



綠景(中國)地產投資有限公司

LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

香港聯交所股份代號: 95 HKSE Stock Code: 95

聚力灣區大舊改 打造智慧新城區

Focus on Urban Renewal in
the Greater Bay Area Develop
a Brand New Smart City

年報 2019
Annual Report

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Corporate Information

公司資料

Directors

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

Mr. WANG Jing
Ms. HU Gin Ing
Mr. MO Fan

Executive Committee

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung

Audit Committee

Ms. HU Gin Ing (*Chairman*)
Mr. WANG Jing
Mr. MO Fan

Nomination Committee

Ms. HUANG Jingshu (*Chairman*)
Mr. WANG Jing
Mr. MO Fan

Remuneration Committee

Ms. HU Gin Ing (*Chairman*)
Ms. HUANG Jingshu
Mr. MO Fan

Authorised Representatives

Mr. TANG Shouchun
Mr. SIU Chi Hung

Company Secretary

Mr. CHAN Kin Man

Auditor

Deloitte Touche Tohmatsu

Registered Office

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

董事

執行董事

黃敬舒女士(*主席*)
唐壽春先生(*行政總裁*)
葉興安先生
黃浩源先生
蕭志雄先生

非執行董事

李麗紅女士

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

執行委員會

黃敬舒女士(*主席*)
唐壽春先生(*行政總裁*)
葉興安先生
黃浩源先生
蕭志雄先生

審核委員會

胡競英女士(*主席*)
王敬先生
莫凡先生

提名委員會

黃敬舒女士(*主席*)
王敬先生
莫凡先生

薪酬委員會

胡競英女士(*主席*)
黃敬舒女士
莫凡先生

授權代表

唐壽春先生
蕭志雄先生

公司秘書

陳健民先生

核數師

德勤•關黃陳方會計師行

註冊辦事處

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

Level 5, NEO,
123 Hoi Bun Road
Kwun Tong,
Kowloon, Hong Kong

PRC Office

55/F, Tower A, NEO Building
6011 Shennan Avenue, Futian District
Shenzhen, PRC
Postal Code: 518048

26/F Gold River Center
88 Shi Shan Road, New District
Suzhou, PRC
Postal Code: 215011

Legal Advisers (in alphabetical order)

Appleby Hunter Bailhache
Deacons
Global Law Office
Sidley Austin

Principal Bankers (in alphabetical order)

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd
Bank of Guangzhou Co., Ltd
Bank of Shanghai Co., Limited
China Construction Bank Corporation
China Everbright Bank Company Limited
Chong Hing Bank Limited
Dah Sing Bank, Limited
Hang Seng Bank Limited
Hua Xia Bank Co., Limited
CMB Wing Lung Bank Limited

Principal Share Registrar and Transfer Office

Ocorian Trust (Cayman) Limited
PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

Branch Share Registrar and Transfer Office in Hong Kong

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Securities Code

Stock

HKEx: 95
Board Lot: 2,000 shares

Bond

US\$400,000,000 8.5% Senior Notes due 2020 (ISIN: XS1643556670)
US\$450,000,000 12% Senior Notes due 2023 (ISIN: XS2098347821)

Website

www.lvgem-china.com

總辦事處及香港主要營業地點

香港九龍
觀塘
海濱道123號
綠景NEO大廈5樓

國內辦事處

中國深圳市
福田區深南中路6011號
NEO大廈(A座)55層
郵編：518048

中國蘇州市
新區獅山路88號
金河國際中心26層
郵編：215011

法律顧問 (按英文字母排列次序)

Appleby Hunter Bailhache
的近律師行
環球律師事務所
盛德律師事務所

主要往來銀行 (按英文字母排列次序)

中國銀行(香港)有限公司
交通銀行股份有限公司
廣州銀行股份有限公司
上海銀行股份有限公司
中國建設銀行股份有限公司
中國光大銀行股份有限公司
創興銀行有限公司
大新銀行有限公司
恒生銀行有限公司
華夏銀行股份有限公司
招商永隆銀行有限公司

主要股份過戶登記處

Ocorian Trust (Cayman) Limited
PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

證券代號

股份

香港聯交所：95
交易單位：2,000股

債券

400,000,000美元於二零二零年到期的8.5%優先票據
(國際證券編號：XS1643556670)
450,000,000美元於二零二三年到期的12%優先票據
(國際證券編號：XS2098347821)

公司網址

www.lvgem-china.com

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the “Directors” or the “Board”) of LVGEM (China) Real Estate Investment Company Limited (the “Company” or “LVGEM (China)”), I would like to report to all the shareholders the consolidated business performance of the Company and its subsidiaries (collectively known as the “Group”) for the year ended 31 December 2019.

Looking back at 2019, the global economy was exposed to far more challenges. Progress was slow for the Sino-US trade disputes while Brexit clarity grew gradually. Against this backdrop, the Chinese government continued its supply-side structural reform, reinforced the proactive fiscal policy to improve effective and moderately relaxed monetary policy for a quality growth with time. During the year, the Chinese economy continued its steady growth and achieved a GDP of approximately RMB99,000 billion, representing a year-on-year growth of 6.1%. Being the significant pillar industry in the Chinese economy, the real estate industry has seen its steady and healthy growth with flexible adjustments on various regulatory and supporting policies by the Chinese government such as the long-term adjustment mechanism for a stable land price, and market expectations under the principle of “one strategy for one city” which was implemented in full swing.

LVGEM (China) has focused on the development of key districts in core cities of the Greater Bay Area for more than three decades. Started as a construction company, LVGEM (China) has turned into the urban renewal field, and engages in commercial office and community shopping mall segments, garnering extensive land resources and developing a highly efficient operating team. Given the development to date, the Group has gained unique and huge advantages in the Greater Bay Area, which enables it to emerge as a distinctive real estate developer and operator in core cities of the bay area and a leading regional enterprise.

Rapid urbanisation and construction in the Greater Bay Area has led to a shortage of available land resources in highly-developed cities and, thus, urban renewal plays an increasingly important role in urban and modernised construction. Leveraging on its almost 30 years of experience in urban renewal, the Group has adopted the two-way expansion model comprising urban renewal and, to a lesser extent, market auction to garner significantly higher cost advantages over land auctions as well as quality and highly profitable land reserve resources. By owning and operating commercial properties at supreme geographical locations, the Group has generated stable cash inflow and laid a solid foundation for its future growth. In the future, the Group will, as always, maintain its own advantages and actively explore new directions for empowering the industry on a continuous basis.

各位股東：

本人謹代表綠景(中國)地產投資有限公司(「本公司」或「綠景中國」)董事會(「董事」或「董事會」)向所有股東們匯報本公司及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度的綜合業務表現。

回顧二零一九年，環球經濟環境倍受挑戰，中美貿易爭端愈演愈烈、英國脫歐漸趨明朗之下，中國持續推進供給側結構性改革，加力提效積極的財政政策，適時調整鬆緊適度的貨幣政策，推動高質量的發展。年內，中國經濟延續穩健發展的步伐，國內生產總值實現人民幣約99萬億元，按年增長6.1%。房地產作為國內經濟的重要支柱，在各項調控和鼓勵政策的靈活調用下，全面落實「因城施策」，穩地價、穩預期的長效管理機制，促進了房地產市場的平穩健康發展。

綠景(中國)深耕大灣區核心城市的核心區域逾三十餘年，以建築業作起點，到進入城市更新領域、商業辦公樓和社區購物中心版塊，積累了豐富的土地資源，培養了高效的運營團隊。發展至今，本集團已於大灣區建立了獨有的牢固優勢，成為灣區核心城市的特色地產開發運營商和區域領先企業。

隨著城市化進程、大灣區建設的加快，高發展度的城市可供開發土地資源短缺，城市更新作為城市建設與現代化建設的途徑之一，其重要性與日俱增。本集團擁有近三十年的城市更新行業經驗，採用城市更新與少量市場競購的雙向擴張方式，獲取顯著優於競拍土地成本及盈利性強的高質土儲資源；同時自持及營運位於優越地理位置的商業物業，不僅為集團帶來穩定現金流入，更為集團未來發展打下雄厚的基礎。未來，本集團也將一如既往，繼續保持自身優勢並且積極探索新方向，不斷為產業賦能。

In particular, it is worth noting that the Group actively responded to the national plan of developing the Greater Bay Area into an international innovation and technology hub. Among the projects in progress and proposed projects implementing the development strategy of “Focus on urban renewal in the Greater Bay Area, develop a brand new smart city”, the Group has entered into strategic cooperation with leading technology enterprises such as Huawei Technologies Co., Ltd. (“Huawei”) to establish an ecological industry chain of “Technology + Real Estate” with interconnected, real-time sensing, efficient and convenient smart cities through the application of the Internet of Things, cloud computing and 5G technologies. In March 2020, the Group entered into a strategic cooperation agreement with China Unicom, one of the three major telecommunication operators in the PRC, to pioneer new achievements with its infrastructure projects, thereby establishing itself as a new smart city developer that is dedicated to the construction of the Greater Bay Area by leveraging the strong alliance and efficient industry application of 5G commercial technology. Looking forward, the Group will continue to focus on the planning of “construction of vibrant world-class city clusters” as proposed in the Greater Bay Area development strategy by leveraging on its advantages of quality land resources and commercial property projects of high value. By introducing the transformation and development model that integrates “Technology + Real Estate” through strategic upgrade, the Group has empowered its real estate business with technology by exercising smart management over the entire lifecycle throughout the development and operation process, through which it has enhanced the construction and operation efficiency, reduced costs and improved benefits, and hence broadened the rooms for quality enhancement and profit growth of its living, office and commercial products. As an enterprise, the Group is committed to establishing benchmarks for smart city development and rise as an industry leader in the urban renewal segment by actively supporting the government's guidance for interconnection of smart cities, so as to fuel the long-term and sustainable growth with high quality of LVGEM (China). The Group will continue to review the situation in a timely manner to facilitate its development positioning with the “Finance + Real Estate + Technology” strategy and redefine the value of smart city developers and operators with a view to enhancing its competitiveness, reputation and brand recognition. The future has come for building joyful and smart cities through urban renewal to foster better urban lives.

For the segment of “real estate development and sales”, the Group focused on its project planning for the core districts in core cities of the Greater Bay Area, such as Shenzhen, Hong Kong, Zhuhai and Dongguan. During the year, we launched various projects that are widely acclaimed and supported by industry peers and consumers. In 2019, Shenzhen LVGEM Mangrove Bay No. 1, located in the commercial community of Shang Sha and Xia Sha, Futian District, Shenzhen City, was re-launched with hot sale and the project recorded an overall sell-through rate of approximately 80%. LVGEM International Garden, locating at Huazhou City, Maoming, Guangdong Province, has an area of over 1.3 million square meters to be developed, which is planned to be developed into a smart community and is expected to be launched for sale with a saleable value of RMB1 billion to RMB1.5 billion annually in the coming 8 to 10 years. LVGEM Amazing Plaza which is located in the commercial community of Overseas Chinese Town, Qiaoxiang Road, Nanshan District, Shenzhen City, and the LVGEM Joyful Town which is adjacent to the Ming Zhu Light Rail Station, Xiangzhou District, Zhuhai City were successively launched for sale on their debut in September 2019 and recorded a hot sale respectively. As LVGEM (China)'s urban renewal projects in the core districts of the Greater Bay Area have gradually reached the maturity stage, it is expected that they will deliver significant benefits for the contract sale and brand influence of the Group.

其中值得一提，本集團積極響應國家建設大灣區作為國際科技創新中心的規劃，於在建及擬建的項目中落實發展戰略「聚力灣區大舊改，打造智慧新城區」——與華為技術有限公司（「華為」）為代表的頂尖科技企業進行戰略合作，打造「科技+地產」的生態產業鏈條：應用物聯網、雲計算及5G技術，締造互聯共用、即時感知、高效便捷的智慧新城。二零二零年三月，本集團與國內三大電信運營商之一的中國聯通簽訂戰略合作協議，強強聯合、以5G商用技術帶來的高效行業應用，成為助力大灣區建設的智慧新城開發運營商，勇做排頭兵，實現新基建偉業。未來，本集團將繼續利用優質土地資源的優勢以及高價值的商業項目，服務大灣區發展戰略中「建設充滿活力的世界級城市群」的規劃，通過戰略升級引入「科技+地產」相融合的轉型發展模式，以科技賦能地產，在開發運營過程中進行全生命週期智慧化管理，提高建設運營效率，實現降本增效，提升居住、辦公、商業產品品質和利潤增長空間。作為企業，本集團志在打造智慧城區建設的標桿，積極支持政府主導下的智慧城市互聯成為城市更新此細分行業的領軍者，推動綠景中國長期、高質的持續發展。本集團將繼續審時度勢，將「金融+地產+科技」戰略驅動發展定位，重新定義智慧新城開發運營商的價值，提升競爭力、美譽度和知名度。未來已來，智築喜悅，更新城市美好生活。

在「房地產開發與銷售」板塊，本集團項目重點佈局在深圳、香港、珠海及東莞等大灣區核心城市的核心地段。年內推出的項目均獲得業界及消費者的認可與支持。二零一九年，位於深圳市福田上下沙商圈的綠景紅樹灣壹號再度開盤熱銷，當天項目整體去化約80%；位於廣東省茂名化州市的綠景國際花城待開發面積超過130萬平方米，規劃打造智慧社區，預計未來8到10年每年推出人民幣10到15億元的可售貨值；位於深圳市南山區僑香路華僑城商圈的綠景美景廣場，以及位於珠海市香洲區明珠輕軌站側的綠景喜悅薈，於二零一九年九月相繼首次開盤熱銷。隨著綠景中國在大灣區核心區域的城市更新項目陸續達到成熟的開發階段，預計將為本集團的合同銷售及品牌影響力帶來顯著的裨益。

Chairman's Statement

主席報告

As an integral part of LVGEM (China)'s "two-pronged" business model, the segment of "Commercial Property Investment and Operations" continued to bring a steady growth of rental income and cash flows for the Group during the year. In 2019, two major commercial and real estate brands, namely "NEO" commercial office complex and "Zoll" community shopping centre, both expanded their market presence satisfactorily. Benefited from the prime district location and market positioning of tenants, Shenzhen NEO Urban Commercial Complex still maintained an overall occupancy rate of more than 80% despite the fast changing economy. Hong Kong LVGEM NEO is a grade A commercial building with sea view located in Kowloon East CBD 2, Hong Kong. It had its grand opening on 8 November 2019 and has contracted with tenants of prestigious enterprises from industries such as insurance, finance, technology and innovation and virtual banking. It recorded an occupancy rate of nearly 50% during the year despite various social incidents. If fully occupied, it might contribute an annual rental income of HK\$300 million to the Group. During the year, the construction of LVGEM Zoll Mangrove Bay No. 1 Shopping Mall and Dongguan LVGEM Zoll Shopping Mall was completed for lease for smart businesses respectively. They will be open for business respectively at appropriate time during 2020 to 2021 and are expected to foster rental income growth and more robust cash inflow for the Group.

For the segment of "Comprehensive Services", the Group was dedicated to offering excellent smart property management services and hotel operation services to customers and tenants of the Group's residential and commercial properties, which contributed RMB321.3 million to the Group's revenue in 2019. With its prestigious geographical location and the provision of attentive services, the LVGEM Hotel of the Group recorded an average occupancy rate of 75% and is planned to be upgraded and renovated into a smart business hotel with an aim to further enhance its market competitiveness. As to the Vanlee Hotel in Covina, California, the United States acquired in 2017, it has brought stable income from hotel operation for the Group following its renovation completed in 2019.

Regarding corporate governance, the Group is committed to the goal of "being the most respected city value-creator" and has made sustained efforts in the systemized management, development under three-orientation strategy and closed-end management of the Company internally. In 2019, in order to continuously increase the core competitiveness and brand strength, LVGEM (China) has centralized the general management at the headquarters of the Group and established three major business divisions, namely finance, real estate and assets. The Group's headquarter has issued 52 sets of management document, 158 sets of standards for the development under three-orientation strategy, 18 manuals for delegation, and formulated work log of hierarchical business administration for project management. Through a year of standardized management, the operating performance targets were accomplished more than expected and the real estate projects were smoothly progressing. The administrative licensing and relocation processes relating to certain urban renewal projects are orderly underway, thereby managing to fulfill the goal of enhancing quality and efficiency. This allows the Group to be well prepared for the next growth stage in terms of system management accordingly.

「商業物業投資與經營」作為綠景中國雙輪驅動業務模式的其中一部分，年內繼續為本集團帶來穩定增值的租金收入和現金流。二零一九年，「NEO」商業辦公樓和「佐隄」社區購物中心此兩大商業地產品牌均取得令人滿意的擴展。深圳NEO都市商務綜合體得益於優越的區位與租客定位，在急遽變化的經濟環境中，依然保持80%以上的綜合出租率；香港綠景NEO大廈作為香港九龍東區海景甲級商業大廈，位處CBD2的核心，於二零一九年十一月八日盛大開幕，已簽約保險、金融、科創、虛擬銀行等優質企業；年內各種社會事件的影響下，依然錄得接近五成的出租率，若在滿租情況下，每年可為本集團貢獻港幣3億元的年租金收入。年內，綠景佐隄紅樹灣壹號購物中心和東莞綠景佐隄購物中心相繼竣工並開始以智慧商業招租，於二零二零年至二零二一年內將於合適的時間陸續開業，為本集團帶來租金收入的增長和更穩健的現金流入。

本集團「綜合服務」致力於為住宅及商業物業的客戶及租戶提供優越的智慧物業管理服務和酒店運營服務，此業務板塊在二零一九年為集團帶來收入人民幣321.3百萬元。集團旗下綠景酒店憑藉優越的地理位置及貼心的服務，平均入住率達75%，計劃升級改造成智能化商務酒店，進一步提高市場競爭力；於二零一七年收購的美國加利福尼亞州Covina的Vanlee酒店，已於二零一九年完成翻新工作，為集團帶來穩定的酒店經營收入。

在企業管治方面，本集團致力朝著「做最受尊敬的城市價值創造者」的目標邁進，在本公司內部的系統化管理、三化建設和閉合管理上下功夫。二零一九年，為持續提升核心競爭力、品牌力，綠景中國形成以集團總部為管理核心，設立金融、地產、資產三大事業部。集團總部相繼出台管理文件52項，三化建設標準158份，授權手冊18份，並對計劃管理設立層級業務管理工作台賬。通過這一年的規範化管理，經營業績指標超額完成，地產項目順利推進，幾個城市更新項目的行政許可和動遷有序進行，達到了提質增效的目標，為本集團踏進下一個發展階段做好系統管理的準備。

Chairman's Statement

主席報告

Going into 2020, i.e. the final year for the planned development into a moderately prosperous society in all respects and the “13th 5-year Plan”, it is essential for China to put into efforts for economic success in order to lay a solid foundation for achieving the first and further, the second centenary striving goals and the “14th 5-year Plan” development. Currently, China is at the critical stage of changing development mode, economic structural optimization and growth momentum transformation. Currently, structural, system-wise and cyclical issues interact with one another, resulting in a constantly profound impact on the economy. Against the macro backdrop of ongoing global economic slowdown, the Central Economic Work Conference adheres to the main theme of seeking improvement amidst stability. However, affected by the novel coronavirus epidemic, work suspension or production shut-down of different extents once occurred throughout China. To overcome the shortcomings arising from the epidemic, various provincial governments have, one after another, launched further batches of infrastructural development plans to follow the direction of stabilizing the economy urged by the Central Government. Despite the fact that the epidemic could cause a temporary interruption with a slight decline in economic growth rate and other development indicators, it is believed that the one-off impact would not affect the supply of materials for production or production output in the long run or weaken the potential growth of the economy in China. The stable growth in the Chinese economy will remain unchanged in the long term. The Company is confident that all risks and challenges will be overcome.

The Group also adopted proactive responsive measures and formulated policies for successfully accomplishing its performance targets by means of internet such as online marketing. It will also seize this opportunity to actively strive for policy benefits from the government regarding the resumption of operation and production after the epidemic, including reduction and exemption of tax, subsidies for employment, reduction of interest rates of loans, etc.. The Group will continue to actively study and utilize the latest technologies such as smart sterilization, contactless prevention and control measures, cutting-edge new bacteria filtration ventilation system technology, thereby increasing the safety precaution of properties, enhancing the confidence in retaining lease of office, commercial and hotel properties as well as the resumption of their operations, as well as improving the confidence in market consumption in confined space after the epidemic.

踏入二零二零年，作為全面建成小康社會和「十三五」規劃收官之年，要實現第一個百年奮鬥目標，為「十四五」發展和實現第二個百年奮鬥目標打好基礎，做好經濟工作至關重要。中國目前正處在轉變發展方式、優化經濟結構、轉換增長動力的攻關期。在此期間，結構性、體制性、週期性問題相互交織，影響持續深化。在環球經濟增長持續放緩的宏觀環境下，中央經濟工作會議堅持穩中求進工作總基調。然而，受到新冠肺炎疫情的影響，中國各地一度出現程度不一的停工、停產。為了彌補疫情所造成的缺口，各省紛紛推出新一波的基建發展計劃，以執行中央要求穩經濟的方針。雖然新冠肺炎疫情造成暫時性干擾，會小幅降低經濟增長速度和其他發展指標，但相信只屬一次性衝擊現象，對生產要素供給和生產率都不會產生長期影響，更不會削弱中國經濟的潛在增長能力。中國經濟穩中向好、長期向好的基本趨勢沒有改變，有信心戰勝各種風險挑戰。

本集團亦採用積極策略應對，制定業績指標順利達標政策，如線上行銷等互聯網手段。亦借此機會，積極爭取政府側疫情過後復工復業的政策紅利，如稅收減免、用工補貼、貸款利率下浮等。本集團將繼續積極研究利用最新的智慧化殺菌、無接觸防控、尖端新風病菌過濾技術，從而提高物業的安全防護，提升辦公、商業、酒店的保租信心和復業接待能力，提升疫情過後、密閉空間下的市場消費信心。

Chairman's Statement

主席報告

Looking forward, as a distinctive property developer pioneer in urban renewal, the Group will continue to consolidate its own strengths, further upgrade its operation capability, actively support the strategic planning of the Greater Bay Area in its capacity of a smart new city developer and operator and fulfill the historical mission of the planned development into a moderately prosperous society in all respects. LVGEM (China) will continue to well equip itself and adhere to the system management, development under three-orientation strategy and closed-end management so as to strengthen the cohesion, execution and resilience of our team. As to the internal management, the three business divisions have proposed to demand more from service of staff, optimize the internal system management, develop an excellent and highly efficient operation and business mode towards high quality development constantly. Going forward, the Group will continue to timely expand the Company's business scale and cost effectiveness by constantly adhering to the national policies and integrating its unique advantages and market positioning. With the experiences of years in focused development and its various strengths and resources, LVGEM (China) will develop benchmark and practical modelling projects of new smart city construction, becoming the creator, operator and service provider of new smart cities and the leader of the industry. With the strategic guidance of "Focus on urban renewal in the Greater Bay Area, develop a brand new smart city", the Group will continue to strengthen its overall operation capability and brand reputation. The Group will give full play to our extensive experience and pioneer status in urban renewal and implement the new smart city benchmarking strategy for introducing innovation and vitality into urban construction so as to bring more convenience to owner's lives, at the same time preserving and adding values to the properties, thereby establishing the brand image of "LVGEM" for high quality, smart communities and safe properties in the industry.

On behalf of the Board, I hereby express sincere gratitude to all shareholders, investors, customers, partners and employees of LVGEM (China) for their unwavering support. The Group will make sustained efforts towards the vision and goal of "being the most respected city value-creator" and deliver return of long-term value to you all.

HUANG Jingshu
Chairman

Hong Kong, 30 March 2020

展望未來，本集團作為特色地產舊改先鋒，將繼續鞏固自身優勢、進一步升級運營能力，以智慧新城開發運營商之姿，積極助力大灣區戰略規劃、完成全面建成小康社會的歷史任務。綠景中國將持續練好內功，繼續狠抓系統管理、三化建設、閉合管理，以提升團隊向心力、執行力與戰鬥力；內部管理上在三個事業部提出更高的工作要求，優化內部系統管理，打造優秀高效的運營業務模式，向高質量發展持續邁進。未來公司將繼續緊跟國家政策，結合自身獨特的優勢與市場定位，適時拓展公司的業務規模和經濟效益。綠景(中國)將憑藉多年的深耕及擁有的眾多優勢和資源，打造標杆型、實用型的智慧新城建設樣板項目，成為智慧新城的締造者、運營商及服務商，成為行業的領跑者。在「聚力灣區大舊改，打造智慧新城區」的戰略引領下，本集團將持續提升綜合運營能力與品牌美譽度，充分利用舊改領域的豐富經驗和先鋒地位，結合智慧新城標桿戰略，為城市建設注入新鮮活力，為業主生活帶來更多的便利與保值增值，構建「綠景」品牌形象為品質過硬、社區智慧和物業安全的行業標籤。

在此，本人僅代表董事會向一直以來支持綠景中國的所有股東、投資者、客戶、合作夥伴及員工表示衷心感謝，集團將繼續向著「做最受尊敬的城市價值創造者」的願景目標砥礪前行，給大家帶來長期的價值回報。

主席
黃敬舒

香港，二零二零年三月三十日

Management Discussion and Analysis

管理層討論與分析

Industry Review

In 2019, the Chinese economy remained on a stable trend and momentum. On 30 July 2019, the government launched the “will not include the real estate sector in the economic stimulation measures in the short run” on its debut, adhered to the policy positioning of “No speculation on residential properties which are solely for the self-occupying purpose” and implemented the long-term management mechanism for the real estate industry to further strengthen the resilience of the industrial development and drive its high-quality and sustainable growth. As shown in the statistics of the National Bureau of Statistics, during the year, the sales amount of commodity housing was RMB15,972.5 billion, representing a year-on-year growth of 6.5%, while the investment in real estate development amounted to RMB13,219.4 billion, representing a year-on-year increase of 9.9%. The newly commenced housing area was 2,271.54 million square meters, up by 8.5%. During the year, despite the sophisticated macroeconomic environment domestically and overseas, the overall industrial scale still recorded a year-on-year growth, showing strong resilience of China’s real estate industry.

During the year, the real estate industry entered a new stage of development and differentiated across various cities and projects. With the series of favorable policy support such as the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area”, “support the development of Shenzhen as the pilot modelling zone under the socialism with Chinese characteristics” and the adjustment on the criteria for non-ordinary residences in Shenzhen, the overall annual property trade activeness in Shenzhen significantly increased while average trading prices remained a relatively stable trend. According to the property information websites for Shenzhen, in 2019, the annual pre-sale area of new residential properties in Shenzhen was 4.5346 million square meters, representing a year-on-year increase of 16.6% with 45,686 pre-sold units, representing a year-on-year increase of 17.3%. Under the keynote of “no speculation on residential properties” for the general property market throughout China, Shenzhen government pursued the goal of “stable price of land and properties and market expectation” to promote the steady and healthy growth of the real estate market in Shenzhen. Looking forward, following the respective launch of the policies for the Greater Bay Area and pilot modelling zones, the value and potential of the real estates in Shenzhen will be unleashed gradually. The market is expected to maintain its pace of steady development accordingly.

In February 2019, the Central Committee of the Communist Party of China and the State Council published the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” which expressly proposes the priority mission of “developing an international innovation and technology hub with global influence”, indicating that the development and construction of the Greater Bay Area has become a decision of the Central Government and a national strategic plan on significant development. In July, Guangdong provincial government promulgated the implementation opinion on pushing forward the construction of the Guangdong-Hong Kong-Macao Greater Bay Area and the three years’ action plan, in which 9 aspects and 100 strategic approaches were described, implying that the “working drawings” and “mission statement” have been officially published for the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. Given its unlimited growth potential, the Greater Bay Area is expected to become a strong growth driver of the Chinese economy in the future.

行業回顧

二零一九年，中國經濟總體保持平穩運行態勢。二零一九年七月三十日政府首次提出「不將房地產作為短期刺激經濟的手段」，堅持「房子是用來住的、不是用來炒的」定位，落實房地產長效管理機制，進一步加強行業發展韌性，推動行業高質量可持續發展。根據國家統計局數據顯示，二零一九年中國商品房銷售額159,725億元，同比增長6.5%。房地產開發投資132,194億元，同比增長9.9%。房屋新開工面積227,154萬平方米，增長8.5%。年內，國內外錯綜複雜的宏觀經濟環境下，整體行業規模仍錄得按年增長，顯示了中國房地產行業極強的韌性。

年內，房地產行業進入新的發展階段，行業在不同城市和項目間出現分化。受《粵港澳大灣區發展規劃綱要》、「支持深圳建設中國特色社會主義先行示範區的意見」、深圳調整非普通住宅標準等一系列利好政策的加持，深圳全年整體活躍度顯著提升，成交均價保持較為平穩的走勢。根據深圳房地產資訊網，二零一九年全年深圳新房屋住宅預售面積453.46萬平方米，同比增加16.6%，預售套數45,686套，同比增加17.3%。在「房住不炒」作為全國樓市的總基調下，深圳以「穩地價、穩房價、穩預期」為目標，促進深圳房地產市場平穩健康地發展。展望未來，隨著大灣區、先行示範區政策逐步落地，深圳房地產價值與潛力將會逐步釋放，市場有望維持穩健發展的步伐。

二零一九年二月份，中共中央、國務院印發了《粵港澳大灣區發展規劃綱要》，明確提出「建設具有全球影響力的國際科技創新中心」的首要任務。這標誌著大灣區的發展建設已成為中央決策、國家重大發展戰略規劃。七月，廣東省出台推進粵港澳大灣區建設實施意見和三年行動計劃，全文共涉及大灣區9個層面100條重點舉措，意味著粵港澳大灣區建設的「施工圖」和「任務書」正式印發。未來，大灣區增長潛力無限，有望成為中國的強大經濟引擎地區。

Management Discussion and Analysis

管理層討論與分析

During the past year, LVGEM (China) continued to focus on the development of key districts in core cities of the Greater Bay Area. With experience of more than two decades in urban renewal, the distinctive way of acquisition of land reserve resources and the valuable strategic layout of project locations, the Group has further secured its leadership position in the real estate industry in terms of the urban renewal segment. During the year, LVGEM (China) further pushed forward the urban renewal projects in, among others, Shenzhen, Zhuhai, Hong Kong and Dongguan with successful results one after another. Shenzhen LVGEM Mangrove Bay No. 1 was re-launched and received overwhelming market responses. LVGEM Amazing Plaza in Shenzhen and the LVGEM Joyful Town in Zhuhai were launched and recorded hot sale respectively. The Baishizhou Urban Renewal Project and Liguang Project in Shenzhen have entered another critical stage of development. Meanwhile, based on the urban renewal mode that has been successful over the years, the Group established strategic cooperation and relationship with smart technology operators and telecommunication service providers to develop new smart cities or districts. In particular, the Group incorporated the “technology + property” strategy into the planning design and implementation of urban renewal projects so as to serve the communities and enhance urban value, with the aim of creating social, environmental and economic benefits. In the future, the Group will continue to make use of its own strengths in strategic layout and resources to pursue the strategic direction of “Focus on urban renewal in the Greater Bay Area, develop a brand new smart city”, in a bid to develop itself into a benchmark for new smart city developers and operators that are dedicated to the construction of the Guangdong-Hong Kong-Macao Greater Bay Area.

Going into 2020, although the global economy has become more difficult, the long-term positive fundamental of the Chinese economy remains unchanged. Overall, fulfilment of the vision of development into a moderately prosperous society in all respects is not supposed to be delayed. Upon temporary work suspension and ceased operation after the Chinese New Year holidays, the Chinese government took prompt action to timely adjust the public health policy. Currently, general operation and production are gradually resuming and social order resumes normal. At the same time, various ministries and commissions of China have launched a series of stimulation plans for infrastructure development such as downward adjustment of the project funds for certain sectors, loan relief and increasing the proportion of special debts in local debts so as to further drive the launch of strategies of urbanisation and regional balanced development across China. Also, definitive and responsive policies have been formulated throughout China to seek a stable development of economy. With the keynote of pursuing stability, the policies ensure a reasonable growth in terms of quantities and an upgrade in terms of quality for the economy in order to secure the development into a moderately prosperous society in all respects. As to the financial policies, to substantially improve the quality and effectiveness, they put more emphasis on the structural adjustment and make best efforts in the protection of strategic areas. Regarding the monetary policies, flexible, moderate and stable monetary policies are advocated to reduce the financing cost of the society and facilitate the mutual accommodation of the growth of monetary credits and social financing scale with the economic development. With the support of all the above policies, the Chinese real estate industry is expected to maintain the keynote of a stable development.

