipt of content purchase cost rebate from content creators | 預收內容創作者的 內容採購成本返點 | 1,180,233 |
| Total current liabilities | 總流動負債 | 1,502,063 |
| Net liabilities | 負債淨額 | (1,016,399) |

Note: Advance receipt of content purchase cost rebate from content creators would be recognised in profit or loss of the joint venture when the contents are purchased from respective content creator and net with the cost of purchase.

The advance receipt of content purchase cost rebate would be fully utilised over the service contractual period of 1 year or the estimated usage period based on the content creator behavior patterns and historical record by content creators.

附註：預收內容創作者的內容採購成本返點將於自相關內容創作者採購內容時於該合資企業的損益內確認，並扣除採購成本。

預收內容採購成本返點將根據內容創作者行為模式及歷史記錄於1年服務合約期限或估計可使用期限由內容創作者悉數動用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(c) Interest in a joint venture (Continued)

Summarised financial information for a joint venture (Continued)

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|---|-----------------------------------|
| Revenue | 收入 | 513 |
| Cost of service (Note) | 服務成本 (附註) | (254,565) |
| Interest income | 利息收入 | 142 |
| Depreciation | 折舊 | (722) |
| Income tax expense | 所得稅開支 | - |
| Losses for the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至 二零二二年十二月三十一日 期間的虧損 | (270,813) |
| Total comprehensive losses | 全面虧損總額 | (270,813) |

Note:

The amount represented cost of subsidy, net off with purchase rebate and commission fee.

Reconciliation of summarized consolidated financial information

10 採用權益法入賬的投資 (續)

(c) 於一間合資企業的權益 (續)

一間合資企業的財務資料概要 (續)

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|---|-----------------------------------|
| Revenue | 收入 | 513 |
| Cost of service (Note) | 服務成本 (附註) | (254,565) |
| Interest income | 利息收入 | 142 |
| Depreciation | 折舊 | (722) |
| Income tax expense | 所得稅開支 | - |
| Losses for the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至 二零二二年十二月三十一日 期間的虧損 | (270,813) |
| Total comprehensive losses | 全面虧損總額 | (270,813) |

附註：

金額為補貼成本，扣除採購返點及佣金費。

合併財務資料概要的對賬

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|--------------------------------------|-----------------------------------|
| Consideration for acquisition of a joint venture | 收購一間合資企業的代價 | 44,047 |
| Share of fair value of net liabilities of a joint venture at acquisition date (23%) | 應佔一間合資企業於收購日負債淨額的公允值(23%) | 167,805 |
| Nominal goodwill | 商譽面值 | 211,852 |
| Net liabilities as at acquisition date | 於收購日負債淨額 | (729,586) |
| Losses for the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至 二零二二年十二月三十一日 期間的虧損 | (270,813) |
| Dividend distribution | 股息分派 | (30,000) |
| Share capital injection | 股本注入 | 14,000 |
| Closing net liabilities | 期末負債淨額 | (1,016,399) |
| Interest in a joint venture (23%) | 於一間合資企業的權益(23%) | - |
| Nominal goodwill | 商譽面值 | 211,852 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(d) Interest in an associate

Set out below is an associate of the Group as at 31 December 2022 which, in the opinion of the directors, is material to the Group. The details of the associate are disclosed in note 20.

The amount recognised in the consolidated balance sheet is as follows:

10 採用權益法入賬的投資 (續)

(d) 於一間聯營公司的權益

下文載列本集團於二零二二年十二月三十一日董事認為對本集團而言屬重大的聯營公司。有關該聯營公司的詳情於附註20披露。

於合併資產負債表確認的金額如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|--|--------------------------------|-----------------------------------|
| At 14 October 2022 | 於二零二二年十月十四日 | |
| Acquisition of interest in an associate | 收購一間聯營公司權益 | 40,122 |
| Share of losses during the period from 14 October 2022 to 31 December 2022 | 應佔二零二二年十月十四日至二零二二年十二月三十一日期間的虧損 | 40,122 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | - |
| The Group's share of an associate's commitments | 本集團應佔一間聯營公司的承擔 | - |

Notes:

- (a) The associate is a private company and there is no quoted market prices available for its shares.
- (b) There is no contingent liability relating to the Group's interest in an associate.

附註：

- (a) 聯營公司為一間私人公司，其股份並無市場報價。
- (b) 概無與本集團於聯營公司的權益相關的或有負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(d) Interest in an associate (Continued)
Summarised financial information for an associate

10 採用權益法入賬的投資 (續)

(d) 於一間聯營公司的權益 (續)
一間聯營公司的財務資料概要

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|--|-----------------------|-----------------------------------|
| Assets and liabilities as at 31 December | 於十二月三十一日的資產及負債 | |
| Current assets | 流動資產 | |
| Cash and cash equivalents | 現金及現金等值項目 | 10,190 |
| Other current assets | 其他流動資產 | 617 |
| Total current assets | 總流動資產 | 10,807 |
| Investment in an associate | 於一間聯營公司的投資 | 14,865 |
| Other non-current assets | 其他非流動資產 | 214 |
| Total non-current assets | 總非流動資產 | 15,079 |
| Current liabilities | 流動負債 | |
| Financial liabilities (excluding trade payables) | 金融負債 (不包括貿易應付款項) | 30,780 |
| Other current liabilities | 其他流動負債 | 2,603 |
| Total current liabilities | 總流動負債 | 33,383 |
| Net liabilities | 負債淨額 | (7,497) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(d) Interest in an associate (Continued)
Summarised financial information for an associate (Continued)

10 採用權益法入賬的投資 (續)

(d) 於一間聯營公司的權益 (續)
一間聯營公司的財務資料概要 (續)

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|---|-----------------------------------|
| Share of losses of a joint venture | 應佔一間合資企業虧損 | (117,812) |
| Losses for the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至 二零二二年十二月三十一日 期間的虧損 | (121,585) |
| Total comprehensive losses | 全面虧損總額 | (121,585) |

Reconciliation of summarized consolidated financial information

合併財務資料概要的對賬

| | | 2022 二零二二年 RMB'000 人民幣千元 |
|---|--------------------------------------|-----------------------------------|
| Consideration for acquisition of an associate | 收購一間聯營公司的代價 | 40,122 |
| Share of fair value of net assets of an associate at acquisition date (35%) | 應佔一間聯營公司於收購日資產淨值的公允值(35%) | (39,931) |
| Nominal goodwill | 商譽面值 | 191 |
| Net assets as at acquisition date | 於收購日資產淨值 | 114,088 |
| Losses for the period from 14 October 2022 to 31 December 2022 | 二零二二年十月十四日至 二零二二年十二月三十一日 期間的虧損 | (121,585) |
| Closing net liabilities | 期末負債淨額 | (7,497) |
| Interest in an associate (35%) | 於一間聯營公司的權益(35%) | - |
| Nominal goodwill | 商譽面值 | 191 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

11 預付款項、按金及其他應收款項

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|--------------------------|-----------------------------------|-----------------------------------|
| Non-current portion | 非流動部分 | | |
| Prepayment for township development (Note (i)) | 小鎮開發項目的預付款項 (附註(i)) | 16,100 | 16,100 |
| Prepayment for property, plant and equipment (Note (i)) | 物業、廠房及設備的預付款項 (附註(i)) | 4,685 | 4,685 |
| | | 20,785 | 20,785 |
| Current portion | 流動部分 | | |
| Prepayments | 預付款項 | 1,559 | 2,484 |
| Rental deposit | 租金按金 | 500 | 899 |
| Deposits and other receivables | 按金及其他應收款項 | 9,638 | 6,705 |
| Deposits for marketing and promotion contracts (Note (ii)) | 營銷及市場推廣合約的按金 (附註(ii)) | 52,000 | 52,000 |
| | | 63,697 | 62,088 |

The carrying amounts of the Group's prepayments, deposits and other receivables are denominated in the following currencies:

本集團的預付款項、按金及其他應收款項的賬面值以下列貨幣計值：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|------|-----|-----------------------------------|-----------------------------------|
| RMB | 人民幣 | 84,482 | 82,474 |
| HK\$ | 港元 | - | 399 |
| | | 84,482 | 82,873 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

(i) Prepayment for township development

Pursuant to the framework agreement entered into by the Group with Yongtai Government on 15 September 2017, Yongtai Government agreed to form a long-term strategic cooperation with the Group regarding the development and operation of the Township Project. Under the framework agreement, the Group shall pay a deposit of RMB50,000,000 to Yongtai Government, which was intended to be utilised for participating in open tender auctions to be organised by the Yongtai Government for land use rights, assets, grant of lease and/or operation rights circulation within the project site.

During the year ended 31 December 2017, the Group entered into an operation right agreement with the Yongtai Government for the acquisition of a 40-years' exclusive operation right to develop, construct, manage and operate commercial activities such as tourism, sightseeing, resort, culture, sports and entertainment in the operation site at a consideration of RMB28,000,000. The consideration of RMB28,000,000 was deducted from the RMB50,000,000 refundable deposit placed by the Group with Yongtai Government under the framework agreement. The prepayment of RMB28,000,000 had been utilised upon completion of the acquisition on 19 April 2018. RMB5,000,000 and RMB900,000 had been refunded by the Government during the year ended 31 December 2019 and 2021 respectively.

As at 31 December 2022, the remaining amount of RMB16,100,000 (2021: RMB16,100,000) is intended to be utilised for township development and is classified as a prepayment for township development. As at 31 December 2022, RMB4,685,000 (2021: RMB4,658,000) represented prepayment for property, plant and equipment of Yongtai Township development project. Details of impairment assessment for prepayment for township develop and prepayment for property, plant and equipment of Yongtai Township development project are disclosed in note 7.

11 預付款項、按金及其他應收款項 (續)

(i) 小鎮開發項目的預付款項

根據本集團與永泰縣政府於二零一七年九月十五日訂立的框架協議，永泰縣政府同意就開發及經營小鎮項目與本集團訂立長期策略性合作關係。根據框架協議，本集團擬向永泰縣政府支付按金人民幣50,000,000元，擬用於參與永泰縣政府將舉辦的就項目選址內的土地使用權、資產、租賃授予及／或經營權流轉的公開招標拍賣。

於截至二零一七年十二月三十一日止年度，本集團與永泰縣政府訂立一項經營權協議，內容有關收購40年獨家經營權，以於經營選址內進行包括旅遊、觀光、度假村、文化、體育及娛樂在內的開發、建設、管理及商業運營活動，代價為人民幣28,000,000元。代價人民幣28,000,000元應自本集團根據框架協議向永泰縣政府已支付的可退還按金人民幣50,000,000元中扣除。預付款項人民幣28,000,000元於二零一八年四月十九日收購事項完成後動用。人民幣5,000,000元及人民幣900,000元分別於截至二零一九年及二零二一年十二月三十一日止年度由政府退回。

於二零二二年十二月三十一日，餘下金額人民幣16,100,000元（二零二一年：人民幣16,100,000元）擬用於小鎮項目開發，並歸類為小鎮開發項目的預付款項。於二零二二年十二月三十一日，人民幣4,685,000元（二零二一年：人民幣4,658,000元）指永泰小鎮開發項目的物業、廠房及設備預付款項。有關永泰小鎮開發項目的小鎮開發預付款項以及物業、廠房及設備預付款項減值評估的詳情於附註7披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

- (ii) Deposits for marketing and promotion contracts
As at 31 December 2022 and 2021, deposits for marketing and promotion contracts represent cash paid by the Group to a property developer in the PRC in relation to exclusive marketing and promotion services agreements between the Group and the property developer. Pursuant to the agreements, the Group has obtained rights as the sole marketing and promotion services provider for two real estate development projects owned by the property developer for terms of 3 years over the selling period of the real estate development projects. These deposits will, amongst other terms and conditions, be repayable to the Group after the Group meet the sales target as stated in the agreements.

12 BIOLOGICAL ASSETS

Biological assets comprise golden camellia flowers growing on trees.

11 預付款項、按金及其他應收款項 (續)

- (ii) 營銷及市場推廣合約的按金
於二零二二年及二零二一年十二月三十一日，營銷及市場推廣合約的按金指本集團就本集團與物業開發商訂立的獨家營銷及市場推廣服務協議向中國一名物業開發商支付的現金。根據該等協議，本集團就物業開發商所擁有的兩個房地產開發項目獲得作為房地產開發項目銷售期間的唯一營銷及市場推廣服務提供商的權利，為期三年。於本集團達到該等協議所列明的銷售目標後，該等按金將（以及根據其他條款及條件）償還予本集團。

12 生物資產

生物資產包括正在樹上生長的金花茶。

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|----------------|-----------------------------------|-----------------------------------|
| At 1 January | 於一月一日 | 119 | 211 |
| Transfer to inventories | 轉撥至存貨 | (119) | (211) |
| Changes in fair value due to biological transformation | 由於生物轉化導致的公允值變動 | 185 | 119 |
| At 31 December | 於十二月三十一日 | <u>185</u> | <u>119</u> |

During the year ended 31 December 2022, the Group has harvested flowers amounted to RMB119,000 and transferred to inventory (2021: RMB211,000).

於截至二零二二年十二月三十一日止年度，本集團收成花茶人民幣119,000元並轉撥至存貨（二零二一年：人民幣211,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

12 BIOLOGICAL ASSETS (Continued)

The Group's biological assets as at 31 December 2022 and 2021 were valued by APAC Asset Valuation and Consulting Limited, an independent professionally qualified valuer who holds a recognised relevant professional qualification.

The fair value of golden camellia flowers is determined using a discounted cash flow model based on the expected flower yield by certain management estimates and judgments after allowing for harvesting costs, and other costs yet to be incurred in getting the flowers for sale. Estimates and judgement in determining the fair value of the golden camellia growing on trees include the volume and stages of maturity of the golden camellia flowers, expected selling price and the discount rates.

The biological assets were classified as Level 3 under the fair value hierarchy. There were no transfer between any levels during the year.

The Group's management reviewed the valuations performed by the independent valuer for financial reporting purposes. The management reported directly to the directors. Discussions of valuation processes and results were held between management and the valuer.

The management and the directors verified major inputs to the independent valuation reports and held discussion with the independent valuer on the valuation basis, processes and results.

12 生物資產(續)

持有相關認可專業資格的獨立專業合資格估值師亞太資產評估及顧問有限公司已對本集團截至二零二二年及二零二一年十二月三十一日的生物資產進行估值。

金花茶的公允值基於若干管理層計入收穫成本及收花用作銷售時將予產生的其他成本作出的撥備後作出的估計及判斷給出的預期花茶收益率，使用貼現現金流量模式釐定。釐定正在樹上生長的金花茶公允值時作出的估計及判斷包括金花茶的數量及成熟階段、預期售價及貼現率。

生物資產分類為公允值架構等級的第三級。年內任何層級間並無轉撥。

就財務報告目的而言，本集團管理層已審閱獨立估值師進行的估值。管理層直接向董事報告。管理層與估值師對估值程序及結果進行討論。

管理層及董事證實獨立估值師報告的主要輸入數據並與獨立估值師討論估值基準、程序及結果。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

13 INVENTORIES

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|------------------------------------|-----------|-----------------------------------|-----------------------------------|
| Newsprint and printing consumables | 新聞紙及印刷消耗品 | 41 | 706 |
| Golden camellia flowers | 金花茶 | 330 | 211 |
| | | 371 | 917 |

The cost of inventories recognised as expense and included in "Cost of sales" amounted to RMB1,208,000 (2021: RMB1,875,000)(Note 28).