過往一年，綠景(中國)繼續深耕大灣區核心區域，憑藉二十多年豐富的城市更新經驗、獨特的土儲資源獲得方式以及高價值的項目區位佈局，本集團於城市更新此房地產行業的細分領域中進一步鞏固了其領先的行業地位。年內，綠景(中國)深化推進深圳、珠海、香港、東莞等地的城市更新項目，捷報頻傳。深圳的綠景紅樹灣壹號再次推盤受到市場熱捧，深圳的綠景美景廣場和珠海的綠景喜悅薈相繼開盤熱銷，深圳的白石洲城市更新項目和黎光城市更新項目邁進又一關鍵開發階段。同時，本集團在城市更新的多年成功模式上，與智慧科技運營商、電訊商建立戰略合作關係，打造智慧新城區，將「科技+地產」戰略落實到城市更新項目的規劃設計及執行層面，服務社區、提升城市價值，創造良好的社會效益、綠色效益、經濟效益。未來，本集團將繼續憑借自身的佈局優勢和資源優勢，朝著「聚力灣區大舊改，打造智慧新城區」的戰略方向，締造助力粵港澳大灣區建設的標杆型智慧新城開發運營商。

踏入二零二零年，環球經濟環境愈加嚴峻，但中國經濟長期向好的基本面沒有改變，全面建成小康社會目標的實現相信總體上不會延遲。春節後短暫停工停業，中國政府適時果斷的調整公共衛生政策，目前正逐步復工復產、回歸到正常的社會秩序；同時，中國各部委透過下調部分領域項目資金、貸款援助，及增加專項債在地方債中的比重等一系列刺激基建發展的計劃，進一步推動各地區域鎮化與區域均衡發展的戰略。而中國各地亦已為經濟穩健發展訂出實質性的因應對策。政策基調堅持穩字當頭，確保經濟實現量的合理增長和質的穩步提升，確保全面建成小康社會；財政政策方面大力提質增效，更加注重結構調整，做好重點領域保障；貨幣政策上則提倡靈活適度的穩健貨幣政策，降低社會融資成本，貨幣信貸、社會融資規模增長同經濟發展相適應。各項政策的支持下，中國房地產行業預計將保持穩健發展的基調。

Management Discussion and Analysis

管理層討論與分析

Results

The Group achieved relatively satisfactory results in all segments for the year ended 31 December 2019. All of its key financial indicators were in line with the expectations of the management and the overall performance result was satisfactory.

For the year ended 31 December 2019, the Group achieved total revenue of approximately RMB6,902.4 million (2018: RMB4,515.7 million), representing an increase of approximately 52.9% year-on-year. Gross profit was RMB4,430.4 million (2018: RMB2,686.2 million), representing an increase of approximately 64.9% year-on-year. Gross profit margin remained at a relatively high level of 64.2% (2018: 59.5%).

Profit for the year was RMB1,750.0 million (2018: RMB1,230.4 million), representing a growth of approximately 42.2% year-on-year. Profit attributable to owners of the Company was RMB1,749.9 million (2018: RMB1,237.2 million), representing a growth of approximately 41.4% year-on-year. Basic earnings per share was RMB35.12 cents (2018: RMB25.21 cents), representing a growth of approximately 39.3% year-on-year.

The Board recommended the payment of a final dividend of HK6.1 cents (equivalent to approximately RMB5.46 cents) per ordinary share for the year ended 31 December 2019.

The Group's key financial indicators for the year ended 31 December 2019 were as follows:

業績

本集團各項業績於截至二零一九年十二月三十一日止年度均取得較為理想的成績，各項主要財務指標符合管理層預期，整體業績表現令人滿意。

截至二零一九年十二月三十一日止年度，本集團實現總收益約人民幣6,902.4百萬元(二零一八年：人民幣4,515.7百萬元)，同比上升約52.9%。毛利為人民幣4,430.4百萬元(二零一八年：人民幣2,686.2百萬元)，同比上升約64.9%。毛利率維持在相對較高水平的64.2%(二零一八年：59.5%)。

年內，盈利為人民幣1,750.0百萬元(二零一八年：人民幣1,230.4百萬元)，同比增長約42.2%。本公司股東應佔盈利為人民幣1,749.9百萬元(二零一八年：人民幣1,237.2百萬元)，同比增長約41.4%。每股基本盈利為人民幣35.12分(二零一八年：人民幣25.21分)，同比增長約39.3%。

董事會建議派付截至二零一九年十二月三十一日止年度的末期股息每股普通股6.1港仙(相等於約人民幣5.46分)。

以下是本集團截至二零一九年十二月三十一日止年度之主要財務指標：

		2019 二零一九年 (RMB million) (人民幣百萬元)	2018 二零一八年 (RMB million) (人民幣百萬元)	Change 變動
Revenue	收益	6,902.4	4,515.7	52.9%
Gross profit	毛利	4,430.4	2,686.2	64.9%
Profit from core business*	核心業務應佔盈利*	1,102.6	765.3	44.1%
Profit attributable to owners of the Company	本公司股東應佔盈利	1,749.9	1,237.2	41.4%
Basic earnings per share (RMB cents)	每股基本盈利 (人民幣分)	35.12	25.21	39.3%
Gross profit margin (%)	毛利率(%)	64.2	59.5	

* Profit from core business represents profit attributable to owners of the Group less fair value changes on investment properties and related deferred tax, exchange gain or loss and fair value changes on derivative component of convertible bonds.

* 核心業務應佔盈利指本集團股東應佔盈利減投資物業及相關遞延稅項的公允價值變動、匯兌損益及可換股債券衍生工具部分的公允價值變動。

Management Discussion and Analysis

管理層討論與分析

		As at 31 December 2019 於二零一九年 十二月三十一日	As at 31 December 2018 於二零一八年 十二月三十一日
Bank balances and cash (including restricted bank deposits) (RMB million)	銀行結餘及現金 (包括受限制銀行存款) (人民幣百萬元)	8,347.0	7,589.9
Average finance costs (%) [*]	平均融資成本(%)*	6.3	6.2
Debt ratio (%)	資產負債比率(%)	73.3	73.7
Rate of equity return (%)	資本回報率(%)	13.5	10.9

* Average finance costs are derived by dividing the total finance costs for the year by average total borrowings (including convertible bonds but excluding finance cost derived from lease liabilities) which is calculated by adding up of average balances of total borrowings (including convertible bonds but excluding finance cost derived from lease liabilities) for the year.

* 平均融資成本乃由年內總融資成本除以平均總借貸(包括可換股債券但不包括租賃負債產生的融資成本)得出,而平均總借貸則按年內總借貸(包括可換股債券但不包括租賃負債產生的融資成本)之平均結餘總和計算。

Business Review

In 2019, under various regulatory measures, the real estate market remained its stable growth, while the strategic position of the Greater Bay Area was playing an increasingly important role in the economic development of China. As a developer and operator dedicated to the development of new smart cities in the Greater Bay Area, the Group continued to adhere to the “dual-core” strategy of “Focusing on Core Cities and Cities’ Core Areas” and develop its real estate projects that were deployed mainly in the core cities of the Greater Bay Area such as Shenzhen, Zhuhai and Hong Kong, anticipating opportunities and potential room for growth.

Leveraging on its urban renewal experiences of nearly three decades and well-established operation team, LVGEM (China) has gained recognition from the market and industry peers on its projects launched during the year, further consolidating the industrial position of the Group in the urban renewal field. In June, the Group was honored with “Best Growth Award for Hong Kong Listed Company in Greater China Region 2019” as further recognition from the capital market. In August, the Group ranked as the “Top 10 Shenzhen Real Estate Development Enterprises in terms of Comprehensive Strength” for the ninth consecutive year and was awarded the honor of the “Top 10 Trustworthy (Quality) Enterprises in Shenzhen’s Real Estate Development Industry. In December, “sznews.com” granted “Top 10 Most Popular Industry Brands Among Netizens” to the Group, while “www.toutiao.com” granted the honor of “2019 City Hallmark: Urban Value Creative Creator” to the Group.

業務回顧

二零一九年,房地產市場在各項調控下穩健增長,大灣區在中國經濟發展的戰略地位愈加重要。作為深耕大灣區的智慧新城開發運營商,本集團繼續「深耕核心城市,聚焦城市核心」的「雙核戰略」,開發主要佈局在深圳、珠海和香港等大灣區核心城市的房地產項目,機遇與增長空間可期。

綠景(中國)憑藉近三十年的城市更新經驗與成熟的運營團隊,年內推售的項目續得到市場和業界的認可,再次穩固本集團在城市更新領域的行業地位。六月,本集團榮獲「2019年度大中華區港股上市公司最具成長獎」,再次受到資本市場的認可。八月,本集團連續九年蟬聯「深圳市房地產開發行業綜合實力」十強榜單,並榮獲「深圳市房地產開發行業誠信(優質)企業十強」稱號;十二月,《深圳新聞網》授予本集團「十大行業受網民歡迎品牌」、《今日頭條》給予本集團「2019城市名片:城市價值創享家」的稱號。

Management Discussion and Analysis

管理層討論與分析

As a benchmarking new smart city developer and operator that is dedicated to the urban renewal field, LVGEM (China) performed the “dual-core strategy” (Core Cities – Cities’ Core Areas) and deployed its projects during the year and accordingly, identified land resources of low cost but high value through the two-way expansion model which comprised urban renewal and, to a lesser extent, market auctions. In view of the limited new supply of land in the Greater Bay Area, in particular for those land resources in the core areas, the Group concluded that urban renewal is going to be the main source of acquisition of quality land in the Greater Bay Area in the future. During the year, the urban renewal projects participated by the Group included: Shenzhen Baishizhou Urban Renewal Project, Liguang Urban Renewal Project, Shazui Phase II and Zhuhai Dongqiao Urban Renewal Project. Among them, the Shenzhen Baishizhou Urban Renewal Project, the so-called “Grand Urban Renewal Project in Shenzhen”, is located at a prestigious geographical location with a scale of development in terms of a capacity area of 3.58 million square meters. On 28 October 2019, LVGEM (China) officially acquired 25% equity interests in Shenzhen Baishizhou Urban Renewal Project owned by a controlling shareholder at a consideration of US\$10,000. Injection plan of the remaining equity interests is now ready to be launched. Gradual injection of the “Grand Urban Renewal Project” will foster a revaluation of the Group. Leveraging on its operating experiences for years and strong financial foundation, the Group is confident to complete the development of the Baishizhou Urban Renewal Project on schedule, thereby leading LVGEM (China) to enter a new stage of fast growth.

In order to eliminate the uncertainties in the preliminary stage of urban renewal, the Group acquired projects mainly by the mode of collaboration with the controlling shareholder and at the same time, distributed the profit sharing with shareholders and investors. The controlling shareholder was mainly responsible for the efforts in primary development such as negotiations with the suburban people and resource integration. Project injection into the listed company was only being made until the uncertainties were eliminated subject to satisfaction of all the conditions. As of 31 December 2019, the Group has land reserves of approximately 4.5 million square meters, more than 60% of which are located in the Greater Bay Area with strategic layout in Shenzhen, Hong Kong, Guangzhou, Zhuhai and Dongguan. Moreover, the scale of land reserves in which the controlling shareholders have control exceeds 10.0 million square meters, including projects in Shenzhen, Zhuhai and Zhang Mu Tou, Dongguan, all of which are located at core locations in Guangdong-Hong Kong-Macao Greater Bay Area. In 2019, Zhuhai Dongqiao Urban Renewal Project, which is the strategic urban renewal project in Zhuhai City for this round, has been officially secured by LVGEM (China). The Group has ample and valuable land reserves which will be able to satisfy the Company's needs for steady expansion and long-term development.

作為專注於城市更新領域的標桿型智慧新城開發運營商，綠景(中國)於年內踐行「雙核戰略」(核心城市-核心區域)進行項目佈局，通過城市更新與少量市場競購的雙向擴張方式鎖定低成本的高價值土地資源。由於大灣區新增土地供應有限，特別是在核心區域的土地資源尤其稀缺，本集團判斷未來城市更新已經成為大灣區優質土地獲取的主要來源。年內，本集團參與的城市更新項目包括：深圳白石洲城市更新項目、黎光城市更新項目、沙嘴二期及珠海東橋城市更新項目。其中，深圳白石洲城市更新項目被稱為「深圳舊改航母」，優越的地理位置及358萬平方米計容面積的開發規模。二零一九年十月二十八日，綠景(中國)以10,000美元的對價獲得控股股東對深圳白石洲城市更新項目的25%股權，項目剩餘股權的注入計劃出台在即，「舊改航母」的逐步注入，將為本集團帶來價值的重估。憑藉多年行業運營經驗及雄厚資金實力，本集團有信心按照既定計劃完成白石洲城市更新項目的開發，帶領綠景(中國)邁入高速增長階段。

為了消除城市更新前期的不確定性，集團主要通過與控股股東聯動方式獲取項目，同時向股東、投資者分享收益。控股股東主要負責一級開發的工作，比如跟村民的洽談、資源的整合，等到項目比較成熟、不確定性消除後，才會被注入到上市公司。截至到二零一九年十二月三十一日，集團擁有土地儲備約450萬平方米，其中60%以上位於大灣區內，重點佈局在深圳、香港、廣州、珠海及東莞。此外，控股股東所擁有的土儲資源規模超過1,000萬平方米，包括深圳、珠海、東莞樟木頭項目，全部位於粵港澳大灣區核心位置。二零一九年，珠海市本輪城市更新的重點項目——珠海東橋城市更新項目正式花落綠景(中國)。集團豐厚的價值土地儲備，可以滿足公司穩健擴張與長期發展的需要。

Management Discussion and Analysis

管理層討論與分析

While continuously pushing forward its urban renewal projects, the Group will gradually expand the area of the commercial properties, aiming to create stable rental income and growth of asset value for the Group with the “two-pronged” model of “residence + business”. The commercial properties of the Group are mainly located in the core areas of core cities, among which, commercial projects represented by NEO Urban Commercial complex and Zoll Shopping Centre have driven a healthy growth in cash flow so that the Group could operate with a solid financial position during the year. During the year, the Hong Kong LVGEM NEO was delivered and had its grand opening; constructions of Dongguan LVGEM Zoll Shopping Mall and LVGEM Zoll Mangrove Bay No. 1 Shopping Mall have completed respectively, which are expected to be delivered for operation during 2020 to 2021. Following the urbanization and accelerated development of the Greater Bay Area, the value growth of the core commercial properties will bring sustainable and significant advantages to the Group. In addition, the Group has been actively exploring various financing channels and continued to optimize capital and shareholder structure through cross-border facility platform between Hong Kong and the PRC. As the pioneer in Shenzhen’s urban renewal, LVGEM (China) will continue to benefit from the rising trend of urban renewal in the Greater Bay Area.

In order to increase the core competitiveness, the Group further consolidated and centralised its management, implemented internal system optimisation and made sustained efforts in the systemised management, development under three-orientation strategy and closed-end management. Having the general management centralized at the headquarter of the Group, the Group established three major business divisions, namely finance, real estate and assets, and further set up its own business management department for operation respectively. Through standardized management, the operating performance targets were accomplished more than expected during the year and the real estate projects were smoothly progressing. The administrative licensing and relocation processes relating to the urban renewal projects were orderly underway.

Real Estate Development and Sales

As the core business, the real estate development and sales projects of the Group have been expanding their presence in the core areas of core cities of the Greater Bay Area. As of 31 December 2019, the real estate development and sales of the Group generated revenue of approximately RMB5,962.4 million (2018: RMB3,664.3 million), representing an increase of approximately 62.7% year-on-year. Total contracted sales amounted to approximately RMB6,279.9 million (2018: RMB4,240.0 million), representing an increase of approximately 48.1% year-on-year. During the period under review, the quality real estate projects of the Group received overwhelming market response once again. In April, LVGEM Mangrove Bay No. 1 was re-launched for hot sales and contributed RMB4,463.9 million to contracted sales. In addition, the Group has launched the LVGEM International Garden Bolin Mansion D1 Zone, LVGEM Amazing Plaza and LVGEM Joyful Town on their debut respectively. Benefited from the good product strength and brand influence, the projects received hot subscriptions and market response and were in good sale.

During the year, the Group continued to develop projects with high potential, including: Zhuhai Dongqiao Urban Renewal Project, LVGEM Amazing Plaza, LVGEM Liguang Project, LVGEM Mangrove Bay No. 1, LVGEM Joyful Town (formerly known as “Kaiwei” Project), LVGEM International Garden and Hong Kong Lau Fau Shan Project. In the future, the Group will continue to focus on the development in the Greater Bay Area, strive for excellence and developing those urban renewal projects with very low supply in market and an upgraded and excellent residential and living community with unique and quality design, thereby driving the continued steady growth of cost-effectiveness and business scale.

在推進城市更新項目的同時，集團逐步開拓商業物業面積，以「住宅+商業」雙輪驅動模式，為集團帶來穩定的租金收入和資產增值。本集團商業物業主要位於核心城市的核心區域，以NEO都市商務綜合體和佐陞購物中心為代表的商業項目，年內為集團穩健的財務經營帶來穩健增長的現金流入。年內，香港綠景NEO大廈交付、盛大開幕；東莞綠景佐陞購物中心、綠景紅樹灣壹號佐陞購物中心亦相繼竣工，預計於二零二零至二零二一年交付運營。隨著城市化進程與大灣區的加速發展，核心商業物業的價值增長預計將為本集團帶來長足的裨益。另外，集團一直積極探索各種融資渠道，通過兩地融通平台不斷優化資本及股東結構。綠景(中國)作為深圳城市更新先鋒，將持續受惠大灣區城市更新的上行趨勢。

為提升核心競爭力，集團進一步加強統一管理，進行內部系統優化，在系統化管理、三化建設和閉合管理上下功夫，以集團總部為管理核心，設立金融、地產、資產三大事業部，為各自設立業務管理部門進行營運。通過規範化管理，經營業績指標於年內超額完成，地產項目順利推進，城市更新項目的行政許可和動遷有序進行。

房地產開發與銷售

作為核心主營業務，本集團的房地產開發與銷售項目主要佈局在大灣區內核心城市的核心區域。截至二零一九年十二月三十一日止，本集團房地產開發與銷售所產生的收益約為人民幣5,962.4百萬元(二零一八：人民幣3,664.3百萬元)，同比上升約62.7%。總合同銷售金額約為人民幣6,279.9百萬元(二零一八年：人民幣4,240.0百萬元)同比增長約48.1%。回顧期內，本集團的優質房地產項目再次受到市場的熱捧。四月，綠景紅樹灣壹號再次推盤熱銷，貢獻人民幣4,463.9百萬元的合約銷售。另外，年內本集團首次推出綠景國際花城博林公館D1區，綠景美景廣場和綠景喜悅薈。憑藉良好的產品實力和品牌影響力，認購反應熱烈，銷售情況良好。

年內，本集團持續開發極具潛力的項目，包括：珠海東橋城市更新項目、綠景美景廣場、綠景黎光項目、綠景紅樹灣壹號、綠景喜悅薈(原稱「凱威」項目)、綠景國際花城及香港流浮山項目。未來，集團將繼續聚力大灣區、精益求精打造稀缺的城市更新項目，以匠心質量建構更美好的精品住宅和生活社區，推動效益和規模的持續穩定增長。

Management Discussion and Analysis

管理層討論與分析

LVGEM (China) has been focusing on core areas in Shenzhen for years and built a brand image of guaranteed construction quality and user's trustworthiness. The **Baishizhou Urban Renewal Project**, the so-called "Grand Urban Renewal Project in Shenzhen", is located in Shennan Avenue, Nanshan District, Shenzhen City and in proximity to Science Park and the sub-district of Overseas Chinese Town, which is a prestigious geographical location. On 28 October 2019, the Group directly acquired equity interests of approximately 25% in Baishizhou Urban Renewal Project. With a planned total gross floor area of approximately 4.4 million square meters and a capacity area of approximately 3.58 million square meters, the above project is a mega-large complex development project in the core areas of Shenzhen. Its development is in 3 phases according to the project plan. The overall project development and sale is scheduled to complete in coming 8 to 10 years. In view of the scarcity of land resources in fast growing Shenzhen, the value and growth potential of our projects are immeasurable.

LVGEM Mangrove Bay No. 1 is the most iconic urban renewal project of the Group. The project comprises three quality residential buildings and a high quality complex of Grade A offices, hotels and apartments. The project is located in the southeast corner of the intersection of Shazui Road and Jindiyei Road in the central business district of Futian District, Shenzhen. Having easy access to public transport and strategically located in the proximity to Futian Port, Huanggang Port, Beijing-Hong Kong-Macao Expressway and Metro Lines 3, 4 and 7, the project occupies a site area of 24,424 square meters and a planned total gross floor area of 305,450 square meters, among which, the residential portion has a gross floor area of approximately 119,400 square meters. The project was launched for sale on 13 October 2018 and re-launched in April 2019. As of 31 December 2019, the contracted sales of the project amounted to RMB4,463.9 million. During 2019, the recognised sales revenue amounted to RMB4,487.0 million.

LVGEM Amazing Plaza is another urban upgrade and redevelopment project positioned to serve the high-income class ranging from white-collar to golden-collar in Shenzhen. This project has an integrated modelling zone for new mixed-use industrial town which will be mainly used for industrial research and development and industrial ancillary services, complemented by other functions such as apartments, commerce and offices. The project is located at the north of Qiaoxiang Road, south of Beihuan Road, east of the intersection of Qiaoxiang Road and Beihuan Road as well as west of Qiaochengfang in Shenzhen. The project occupies a site area of 10,862 square meters and a total gross floor area of 97,214 square meters. Strategically located in the sub-district of Overseas Chinese Town, the project possesses rich scenic resources. It commenced construction at end of 2016 and was on presale in 2019.

LVGEM Liguang Project is a residential, commercial and industrial high-end industrial park complex. The project is located in Liguang Village, Guanlan Town, Lunghua District, Shenzhen City and adjacent to the Mid Valley Clubhouse of the Mission Hills Golf Club, and possesses prestigious scenic view. The project occupies a site area of 85,333 square meters and a total gross floor area of 382,139 square meters. The project is currently in progress on schedule and at the preliminary stage of preparation ahead of construction. Taking into consideration the surrounding environment and the living needs of the community, the project plan includes the development of a special commercial district at the south side of the region, as well as the Liguang Ecological Park at the east side which is covered with grassland.

綠景(中國)在深圳核心區域深耕多年，已樹立起建築品質過硬、用戶值得信賴的品牌形象。**白石洲城市更新項目**被深圳業界稱為「舊改航母」，位於深圳市南山區深南大道，毗鄰科技園及華僑城片區，地理位置優越。二零一九年十月二十八日，集團直接收購白石洲城市更新項目約25%股權。該項目規劃總建築面積約440萬平方米，計容面積約358萬平方米，是深圳市核心區超大型的綜合體開發項目。項目規劃分三期開發，未來八至十年完成整體項目的開發與銷售。在土地稀缺、發展迅猛的深圳，項目價值與增長潛力不可估量。

綠景紅樹灣壹號是本集團近年最具代表性的城市更新項目，包括三座優質住宅樓宇及一座甲級辦公室、酒店和公寓的優質綜合體。項目位於深圳市福田區中心商業區，沙嘴路和金地一路交匯處東南側，交通便利，臨近福田、皇崗雙口岸、京港澳高速公路、地鐵3、4、7號線，地理位置優越。項目佔地面積為24,424平方米，規劃總建築面積為305,450平方米，其中住宅部份建築面積約為119,400平方米。項目於二零一八年十月十三日開賣，二零一九年四月再次開盤，截至二零一九年十二月三十一日，該項目合同銷售為人民幣4,463.9百萬元，二零一九年確認銷售收入為人民幣4,487.0百萬元。

綠景美景廣場為本集團於深圳市的另一個升級改造項目，定位面向白領、金領等高收入人群，該項目擁有一個以產業研發、配套為主，兼有公寓、商業、辦公的多元綜合新型產城融合示範區。項目位於深圳市僑香路以北，北環大道以南，僑香路與北環大道交口以東，僑城坊以西，佔地10,862平方米，總建築面積為97,214平方米。該項目位於華僑城片區，具有優越的地理位置和豐富的景觀資源，項目已於二零一六年底開始動工，二零一九年進入預售。

綠景黎光項目為集住宅、商業及工業於一體的綜合性高端產業園項目。項目位於深圳市龍華區觀瀾鎮黎光村，毗鄰觀瀾湖高爾夫球會黎光會所，自然景觀優越。項目佔地面積85,333平方米，總建築面積382,139平方米。項目目前正按計劃進行，處於開工前的準備工作階段。項目規劃將結合社區周邊環境和居住需求，在社區南面規劃一條特色商業街，東面的大片綠地則規劃為黎光生態公園。

Management Discussion and Analysis

管理層討論與分析

Zhuhai Dongqiao Urban Renewal Project is a strategic project of urban renewal for this round among the first batch of projects that have officially commenced construction in Zhuhai City. On 12 July 2019, the Group has officially become the operating entity of the renewal project for the old village in Dongqiaocheng and obtained all necessary administrative approvals. Securing the capacity of the operating entity marks an important milestone of the Group in terms of the urban renewal development and operation in Zhuhai. Currently, the relocation and development process of the project is at a stage of acceleration. Dongqiao Village is one of the three pilot urban renewal villages in Zhuhai City and has been listed as various annual municipal or district strategic focus tasks. Accomplishing the commencement of construction within four some years, Dongqiao Urban Project has become one of the Group's first batch of old village projects in Zhuhai that have commenced construction. Locating at a well-established area, the project is in proximity to certain luxury residences and street-level commercial region. It is positioned as the No. 1 bay-area cultural and arts community in Zhuhai, comprising high-end residences, featured hotels, street-level cultural regions and other multiple industrial functions. In the future, Dongqiao Smart City and District will be developed into an IOC (Integrated operation and control centre) to real-time manage and control all the dynamic situations of the entire district. The development involves 27 construction projects of up to level 3 standard, comprising a total of 106 applied scenes. It will provide overall solutions and services for multi-scene and multi-dimension, safe and intelligent urban management under the Dongqiao Project.

LVGEM Joyful Town (formerly known as "Kaiwei" Project) is located in the former Zhuhai Dongda Kaiwei Science Park in Xiangzhou District, Zhuhai City. With a total gross floor area of 445,292 square meters, the project is positioned to comprise an international grade A office building, apartment (hotel-serviced offices), residential and commercial complex. The project will become a major contributor to the Group's results in the next two years. The project was launched for sale on 14 September 2019. As of 31 December 2019, contracted sales of the project amounted to RMB345.2 million.

LVGEM International Garden is located in Huazhou, Guangdong Province. Situated in a well-developed core district's residential area with rich natural resources, it is in proximity to the Juzhou Park and embraced by Xihu of 232 mu. It is well-served by a public transport network and is only approximately 20-minutes' drive from Yuexi International Airport. The project occupies a site area of approximately 815,000 square meters and the entire project has a planned total gross floor area of approximately 2,449,300 square meters, involving a total investment of over RMB8 billion. The D1 zone of LVGEM International Garden Bolin Mansion was launched in the market during the first half of 2019. Leveraging on the advantages such as excellent geographical location, transportation, ecological environment, established brand reputation and ancillary educational facilities, the launch of residential units of D1 and D2 zones in the region garnered enthusiastic market responses on two occasions. As of 31 December 2019, the total contracted sales of LVGEM International Garden amounted to RMB1,156.0 million and recognized sales income was approximately RMB1,259.2 million. The area pending development of the project remained approximately 1.354 million square meters and it is estimated that the project will be launched at a value of approximately RMB1 to 1.5 billion each year in the future.

Hong Kong Lau Fau Shan Project is the Group's first real estate development project in Hong Kong. The project is located at Deep Bay Road, Lau Fau Shan, Hong Kong. It occupies a site area of approximately 82,400 square meters, comprising approximately 116 low density waterfront villas, each of which has a gross floor area of approximately 2,000 to 3,000 square feet. Embracing prime sea view and overlooking Deep Bay, the project is geographically prestigious and adjacent to Shenzhen with easy access to and from mainland China. Further, it is located at the vicinity of Hung Shui Kiu development area.

珠海東橋城市更新項目是珠海市本輪城市更新的重點項目，也是第一批正式開工的項目。二零一九年七月十二日，本集團正式成為東橋城中舊村更新項目實施主體，並已取得所有必要行政批覆。該項目取得實施主體為本集團在珠海城市更新開發運營的重要里程碑。目前，該項目拆遷及開發程序正處於快車道。東橋村是珠海市三個城市更新試點村之一，多次列入市、區年度重點工作。東橋更新項目在四年多的時間內實現開工建設，成為集團在珠海第一批開工建設的城中舊村項目。項目鄰近豪宅和商業街區，地段成熟，定位為珠海首席灣區文化藝術社區，包含高端住宅、特色酒店、文化街區等多重業態。未來的東橋智慧城區，將打造IOC（綜合運營管控中心），實時掌控東橋全域動態；構建多達3級、27項工程、共計106個應用場景，為東橋項目提供多場景、多維度、安全、智慧的城區管理整體解決方案與服務。

綠景喜悅薈（原稱「凱威」項目）所在地原為東大凱威科技園，位於珠海市香洲區，建設總建築面積為445,292平方米。項目定位為國際甲級寫字樓、公寓（酒店式辦公）、住宅、商業，未來將成為集團兩年內業績主要貢獻項目之一。項目於二零一九年九月十四日開賣，截至二零一九年十二月三十一日，該項目合同銷售為人民幣345.2百萬元。

綠景國際花城位於廣東省化州市，位處成熟的市中心住宅區，自然資源充裕，毗鄰橘洲公園，坐擁232畝西湖，設有完善的公共交通網絡，距離粵西國際機場僅需約20分鐘車程。該項目佔地面積約815,000平方米，規劃總建築面積約2,449,300平方米，投資總額將逾人民幣80億元。綠景國際花城博林公館D1區於二零一九年上半年推出市場，憑藉優越的區位、交通、生態及良好的品牌口碑、配套教育設施等優勢，該區住宅D1區和D2區實現各兩次開盤熱銷。截至二零一九年十二月三十一日，綠景國際花城的總銷售合同人民幣1,156.0百萬元，確認銷售收入約人民幣1,259.2百萬元。項目待開發面積尚餘約135.4萬平方米，未來每年項目計劃推出約人民幣10至15億元貨值。

香港流浮山項目是集團首個香港房地產發展項目。項目位於香港流浮山深灣路，佔地面積約為82,400平方米，規劃約116棟低密度臨海獨棟別墅，每間獨立屋面積約為2,000-3,000平方呎。項目擁有優越海景，眺望後海灣，毗鄰深圳之地理優勢，往返內地交通非常方便，依傍未來洪水橋發展區。

Management Discussion and Analysis

管理層討論與分析

Commercial Property Investment and Operations

The “two-pronged” business model of “development+business” is an integral part of the Group’s development pattern. During the year, the Group holds 26 quality commercial property projects comprising a total gross floor area of approximately 612,700 square meters, mainly represented by two commercial brands, namely “NEO” and “Zoll”, including Shenzhen NEO Urban Commercial Complex, Hong Kong LVGEM NEO, LVGEM Zoll Chanson Shopping Mall, LVGEM 1866 Zoll Shopping Mall, LVGEM Zoll Hongwan Shopping Mall, LVGEM Zoll Mangrove Bay No.1, Shopping Mall, LVGEM Zoll International Garden Shopping Mall, LVGEM Zoll Jinhua Shopping Mall, LVGEM Zoll Yuexi Shopping Mall, Dongguan LVGEM Zoll Shopping Mall and other shops and investment properties. The Group’s commercial property development projects are mainly independent commercial projects as well as complex projects that comprise commercial features. Among them, the ancillary services of commercial properties under complex projects significantly increase the overall value of individual residential projects among the real estate development business.

As at 31 December 2019, the Group’s revenue from the investments and operations of commercial properties was approximately RMB618.7 million (2018: RMB543.2 million), representing an increase of approximately 13.9% year-on-year.

Shenzhen NEO Urban Commercial Complex is elected as one of the ten major landmarks of Shenzhen. It is strategically located in the western region of central Futian District of the core central business district in Shenzhen. It is a key urban and commercial landmark in Shenzhen. It has easy access to public transport locating at the intersection of four Metro Lines 1, 7, 9 and 11. NEO Urban Commercial complex has a total gross floor area of approximately 252,539 square meters and a total lettable area of approximately 121,236 square meters. The high-quality corporate tenants of Grade A office building comprise offices and branches of various Fortune Global 500 companies, banks, telecommunication corporations and other state-owned enterprises. As at 31 December 2019, the overall occupancy rate of NEO Urban Commercial complex was about 83% (2018: 94%).

Hong Kong LVGEM NEO is located in “Kowloon East CBD 2”, the new central business district in Hong Kong, occupying a site area of approximately 4,500 square meters and a planned total gross floor area of approximately 55,390 square meters. As a new smart city operator proactively developing the business layout over the Greater Bay Area, the Group acquired 8 Bay East, the full seaview grade-A commercial building located in 123 Hoi Bun Road, Kwun Tong for HK\$9 billion at the end of 2017, and renaming it as the “NEO”. It is positioned as a financial and technological centre which integrates health, green, humanity and scenes. In July 2019, the handover of Hong Kong LVGEM NEO was completed. Apart from being LVGEM (China)’s headquarters in Hong Kong, the project received overwhelming responses since it was launched for leasing. As of the end of 2019, the occupancy rate of the project was close to 50%. Tenants were mainly insurance groups, financial or innovation and technological enterprises and virtual banks, thereby aligning with its positioning as a “full seaview smart financial centre in Kowloon East”. Following the commencement of operation of Shatin to Central Link in the 1st quarter of 2020, leveraging the support of government policy, strategic geographic location and increasingly easy access, it is expected that the growth in asset value will significantly increase, thus bringing stable rental income and long-term return on capital for the Group at the same time. Highlighted the strategic significance of the project to tapping into Hong Kong property market by the Group, the project will facilitate consolidation of the leading position of the Group in commercial property market as well as its market position and brand influence in the Greater Bay Area.

商業物業投資與經營

「開發+商業」雙輪驅動是本集團發展模式的重要組成部分。年內，本集團持有26個優質的商業物業項目，總建築面積約為612,700平方米。主要以「NEO」和「佐陞」兩大商業品牌代表，包括：深圳NEO都市商務綜合體、香港綠景NEO大廈、綠景佐陞頌購物中心、綠景1866佐陞、綠景佐陞虹灣購物中心、綠景佐陞紅樹灣壹號購物中心、綠景佐陞國際花城購物中心、綠景佐陞錦華購物中心、綠景佐陞越溪購物中心、東莞綠景佐陞購物中心以及其他商舖及投資性物業。本集團商業地產發展類型主要為獨立商業項目及包含商業的綜合體項目，其中綜合體項目中商業地產的配套，可大大提升房地產開發業務的單項項目的住宅項目綜合價值。

截至二零一九年十二月三十一日止，本集團來自商業物業投資與經營的收益約為人民幣618.7百萬元（二零一八年：人民幣543.2百萬元），同比增長約13.9%。

深圳NEO都市商務綜合體被評為「深圳市十大地標建築之一」，位於深圳核心商業中心區地段的福田中心區西區之戰略位置，是深圳市主要城市和商業地標。項目地處地鐵1、7、9及11四條地鐵線的樞紐站，交通十分便利。NEO都市商務綜合體總建築面積約為252,539平方米及總可出租面積約為121,236平方米。甲級辦公樓之優質企業租戶，包括多家財富全球500強公司之辦事處及分支機構、銀行、電信公司及其他國營企業。截至二零一九年十二月三十一日止，NEO都市商務綜合體的綜合出租率約為83%（二零一八年：94%）。

香港綠景NEO大廈位於香港新核心商業區「九龍東CBD 2」，佔地面積約4,500平方米，規劃總建築面積約55,390平方米。作為積極佈局大灣區的智慧新城運營商，本集團於二零一七年底以90億港元收購位於觀塘海濱道123號的全幢臨海甲級商廈8 Bay East，並命名為「綠景NEO大廈」，定位為健康、綠色、人文及場景於一體的金融科技中心。二零一九年七月，香港綠景NEO大廈完成交接。項目除作為綠景（中國）香港總部外，自啟動招租以來市場反應熱烈，截至二零一九年底，項目出租率接近五成，入駐企業以保險集團、金融、創科企業、虛擬銀行為主，與項目「九龍東全海景智慧金融中心」定位相得益彰。隨著二零二零年一季度港鐵沙中線的開通，憑藉政府的政策支持、優越的地理位置及愈加便利的交通，預期資產增值的幅度將顯著增加，同時為本集團帶來穩定租金收入和長遠資本收益。該項目對於本集團進軍香港物業市場具有戰略意義，有助綠景（中國）鞏固其商業物業領域的領先地位，以及在大灣區的市場地位及品牌影響力。

Management Discussion and Analysis

管理層討論與分析

Zoll Shopping Mall is a famous fashion and comprehensive shopping centre. As of the end of 2019, the Group owns and operates LVGEM Zoll Chanson Shopping Mall, LVGEM 1866 Zoll Shopping Mall, LVGEM Zoll Hongwan Shopping Mall, LVGEM Zoll International Garden Shopping Mall, LVGEM Zoll Jinhua Shopping Mall and LVGEM Zoll Yuexi Shopping Mall. As at 31 December 2019, the overall occupancy rate was about 97%. On 21 May 2019, the Group acquired a site located in Zhang Mu Tou Town, Dongguan for commercial use at a total consideration of RMB8 million. Occupying a total area of approximately 20,137 square meters, the site is being developed into Dongguan LVGEM Zoll Shopping Mall, with a total gross floor area of approximately 58,928 square meters. Subject to the necessary government approvals, the project is planned to launch its full-scale opening in 2020, which is expected to contribute increasing rental revenue to the Group in the future.

Comprehensive Services

The Group provided comprehensive services to customers and tenants of its residential and commercial properties, including property management services, hotel operations and others. For the year ended 31 December 2019, the comprehensive services of the Group generated revenue of RMB321.3 million (2018: RMB308.2 million), representing an increase of 4.3% year-on-year.

The Group provided comprehensive property management services for most of its property development projects, including security services, property maintenance and management of ancillary facilities, property brokerage business, online platform and e-shops for lifestyle services, which comprised a total gross floor area of 2.42 million square meters. “Meilin flagship shop”, the real estate agency business, provided new property agency, entrusted property management, property banking and other businesses. “Ordinary living” app, our online platform for lifestyle services, launched cleaning of air-conditioners and other businesses and gained wide recognition from property owners, achieving a value growth of 1.19 times year-on-year in 2019. Shenzhen LVGEM Property Management Co., Ltd. obtained the ISO9001: 2008 certification for its quality system of property management services and the level A property management qualification. As the property management services and value-added services become more mature, it is expected that the property management company will contribute sustainable revenue growth for the Group in the future.

In respect of hotel operations, the Group operates and manages two hotels in Shenzhen and the United States. These hotels are the LVGEM Hotel which is located in the central business district of Futian district, Shenzhen, and the Vanlee Hotel in Covina, California, the United States which was acquired in 2017. As at 31 December 2019, the average occupancy rate of LVGEM Hotel was approximately 75% (2018: 75%). Vanlee Hotel occupies a site area of 22,652 square meters and has completed its renovation in 2019. With its satisfactory service standard, it has been maintaining an occupancy rate of approximately over 46% during renovation. The operation of Vanlee Hotel is a milestone project of LVGEM (China), marking the further expansion of the Group's international business, which is expected to contribute stable hotel operation income to the Group.

佐陞購物中心是著名生活時尚及綜合式購物中心。本集團截至二零一九年底擁有及營運綠景佐陞香頌購物中心、綠景1866佐陞薈、綠景佐陞虹灣購物中心、綠景佐陞國際花城購物中心、綠景佐陞錦華購物中心及綠景佐陞越溪購物中心。於二零一九年十二月三十一日止之綜合出租率約為97%。於二零一九年五月二十一日，本集團以總代價為人民幣800萬元獲得一幅位於東莞市樟木頭鎮的一幅土地作商業用途，總佔地面積約20,137平方米，總建築面積約58,928平方米之購物中心東莞綠景佐陞購物中心，待取得所需政府批准後，該項目計劃於二零二零年整體開業，預計未來將會為本集團帶來持續增長的租金收益。

綜合服務

本集團向其住宅及商業物業的客戶及租戶提供綜合服務，包括物業管理服務、酒店運營及其他。截至二零一九年十二月三十一日止年度，本集團綜合服務產生的收益為人民幣321.3百萬元（二零一八年：人民幣308.2百萬元），同比增長約4.3%。

本集團為其大多數房地產開發項目提供全面物業管理服務，包括保安服務、物業維護、管理配套設施、房屋經紀業務及生活服務線上平台等綜合服務，服務的總建築面積約為242萬平方米。房地產中介業務「深圳梅林旗艦店」提供新房代理、房屋託管、房屋銀行等業務。生活服務線上平台「尋常生活」app展開空調清洗等業務，獲得業主一致好評，在二零一九年同比去年實現1.19倍增值。深圳市綠景物業管理有限公司取得物業管理服務ISO9001:2008質量體系認證和一級物業管理資質。隨著物業管理服務及增值服務的逐漸成熟，未來物業管理公司將會為集團產生持續遞增的收益。

酒店運營方面，本集團在深圳和美國營運和管理兩家酒店，包括位於深圳福田區中心商業區的綠景酒店，以及二零一七年收購的美國加利福尼亞州Covina的Vanlee酒店。綠景酒店截至二零一九年十二月三十一日平均入住率約為75%（二零一八年：75%）。Vanlee酒店佔地22,652平方米，此酒店於二零一九年完成翻新工作。因服務水平理想，在翻新期間一直維持入住率約46%以上。Vanlee酒店運營是綠景（中國）的里程碑式項目，標誌著本集團的國際業務的進一步擴張，計劃為集團帶來穩定的酒店經營收益。

Management Discussion and Analysis

管理層討論與分析

Financing

With the support of Hong Kong's globalized capital operating platform, the Group adopted diverse financing channels at home and abroad in their highest and best use during the year. Under the challenging macroeconomic environment, the financing team actively prepared the refinancing options. In 2019, the overall finance cost was approximately 6.3% (2018: 6.2%). In August 2019, the Group completed the renewal of domestic corporate bond. Under the demanding global capital market environment, the Group seized the market opportunities to prudently launch the US dollar bond exchange and issuance scheme in the beginning of 2020 as a preparation for refinancing the US\$400 million public bond due to expire in August 2020.

The Group expected to further consolidate its financial strength, enrich its cash flow and improve the operational efficiency of the Company through domestic and overseas financing, establish domestic and overseas financing platforms, improve the efficiency in use of funds to further support the rapid expansion and development and achieve stable business growth of the Group.

Future Prospect

In early 2020, all Chinese people were dedicated to fighting against the epidemic with mutual support. The Central Government took highly effective measures to safeguard public health and safety, in a bid to push forward the resumption of corporate operations and production gradually. At the same time, launch or construction of major projects was announced. Various ministries and commissions of China have launched a series of stimulation plans for infrastructure development such as downward adjustment of the project funds for certain sectors, loan relief and increasing the proportion of special debts in local debts so as to further drive the launch of strategies of urbanisation and regional balanced development across China. The Guangdong-Hong Kong-Macao Greater Bay Area is the significant strategic plan in the national development blueprint. Following the launch of the "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" and formulation of pilot modelling zones, the Greater Bay Area has entered a new historic stage of development. Under the keynote of "no speculation on residential properties" and with the strengths of a regulated market, the Greater Bay Area has the potential to become the pilot of the economy of city clusters in China and to shoulder the historic mission on coordination between the domestic economic development and the Greater Bay Area as a world-class network hub.

In 2019, all staff strived to fight for the success of the Group and delivered various encouraging results. Looking towards 2020, the Group will continue to be dedicated to a general strategic upgrade and focusing on the business presence in the core cities and areas in the Greater Bay Area under the strategic guidance of "Focus on urban renewal in the Greater Bay Area, develop a brand new smart city". As to the promotion of urban renewal in the Greater Bay Area, the Group will be aligned with the strategic planning on the Greater Bay Area and strategically push forward various existing major urban renewal projects of the Group and the controlling shareholder. By constantly adhering to the national policies and integrating its unique advantages and market positioning, the Group will continue to expand the Company's business scale and position of a pioneer. The Group will continue to push forward the acquisition of land resources, establish long-term and effective collaboration with the controlling shareholder and constantly optimize the capital contribution to projects and commercial operations, thereby strengthening the ability in highly effective operation and brand competitiveness of the Company. While putting committed efforts in urban renewal, the Group will step up its endeavors in creating an outstanding business operation model, aiming to create higher brand-added value for the Group, bring better life experience to the residents, infuse vitality to the city's renewal and development and deliver substantial returns to the investors.

財務融資

背靠香港國際化資本運作平台，本集團於年內充分利用境內及境外多元化融資渠道，在備受挑戰的宏觀環境下，融資團隊積極籌備再融資方案，二零一九年綜合融資成本約6.3%（二零一八年：6.2%）。本集團於二零一九年八月完成境內小公募的存續，在嚴峻的環球資本市場環境下，於二零二零年初把握市場窗口，審慎推出結構複雜縝密的美元債交換及新發方案，為二零二零年八月到期的4億美元公募債做好再融資的準備。

本集團期望透過境內外財務融資，進一步加強本集團的財政實力，充實集團的現金流量，提高公司的運營效率；建立境內外融資平台，改善資金運用效益，從而進一步支持集團業務的快速開拓與發展，實現業績的穩定增長。

未來展望

二零二零年初，疫情下全國守望相助、政府高效採取措施，在保衛公共衛生安全的前提下，逐步推動企業復工、復產，同時公佈重大項目開工建設。中國各部委透過下調部分領域項目資金、貸款援助，及增加專項債在地方債中的比重等一系列刺激基建發展的計劃，進一步推動各地區城鎮化與區域均衡發展的戰略。粵港澳大灣區是國家發展藍圖重大戰略部署，隨著今年《粵港澳大灣區發展規劃綱要》的實施、先行示範區的設立，大灣區的發展進入新的歷史發展階段。在「房住不炒」的基調下，灣區經濟健康蓬勃的發展，在規範的市場環境優勢下，大灣區有潛力成為中國城市群經濟的領航者，並肩負協調國內經濟發展、互通互聯的世界級灣區的歷史使命。

二零一九年集團全體上下奮力拚搏，取得了許多可喜可賀的成績。展望二零二零年，集團將繼續堅持全面戰略升級，以「聚力灣區大舊改，打造智慧新城區」為戰略引領，堅定佈局大灣區核心城市核心區域。在推動灣區大城市更新方面，順應大灣區戰略規劃，重點推進本集團及控股股東手上的多個大型城市更新項目。集團將繼續緊跟國家政策，結合自身的優勢與市場定位，不斷拓展公司的業務規模及先鋒地位。集團將繼續推動土地資源的獲取，並與控股股東建立長效聯動方式，在項目注資、商業運營方面不斷優化，逐步增強公司高效運轉能力與品牌競爭力。集團要在做精城市更新的同時，努力打造優秀的運營業務模式，為集團創造更高的品牌價值，為居民帶來更好的生活體驗，為城市的更新與發展增添活力，為投資者帶來豐厚收益。

Management Discussion and Analysis

管理層討論與分析

By studying the projects introduced by the controlling shareholder in the future that include the planning of industrial parks and centralised commercial clusters, the Group intends to develop a model integrating industrial, city and commerce, continue to develop quality projects in the core areas of core cities, develop industrial properties (industrial park operation and industrial investment) and operate smart commercial cities. With the unique positioning and brand-new perspective, the Group will develop “unique properties, resources-linked properties and smart properties”.

Meanwhile, the Group will continue to optimise the business structure and consolidate the standardised management. In 2020, the Group will adhere to the system management, development under three-orientation strategy and closed-end management and continue to put more efforts in the three major business divisions, namely finance, real estate, and assets so as to drive the corporate development. Also, we will promote the cooperation with Huawei and China Unicom in full swing in the area of smart technology and strive to develop the smart city benchmark by integrating with the Baishizhou urban construction platform. In particular, Finance Business Division will put in best efforts to maintain an effective domestic and overseas capital operation; financial management and investor relations; Real Estate Business Division will, according to the 2020 work schedule, undertake the design planning, construction management, brand sales and marketing, cost management, administrative licensing, financial and tax management and operation plan. Each of the seven core department is responsible for its respective roles and duties, aiming to promote the completion of various tasks with high quality and efficiency; Asset Business Division will ensure to complete its tasks according to the targets of 2020 budget plan.

Looking forward, the development of the Greater Bay Area is necessarily irreversible and will become an essential growth driver of the national economic development. With years of focus on the development of key regions in the Guangdong-Hong Kong-Macao Greater Bay Area, the Group will seize the tremendous opportunities of the current era and strive to develop the Company into a new smart city developer and operator that is dedicated to the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. In 2020, the Company will come to a new starting point and partner with various parties from the society in a creative and aggressive manner. Adhering to the corporate mission of “continuously enhancing the urban value”, the Group will make sustained efforts towards the vision and goal of “being the most respected city value-creator in the PRC”.

集團也研究在未來控股股東注入的含有產業園規劃和集中式商業群的項目，打造產城融合商業模式，持續於核心城市核心區域進行優質項目佈局，發展產業地產(產業園經營與產業投資)及經營智慧商業城，以獨特的定位和全新的視角打造「特色地產、資源地產、智慧地產」。

同時，集團亦將持續優化業務結構，加強規範化管理。二零二零年繼續狠抓系統管理、三化建設、閉合管理，持續在金融、地產、資產三大事業部方面發力，以推動企業的發展。全面推動與華為公司和中國聯通在智慧科技領域合作，結合白石洲城區建設平台，傾力打造智慧城區標杆。金融事業部全力做好境內外資本運營、財務管理和投資者關係工作；房地產事業部，按照二零二零年的工作部署，規劃設計、工程管理、品牌營銷、成本管理、行政許可、財稅管理、計劃運營，七大核心部門各負其責，以推動各項工作高質、高效完成；資產事業部方面，保證按照二零二零年的預算計劃指標完成任務。

展望未來，大灣區的發展勢在必行，將成為帶動國家經濟發展的重要引擎，本集團多年來深耕粵港澳大灣區核心地域，將緊抓時代所賦予的巨大機遇，努力將公司締造成為助力粵港澳大灣區建設的智慧新城開發運營商。二零二零年，公司將邁入新的起點，以開拓創新，銳意進取的姿態，與社會各界合作夥伴一道，以「持續提升城市價值」作為企業使命，朝著「做中國最受尊敬的城市價值創造者」的願景目標奮勇前進。

Management Discussion and Analysis

管理層討論與分析

Financial Review

Revenue

The Group's revenue mainly comprised of revenue from sales of properties held for sale, leasing of investment properties and comprehensive services. The Group's revenue for the year ended 31 December 2019 was approximately RMB6,902.4 million (2018: RMB4,515.7 million), representing an increase of approximately 52.9% as compared to the last year, which was mainly attributable to the increase in revenue from sales of properties held for sale.

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	Increase 增加 RMB'000 人民幣千元	% %
Real estate development and sales	房地產開發及銷售	5,962,446	3,664,328	2,298,118	62.7
Commercial property investment and operations	商業物業投資與經營	618,674	543,176	75,498	13.9
Comprehensive services	綜合服務	321,328	308,181	13,147	4.3
Total	總計	6,902,448	4,515,685	2,386,763	52.9

For the year ended 31 December 2019, the revenue from sales of properties held for sale was approximately RMB5,962.4 million (2018: RMB3,664.3 million), representing an increase of approximately 62.7% as compared to the last year, which mainly contributed by the sales of the high-rise residential buildings, LVGEM Mangrove Bay No. 1. The Group's total gross floor area of properties held for sale sold during the year ended 31 December 2019 was approximately 271,500 square meters (2018: approximately 296,300 square meters).

Revenue from leasing of investment properties for the year ended 31 December 2019 was approximately RMB618.7 million (2018: RMB543.2 million), representing an increase of approximately 13.9% as compared to last year. The increase was primarily due to the commencement of offshore operations in 2019. The Group's commercial properties are all located in core areas. The properties are mainly operated under the brands of "Zoll" and "NEO". Disregarding the occupancy rate of Hong Kong LVGEM NEO, which was completed in second half of 2019, the occupancy rate of other investment properties during the year ended 31 December 2019 maintained at a high level at 91% (2018: 95%). The occupancy rate of Hong Kong LVGEM NEO as at 31 December 2019 was approximately 50%.

The Group provides comprehensive services to customers and tenants of its residential and commercial properties. These comprehensive services include property management services, hotel operations, renovations and others. For the year ended 31 December 2019, comprehensive services of the Group generated revenue of approximately RMB321.3 million (2018: RMB308.2 million).

Gross Profit and Gross Profit Margin

For the year ended 31 December 2019, the Group's integrated gross profit increased to approximately RMB4,430.4 million (2018: RMB2,686.2 million), representing an increase of approximately 64.9% as compared to the last year; while the integrated gross profit margin for the year ended 31 December 2019 was 64.2% (2018: 59.5%). The increase in gross profit margin was primarily because approximately 75% of the revenue for the year ended 31 December 2019 was derived from LVGEM Mangrove Bay No.1, with a higher gross profit margin over 70%.

財務回顧

收益

本集團的收益主要包括來自出售待售物業、租賃投資物業及綜合服務的收益。截至二零一九年十二月三十一日止年度，本集團的收益約為人民幣6,902.4百萬元(二零一八年：人民幣4,515.7百萬元)，較去年增加約52.9%，主要由於來自出售待售物業的收益增加所致。

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	Increase 增加 RMB'000 人民幣千元	% %
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截至二零一九年十二月三十一日止年度，來自出售待售物業的收益約為人民幣5,962.4百萬元(二零一八年：人民幣3,664.3百萬元)，較去年增加約62.7%，主要來自銷售高層住宅樓宇(即綠景紅樹灣壹號)。本集團於截至二零一九年十二月三十一日止年度內已售的待售物業總建築面積約為271,500平方米(二零一八年：約296,300平方米)。

截至二零一九年十二月三十一日止年度，來自租賃投資物業的收益約為人民幣618.7百萬元(二零一八年：人民幣543.2百萬元)，較去年增加約13.9%。增加主要由於於二零一九年開展的境外業務所致。本集團的商業物業均處於核心地段，有關物業主要以「佐隄」和「NEO」品牌營運。尚不計及於二零一九年下半年完工的香港綠景NEO大廈的出租率，截至二零一九年十二月三十一日止年度，其他投資物業的出租率為91%(二零一八年：95%)，維持於較高水平。於二零一九年十二月三十一日，香港綠景NEO大廈的出租率約為50%。

本集團向其住宅及商業物業的客戶及租戶提供綜合服務。該等綜合服務包括物業管理服務、酒店運營、舊改及其他。截至二零一九年十二月三十一日止年度，本集團綜合服務產生的收益約為人民幣321.3百萬元(二零一八年：人民幣308.2百萬元)。

毛利及毛利率

截至二零一九年十二月三十一日止年度，本集團的綜合毛利增加至約人民幣4,430.4百萬元(二零一八年：人民幣2,686.2百萬元)，較去年增加約64.9%；而截至二零一九年十二月三十一日止年度，綜合毛利率為64.2%(二零一八年：59.5%)。毛利率的增加主要是由於截至二零一九年十二月三十一日止年度約75%的收益來自毛利率較高(超過70%)的綠景紅樹灣壹號所致。

Management Discussion and Analysis

管理層討論與分析

Selling Expenses

For the year ended 31 December 2019, selling expenses of the Group amounted to approximately RMB134.1 million (2018: RMB133.0 million). The selling expenses mainly included sales commission and advertising expenses for LVGEM Mangrove Bay No. 1.

Administrative Expenses

For the year ended 31 December 2019, administrative expenses of the Group amounted to approximately RMB461.5 million (2018: RMB390.4 million), representing an increase of approximately 18.2% as compared to the last year. The increase was mainly attributable to the donation to the Huazhou Municipal Government.

Fair Value Changes on Investment Properties

The valuation on the Group's investment properties as at 31 December 2019 was conducted by an independent property valuer which resulted in a fair value gain on investment properties of RMB696.4 million for the year ended 31 December 2019 (2018: RMB323.5 million).

Finance Costs

For the year ended 31 December 2019, finance costs of the Group amounted to approximately RMB1,256.2 million (2018: RMB658.0 million), representing an increase of approximately 90.9% as compared to the last year.

The increase in finance costs was primarily due to (i) the increase of the Group's total interest-bearing loans to RMB25,976.5 million as at 31 December 2019 from RMB23,324.4 million as at 31 December 2018; and (ii) the cessation of interest capitalisation in relation to Hong Kong LVGEM NEO upon its completion during the year ended 31 December 2019. The Group's average finance cost of interest-bearing loans was 6.3% for the year ended 31 December 2019 (2018: 6.2%).

Income Tax Expense

For the year ended 31 December 2019, income tax expense of the Group amounted to approximately RMB1,617.2 million (2018: RMB925.1 million). The Group's income tax expense included payments and provisions made for Enterprise Income Tax ("EIT") and Land Appreciation Tax ("LAT") during the year. The increase of income tax expense during the year was mainly attributable to the increase in both EIT and LAT provision due to the sales of LVGEM Mangrove Bay No. 1.

Operating Results

For the year ended 31 December 2019, the profit attributable to owners of the Company was approximately RMB1,749.9 million (2018: RMB1,237.2 million), representing an increase of approximately 41.4% as compared to the last year.

銷售開支

截至二零一九年十二月三十一日止年度，本集團的銷售開支約為人民幣134.1百萬元(二零一八年：人民幣133.0百萬元)。銷售開支主要包括綠景紅樹灣壹號的銷售佣金及推廣開支。

行政開支

截至二零一九年十二月三十一日止年度，本集團的行政開支約為人民幣461.5百萬元(二零一八年：人民幣390.4百萬元)，較去年增加約18.2%，增加主要由於向化州市政府作出的捐款所致。

投資物業的公允價值變動

於二零一九年十二月三十一日，本集團的投資物業經由獨立物業估值師進行估值，並因此得出截至二零一九年十二月三十一日止年度人民幣696.4百萬元(二零一八年：人民幣323.5百萬元)的投資物業公允價值收益。

融資成本

截至二零一九年十二月三十一日止年度，本集團的融資成本約為人民幣1,256.2百萬元(二零一八年：人民幣658.0百萬元)，較去年增長約90.9%。

融資成本增加乃主要由於(i)本集團有息貸款總額從二零一八年十二月三十一日的人民幣23,324.4百萬元增加至二零一九年十二月三十一日的人民幣25,976.5百萬元；及(ii)截至二零一九年十二月三十一日止年度，於香港綠景NEO完工後不再就其進行利息資本化所致。本集團截至二零一九年十二月三十一日止年度的有息貸款平均融資成本為6.3%(二零一八年：6.2%)。

所得稅開支

截至二零一九年十二月三十一日止年度，本集團所得稅開支約為人民幣1,617.2百萬元(二零一八年：人民幣925.1百萬元)。本集團所得稅開支包括年內就企業所得稅(「企業所得稅」)及土地增值稅(「土地增值稅」)所作出的付款及撥備。年內所得稅開支增加乃主要由於因銷售綠景紅樹灣壹號而增加企業所得稅和土地增值稅撥備所致。

經營業績

截至二零一九年十二月三十一日止年度，本公司股東應佔盈利約為人民幣1,749.9百萬元(二零一八年：人民幣1,237.2百萬元)，較去年增加約41.4%。

Management Discussion and Analysis

管理層討論與分析

Liquidity, Financial Resources and Gearing

Bank balances and cash as at 31 December 2019 amounted to approximately RMB8,347.0 million (including restricted bank deposits) (2018: RMB7,589.9 million).

The Group had total borrowings of approximately RMB25,976.5 million as at 31 December 2019 (2018: RMB23,324.4 million). Borrowings classified as current liabilities were approximately RMB10,826.7 million (2018: RMB5,824.4 million) and the Group's gearing ratio as at 31 December 2019 was approximately 135.3% (2018: 137.6%), which was based on net debt (total interest-bearing loans net of bank balances and cash (including restricted bank deposits)) over total equity.

Current, Total and Net Assets

As at 31 December 2019, the Group had current assets of approximately RMB22,276.5 million (2018: RMB19,240.6 million) and current liabilities of approximately RMB17,760.7 million (2018: RMB11,689.8 million), which represented a decrease in net current assets from approximately RMB7,550.9 million as at 31 December 2018 to approximately RMB4,515.9 million as at 31 December 2019. The decrease in net current assets as at 31 December 2019 was mainly attributable to the reclassification of US\$ denominated senior notes with principal amount of US\$400 million, which will be matured in August 2020, from non-current liabilities to current liabilities.

As at 31 December 2019, the Group recorded total assets of approximately RMB48,736.3 million (2018: RMB43,412.1 million) and total liabilities of approximately RMB35,701.5 million (2018: RMB31,973.2 million), representing a debt ratio (total liabilities over total assets) of approximately 73.3% (2018: 73.7%). Net assets of the Group were approximately RMB13,034.8 million as at 31 December 2019 (2018: RMB11,438.9 million).

For the year ended 31 December 2019, the Group was able to utilise its internal resources and debt and equity financing to meet the funding requirements for the development of real estate projects.

Charge on Assets

For the year ended 31 December 2019, loans of approximately RMB18,642.0 million (2018: RMB16,085.5 million) were secured by properties under development for sale, properties held for sale, investment properties, properties, plant and equipment and pledged deposits of the Group respectively in the total amount of approximately RMB26,344.1 million (2018: RMB18,878.2 million).

Contingent Liabilities

For the year ended 31 December 2019, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB2,132.4 million (2018: RMB1,163.0 million). Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks.

流動資金、財務資源及資本負債比率

於二零一九年十二月三十一日，銀行結餘及現金約為人民幣8,347.0百萬元(包括受限制銀行存款)(二零一八年：人民幣7,589.9百萬元)。

於二零一九年十二月三十一日，本集團的總借貸約為人民幣25,976.5百萬元(二零一八年：人民幣23,324.4百萬元)。分類為流動負債的借貸約為人民幣10,826.7百萬元(二零一八年：人民幣5,824.4百萬元)，而本集團於二零一九年十二月三十一日的資本負債比率(按淨負債(有息貸款總額減銀行結餘及現金(包括受限制銀行存款))除以總權益計算)約為135.3%(二零一八年：137.6%)。

流動資產、總資產及資產淨值

於二零一九年十二月三十一日，本集團擁有流動資產約人民幣22,276.5百萬元(二零一八年：人民幣19,240.6百萬元)及流動負債約人民幣17,760.7百萬元(二零一八年：人民幣11,689.8百萬元)，流動資產淨值由二零一八年十二月三十一日約人民幣7,550.9百萬元減少至二零一九年十二月三十一日約人民幣4,515.9百萬元。於二零一九年十二月三十一日的流動資產淨值減少，乃主要由於將本金額為4億美元之美元計值優先票據(將於二零二零年八月到期)從非流動負債重新分類至流動負債所致。

於二零一九年十二月三十一日，本集團錄得總資產約人民幣48,736.3百萬元(二零一八年：人民幣43,412.1百萬元)及總負債約人民幣35,701.5百萬元(二零一八年：人民幣31,973.2百萬元)，負債比率(總負債除以總資產)約為73.3%(二零一八年：73.7%)。本集團於二零一九年十二月三十一日的資產淨值約為人民幣13,034.8百萬元(二零一八年：人民幣11,438.9百萬元)。

截至二零一九年十二月三十一日止年度，本集團能夠利用其內部資源及債務及股權融資滿足房地產項目開發的資金需求。

資產抵押

截至二零一九年十二月三十一日止年度，貸款約人民幣18,642.0百萬元(二零一八年：人民幣16,085.5百萬元)分別以總額約人民幣26,344.1百萬元(二零一八年：人民幣18,878.2百萬元)之本集團發展中待售物業、待售物業、投資物業、物業、廠房及設備及抵押存款作抵押。

或然負債

截至二零一九年十二月三十一日止年度，本集團就若干買方的按揭融資提供擔保的或然負債約為人民幣2,132.4百萬元(二零一八年：人民幣1,163.0百萬元)。根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方欠付銀行的任何應計利息及罰金。

Management Discussion and Analysis

管理層討論與分析

The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the buyer obtaining the individual property ownership certificate or the full settlement of mortgage loans by the buyer.