確認為開支並納入「銷售成本」的存貨成本為人民幣1,208,000元(二零二一年: 人民幣1,875,000元)(附註28)。

14 PROPERTIES HELD FOR SALE

The Group's properties held for sale include the following:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--------------------------|--------|-----------------------------------|-----------------------------------|
| Properties held for sale | 持作出售物業 | 15,097 | 22,793 |

The properties in the PRC were received in exchange of advertising services to real estate developers in the PRC. The Group's intention is to sell these properties and, accordingly, such rights are recognised as properties held for sale upon the completion of the advertising sales transaction if the related properties are ready to be sold.

14 持作出售物業

本集團的持作出售物業包括以下項目：

中國物業乃於向中國房地產開發商交換廣告服務時取得。本集團的目的為銷售該等物業，因此，若相關物業可供出售，則有關權利於完成廣告銷售交易時確認為持作出售物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

14 PROPERTIES HELD FOR SALE (Continued)

Management assessed the fair value less costs to sell of the properties with reference to their market value with the assistance of an independent property valuer. Valuation methodologies used in the valuation included direct market comparable approach and income approach which are within Level 2 and Level 3 of the fair value hierarchy respectively. For direct market comparable approach, observable inputs other than quoted prices within Level 1 included market price of comparable properties adjusted having regard to the location, size and nature of the properties (Level 2). For income approach, unobservable inputs included expected rent income, growth rate and discount rate (Level 3). There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year. For the year ended 31 December 2022, the management compared the carrying amount and fair value less costs to sell of the properties and made impairment provision of RMB5,323,000 (2021: Nil).

14 持作出售物業 (續)

管理層在獨立物業估值師的協助下參照物業的市值評估其公允值減去銷售成本。評估所用的估值方法包括直接市場比較法及收益法，乃分別屬於公允值架構等級的第二級及第三級。就直接市場比較法而言，可觀察輸入數據（第一級內的報價除外）包括可資比較物業的市價，當中已就物業地點、大小及性質作出調整（第二級）。就收益法而言，不可觀察輸入數據包括預期租賃收入、增長率及折現率（第三級）。就經常性公允值計量而言，年內第一級、第二級及第三級之間並無轉撥。於截至二零二二年十二月三十一日止年度，管理層已比較物業的賬面值與公允值減銷售成本，並作出減值撥備人民幣5,323,000元（二零二一年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

15 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

15 公允價值經損益表入賬的金融資產

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|----------|-----------------------------------|-----------------------------------|
| Investment in a network drama | 一部網絡劇的投資 | 4,376 | 7,432 |

On 8 May 2018, the Group acquired an investment in a network drama through the acquisition of subsidiaries. Pursuant to the investment agreement on 22 May 2017, a wholly-owned subsidiary of Supreme Glory Limited acquired 20% of the income right in a network drama for a consideration of RMB6,000,000.

The fair value estimation of the investment was based on the cash flows discounted using a rate based on the market interest rate and risk premium specific to the investment. Significant unobservable inputs involved in the fair value measurement included the expected timing of settlement and discount rate, which are within level 3 of the fair value hierarchy. There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year ended 31 December 2022.

For the year ended 31 December 2022, a fair value loss of RMB3,056,000 relating to the financial assets at fair value through profit or loss was recognised in the consolidated statement of comprehensive income (2021: a fair value gain of RMB868,000).

於二零一八年五月八日，本集團透過收購附屬公司取得網絡劇投資。根據日期為二零一七年五月二十二日的投資協議，卓耀有限公司的全資附屬公司收購一部網絡劇收益權的20%，代價為人民幣6,000,000元。

該投資的公允價值乃按以市場利率及該投資的特定風險溢價計算的利率貼現的現金流量估計。公允價值計量涉及的重大不可觀察輸入數據包括預期收回時期及貼現率，屬於公允價值架構等級的第三級。截至二零二二年十二月三十一日止年度，經常性公允價值計量的任何第一級、第二級及第三級之間並無轉撥。

截至二零二二年十二月三十一日止年度，有關公允價值經損益表入賬的金融資產的公允價值虧損人民幣3,056,000元於合併全面收益表內確認（二零二一年：公允價值收益人民幣868,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 TRADE RECEIVABLES – NET

16 貿易應收款項－淨額

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|--------------|-----------------------------------|-----------------------------------|
| Trade receivables | 貿易應收款項 | 23,730 | 14,502 |
| Less: provision for impairment of trade receivables | 減：貿易應收款項減值撥備 | (9,212) | (7,498) |
| Trade receivables – net | 貿易應收款項－淨額 | <u>14,518</u> | <u>7,004</u> |

The payment terms with customers are mainly cash on delivery and on credit. The credit periods range from 30 days to 365 days after the end of the month in which the relevant sales occurred. Aging analysis of the Group's trade receivables based on invoice date was as follows:

客戶主要按貨到付現及以記賬方式付款。信貸期介乎作出相關銷售當月結束後30日至365日不等。本集團的貿易應收款項根據發票日期的賬齡分析如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|--------------|-----------------------------------|-----------------------------------|
| 1-30 days | 1至30日 | 13,925 | 4,949 |
| 31-60 days | 31至60日 | 714 | 1,466 |
| 61-90 days | 61至90日 | - | 53 |
| 91-180 days | 91至180日 | 888 | 731 |
| 181-365 days | 181至365日 | 1,099 | 393 |
| Over 1 year | 一年以上 | 7,104 | 6,910 |
| | | <u>23,730</u> | <u>14,502</u> |
| Less: provision for impairment of trade receivables | 減：貿易應收款項減值撥備 | (9,212) | (7,498) |
| Trade receivables – net | 貿易應收款項－淨額 | <u>14,518</u> | <u>7,004</u> |

The carrying amounts of the Group's trade receivables are denominated in RMB.

本集團貿易應收款項的賬面值以人民幣計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 TRADE RECEIVABLES – NET (Continued)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

As at 31 December 2022, trade receivables of RMB9,212,000 (2021: RMB7,498,000) were impaired and provided for. For the year ended 31 December 2022, the amounts of the provision credited to the consolidated statement of comprehensive income were RMB1,714,000 (2021: the amounts of the reversal of provision credited to the consolidated statement of comprehensive income were RMB1,800,000).

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

During the year ended 31 December 2022, written-off trade receivables of RMB425,000 were credited (2021: written-off trade receivables of RMB35,000 were credited) to the consolidated statement of comprehensive income.

Movements on the Group's provision for impairment on trade receivables are as follows:

16 貿易應收款項－淨額（續）

本集團採用國際財務報告準則第9號的簡化方法計量預期信貸虧損，就所有貿易應收款項及合約資產使用全期預期虧損撥備。

於二零二二年十二月三十一日，貿易應收款項人民幣9,212,000元（二零二一年：人民幣7,498,000元）已減值及計提撥備。截至二零二二年十二月三十一日止年度，計入合併全面收益表的撥備金額為人民幣1,714,000元（二零二一年：計入合併全面收益表的撥備撥回金額為人民幣1,800,000元）。

由於當前應收款項的短期性質，其賬面值被視作與其公允值相同。

於截至二零二二年十二月三十一日止年度，已於合併全面收益表中計入撇銷貿易應收款項人民幣425,000元（二零二一年：計入撇銷貿易應收款項人民幣35,000元）。

本集團貿易應收款項減值撥備的變動如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|--------------------|-----------------------------------|-----------------------------------|
| At 1 January | 於一月一日 | 7,498 | 9,298 |
| Net change in provision for impairment of trade receivables | 貿易應收款項減值撥備 變動淨額 | 1,714 | (1,800) |
| At 31 December | 於十二月三十一日 | <u>9,212</u> | <u>7,498</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 TRADE RECEIVABLES – NET (Continued)

The provision for impairment of trade receivables have been included in “General and administrative expenses” in the consolidated statement of comprehensive income.

The Group does not hold any collateral as security.

17 CASH AND CASH EQUIVALENTS

The Group’s cash and cash equivalents are denominated in the following currencies:

| | |
|---------------------------------|----------|
| Cash at bank and on hand: | 銀行及手頭現金： |
| Denominated in RMB | 以人民幣計值 |
| Denominated in HKD | 以港元計值 |
| Denominated in USD | 以美元計值 |
| Maximum exposure to credit risk | 最高信貸風險 |

Cash at bank earns interest at floating rates based on daily bank deposits rate. The carrying amounts of the cash at bank approximate their fair values.

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

16 貿易應收款項－淨額（續）

貿易應收款項減值撥備已計入合併全面收益表的「一般及行政開支」內。

本集團並無持有任何抵押品作擔保。

17 現金及現金等值項目

本集團的現金及現金等值項目乃以下列貨幣計值：

| 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 45,974 | 8,808 |
| 45 | 38 |
| 6 | 5 |
| 46,025 | 8,851 |
| 46,025 | 8,823 |

銀行現金按基於銀行每日存款利率的浮動利率計息。銀行現金的賬面值與其公允值相若。

將以人民幣計值的結餘兌換為外幣以及將有關以外幣計值的銀行結餘及現金匯出中國須遵守中國政府頒佈的相關外匯管制規則及規例。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

18 SHARE CAPITAL

18 股本

| | | Number of ordinary/ preference shares 普通/ 優先股數目 | Nominal value of ordinary/ preference shares 普通/ 優先股面值 HK\$ 港元 | Equivalent nominal value of ordinary/ preference shares 普通/ 優先股等值面值 RMB'000 人民幣千元 | Share premium 股份溢價 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---|--|--|--|--|---------------------------------|
| Authorised: | 法定： | | | | | |
| Ordinary shares of HK\$0.01 each at 1 January 2021, 31 December 2021, and 31 December 2022 | 於二零二一年一月一日、 二零二一年十二月三十一日及 二零二二年十二月三十一日的 每股面值0.01港元的普通股 | 100,000,000,000 | 0.01 | | | |
| Non-voting Convertible Preference Shares of HK\$0.01 each at 31 December 2022 (note (a)) | 於二零二二年十二月三十一日的 每股面值0.01港元的無投票權 可轉換優先股 (附註(a)) | 10,000,000,000 | 0.01 | | | |
| Issued ordinary shares: | 已發行普通股： | | | | | |
| Ordinary shares at 1 January 2021 | 於二零二一年一月一日的普通股 | 909,118,836 | 9,091,188 | 7,769 | 48,820 | 56,589 |
| Issuance of shares upon conversion of convertible bonds (Note (b)) | 於轉換可換股債券時發行股份 (附註(b)) | 34,320,000 | 343,200 | 296 | 6,976 | 7,272 |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日及 二零二二年一月一日 | 943,438,836 | 9,434,388 | 8,065 | 55,796 | 63,861 |
| Issuance of shares upon conversion of convertible bonds (Note (b)) | 於轉換可換股債券時發行股份 (附註(b)) | 88,007,142 | 880,071 | 802 | 53,750 | 54,552 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 1,031,445,978 | 10,314,459 | 8,867 | 109,546 | 118,413 |
| Issued convertible preference shares: | 已發行可轉換優先股： | | | | | |
| Convertible preference shares at 1 January 2021, 31 December 2021 and 1 January 2022 | 於二零二一年一月一日、 二零二一年十二月三十一日及 二零二二年一月一日的 可轉換優先股 | - | - | - | - | - |
| Issuance of convertible preference share (Note (a)) | 發行可轉換優先股 (附註(a)) | 383,636,331 | 3,836,363 | 252,608 | - | 252,608 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 383,636,331 | 3,836,363 | 252,608 | - | 252,608 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | | | | | |
| Ordinary shares | 普通股 | 1,031,445,978 | 10,314,459 | 8,867 | 109,546 | 118,413 |
| Convertible preference shares | 可轉換優先股 | 383,636,331 | 3,836,363 | 252,608 | - | 252,608 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | | | | | |
| Ordinary shares | 普通股 | 943,438,836 | 9,434,388 | 8,065 | 55,796 | 63,861 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

18 SHARE CAPITAL (Continued)

Note:

- (a) On 30 July 2022, the Group and Top Big International Development Limited (the "Shareholder"), a company wholly-owned by Mr. Chenzhi, an executive Director and a Shareholder of the Company, entered into the Loan Capitalisation Agreement where the Company conditionally agreed to issue, and the Shareholder agreed to subscribe for 383,636,331 convertible preference shares (the "CPS") at the subscription price of HK\$0.57 per CPS, to settle the entire outstanding balance (including the principal and interest) of the shareholder's loan. Please refer to details note 24 for details. The completion of the Loan Capitalisation is subject to satisfaction of conditions precedent. Before the fulfilment of all conditions, this arrangement was recognised as contingent convertible loan and loss of RMB72,719,000 was recognised for the difference between the carrying amount of the shareholder's loan and the initial fair value of the contingent convertible loan.

On 4 November 2022, the issuance of the CPS was approved by the independent shareholders of the Company at a special general meeting and the authorised share capital of the Company has increased to HK\$1,100,000,000, comprising: (a) 100,000,000,000 ordinary shares of HK\$0.01 each; and (b) 10,000,000,000 non-voting Convertible Preference Shares of HK\$0.01 upon the resolution passed at the Special General Meeting. The Loan Capitalisation was approved by the stock exchange on 9 November 2022. Therefore, contingent convertible loan was remeasured on 9 November 2022 and fair value loss of RMB25,350,000 was recognised.

On 11 November 2022, 383,636,331 Convertible Preference Shares were allotted and issued to the TopBig International Development Limited under the Convertible Preference Shares Specific Mandate at the subscription price of HK\$0.57 per Convertible Preference Shares, in full and final settlement of the entire outstanding balance of the TopBig International Development Limited's Loan (including principal and interest) owed by the Group to the TopBig International Development Limited.

18 股本 (續)

附註：

- (a) 於二零二二年七月三十日，本集團與由本公司執行董事及股東陳志先生全資擁有的昇平國際發展有限公司（「股東」）訂立貸款資本化協議，據此，本公司有條件同意發行，而股東有條件同意按認購價每股可轉換優先股（「CPS」）0.57港元認購383,636,331股CPS，以清償股東貸款之全部未償還餘額（包括本金及利息）。詳情請參閱附註24。貸款資本化的完成須待先決條件獲達成後方可作實。於達成所有條件前，此安排確認為或有可換股貸款，並就股東貸款的賬面值與或有可換股貸款的初始公允值之間的差額確認虧損人民幣72,719,000元。

發行CPS於二零二二年十一月四日的股東特別大會上獲本公司獨立股東批准，經股東特別大會通過決議後，本公司法定股本已增加至1,100,000,000港元，包括：(a) 100,000,000,000股每股面值0.01港元的普通股；及(b)10,000,000,000股每股面值0.01港元的無投票權可轉換優先股。貸款資本化於二零二二年十一月九日獲聯交所批准。因此，或有可換股貸款於二零二二年十一月九日重新計量，並確認公允值虧損人民幣25,350,000元。

於二零二二年十一月十一日，根據可轉換優先股特別授權按每股可轉換優先股0.57港元的認購價向昇平國際發展有限公司配發及發行383,636,331股可轉換優先股，以悉數及最終結清本集團結欠昇平國際發展有限公司的昇平國際發展有限公司貸款（包括本金及利息）的全部未償還結餘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

18 SHARE CAPITAL (Continued)

Note:

(a) (Continued)

The Group's contingent convertible loan was valued by Valplus Consulting Limited, an independent professionally qualified valuer who holds a recognised relevant professional qualification. Management assessed the fair value of contingent convertible loan as at 30 July 2022 with reference to total market capitalisation of the Group, fair value of shareholder loan and control premium. Management assessed the fair value of contingent convertible loan as at 9 November 2022 with reference to total market capitalisation of the Group and control premium. The contingent convertible loan was classified as Level 3 under the fair value hierarchy. There were no transfer between any levels during the year.

The Group's management reviewed the valuations performed by the independent valuer for financial reporting purposes. The management reported directly to the directors. Discussions of valuation processes and results were held between management and the valuer. The management and the directors verified major inputs to the independent valuation reports and held discussion with the independent valuer on the valuation basis, processes and results.

- (b) On 14 October 2022 and 15 November 2022, the convertible bonds with carrying amount of RMB27,063,000 and RMB27,490,000, respectively, were converted based on the principal amount of HK\$30,803,000 and HK\$30,803,000 at the conversion price of HK\$0.7 and HK\$0.7, respectively. As a result, 44,003,571 and 44,003,571, respectively, new shares were issued and allotted.

On 27 July 2021, the convertible bonds with carrying amount of RMB5,888,000 were converted based on the principal amount of HK\$8,237,000 (equivalent to RMB7,108,000) at the conversion price of HK\$0.24. As a result, 34,320,000 new shares were issued and allotted.

18 股本 (續)

附註：

(a) (續)

持有相關認可專業資格的獨立專業合資格估值師瑋鉅顧問有限公司已對本集團的或有可換股貸款進行估值。管理層已參考本集團的總市值、股東貸款的公允值及控制權溢價對或有可換股貸款於二零二二年七月三十日的公允值進行評估。管理層已參考本集團的總市值及控制權溢價對或有可換股貸款於二零二二年十一月九日的公允值進行評估。或有可換股貸款分類為公允值架構等級的第三級。年內任何層級間並無轉撥。

就財務報告目的而言，本集團管理層已審閱獨立估值師進行的估值。管理層直接向董事報告。管理層與估值師對估值程序及結果進行討論。管理層及董事證實獨立估值師報告的主要輸入數據並與獨立估值師討論估值基準、程序及結果。

- (b) 於二零二二年十月十四日及二零二二年十一月十五日，賬面值分別為人民幣27,063,000元及人民幣27,490,000元的可換股債券分別按本金額30,803,000港元及30,803,000港元以換股價0.7港元及0.7港元進行轉換。因此，分別發行及配發44,003,571股及44,003,571股新股份。

於二零二一年七月二十七日，賬面值為人民幣5,888,000元的可換股債券按本金額8,237,000港元（相當於人民幣7,108,000元）以換股價0.24港元進行轉換。因此，已發行及配發34,320,000股新股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

19 RESERVES

The details of movement in the Group's reserves are set out in the consolidated statement of changes in equity on page 106:

(a) Capital redemption reserve

The capital redemption reserve relates to the redemption and cancellation of the Company's own shares.

(b) Capital reserves

Capital reserves primarily represent capital contributions to certain subsidiaries of the Group and the differences between the consideration and proportionate carrying value of the subsidiary disposed of where the Group still retains control of the subsidiary.

(c) Statutory reserves

The statutory reserves represent reserves of the PRC incorporated companies which are set aside for future development purpose in accordance with the regulations in the PRC. The allocation is based on certain percentages of these companies' profit for the year, as reported in their statutory financial statements.

19 儲備

本集團儲備的變動詳情載於第106頁的合併權益變動表：

(a) 股本贖回儲備

股本贖回儲備與本公司贖回及註銷本身股份有關。

(b) 資本儲備

資本儲備主要指向本集團若干附屬公司出資及代價與所出售附屬公司(本集團仍保留其控制權)比例賬面值之間的差額。

(c) 法定儲備

法定儲備指中國註冊成立公司就未來發展目的根據中國法規設立的儲備。法定儲備乃基於該等公司在法定財務報表內所報的年內溢利的若干百分比進行劃撥。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

19 RESERVES (Continued)

(c) Statutory reserves (Continued)

Pursuant to the PRC regulations and the companies' respective Articles of Association, each of the Group companies is required to transfer 10% of its profit for the year, as determined under the PRC Accounting Regulations, to a statutory common reserve fund until the fund balance exceeds 50% of the Group company's registered capital. The statutory common reserve fund can be used to make good previous years' losses, if any, and to issue new shares to shareholders in proportion to their existing shareholdings or to increase the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

Each of the Group companies is also permitted to transfer a certain percentage of its profit for the year as determined under the PRC Accounting Regulations, to a discretionary common reserve fund. The transfer to this reserve is subject to approval at shareholders' meetings.

(d) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2.

19 儲備 (續)

(c) 法定儲備 (續)

根據中國法規及公司各自的組織章程細則，本集團旗下各公司須將按中國會計法規所釐定的年內溢利的10%撥入法定公積金，直至該公積金結餘超過本集團該旗下公司註冊資本的50%。法定公積金可用於彌補以往年度虧損(如有)，亦可按現有持股比例發行新股予股東或增加股東現時所持股份的面值，惟發行後的結餘不可少於註冊資本的25%。

本集團旗下各公司亦可將按中國會計法規所釐定的年內溢利的若干百分比撥入任意公積金。該項撥款須經股東大會批准。

(d) 匯兌儲備

匯兌儲備包括換算海外業務財務報表所產生的一切匯兌差額。儲備乃根據附註2所載會計政策處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

19 RESERVES (Continued)

(e) Contributed surplus

The contributed surplus represents the difference between the share premium amounts and the accumulated deficits of the Group pursuant to the cancellation of share premium account and the capital reorganization effected on 10 April 2019.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

(f) Convertible bonds reserve

Convertible bonds reserve represents the value of the conversion rights related to convertible bonds of the Company, details of which are shown in note 24. The reserve will be transferred to share capital and share premium accounts upon the conversion of convertible bonds. For details of the conversion during the year, please refer to note 24.

(g) Revaluation surplus

The revaluation surplus relates to the increase in carrying amount of property, plant and equipment upon transfer to investment properties at its then fair value.

19 儲備 (續)

(e) 實繳盈餘

實繳盈餘指股份溢價賬與本集團根據二零一九年四月十日進行的股份溢價賬註銷及股本重組產生的累計虧絀之間的差額。

根據百慕達一九八一年《公司法》(經修訂)，本公司的實繳盈餘賬可供分派。然而，倘出現下列情況，則本公司不可宣派或支付股息，亦不得從實繳盈餘中作出分派：

- (i) 公司無力(或於派付後將會無力)償還到期的負債；或
- (ii) 公司資產的可變現值將少於其負債、已發行股本及股份溢價賬的總和。

(f) 可換股債券儲備

可換股債券儲備指有關本公司可換股債券儲備的換股權價值，有關詳情載於附註24。儲備將於可換股債券轉換時撥入股本及股份溢價賬。有關年內轉換的詳情，請參閱附註24。

(g) 重估盈餘

重估盈餘與物業、廠房及設備按其當時的公允值撥入投資物業時賬面值的增加有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE

The following is a list of principal subsidiaries, a joint venture and an associate of the Company as at 31 December 2022 and 2021:

20 主要附屬公司、合資企業及聯營公司

下表載列本公司於二零二二年及二零二一年十二月三十一日的主要附屬公司、合資企業及聯營公司：

| Name | Place of incorporation and kind of legal entity | Principal activities and place of operation | Issued or registered/ paid up capital | Effective interest held as at 31 December | |
|--|---|---|---------------------------------------|---|-------|
| 名稱 | 註冊成立地點及法人類別 | 主要業務及營業地點 | 已發行或註冊／實繳股本 | 於十二月三十一日持有的實際權益 | |
| | | | | 2022 | 2021 |
| | | | | 二零二二年 | 二零二一年 |
| (a) Subsidiaries | | | | | |
| (a) 附屬公司 | | | | | |
| (i) Directly owned subsidiary | | | | | |
| (i) 直接擁有附屬公司 | | | | | |
| Dragon Soar Ltd. | The British Virgin Islands, Limited liability company | Investment holding, the PRC | USD1 | 100% | 100% |
| 龍翔有限公司 | 英屬處女群島，有限責任公司 | 投資控股，中國 | 1美元 | | |
| Ysolde Group Limited | Samoa, Limited liability company | Investment holding, the PRC | USD50,000 | 100% | 100% |
| 十方優良集團有限公司 | 薩摩亞，有限責任公司 | 投資控股，中國 | 50,000美元 | | |
| Graceful Universe Holdings Limited | The British Virgin Islands, Limited liability company | Investment holding, the PRC | USD1 | 100% | 100% |
| 雅宙控股有限公司 | 英屬處女群島，有限責任公司 | 投資控股，中國 | 1美元 | | |
| ShiFang Expert Company Limited | Hong Kong, Limited liability company | Human resources, Hong Kong | HKD1 | 100% | 100% |
| 十方俊才有限公司 | 香港，有限責任公司 | 人力資源，香港 | 1港元 | | |
| Glory Peace Limited | Samoa, Limited liability company | Investment holding, Hong Kong | USD1 | 100% | 100% |
| 榮泰有限公司 | 薩摩亞，有限責任公司 | 投資控股，香港 | 1美元 | | |
| Supreme Glory Limited | Samoa, Limited liability company | Investment holding, Beijing, the PRC | USD43,521 | 100% | 100% |
| 卓耀有限公司 | 薩摩亞，有限責任公司 | 投資控股，中國北京 | 43,521美元 | | |
| (ii) Indirectly owned subsidiaries | | | | | |
| (ii) 間接擁有附屬公司 | | | | | |
| Fuzhou DingCe Culture Communication Co. Ltd. | Fuzhou, the PRC, Limited liability company | Provision of full-line advertising agency services, Fuzhou, the PRC | USD200,000 | 100% | 100% |
| 福州鼎策文化傳播有限公司 | 中國福州，有限責任公司 | 提供全方位廣告代理服務，中國福州 | 200,000美元 | | |
| Fuzhou ShiFang Printing Co., Ltd. | Fuzhou, the PRC, Limited liability company | Provision of printing services, Fuzhou, the PRC | RMB10,000,000 | 100% | 100% |
| 福州十方印務有限公司 | 中國福州，有限責任公司 | 提供印刷服務，中國福州 | 人民幣10,000,000元 | | |
| Fuzhou ShiFangYuan Advertisement Co., Ltd. | Fuzhou, the PRC, Limited liability company | Provision of full-line advertising agency services, Fuzhou, the PRC | RMB5,000,000 | 100% | 100% |
| 福建十方源廣告有限公司 | 中國福州，有限責任公司 | 提供全方位廣告代理服務，中國福州 | 人民幣5,000,000元 | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

20 主要附屬公司、合資企業及聯營公司 (續)

| Name 名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法人類別 | Principal activities and place of operation 主要業務及營業地點 | Issued or registered/ paid up capital 已發行或註冊/實繳股本 | Effective interest held as at 31 December 於十二月三十一日 持有的實際權益 | |
|---|--|---|---|---|---------------|
| | | | | 2022 二零二二年 | 2021 二零二一年 |
| Fujian DaFang Advertisement Co., Ltd. 福建大方廣告有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Provision of full-line advertising services, Fuzhou, the PRC 提供全方位廣告服務, 中國福州 | RMB5,000,000 人民幣5,000,000元 | - (note a) (附註a) | 100% |
| Xiamen DuKe Information Science & Technology Co., Ltd. ("Xiamen Duke") 廈門讀客信息科技有限公司 (「廈門讀客」) | Xiamen, the PRC, Limited liability company 中國廈門, 有限責任公司 | Provision of technology promotion and consultancy services, Xiamen, the PRC 提供技術推廣及諮詢服務, 中國廈門 | RMB11,000,000 人民幣11,000,000元 | 55% (note b) (附註b) | 100% |
| Fujian HaoBang Real Estate Consulting & Agency Co. Ltd. 福建好邦房產策劃代理有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Property marketing & agency services, Fuzhou, the PRC 物業營銷及代理服務, 中國福州 | RMB10,000,000 人民幣10,000,000元 | 51% | 51% |
| Fujian FangKe Network Technology Corporation Ltd. 福建房客網絡科技股份有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Provision of full-line advertising services & Property marketing, Fuzhou, the PRC 提供全方位廣告服務及物業營銷, 中國福州 | RMB50,000,000 人民幣50,000,000元 | 51% | 51% |
| Tian Pu Commercial Management Co., Ltd. 香港添鋪商業管理有限公司 | Hong Kong, Limited liability company 香港, 有限責任公司 | Investment holding, Hong Kong 投資控股, 香港 | HKD100 100港元 | - (Note c) (附註c) | 51% |
| Fuzhou Kungfu Town Scenic Area Development Co., Ltd. 福州功夫小鎮景區開發有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Tourism and entertainment, Fuzhou, the PRC 旅遊及娛樂, 中國福州 | USD25,000,000 25,000,000美元 | 100% | 100% |
| Beijing Fanxing Travel Co., Ltd. 北京繁星旅遊有限公司 | Beijing, the PRC, Limited liability company 中國北京, 有限責任公司 | Tourism and entertainment, Beijing, the PRC 旅遊及娛樂, 中國北京 | RMB5,000,000 人民幣5,000,000元 | 100% | 100% |
| Zhangpingshi Lianchuang Nongye Fazhan Co., Ltd. 漳平市聯創農業發展有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Tourism and entertainment, Fuzhou, the PRC 旅遊及娛樂, 中國福州 | RMB10,000,000 人民幣10,000,000元 | 60% | 60% |
| Fuzhou Niaoyulin Youle Co., Ltd. 福州鳥語林遊樂有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Tourism and entertainment, Fuzhou, the PRC 旅遊及娛樂, 中國福州 | RMB5,000,000 人民幣5,000,000元 | 82% | 82% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