The Directors consider that it is not probable for the Group to sustain a loss under these guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties under default and sell the properties to recover any amounts paid by the Group to the banks. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event that the purchasers default payments to the banks for their mortgage loans.

Exposure to Fluctuations in Exchange Rates and Related Hedges

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in Renminbi. The Group is exposed to foreign currency risk arising from the exposure of Hong Kong dollars and United States dollars against Renminbi as a result of certain cash balances and loans in Hong Kong dollars or United States dollars.

The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting appropriate foreign currency hedging policy in the future.

Treasury Policies and Capital Structure

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

Employees

As at 31 December 2019, the Group had a staff roster of 1,821 (2018: 1,612), of which 1,794 (2018: 1,589) employees were based in the mainland China and 27 (2018: 23) employees were based in Hong Kong. The remuneration of employees was in line with the market trends and commensurate to the levels of remuneration in the industry. Remuneration of the Group's employees includes basic salaries, bonuses, retirement scheme and long-term incentives such as share options within an approved scheme.

本集團的擔保期由相關按揭貸款授出日期起，直至買家取得個人房產所有權證或悉數清償按揭貸款(以較早者為準)為止。

董事認為本集團於擔保期間不大可能因該等擔保而遭受虧損，而本集團在違約的情況下可接管有關物業的所有權並將之出售，以收回本集團向銀行支付的任何金額。由於董事認為該等擔保的公允價值微不足道，故本集團並未就該等擔保確認任何遞延收入。董事亦認為，倘買方拖欠償還銀行按揭貸款，相關物業的公允市值足以彌補本集團所擔保的未償還按揭貸款。

匯率波動風險及有關對沖

本集團幾乎全部經營活動均在中國進行，而大部份交易均以人民幣計價。由於本集團若干現金結餘及貸款為港元或美元，使本集團面臨港元及美元兌人民幣而產生的外匯風險。

本集團並無外幣對沖政策。然而，各董事密切監察本集團的外匯風險，並視乎外幣的情況及走勢考慮日後採納適當的外幣對沖政策。

財資政策及資本結構

本集團就其財資及資本政策取態審慎，並專注於風險管理及與本集團的相關業務有直接關係的交易。

僱員

於二零一九年十二月三十一日，本集團僱有1,821名(二零一八年：1,612名)員工，其中1,794名(二零一八年：1,589名)員工長駐中國內地，於香港則僱有27名(二零一八年：23名)員工。僱員的薪酬與市場趨勢一致，並與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅、退休計劃及長期獎勵，如認可的計劃內的購股權。

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Executive Directors

Ms. HUANG Jingshu, aged 32, is an Executive Director and Chairman of the Company and is responsible for the overall business development of the Company. From August 2012 to July 2013, Ms. HUANG served in the Guangzhou branch of Deloitte Touche Tohmatsu (Special General Partnership) and her last position was analyst of Corporate Risk Management Service Division, where she was primarily responsible for providing professional services to the clients. Since November 2010, Ms. HUANG started serving in Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) and her position was the vice general manager of the investment management department and was responsible for corporate development and planning matters. Ms. HUANG obtained her Bachelor of Arts with Honours degree in Accounting and Finance from University of Exeter in the United Kingdom in July 2010, and her Master of Science degree in Accounting and Finance in November 2011. Ms. HUANG was appointed as an executive director and the chairman of the Company on 15 May 2014 and 5 June 2014 respectively. Ms. HUANG is the daughter of Mr. WONG Hong King, the controlling shareholder of the Company and the sister of Mr. HUANG Hao Yuan, an executive director of the Company.

Mr. TANG Shouchun, aged 57, is an Executive Director and Chief Executive Officer of the Company and is responsible for overall corporate investment and finance matters of the Company. Mr. TANG was appointed as vice president of Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in October 2015 and operations director of the Company in February 2016. Prior to joining Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司), Mr. TANG has been the deputy general manager of Yue Xiu Enterprises (Holdings) Limited and executive director of Yuexiu Property Company Limited (a company listed on the Stock Exchange). Mr. TANG studied business administration in Nanjing Agricultural University in his early years and obtained a doctor degree. After graduating, he has been vice professor in university, senior management in Guangdong and Guangzhou large state-owned enterprises (including Hong Kong listed companies) and was responsible for finance, capital operation, legal, audit, strategic and operation management matters. Mr. TANG is a vice professor, senior accountant, senior economist and registered asset appraiser in China. Mr. TANG was appointed as an executive director and chief executive officer of the Company on 31 March 2016.

Mr. YE Xingan, aged 56, is an Executive Director of the Company and is responsible for the overall project development and management and business branding management of the Company. He joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in March 2007 and served as the executive vice president and was responsible for its overall operation management. Prior to joining the Company, from March 1993 to August 2002, Mr. YE served various positions in 萬科企業股份有限公司 (China Vanke Co., Ltd.*), a company primarily engaged in real estate development. From August 2002 to March 2005, Mr. YE served as a director and general manager of Chengdu Xinyi Investment Industry Co., Ltd. (成都心怡投資實業有限公司) and was primarily responsible for overall management. From March 2005 to March 2007, Mr. YE served as a director and general manager of Shenzhen Xinyi Real Estate Investment Development Co., Ltd. (深圳市心怡房地產投資發展有限公司) and was primarily responsible for its overall management. Mr. YE obtained his associate degree in accounting from Jiangxi College of Finance and Economics (江西財經學院, now known as Jiangxi University of Finance and Economics (江西財經大學)) in the PRC in June 1986, and he studied courses of master's degree in business administration at International Business Administration School of University of International Business and Economics (對外經濟貿易大學國際工商管理學院) in the PRC from September 2000 to September 2001. Mr. YE was appointed as an executive director of the Company on 15 May 2014.

執行董事

黃敬舒女士，現年32歲，本公司執行董事兼主席，負責本公司之整體業務發展。於二零一二年八月至二零一三年七月，黃女士任職於德勤•關黃陳方會計師行廣州分行(特殊普通合伙)，其最後職位為企業風險管理服務部分分析師，主要負責向客戶提供專業服務。自二零一零年十一月起，黃女士開始就職於深圳市綠景企業管理集團有限公司及其職位為投資管理部副總經理，負責企業發展及策劃事宜。黃女士於二零一零年七月取得英國University of Exeter會計及財務學榮譽學士學位，並於二零一一年十一月於同一間大學取得會計及財務學理學碩士學位。於二零一四年五月十五日及二零一四年六月五日，黃女士分別獲委任為本公司執行董事及主席。黃女士為本公司控股股東黃康境先生之女兒及本公司執行董事黃浩源先生之胞姊。

唐壽春先生，現年57歲，本公司執行董事兼行政總裁，負責本公司之整體企業投資事務。唐先生於二零一五年十月就任綠景企業管理集團有限公司副總裁，於二零一六年二月就任本公司運營總監。加入綠景企業管理集團有限公司之前曾任越秀企業集團副總經理、越秀地產公司(一間於聯交所上市的公司)執行董事。唐先生早年就讀於南京農業大學企業管理專業，並取得博士學位。畢業後，彼先後擔任大學副教授、廣東及廣州大型國企(包括香港上市公司)高級管理人員，主管過財務、資本運營、法務、審計、戰略及運營管理等工作。唐先生擁有副教授、高級會計師、高級經濟師、中國註冊資產評估師等專業資格。唐先生於二零一六年三月三十一日獲委任為本公司執行董事兼行政總裁。

葉興安先生，現年56歲，本公司執行董事，負責本公司之整體項目發展及管理以及企業品牌管理。葉先生於二零零七年三月加入深圳市綠景企業管理集團有限公司，擔任常務副總裁，負責其整體營運管理。於加入本公司前，於一九九三年三月至二零零二年八月，葉先生於萬科企業股份有限公司(一間主要從事房地產開發之公司)擔任多個職位。於二零零二年八月至二零零五年三月，葉先生擔任成都心怡投資實業有限公司董事兼總經理，主要負責整體管理。於二零零五年三月至二零零七年三月，葉先生擔任深圳市心怡房地產投資發展有限公司董事兼總經理，主要負責整體管理。葉先生於一九八六年六月取得中國江西財經學院(現稱江西財經大學)會計學學士學位，及於二零零零年九月至二零零一年九月在中國對外經濟貿易大學國際工商管理學院修讀工商管理碩士學位課程。於二零一四年五月十五日，葉先生獲委任為本公司執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Mr. HUANG Hao Yuan, aged 29, is an Executive Director of the Company and is responsible for investment property operation and management of the Company. Mr. HUANG joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in 2014, and served as the deputy general manager of the Investment and Development Centre and was responsible for formulating its strategic development and investment plans, as well as responsible for project execution and the evaluation of potential projects. From August 2016 to February 2017, Mr. HUANG served as a senior investment manager of 博商資產管理有限公司 (Boshuang Assets Management Co., Ltd.*) and was responsible for project development and evaluation and monitoring of investments. Mr. HUANG possesses 6 years' working experience in the real estate industry in China. Mr. HUANG was appointed as an executive director of the Company on 21 February 2017. Mr. HUANG is the son of Mr. WONG Hong King, the controlling shareholder of the Company and the younger brother of Ms. HUANG Jingshu, an executive director and chairman of the Company.

Mr. Siu Chi Hung, aged 49, is an Executive Director of the Company and is responsible for corporate investment, treasury and financing, investor relationship and compliance management of the Company. Mr. SIU joined KPMG (Hong Kong) in 1994 and became a partner in 2008. He was the Head of Real Estate of KPMG (China) and the Head of Capital Markets development, Southern China of KPMG (China) before his retirement in June 2018. Mr. SIU obtained his bachelor's degree in Business Administration from the Chinese University of Hong Kong in 1994. Mr. SIU is a non-practising member of the Hong Kong Institute of Certified Public Accountants, a member of the American Institute of Certified Public Accountants and a member of the Hong Kong Independent Non-Executive Director Association. Mr. SIU was appointed as an executive director of the Company on 20 September 2019.

Non-Executive Director

Ms. LI Lihong, aged 47, is a Non-Executive Director of the Company. Ms. LI has over 24 years of experience in the banking and financial industry. She is currently the chief risk officer of the Real Estate Finance Division of Ping An Bank Co., Ltd. (平安銀行股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code of 000001) and is responsible for the risk management of the real estate finance department. From March 2015 to November 2016, Ms. LI served as the general manager of Ping An Caizhi Investment Management Company (平安財智投資管理有限公司). She joined the Guangzhou branch of Ping An Bank Co., Ltd. (平安銀行股份有限公司) in January 2009 and held various management positions until March 2015, the last position she held in such branch was the investment officer. From July 2003 to January 2009, Ms. LI also served as the branch general manager of the Corporate Finance Department and general manager assistant of the Risk Management Department in the Guangzhou branch of China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange with stock codes of 600016 and 01988 respectively). In addition, Ms. LI also served as the deputy director of the Guangzhou Tianhe branch of the Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange with stock codes of 601398 and 1398 respectively) from July 1995 to June 2013. Ms. LI graduated from Nankai University and obtained her master's degree in business administration in senior management. Ms. LI was appointed as a non-executive director of the Company on 29 March 2018.

黃浩源先生，現年29歲，本公司執行董事，負責本公司之投資性物業運營及管理。黃先生於二零一四年加入深圳市綠景企業管理集團有限公司，擔任投資發展中心之副總經理，負責制定戰略發展和投資計劃、項目執行及潛在項目的評估。於二零一六年八月至二零一七年二月，黃先生於博商資產管理有限公司擔任高級投資經理，負責項目開發、評估及監控投資。黃先生具有六年於中國房地產行業之工作經驗。於二零一七年二月二十一日，黃先生獲委任為本公司執行董事。黃先生為本公司控股股東黃康境先生之兒子及本公司執行董事兼主席黃敬舒女士之胞弟。

蕭志雄先生，現年49歲，本公司執行董事，負責本公司之企業投資、資金和融資、投資者關係和合規管理。蕭先生於一九九四年加入畢馬威會計師事務所(香港)，並於二零零八年成為合夥人。他於二零一八年六月退休前擔任畢馬威中國房地產業主管合夥人及畢馬威中國(華南區)資本市場發展主管合夥人。蕭先生於一九九四年取得中文大學工商管理學士學位。蕭先生為香港會計師公會非執業會計師，美國註冊會計師協會會員及香港獨立非執行董事協會會員。於二零一九年九月二十日，蕭先生獲委任為本公司執行董事。

非執行董事

李麗紅女士，現年47歲，本公司非執行董事。李女士在銀行和金融行業擁有超過二十四年經驗。李女士現時為平安銀行股份有限公司(一間於深圳證券交易所上市之公司(股份代號:000001))地產金融事業部風險總監，負責地產金融事業部的風險管理工作。於二零一五年三月至二零一六年十一月，李女士擔任平安財智投資管理有限公司總經理。李女士於二零零九年一月加入平安銀行股份有限公司廣州分行，並擔任多個職位，直至二零一五年三月，彼於該分行最後擔任之職位為投資總監。李女士亦於二零零三年七月至二零零九年一月於中國民生銀行股份有限公司(一間於上海證券交易所及香港交易所上市之公司(股份代號分別為600016及01988))廣州分行擔任支行公司業務部總經理及分行風險管理部總經理助理。另外，李女士亦曾於一九九五年七月至二零一三年六月在中國工商銀行股份有限公司(一間於上海證券交易所及香港交易所上市之公司(股份代號分別為601398及1398))廣州天河支行擔任辦事處副主任及計財科副科長。李女士畢業於南開大學並取得高級管理人員工商管理碩士學位。於二零一八年三月二十九日，李女士獲委任為本公司非執行董事。

* For identification purposes only 僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Independent Non-Executive Directors

Mr. WANG Jing, aged 52, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Mr. WANG currently serves as a vice president of 京東集團, is mainly responsible for the 7FRESH Business Unit and an independent director of Dark Horse Venture (Beijing) Technology Co. Ltd (創業黑馬(北京)科技股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 300688). From March 2009 to December 2016, Mr. WANG served as a chairman of the board of directors of Land Vision (Shanghai) Investment Management Co., Ltd. (九洲遠景(上海)投資管理有限公司), a professional service provider in commercial property industry. From January 2017 to September 2018, he served as a chairman of the board of directors (chained supermarket of retail industry) of Beijing Ueater Technology Co. Ltd (北京優集客科技有限公司). Mr. WANG served as an independent director of Better-Life Commercial Chain Share Co., Ltd. (步步高商業連鎖股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 002251) from May 2014 to May 2017. Mr. WANG also served as a chief strategy officer of 京東集團 (7FRESH Business Unit) from October 2018 to April 2019. Mr. WANG obtained his Bachelor of Engineering Degree from Heilongjiang Business School (黑龍江商學院) in the PRC in July 1990, and his master's degree in business administration from University of International Business and Economics (對外經濟貿易大學) in the PRC in July 1997. Mr. WANG was appointed as an independent non-executive director of the Company on 15 May 2014.

Ms. HU Gin Ing, aged 61, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Ms. HU has over 25 years of experience in accounting and finance. Ms. HU was appointed as an independent director of Acer Synergy Tech Corp. (智聯服務股份有限公司) (a company listed on the Taipei Exchange with a code of 6751) on 15 October 2019. Ms. HU was appointed as an independent director of Vigor Kobo Company Limited (a company listed on the Taipei Exchange with a code of 2733) on 28 June 2019. Ms. HU has been a director of NHL CPA Ltd., Hong Kong since January 2005. Ms. HU was appointed as the chairman of the board of directors of Benepet Co., Ltd. (益龍生醫股份有限公司) in July 2017. Ms. HU is now the vice chairman of the board of BeneLife Management Limited* (合富潤生企業管理諮詢(上海)有限公司) since February 2018. From May 2014 to June 2017, Ms. HU has served as the global chief finance officer of Acer Incorporated (宏碁股份有限公司), a company listed on the Taiwan Stock Exchange with stock code of 2353. From December 2013 to April 2019, Ms. HU has served as an independent non-executive director of Carnival Group International Holdings Limited (嘉年華國際控股有限公司), a company listed on the Hong Kong Stock Exchange with stock code of 996. She serves an independent non-executive director of Enterprise Development Holdings Limited (企展控股有限公司) and Superactive Group Company Limited (先機企業集團有限公司) (formerly known as United Pacific Industries Limited (聯太工業有限公司)), all of which are companies listed on the Hong Kong Stock Exchange with stock code of 1808 and 176 respectively. Ms. HU obtained her Bachelor of Arts degree from National Taiwan University in June 1981, her Master of Science degree of science from Barry University in the United States of America in May 1988 and her Master of Business Administration degree from Florida International University in the United States of America in August 1990. Ms. HU is a member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Ms. HU was appointed as an independent non-executive director of the Company on 15 May 2014.

獨立非執行董事

王敬先生，現年52歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。王先生現時為京東集團副總裁，7FRESH業務部負責人及擔任創業黑馬(北京)科技股份有限公司(一間於深圳證券交易所上市之公司(股份代號：300688))獨立董事。於二零零九年三月至二零一六年十二月，王先生擔任九洲遠景(上海)投資管理有限公司(商用物業行業之專業服務供應商)董事長。於二零一七年一月至二零一八年九月，王先生擔任北京優集客科技有限公司(零售行業之連鎖超市)董事長。王先生於二零一四年五月至二零一七年五月擔任步步高商業連鎖股份有限公司(一間於深圳證券交易所上市之公司(股份代號：002251))獨立董事。王先生亦於二零一八年十月至二零一九年四月擔任京東集團(7FRESH業務部)首席戰略官。王先生於一九九零年七月取得中國黑龍江商學院工程學士學位，並於一九九七年七月取得中國對外經濟貿易大學工商管理碩士學位。於二零一四年五月十五日，王先生獲委任為本公司獨立非執行董事。

胡競英女士，現年61歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。胡女士在會計及財務方面積逾二十五年經驗。胡女士於二零一九年十月十五日起獲委任為智聯服務股份有限公司(一間於台灣證券櫃臺買賣中心之公司(股票代號：6751))獨立董事。胡女士於二零一九年六月二十八日獲委任為維格餅家股份有限公司(一間於台灣證券櫃臺買賣中心之公司(股票代號：2733))獨立董事。胡女士自二零零五年一月起擔任香港匯會計師事務所有限公司之董事。胡女士於二零一七年七月獲委任為益龍生醫股份有限公司董事長。胡女士自二零一八年二月起擔任合富潤生企業管理諮詢(上海)有限公司之副董事長。於二零一四年五月至二零一七年六月，胡女士擔任宏碁股份有限公司(一間於臺灣證券交易所上市之公司(股份代號：2353))全球財務長。於二零一三年十二月至二零一九年四月，胡女士擔任嘉年華國際控股有限公司(一間於香港交易所上市之公司(股份代號：996))獨立非執行董事。彼擔任企展控股有限公司(股份代號：1808)及先機企業集團有限公司(前稱「聯太工業有限公司」)股份代號：176(均為於香港交易所上市之公司)獨立非執行董事。胡女士於一九八一年六月取得國立台灣大學文學士學位，於一九八八年五月取得美國Barry University科學碩士學位及於一九九零年八月取得美國Florida International University工商管理碩士學位。胡女士為香港會計師公會之會員及美國會計師公會之會員。於二零一四年五月十五日，胡女士獲委任為本公司獨立非執行董事。

* For identification purposes only 僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Mr. MO Fan, aged 37, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Mr. MO has over 13 years of experience in financing. Mr. MO currently serves as a Chief Financial Officer of the joint venture company of Vanke Service and Cushman & Wakefield. Mr. MO obtained his Bachelor of Business Administration degree and a Bachelor of Communication Engineering degree from Zhejiang University in the PRC in June 2005 respectively, and his Master of Science degree in Banking and Finance from Loughborough University in the United Kingdom in December 2006. Mr. MO was appointed as an independent non-executive director of the Company on 8 April 2019.

Senior Management

Ms. HU Yong, aged 57, is the vice president of the Group and is responsible for its financing. Prior to joining the Group in January 2005, from July 2003 to December 2004, Ms. HU served as the assistant to general manager in China Jiantou Commerce & Trading Co., Ltd. (中建投商貿有限公司) and was responsible for finance duties. From January 1987 to January 2001, she served in various positions in Shenzhen Petrochemical Chemical Co., Ltd. (深圳石化化工有限公司), including general manager from July 1996 to January 2001. She was responsible for financial and accounting matters. Ms. HU obtained her associate degree in accounting from Shenzhen University (深圳大學) in July 1989, and studied strategic financing management courses in the Research Institute of Tsinghua University in Shenzhen (深圳清華大學研究院) in the PRC in April 2008.

Mr. REN Hongbing, aged 52, is the vice president of the Group and is responsible for the project construction and development. Mr. REN joined the Group in March 2001. He had served various positions including the vice general manager and general manager of Zhuhai LVGEM Real Estate Development Co., Ltd. (珠海綠景房地產開發有限公司) and was responsible for project development. Prior to joining the Group, Mr. REN served as various positions in Shenzhen Huatai Enterprises Company (深圳華泰企業公司) and was responsible for technology and engineering matters. Mr. REN obtained his bachelor's degree in industrial and civil buildings (工業與民用建築) from Yangzhou Construction Engineering Institute (揚州建築工程學校) in the PRC in July 1988, and his Master of Business Administration degree from University of Wales in January 2012.

莫凡先生，現年37歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。莫先生於財務融資方面擁有超過十三年經驗。莫先生現時為萬科物業與戴德梁行合資公司首席財務官。莫先生於二零零五年六月分別取得中國浙江大學工商管理學學士及通信工程學學士學位，並於二零零六年十二月取得英國Loughborough University銀行與金融學碩士學位。於二零一九年四月八日，莫先生獲委任為本公司獨立非執行董事。

高級管理人員

呼勇女士，現年57歲，本集團之副總裁，負責財務融資。於二零零五年一月加入本集團前，於二零零三年七月至二零零四年十二月，呼女士擔任中建投商貿有限公司助理總經理，負責財務職責。於一九八七年一月至二零零一年一月，彼擔任深圳石化化工有限公司若干職位，包括於一九九六年七月至二零零一年一月擔任總經理，負責財務及會計事項。呼女士於一九八九年七月取得深圳大學會計學畢業證書，並於二零零八年四月修讀中國深圳清華大學研究院策略融資管理課程。

任紅兵先生，現年52歲，本集團之副總裁，負責項目建設發展。任先生於二零零一年三月加入本集團。曾先後擔任珠海綠景房地產開發有限公司副總經理及總經理等多個職位，負責項目開發。於加入本集團前，任先生於深圳華泰企業公司擔任多個職位，負責技術及工程事宜。任先生於一九八八年七月取得中國揚州建築工程學校工業與民用建築學士學位，並於二零一二年一月取得英國威爾士大學工商管理碩士學位。

The directors of the Company (the "Directors") have pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2019.

A review of the business of the Group during the year under review and a discussion on the Group's future business development, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2019 are provided in the section headed "Chairman's Statement" on pages 4 to 8 and the section headed "Management Discussion and Analysis" on pages 9 to 24 of this annual report.

An analysis of the Group's performance during the year ended 31 December 2019 using financial performance indicators is provided in the section headed "Management Discussion and Analysis" on pages 9 to 24 of this annual report.

Principal Activities

The Group is principally engaged in property development and property investment businesses.

Results and Dividend

The results of the Group for the year ended 31 December 2019 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 63 to 205.

The Board recommended the payment of a final dividend of HK6.1 cents (equivalent to approximately RMB5.46 cents) per ordinary share for the year ended 31 December 2019.

Convertible Bonds and Share Capital

Details of the movements in the Company's convertible bonds and share capital during the year ended 31 December 2019 are set out in notes 34 and 36 to the consolidated financial statements.

Reserves

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

Distributable Reserves

Pursuant to the applicable statutory provisions of the Cayman Islands, the Company's reserves available for distribution as at 31 December 2019, amounted to approximately RMB283.1 million (2018: RMB306.3 million), of which approximately RMB275.8 million has been proposed as final dividend for the year.

本公司董事(「董事」)欣然提呈其年報連同截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

本集團於回顧年內之業務回顧及本集團日後業務發展、可能風險及不確定性因素(本集團於截至二零一九年十二月三十一日止年度可能受影響之重要事件)載於本年報第4至8頁「主席報告」一節及第9至24頁「管理層討論與分析」一節。

於截至二零一九年十二月三十一日止年度，本集團之表現按財務表現指標之分析載於本年報第9至24頁「管理層討論與分析」一節。

主要業務

本集團主要從事物業發展及物業投資業務。

業績及股息

本集團截至二零一九年十二月三十一日止年度的業績以及本集團於該日的業務狀況載於第63至205頁的綜合財務報表。

董事會建議派付截至二零一九年十二月三十一日止年度的末期股息每股普通股6.1港仙(相等於約人民幣5.46分)。

可換股債券及股本

本公司於截至二零一九年十二月三十一日止年度內之可換股債券及股本的變動詳情載於財務報表附註34及36。

儲備

本集團之儲備於年內之變動情況載於綜合權益變動表。

可供分派儲備

根據開曼群島適用之法定條例，於二零一九年十二月三十一日，本公司之可供分派儲備約人民幣283.1百萬元(二零一八年：人民幣306.3百萬元)，其中約人民幣275.8百萬元已作末期股息宣派。

Directors' Report

董事會報告

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

Principal Properties

Details of the principal properties for investment purposes and properties under development for sale are set out on pages 207 to 212.

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Tax Relief

The Company is not aware of any relief from taxation available to shareholders by reason of their holding of the Company's shares.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 206.

Purchase, Sale or Redemption of the Company's Listed Securities

During the year, the Company issued an aggregate of 103,826,087 ordinary shares (including the issue of 4,392,000 shares by the Company pursuant to the exercise of share options under the share option scheme of the Company). Details are as follows:

- (a) On 24 April 2019, the Company received a conversion notice for the conversion of aggregate 50,000,000 convertible preference shares in the capital of the Company into 50,000,000 ordinary shares of the Company.
- (b) On 20 and 26 November 2019, the Company received two conversion notices for the conversion of aggregate 53,826,087 convertible preference shares in the capital of the Company into 53,826,087 ordinary shares of the Company.

The Company has not redeemed any of the Company's listed securities during the year. Save as disclosed above, neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year.

物業、廠房及設備

本集團之物業、廠房及設備的變動詳情載於綜合財務報表附註14。

主要物業

作投資用途的主要物業及發展中待售物業之詳情載於第207至212頁。

優先購買權

本公司的組織章程細則或開曼群島法例並無有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

稅務減免

本公司並不知悉股東因彼等持有本公司股份而獲任何稅務減免。

財務概要

本集團過去五個財政年度之業績以及資產及負債概要載於第206頁。

購回、出售或贖回本公司上市證券

年內，本公司發行合共103,826,087股普通股（包括本公司根據本公司購股權計劃下的購股權獲行使而發行之4,392,000股股份）。詳情如下：

- (a) 於二零一九年四月二十四日，本公司接獲換股通知，將本公司股本中之合共50,000,000股可換股優先股兌換為本公司之50,000,000股普通股。
- (b) 於二零一九年十一月二十日及二十六日，本公司接獲兩項換股通知，將本公司股本中之合共53,826,087股可換股優先股兌換為本公司之53,826,087股普通股。

本公司於年內並無贖回任何本公司之上市證券。除於上文所披露者外，本公司及其任何附屬公司於年內並無購回或出售本公司任何上市證券。

Directors

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

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Ms. DENG Chengying (*resigned on 20 September 2019*)
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung (*appointed on 20 September 2019*)

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

Mr. ZHU Jiusheng (*resigned on 8 April 2019*)
Mr. WANG Jing
Ms. HU Gin Ing
Mr. Mo Fan (*appointed on 8 April 2019*)

In accordance with the Company's articles of association, Mr. SIU Chi Hung will retire at the first general meeting of the Company after his appointment. In addition, Ms. LI Lihong, Mr. WANG Jing and Ms. HU Gin Ing will retire by rotation. All the above Directors being eligible for re-election, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received from each independent non-executive Director an annual confirmation of his/her independence pursuant to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company considers such Directors were independent.

董事

在年內及截至本報告日期止之本公司董事如下：

執行董事

黃敬舒女士 (主席)
唐壽春先生 (行政總裁)
葉興安先生
鄧承英女士 (於二零一九年九月二十日辭任)
黃浩源先生
蕭志雄先生 (於二零一九年九月二十日獲委任)

非執行董事

李麗紅女士

獨立非執行董事

祝九勝先生 (於二零一九年四月八日辭任)
王敬先生
胡競英女士
莫凡先生 (於二零一九年四月八日獲委任)

根據本公司之組織章程細則，蕭志雄先生將於彼獲委任後之首屆本公司之股東大會上退任。此外，李麗紅女士、王敬先生及胡競英女士將輪席告退。所有上述董事符合重選資格並願意於應屆股東週年大會上重選連任。

本公司已取得每位獨立非執行董事根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)作出之年度獨立性確認函，由此本公司認為該等董事為獨立人士。

Directors' Report

董事會報告

Biographical Details of Directors and Senior Management

Biographical details of the Directors and senior management are set out on pages 25 to 28.

Directors' Service Agreements

Each of the executive Directors has entered into a service agreement with the Company and is subject to termination by either party in the manner as set out in the service agreement.

The non-executive Director and each of the independent non-executive Directors have entered into a letter of appointment with the Company and is subject to termination by either party in the manner as set out in the letter of appointment.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting have a service agreement with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

Save as disclosed in the section headed "Connected Transactions" in this report and in note 48 to the consolidated financial statements, none of the Directors and controlling shareholders of the Company had a material beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

Remuneration of the Directors and the Five Highest Paid Individuals

Details of the remuneration of the Directors and the five highest paid individuals are set out in note 10 to the consolidated financial statements.

The remuneration of the Directors and senior management is determined with reference to their duties, responsibilities and performance and the Group's results.

董事及高級管理人員之履歷

董事及高級管理人員之履歷詳情載於第25至28頁。

董事服務合約

各執行董事已與本公司訂立服務合約，於服務合約內註明其中一方可向另一方根據服務合約條款終止其服務合約。

非執行董事及各獨立非執行董事已與本公司訂立委任函，於委任函內註明其中一方可向另一方根據委任函條款終止其委任函。

擬於即將舉行之股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立不可由聘任公司於一年內不付賠償(法定賠償除外)的情況下終止之服務合約。

董事的合約權益

除本年報內「關聯交易」一節及綜合財務報表附註48所披露者外，概無董事及本公司控股股東於本公司或其任何附屬公司在年內所訂立並與本集團業務有關之任何重要合約中，直接或間接擁有重大權益。

董事薪酬及五名最高薪酬人士

董事薪酬及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註10。

董事及高級管理人員薪酬乃經參考其職務、責任及表現，以及本集團業績釐定。

Directors' and Chief Executive's Interests in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2019, the Directors and the chief executive of the Company had the following interests in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (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 of the Listing Rules.