20 主要附屬公司、合資企業及聯營公司 (續)

| Name 名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法人類別 | Principal activities and place of operation 主要業務及營業地點 | Issued or registered/ paid up capital 已發行或註冊/實繳股本 | Effective interest held as at 31 December 於十二月三十一日 持有的實際權益 | |
|--|--|--|---|---|---------------|
| | | | | 2022 二零二二年 | 2021 二零二一年 |
| Fuzhou Mobile Media Co., Ltd. 福州移動媒體有限公司 | Fuzhou, the PRC, Limited liability company 中國福州, 有限責任公司 | Provision of mobile media services, Fuzhou, the PRC 提供移動媒體服務, 中國福州 | RMB10,000,000 人民幣10,000,000元 | 100% | 100% |
| Baiming (Yongtai) Information Technology Co., Ltd. 百鳴(永泰)信息技術有限公司 | Yongtai, the PRC, Limited liability company 中國永泰, 有限責任公司 | Provision of Business service, Yongtai, the PRC 提供企業服務, 中國永泰 | RMB50,000,000 人民幣50,000,000元 | 50.45% (Note d) (附註d) | - |
| Huaxian Fangke Real Estate Consulting & Agency Co. Ltd. 滑縣房客房地產諮詢及代理有限公司 | Huaxian, the PRC, Limited liability company 中國滑縣, 有限責任公司 | Property marketing & agency services, Huaxian, the PRC 物業營銷及代理服務, 中國滑縣 | RMB100,000 人民幣100,000元 | 51% | 51% |
| Zhongxing Hongye (Beijing) Enterprise Management Co., Ltd. 中興弘業(北京)企業管理有限公司 | Beijing, the PRC, Limited liability company 中國北京, 有限責任公司 | Provision of Business service, Beijing, the PRC 提供企業服務, 中國北京 | RMB3,000,000 人民幣3,000,000元 | 100% (Note e) (附註e) | - |
| (iii) Special purpose entity (iii) 特殊目的實體 | | | | | |
| Beijing BaiChuanDuKe Science and Technology Co., Ltd. 北京百傳讀客科技有限公司 | Beijing, the PRC, Limited liability company 中國北京, 有限責任公司 | Provision of technology promotion and consultancy services, Beijing the PRC 提供技術推廣及諮詢服務, 中國北京 | RMB1,000,000 人民幣1,000,000元 | 100% | 100% |
| (b) Joint ventures (b) 合資企業 | | | | | |
| (i) Indirectly held by the Company (i) 由本公司間接持有 | | | | | |
| Baiming (Beijing) Information Technology Co., Ltd. 百鳴(北京)信息技術有限公司 | Beijing, the PRC, Limited liability company 中國北京, 有限責任公司 | Provision of information technology consultancy services 提供信息技術諮詢服務 | RMB30,000,000 人民幣30,000,000元 | 49.95% (Note e) (附註e) | - |
| Baiming (Pingtan) Information Technology Co., Ltd. 百鳴(平潭)信息技術有限公司 | Fujian, the PRC, Limited liability company 中國福建, 有限責任公司 | Provision of information technology consultancy services 提供信息技術諮詢服務 | RMB30,000,000 人民幣30,000,000元 | 49.95% (Note e) (附註e) | - |
| (c) An associate (c) 聯營公司 | | | | | |
| (i) Directly held by the Company (i) 由本公司直接持有 | | | | | |
| Zhuoshi Technology (Beijing) Co., Ltd. 琢石科技(北京)有限公司 | Beijing, the PRC, Limited liability company 中國北京, 有限責任公司 | Provision of information technology consultancy services 提供信息技術諮詢服務 | RMB3,000,000 人民幣3,000,000元 | 35% (Note e) (附註e) | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

Note a: The subsidiary was sold to independent third party on 1 December 2022.

Note b: The Group sold 45% share of the subsidiary to independent third party on 28 February 2022.

Note c: The subsidiary was deregistered on 15 July 2022.

Note d: The subsidiary was incorporated on 14 September 2022. The Group obtained control over the subsidiary by entering into a contractual agreement with Baiming (Beijing) Information Technology Co., Ltd, Zhuoshi Technology (Beijing) Co., Ltd (including their respective shareholders) and Beijing BaiChuanDuKe Science and Technology Co., Ltd. The directors of the Company, based on the advice of its legal counsel, consider that the contracted agreement is in compliance with the relevant PRC Law and is legally enforceable.

Note e: On 14 October 2022, the Group completed the acquisition of 100% equity interest in Zhongxing Hongye (Beijing) Enterprise Management Co., Ltd ("Zhongxing"), 3% equity interest in Baiming (Beijing) Information Technology Co., Ltd. ("Beijing Baiming") and 35% equity interest in Zhuoshi Technology (Beijing) Co., Ltd. ("Zhuoshi") from an independent third party. The Group accounted Beijing Baiming as investment in a joint venture and accounted Zhuoshi as investment in an associate. As Zhongxing hold 20% equity interest in Beijing Baiming and Zhuoshi hold 77% equity interest in Beijing Baiming, the Group effectively hold 49.95% equity interest in Beijing Baiming. Details of investment are set out in note 10.

The consideration of HK\$42,109,000 (equivalent to approximately RMB45,968,000) for acquisition of 100% equity interest in Zhongxing and 3% equity interest in Beijing Baiming and consideration of HK\$43,799,000 (equivalent to approximately RMB40,122,000) for acquisition of 35% equity interest in Zhuoshi were settled by way of issue of convertible bonds by the Company to the independent third party. Total consideration was allocated based on respective equity interest in Beijing Baiming.

20 主要附屬公司、合資企業及聯營公司 (續)

附註a: 該附屬公司於二零二二年十二月一日出售予獨立第三方。

附註b: 本集團將該附屬公司的45%股份於二零二二年二月二十八日出售予獨立第三方。

附註c: 該附屬公司於二零二二年七月十五日註銷登記。

附註d: 該附屬公司於二零二二年九月十四日註冊成立。本集團通過與百鳴(北京)信息技術有限公司、琢石科技(北京)有限公司(包括彼等各自的股東)及北京百傳讀客科技有限公司訂立合約協議取得該附屬公司的控制權。根據法律顧問的建議,本公司董事認為,合約協議符合相關中國法律並在法律上可予執行。

附註e: 於二零二二年十月十四日,本集團完成向一名獨立第三方收購中興弘業(北京)企業管理有限公司(「中興」)的100%股權、百鳴(北京)信息技術有限公司(「北京百鳴」)的3%股權及琢石科技(北京)有限公司(「琢石」)的35%股權。本集團將北京百鳴入賬列作於一間合營公司的投資,將琢石作入賬列作於一間聯營公司的投資。由於中興持有北京百鳴的20%股權,而琢石持有北京百鳴的77%股權,故本集團實際持有北京百鳴的49.95%股權。投資詳情載於附註10。

收購中興的100%股權及北京百鳴的3%股權的代價42,109,000港元(相當於約人民幣45,968,000元)及收購琢石的35%股權的代價43,799,000港元(相當於約人民幣40,122,000元)通過由本公司向獨立第三方發行可換股債券的方式結算。總代價根據於北京百鳴的相關股權予以分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

The consideration for acquisition of 23% equity interest in Beijing Baiming, which include 20% equity interest hold by Zhongxing is HK\$48,083,000 (equivalent to RMB44,047,000).

(d) Material non-controlling interests

| | |
|--|--------------------------|
| By subsidiaries: | 按附屬公司劃分： |
| Fujian Fangke Network Technology Co. Ltd (“Fujian Fangke”) | 福建房客網絡科技股份有限公司（「福建房客」） |
| Baiming (Yongtai) Information Technology Co., Ltd. (“Baiming (Yongtai)”) | 百鳴（永泰）信息技術有限公司（「百鳴（永泰）」） |
| Others | 其他 |

Summarised financial information on a subsidiary with material non-controlling interests

Set out below are the summarised financial information for a subsidiary that has non-controlling interests that are material to the Group.

20 主要附屬公司、合資企業及聯營公司（續）

收購北京百鳴的23%股權（包括中興持有的20%股權）的代價為48,083,000港元（相當於人民幣44,047,000元）。

(d) 重大非控股權益

| | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------------------------------|-----------------------------------|
| By subsidiaries: | | |
| Fujian Fangke Network Technology Co. Ltd (“Fujian Fangke”) | 14,368 | 13,048 |
| Baiming (Yongtai) Information Technology Co., Ltd. (“Baiming (Yongtai)”) | 14,865 | - |
| Others | 3,037 | (6,942) |
| | 32,270 | 6,106 |

擁有重大非控股權益的附屬公司的財務資料概要

下文載列對本集團而言屬重大的擁有非控股權益的附屬公司的財務資料概要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

(d) Material non-controlling interests (Continued)

Summarised balance sheets for Fujian Fangke

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--------------------|--------|-----------------------------------|-----------------------------------|
| Current: | 流動： | | |
| Assets | 資產 | 146,162 | 85,911 |
| Liabilities | 負債 | (121,371) | (59,709) |
| Net current assets | 流動資產淨值 | <u>24,791</u> | <u>26,202</u> |
| Non-current: | 非流動： | | |
| Assets | 資產 | 11,676 | 1,593 |
| Liabilities | 負債 | (253) | (1,166) |
| Net assets | 資產淨值 | <u>36,214</u> | <u>26,629</u> |

20 主要附屬公司、合資企業及聯營公司 (續)

(d) 重大非控股權益 (續)

福建房客的資產負債表概要

Summarised statements of comprehensive income for Fujian Fangke

福建房客的全面收益表概要

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Revenue | 收入 | 56,278 | 74,943 |
| Profit before income tax | 除所得稅前溢利 | (2,318) | 686 |
| Income tax expense | 所得稅開支 | (183) | (277) |
| (Loss)/profit for the year | 年內(虧損)/溢利 | <u>(2,501)</u> | <u>408</u> |
| Total comprehensive (loss)/income | 全面(虧損)/收益總額 | <u>(2,501)</u> | <u>408</u> |
| Total comprehensive (loss)/income allocated to non-controlling interests | 分配至非控股權益的全面(虧損)/收益總額 | (1,225) | 200 |
| Dividends paid to non-controlling interests | 已付非控股權益的股息 | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

(d) Material non-controlling interests (Continued)
Summarised cash flow statements for Fujian Fangke

20 主要附屬公司、合資企業及聯營公司 (續)

(d) 重大非控股權益 (續)
福建房客的現金流量表概要

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| Net cash used in operating activities | 經營活動所用現金淨額 | (2,966) | (1,612) |
| Net cash used in investing activities | 投資活動所用現金淨額 | (101) | (17) |
| Net cash generated from financing activities | 融資活動所得現金淨額 | 73 | - |
| Net decrease in cash and cash equivalents | 現金及現金等值項目減少淨額 | (2,994) | (1,629) |
| Cash and cash equivalents at beginning of year | 年初的現金及現金等值項目 | 4,882 | 6,511 |
| Cash and cash equivalents at end of year | 年末的現金及現金等值項目 | 1,888 | 4,882 |

Summarised balance sheets for Baiming (Yongtai)

百鳴(永泰)的資產負債表概要

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|----------------|------|-----------------------------------|-----------------------------------|
| Current Assets | 流動資產 | 30,000 | - |
| Net assets | 資產淨值 | 30,000 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

20 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

(d) Material non-controlling interests (Continued)

Summarised statements of comprehensive income for Baiming (Yongtai)

There is no profit for the year, other comprehensive income for the year, total comprehensive income for the year and dividends paid to non-controlling interests.

Summarised cash flow statements for Baiming (Yongtai)

20 主要附屬公司、合資企業及聯營公司 (續)

(d) 重大非控股權益 (續)

百鳴 (永泰) 的全面收益表概要

概無年內溢利、年內其他全面收益、年內全面收益總額及向非控股權益派付股息。

百鳴 (永泰) 的現金流量表概要

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| Net cash generated from financing activities | 融資活動所得現金淨額 | 30,000 | - |
| Net increase in cash and cash equivalents | 現金及現金等值項目增加淨額 | 30,000 | - |
| Cash and cash equivalents at beginning of year | 年初的現金及現金等值項目 | - | - |
| Cash and cash equivalents at end of year | 年末的現金及現金等值項目 | 30,000 | - |

21 DEFERRED INCOME TAX

The analysis of deferred income tax liabilities is as follows:

21 遞延所得稅

遞延所得稅負債的分析如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| Deferred income tax liabilities | 遞延所得稅負債 | | |
| - to be reversed after more than 12 months | - 將於超過12個月後撥回 | - | 632 |
| - to be reversed within 12 months | - 將於12個月內撥回 | - | 256 |
| | | - | 888 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 DEFERRED INCOME TAX (Continued)

The movements on the deferred income tax liabilities are as follows:

| | | Intangible assets | Fair value change in relation to properties | Total |
|--|-------------------|--------------------------|--|------------------------|
| | | 無形資產 RMB'000 人民幣千元 | 有關物業的 公允值變動 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| At 1 January 2021 | 於二零二一年一月一日 | 44,640 | 877 | 45,517 |
| Recognised in the consolidated statement of comprehensive income (Note 32) | 於合併全面收益表內確認(附註32) | (43,752) | (877) | (44,629) |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 888 | - | 888 |
| Recognised in the consolidated statement of comprehensive income (Note 32) | 於合併全面收益表內確認(附註32) | (888) | - | (888) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | - | - | - |

No deferred income tax asset has been recognised in respect of estimated tax losses of RMB89,316,000 as at 31 December 2022 (2021: RMB99,831,000) as it is not probable that the relevant subsidiaries of the Group will generate taxable profit to utilise the tax losses in the foreseeable future. Such tax losses have an expiry period of five years.

21 遞延所得稅 (續)

遞延所得稅負債變動如下：

於二零二二年十二月三十一日，由於本集團相關附屬公司並不可能會產生應課稅溢利以於可見將來利用稅項虧損，因此並無就人民幣89,316,000元(二零二一年：人民幣99,831,000元)的估計稅項虧損確認遞延所得稅資產。該等稅項虧損的屆滿期間為五年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

22 TRADE PAYABLES, OTHER PAYABLES, ACCRUED EXPENSES AND CONTRACT LIABILITIES

22 貿易應付款項、其他應付款項、應計開支及合約負債

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|------------------------|-----------------------------------|-----------------------------------|
| Trade payables | 貿易應付款項 | 26,508 | 12,790 |
| Other payables and accrued expenses: | 其他應付款項及應計開支： | | |
| Accrued utility expenses and other liabilities | 應計公共設施開支及 其他負債 | 2,389 | 3,138 |
| Accrued salaries and welfare | 應計薪金及福利 | 17,790 | 17,430 |
| Value added tax and other taxes payable | 增值稅及其他應付稅項 | 704 | 1,153 |
| Other payables | 其他應付款項 | 77,997 | 72,869 |
| Deposits from customers | 來自客戶的按金 | 3,695 | 1,441 |
| Down payment of assets classified as held for sale (Note) | 分類為持作出售資產的 首付款項(附註) | - | 8,539 |
| Contract liabilities (Note 5) | 合約負債(附註5) | 5,242 | 19,194 |
| | | 107,817 | 123,764 |
| | | 134,325 | 136,554 |

Payment terms granted by suppliers are mainly cash on delivery and on credit. The credit periods range from 30 days to 365 days after end of the month in which the relevant purchase occurred.

Note:

During the year ended 31 December 2021, the Group received down payment from an independent third party amounted to RMB8,539,000 for assets classified as held for sale. During the year ended 31 December 2022, the Group changed intention and entered into agreement with the independent third party to sell 45% shares of Xiamen DuKe Information Science & Technology Co., Ltd. ("Xiamen DuKe") and the down payment of RMB8,539,000 was considered as part of consideration for sales of 45% shares of Xiamen DuKe.

供應商給予的付款條款主要為貨到付現及以記賬方式付款。信貸期由作出相關採購當月結束起計介乎30日至365日不等。

附註：

截至二零二一年十二月三十一日止年度，本集團就持作出售資產收到獨立第三方的首付款項人民幣8,539,000元。截至二零二二年十二月三十一日止年度，本集團改變意向，與獨立第三方訂立協議以出售廈門讀客信息科技有限公司（「廈門讀客」）的45%股份，及人民幣8,539,000元的首付款項被視為出售廈門讀客45%股份的部分代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

22 TRADE PAYABLES, OTHER PAYABLES, ACCRUED EXPENSES AND CONTRACT LIABILITIES (Continued)

The aging analysis of the trade payables based on the invoice date is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--------------|--------|-----------------------------------|-----------------------------------|
| 1-30 days | 1至30日 | 14,940 | 1,006 |
| 31-90 days | 31至90日 | 2,958 | 5,896 |
| Over 90 days | 90日以上 | 8,610 | 5,888 |
| | | 26,508 | 12,790 |

The carrying amounts of the Group's trade payables are all denominated in RMB.

22 貿易應付款項、其他應付款項、應計開支及合約負債(續)

貿易應付款項根據發票日期的賬齡分析如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--------------|--------|-----------------------------------|-----------------------------------|
| 1-30 days | 1至30日 | 14,940 | 1,006 |
| 31-90 days | 31至90日 | 2,958 | 5,896 |
| Over 90 days | 90日以上 | 8,610 | 5,888 |
| | | 26,508 | 12,790 |

本集團貿易應付款項的賬面值全部以人民幣計值。

23 BORROWINGS

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Current | 即期 | | |
| – Secured bank borrowings (Note (i)) | – 有抵押銀行借款(附註(i)) | – | 5,900 |
| – Unsecured bank borrowings (Note (ii)) | – 無抵押銀行借款(附註(ii)) | – | 450 |
| | | – | 6,350 |
| Non-current | 非即期 | | |
| – Unsecured borrowing from a joint venture (Note (iii)) | – 來自一間合資企業的無抵押借款(附註(iii)) | 8,792 | – |
| Total borrowing | 借款總額 | 8,792 | 6,350 |

23 借款

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Current | 即期 | | |
| – Secured bank borrowings (Note (i)) | – 有抵押銀行借款(附註(i)) | – | 5,900 |
| – Unsecured bank borrowings (Note (ii)) | – 無抵押銀行借款(附註(ii)) | – | 450 |
| | | – | 6,350 |
| Non-current | 非即期 | | |
| – Unsecured borrowing from a joint venture (Note (iii)) | – 來自一間合資企業的無抵押借款(附註(iii)) | 8,792 | – |
| Total borrowing | 借款總額 | 8,792 | 6,350 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

23 BORROWINGS (Continued)

Note (i):

The maturity of the bank borrowings based on scheduled repayment dates set out in the loan agreements and excluding the repayment on demand clause is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---------------|-----|-----------------------------------|-----------------------------------|
| Within 1 year | 一年內 | - | 5,900 |

As at 31 December 2022, all bank borrowings were repaid.

As at 31 December 2021, the bank borrowings were classified as current liabilities due to the related loan agreements containing a repayment on demand clause which gives the bank unconditional right to call the loans at any time.

The Group's bank borrowings are secured by the ownership rights of the properties and the personal guarantee of Zheng Bai Ling and Zhang Hui, a key management and the spouse of a key management of a subsidiary of the Group. The guarantee provided by Mr. Zheng Bai Ling and Zhang Hui was released as at 31 December 2021.

As at 31 December 2021, the Group's bank borrowings carried fixed rates and are denominated in RMB. The fixed rate is 3.98%. As at 31 December 2021, the Group's bank borrowings carried fixed and variable rates and are denominated in RMB. The fixed rate is 3.98%. The variable rates subject to either (1) quarterly adjusted floating interest rate of 1.15 times the benchmark loan interest rate as prescribed by the People's Bank of China for loans of a similar length (2) 2-months adjusted floating interest rate of the benchmark loan interest as prescribed by the People's Bank of China for loans of a similar length. The effective interest rate for the year range from 3.85% to 7.40% per annum.

23 借款(續)

附註(i):

按照貸款協議所載預定還款日期，並撇除應要求償還條款，上述銀行借款的到期日如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---------------|-----|-----------------------------------|-----------------------------------|
| Within 1 year | 一年內 | - | 5,900 |

於二零二二年十二月三十一日，所有銀行借款均已償還。

於二零二一年十二月三十一日，由於該等銀行借款的相關貸款協議載有應要求償還條款，賦予銀行無條件權利隨時追收貸款，故該等按揭貸款分類為流動負債。

本集團銀行借款以該物業的所有權以及本集團一間附屬公司的主要管理人員鄭柏齡和主要管理人員的配偶張輝提供的個人擔保作抵押。鄭柏齡先生及張輝提供的擔保已於二零二一年十二月三十一日解除。

於二零二一年十二月三十一日，本集團銀行借款按固定利率計息，以人民幣計值。固定利率為3.98厘。於二零二一年十二月三十一日，本集團銀行借款按固定利率及浮動利率計息，以人民幣計值。固定利率為3.98厘。浮動利率為(1)中國人民銀行就類似年期貸款規定的基準貸款利率的1.15倍，每季調整；或(2)中國人民銀行就類似年期貸款規定的基準貸款利率，每兩個月調整。年內實際年利率介乎3.85厘至7.40厘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

23 BORROWINGS (Continued)

Note (i): (Continued)

Subsequent to 31 December 2021, the Group failed to repay a bank borrowing of RMB5,900,000 in full in accordance with the scheduled repayment dates of the underlying bank borrowings agreement. Consequently, a principal of RMB3,900,000 and interest of RMB6,000 became overdue. The Overdue Bank Borrowings are secured by the Group's property, plant and equipment with a carrying value of RMB6,928,000 as at 31 December 2021.

Note (ii):

As at 31 December 2021, the balance is unsecured, carries an interest rate at 9.22% per annum with a term of 1 year, and is repayable on demand. The balance is denominated in RMB.

Note (iii):

The Group borrowed a loan from Baiming (Beijing) Information Technology Co., Ltd. The loan is unsecured and interest-free and repayable on 31 December 2025.

24 CONVERTIBLE BONDS

On 24 January 2019, the Company entered into the convertible bond subscription agreement with TopBig International Development Limited (the "Subscriber"), a company wholly-owned by Mr. Chen Zhi, an Executive Director and a shareholder of the Company, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, 3% per annum convertible bonds (the "Convertible Bonds") in the aggregate principal amount of HK\$250,000,000 (equivalent to RMB215,750,000).

The initial conversion price of the Convertible Bonds is HK\$0.24 per conversion share. The Convertible Bonds matures at the day falling on the third anniversary of the date of issue of the Convertible Bonds and the conversion period covers the period commencing on the date of issue of the Convertible Bonds and ending on the maturity date.

23 借款(續)

附註(i): (續)

於二零二一年十二月三十一日後，本集團未能根據相關銀行借款協議的預定還款日期悉數償還銀行借款人民幣5,900,000元。因此，本金人民幣3,900,000元及利息人民幣6,000元已逾期。逾期銀行借款以本集團於二零二一年十二月三十一日賬面值為人民幣6,928,000元的物業、廠房及設備作抵押。

附註(ii):

於二零二一年十二月三十一日，結餘為無抵押、按年利率9.22厘計息、為期一年及須應要求償還。結餘以人民幣計值。

附註(iii):

本集團向百鳴(北京)信息技術有限公司借入貸款。該貸款為無抵押、免息及須於二零二五年十二月三十一日償還。

24 可換股債券

於二零一九年一月二十四日，本公司與由本公司執行董事及股東陳志先生全資擁有的昇平國際發展有限公司(「認購人」)訂立可換股債券認購協議，據此，本公司有條件同意發行而認購人有條件同意認購本金總額為250,000,000港元(相當於人民幣215,750,000元)的按年利率3厘計息的可換股債券(「可換股債券」)。

可換股債券的初步換股價為每股換股股份0.24港元。可換股債券到期日為發行可換股債券當日起計滿三週年當日到期，而可換股期間涵蓋發行可換股債券當日起至到期日止期間。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 CONVERTIBLE BONDS (Continued)

On 23 April 2019, the Convertible Bonds were issued. The initial value of the liability component was calculated using a market interest rate for an equivalent non-convertible bond of the Company.

The convertible bonds are presented as follows:

| | |
|---------------------------------------|--------------|
| At 1 January | 於一月一日 |
| Interest accrued (Note (a)) | 應計利息 (附註(a)) |
| Conversion during the year (Note (b)) | 年內轉換 (附註(b)) |
| At 31 December | 於十二月三十一日 |

Notes:

- (a) Interest expense is calculated by applying the effective interest rate of 11.5% per annum to the liability component.

24 可換股債券 (續)

可換股債券於二零一九年四月二十三日發行。負債部分的初始價值採用本公司等同非可換股債券的市場利率計算得出。

可換股債券呈列如下：

| 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 181,356 | 168,148 |
| 5,954 | 19,096 |
| (187,310) | (5,888) |
| — | 181,356 |

附註：

- (a) 利息開支乃透過對負債部分採用11.5厘的實際年利率計算得出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 CONVERTIBLE BONDS (Continued)

Notes: (Continued)

- (b) On 22 April 2022, the conversion option of convertible bonds remained unexercised and it was lapsed. The Group and the Subscriber entered into a loan agreement where the outstanding convertible bonds were replaced by a 2-year loan from Top Big International Development Limited with face value of RMB187,310,000 at an interest rate of 3% p.a. (the "shareholder loan"). The shareholder loan was recognised and initially measured at fair value of RMB144,484,000 (equivalent to approximately HK\$174,363,000). A gain of RMB42,827,000 have been recognised in the Group's profit or loss. The Group's shareholder loan were valued by Valplus Consulting Limited, an independent professionally qualified valuer who holds a recognised relevant professional qualification. Management assessed the fair value of shareholder loan using discounted cash flow method and the discount rate is reference to comparable bonds in the market with scimitar credit rating. The shareholder loan were classified as Level 2 under the fair value hierarchy. There were no transfer between any levels during the year.

On 30 July 2022, the shareholder loan subsequently derecognised upon entering into the Loan Capitalisation Agreement. For details, please refer to note 18(a).

During the year ended 31 December 2021, convertible bonds with carrying amount of RMB5,888,000 were converted by the Subscriber based on its principal amount of RMB7,108,000 (Note 18).

24 可換股債券 (續)

附註：(續)

- (b) 於二零二二年四月二十二日，可換股債券的轉換選擇權仍未行使且已失效。本集團與認購人訂立貸款協議，以面值為人民幣187,310,000元、年利率3厘的來自昇平國際發展有限公司的兩年期貸款（「股東貸款」）取代尚未行使可換股債券。股東貸款按公允值174,363,000港元（相當於約人民幣144,484,000元）進行確認及初始計量。已於本集團損益確認收益人民幣42,827,000元。持有相關認可專業資格的獨立專業合資格估值師瑋鉞顧問有限公司已對本集團的股東貸款進行估值。管理層已採用貼現現金流量法對股東貸款的公允值進行評估，貼現率乃參考市場上具類似信用評級的可比債券得出。股東貸款分類為公允值架構等級的第二級。年內任何層級間並無轉撥。

於二零二二年七月三十日，股東貸款其後已於訂立貸款資本化協議後終止確認。詳情請參閱附註18(a)。

於截至二零二一年十二月三十一日止年度，認購人按其本金額人民幣7,108,000元轉換賬面值為人民幣5,888,000元的可換股債券（附註18）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

25 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

25 公允價值經損益表入賬的金融負債

| | | 2022 | 2021 |
|-------------------|-------|---------------|---------|
| | | 二零二二年 | 二零二一年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Convertible bonds | 可換股債券 | 25,690 | - |

On 14 October 2022, the Group acquired 35% equity interest in Zhuoshi Technology (Beijing) Co., Ltd, 100% equity interest in Zhongxing Hongye (Beijing) Enterprise Management Co., Ltd and 3% equity interest in Baiming (Beijing) Information Technology Co., Ltd. Pursuant to the acquisition agreement on 31 July 2022, the acquisition consideration shall be satisfied by the issue of the convertible bonds.

於二零二二年十月十四日，本集團收購琢石科技(北京)有限公司的35%股權、中興弘業(北京)企業管理有限公司的100%股權及百鳴(北京)信息技術有限公司的3%股權。根據二零二二年七月三十一日的收購協議，收購代價將通過發行可換股債券支付。

On 14 October 2022 and 15 November 2022, the first tranche and second tranche convertible bonds with carrying amount of RMB27,063,000 and RMB27,490,000, respectively, were converted based on the principal amount of HK\$30,803,000 and HK\$30,803,000. The third tranche convertible bonds was converted on 27 February 2023. The Group's convertible bonds were valued by Valplus Consulting Limited, an independent professionally qualified valuer who holds a recognised relevant professional qualification. Management assessed the fair value of financial liabilities at fair value through profit or loss with reference to market price of ordinary shares of the Group. The convertible bonds were classified as level 2 under the fair value hierarchy. There were no transfer between any levels during the year.

於二零二二年十月十四日及二零二二年十一月十五日，賬面值分別為人民幣27,063,000元及人民幣27,490,000元的第一批及第二批可換股債券分別以本金額30,803,000港元及30,803,000港元為基礎進行轉換。第三批可換股債券於二零二三年二月二十七日轉換。持有相關認可專業資格的獨立專業合資格估值師瑋鉑顧問有限公司已對本集團的可換股債券進行估值。管理層已參考本集團普通股的市價對公允價值經損益表入賬的金融負債的公允價值進行評估。可換股債券分類為公允價值架構等級的第二級。年內任何層級間並無轉撥。

The Group's management reviewed the valuations performed by the independent valuer for financial reporting purposes. The management reported directly to the directors. Discussions of valuation processes and results were held between management and the valuer. The management and the directors verified major inputs to the independent valuation reports and held discussion with the independent valuer on the valuation basis, processes and results.

就財務報告目的而言，本集團管理層已審閱獨立估值師進行的估值。管理層直接向董事報告。管理層與估值師對估值程序及結果進行討論。管理層及董事證實獨立估值師報告的主要輸入數據並與獨立估值師討論估值基準、程序及結果。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

26 LEASE

(i) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

| | | As at 31 December 2022 於二零二二年 十二月三十一日 RMB'000 人民幣千元 | As at 31 December 2021 於二零二一年 十二月三十一日 RMB'000 人民幣千元 |
|----------------------------|--------------|---|---|
| Right-of-use assets | 使用權資產 | | |
| Buildings | 樓宇 | 316 | 624 |
| Lands | 土地 | 2,422 | 2,617 |
| | | <u>2,738</u> | <u>3,241</u> |
| Lease liabilities | 租賃負債 | | |
| Current | 即期 | 2,126 | 2,036 |
| Non-current | 非即期 | 4,315 | 4,694 |
| | | <u>6,441</u> | <u>6,730</u> |

Additions to the right-of-use asset for the year ended 31 December 2022 were RMB466,000 (2021: RMB510,000).