(A) Interest in shares and underlying shares of the Company

Name of Director	Long position/ Short position	Capacity	Number of shares held	Number of underlying shares (under equity derivatives of the Company) held 所持相關股份數目 (於本公司股本 衍生工具下)	Aggregate interests	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比
董事姓名	好倉／淡倉	身份	所持股份數目		權益總額	
Ms. HUANG Jingshu 黃敬舒女士	Long Position 好倉	Beneficiary of a trust 信託的受益人	2,400,000,000 (Note 1) (附註1)	–	2,400,000,000	47.52%
	Long Position 好倉	Interests of spouse 配偶權益	–	650,000,000 (Note 2) (附註2)	650,000,000	12.87%
	Long Position 好倉	Personal interest 個人權益	–	4,500,000 (Note 3) (附註3)	4,500,000	0.09%
Mr. TANG Shouchun 唐壽春先生	Long Position 好倉	Personal interest 個人權益	–	10,000,000 (Note 3) (附註3)	10,000,000	0.20%
Mr. YE Xingan 葉興安先生	Long Position 好倉	Personal interest 個人權益	–	10,000,000 (Note 3) (附註3)	10,000,000	0.20%
Mr. HUANG Hao Yuan 黃浩源先生	Long Position 好倉	Beneficiary of a trust 信託的受益人	2,400,000,000 (Note 1) (附註1)	–	2,400,000,000	47.52%
	Long Position 好倉	Personal interest 個人權益	–	4,500,000 (Note 3) (附註3)	4,500,000	0.09%
Mr. WANG Jing 王敬先生	Long Position 好倉	Personal interest 個人權益	–	3,000,000 (Note 3) (附註3)	3,000,000	0.06%
Ms. HU Gin Ing 胡競英女士	Long Position 好倉	Personal interest 個人權益	–	3,000,000 (Note 3) (附註3)	3,000,000	0.06%

Notes:

- Ms. HUANG Jingshu and Mr. HUANG Hao Yuan are deemed to be interested in 2,400,000,000 shares in the Company by virtue of them being beneficiaries of the family trust of Mr. WONG Hong King for the purpose of Part XV of the SFO.
- Ms. HUANG Jingshu is deemed to be interested in 650,000,000 convertible preference shares held by Mr. Xu Jun Jia, her spouse, for the purpose of Part XV of the SFO.
- Share options were granted on 28 June 2016. Details of share options granted to the Directors of the Company are set out in part (B) of this section.

附註：

- 由於黃敬舒女士及黃浩源先生為黃康境先生之家族信託的受益人，故按證券及期貨條例第XV部而言，彼等被視為在本公司擁有2,400,000,000股股份之權益。
- 就證券及期貨條例第XV部而言，黃敬舒女士被視為於其配偶許峻嘉先生所持有之該650,000,000股可換股優先股中擁有權益。
- 購股權乃於二零一六年六月二十八日授出。授予本公司董事之購股權詳情乃載於本節(B)項下。

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益

於二零一九年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條所置存的登記冊所示，董事及本公司主要行政人員於本公司之股份、相關股份及債券中擁有下文所列的權益，或根據上市規則所載董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益。

(A) 於本公司股份的權益及相關股份之權益

Directors' Report

董事會報告

Directors' and Chief Executive's Interests in the Shares, Underlying Shares and Debentures of the Company (Cont'd)

(A) Interest in shares and underlying shares of the Company (Cont'd)

Save as disclosed above, as at 31 December 2019, none of the Company's Directors, chief executive of the Company and their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO.

(B) Long position in underlying shares – share options

Under the share option scheme of the Company, share option may be granted to certain participants including the Directors and employees of the Company and its subsidiaries to subscribe for the shares of the Company. Details of share options granted to the Directors during the year are as follows:

Name of Director	Date of grant dd/mm/yyyy	Exercisable period dd/mm/yyyy	Number of share options 購股權數目				Balance at 31 December 2019	Exercise price per share HK\$
			Balance at 1 January 2019	Granted during the year	Exercised during the year	Lapsed during the year		
董事名稱	授出日期 日/月/年	行使期間 日/月/年	於二零一九年 一月一日 之結餘	於年內授出	於年內行使	於年內失效	於二零一九年 十二月三十一日 之結餘	每股行使價 港元
Ms. HUANG Jingshu 黃敬舒女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	4,500,000	-	-	-	4,500,000	1.846 (Note 4) (附註4)
Mr. TANG Shouchun 唐壽春先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	10,000,000	-	-	-	10,000,000	1.846 (Note 4) (附註4)
Mr. YE Xingan 葉興安先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	10,000,000	-	-	-	10,000,000	1.846 (Note 4) (附註4)
Ms. DENG Chengying (Note 1) 鄧承英女士 (附註1)	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	8,500,000	-	-	-	8,500,000	1.846 (Note 4) (附註4)
Mr. HUANG Hao Yuan 黃浩源先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	4,500,000	-	-	-	4,500,000	1.846 (Note 4) (附註4)
Mr. ZHU Jiusheng (Note 2) 祝九勝先生 (附註2)	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	3,000,000	-	-	-	3,000,000	1.846 (Note 4) (附註4)
Mr. WANG Jing 王敬先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	3,000,000	-	-	-	3,000,000	1.846 (Note 4) (附註4)
Ms. HU Gin Ing 胡競英女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	3,000,000	-	-	-	3,000,000	1.846 (Note 4) (附註4)

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(A) 於本公司股份的權益及相關股份之權益(續)

除上文披露者外，於二零一九年十二月三十一日，本公司之董事、本公司主要行政人員及彼等之聯繫人概無於本公司或其任何相聯法團之股份、相關股份或債券擁有任何權益或淡倉，而需按證券及期貨條例第352條予以記錄。

(B) 相關股份之好倉—購股權

根據本公司之購股權計劃，購股權可授予若干參與人(包括董事及本公司及其附屬公司之僱員)以認購本公司之股份。於年內授予董事之購股權詳情如下：

Directors' and Chief Executive's Interests in the Shares, Underlying Shares and Debentures of the Company (Cont'd)

(B) Long position in underlying shares – share options (Cont'd)

Notes:

1. Ms. Deng Chengying resigned as an executive Director on 20 September 2019.
2. Mr. ZHU Jiusheng resigned as an independent non-executive Director on 8 April 2019.
3. The share options are exercisable in the following manner for a period of 10 years from the date of grant:
 - (i) 30% of the share options shall exercise on the date of the grant and up to 27 June 2026;
 - (ii) 30% of the share options shall exercise upon the expiry of one year from 28 June 2016 and up to 27 June 2026; and
 - (iii) 40% of the share options shall exercise upon the expiry of two years from 28 June 2016 and up to 27 June 2026.
4. Details of the fair value of the options granted in 2016 are set out in note 40 to the consolidated financial statements.

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(B) 相關股份之好倉－購股權(續)

附註：

1. 鄧承英女士於二零一九年九月二十日辭任執行董事。
2. 祝九勝先生於二零一九年四月八日辭任獨立非執行董事。
3. 購股權可於授出日期起計十年期間按下列方式行使：
 - (i) 購股權之30%由授出日期起至二零二六年六月二十七日止；
 - (ii) 購股權之30%由二零一六年六月二十八日起計一年屆滿起，至二零二六年六月二十七日止；及
 - (iii) 購股權之40%由二零一六年六月二十八日起計兩年屆滿起，至二零二六年六月二十七日止。
4. 於二零一六年授出的購股權的公允價值詳情請載於綜合財務報表附註40。

Directors' Report

董事會報告

Substantial Shareholders' Interests in Shares and Underlying Shares of the Company

So far as known to the Company, as at 31 December 2019, shareholders (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long position in ordinary shares

Name of Shareholder	Capacity	Number of shares held	Number of underlying shares held	Aggregate Interests	Approximate percentage of the issued share capital of the Company	Notes
股東姓名	身份	所持股份的數目	所持相關股份的數目	權益總額	佔本公司已發行股本之概約百分比	附註
China LVGEM Property Holdings Limited ("China LVGEM") 中國綠景地產控股有限公司 (「中國綠景」)	Beneficial owner 實益擁有人	1,058,414,583	–	1,058,414,583	20.96%	1
Go Great International Limited ("Go Great") 高鴻國際有限公司 (「高鴻」)	Interests of controlled corporation 受控法團權益	1,165,557,094	–	1,165,557,094	23.08%	1
Mr. WONG Hong King ("Mr. WONG") 黃康境先生 (「黃先生」)	Interests of controlled corporation 受控法團權益	1,165,557,094	–	1,165,557,094	23.08%	1
	Founder of a trust 信託的成立人	2,400,000,000	–	2,400,000,000	47.52%	2
Kinson Group Limited	Beneficial owner 實益擁有人	2,400,000,000	–	2,400,000,000	47.52%	2
Evergreen Holdings Limited	Interests of controlled corporation 受控法團權益	2,400,000,000	–	2,400,000,000	47.52%	2
Cantrust (Far East) Limited	Interests of controlled corporation 受控法團權益	2,400,000,000	–	2,400,000,000	47.52%	2
Toplist Investments Limited	Beneficial owner 實益擁有人	300,000,000	–	300,000,000	5.94%	N/A 不適用
Wkland Investments V Limited	Beneficial owner 實益擁有人	300,000,000	–	300,000,000	5.94%	3
China Vanke Co., Ltd.* 萬科企業股份有限公司	Interests of controlled corporation 受控法團權益	300,000,000	–	300,000,000	5.94%	3
Chance Talent Management Limited	Beneficial owner 實益擁有人	17,826,087	401,328,671	419,154,758	8.30%	4
China Construction Bank Corporation 中國建設銀行股份有限公司	Interests of controlled corporation 受控法團權益	17,826,087	401,328,671	419,154,758	8.30%	4
Central Huijin Investment Ltd. 中央匯金投資有限責任公司	Interests of controlled corporation 受控法團權益	17,826,087	401,328,671	419,154,758	8.30%	4

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益

於二零一九年十二月三十一日，就本公司所知，股東(董事或本公司主要行政人員除外)於本公司的股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部知會本公司之權益或淡倉；或根據證券及期貨條例第336條須予存置的登記冊所示，詳情如下：

普通股股份之好倉

Substantial Shareholders' Interests in Shares and Underlying Shares of the Company (Cont'd)

Long position in ordinary shares (Cont'd)

Notes:

- China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 1,058,414,583 shares held by China LVGEM.
- Kinson Group Limited is owned as to 100% by Evergreen Holdings Limited, and Evergreen Holdings Limited is owned as to 100% by Cantrust (Far East) Limited, acting as the trustee for the family trust of Mr. WONG.
- Wkland Investments V Limited is owned as to 100% by 萬科企業股份有限公司 (China Vanke Co., Ltd.*). Accordingly, 萬科企業股份有限公司 (China Vanke Co., Ltd.*) is deemed to be interested in the 300,000,000 shares held by Wkland Investments V Limited.
- Chance Talent is owned as to 100% by China Construction Bank Corporation, and China Construction Bank Corporation is owned as to 57.11% by Central Huijin Investment Ltd.. Accordingly, Central Huijin Investment Ltd. is deemed to be interested in the 419,154,758 shares held by Chance Talent.

Long position in convertible preference shares

Name of Shareholder	Capacity	Number of convertible preference shares held	Approximate percentage of the issued convertible preference share capital of the Company	Notes
股東姓名	身份	所持可換股優先股份數目	佔本公司已發行股本之概約百分比	附註
China LVGEM 中國綠景	Beneficial owner 實益擁有人	2,214,010,572	64.32%	1
Go Great 高鴻	Interests of controlled corporation 受控法團權益	2,214,010,572	64.32%	1
Mr. WONG 黃先生	Interests of controlled corporation 受控法團權益	2,214,010,572	64.32%	1
All Group Wise International (Holdings) Limited 盛智國際(控股)有限公司	Beneficial owner 實益擁有人	650,000,000	18.88%	2
Mr. Xu Jun Jia 許峻嘉先生	Interests of controlled corporation 受控法團權益	650,000,000	18.88%	2
Proud Pine Limited 傲松有限公司	Beneficial owner 實益擁有人	284,000,000	8.25%	N/A 不適用
Poly Platinum Enterprises Limited	Person having a security interest in shares 持有股份的保證權益的人	910,830,000	26.46%	3
Greater Bay Area Homeland Investments Limited 大灣區共同家園投資有限公司	Interests of controlled corporation 受控法團權益	910,830,000	26.46%	3

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益(續)

普通股股份之好倉(續)

附註：

- 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等1,058,414,583股股份擁有權益。
- Evergreen Holdings Limited擁有Kinson Group Limited 100%之權益，而Cantrust (Far East) Limited作為黃先生之家族信託的受託人擁有Evergreen Holdings Limited 100%之權益。
- 萬科企業股份有限公司擁有Wkland Investments V Limited之100%權益。因此，萬科企業股份有限公司被視為於Wkland Investments V Limited所持有之該等300,000,000股股份擁有權益。
- 中國建設銀行股份有限公司擁有Chance Talent 100%之權益，而中央匯金投資有限責任公司擁有中國建設銀行股份有限公司57.11%之權益。因此，中央匯金投資有限責任公司被視為於Chance Talent所持有之該等419,154,758股股份擁有權益。

可換股優先股股份之好倉

Directors' Report

董事會報告

Substantial Shareholders' Interests in Shares and Underlying Shares of the Company (Cont'd)

Long position in convertible preference shares (Cont'd)

Notes:

1. China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 2,214,010,572 convertible preference shares held by China LVGEM.
2. All Group Wise International (Holdings) Limited is owned as to 100% by Mr. Xu Jun Jia. Accordingly, Mr. Xu Jun Jia is deemed to be interested in the 650,000,000 convertible preference shares held by All Group Wise International (Holdings) Limited.
3. Poly Platinum Enterprises Limited is indirect owned as to 100% by Greater Bay Area Homeland Investments Limited. Accordingly, Greater Bay Area Homeland Investments Limited is deemed to be interested in the 910,830,000 convertible preference shares held by Poly Platinum Enterprises Limited.

Employee and Remuneration Policies

The Group remunerates and provides benefits for its employees based on current industry practice. Discretionary bonuses are awarded to staff based on the financial performance of the Group and performance of individual staff.

In addition, share options may be granted to eligible employees in accordance with the terms of the Company's share option scheme.

Retirement Schemes

The Group participates in several defined contribution retirement plans which cover the Group's eligible employees in China, and a mandatory provident fund scheme for the employees in Hong Kong. Particulars of these retirement plans are set out in note 41 to the consolidated financial statements.

Share Options

The existing share option scheme of the Company was adopted on 2 June 2016. The share option scheme was adopted for the purpose of enabling the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Group.

Details of the Company's share option scheme and the movements in the share options are set out in note 40 to the consolidated financial statements.

Management Contracts

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

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this report, no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the year ended 31 December 2019.

主要股東於本公司的股份及相關股份中擁有的權益(續)

可換股優先股股份之好倉(續)

附註：

1. 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等2,214,010,572股可換股優先股股份擁有權益。
2. 許峻嘉先生擁有盛智國際(控股)有限公司100%之權益。因此，許峻嘉先生被視為於盛智國際(控股)有限公司所持有之該等650,000,000股可換股優先股股份擁有權益。
3. 大灣區共同家園投資有限公司間接擁有Poly Platinum Enterprises Limited 100%之權益。因此，大灣區共同家園投資有限公司被視為於Poly Platinum Enterprises Limited所持有之該等910,830,000股可換股優先股股份擁有權益。

僱員及薪酬政策

本集團根據目前業內慣例為其僱員給予薪酬及提供福利，並會根據本集團的財務表現和個別員工的表現向員工發放酌情花紅。

此外，購股權可根據本公司購股權計劃之條款授予合資格的僱員。

退休計劃

本集團為本集團之合資格中國員工參與多種定額供款退休計劃及為香港員工參與強制性公積金計劃，該等退休計劃之詳情載於綜合財務報表附註41。

購股權

本公司於二零一六年六月二日採納現有購股權計劃。採納購股權計劃的目的為使本公司可向選定合資格參與者授出購股權，作為彼等對本集團的貢獻或潛在貢獻的獎勵或回報。

有關本公司之購股權計劃及購股權變動的詳情載於綜合財務報表附註40。

管理合約

年內概無訂立或存有與本公司整體或任何重大部分業務之管理及行政事務有關之合約。

董事認購股份或債權證之權利

除本年報另行所披露者外，截至二零一九年十二月三十一日止年度，概無向任何董事或彼等各自之配偶或未滿18歲子女授出藉收購本公司股份或債券而獲益之權利，或彼等概無行使有關權利；或本公司及其任何附屬公司亦無訂立任何安排，致使董事或彼等各自的配偶或未滿18歲子女於任何其他法人團體收購有關權利。

Major Suppliers and Customers

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases	
– the largest supplier	29%
– five largest suppliers combined	54%
Sales	
– the largest customer	0.4%
– five largest customers combined	1.8%

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

Connected Transactions

For the year ended 31 December 2019, the Group has entered into the following connected transaction/continuing connected transaction, certain details of which were disclosed in compliance with the requirements of the Listing Rules.

Subscription of New Shares in Copious Favour Holdings Limited

On 21 May 2019, Shenzhen LVGEM Real Estate Development Co., Ltd.* (深圳市綠景房地產開發有限公司) (the "Purchaser"), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement (the "Equity Transfer Agreement") with Dongguan LVGEM Real Estate Development Co., Ltd.* (東莞市綠景房地產開發有限公司) (the "Target Company") and Dongguan Lusheng Enterprise Investment Co., Ltd.* (東莞市綠景實業投資有限公司) (the "Vendor") to acquire 100% equity interest in the Target Company at a total consideration of RMB8 million (the "Acquisition"). The Acquisition was completed on 28 May 2019.

The family members of Mr. WONG, the controlling shareholder of the Company, is ultimately wholly-owned the entire issued share capital of the Vendor which is an associate of Mr. WONG and therefore a connected person of the Company. As such, the Acquisition shall constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Continuing Connected Transaction

Security Services Agreement

On 26 October 2015, the Company and Shenzhen Forsafe System Technology Co., Ltd. ("Forsafe") entered into a security services agreement (the "Security Services Agreement") pursuant to which Forsafe provides security products, intelligent security system design, engineering and installation services, including fire security system and low current intelligent system to the Group (the "Services"), for a term commencing from the date of agreement and ending on 31 December 2017. On 24 November 2017, the Security Services Agreement was renewed for a term of 3 years continuing on 1 January 2018.

Forsafe is a wholly owned subsidiary of 深圳市泓景投資有限公司 (Shenzhen Hongjing Investment Co., Ltd*) ("Shenzhen Hongjing"), the shareholding interest of which has been transferred from Mr. WONG to his spouse, Ms. HE Yaxing and certain associates on 28 September 2015, Ms. HE Yaxing becomes the controlling shareholder of Shenzhen Hongjing. Therefore, the Security Services Agreement constitutes continuing connected transaction of the Company under the Listing Rules.

* For identification purposes only 僅供識別

主要供應商及客戶

本集團主要供應商及客戶所佔採購及銷售百分率如下：

採購額	
– 最大供應商	29%
– 五大供應商合併計算	54%
銷售額	
– 最大客戶	0.4%
– 五大客戶合併計算	1.8%

概無董事或其任何聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上)擁有本集團五大供應商及其五大客戶之實益權益。

關連交易

截至二零一九年十二月三十一日止年度，本集團進行下列之關連交易／持續關連交易，其若干詳情已遵守上市規則的規定披露。

認購厚益控股有限公司之新股份

於二零一九年五月二十一日，本公司之間接全資附屬公司深圳市綠景房地產開發有限公司(「買方」)與東莞市綠景房地產開發有限公司(「目標公司」)及東莞市綠景實業投資有限公司(「賣方」)訂立股權轉讓協議(「股權轉讓協議」)，以總代價人民幣8百萬元收購目標公司的100%股權(「收購事項」)。收購事項於二零一九年五月二十八日完成。

由於本公司之控股股東黃先生之家族成員最終全資擁有賣方之全部已發行股本，賣方為黃先生之聯繫人，並因而為本公司之關連人士。因此，根據上市規則第14A章，收購事項構成本公司之關連交易。

持續關連交易

保安服務協議

於二零一五年十月二十六日，本公司與深圳市賦安安全系統有限公司(「賦安」)訂立一份安保服務協議(「安保服務協議」)，據此，賦安向本集團提供安保產品、智能安保系統設計、工程及安裝服務，包括火災報警系統及弱電智能系統(「服務」)，為期自本協議日起至二零一七年十二月三十一日止。於二零一七年十一月二十四日保安服務協議已被續期，由二零一八年一月一日開始續期三年。

賦安為深圳市泓景投資有限公司(「深圳市泓景」)之全資附屬公司，於二零一五年九月二十八日黃先生轉讓深圳市泓景股份予其配偶何亞興女士及若干聯繫人，何亞興女士自始為深圳市泓景之控股股東。故此，根據上市規則，安保服務協議構成本公司的持續關連交易。

Directors' Report

董事會報告

Connected Transactions (Cont'd)

Continuing Connected Transaction (Cont'd)

Security Services Agreement (Cont'd)

For the year ended 31 December 2019, no fees were charged by Forsafe for the provision of the Services under the Security Services Agreement, which was within the annual cap of RMB30 million for the same period.

The aforesaid continuing connected transaction has been reviewed by the independent non-executive Directors of the Company and they confirmed that the aforesaid transaction was entered into (i) in the ordinary and usual course of business of the Group, (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties, and (iii) in accordance with the relevant agreement governing the transactions on terms that are fair and reasonable and in the interests of the Company and the shareholders as a whole.

Based on the work performed, the auditor of the Company has provided a letter to the Board, confirming that nothing has come to their attention which causes them to believe the continuing connected transaction abovementioned:

- (i) has not been approved by the Board;
- (ii) has not been entered into, in all material respects, in accordance with the relevant agreements governing the transaction; and
- (iii) has exceeded the annual cap.

Related Party Transactions

Details of the related party transactions undertaken by the Group in the normal course of business are set out in note 48 to the consolidated financial statements. Those related party transactions, which constituted connected transactions not being exempt from annual reporting requirement under the Listing Rules, are set out in the section headed "Connected Transactions" above, and the Company has complied with the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Directors' Interest in Competing Business

None of the Directors had any interest in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group that were required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules.

Environmental, Social and Governance Report

A separate Environmental, Social and Governance Report will be published in compliance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of the Listing Rules within three months after the publication of this annual report.

Corporate Governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 43 to 54 of this report.

關連交易(續)

持續關連交易(續)

保安服務協議(續)

截至二零一九年十二月三十一日止年度，賦安並無就根據保安服務協議提供的服務收取任何費用，屬於同期年度上限人民幣30,000,000元的範圍內。

上述持續關連交易已經本公司獨立非執行董事審閱，彼等確認上述交易乃(i)於本集團日常及一般業務過程中訂立；(ii)按一般商業條款或對本集團而言不遜於向或由獨立第三方提供的條款釐定；及(iii)根據規管交易的有關協議，按公平合理且符合本公司及股東整體利益的條款訂立。

根據所執行的審核，本公司核數師已向董事會發函確認其並無注意到任何事宜，致使其相信上述持續關連交易：

- (i) 未經董事會批准；
- (ii) 並非在一切重大方面根據規管交易的相關協議訂立；及
- (iii) 已超過年度上限。

關聯方交易

本公司於日常業務過程中進行的關聯方交易詳情載於綜合財務報表附註48。構成不獲豁免上市規則下年度申報規定的關連交易的關聯方交易載於上文「關連交易」一節，而本公司已符合上市規則第14A章的相關披露規定。

董事於競爭業務之權益

董事概無任何須根據上市規則第8.10(2)條所規定披露其擁有與本集團業務直接或間接構成或可能構成競爭之業務之權益。

環境、社會及管治報告

環境、社會及管治報告將於本年報刊發後三個月內根據上市規則附錄二十七所載之《環境、社會及管治報告指引》予以獨立刊發。

企業管治

本公司所採納的主要企業管治常規的報告，載於本年報第43至54頁。

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 during the year ended 31 December 2019 and up to the date of this report.

Changes in Directors' Information

Changes in directors' information since the date of the 2019 interim report of the Company and up to the date of this report which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

- Ms. HU Gin Ing was appointed as an independent director of Acer Synergy Tech Corp. (智聯服務股份有限公司) (a company listed on the Taipei Exchange with a code of 6751) on 15 October 2019.
- Mr. MO Fan changed his position from Managing Partner of Overseas Financing Business of 萬科企業股份有限公司 (China Vanke Co., Ltd.*) to Chief Financial Officer of the joint venture company of Vanke Service and Cushman & Wakefield in January 2020.

Save as disclosed above, there was no change to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Events after the Reporting Period

On 20 February 2020, the Group commenced an exchange offer (the "Exchange Offer") for the existing USD denominated senior notes with principal amount of USD400,000,000 (equivalent to RMB2,801,040,000). The Exchange Offer extends the due date of the existing senior notes to 2023 with an increased coupon rate of 12% per annum. Upon the expiry of the Exchange Offer on 2 March 2020, senior note holders holding notes with an aggregated amount of USD227,390,000 (equivalent to RMB1,942,451,000) had validly tendered their notes for exchange pursuant to the Exchange Offer. On the following day, the Group announced the issuance of a new series of USD denominated senior notes with principal amount of USD222,610,000 (equivalent to RMB1,558,849,000) for cash to the same amount at an interest rate of 12% per annum due 2023 (the "New Issuance"). The Exchange Offer and the New Issuance were completed on 10 March 2020. The Exchange Offer is a non-cash transaction and would be accounted for as a debt extinguishment of the existing USD dominated senior notes as the terms associate with the Exchange Offer are substantially different from the existing USD denominated senior notes. For details of the transactions, please refer to the announcements of the Company dated 20 February 2020, 25 February 2020, 3 March 2020, 4 March 2020 and 11 March 2020.

On 15 March 2020, the Company entered into a strategic cooperation agreement with China United Network Communications Co., Ltd. Shenzhen Branch and Shenzhen GenJoy Technology Co., Ltd. in relation to the establishment of a long-term strategic cooperation relationship for the joint development of informatisation and smart urban areas. Details of the strategic cooperation is disclosed in the announcement of the Company dated 16 March 2020.

足夠的公眾持股量

根據本公司可從公開途徑取得的資料及就董事所知，於截至二零一九年十二月三十一日止年度及截至本報告日期，本公司之全部已發行股份之公眾持股量為不少於25%。

董事資料變動

自本公司二零一九年中期報告日期起至本報告日期止，根據上市規則第13.51B(1)條規定須予披露的董事資料變動如下：

- 胡競英女士於二零一九年十月十五日起獲委任為智聯服務股份有限公司(一間於台灣證券櫃臺買賣中心之公司(股票代號：6751))獨立董事。
- 莫凡先生於二零二零年一月從萬科企業股份有限公司境外資金業務首席合夥人變更為萬科物業與戴德梁行合資公司首席財務官。

除上述披露者外，概無董事資料變動須根據上市規則第13.51B(1)條予以披露。

報告期後事項

於二零二零年二月二十日，本集團就本金金額400,000,000美元(相當於人民幣2,801,040,000元)的現有美元計值優先票據展開交換要約(「交換要約」)。交換要約將現有優先票據的到期日延長至二零二三年，並將票息率提高至每年12%。交換要約於二零二零年三月二日屆滿後，持有總額227,390,000美元(相當於人民幣1,942,451,000元)的票據的優先票據持有人已根據交換要約有效提交彼等的票據以進行交換。翌日，本集團公佈發行本金金額222,610,000美元(相當於人民幣1,558,849,000元)於二零二三年到期按年利率12%計息的新系列美元計值優先票據(「新發行」)，以換取同等金額的現金。交換要約及新發行於二零二零年三月十日完成。由於與交換要約有關的條款與現有美元計值優先票據有重大差異，故交換要約為一項非現金交易，並將作為就現有美元計值優先票據的債務償還入賬。有關交易的詳情請參閱本公司日期為二零二零年二月二十日、二零二零年二月二十五日、二零二零年三月三日、二零二零年三月四日及二零二零年三月十一日的公告。

於二零二零年三月十五日，本公司與中國聯合網絡通信有限公司深圳市分公司及深圳市景悅科技有限公司訂立戰略合作協議，就共同發展信息化及智慧城市區建立長期戰略合作關係。有關戰略合作之詳情已於本公司日期為二零二零年三月十六日之公告中披露。

* For identification purposes only 僅供識別

Directors' Report

董事會報告

Events after the Reporting Period (Cont'd)

The outbreak of a respiratory illness caused by a novel coronavirus, or known as the COVID-19, in China, has affected many businesses to different extent. As the Group's business are all in various locations in the mainland where different precautionary measures were imposed by local governments, all at once or implemented at different stages depending on the latest development, the Group's ability to serve its customers is largely dependent on various government measures and the availability of workforce, which may be affected by the travel restrictions and home quarantine requirements. Due to the inherent unpredictable nature and rapid development relating to the novel coronavirus and its pervasive impact, the Group has taken action to negotiate with its major subcontractors and employees to confirm continuous and adequate supply of manpower. The Group will closely monitor the situation in this regard and seek alternative subcontractors and manpower if necessary.

Given the dynamic nature of these circumstances and unpredictability of future development, the directors of the Company consider that the financial effects on the Group's consolidated financial statements cannot be reasonably estimated as at the date of this report.

Save as disclosed above, the Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2019 and up to the date of this report.

Auditor

The consolidated financial statements of the Group for the year ended 31 December 2019 have been audited by Messrs. Deloitte Touche Tohmatsu ("Deloitte") who will retire and, being eligible, offer themselves for re-appointment. Save as aforesaid, there was no change in auditor of the Company in any of the preceding three years.

A resolution for the re-appointment of Deloitte as the auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

HUANG Jingshu

Chairman

Hong Kong, 30 March 2020

報告期後事項(續)

在中國爆發由新型冠狀病毒(又稱COVID-19)引致的呼吸道疾病已對各行各業造成不同程度的影響。由於本集團的所有業務分佈於內地多個地區，而各地方政府已施行不同的預防措施，並視乎最新情況發展即時或分階段實施所有該等措施，本集團服務客戶的能力在很大程度上取決於各項政府措施及可動用的人力資源而定，而人力資源可能受旅遊限制及家居隔離等規定的影響。鑒於有關新型冠狀病毒及其廣泛影響本身的不可預測性及急劇發展，本集團已採取行動與其主要分包商及僱員磋商，以確保持續及充足的人手供應。本集團將會密切監察有關狀況，並於必要時尋找替代分包商及工作人手。

鑒於該等情況不斷變化且未來發展難以預測，本公司董事認為，於本報告日期無法合理估計本集團的綜合財務報表會受到的財務影響。

除上文所披露者外，於二零一九年十二月三十一日後及直至本報告日期止，董事會並不知悉任何已落實之重大事項須予披露。

核數師

本集團截至二零一九年十二月三十一日止年度之綜合財務報表已由德勤•關黃陳方會計師行(「德勤」)審核，而德勤將告退任，惟符合資格並願意應聘連任。除上述者外，於過往三年內本公司核數師概無變動。

本公司將於應屆股東週年大會上提呈決議案以續聘德勤為本公司核數師。

承董事會命

主席

黃敬舒

香港，二零二零年三月三十日

The Company is committed to the establishment of good corporate practices and procedures. The corporate governance principles of the Company emphasise a quality board, transparency and accountability to all shareholders of the Company.

Corporate Governance Practices

Throughout the year ended 31 December 2019, the Group complied with all the code provisions of Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Board will continue to monitor and review the Group’s corporate governance practices to ensure compliance with the Code.

Board of Directors

Board Composition

The Board comprises five executive directors, one non-executive director and three independent non-executive directors. All five executive Directors are members of the executive committee of the Company responsible for dealing with the business of the Company in accordance with all applicable rules and regulations, including but not limited to, the Listing Rules. All Directors (including independent non-executive Directors) have been consulted on all major and material matters of the Company.

The Board members as at the date of this report were:

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

Mr. WANG Jing
Ms. HU Gin Ing
Mr. MO Fan

Further details of the current Directors are set out on pages 25 to 28 under the section headed “Biographical Details of Directors and Senior Management” of this report.