The director carried out an impairment assessment on the recoverable amount of right-of-use assets of Yongtai Township development project with carrying amount of RMB188,000 (2021: RMB2,142,000). The Group did not recognise impairment charge. Details of impairment assessment for right-of-use assets of Yongtai Township development project are disclosed in note 7. During the year ended 31 December 2021, RMB1,550,000 impairment charge for the right-of-use assets are recognized. Details of impairment of RMB1,550,000 recognised for right-of-use assets for the year ended 31 December 2021 are disclosed in note 9(b). These impairment charges were recorded in the Group's consolidated statement of comprehensive income.

26 租賃

(i) 於合併資產負債表確認的金額

合併資產負債表呈列以下有關租賃的金額：

截至二零二二年十二月三十一日止年度使用權資產增加人民幣466,000元(二零二一年：人民幣510,000元)。

董事已就賬面值為人民幣188,000元(二零二一年：人民幣2,142,000元)的永泰小鎮開發項目使用權資產的可收回金額進行減值評估。本集團並無確認減值開支。有關永泰小鎮開發項目使用權資產減值評估的詳情於附註7披露。截至二零二一年十二月三十一日止年度，已就使用權資產確認減值開支人民幣1,550,000元。截至二零二一年十二月三十一日止年度，就使用權資產確認的減值人民幣1,550,000元的詳情於附註9(b)披露。該等減值開支計入本集團合併全面收益表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

26 LEASE (Continued)

(ii) Amounts recognised in the consolidated statements of comprehensive income

The consolidated statements of comprehensive income show the following amounts relating to leases:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-------------------|-----------------------------------|-----------------------------------|
| Depreciation charge of right-of-use assets: | 使用權資產折舊開支： | | |
| Buildings | 樓宇 | 521 | 686 |
| Land | 土地 | 196 | 244 |
| | | <u>717</u> | <u>930</u> |
| Interest expense (included in finance costs) | 利息開支 (計入財務成本) | <u>314</u> | <u>315</u> |

The total cash outflow for leases during the year ended 31 December 2022 and 31 December 2021 were nil and RMB1,680,000, respectively.

26 租賃 (續)

(ii) 於合併全面收益表內確認的金額

合併全面收益表呈列以下有關租賃的金額：

於截至二零二二年十二月三十一日及二零二一年十二月三十一日止年度，租賃的現金流出總額分別為零及人民幣1,680,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 OTHER INCOME AND OTHER GAIN

27 其他收入及其他收益

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|--------------------------|-----------------------------------|-----------------------------------|
| Other income: | 其他收入： | | |
| Government grants (Note a) | 政府補助(附註a) | 109 | 629 |
| Sundry income | 雜項收入 | - | 321 |
| | | <u>109</u> | <u>950</u> |
| Other gain: | 其他收益： | | |
| Fair value gain on biological asset | 生物資產的公允值收益 | 185 | 119 |
| Fair value gain of investment properties | 投資物業的公允值收益 | 2,523 | - |
| Gain on disposal of a subsidiary | 出售一間附屬公司的收益 | 5,358 | - |
| Gain on liquidation of subsidiaries | 附屬公司清盤的收益 | 2,609 | - |
| Gain on partial disposal of subsidiaries | 部分出售附屬公司的收益 | 1,673 | - |
| Fair value gain of financial liabilities at fair value through profit or loss | 公允值經損益表入賬的金融負 債的公允值收益 | 1,989 | - |
| Others | 其他 | 67 | - |
| | | <u>14,404</u> | <u>119</u> |

Note

附註

(a) The Group obtained government grants and recognised as income of RMB109,000 (2021: RMB629,000) from the Fujian government authority for the year ended 31 December 2022.

(a) 截至二零二二年十二月三十一日止年度，本集團已從福建政府機關收取政府補助人民幣109,000元(二零二一年：人民幣629,000元)並確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

28 EXPENSES BY NATURE

Loss before income tax is stated after charging/(crediting) the following:

28 按性質劃分的開支

除所得稅前虧損經扣除／(計入) 以下項目後入賬：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|------------------------------------|-----------------------------------|-----------------------------------|
| Cost of newspaper and public vehicles advertising | 報紙及移動傳媒廣告成本 | | |
| – Media costs | – 媒體成本 | 5,250 | 9,265 |
| Cost of printing services: | 印刷服務成本： | | |
| – Raw materials | – 原材料 | 1,208 | 1,875 |
| – Other costs | – 其他成本 | 822 | 668 |
| Cost of sales of agricultural products | 銷售農產品成本 | 52,719 | 154,698 |
| Depreciation of property, plant and equipment (Note 7) | 物業、廠房及設備折舊 (附註7) | 3,367 | 3,880 |
| Depreciation of right-of-use assets (Note 26) | 使用權資產折舊 (附註26) | 717 | 930 |
| Amortisation of intangible assets (Note 9) | 無形資產攤銷 (附註9) | 1,078 | 3,567 |
| Auditor's remuneration | 核數師酬金 | 4,258 | 3,474 |
| Marketing expenses | 營銷開支 | 8,361 | 24,080 |
| Operating lease charges in respect of land | 有關土地的經營租賃收費 | 422 | 1,270 |
| Net (gain)/loss on disposal of property, plant and equipment (Note 35(b)) | 出售物業、廠房及設備的 (收益)／虧損淨額 (附註35(b)) | (2,830) | 123 |
| Gain on disposals of properties held for sale | 出售持作出售物業的收益 | – | (49) |
| Net change in provision for impairment of financial guarantee | 財務擔保減值撥備變動淨額 | (14) | (245) |
| Net fair value loss/(gain) on financial assets at fair value through profit or loss (Note 15) | 公允值經損益表入賬的金融資產的公允值虧損／(收益)淨額 (附註15) | 3,056 | (868) |
| Net change in provision for impairment of trade receivables and contract assets | 貿易應收款項及合約資產減值撥備變動淨額 | 1,609 | (1,796) |
| Impairment loss of properties held for sale (Note 14) | 持作出售物業的減值虧損 (附註14) | 5,323 | – |
| Loss on conversion of shareholder loan to contingent convertible loan | 股東貸款轉換為或有可換股貸款的虧損 | 72,719 | – |
| Gain on conversion of convertible bond to shareholder loan | 可換股債券轉換為股東貸款的收益 | (42,827) | – |
| Fair value change of contingent convertible loan | 或有可換股貸款的公允值變動 | 25,350 | – |
| Provision for impairment on property, plant and equipment (Note 7) | 物業、廠房及設備減值撥備 (附註7) | – | 8,818 |
| Provision for impairment on right-of-use assets (Note 26) | 使用權資產減值撥備 (附註26) | – | 1,550 |
| Provision for impairment on goodwill and other intangible assets (Note 9) | 商譽及其他無形資產減值撥備 (附註9) | 7,148 | 161,318 |
| Legal and professional fee | 法律及專業費用 | 1,289 | 1,969 |
| Written-off of trade receivables (Note 16) | 撇銷貿易應收款項 (附註16) | 425 | (35) |
| Net foreign exchange (gain)/losses | 外匯 (收益)／虧損淨額 | (5,231) | 1,745 |
| Employee benefit expenses (including directors' emoluments) (Note 29) | 僱員福利開支 (包括董事酬金) (附註29) | 19,410 | 27,125 |
| Business tax | 營業稅 | 103 | 252 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

29 僱員福利開支 (包括董事酬金)

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|---------|-----------------------------------|-----------------------------------|
| Salaries and other allowances | 薪金及其他補貼 | 17,868 | 24,897 |
| Defined contribution plan | 界定供款計劃 | 1,542 | 2,228 |
| | | 19,410 | 27,125 |

(a) Five highest paid individuals

For the year ended 31 December 2022, the five individuals whose emoluments were the highest in the Group included 2 directors (2021: 2 directors), whose emoluments were reflected in the analysis presented above and note 42. The emoluments paid/payable to the remaining 3 (2021: 3 individuals) individuals during the year ended 31 December 2022 were as follows:

(a) 五名最高薪人士

截至二零二二年十二月三十一日止年度，本集團五名最高薪人士包括兩名董事（二零二一年：兩名董事），彼等的酬金在上文及附註42所呈列的分析中反映。於截至二零二二年十二月三十一日止年度，已付／應付餘下三名（二零二一年：三名）人士的酬金如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|---------|-----------------------------------|-----------------------------------|
| Salaries and other allowances | 薪金及其他補貼 | 1,297 | 1,608 |
| Defined contribution plan | 界定供款計劃 | 22 | 37 |
| | | 1,319 | 1,645 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

(a) Five highest paid individuals (Continued)

For the years ended 31 December 2022 and 2021, the emoluments of the highest paid individuals of the Group fall within the following bands:

| Nil to HK\$500,000 | 零至500,000港元 |
|------------------------------|-----------------------|
| HK\$500,001 to HK\$1,000,000 | 500,001港元至1,000,000港元 |

29 僱員福利開支 (包括董事酬金) (續)

(a) 五名最高薪人士 (續)

截至二零二二年及二零二一年十二月三十一日止年度，本集團最高薪人士的酬金介乎下列幅度：

| Number of individuals | | 人數 | |
|------------------------------|-----------------------|----------|----------|
| | | 2022 | 2021 |
| | | 二零二二年 | 二零二一年 |
| Nil to HK\$500,000 | 零至500,000港元 | 2 | – |
| HK\$500,001 to HK\$1,000,000 | 500,001港元至1,000,000港元 | 1 | 3 |
| | | 3 | 3 |

30 RETIREMENT BENEFITS SCHEME

The employees of the Group's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

The total contributions incurred in this connection for the year ended 31 December 2022 were approximately RMB1,452,000 (2021: RMB2,228,000). No forfeited contributions are available to reduce the contribution payable by the Group in the future years.

30 退休福利計劃

本集團在中國成立的附屬公司的僱員為地方市政府所營辦的中央退休金計劃的成員。有關附屬公司須按僱員基本薪金及工資的若干百分比向中央退休金計劃供款，以撥付退休福利。地方市政府承諾承擔有關附屬公司的所有現有及未來退休僱員的退休福利責任。有關附屬公司就中央退休金計劃的唯一責任乃根據計劃作出所規定的供款。

截至二零二二年十二月三十一日止年度，就此產生的供款總額約為人民幣1,452,000元（二零二一年：人民幣2,228,000元）。概無沒收供款可用作減少未來年度本集團應付供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 FINANCE COSTS – NET

31 財務成本－淨額

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|-------------------|---------------|---------------|
| Finance income: | 財務收入： | | |
| Interest income on short-term bank deposits | 短期銀行存款的利息收入 | 16 | 53 |
| Finance costs: | 財務成本： | | |
| Interest expense on bank borrowings | 銀行借款的利息開支 | (309) | (520) |
| Interest expense on lease liabilities | 租賃負債的利息開支 | (314) | (315) |
| Interest expense on loan from a shareholder | 來自一名股東的貸款的利息開支 | (10,057) | (28) |
| Interest expense on convertible bond | 可換股債券的利息開支 | (5,953) | (19,096) |
| Interest expense on loan from a joint venture | 來自一間合資企業的貸款的利息開支 | (92) | – |
| Discounting impact on loan from a joint venture | 對來自一間合資企業的貸款的貼現影響 | 3,600 | – |
| Total finance costs | 財務成本總額 | (13,125) | (19,959) |
| Finance costs – net | 財務成本－淨額 | (13,109) | (19,906) |

32 INCOME TAX CREDIT

32 所得稅抵免

| | | 2022 二零二二年 | 2021 二零二一年 |
|--------------------------------------|-----------|---------------|---------------|
| Current income tax expense | 即期所得稅開支 | | |
| Mainland China enterprise income tax | 中國大陸企業所得稅 | | |
| – Current tax expense | – 即期稅項開支 | (184) | (277) |
| | | (184) | (277) |
| Deferred income tax credit | 遞延所得稅抵免 | 888 | 44,629 |
| | | 704 | 44,352 |

The Group has no assessable income arising in or derived from Hong Kong during the years ended 31 December 2022 and 2021.

本集團於截至二零二二年及二零二一年十二月三十一日止年度並未於香港產生或獲得應課稅收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 INCOME TAX CREDIT (Continued)

The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities in the respective jurisdictions as follows:

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|------------------------------|------------------|---------------|
| Loss before income tax | 除所得稅前虧損 | (168,619) | (233,216) |
| Add: | 加： | | |
| – share of losses on investments accounted for using equity method | – 應佔採用權益法入賬的投資虧損 | 75,034 | – |
| | | (93,585) | (233,216) |
| Tax calculated at domestic rates applicable to profits of the entities in the respective jurisdictions (Note) | 按適用於各個司法權區實體溢利的地方稅率計算的稅項(附註) | (21,727) | (55,546) |
| Tax effects of: | 以下項目的稅項影響： | | |
| Income not subject to tax | 毋須繳稅收入 | – | (977) |
| Expenses not deductible for tax purposes | 不可扣稅開支 | 2,815 | 6,223 |
| Tax losses for which no deferred income tax asset was recognised | 並無確認遞延所得稅資產的稅項虧損 | 18,397 | 5,955 |
| Utilisation of previously unrecognised tax losses | 動用之前未確認的稅項虧損 | (189) | (7) |
| Income tax credit | 所得稅抵免 | (704) | (44,352) |

Note:

The weighted average applicable tax rate was 23.2% (2021: 23.8%). The decrease is mainly caused by more operation for subsidiaries in Hong Kong which were entitled to lower applicable tax rate.

32 所得稅抵免(續)

本集團除所得稅前虧損的稅項與採用適用於各個司法權區的合併實體溢利的加權平均稅率所計算理論金額之間的差額如下：

| | | 2022 二零二二年 | 2021 二零二一年 |
|---|------------------------------|------------------|---------------|
| Loss before income tax | 除所得稅前虧損 | (168,619) | (233,216) |
| Add: | 加： | | |
| – share of losses on investments accounted for using equity method | – 應佔採用權益法入賬的投資虧損 | 75,034 | – |
| | | (93,585) | (233,216) |
| Tax calculated at domestic rates applicable to profits of the entities in the respective jurisdictions (Note) | 按適用於各個司法權區實體溢利的地方稅率計算的稅項(附註) | (21,727) | (55,546) |
| Tax effects of: | 以下項目的稅項影響： | | |
| Income not subject to tax | 毋須繳稅收入 | – | (977) |
| Expenses not deductible for tax purposes | 不可扣稅開支 | 2,815 | 6,223 |
| Tax losses for which no deferred income tax asset was recognised | 並無確認遞延所得稅資產的稅項虧損 | 18,397 | 5,955 |
| Utilisation of previously unrecognised tax losses | 動用之前未確認的稅項虧損 | (189) | (7) |
| Income tax credit | 所得稅抵免 | (704) | (44,352) |

附註：

加權平均適用稅率為23.2% (二零二一年：23.8%)。稅率下降主要由於有權享有較低適用稅率的香港附屬公司的業務增加所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

33 LOSS PER SHARE

(a) Basic

Basic loss per share for the years is calculated by dividing the loss attributable to owners of the Company by the weighted average number of shares in issue during the year.

| | | 2022 二零二二年 | 2021 二零二一年 |
|--|--------------------|------------------|---------------|
| Loss attributable to owners of the Company (RMB'000) | 本公司所有者應佔虧損 (人民幣千元) | (169,809) | (187,468) |
| Weight average number of shares in issue (thousands) | 已發行股份加權平均數 (千股) | 1,018,193 | 923,922 |
| Basic loss per share (RMB per share) | 每股基本虧損 (每股人民幣) | (0.1668) | (0.2029) |

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has no potential dilutive shares during the year ended 31 December 2022 (2021: same).