The number of independent non-executive directors meets the requirements under the Listing Rules.

本公司致力建立良好之企業管治慣例及程序，本公司之企業管治原則著重優秀之董事會、透明度及向本公司所有股東問責。

企業管治常規

截至二零一九年十二月三十一日止年度，本集團一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之《企業管治守則》（「守則」）所載之所有守則條文規定。

董事會將繼續監察及審核本集團之企業管治常規，以確保符合守則之規定。

董事會

董事會之組成

董事會由五名執行董事、一名非執行董事及三名獨立非執行董事組成，所有五名執行董事均為本公司執行委員會成員，負責按照所有適用的規則及條例處理本公司之業務，其中包括，但不限於上市規則。本公司之所有主要及重大事項均有諮詢所有董事（包括獨立非執行董事）。

於本報告日期之董事會成員為：

執行董事

黃敬舒女士（主席）
唐壽春先生（行政總裁）
葉興安先生
黃浩源先生
蕭志雄先生

非執行董事

李麗紅女士

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

有關現任董事之進一步詳情載於本年報內第25至28頁「董事及高級管理人員之履歷」一節中。

獨立非執行董事之數目已符合上市規則規定。

Corporate Governance Report

企業管治報告

Board of Directors (Cont'd)

Board Composition (Cont'd)

The positions of the Chairman and the Chief Executive Officer are held separately by two executive directors to ensure their respective independence, accountability and responsibility. The Chairman is responsible for determining overall business strategies of the Group. The duty of the Chairman is to work closely with audit, nomination and remuneration committee of the Company and to ensure that all key and appropriate issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer is responsible to work closely with the executive committee of the Company to ensure management strategies, plans and performance of the Group are appropriately carried out in accordance with to the Board's decision and to provide guidance to the Board on major issues.

The Board is responsible for corporate strategy, annual and interim results, succession planning, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specially delegated by the Board to the management include the preparation of annual and interim accounts for Board approval before public reporting, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations.

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. The Company had made letters of appointment with all the independent non-executive Directors which may be terminated by either party by giving one month's written notice; and subject to retirement by rotation at least once every three years in accordance with the articles of association of the Company.

Attendance Record at Board Meetings

For the year ended 31 December 2019, seven full Board meetings were held, two of which were the regular ones held at approximately semi-annually intervals, to review the business of the Group and approve the financial results of the Group.

The attendance of individual members at the meetings of the Board are set out as follows:

Executive Directors

Ms. HUANG Jingshu (Chairman)
Mr. TANG Shouchun (Chief Executive Officer)
Mr. YE Xingan
Ms. DENG Chengying
(resigned on 20 September 2019)
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung
(appointed on 20 September 2019)

執行董事

黃敬舒女士 (主席)
唐壽春先生 (行政總裁)
葉興安先生
鄧承英女士 (於二零一九年九月二十日辭任)
黃浩源先生
蕭志雄先生 (於二零一九年九月二十日獲委任)

Non-Executive Director

Ms. LI Lihong

非執行董事

李麗紅女士

Independent Non-Executive Directors

Mr. ZHU Jiusheng (resigned on 8 April 2019)
Mr. WANG Jing
Ms. HU Gin Ing
Mr. MO Fan (appointed on 8 April 2019)

獨立非執行董事

祝九勝先生 (於二零一九年四月八日辭任)
王敬先生
胡競英女士
莫凡先生 (於二零一九年四月八日獲委任)

董事會(續)

董事會之組成(續)

主席及行政總裁之職位分別由兩位執行董事出任，以確保其各自之獨立性、問責性及責任承擔。主席負責決定本集團之整體業務策略。主席之職責乃與本公司之審核委員會、提名委員會及薪酬委員會緊密合作，並確保董事會能夠就所有重要及適當事宜，進行及時和具建設性之討論。行政總裁須與本公司之執行委員會緊密合作，以確保管理策略、計劃及表現依照董事會之決定獲得適當的履行，並就主要議題向董事會提供指導。

董事會負責企業策略、年度及中期業績、繼承計劃、風險管理、重大收購、出售及資本交易，及其他主要營運及財務事宜。董事會特別委託管理層執行之主要企業事宜包括籌備年度及中期賬目，以供董事會於對外公布前批核、執行董事會所採納之業務策略及措施、推行妥善內部監控制度及風險管理程序以及遵守有關法定規定、規則與規例。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。本公司認為，所有獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據指引之條款屬獨立人士。本公司已與所有獨立非執行董事訂立委任函，若終止其委任函，其中一方可向另外一方發出一個月的書面通知；及根據本公司之組織章程細則，其均須至少每三年於股東週年大會上輪值告退。

董事會會議出席記錄

截至二零一九年十二月三十一日止年度，本集團共召開七次董事會會議，其中兩次為大約每半年定期舉行一次之董事會會議，以審議本集團之業務及批准本集團之財務業績。

董事會之會議中個別成員之出席情況載列如下：

Meetings attended/ Number of Meetings held 出席會議次數／舉行會議次數

Ms. HUANG Jingshu (Chairman)	黃敬舒女士 (主席)	7/7
Mr. TANG Shouchun (Chief Executive Officer)	唐壽春先生 (行政總裁)	7/7
Mr. YE Xingan	葉興安先生	7/7
Ms. DENG Chengying (resigned on 20 September 2019)	鄧承英女士 (於二零一九年九月二十日辭任)	4/7
Mr. HUANG Hao Yuan	黃浩源先生	7/7
Mr. SIU Chi Hung (appointed on 20 September 2019)	蕭志雄先生 (於二零一九年九月二十日獲委任)	3/3
Ms. LI Lihong	李麗紅女士	0/7
Mr. ZHU Jiusheng (resigned on 8 April 2019)	祝九勝先生 (於二零一九年四月八日辭任)	0/2
Mr. WANG Jing	王敬先生	5/7
Ms. HU Gin Ing	胡競英女士	5/7
Mr. MO Fan (appointed on 8 April 2019)	莫凡先生 (於二零一九年四月八日獲委任)	3/4

Board of Directors (Cont'd)

Attendance Record at Board Meetings (Cont'd)

Apart from the said meetings, matters requiring Board approval were arranged by means of circulation of written resolutions of all Board members.

Directors have access to relevant and timely information, and they can ask for further information or retain independent professional advisors if necessary. They also have access to the advice and services of the company secretary, who is responsible for providing Directors with Board papers and related materials and ensuring that Board procedures are followed. Directors are given sufficient time for discussion at the Board meetings. Where queries are raised by Directors, prompt and full responses will be given if possible.

Directors' Insurance

The Company has arranged appropriate directors and officers liability insurance in respect of legal action against Directors.

Directors' Professional Development

Newly appointed Directors receive comprehensive, formal and tailored induction on their appointments, so as to ensure that they have appropriate understanding of the business and operations of the Group and that they are fully aware of their responsibilities and obligations under the Listing Rules and relevant regulatory requirements. There are also arrangements in place for providing continuing briefing and professional development to Directors at the Company's expenses whenever necessary.

Pursuant to Code A.6.5, Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the year, all Directors have participated in appropriate continuous professional development activities by ways of attending trainings, reading materials or conducting academic research relevant to the Company's business or to the Directors' duties and responsibilities.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The obligation to follow the Listing Rules is set out in the terms of the service agreements of each executive Director and the letters of appointment of each independent non-executive Director. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 December 2019.

Board Committees

The Company currently have four committees, namely, the Audit Committee, Remuneration Committee, Nomination Committee and Executive Committee, for overseeing particular aspects of the Company's affairs. Terms of reference of the Audit Committee, Remuneration Committee, Nomination Committee and Executive Committee are available on the websites of the Company (www.lvgem-china.com) and the Stock Exchange (www.hkex.com.hk). The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

董事會(續)

董事會會議出席記錄(續)

除上述會議外，需要董事會批准之事項亦以書面決議案方式傳閱予所有董事會成員。

董事均掌握有關及適時的資料，並可在需要之情況下索取進一步資料或尋求獨立專業意見。董事亦可取得公司秘書的意見及服務，公司秘書負責將董事會會議文件及有關資料給予董事，並確保董事會的運作符合程序。董事獲足夠時間在董事會會議上作出討論。若有董事提出問題，必定盡力作出迅速及全面的回應。

董事保險

本公司已就董事可能面對之法律行動安排適當的董事及主要職員責任保險。

董事專業發展

新委任董事均會獲得全面、正規及切合彼等需要的入職指引，以確保彼等對本集團業務及運作有恰當的了解，並全面知悉彼等根據上市規則及有關法例規定下之職責及責任。在有需要時，本公司亦會安排向董事提供持續簡介及專業發展，費用由本公司承擔。

根據守則第A.6.5條的規定，董事應參與持續專業發展，發展並更新其知識及技能，以確保彼等在具備全面資訊及切合所需的情況下對董事會作出貢獻。於本年度，所有董事已參與合適的持續專業發展活動，當中包括出席與本公司業務或與董事職務及責任有關的培訓，閱讀相關的材料或進行相關學術研究等。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)，作為其董事進行證券交易之操守守則。各執行董事之服務合約條文及各獨立非執行董事之委任信件中已載有遵守上市規則之責任。經本公司向全體董事作出特定查詢後，全體董事確認，彼等於截至二零一九年十二月三十一日止年度一直遵守標準守則所規定標準。

董事委員會

為監督本公司個別方面的事務，本公司現時設有四個委員會，即審核委員會、薪酬委員會、提名委員會及執行委員會。審核委員會、薪酬委員會、提名委員會及執行委員會的職權範圍登載於本公司網站(www.lvgem-china.com)及聯交所網站(www.hkex.com.hk)。董事委員會具備充足的資源履行其職責，並在恰當的情況下，可應合理的情況下尋求獨立專業的意見，費用由本公司支付。

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Audit Committee

The Company established an Audit Committee on 14 November 2005 with terms of reference in compliance with the Code. In view of the implementation of the Stock Exchange's consultation conclusions on "Review of the Corporate Governance Code and Related Listing Rules" effective on 1 January 2019, a revised terms of reference of the Audit Committee was adopted by the Board on 31 January 2019.

The Audit Committee consists of independent non-executive directors only. The members of the Audit Committee as at the date of this report are as follows:

Mr. ZHU Jiusheng (*resigned as the Chairman on 8 April 2019*)
Mr. WANG Jing
Ms. HU Gin Ing (*appointed as the Chairman on 8 April 2019*)
Mr. MO Fan (*appointed on 8 April 2019*)

Mr. ZHU Jiusheng was the Chairman of the Audit Committee between 1 January 2018 and 8 April 2019. Ms. HU Gin Ing was appointed as the Chairman of the Audit Committee from 8 April 2019. No member of the Audit Committee is a member of the former or existing auditor of the Company.

The primary duties of the Audit Committee are to review and approve the financial reporting process, risk management and internal control systems of the Group. During the year, the Audit Committee has reviewed the Group's interim results for the six months ended 30 June 2019. The Group's final results for the year ended 31 December 2019 have been reviewed by the members of the Audit Committee before submission to the Board for approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems.

Two meetings of the Audit Committee were held during the year. The attendance of each member is set out as follows:

Name of members

成員名稱

Mr. ZHU Jiusheng (*resigned on 8 April 2019*)
Mr. WANG Jing
Ms. HU Gin Ing
Mr. MO Fan (*appointed on 8 April 2019*)

祝九勝先生 (於二零一九年四月八日辭任)
王敬先生
胡競英女士
莫凡先生 (於二零一九年四月八日獲委任)

Nomination Committee

The Company established a Nomination Committee on 14 November 2005 with terms of reference in compliance with the Code. In view of the implementation of the Stock Exchange's consultation conclusions on "Review of the Corporate Governance Code and Related Listing Rules" effective on 1 January 2019, a revised terms of reference of the Nomination Committee was adopted by the Board on 31 January 2019.

董事委員會(續)

審核委員會

本公司於二零零五年十一月十四日成立審核委員會，並根據守則制訂職權範圍。鑑於聯交所之「檢討《企業管治守則》及相關《上市規則》條文」諮詢總結於二零一九年一月一日起實施，董事會於二零一九年一月三十一日採納已修訂的審核委員會職權範圍。

審核委員會成員只包括獨立非執行董事。於本年報日期的審核委員會成員如下：

祝九勝先生 (於二零一九年四月八日辭任主席)
王敬先生
胡競英女士 (於二零一九年四月八日獲委任為主席)
莫凡先生 (於二零一九年四月八日獲委任)

祝九勝先生於二零一八年一月一日至二零一九年四月八日期間為審核委員會主席。胡競英女士於二零一九年四月八日獲委任為審核委員會主席。概無任何審核委員會之成員乃本公司之前任或現任核數師。

審核委員會的主要職務為檢討及批准本集團的財務申報程序、風險管理及內部監控制度。於年內，審核委員會已審閱本集團截至二零一九年六月三十日止六個月的中期業績。本集團截至二零一九年十二月三十一日止年度之期終業績於提呈董事會批准前已獲審核委員會審閱。審核委員會認為是次業績之籌備乃遵守適用之會計準則及要求以及已作出適當的披露。審核委員會亦審閱風險管理及內部監控制度之成效。

於年內審核委員會共舉行兩次會議。每位成員之出席情況載列如下：

Meetings attended/Number of Meetings held

出席會議次數/舉行會議次數

0/1
2/2
2/2
1/1

提名委員會

本公司於二零零五年十一月十四日成立提名委員會，並根據守則制訂職權範圍。鑑於聯交所之「檢討《企業管治守則》及相關《上市規則》條文」諮詢總結於二零一九年一月一日起實施，董事會於二零一九年一月三十一日採納已修訂的提名委員會職權範圍。

Board Committees (Cont'd)

Nomination Committee (Cont'd)

The members of the Nomination Committee include one executive director and two independent non-executive directors. The members of the Nomination Committee as at the date of this report are as follows:

Ms. HUANG Jingshu (Chairman)
Mr. ZHU Jiusheng (resigned on 8 April 2019)
Mr. WANG Jing
Mr. MO Fan (appointed on 8 April 2019)

The primary duty of the Nomination Committee is making recommendations to the Board on appointment and removal of directors and management of Board succession. During the year, the Nomination Committee had reviewed and considered the proposed appointment of Mr. MO Fan and Mr. SIU Chi Hung as new independent non-executive Director and executive Director respectively and made related recommendation to the Board for approval. In reviewing and assessing the Board composition, the Nomination Committee had considered the various aspects set out in the board diversity policy. It had also reviewed and assessed the independence of the independent non-executive Directors.

The Nomination Committee resolved that all the existing Directors should be recommended to be retained by the Company. In accordance with the Company's articles of association, Mr. SIU Chi Hung will retire at the first general meeting of the Company after his appointment. In addition, Ms. LI Lihong, Mr. WANG Jing and Ms. HU Gin Ing will retire by rotation. All the above Directors being eligible for re-election, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

Three meetings of the Nomination Committee were held during the year. The attendance of each member is set out as follows:

Name of members

成員名稱

Ms. HUANG Jingshu
Mr. ZHU Jiusheng (resigned on 8 April 2019)
Mr. WANG Jing
Mr. MO Fan (appointed on 8 April 2019)

黃敬舒女士
祝九勝先生 (於二零一九年四月八日辭任)
王敬先生
莫凡先生 (於二零一九年四月八日獲委任)

Meetings attended/Number of Meetings held

出席會議次數/舉行會議次數

3/3
0/2
3/3
1/1

Nomination Policy

The Company has adopted a nomination policy (the "Nomination Policy") in January 2019 which sets out the selection criteria and nomination procedures adopted to guide the Nomination Committee to select and recommend candidates for directorship so as to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- Reputation for integrity
- Accomplishment and experience
- Compliance with legal and regulatory requirements
- Commitment in respect of available time and relevant interest

董事委員會(續)

提名委員會(續)

提名委員會成員包括一名執行董事及兩名獨立非執行董事。於本年報日期的提名委員會成員如下：

黃敬舒女士(主席)
祝九勝先生(於二零一九年四月八日辭任)
王敬先生
莫凡先生(於二零一九年四月八日獲委任)

提名委員會的主要職務為就委任董事及罷免董事以及管理董事會繼任事宜向董事會提出建議。於年內，提名委員會已分別審查及考慮委任莫凡先生及蕭志雄先生為新的獨立非執行董事及執行董事建議，並已將相關建議給董事會批准。在審查和評估董事會組成，提名委員會已考慮載於董事會成員多元化政策的各個方面。其委員亦同時審查和評估獨立非執行董事之獨立性。

提名委員會決議推薦所有現任董事在本公司留任。根據本公司之組織章程細則，蕭志雄先生將於彼獲委任後之首屆本公司之股東大會上退任。此外，李麗紅女士、王敬先生及胡競英女士將輪席告退。所有上述董事符合重選資格並願意於應屆本公司之股東週年大會上重選連任。

於年內提名委員會共召開三次會議。每位成員之出席情況載列如下：

提名政策

本公司於二零一九年一月採納提名政策(「提名政策」)，制定了提名委員會就遴選及推薦董事候選人時所需要的甄選標準及提名程序，以確保董事會根據本公司業務而具備適當所需技能、經驗和多樣的觀點與角度。

下列因素將用作提名委員會評估建議候選人適合性的參考：

- 誠信的聲譽
- 成就及經驗
- 遵守法律和監管要求
- 可投入的時間及代表相關界別的利益

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Board Committees (Cont'd)

Nomination Committee (Cont'd)

Nomination Policy (Cont'd)

- Diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service

The Secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.

For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

Board Diversity Policy

The Company has adopted a board diversity policy (the "Diversity Policy") in August 2013 in accordance with the requirement under the Code.

The Diversity Policy aims to set out the approach to achieve diversity on the Board to ensure that the Board has the balance of skills, experience and diversity of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. In identifying suitable candidates, the Nomination Committee will consider candidates on merit and against the objective criteria with due regard for the benefits of diversity on the Board. The Nomination Committee will monitor the implementation of the Diversity Policy and review the same as appropriate.

Remuneration Committee

The Company established a Remuneration Committee on 14 November 2005 with terms of reference in compliance with the Code. The Remuneration Committee consists of one executive director and two independent non-executive directors.

董事委員會(續)

提名委員會(續)

提名政策(續)

- 董事會各方面的多元化，包括但不限於性別、年齡（18歲或以上）、文化和教育背景、種族、專業經驗、技能、知識和服務年期

提名委員會的秘書須召開提名委員會會議，並邀請董事會成員提名的候選人(如有)供提名委員會於會議前考慮。提名委員會亦可提名未獲董事會成員提名的人選。

如要填補臨時空缺，提名委員會須推薦人選供董事會考慮及批准。如要推薦候選人在股東大會上參選，提名委員會須向董事會提名供其考慮及推薦參選。

董事會成員多元化政策

本公司根據守則所載之要求，於二零一三年八月採納董事會成員多元化政策(「多元化政策」)。

多元化政策旨在為達到董事會多元化而訂出之方法，以確保董事會具備所需技巧、經驗及多樣的觀點與角度，包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期方面。提名委員會物色合適人選時，會考慮有關人選的長處，並以客觀條件充分顧及董事會成員多元化的裨益。提名委員會將會監察多元化政策之執行及在適當時候檢討該政策。

薪酬委員會

本公司於二零零五年十一月十四日成立薪酬委員會，並根據守則制訂職權範圍。薪酬委員會包括一名執行董事及兩名獨立非執行董事。

Board Committees (Cont'd)

Remuneration Committee (Cont'd)

The members of the Remuneration Committee as at the date of this report are as follows:

Ms. HU Gin Ing (Chairman)
 Ms. HUANG Jingshu
 Mr. ZHU Jiusheng (resigned on 8 April 2019)
 Mr. MO Fan (appointed on 8 April 2019)

The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management. The Company has adopted the model of remuneration committee as described in Code Provision B.1.2(c)(i) of the Code. As such, the responsibility for determining the remuneration packages of individual executive Directors and senior management of the Group has been delegated to the Remuneration Committee.

During the year, the Remuneration Committee considered and reviewed the existing terms of remuneration of all the Directors based on factors including time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee considered that the existing terms of remunerations of the Directors were fair and reasonable.

Details of the remuneration of the senior management by band for the year ended 31 December 2019 are set out below:

Remuneration band 薪酬範圍	Number of individual 人數
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元

Details of the remuneration of the Directors for the year ended 31 December 2019 are set out in note 10 to the consolidated financial statements.

Two meetings of the Remuneration Committee was held during the year. The attendance of each member is set out as follows:

Name of members 成員名稱	Meeting attended/Number of Meeting held 出席會議次數/舉行會議次數
Ms. HU Gin Ing	胡競英女士 2/2
Ms. HUANG Jingshu	黃敬舒女士 2/2
Mr. ZHU Jiusheng (resigned on 8 April 2019)	祝九勝先生 (於二零一九年四月八日辭任) 0/1
Mr. MO Fan (appointed on 8 April 2019)	莫凡先生 (於二零一九年四月八日獲委任) 1/1

董事委員會(續)

薪酬委員會(續)

於本年報日期的薪酬委員會成員如下：

胡競英女士(主席)
 黃敬舒女士
 祝九勝先生(於二零一九年四月八日辭任)
 莫凡先生(於二零一九年四月八日獲委任)

薪酬委員會的主要職務為檢討及釐定應付予董事及高級管理人員的薪酬福利條款、花紅及其他報酬。本公司已按守則第B.1.2(c)(i)項守則條文所述採納薪酬委員會的模式。因此，薪酬委員會已獲董事會轉授責任，釐定本集團個別執行董事及高級管理人員之薪酬待遇。

於年內，薪酬委員會根據各董事所投入之時間及職責、集團其他的聘用條件及以表現為準則的薪酬條件等因素而考慮及檢討所有董事現時的薪酬條款。薪酬委員會認為現時董事的薪酬條款乃公平合理。

截至二零一九年十二月三十一日止年度高級管理人員的薪酬範圍詳情載列如下：

截至二零一九年十二月三十一日止年度董事薪酬的詳情載於綜合財務報表附註10。

於年內薪酬委員會共舉行兩次會議。每位成員之出席情況載列如下：

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企業管治報告

Board Committees (Cont'd)

Executive Committee

The Board has delegated to the Executive Committee the authority of dealing with the operational matters of the Group, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference, which includes taking in charge of major decision making in relation to the day-to-day business operations of the Company, administering the Company's routine resolutions and dealing with ad hoc matters, ensuring adequate funding and reporting periodically to the Board. The Executive Committee consists of five executive directors and assumes full accountability to the Board for all operations of the Group.

To comply with the requirement under the Code in respect of the responsibilities for performing the corporate governance duties, the Board has delegated its responsibilities to the Executive Committee to develop, review and monitor the policies and practices on corporate governance of the Group and make recommendations to the Board, to review and monitor the Company's policies and practices on the legal and regulatory compliance, to review and monitor the code of conduct and ethical behavior applicable to the Directors and employees and the training and continuous professional development of Directors and senior management, and to review the Company's compliance with the Code and disclosures in the corporate governance report.

Thirteen meetings of the Executive Committee were held during the year. The attendance record of each member is set out as follows:

Name of members

成員名稱

Ms. HUANG Jingshu (Chairman)	黃敬舒女士 (主席)
Mr. TANG Shouchun	唐壽春先生
Mr. YE Xingan	葉興安先生
Ms. DENG Chengying (Note 1)	鄧承英女士 (附註1)
Mr. HUANG Hao Yuan	黃浩源先生
Mr. SIU Chi Hung (Note 2)	蕭志雄先生 (附註2)

Notes:

1. Resigned as an executive Director on 20 September 2019.
2. Was appointed as an executive Director on 20 September 2019.

The Executive Committee reviewed the Company's compliance with the Code and the regulatory and statutory requirements during the year under review, and the disclosures of this corporate governance report.

董事委員會(續)

執行委員會

除根據書面職權範圍由董事會決定及批准的事項外，執行委員會獲董事會授予整體權限以處理本集團的營運事宜，包括負責有關本公司日常業務運作的重大決定、管理本公司的例行決議案及處理特殊事項、確保有足夠的資金及定期向董事會匯報。執行委員會由五名執行董事組成並須就本集團之所有經營業務向董事會負全責。

為符合守則內有關履行企業管治職責之規定，董事會已向執行委員會授權發展、檢討及監察本集團企業管治之政策及常規，並向董事會提出建議；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；檢討及監察適用於董事及僱員的操守準則及道德行為和董事及高級管理人員的培訓及持續專業發展；以及檢討本公司遵守守則的情況及在企業管治報告內的披露。

於年內本集團共舉行十三次執行委員會會議。每位成員之出席情況載列如下：

Meetings attended/Number of Meetings held

出席會議次數/舉行會議次數

	13/13
	13/13
	13/13
	8/8
	12/13
	6/6

附註：

1. 於二零一九年九月二十日辭任執行董事。
2. 於二零一九年九月二十日獲委任為執行董事。

執行委員會已檢討本公司於回顧年內對守則以及監管和法規規定方面的遵守概況，以及本企業管治報告內的披露資料。

Risk Management and Internal Control

The Board has overall responsibility for the Group's risk management and internal controls system and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interests of shareholders and the Group's assets. The Board has delegated to the management the implementation of the system of internal controls and the review of all relevant financial, operational, compliance controls and risk management function within an established framework.

The Company has established internal audit department to monitor compliance with policies and procedures and the effectiveness of internal control structures of the Group. The internal audit department reports directly to the Audit Committee and ensure the internal controls are in place and functioning properly as intended.

Dividend Policy

The Company has adopted a dividend policy (the "Dividend Policy") in January 2019 which sets out the guidelines for the Board to determine the declaration and payment of dividends.

The recommendation of the payment of any dividend is subject to the absolute discretion of the Board. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's financial results, cash flow situation, shareholders' interests, general business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, taxation considerations, statutory and regulatory restriction (if any) and other factors the Board may deem relevant at such time. Any payment of the dividend by the Company is also subject to any restrictions under the articles of association of the Company and all applicable laws and regulations.

The Board will review the Dividend Policy, as appropriate, and there is no assurance that dividends will be paid in any particular amount for any given period.

風險管理及內部監控

董事會對本集團的風險管理及內部監控系統及對檢討其成效承擔整體責任。董事會致力落實有效及良好的內部監控系統，以保障股東利益及本集團資產。董事會已委派管理層落實內部監控系統，並檢討已建立的架構內的所有相關財務、營運、遵守規例監控及風險管理效能。

本公司已成立內部審計部門，以監察本集團對政策及程序之遵守及內部控制架構之成效。內部審計部門直接向審核委員會報告，確保內部控制一直有效及如預期般適當運作。

股息政策

本公司於二零一九年一月採納股息政策（「股息政策」），旨在向董事會訂立指引，以決定宣派及支付股息。

支付任何股息的建議視乎董事會的絕對酌情權而定。在提議派發股息時，董事會亦應考慮（其中包括）本集團的財務業績、現金流量狀況、股東權益、一般業務狀況及策略、未來營運及盈利、資金需求及支出計劃、稅務考慮、法定和監管限制（如有），以及董事會可能認為相關的任何其他因素。本公司支付任何股息亦須受本公司組織章程細則及所有適用法律法規所規限。

董事會將在適當情況下檢討股息政策及概不保證將在任何指定期間支付任何特定金額的股息。

Corporate Governance Report

企業管治報告

Shareholders' Rights

1. Convening an extraordinary general meeting ("EGM")

One or more shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings can deposit a written request to convene an EGM at the principal place of business of the Company in Hong Kong ("Hong Kong Office"), for the attention of the Board or the Company Secretary. If within 21 days of such deposit of the requisition, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The notice period to be given to all the registered shareholders in respect of the EGM varies according to the nature of the proposal as follows:

- At least 14 clear days' notice (the notice period must include 10 clear business days) in writing if no special resolution is to be considered at the EGM.
- At least 21 clear days' notice (the notice period must include 10 clear business days) in writing if a special resolution is to be considered at the EGM.

2. Right to put forward proposals at general meetings

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Cayman Islands Companies Law (2013 Revision) or the articles of association of the Company. Shareholders who wish to move a resolution may request the Company to convene an EGM as stipulated in above paragraph 1.

3. Right to propose a person for election as a director

If a shareholder of the Company wishes to nominate a person other than a retiring Director or a person recommended by the Board to stand for election as a Director of the Company, the shareholder concerned shall lodge with the Company (for the attention of the Company Secretary) at the Hong Kong Office or at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, a duly signed nomination form which includes, inter alia, the intention to propose that person for election as a Director, notice in writing by that person of his willingness to be elected, and the information required by the Listing Rules.

The period for lodgement of the nomination form will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which the nomination form and associated documents may be given to the Company will be at least 7 days.

股東權利

1. 召開股東特別大會(「股東特別大會」)

一名或多名股東於交付提呈要求當日持有不少於有權於股東大會上投票之本公司已繳足股本十分之一，可將召開股東特別大會的書面要求送達本公司之香港主要營業地點(「香港辦事處」)，註明董事會或公司秘書收啟。倘於交付該提呈要求後二十一日內，董事會未能召開該會議，則提呈者可自行召開會議，而因董事會未能召開會議導致提呈者產生的一切合理開支，須由本公司向提呈者補償。

給予所有登記股東的通知期會因應股東特別大會的議案性質而有所不同，具體情況如下：

- 倘無特別決議案須於股東特別大會上考慮，須至少十四個完整日之書面通知(通知期須包括十個完整營業日)。
- 倘特別決議案須於股東特別大會上考慮，須至少二十一個完整日之書面通知(通知期須包括十個完整營業日)。

2. 於股東大會提出議案之權利

根據開曼群島公司法(二零一三年修訂版)或本公司組織章程細則概無條文允許股東於股東大會上提呈新決議案。股東如欲提呈決議案，可根據上文第一段列明之程序要求本公司召開股東特別大會。

3. 提名一名人士競選董事之權利

如股東欲提名一名人士競選董事(告退董事或董事會推薦人士除外)，應向本公司遞交正式簽署之提名表格，其中包括，該股東有意提名該人士競選董事，該提名人士願意參選之通知書，及上市規則規定之資料至香港辦事處(註明公司秘書收啟)或本公司之股份過戶登記分處卓佳證券登記有限公司。

遞交提名表格的開始日期不得早於寄發有關選舉的股東大會通知翌日，而遞交提名表格的最後日期則不得遲於該股東大會日期前七日；提名表格及相關文件遞交予本公司之期間將最少為七日。

Shareholders' Rights (Cont'd)

4. Right to put enquiry to the Board

Shareholders have the right to put enquiries to the Board. All enquiries must be in writing with contact information of the person making the enquiry and deposited at the Hong Kong Office for the attention of the Company Secretary.

Detailed procedures can be found in the document entitled "Shareholders' Rights" which is available on the Company's website.

Communication with Shareholders

Shareholders are encouraged to attend annual general meetings of the Company. The Chairman of the Board will attend the annual general meeting and invite the Chairman of Audit Committee, Nomination Committee, Remuneration Committee and other Board Committee(s), or in their absence, other members of these Board Committee(s), to attend the annual general meeting.

The Company held the annual general meeting on 30 May 2019.

Details of Directors' attendance record of general meetings during the year ended 31 December 2019 are as follows:

股東權利(續)

4. 向董事會作出查詢之權利

股東有權向董事會作出查詢，所有查詢須以書面方式連同查詢者之聯絡資料送達香港辦事處，註明公司秘書收啟。

有關程序詳情可於本公司網站刊載的文件「股東權利」中查閱。

與股東的溝通

本公司鼓勵股東出席本公司之股東週年大會。董事會主席將出席股東週年大會及邀請審核委員會、提名委員會、薪酬委員會及其他董事委員會的主席；若有關委員會主席未克出席，則該董事委員會之其他成員出席股東週年大會。

本公司於二零一九年五月三十日舉行股東週年大會。

截至二零一九年十二月三十一日止年度內，董事出席股東大會的詳情如下：

Annual General Meeting 股東週年大會	
Meeting attended/Number of Meeting held 出席會議次數/舉行會議次數	

Executive Directors

Ms. HUANG Jingshu (Chairman)
Mr. TANG Shouchun (Chief Executive Officer)
Mr. YE Xingan
Ms. DENG Chengying
(resigned on 20 September 2019)
Mr. HUANG Hao Yuan
Mr. SIU Chi Hung
(appointed on 20 September 2019)

執行董事

黃敬舒女士 (主席)
唐壽春先生 (行政總裁)
葉興安先生
鄧承英女士
(於二零一九年九月二十日辭任)
黃浩源先生
蕭志雄先生
(於二零一九年九月二十日獲委任)

1/1

1/1

1/1

1/1

1/1

N/A 不適用

Non-Executive Director

Ms. Li Lihong

非執行董事

李麗紅女士

0/1

Independent Non-Executive Directors

Mr. ZHU Jiusheng (resigned on 8 April 2019)
Mr. WANG Jing
Ms. HU Gin Ing
Mr. MO Fan (appointed on 8 April 2019)

獨立非執行董事

祝九勝先生
(於二零一九年四月八日辭任)
王敬先生
胡競英女士
莫凡先生
(於二零一九年四月八日獲委任)

N/A 不適用

0/1

1/1

1/1

Corporate Governance Report

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Investor Relationship and Communication

The Company strives to achieve a high level of transparency in communicating with shareholders and the investment community at large. Briefings and meetings with institutional investors and analysts are conducted at opportune times. The Company is committed to continuing to maintain an open and effective investor communication policy and to update investors on relevant information on its business in a timely manner, subject to relevant regulatory requirements. In order to ensure effective, clear and accurate communications with the investors and analysts, all corporate communications are arranged and handled by the executive directors with the assistance of an independent corporate communication firm and designated senior executives according to established practices and procedures of the Company. The Company has announced results of the year under review in a timely manner.

Constitutional Documents

During the year ended 31 December 2019, there were no changes to the constitutional documents of the Company.

The memorandum and articles of association of the Company is available on the websites of the Company and the Stock Exchange.

Directors' and Auditor's Responsibilities for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing such consolidated financial statements, it is fundamental that appropriate accounting policies are selected and applied consistently.

The auditor's responsibility is to express an independent opinion, based on their audit, on those consolidated financial statements and to report their opinion to the shareholders of the Company, as a body, and for no other purpose. The auditor does not assume responsibility towards or accept liability to any other person for the contents of the independent auditor's report.

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of results and cash flows for that year. In preparing the consolidated financial statements for the year ended 31 December 2019, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretations; made adjustments and estimates that are prudent and reasonable; and have prepared the consolidated financial statements on the going concern basis. The Directors also ensure the timely publication of the consolidated financial statements of the Group.

Auditor's Remuneration

The fee in respect of audit and non-audit services provided to the Group by independent auditor for the year ended 31 December 2019 amounted to RMB2,490,000 (2018: RMB2,341,000) and RMB806,000 (2018: RMB850,000) respectively.

與投資者的關係及溝通

本公司與股東及投資界溝通時，一直盡力達到高透明度。本公司於適當時候為機構投資者及分析員舉行簡報會及會議。本公司致力按照有關監管規定，繼續維持公開及有效的投資者溝通政策，並及時向投資者提供最新的業務資料。為確保與投資者及分析人士維持有效、清晰而準確的溝通渠道，所有企業通訊事宜均按照本公司的既定慣例及程序，由執行董事透過一間獨立企業通訊公司協助下及專責高級行政人員處理。本公司已於回顧年度內按時宣佈業績。

組織章程文件

截至二零一九年十二月三十一日止年度，本公司組織章程文件概無任何變動。

本公司之組織章程大綱及細則載於本公司網站及聯交所網站。

董事及核數師就綜合財務報表承擔之責任

董事須負責編製真實而公正之綜合財務報表。在編製該等綜合財務報表時，董事必須貫徹選擇及採用合適之會計政策。

核數師之責任是根據審核工作之結果，對該等綜合財務報表作出獨立意見，將此意見僅向本公司之股東報告，不作其他用途。核數師並不就獨立核數師報告書內容向任何其他人士負上責任或承擔法律責任。

董事確認，其職責為就每個財政年度編製可真實而公平地反映本集團業務狀況及該年度之業績及現金流量之綜合財務報表。編製截至二零一九年十二月三十一日止年度之綜合財務報表時，對已挑選及貫徹應用合適之會計政策，採納適當的香港財務報告準則、香港會計準則及註釋、審慎及合理地作出調整及估計，並以持續營運基準準備綜合財務報表。董事亦確保準時刊發本集團之綜合財務報表。

核數師酬金

截至二零一九年十二月三十一日止年度，獨立核數師對本集團提供的核數和非核數服務所收取之費用分別為人民幣2,490,000元(二零一八年：人民幣2,341,000元)及人民幣806,000元(二零一八年：人民幣850,000元)。

TO THE SHAREHOLDERS OF
LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED
(incorporated in the Cayman Islands with limited liability)

致
綠景(中國)地產投資有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of LVGEM (China) Real Estate Investment Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 63 to 205, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

意見

本核數師(以下簡稱「我們」)已審計列載於第63至205頁綠景(中國)地產投資有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈之《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映了貴集團於二零一九年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及其綜合現金流量,並已遵守香港《公司條例》之披露規定而妥善編製。

意見的基礎

我們根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審核。我們在該等準則下的責任在我們的報告內核數師就審核綜合財務報表須承擔的責任一節內進一步闡述。根據香港會計師公會的職業會計師道德守則(「守則」),我們獨立於貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

關鍵審核事項

根據我們的專業判斷,關鍵審核事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在審核整體綜合財務報表及就此達致我們的意見時處理此等事項,而我們不會就此等事項單獨發表意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Valuation of investment properties

We identified the valuation of investment properties as a key audit matter as they represented 48% of the Group's total assets, combined with the judgements associated with determining the fair value.

As disclosed in note 13 to the consolidated financial statements, the fair value of completed investment properties amounted to approximately RMB23,567,529,000 as at 31 December 2019 and an increase in fair value recognised in profit or loss amounted to approximately RMB696,378,000 in aggregate for the year then ended. The completed investment properties were located in the People's Republic of China (the "Mainland China"), Hong Kong and the Kingdom of Cambodia ("Cambodia").

As set out in note 4 to the consolidated financial statements, the Group's investment properties were stated at fair value based on the valuation performed by independent professional valuers ("Valuers"). As disclosed in note 13 to the consolidated financial statements, the fair value of completed investment properties have been arrived at using income capitalisation approach and direct comparison approach, respectively, which were dependent on certain key inputs and assumptions in respect of prevailing market conditions such as capitalisation rate and monthly market rent for income capitalisation approach, selling price per square meters for direct comparison approach.

How our audit addressed the key audit matter

Our procedures in relation to the valuation of investment properties included:

- Evaluating the competence, capabilities and objectivity of the Valuers;
- Obtaining an understanding of the valuation processes and significant assumptions to assess if these approaches meet the requirements of HKFRSs and industry norms;
- Evaluating the appropriateness of the valuation methods applied by the Valuers, in particular the valuation techniques and the capitalisation rate, based on our knowledge of the property markets in the Mainland China, Hong Kong and Cambodia; and
- Assessing the reasonableness of other valuation inputs and source data, including monthly market rent for income capitalisation approach, selling price per square meters for direct comparison approach by comparing these estimates, on a sample basis, to entity-specific information such as rental income, tenancy summary, location nearby and size of the investment properties, as well as market data based on our knowledge of the property markets in the Mainland China, Hong Kong and Cambodia.

關鍵審核事項(續)

關鍵審核事項

投資物業之估值

我們將投資物業之估值以及與釐定公允價值有關之判斷確定為一項關鍵審核事項，此乃由於投資物業之公允價值佔 貴集團總資產之48%。

誠如綜合財務報表附註13所披露，已完成投資物業於二零一九年十二月三十一日的公允價值約為人民幣23,567,529,000元，而於損益確認之公允價值增幅合共約人民幣696,378,000元乃於截至該日止年度之溢利中入賬。已完成投資物業位於中華人民共和國(「中國內地」)、香港及柬埔寨王國(「柬埔寨」)。

誠如綜合財務報表附註4所載，貴集團之投資物業乃基於獨立專業估值師行(「估值師」)進行的估值按公允價值列賬。誠如綜合財務報表附註13所披露，已完成投資物業的公允價值分別採用收入資本計算法及直接比較法釐定，有關方法乃依賴有關當前市況之若干關鍵輸入數據及假設，包括收入資本計算法的資本化比率及市場月租，以及直接比較法的每平方米銷售價格。

我們的審計如何處理關鍵審計事項

我們就投資物業估值之程序包括：

- 評估估值師之資歷、能力及客觀性；
- 瞭解估值過程及重大假設，以評估該等方法是否符合《香港財務報告準則》規定及行業慣例；
- 根據我們對中國內地、香港及柬埔寨物業市場之認識，評估估值師所應用的估值方法(尤其是估值技術及資本化比率)是否恰當；及
- 根據我們對中國內地、香港及柬埔寨物業市場之認識，透過按抽樣基準將該等估計與實體之特定資料(例如租金收入、租賃概要、鄰近地區及投資物業之規模)進行比較，評估其他估值輸入數據及來源數據是否合理，包括收入資本計算法的市場月租，及直接比較法的每平方米銷售價格。

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Assessment of net realisable value of properties held for sale and properties under development for sale

We identified the assessment of net realisable value of properties held for sale and properties under development for sale as a key audit matter due to the significant judgement involved in the determination of net realisable value (the “NRV”) of these properties.

The Group had properties under development for sale of approximately RMB8,165,855,000 and properties held for sale of approximately RMB2,467,237,000 (collectively referred to as “Properties for Sale”) as at 31 December 2019, which are situated in the Mainland China, Hong Kong and Cambodia.

As disclosed in note 4 to the consolidated financial statements, the directors of the Company determined the NRV of the properties held for sale by using prevailing market data such as most recent sale transactions, and the NRV of the properties under development for sale was determined by using estimates of future cash flows to be derived from these properties. These estimates required judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, marketing costs (including price discounts required to stimulate sales) and the expected costs to completion of properties, the legal and regulatory framework and general market conditions.

How our audit addressed the key audit matter

Our procedures in relation to assessment of the NRV of the Properties for Sale included:

- Performing sensitivity analysis to identify the impact that changes in key inputs such as the estimated future selling prices have on the NRV of the Properties for Sale;
- Assessing the appropriateness of the estimated future selling prices of the Properties for Sale, on a sample basis, by comparing them to transaction prices of similar properties in the nearby or relevant locations, or actual selling price of properties sold subsequent to the end of the reporting period in the same project or relevant locations, based on our knowledge of the property markets in the Mainland China, Hong Kong and Cambodia; and
- Challenging the Group's forecast of construction costs, on a sample basis, by comparing to the construction costs for similar units and against signed contracts or quotes with subcontractors.

關鍵審核事項(續)

關鍵審核事項

待售物業及發展中待售物業之可變現淨值評估

我們將待售物業及發展中待售物業之可變現淨值評估確定為一項關鍵審核事項，此乃由於釐定該等物業之可變現淨值(「可變現淨值」)涉及重大判斷。

於二零一九年十二月三十一日，貴集團之發展中待售物業及待售物業(統稱「該等待售物業」)分別約為人民幣8,165,855,000元及約人民幣2,467,237,000元，而有關物業位於中國內地、香港及柬埔寨。

誠如綜合財務報表附註4所披露，貴公司董事採用最近期銷售交易等當前市場數據釐定待售物業之可變現淨值，而發展中待售物業之可變現淨值乃採用自該等物業衍生之未來現金流估計而釐定。該等估計須參考附近地點的近期銷售交易、推廣費用(包括促銷所需的價格折扣)及有關預計完成物業的費用、法律和監管架構及一般市況，從而對預期的銷售價格作出判斷。

我們的審計如何處理關鍵審核事項

我們就該等待售物業可變現淨額之評估之程序包括：

- 進行敏感度分析，以識別主要輸入數據變動的影響，如估計未來售價對該等待售物業可變現淨額之影響；
- 根據我們對中國內地、香港及柬埔寨物業市場的認識，透過將該等待售物業與鄰近或相關地區之類似物業的售價進行比較，或與於報告期末後出售之物業的實際售價進行比較，抽樣評估該等待售物業之預計未來售價是否恰當；及
- 透過將同類單位的建設成本及與已簽署的合約或分包商的報價進行比較，按抽樣基準質疑貴集團對建設成本的預測。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Revenue recognised from sales of properties

We identified revenue recognised from sales of properties as a key audit matter as the revenue from sales of properties is significant to the consolidated statement of profit or loss and there is judgement involved in determining the appropriate point at which to recognise revenue from sales of properties.

As disclosed in "Revenue recognition" paragraph under note 3 to the consolidated financial statements, revenue from sales of properties is recognised when the completed property is transferred to customers, being at the point that customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable. The Group has recognised revenue of RMB5,962,446,000 from its property development and sales segment for the year ended 31 December 2019, which is disclosed in note 5 to the consolidated financial statements.

How our audit addressed the key audit matter

Our procedures in relation to revenue recognised from sales of properties included:

- Assessing the management's control over the point of time at which revenue from sales of properties is recognised by obtaining an understanding of the management's control process and testing the control on a sample basis; and
- Reviewing the terms stated in the sales and purchase agreements, on a sample basis, and obtaining evidence regarding the completion and the delivery of properties, on a sample basis, including completion certificates and delivery notices, to assess whether the criteria for revenue recognition set out in "Revenue recognition" paragraph under note 3 to the consolidated financial statements have been met.

關鍵審核事項(續)

關鍵審核事項

物業銷售確認之收入

由於物業銷售收入就綜合損益表而言屬重大，而就確認物業銷售收入釐定合適時間涉及判斷，故我們將物業銷售確認之收入確定為一項關鍵審核事項。

誠如綜合財務報表附註3「收入確認」一段所披露，物業銷售之收入於竣工物業轉移至客戶時(即該客戶獲得竣工物業的控制權時)確認，且貴集團現時很有可能擁有權支付及收取代價。截至二零一九年十二月三十一日止年度，貴集團的物業開發及銷售分類確認收入人民幣5,962,446,000元，有關詳情披露於綜合財務報表附註5。

我們的審計如何處理關鍵審計事項

我們就物業銷售確認收入之程序包括：

- 透過瞭解管理層之控制過程及按抽樣基準測試控制，評估管理層於確認物業銷售收入時之控制；及
- 抽樣審閱買賣協議所載列之條款，及取得有關物業竣工及交付之證明(包括竣工證明及交付通知)，以評估是否符合綜合財務報表附註3「收入確認」一段所載列有關收入確認之標準。

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Provision for land appreciation tax

We identified the provision for land appreciation tax ("LAT") as a key audit matter since the implementation and settlement of this tax varies among various tax jurisdictions in cities of the Mainland China, and the Group has not finalised certain LAT calculations and payments with local tax authorities in the Mainland China. Accordingly, significant judgement is required in determining the amount on the appreciation of land value and its related LAT.

LAT is prepaid when properties are pre-sold to the buyers and is provided when properties are delivered to the buyers and revenue is recognised. As disclosed in note 9 to the consolidated financial statements, current year's provision for LAT amounted to RMB1,023,621,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2019. As disclosed in note 4 to the consolidated financial statements, the Group recognises LAT based on the management's best estimates according to the understanding of the tax rules, which are determined by the appreciation of land value. The amount of the land appreciation is determined with reference to estimated proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures.

How our audit addressed the key audit matter

Our procedures in relation to the provision for LAT included:

- Involving our tax specialists in the Mainland China to assess the accuracy of the land appreciation amount calculations based on their knowledge of the relevant tax rules and regulations, in particular to the LAT rate announced by the State Administration of Taxation in the Mainland China; and
- Evaluating the estimated proceeds of the sales of properties and estimated deductible expenditures, adopted by the management by comparing their estimates made in previous years to actual results as well as current year's estimates.

關鍵審核事項(續)

關鍵審核事項

土地增值稅之計提

我們將土地增值稅(「土地增值稅」)之計提確定為一項關鍵審核事項，此乃由於中國內地城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而貴集團尚未與中國內地地方稅務局落實若干土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。

土地增值稅於物業預售予買家時已預付，而土地增值稅則於物業交付予買家及收益獲確認時已作撥備。誠如綜合財務報表附註9所披露，截至二零一九年十二月三十一日止年度，本年度撥備土地增值稅人民幣1,023,621,000元已於綜合損益表內確認。誠如綜合財務報表附註4所披露，貴集團根據管理層按照其對稅務規則之理解作出之最佳估計，即按土地增值額預計確認土地增值稅。土地增值金額參考物業銷售減預計可扣稅開支之所得款項而釐定，有關可扣稅開支包括土地使用權成本以及所有物業開發開支。

我們的審計如何處理關鍵審計事項

我們就土地增值稅之計提之程序包括：

- 中國內地稅務專家基於他們對相關稅務規則及法規(尤其是中國內地國家稅務總局公佈之土地增值稅率)之理解評估計算土地增值額之準確度；及
- 透過比較管理層於過往年度對實際業績作出之估計及本年度的估計，評估彼等採用之估計銷售物業所得款項及估計可扣稅開支。

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 the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於本年報的資料，惟不包括綜合財務報表及我們就此作出的核數師報告。

我們對綜合財務報表作出的意見並無涵蓋其他資料，而我們不會對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現一項重大錯誤陳述，我們須報告有關事實。我們毋須就此作出報告。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

該等管治層負責監督 貴集團的財務報告流程。

核數師就審核綜合財務報表須承擔的責任

我們的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並按照委任之協定條款向全體股東發出載有我們意見的核數師報告。除此之外，本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。合理確定屬高層次的核證，惟根據《香港審計準則》進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

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

As part of an audit in accordance with HKSA's, 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.
- 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 those charged with governance 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.

核數師就審核綜合財務報表須承擔的責任 (續)

在根據《香港審計準則》進行審計的過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，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、虛假陳述或凌駕內部監控的情況，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監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估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。
- 對董事採用持續經營會計法的恰當性作出結論，並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。倘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綜合財務報表中的相關披露。或倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

我們與管治層就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別的內部監控的任何重大缺失。

Independent Auditor's Report

獨立核數師報告

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

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

From the matters communicated with those charged with governance, 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 the independent auditor's report is Yuen Wing Hang.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
30 March 2020

核數師就審核綜合財務報表須承擔的責任 (續)

我們亦向管治層作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜以及相關防範措施(如適用)。

從與管治層溝通的事項中，我們釐定對本期綜合財務報表的審計至關重要的事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具獨立核數師報告的審計項目的項目合夥人為袁永恆。

德勤•關黃陳方會計師行
執業會計師

香港
二零二零年三月三十日

Consolidated Statement of Profit or Loss

綜合損益表

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

		NOTES 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	5	6,902,448	4,515,685
Cost of sales	銷售成本		(2,472,093)	(1,829,515)
Gross profit	毛利		4,430,355	2,686,170
Other income, other gains and losses	其他收入、其他收益及虧損	6	112,292	155,095
Selling expenses	銷售開支		(134,059)	(132,982)
Administrative expenses	行政開支		(461,498)	(390,433)
Fair value changes on investment properties	投資物業的公允價值變動	13	696,378	323,461
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	34	(20,170)	172,192
Finance costs	融資成本	7	(1,256,165)	(657,995)
Share of results of a joint venture	應佔一間合營公司業績		(2)	(8)
Profit before tax	除稅前盈利	8	3,367,131	2,155,500
Income tax expense	所得稅開支	9	(1,617,168)	(925,097)
Profit for the year	年度盈利		1,749,963	1,230,403
Profit (loss) for the year attributable to:	以下人士應佔年度盈利(虧損):			
Owners of the Company	本公司股東		1,749,884	1,237,167
Non-controlling interests	非控股權益		79	(6,764)
			1,749,963	1,230,403
			RMB cents	RMB cents
			人民幣分	人民幣分
Earnings per share attributable to the owners of the Company during the year	年內本公司股東應佔每股盈利			
– Basic	– 基本	12	35.12	25.21
– Diluted	– 攤薄		20.73	13.60

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit for the year	年內盈利	1,749,963	1,230,403
Other comprehensive (expense) income	其他全面(開支)收益		
Item that may be subsequently reclassified to profit or loss:	隨後或會重新分類至損益之項目：		
Exchange differences arising on translation	匯兌產生的換算差額	(31,311)	(59,930)
Item that will not be reclassified to profit or loss:	不會重新分類至損益之項目：		
Fair value changes on investment in equity instrument at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	37,732	34,917
Other comprehensive income (expense) for the year	年度其他全面收益(開支)	6,421	(25,013)
Total comprehensive income for the year	年度全面收益總額	1,756,384	1,205,390
Total comprehensive income (expense) attributable to:	以下人士應佔全面收益(開支)總額：		
Owners of the Company	本公司股東	1,756,905	1,211,876
Non-controlling interests	非控股權益	(521)	(6,486)
		1,756,384	1,205,390

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2019
於二零一九年十二月三十一日

		NOTES 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investment properties	投資物業	13	23,567,529	22,117,251
Property, plant and equipment	物業、廠房及設備	14	996,014	458,393
Goodwill	商譽	15	231,602	231,602
Interest in a joint venture	於一間合營公司的權益	16	6,058	6,060
Interest in an associate	於一間聯營公司的權益	17	–	–
Amount due from a joint venture	應收一間合營公司款項	16	522,318	522,318
Equity instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	19	541,125	490,816
Deferred tax assets	遞延稅項資產	20	565,713	345,030
Deposit paid	已付按金	21	29,410	–
			26,459,769	24,171,470
Current assets	流動資產			
Properties under development for sale	發展中待售物業	22	8,165,855	7,407,278
Properties held for sale	待售物業	23	2,467,237	3,302,382
Other inventories	其他存貨	24	738	629
Accounts receivable	應收賬款	25	31,212	11,576
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	26	3,230,928	890,294
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產		–	10,559
Debt instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之債務工具	18	–	20,000
Tax recoverable	可收回稅款		33,562	8,048
Restricted bank deposits	受限制銀行存款	27	2,804,061	3,915,826
Bank balances and cash	銀行結餘及現金	28	5,542,921	3,674,042
			22,276,514	19,240,634
Current liabilities	流動負債			
Accounts payable	應付賬款	29	1,111,831	1,383,514
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	30	673,358	744,814
Contract liabilities	合同負債	31	2,505,265	2,268,288
Lease liabilities	租賃負債	32	22,674	–
Tax liabilities	稅項負債		2,398,675	1,468,779
Borrowings	借貸	33	4,306,274	3,232,448
Senior notes and bond	優先票據及債券	35	5,027,123	2,591,909
Debt component of convertible bonds	可換股債券債務部分	34(a)	1,493,257	–
Derivative component of convertible bonds	可換股債券衍生工具部分	34(b)	222,207	–
			17,760,664	11,689,752
Net current assets	流動資產淨值		4,515,850	7,550,882
Total assets less current liabilities	總資產減流動負債		30,975,619	31,722,352

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2019
於二零一九年十二月三十一日

			2019	2018
		NOTES	二零一九年	二零一八年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借貸	33	15,149,805	13,309,348
Senior notes and bond	優先票據及債券	35	-	2,809,060
Debt component of convertible bonds	可換股債券債務部分	34(a)	-	1,381,645
Derivative component of convertible bonds	可換股債券衍生工具部分	34(b)	-	198,105
Lease liabilities	租賃負債	32	95,380	-
Deferred tax liabilities	遞延稅項負債	20	2,695,601	2,585,251
			17,940,786	20,283,409
Net assets	資產淨值		13,034,833	11,438,943
Capital and reserves	股本及儲備			
Share capital	股本	36	42,060	41,141
Reserves	儲備	37	12,885,799	11,290,307
Equity attributable to owners of the Company	本公司股東應佔權益		12,927,859	11,331,448
Non-controlling interests	非控股權益		106,974	107,495
Total equity	權益總額		13,034,833	11,438,943

The consolidated financial statements on pages 63 to 205 were approved and authorised for issue by the board of directors on 30 March 2020 and are signed on its behalf by:

第63至205頁之綜合財務報表已獲董事會於二零二零年三月三十日批准及授權刊發，並由以下董事代表簽署：

HUANG Jingshu
黃敬舒
CHAIRMAN AND EXECUTIVE DIRECTOR
主席兼執行董事

SIU Chi Hung
蕭志雄
EXECUTIVE DIRECTOR
執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司股東應佔權益											
		Share capital	Share premium	Convertible preference shares	Other reserves	Exchange reserve	Investment revaluation reserve	Share option reserve	Statutory reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		股本	股份溢價	可換股優先股	其他儲備	匯兌儲備	投資重估儲備	購股權儲備	法定儲備	保留盈利	小計	非控股權益	權益總額
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
Balance as at 1 January 2018	於二零一八年一月一日的結餘	39,121	6,300,567	5,959,114	(11,235,356)	119,608	75,744	208,337	149,812	8,219,115	9,836,062	233,141	10,069,203
Profit (loss) for the year	年度盈利(虧損)	-	-	-	-	-	-	-	-	1,237,167	1,237,167	(6,764)	1,230,403
Fair value changes on investments in equity instrument at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	-	-	-	-	-	34,917	-	-	-	34,917	-	34,917
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	(60,208)	-	-	-	-	(60,208)	278	(59,930)
Total comprehensive (expense) income for the year	年度全面開支(收益)總額	-	-	-	-	(60,208)	34,917	-	-	1,237,167	1,211,876	(6,486)	1,205,390
Recognition of equity-settled share-based payments (note 40)	確認以股權結算以股份支付的款項(附註40)	-	-	-	-	-	-	21,959	-	-	21,959	-	21,959
Conversion of convertible bonds (note 34)	兌換可換股債券(附註34)	240	70,145	-	-	-	-	-	-	-	70,385	-	70,385
Issue of ordinary shares (note 36)	發行普通股(附註36)	1,722	495,898	-	-	-	-	-	-	-	497,620	-	497,620
Issue of convertible preference shares (note 37)	發行可換股優先股(附註37)	-	-	287,047	-	-	-	-	-	-	287,047	-	287,047
Acquisition of a subsidiary and acquisition of non-controlling interest in a subsidiary (note 38(b))	收購一間附屬公司及收購一間附屬公司之非控股權益(附註38(b))	-	-	-	(398,435)	-	-	-	-	-	(398,435)	1,386	(397,049)
Acquisition of an additional interest in a subsidiary	增加收購於一間附屬公司的權益	-	-	-	(4,096)	-	-	-	-	-	(4,096)	(119,267)	(123,363)
Lapse of share options	購股權失效	-	-	-	-	-	-	(2,039)	-	2,039	-	-	-
Exercise of share options	行使購股權	58	15,999	-	-	-	-	(5,287)	-	-	10,770	-	10,770
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	-	-	71,564	(71,564)	-	-	-
Dividend declared and made (note 11)	已宣派及派付的股息(附註11)	-	-	-	-	-	-	-	-	(201,740)	(201,740)	(1,279)	(203,019)
Balance as at 31 December 2018	於二零一八年十二月三十一日的結餘	41,141	6,882,609	6,246,161	(11,637,887)	59,400	110,661	222,970	221,376	9,185,017	11,331,448	107,495	11,438,943
Adjustment (note 2)	調整(附註2)	-	-	-	-	-	-	-	-	66,525	66,525	-	66,525
Balance as at 1 January 2019 (restated)	於二零一九年一月一日的結餘(經重列)	41,141	6,882,609	6,246,161	(11,637,887)	59,400	110,661	222,970	221,376	9,251,542	11,397,973	107,495	11,505,468
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	1,749,884	1,749,884	79	1,749,963
Fair value changes on investments in equity instrument at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	-	-	-	-	-	37,732	-	-	-	37,732	-	37,732
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	(30,711)	-	-	-	-	(30,711)	(600)	(31,311)
Total comprehensive (expense) income for the year	年度全面(開支)收益總額	-	-	-	-	(30,711)	37,732	-	-	1,749,884	1,756,905	(521)	1,756,384
Conversion of convertible preference shares (note 36)	兌換可換股優先股(附註36)	880	180,376	(181,256)	-	-	-	-	-	-	-	-	-
Lapse of share options	購股權失效	-	-	-	-	-	-	(8,582)	-	8,582	-	-	-
Exercise of share options	行使購股權	39	10,819	-	-	-	-	(3,670)	-	-	7,188	-	7,188
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	-	-	92,249	(92,249)	-	-	-
Dividend declared and made (note 11)	已宣派及派付的股息(附註11)	-	-	-	-	-	-	-	-	(234,207)	(234,207)	-	(234,207)
Balance as at 31 December 2019	於二零一九年十二月三十一日的結餘	42,060	7,073,804	6,064,905	(11,637,887)	28,689	148,393	210,718	313,625	10,683,552	12,927,859	106,974	13,034,833

Consolidated Statement of Cash Flows

綜合現金流量表

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截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before tax	除稅前盈利	3,367,131	2,155,500
Adjustments for:	調整項目：		
Depreciation	折舊	37,399	40,529
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	925	2
Loss on disposal of investment properties	出售投資物業的虧損	-	3,299
Gain on disposal of a subsidiary	出售附屬公司的收益	(33,300)	-
Fair value changes on investment properties	投資物業的公允價值變動	(696,378)	(323,461)
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	20,170	(172,192)
Fair value changes on financial assets at fair value through profit or loss	按公允價值計入損益之金融資產之公允價值變動	-	47
Share of results of a joint venture	應佔一間合營公司業績	2	8
Reversal of impairment loss on accounts receivable	撥回應收款項減值虧損	(59)	(39)
Equity-settled share-based payments	以股權結算以股份支付的款項	-	21,959
Recovery of other receivables previously written-off	撥回以前已撇銷的其他應收款項	-	(1,500)
Interest income	利息收入	(93,570)	(103,905)
Investment income	投資收入	(418)	(5,816)
Dividend income	股息收入	(19,745)	(15,665)
Finance costs	融資成本	1,256,165	657,995
Loss on non-substantial modification of financial liabilities at amortised cost	按攤銷成本列賬之金融負債之非重大變更虧損	57,287	-
Loss on early redemption of financial liabilities at amortised cost	提前贖回按攤銷成本列賬之金融負債之虧損	1,099	-
Exchange difference	匯兌差額	66,761	51,288
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	3,963,469	2,308,049
Increase in properties under development for sale and properties held for sale	發展中待售物業及待售物業增加	(347,813)	(1,380,684)
(Increase) decrease in other inventories	其他存貨(增加)減少	(109)	516
(Increase) decrease in accounts receivable	應收賬款(增加)減少	(19,034)	365,755
Decrease in deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項減少	72,165	124,621
(Decrease) increase in accounts payable	應付賬款(減少)增加	(272,234)	783,265
Increase in contract liabilities	合同負債增加	236,977	2,268,288
Decrease in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項減少	(1,636,266)	(1,193,879)
Cash from operations	經營活動所得的現金	1,997,155	3,275,931
Income taxes paid	已付所得稅	(857,022)	(520,338)
Net cash from operating activities	經營活動所得現金淨額	1,140,133	2,755,593

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綜合現金流量表

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

	NOTES 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Investing activities	投資活動		
Placement of restricted bank deposits	存放受限制銀行存款	(2,922,449)	(6,795,462)
Consideration paid for acquisition of a subsidiary in prior year	於過往年度收購附屬公司之已付代價	-	(1,590,000)
Repayment of consideration payable	支付應付代價	-	(2,068,852)
Net cash inflow arising from acquisition of assets and liabilities through acquisition of a subsidiary	來自透過收購一間附屬公司收購資產及負債的現金流入淨額	38	-
Additional costs of investment properties	投資物業的額外成本	(177,920)	(1,189,777)
Advances to related parties	向關聯方支付墊款	(1,701,251)	(1,126,965)
Advance to a non-controlling interest	向非控股權益墊款	-	(15,734)
Placement of short-term time deposits with original maturity beyond three months but within one year	存放原定於三個月以上但一年內到期的短期存款	(447,605)	(442,133)
Purchase of financial assets at fair value through profit or loss	購置按公允價值計入損益之金融資產	(21,873)	(284,342)
Purchase of property, plant and equipment	購置物業、廠房及設備	(52,201)	(78,306)
Purchases of debt instruments at fair value through other comprehensive income	購置按公允價值計入其他全面收益之債務工具	(225,064)	(20,000)
Purchases of financial assets at fair value through profit or loss	購置按公允價值計入損益之金融資產	-	(10,736)
Withdrawal of restricted bank deposits	提取受限制銀行存款	4,037,303	4,998,888
Repayment from related parties	關聯方還款	988,723	1,036,999
Repayment from a non-controlling interest	非控股權益還款	1,629	3,227
Withdrawal of short-term deposits with original maturity beyond three months but within one year	提取原定於三個月以上但一年內到期的短期存款	442,133	624,929
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允價值計入損益之金融資產所得款項	32,850	434,342
Interest received	已收利息	65,216	87,591
Dividend income received	已收股息收入	19,745	15,665
Proceeds from disposal of investment properties	出售投資物業所得款項	-	1,536
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	48	135
Repayment from a joint venture	一間合營公司還款	-	5
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	25,056	-
Proceeds from disposal of debt instruments at fair value through other comprehensive income	出售按公允價值計入其他全面收益之債務工具所得款項	39	-
		245,064	-
Net cash from (used in) investing activities	投資活動所得(所用)現金淨額	608,374	(6,418,990)

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截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	NOTE 附註		
Financing activities	融資活動		
Repayments of borrowings	償還借貸	(8,301,256)	(4,994,599)
Repayments of bonds	償還債券	(486,474)	-
Interest paid	已付利息	(1,709,740)	(1,231,136)
Dividend paid	已付股息	(234,207)	(203,019)
Repayment of lease liabilities	償還租賃負債	(13,669)	-
Deposit paid for acquisition of additional interests in a subsidiary	收購於一間附屬公司額外權益的已付按金	(29,410)	-
Acquisition of an additional interest in a subsidiary	增加收購於一間附屬公司的權益	-	(75,348)
Proceeds from new borrowings	新造借貸所得款項	10,863,647	8,286,284
Proceeds from issue of convertible bonds	發行可換股債券所得款項	-	959,968
Issue of new shares upon exercise of share options	行使購股權以發行新股	7,118	10,770
Proceeds from issue of new shares	發行新股所得款項	-	497,620
Proceeds from issue of convertible preference shares	發行可換股優先股所得款項	-	287,047
Capital contribution by non-controlling shareholders of subsidiaries	附屬公司之非控股股東之出資	-	1,386
Net cash from financing activities	融資活動所得的現金淨額	96,009	3,538,973
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	1,844,516	(124,424)
Effect of foreign exchange rate changes	外匯匯率變動的影響	18,891	6,099
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	3,231,909	3,350,234
Cash and cash equivalents at end of the year	年末現金及現金等價物	5,095,316	3,231,909
Represented by:	指:		
Cash and cash equivalents	現金及現金等價物	5,095,316	3,231,909
Add: Fixed deposits with original maturity date more than three months but within one year	加: 原到期日為多於三個月但少於一年的定期存款	447,605	442,133
Bank balances and cash	銀行結餘及現金	5,542,921	3,674,042

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

1. GENERAL

LVGEM (China) Real Estate Investment Company Limited (the “Company”) was incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the Company’s registered office and principal place of business in Hong Kong are P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and Level 5, NEO, 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong respectively. Its ultimate controlling party is Mr. WONG Hong King (“Mr. Wong”), the father of Ms. HUANG Jingshu, the Chairman of the Company, and Mr. HUANG Hao Yuan, an Executive Director of the Company.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 50.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

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

The Company and its subsidiaries (together the “Group”) has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

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

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

1. 一般資料

綠景(中國)地產投資有限公司(「本公司」)為一家於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司註冊辦事處及香港主要營業地點之地址分別為P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands及香港九龍觀塘海濱道123號綠景NEO大廈5樓。其最終控制方為黃康境先生(「黃先生」)，彼乃本公司主席黃敬舒女士及本公司執行董事黃浩源先生之父親。

本公司為一間投資控股公司。其主要附屬公司的業務載於附註50。

綜合財務報表以人民幣(「人民幣」)呈列，人民幣亦為本公司的功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之新訂及經修訂香港財務報告準則

本公司及其附屬公司(統稱「本集團」)已於本年度首次應用以下由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號(修訂本)	具有負補償之提前還款特點
香港會計準則第19號(修訂本)	計劃修訂、縮減或結算
香港會計準則第28號(修訂本)	於聯營公司及合營公司之長期權益
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述者外，於本年度應用該等新訂及經修訂香港財務報告準則對本集團於本年度及以往年度的財務狀況及表現及/或載於該等綜合財務報表之披露並無重大影響。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

HKFRS 16 Leases

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

Definition of a lease

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

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

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related leases liabilities by applying HKFRS 16.C8(b)(ii) transition.