34 DIVIDEND

No dividend has been declared by the Company since its incorporation.

33 每股虧損

(a) 基本

年內每股基本虧損乃按本公司所有者應佔虧損除以年內已發行股份加權平均數計算。

(b) 攤薄

每股攤薄虧損乃按調整發行在外普通股的加權平均數以假設所有具潛在攤薄影響的普通股獲兌換計算。截至二零二二年十二月三十一日止年度，本公司並無具潛在攤薄影響的股份 (二零二一年：相同)。

34 股息

本公司自註冊成立以來概無宣派任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash used in operations

35 現金流量表附註

(a) 經營業務所用現金

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| | Note 附註 | | |
| Loss before income tax | 除所得稅前虧損 | (168,619) | (233,216) |
| Adjustments for: | 就下列各項作出調整： | | |
| Depreciation for property, plant and equipment | 物業、廠房及設備折舊 | | |
| | 7 | 3,367 | 3,880 |
| Depreciation for right-of-use assets | 使用權資產折舊 | 717 | 930 |
| Amortisation for intangible assets | 無形資產攤銷 | 1,078 | 3,567 |
| Net (gain)/loss on disposal of property, plant and equipment | 出售物業、廠房及設備的(收益)／虧損淨額 | (2,830) | 123 |
| Net gain on disposal of properties held for sale | 出售持作出售物業的收益淨額 | - | (49) |
| Net change in provision for impairment of trade receivables | 貿易應收款項減值撥備變動淨額 | 1,714 | (1,800) |
| Net change in provision for impairment of contract assets | 合約資產減值撥備變動淨額 | (105) | 4 |
| Provision for impairment of goodwill and intangible assets | 商譽及無形資產減值撥備 | 7,148 | 161,318 |
| Provision for impairment of property, plant and equipment | 物業、廠房及設備減值撥備 | - | 8,818 |
| Provision for impairment of properties held for sale | 持作出售物業減值撥備 | 5,323 | - |
| Provision for impairment of right-of-use assets | 使用權資產減值撥備 | - | 1,550 |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | (5,358) | - |
| Gain on liquidation of subsidiaries | 附屬公司清盤的收益 | (2,609) | - |
| Foreign exchange (gain)/losses on operating activities | 經營活動的外匯(收益)／虧損 | (5,231) | 1,745 |
| Finance income | 財務收入 | (16) | (53) |
| Finance costs | 財務成本 | 13,125 | 19,959 |
| Fair value gain on biological assets | 生物資產的公允值收益 | (185) | (119) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(a) Cash used in operations (Continued)

35 現金流量表附註 (續)

(a) 經營業務所用現金 (續)

| | | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|-----------------------------|----|-----------------------------------|-----------------------------------|
| | Note 附註 | | | |
| Fair value change of contingent convertible loan | 或有可換股貸款的公允值變動 | | 25,350 | - |
| Gain on conversion of convertible bond to shareholder loan | 可換股債券轉換為股東貸款的收益 | | (42,827) | - |
| Loss on conversion of shareholder loan to contingent convertible loan | 股東貸款轉換為或有可換股貸款的虧損 | | 72,719 | - |
| Written off of/(Recovery of previously – written off) of trade receivables | 撇銷/(收回先前撇銷)貿易應收款項 | 28 | 425 | (35) |
| Net fair value loss/(gain) on financial assets at fair value through profit or loss | 公允值經損益表入賬的金融資產的公允值虧損/(收益)淨額 | 15 | 3,056 | (868) |
| Gain on partially disposal of a subsidiary | 部分出售一間附屬公司的收益 | | (1,673) | - |
| Fair value loss on financial liabilities at fair value through profit or loss | 公允值經損益表入賬的金融負債的公允值虧損 | | (1,989) | - |
| Fair value gain of investment property | 投資物業的公允值收益 | 8 | (2,523) | - |
| Share of losses of investments accounted for using the equity method | 分佔採用權益法入賬的投資虧損 | 10 | 75,034 | - |
| Changes in working capital: | 營運資金變動： | | | |
| – Trade receivables | – 貿易應收款項 | | (12,710) | 1,803 |
| – Contract assets | – 合約資產 | | 2,264 | 1,097 |
| – Inventories | – 存貨 | | 665 | 188 |
| – Prepayments, deposits and other receivables | – 預付款項、按金及其他應收款項 | | (3,250) | 2,978 |
| – Amounts due from related parties | – 應收關連人士款項 | | - | 1,273 |
| – Trade payables | – 貿易應付款項 | | 15,572 | 1,009 |
| – Other payables and accrued expenses | – 其他應付款項及應計開支 | | 5,033 | 15,302 |
| – Amounts due to related parties | – 應付關連人士款項 | | 4,396 | 6,165 |
| – Amount due to a joint venture | – 應付一間合資企業款項 | | 1,410 | - |
| – Restricted Cash | – 受限制現金 | | 357 | - |
| – Financial guarantee contracts | – 財務擔保合約 | | (14) | (245) |
| Cash used in operations | 經營業務所用現金 | | (11,186) | (4,676) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(b) Disposal of property, plant and equipment

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|--------------------------------|-----------------------------------|-----------------------------------|
| Net carrying amount(Note 7) | 賬面淨額(附註7) | 5,170 | 123 |
| Net gain/(loss) on disposal of property, plant and equipment (Note 28) | 出售物業、廠房及設備的 收益／(虧損)淨額(附註28) | 2,830 | (123) |
| Cash consideration from disposal of property, plant and equipment | 出售物業、廠房及設備的 現金代價 | 8,000 | - |

(c) Non-cash transactions

For the year ended 31 December 2022 and 2021, no major non-cash transactions occurred.

(d) Net debt reconciliation

The following section sets out an analysis of net debt and the movements in net debt for each of the years presented.

35 現金流量表附註(續)

(b) 出售物業、廠房及設備

合併現金流量表中出售物業、廠房及設備的所得款項包括：

(c) 非現金交易

截至二零二二年及二零二一年十二月三十一日止年度，並無發生主要非現金交易。

(d) 債務淨額對賬

以下載列債務淨額分析及各呈列年度債務淨額的變動。

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------------|---------------------|-----------------------------------|-----------------------------------|
| Net debt | 債務淨額 | | |
| Cash and cash equivalents (Note 17) | 現金及現金等值項目 (附註17) | 46,025 | 8,851 |
| Bank borrowings | 銀行借款 | - | (6,350) |
| Convertible bonds | 可換股債券 | - | (181,356) |
| Lease liabilities | 租賃負債 | (6,441) | (6,730) |
| Loan from a shareholder | 來自一名股東的貸款 | (4,419) | (1,500) |
| Net debt | 債務淨額 | 35,165 | (187,085) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

35 NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

(d) Net debt reconciliation (Continued)

35 現金流量表附註 (續)

(d) 債務淨額對賬 (續)

| | | Cash and cash equivalents | Bank borrowing | Loan from a shareholder | Convertible bond | Lease liabilities | Total |
|--|------------------------|---------------------------------|-------------------|-----------------------------------|---------------------------|--------------------------|------------------------|
| | 現金及 現金等值 項目 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | 來自一名 股東的貸款 RMB'000 人民幣千元 | 可換股債券 RMB'000 人民幣千元 | 租賃負債 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Net debt as at 1 January 2021 | 於二零二一年一月一日的債務淨額 | 12,889 | (17,860) | - | (168,148) | (7,615) | (180,734) |
| Cash flows | 現金流量 | (4,091) | 11,510 | (1,500) | - | 1,680 | 7,599 |
| Non-cash movements: | 非現金變動： | | | | | | |
| Foreign exchange adjustments | 外匯調整 | 53 | - | - | - | 30 | 83 |
| Other non-cash movements | 其他非現金變動 | - | - | - | (13,208) | (825) | (14,033) |
| Net debt as at 31 December 2021 | 於二零二一年十二月三十一日的 債務淨額 | <u>8,851</u> | <u>(6,350)</u> | <u>(1,500)</u> | <u>(181,356)</u> | <u>(6,730)</u> | <u>(187,085)</u> |
| Net debt as at 1 January 2022 | 於二零二二年一月一日的債務淨額 | 8,851 | (6,350) | (1,500) | (181,356) | (6,730) | (187,085) |
| Cash flows | 現金流量 | 37,174 | 6,350 | (2,919) | - | 910 | 41,515 |
| Non-cash movements: | 非現金變動： | | | | | | |
| Other non-cash movements | 其他非現金變動 | - | - | - | 181,356 | (621) | 180,735 |
| Net debt as at 31 December 2022 | 於二零二二年十二月三十一日的 債務淨額 | <u>46,025</u> | <u>-</u> | <u>(4,419)</u> | <u>-</u> | <u>(6,441)</u> | <u>35,165</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

36 COMMITMENTS

(a) Operating lease commitments – as a lessor

The future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------|-----------------------------------|-----------------------------------|
| Not later than 1 year | 一年以下 | 652 | 1,253 |
| Later than 1 year and not later than 5 years | 一年以上及五年以下 | 2,116 | 5,536 |
| | | 2,768 | 6,789 |

(b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|----------|-----------------------------------|-----------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 2,640 | 4,266 |

36 承擔

(a) 經營租賃承擔—作為出租人

不可撤銷經營租賃項下的日後最低租賃收款總額如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|-----------|-----------------------------------|-----------------------------------|
| Not later than 1 year | 一年以下 | 652 | 1,253 |
| Later than 1 year and not later than 5 years | 一年以上及五年以下 | 2,116 | 5,536 |
| | | 2,768 | 6,789 |

(b) 資本承擔

於報告期末已訂約但未確認為負債的重大資本開支如下：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------|----------|-----------------------------------|-----------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 2,640 | 4,266 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 RELATED-PARTY TRANSACTIONS

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions, or vice versa. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties.

(a) The directors of the Company are of the view that the following companies/individuals were related parties that had transactions or balances with the Group during the year ended 31 December 2022:

| Name 名稱／姓名 | Relationship with the Group 與本集團的關係 |
|------------------------------|---|
| Mr. Chen Zhi 陳志先生 | Executive director of the Company/Chief Executive Officer ("CEO") of the Group 本公司執行董事／本集團行政總裁（「行政總裁」） |
| Ms. Zheng Shou Ling 鄭守齡女士 | Spouse of the Executive director of the Company/Chief Executive Office of the Group 本公司執行董事／本集團行政總裁的配偶 |

37 關連人士交易

就該等合併財務報表而言，倘某人士有能力在本集團作出財務及經營決策時直接或間接對本集團施加重大影響（反之亦然），該人士即被認為與本集團有關連。關連人士可以為個人（即主要管理人員、主要股東及／或彼等的近親）或其他實體。倘本集團的關連人士為個人，則關連人士亦包括受到關連人士重大影響的實體。倘有關實體受到共同控制，亦被認為是關連人士。

本公司董事認為，該等關連人士交易乃於日常業務過程中按照本集團與各關連人士相互磋商的條款進行。

(a) 本公司董事認為，以下公司／個人為於截至二零二二年十二月三十一日止年度內與本集團進行交易或存有結餘的關連人士：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 RELATED-PARTY TRANSACTIONS (Continued)

(a) The directors of the Company are of the view that the following companies/individuals were related parties that had transactions or balances with the Group during the year ended 31 December 2022: (Continued)

37 關連人士交易 (續)

(a) 本公司董事認為，以下公司／個人為於截至二零二二年十二月三十一日止年度內與本集團進行交易或存有結餘的關連人士：(續)

| Name 名稱／姓名 | Relationship with the Group 與本集團的關係 |
|---|--|
| Fujian ShiFang Digital Technology Co., Ltd 福建十方數碼技術有限公司 | Controlled by the Executive director of the Group 由本集團執行董事控制 |
| Fujian Lanting Network Technology Holding Limited Company 福建蘭庭網路科技股份有限公司 | A significant shareholder of a subsidiary of the Group 本集團一間附屬公司的主要股東 |
| TopBig International Development Limited 昇平國際發展有限公司 | A company controlled by the Executive Director of the Company 由本公司執行董事控制的一間公司 |
| Mr. Yu Shi Quan 余詩權先生 | Executive director of the Company/Chief Financial Officer of the Group 本公司執行董事／本集團首席財務官 |
| Mr. Chen Wei Dong (Resigned on 9 January 2023) 陳偉東先生 (於二零二三年一月九日辭任) | Non-executive director of the Company 本公司非執行董事 |
| Ms. Chen Min 陳敏女士 | Non-executive director of the Company 本公司非執行董事 |
| Liaoning Baixin Media Company Limited 遼寧百信傳媒有限公司 | A significant shareholder of a subsidiary of the Group 本集團一間附屬公司的主要股東 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 RELATED-PARTY TRANSACTIONS (Continued)

(a) The directors of the Company are of the view that the following companies/individuals were related parties that had transactions or balances with the Group during the year ended 31 December 2022: (Continued)

37 關連人士交易 (續)

(a) 本公司董事認為，以下公司／個人為於截至二零二二年十二月三十一日止年度內與本集團進行交易或存有結餘的關連人士：(續)

| Name 名稱／姓名 | Relationship with the Group 與本集團的關係 |
|--|---|
| Ms. Chan Ching Yi 陳靜儀女士 | Key management of the Group 本集團主要管理人員 |
| Ms. Chen Xiao Min 陳小敏女士 | Key management of the Group 本集團主要管理人員 |
| Mr. Zheng Bo Ling 鄭柏齡先生 | Key management of the Group 本集團主要管理人員 |
| Mr. Cai Jian Quan (Resigned on 9 January 2023) 蔡建權先生 (於二零二三年一月九日辭任) | Independent non-executive director of the Company 本公司獨立非執行董事 |
| Mr. Zhou Chang Ren (Resigned on 9 January 2023) 周昌仁先生 (於二零二三年一月九日辭任) | Independent non-executive director of the Company 本公司獨立非執行董事 |
| Mr. Wong Heung Ming, Henry 黃向明先生 | Independent non-executive director of the Company 本公司獨立非執行董事 |
| Mr. Chen Ye 陳曄先生 | Son of Mr Chen Zhi, Executive director of the Company/ Chief Executive Officer of the Group 本公司執行董事／本集團行政總裁陳志先生之子 |

The above names of certain related parties/companies represented the best effort by management of the Company in translating their Chinese names as they do not have official English names.

上列若干關連人士／公司的英文名稱由本公司管理層以其中文名稱盡力翻譯而提供，原因是有關人士／公司並無正式英文名稱。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 合併財務報表附註

37 RELATED-PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties:

In addition to those disclosed elsewhere in the financial statements, the following transactions were undertaken by the Group with related parties during the year ended 31 December 2022:

37 關連人士交易 (續)

(b) 與關連人士進行的交易：

除財務報表其他部分所披露者外，本集團於截至二零二二年十二月三十一日止年度與關連人士進行以下交易：

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|----------------------------------|--------------|-----------------------------------|-----------------------------------|
| Key management compensation | 主要管理人員薪酬 | 3,347 | 3,347 |
| Lease payment to a related party | 向一位關連人士的租賃付款 | 446 | 465 |
| | | 3,793 | 3,812 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 RELATED-PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

37 關連人士交易 (續)

(c) 與關連人士存有的結餘

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|--|----------------------|-----------------------------------|-----------------------------------|
| Amounts due to directors: | 應付董事款項： | | |
| Mr. Chen Zhi | 陳志先生 | 13,724 | 11,829 |
| Mr. Yu Shi Quan | 余詩權先生 | 2,989 | 2,336 |
| Ms. Chen Min | 陳敏女士 | 390 | 270 |
| Mr. Wong Heung Ming, Henry | 黃向明先生 | 390 | 270 |
| Mr. Cai Jian Quan (Resigned on 9 January 2023) | 蔡建權先生 (於二零二三年一月九日辭任) | 390 | 270 |
| Mr. Zhou Chang Ren (Resigned on 9 January 2023) | 周昌仁先生 (於二零二三年一月九日辭任) | 390 | 270 |
| Mr. Chen Wei Dong (Resigned on 9 January 2023) | 陳偉東先生 (於二零二三年一月九日辭任) | 390 | 270 |
| | | 18,663 | 15,515 |
| Amounts due to related parties: | 應付關連人士款項： | | |
| Liaoning Baixin Media Company Limited | 遼寧百信傳媒有限公司 | 127 | 127 |
| Ms. Zheng Shou Ling | 鄭守齡女士 | 916 | 687 |
| Fujian Lanting Network Technology Holding Limited Company | 福建蘭庭網路科技股份有限公司 | 530 | 530 |
| Mr. Chen Ye | 陳擘先生 | 1,354 | 1,390 |
| Fujian ShiFang Digital Technology Co., Ltd | 福建十方數碼技術有限公司 | 7 | 7 |
| Fujian Zhongke Xinshikong share investment management Co., Ltd | 福建中科新時空股權投資管理有限公司 | 352 | - |
| Fujian Fanxing Electronics Technology Co., Ltd | 福建繁星電子科技有限公司 | 4 | - |
| Key management of the Group | 本集團主要管理人員 | 1,914 | 1,215 |
| | | 23,867 | 19,471 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

37 RELATED-PARTY TRANSACTIONS (Continued)

(c) Balances with related parties (Continued)

The balances due to directors and related parties are unsecured, interest-free, with no fixed repayment term and repayable upon mutual agreement between the Group and the directors and related parties.

37 關連人士交易 (續)

(c) 與關連人士存有的結餘 (續)

應付董事及關連人士的結餘為無抵押、免息及並無固定還款期，並須按本集團與董事及關連人士的相互協議償還。

| | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|-----------------------------------|-----------------------------------|
| Loan from a shareholder | | |
| 來自一名股東的貸款 | | |
| TopBig International Development Limited 昇平國際發展有限公司 | 4,419 | 1,500 |

The loan from a shareholder is unsecured, carries interest rate at 5% per annum, and are repayable in two years from the drawdown date.

來自一名股東的貸款為無抵押、按年利率5厘計息及須於提取日期起計兩年後償還。

38 ASSETS CLASSIFIED AS HELD FOR SALE

The Group entered into a sale and purchase agreement with an independent third party to dispose of certain of the properties held in its subsidiary at consideration of RMB28,000,000 and the relevant properties had been classified as assets classified as held for sale as at 31 December 2021. During 2022, the management change the intention and entered into sale and purchase agreement to sell 45% shares of Xiamen Duke Information Service & Technology Co., Ltd. with the independent third party. In addition, the Group entered into a lease agreement with the independent third party. Hence it was reclassified from assets classified as held for sale to investment properties.

38 分類為持作出售資產

本集團與獨立第三方訂立買賣協議以按代價人民幣28,000,000元出售其附屬公司持有的若干物業，而相關物業已於二零二一年十二月三十一日分類為持作出售資產。於二零二二年，管理層改變意向並與獨立第三方訂立買賣協議以出售廈門讀客信息科技有限公司的45%股份。此外，本集團已與獨立第三方訂立租賃協議。因此，由分類為持作出售資產重新分類為投資物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

38 ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

The associated assets were presented as investment properties as at 31 December 2022 and assets classified as held for sale as at 31 December 2021:

| | | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|------------------------------------|------------|-----------------------------------|-----------------------------------|
| Assets classified as held for sale | 分類為持作出售資產 | – | 26,681 |
| Investment properties (Note 8) | 投資物業 (附註8) | 29,204 | – |

39 CONTINGENT LIABILITIES

As at 31 December 2022 and 2021, the Group had no material contingent liabilities.

40 SUBSEQUENT EVENTS

There is no subsequent event after 31 December 2022.

38 分類為持作出售資產 (續)

相關資產於二零二二年十二月三十一日呈列為投資物業及於二零二一年十二月三十一日呈列為分類為持作出售的資產：

39 或有負債

於二零二二年及二零二一年十二月三十一日，本集團並無重大或有負債。

40 期後事項

於二零二二年十二月三十一日後，概無期後事項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

41 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

41 本公司的資產負債表及儲備變動

| | | Note | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|---|-------------------|------|-----------------------------------|-----------------------------------|
| | | 附註 | | |
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Investments in subsidiaries | 於附屬公司的投資 | 20 | 82,231 | —* |
| | | | 82,231 | — |
| Current assets | 流動資產 | | | |
| Prepayments and other receivables | 預付款項及其他應收款項 | | 486 | 119 |
| Amounts due from subsidiaries | 應收附屬公司款項 | | 101,016 | 92,133 |
| Cash and cash equivalents | 現金及現金等值項目 | | 38 | 32 |
| | | | 101,540 | 92,284 |
| Total assets | 總資產 | | 183,771 | 92,284 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | | |
| Share capital | 股本 | | 261,475 | 8,065 |
| Share premium | 股份溢價 | | 109,546 | 55,796 |
| Other reserves | 其他儲備 | a | 188,416 | 188,416 |
| Accumulated deficits | 累計虧絀 | a | (440,625) | (375,804) |
| Total deficits | 虧絀總額 | | 118,812 | (123,527) |

* The balance was rounded to the nearest thousand.

* 結餘已約整至最接近千位。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

41 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

41 本公司的資產負債表及儲備變動(續)

| | Note | 2022 二零二二年 RMB'000 人民幣千元 | 2021 二零二一年 RMB'000 人民幣千元 |
|-------------------------------------|------|-----------------------------------|-----------------------------------|
| | 附註 | | |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Lease liabilities | | 834 | 1,189 |
| | | <u>834</u> | <u>1,189</u> |
| Current liabilities | | | |
| Other payables | | 37,501 | 9,761 |
| Amounts due to directors | | 14,536 | 14,536 |
| Amounts due to subsidiaries | | 10,072 | 7,887 |
| Amounts due to related parties | | 1,604 | 687 |
| Lease liabilities | | 412 | 395 |
| Convertible bonds | | – | 181,356 |
| | | <u>64,125</u> | <u>214,622</u> |
| Total liabilities | | <u>64,959</u> | <u>215,811</u> |
| Total equity and liabilities | | <u>183,771</u> | <u>92,284</u> |

The balance sheet of the Company was approved by the Board of Directors on 31 March 2023 and was signed on its behalf:

本公司的資產負債表經董事會於二零二三年三月三十一日批准，並由下列董事代表董事會簽署：

Chen Zhi

陳志

Director

董事

Yu Shi Quan

余詩權

Director

董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

41 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note a: Reserve movement of the Company

41 本公司的資產負債表及儲備變動(續)

附註a: 本公司的儲備變動

| | | Accumulated deficits | Other reserves |
|--|-----------------------------|---------------------------------|---------------------------|
| | | 累計虧絀 | 其他儲備 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| At 1 January 2021 | 於二零二一年一月一日 | (185,578) | 189,799 |
| Loss for the year | 年內虧損 | (190,226) | - |
| Conversion of convertible bonds | 轉換可換股債券 | - | (1,383) |
| At 31 December 2021 and 1 January 2022 | 於二零二一年十二月三十一日 及二零二二年一月一日 | (375,804) | 188,416 |
| Loss for the year | 年內虧損 | (64,821) | - |
| At 31 December 2022 | 於二零二二年十二月三十一日 | <u>(440,625)</u> | <u>188,416</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

42 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(a) Directors' and chief executive's emoluments

The remuneration of every directors and the chief executive is set out below:

For the year ended 31 December 2022:

42 董事利益及權益(香港《公司條例》(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)

(a) 董事及最高行政人員的酬金

各董事及最高行政人員的薪酬載列如下：

截至二零二二年十二月三十一日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking:
就個人擔任(不論是本公司或其附屬公司)董事所提供的服務已付或應收的酬金：

| Name | 姓名 | Fees RMB'000 人民幣千元 | Salary RMB'000 人民幣千元 | Discretionary bonuses RMB'000 人民幣千元 | Housing allowance RMB'000 人民幣千元 | Estimated money value of other benefits RMB'000 人民幣千元 | Employer's contribution to a retirement benefit scheme RMB'000 人民幣千元 | Emoluments paid or receivable in respect of director office as accepting of the company or its subsidiary undertaking RMB'000 人民幣千元 | Remunerations paid or receivable in respect of the affairs of the company or its subsidiary undertaking RMB'000 人民幣千元 | Total RMB'000 人民幣千元 |
|--|---------------------|--------------------------|----------------------------|---|---------------------------------------|---|--|---|---|---------------------------|
| | | | | | | | | | | |
| Executive directors | | | | | | | | | | |
| Mr. Chen Zhi | 陳志先生 | 180 | 1,620 | - | - | - | - | - | - | 1,800 |
| Mr. Yu Shiquan | 余詩權先生 | 180 | 720 | 36 | - | - | 11 | - | - | 947 |
| Non-executive directors | | | | | | | | | | |
| Mr. Chen Wei Dong (Resigned on 9 January 2023) | 陳偉東先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |
| Ms. Chen Min | 陳敬女士 | 120 | - | - | - | - | - | - | - | 120 |
| Independent and non-executive directors | | | | | | | | | | |
| Mr. Zhou Chang Ren (Resigned on 9 January 2023) | 周昌仁先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Wong Heung Ming, Henry | 黃向明先生 | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Cai Jianquan (Resigned on 9 January 2023) | 蔡建權先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

42 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(a) Directors' and chief executive's emoluments (Continued)

The remuneration of every directors and the chief executive is set out below: (Continued)

For the year ended 31 December 2021:

42 董事利益及權益(香港《公司條例》(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)(續)

(a) 董事及最高行政人員的酬金(續)

各董事及最高行政人員的薪酬載列如下:(續)

截至二零二一年十二月三十一日止年度:

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking:
就個人擔任(不論是本公司或其附屬公司)董事所提供的服務已付或應收的酬金:

| Name | 姓名 | Fees RMB'000 人民幣千元 | Salary RMB'000 人民幣千元 | Discretionary bonuses RMB'000 人民幣千元 | Housing allowance RMB'000 人民幣千元 | Estimated money value of other benefits RMB'000 人民幣千元 | Employer's contribution to a retirement benefit scheme RMB'000 人民幣千元 | Remunerations paid or receivable in respect of accepting office as director RMB'000 人民幣千元 | 就董事有關管理本公司或其附屬公司事務所提供的其他服務已付或應收的酬金 RMB'000 人民幣千元 | Total RMB'000 人民幣千元 |
|--|---------------------|--------------------------|----------------------------|---|---------------------------------------|---|--|---|--|---------------------------|
| | | | | | | | | | | |
| Executive directors | | 執行董事 | | | | | | | | |
| Mr. Chen Zhi | 陳志先生 | 180 | 1,620 | - | - | - | - | - | - | 1,800 |
| Mr. Yu Shiquan | 余詩權先生 | 180 | 720 | 36 | - | - | 11 | - | - | 947 |
| Non-executive directors | | 非執行董事 | | | | | | | | |
| Mr. Chen Wei Dong (Resigned on 9 January 2023) | 陳偉東先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |
| Ms. Chen Min | 陳敏女士 | 120 | - | - | - | - | - | - | - | 120 |
| Independent and non-executive directors | | 獨立非執行董事 | | | | | | | | |
| Mr. Zhou Chang Ren (Resigned on 9 January 2023) | 周昌仁先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Wong Heung Ming, Henry | 黃向明先生 | 120 | - | - | - | - | - | - | - | 120 |
| Mr. Cai Jianquan (Resigned on 9 January 2023) | 蔡建權先生(於二零二三年一月九日辭任) | 120 | - | - | - | - | - | - | - | 120 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

42 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

- (b) **Directors' retirement benefits**
None of the directors received or will receive any retirement benefits during the year (2021: Nil).
- (c) **Directors' termination benefits**
None of the directors received or will receive any termination benefits during the year (2021: Nil).
- (d) **Consideration provided to third parties for making available directors' services**
During the year ended 31 December 2022, the Company did not pay consideration to any third parties for making available directors' services (2021: Nil).
- (e) **Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors**
There is no other loans, quasi-loans and other dealing arrangements in favour of directors, bodies corporate controlled by and entities connected with all directors of the Company as at 31 December 2022 (2021: Nil).
- (f) **Directors' material interests in transactions, arrangements or contracts**
No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

42 董事利益及權益(香港《公司條例》(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則規定的披露)(續)

- (b) **董事退休福利**
年內，概無董事已收取或將收取任何退休福利(二零二一年：無)。
- (c) **董事終止僱傭福利**
年內，概無董事已收取或將收取任何終止僱傭福利(二零二一年：無)。
- (d) **就提供董事服務向第三方支付代價**
於截至二零二二年十二月三十一日止年度，本公司概無就提供董事服務向任何第三方支付代價(二零二一年：無)。
- (e) **有關以董事、受該等董事控制的法人團體及該等董事的關連實體為受益人的貸款、準貸款及其他交易的資料**
於二零二二年十二月三十一日，概無有關以董事、受本公司所有董事控制的法人團體及本公司所有董事的關連實體為受益人的其他貸款、準貸款及其他交易安排(二零二一年：無)。
- (f) **董事於交易、安排或合約的重大權益**
於年末或年內任何時間並無任何由本公司就本集團業務訂立而本公司董事直接或間接擁有重大權益的重大交易、安排或合約存續。