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

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application; and
- ii. applied a single discount rate to a portfolio of leases with a similar remaining term for similar class of underlying assets in similar economic environment.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 9.5%.

Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied under deposits received, prepayment and other receivables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and should be adjusted to reflect the discounting effect at transition. The impact of this on the Group is insignificant.

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港財務報告準則第16號租賃

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

租賃的定義

本集團選擇使用實際權宜方法，從而將香港財務報告準則第16號應用於先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包含租賃而識別為租賃之合約，且將此準則應用於先前未識別為包含租賃之合約。因此，本集團並無重新評估初始應用日期前已存在之合約。

就於二零一九年一月一日或之後訂立或修改的合約而言，本集團根據香港財務報告準則第16號所載有關評估合約是否包含租賃的規定應用租賃的定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，而累計影響於初始應用日期二零一九年一月一日確認。

於二零一九年一月一日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡確認額外租賃負債及使用權資產，金額相等於相關租賃負債。

於過渡期間根據香港財務報告準則第16號應用經修訂追溯法時，本集團按個別租賃基準對先前根據香港會計準則第17號分類為經營租賃的租賃採用以下實際權宜方法，惟以與相關租賃合約有關者為限：

- i. 選擇不就租賃期於初始應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；及
- ii. 就類似經濟環境內相似類別相關資產的類似剩餘年期的租賃組合應用單一貼現率。

當就先前分類為經營租賃的租賃確認租賃負債時，本集團於初始應用日期應用相關集團實體的遞增借款利率。所應用的加權平均遞增借款利率為9.5%。

於應用香港財務報告準則第16號前，本集團將已付可退還租金按金視為已收按金、預付款項及其他應收款項下香港會計準則第17號適用的租賃權利及責任。根據香港財務報告準則第16號下租賃付款的定義，該等按金並非與使用相關資產權利有關的付款，並須作出調整以反映過渡時的貼現影響。此做法對本集團的影響不大。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont'd)

HKFRS 16 Leases (Cont'd)

As a lessee (Cont'd)

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）(續)

香港財務報告準則第16號租賃(續)

作為承租人(續)

		At 1 January 2019 於二零一九年一月一日 RMB\$'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	209,469
Lease liabilities discounted at relevant incremental borrowing rates	租賃負債按相關遞增借款利率進行貼現	134,214
Less: Recognition exemption – short-term leases	減：確認豁免 – 短期租賃	(2,491)
Lease liabilities as at 1 January 2019	於二零一九年一月一日的租賃負債	131,723
Analysed as	按以下類別進行分析	
Current	流動	24,328
Non-current	非流動	107,395
		131,723

The carrying amount of right of use assets under sub-lease (classified as investment properties) as at 1 January 2019 comprises the following:

於二零一九年一月一日，分租賃項下的使用權資產（分類為投資物業）的賬面值包括以下各項：

	Note 附註	Investment properties 投資物業 RMB'000 人民幣千元
As at 31 December 2018		22,117,251
Right-of-use assets leased out under operating leases recognised upon application of HKFRS 16	於二零一八年十二月三十一日於應用香港財務報告準則第16號後確認以經營租賃租出的使用權資產	131,723
Adjustment to fair value of right-of-use assets accounted for as investment properties at 1 January 2019	對於二零一九年一月一日入賬列作投資物業的使用權資產的公允價值調整	88,700
	(a)	
As at 1 January 2019	於二零一九年一月一日	22,337,674

Note:

附註：

(a) The Group subleases certain premises out under operating leases. Accordingly, the related right-of-use assets are classified as investment properties and are measured at fair value on the initial application of HKFRS 16 on 1 January 2019, resulting in an adjustment of RMB88,700,000 to the right-of-use assets classified as investment properties, and a corresponding credit to retained profits. The related tax effect of RMB22,175,000 was recognised as deferred tax liabilities and included in adjustment to retained profits.

(a) 本集團以經營租賃分租若干物業。因此，於二零一九年一月一日，相關使用權資產被分類為投資物業，並就初次應用香港財務報告準則第16號按公允價值計量，導致對分類為投資物業之使用權資產作出調整人民幣88,700,000元，並相應計入保留盈利。相關稅務影響人民幣22,175,000元確認為遞延稅項負債，並計入保留盈利調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

HKFRS 16 Leases (Cont’d)

As a lessor

In accordance with the transitional provisions in HKFRS 16, except for sub-leases in which the Group acts as an intermediate lessor, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated. The impact to the Group as a lessor as at 1 January 2019 is insignificant.

Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied under accruals, deposits received and other payables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and should be adjusted to reflect the discounting effect at transition. The impact of this on the Group is insignificant.

The following table summarises the impact of transition to HKFRS 16 on retained profits at 1 January 2019.

			Impact of adopting HKFRS 16 at 1 January 2019 於二零一九年 一月一日 採納香港財務報告 準則第16號的影響 RMB'000 人民幣千元
		Note 附註	
Retained profits	保留盈利		
Fair value changes on investment properties	投資物業的公允價值變動	(a)	88,700
Tax effects	稅務影響	(a)	(22,175)
Impact at 1 January 2019	於二零一九年一月一日的影響		66,525

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

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

作為出租人

根據香港財務報告準則第16號的過渡條文，除本集團作為中間出租人的分租賃外，本集團毋須對本集團作為出租人的租賃的過渡作出任何調整，惟須自初始應用日期起根據香港財務報告準則第16號將該等租賃入賬，及並無重列比較資料。於二零一九年一月一日對本集團作為出租人的影響不大。

於應用香港財務報告準則第16號前，本集團將已收可退還租金按金視為應計費用、已收按金及其他應付款項下香港會計準則第17號適用的租賃權利及責任。根據香港財務報告準則第16號下租賃付款的定義，該等按金並非與使用權資產有關的付款，並須作出調整以反映過渡時的貼現影響。此做法對本集團的影響不大。

下表概述過渡至香港財務報告準則第16號對於二零一九年一月一日保留盈利的影響。

以下調整乃對於二零一九年一月一日簡明綜合財務狀況報表確認的款項作出。不受變動影響的項目不包括在內。

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For the year ended 31 December 2019

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

HKFRS 16 Leases (Cont’d)

As a lessor (Cont’d)

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

作為出租人(續)

		Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
		於二零一八年 十二月三十一日 先前呈報的賬面值 RMB'000 人民幣千元	調整 RMB'000 人民幣千元	於二零一九年 一月一日根據 香港財務報告準則 第16號的賬面值 RMB'000 人民幣千元
Non-current Assets	非流動資產			
Investment properties	投資物業	22,117,251	220,423	22,337,674
Current Liabilities	流動負債			
Lease liabilities	租賃負債	–	24,328	24,328
Non-current Liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	2,585,251	22,175	2,607,426
Lease liabilities	租賃負債	–	107,395	107,395
Capital and Reserves	資本及儲備			
Share premium and reserves	股份溢價及儲備	11,290,307	66,525	11,356,832

New and amendments to HKFRSs in issue but not yet effective

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

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

- Effective for annual periods beginning on or after 1 January 2021.
- Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- Effective for annual periods beginning on or after a date to be determined.
- Effective for annual periods beginning on or after 1 January 2020.

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 ¹
香港會計準則第3號(修訂本)	業務之定義 ²
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營公司之間的資產出售或注資 ³
香港會計準則第1號及香港會計準則第8號(修訂本)	重大性之定義 ⁴
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革 ⁴

- 於二零二一年一月一日或以後開始的年度期間生效。
- 對收購日期為於二零二零年一月一日或以後開始的首個年度期間初或以後的業務合併及資產收購生效。
- 於釐定日期或以後開始的年度期間生效。
- 於二零二零年一月一日或以後開始的年度期間生效。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

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

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and
- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

除上文之新訂及經修訂香港財務報告準則外，經修訂財務報告之概念框架於二零一八年頒佈。其相應修訂《香港財務報告準則之概念框架指引之修訂》將於二零二零年一月一日或以後開始的年度期間生效。

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期應用所有新訂及經修訂香港財務報告準則於可見未來將不會對綜合財務報表造成重大影響。

香港會計準則第1號及香港會計準則第8號(修訂本)重大性之定義

該等修訂透過載入有關作出重大判斷的額外指引及解釋，對重大性之定義進行修訂。尤其是有關修訂：

- 包含「掩蓋」重要資料的概念，其與遺漏或誤報資料有類似影響；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及
- 包含使用詞彙「主要使用者」，而非僅指「使用者」，於決定在財務報表披露何等資料時，該用語被視為過於廣義。

該等修訂亦與所有香港財務報告準則的定義一致，並將在本集團於二零二零年一月一日開始的年度期間強制生效。預期應用該等修訂不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列方式及披露。

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綜合財務報表附註

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

二零一八年財務報告概念框架（「新框架」）及提述香港財務報告準則概念框架的修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利的新資產定義以及範圍可能比所取代定義更廣的新負債定義，惟不會改變負債與股本工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且僅於特殊情況下方會使用其他全面收益，且僅用於資產或負債現值變動所產生的收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。

相應修訂已作出，致使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於二零二零年一月一日或之後開始的年度期間生效，並可提早應用。除仍參考該框架先前版本的特定準則外，本集團將於其生效日期按新框架決定會計政策，尤其是會計準則未有處理的交易、事件或條件。

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

The principal accounting policies are set out below.

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則而編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例的適用披露規定。

於各報告期末，除下文所載會計政策闡釋的投資物業及若干金融工具按公允價值計量外，綜合財務報表乃按歷史成本基準編製。

歷史成本一般按換取貨品及服務所付出代價之公允價值計量。

公允價值是於計量日期市場參與者於有序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公允價值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份為基礎的付款範圍的以股份為基礎之付款交易、根據香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於應用香港財務報告準則第16號前)入賬的租賃交易，以及與公允價值有部份相若地方但並非公允價值的計量，譬如香港會計準則第2號存貨內的可變現淨額或香港會計準則第36號資產減值的使用價值除外。

非金融資產的公允價值計量須考慮市場參與者充分利用該資產或充分利用該資產向另一市場參與者進行銷售從而產生經濟效益的能力。

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

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

主要會計政策載列於下文。

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation

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

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

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

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

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

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

3. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司及其所控制之實體及其附屬公司之財務報表。當本公司符合以下要素時，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本公司會重新評估其是否對投資對象擁有控制權。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個項目乃歸屬於本公司股東及非控股權益。附屬公司之全面收益總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員公司之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合入賬時悉數對銷。

附屬公司的非控股權益從本集團權益中獨立呈列，指現時擁有的權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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

3. 主要會計政策(續)

綜合基準(續)

本集團於現有附屬公司的權益變動

未導致本集團失去對附屬公司控制權的本集團於附屬公司的權益變動以權益交易列賬。為反映其於附屬公司的相關權益變動(包括根據本集團與非控股權益之權益比例重新歸屬本集團與非控股權益之相關儲備)，本集團的相關權益部分及非控股權益的賬面值會作出調整。

非控股權益於重新分配相關權益部分後所作調整數額與已付或已收代價公允價值之間的任何差額直接於權益內確認，並歸屬於本公司股東。

當本集團失去附屬公司的控制權時，該附屬公司之資產及負債以及非控股權益(如有)會被確認。收益或虧損於損益確認，並按以下兩者的差額計算得出：(i)已收代價的公允價值任何留存權益的公允價值的總和；及(ii)本公司股東應佔附屬公司資產(包括商譽)及負債的賬面值。先前就該附屬公司於其他全面收益確認的所有金額，按猶如本集團已直接出售該附屬公司的相關資產或負債入賬處理(即按適用的國際財務報告準則所規定/許可，重新分類至損益或轉撥至另一類權益)。前附屬公司於失去控制權日時任何保留投資的公平值視為初始確認香港財務報告準則第9號項下後續會計處理之公平值或(倘適用)初始確認聯營公司或合營公司投資的成本。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**Business combinations**

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

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

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

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

3. 主要會計政策(續)**業務合併**

收購業務採用收購法入賬。業務合併之轉撥代價按公允價值計量，而計算方法為本集團所轉讓之資產於收購日之公允價值、本集團向被收購方原擁有人產生之負債及本集團於交換被收購方之控制權發行之股權。有關收購之費用於產生時一般於損益中確認。

於收購日，所收購之可識別資產及所承擔之負債按公允價值確認，惟下文所述者除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，分別根據香港會計準則第12號所得稅及香港會計準則第19號僱員福利確認並計量；
- 與被收購公司以股份為基礎之付款安排或以本集團訂立以股份為基礎之付款安排取代被收購公司以股份為基礎之付款安排相關之負債或股本工具乃於收購日期根據香港財務報告準則第2號以股份為基礎之付款計量(見下文會計政策)；
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產(或出售組別)則根據該準則計量；及
- 租賃負債按剩餘租賃付款(定義見香港財務報告準則第16號)的現值確認及計量，猶如已收購的租賃於收購日期為新租賃。使用權資產按與相關租賃負債相同的金額確認及計量，並進行調整以反映與市場條件相比租賃的有利或不利益條款。

商譽是以所轉撥之代價、於被收購方中所佔任何非控股權益金額及收購方以往持有被收購方股權(如有)之公允價值之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。倘經過重新評估後，所收購之可識別淨資產與所承擔負債之淨額高於轉撥之代價、於被收購方中所佔任何非控股權益之金額與收購方先前持有被收購方之權益(如有)之公允價值之總和，則差額即時於損益內確認為議價收購收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations (Cont'd)

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

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9/HKAS 39 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets/financial liabilities at the respective fair value, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

3. 主要會計政策(續)

業務合併(續)

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔相關附屬公司之資產淨值之非控股權益，初步按非控股權益應佔被收購方可識別資產淨值的已確認金額比例或按公允價值計量。計量基準視乎每項交易而作出選擇。

於業務合併乃分階段完成時，本集團先前持有之被收購方股權乃按於收購日期(即本集團獲得控制權之日期)之公允價值重新計量，而所產生之收益或虧損(如有)乃於損益內或其他全面收益(按適用者)確認。倘本集團已出售先前所持有的股權，則於收購日期前根據香港財務報告準則第9號/香港會計準則第39號計量並已於其他全面收益確認因於被收購方權益而產生之金額，將按所規定的相同基準入賬。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，則本集團呈報未完成會計處理之項目之臨時數額。該等臨時數額會於計量期間(見上文)內追溯調整，並確認額外資產或負債，以反映所取得於收購日期已存在而據所知可能影響該日已確認數額之相關事實與情況之新資料。

收購附屬公司並不構成一項業務

當本集團收購一組並不構成業務之資產及負債時，本集團透過首先向其後以公允價值模式計量之投資物業及金融資產/金融負債按相關公允價值分配收購價，以識別及確認所收購個別可識別資產及所承擔負債，而收購價餘下結餘其後按其於購買日期之相關公允價值為基準分配至其他可識別資產及負債。有關交易並不會產生商譽或議價收購收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Goodwill

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

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

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

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

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

Investments in an associate and a joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 主要會計政策(續)

商譽

因收購業務產生之商譽乃按業務收購日期釐定之成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至預期從合併之協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)，即指就內部管理而言監察商譽的最低水平，且不大於經營分部。

本集團每年會就獲分配商譽之現金產生單位(或現金產生單位組別)進行減值測試，或於有跡象顯示該單位可能已經減值時更頻繁地進行測試。就於報告期內收購產生之商譽而言，已獲分配商譽之現金產生單位(或現金產生單位組別)於報告期末前進行減值測試。可收回數額少於其賬面值，則本集團會首先分配減值虧損以減少任何商譽之賬面值，再根據該單位(或現金產生單位組別)之各項資產之賬面值按比例分配予其他資產。

出售相關現金產生單位或現金產生單位組別中任何現金產生單位時，釐定出售損益時須計入商譽之應佔金額。當本集團出售現金產生單位(或現金產生單位組別中的一個現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或現金產生單位組別)部分的相對價值計量。

本集團就因收購合營公司產生之商譽的政策如下文所述。

投資聯營公司及合營公司

聯營公司指本集團對其有重大影響力的實體。重大影響力指有權參與投資對象的財務及經營決策，而並非對該等政策擁有控制權或共同控制權。

合營公司指一項聯合安排，對安排擁有共同控制權之訂約方據此對聯合安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in an associate and a joint venture (Cont'd)

The results and assets and liabilities of an associate or a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or the joint venture. Changes in net assets of the associate/the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate/the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or the joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

投資聯營公司及合營公司(續)

聯營公司或合營公司的業績、資產及負債按權益法計入此綜合財務報表中。按照權益法，於聯營公司或合營公司之投資乃按成本於綜合財務狀況報表中首次確認，並於其後就確認本集團應佔聯營公司或合營公司之損益及其他全面收益而作出調整。聯營公司/合營公司之資產淨值變動(損益及其他全面收益除外)不會列賬，惟有關變動導致本集團持有之所有權權益有所變動則另作別論。倘本集團所佔於聯營公司或合營公司之虧損等於或超越本集團於聯營公司或合營公司應佔權益(包括任何實際上構成本集團於聯營公司/合營公司投資淨值其中部分之長遠權益)，本集團應不再確認應佔的虧損。確認額外虧損只限於集團須受合法或結構性責任或代聯營公司或合營公司支付款項。

於聯營公司或合營公司之投資採用權益會計法自被投資者成為合營公司當日起入賬。於收購聯營公司或合營公司之投資時，投資成本超過本集團應佔被投資者之可識別資產及負債之公允價值淨值之任何部份均確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債之公允價值淨值超過投資成本之任何部份(經重新評估後)於收購投資之期間即時確認為損益。

本集團評估是否具客觀證據證明於聯營公司或合營公司之權益可能減值。倘存在任何客觀證據，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公允價值減出售成本之較高者)與賬面值。任何已確認之減值虧損構成該項投資之賬面值之一部份，有關減值虧損之任何撥回乃於該項投資之可收回金額其後增加之情況根據香港會計準則第36號確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in an associate and a joint venture (Cont'd)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

3. 主要會計政策(續)

投資聯營公司及合營公司(續)

倘本集團削減其於聯營公司或合營公司之所有權權益而本集團繼續採用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收益確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

倘集團實體與本集團之聯營公司或合營公司進行交易，僅在合營公司之權益與本集團無關之情況下，與聯營公司或合營公司進行交易所產生之盈利及虧損，方會於本集團之綜合財務報表中確認。

來自客戶合約的收益

本集團於(或當)完成履約責任時(即於與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時)確認收益。

履約責任指一項明確貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下其中一項條件，則控制權為隨時間轉移，而收益則參考相關履約責任的完成進度隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創造或提升客戶於本集團履約時控制的資產；或
- 本集團的履約並無創造對本集團具有替代用途的資產，而本集團擁有強制執行權收取至今已履約部分的款項。

否則，收益於客戶獲得明確商品或服務控制權時確認。

合約負債指本集團因自客戶收取代價(或到期收取的代價)，而須向客戶轉讓貨品或服務的責任。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue from contracts with customers (Cont'd)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

For property management service, the Group recognises revenue in the amount to which the entity has a right to invoice, as the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

Existence of significant financing component

For sales of properties, in determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (e.g. sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

3. 主要會計政策(續)

來自客戶合約的收益(續)

隨時間確認收益：計量完全履行履約責任的進展情況

就物業管理服務而言，當本集團擁有可收取來自客戶的代價之權利時，而代價之金額與實體客戶迄今為止達致之表現價值直接對應，則本集團可按實體有權開具發票的金額確認收益。

存在重大融資部分

就物業銷售，釐定交易價時，倘協定之付款時間(明示或暗示)為客戶或本集團提供有關向客戶轉讓貨品或服務之重大融資利益，本集團會就貨幣時間價值之影響調整承諾代價金額。於該等情況下，合約即包含重大融資部分。不論融資承諾是否明確列於合約或隱含在合約訂約方協定之付款條款中，均可能存在重大融資部分。

對於付款與轉讓相關貨品或服務相隔期間不足一年之合約，本集團應用可行權宜之計，而不就任何重大融資部分調整交易價。

就於轉移本集團已就重大融資而調整已承諾之代價金額之相關貨品或服務前自客戶收取之預付款項而言，本集團應用將於本集團與客戶之間於合約開始之獨立融資交易中反映之折現率。於預付款項期間收取相關利息開支，且轉移相關貨品及服務按相同基準入賬列作其他借貸成本。

獲得合約之增量成本

獲得合約之增量成本指本集團取得客戶合約所產生之成本，倘未獲得該合約，則不會產生有關成本。

倘預期可收回有關成本(如銷售佣金)，則本集團確認該等成本為一項資產。所確認資產隨後按與向客戶轉讓有關該資產之貨品或服務一致之系統基準攤銷至損益。

倘該等成本將在一年內悉數攤銷至損益，則本集團將應用可行權宜方法，支銷所有增量成本以獲得合約。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Lease

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Short-term leases

The Group applies the short-term lease recognition exemption to leases of rental premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Except for those that are classified as investment properties and measured under fair value model, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets that meet the definition of investment property are presented within “investment properties”.

3. 主要會計政策(續)

租賃

租賃的定義(根據附註2所述的過渡安排應用香港財務報告準則第16號後)

倘一份合約為換取代價而給予於一段時間內控制一項已識別資產使用的權利，則該合約屬租賃或包含租賃。

就於初始應用日期或之後訂立或修訂或產生自業務合併的合約而言，本集團根據香港財務報告準則第16號的定義於合約開始、修改日期或收購日期(如適用)評估該合約是否屬租賃或包含租賃。除非合約的條款及條件其後出現變動，否則將不會重新評估有關合約。

本集團作為承租人(根據附註2所述的過渡安排應用香港財務報告準則第16號後)

短期租賃

本集團對租賃期為自開始日期起計12個月或以下且不包含購買權的租賃物業租賃應用短期租賃確認豁免。短期租賃的租賃付款於租賃期內按直線法或其他系統基準確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前支付的任何租賃付款，減任何已收取的租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆除及拆遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時估計產生的成本。

除該等分類為投資物業且按公允價值模式計量的使用權資產外，使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

使用權資產按其估計可使用年期及租期的較短者以直線法折舊。

符合投資物業定義的使用權資產則於「投資物業」內呈列。

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Lease (Cont'd)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Cont'd)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

The Group as lessee (prior to 1 January 2019)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

The Group as lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2所述的過渡安排應用香港財務報告準則第16號後)(續)

可退還租金按金

已付可退還租金按金根據香港財務報告準則第9號入賬及初步按公允價值計量。於初步確認時對公允價值的調整被視為額外租賃付款，並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按當日未支付的租賃付款現值確認及計量租賃負債。本集團會使用租賃開始日期的遞增借款利率計算租賃付款現值。

租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠。

於開始日期後，租賃負債按利息增長及租賃付款進行調整。

本集團在綜合財務狀況表中將租賃負債作為單獨的項目呈列。

本集團作為承租人(於二零一九年一月一日前)

經營租賃付款於租賃期內按直線法確認為開支。

本集團作為出租人

租賃之分類及計量

本集團為出租人之租賃乃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約乃分類為融資租賃。所有其他租賃乃分類為經營租賃。

經營租賃之租金收入乃按有關租賃之租期以直線法於損益中確認。協商及安排經營租賃所產生之初步直接成本乃加至租賃資產之賬面值，而有關成本按租期以直線法確認為開支，惟投資物業以公允價值模式計量除外。

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綜合財務報表附註

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截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Lease (Cont'd)

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in note 2)

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sublease

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)

租賃(續)

本集團作為出租人(根據附註2所述的過渡安排應用香港財務報告準則第16號後)

將代價分配至合約各組成部分

當合約包括租賃及非租賃部份時，本集團應用香港財務報告準則第15號將合約的代價分配至租賃及非租賃部分。非租賃部分因彼等的相對單獨售價而與租賃部分分開呈列。

可退還租賃按金

已收可退還租金按金根據香港財務報告準則第9號入賬並初步按公允價值計量。於初步確認時對公允價值的調整被視為來自承租人的額外租賃付款。

分租

當本集團為中間出租人時，本集團將主租賃及分租作為兩份獨立合約入賬。分租乃參考來自主租賃的使用權資產(而非相關資產)分類為融資或經營租賃。

租賃修訂

本集團將經營租賃修訂自修訂生效日期起作為新租賃入賬，並將有關原定租賃的任何預付或應計租賃付款視為新租賃的租賃付款的一部分。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易按交易日期之現行匯率予以確認。於各報告期末，以外幣列值之貨幣項目按有關日期現行之匯率予以重新換算。按歷史成本計量以外幣列值之非貨幣項目不予重新換算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies (Cont'd)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the foreign operation.

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

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. For properties under development for which revenue is recognised over time, the Group ceases to capitalise borrowing costs as soon as the properties are ready for the Group's intended sale.

Effective 1 January 2019, any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策(續)

外幣(續)

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間在損益內確認，惟應收或應付海外業務而結算並無計劃亦不可能發生(因此構成海外業務投資淨額之一部分)之貨幣項目之匯兌差額外，該等匯兌差額初步於其他綜合收益內確認，並於出售海外業務時自權益重新分類至損益。

就呈報綜合財務報表而言，本集團海外業務的資產及負債乃按各報告期末的現行匯率換算為本集團的呈報貨幣(即人民幣)。收入及開支項目則按期內的平均匯率換算，除非匯率於該期間內出現大幅波動則另作別論；於該情況，則採用交易當日現行匯率。所產生的匯兌差額(如有)乃於其他全面收益確認及於匯兌儲備項下之權益累計(於適當時撥作非控股權益)。

出售海外業務時(即出售本集團於海外業務的全部權益、或出售涉及失去包括海外業務的附屬公司的控制權)，本公司擁有人就該等業務應佔的所有累計的匯兌差額乃重新分類至損益。

此外，就部分出售不導致本集團失去附屬公司之控制權而言，累計匯兌差額分佔部分重新歸類至非控股權益且不會於損益內予以確認。

借貸成本

與收購、興建或生產合格資產(須用一段較長時間達致其擬定用途或出售的資產)直接有關的借貸成本會計入該等資產的成本，直至資產大致上達致其擬定用途或出售時為止。就隨時間確認收益的發展中物業而言，本集團於物業可用於本集團之擬定銷售用途時，會盡快暫停將借貸成本撥作資本。

任何於相關資產可用於其擬定用途或作銷售後仍為尚未支付的特定借貸會計入用作計算一般借貸資本化比率之一般借貸，自二零一九年一月一日起生效，

所有其他借貸成本均於其產生期間於損益賬確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in share option reserve. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

3. 主要會計政策(續)

政府補貼

政府補貼於合理確定本集團將會符合政府補貼附帶的條件及將會獲得補貼時，方會確認入賬。

作為彌補已產生開支或虧損，或向本集團提供並無未來相關成本的即時財務援助而應收的政府補貼，在成為應收款項期間內於損益中確認。

退休福利成本

界定供款退休福利計劃的付款乃於僱員提供服務並因而享有供款權利時確認為開支。

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除任何已付金額後確認為負債。

以股份支付的款項

以股權結算以股份支付之付款交易

授予僱員之購股權

向僱員和其他提供類似服務人士以股權結算以股份支付之付款按照股本工具於授出日期的公平值計量。

以股權結算以股份支付之付款按授出日期釐定的公平值(並無計及所有非市場歸屬條件)乃根據本集團對最終將歸屬的股本工具之估計，於歸屬期內以直線法支銷，而相應增加計入購股權儲備。於各報告期末，本集團根據所有相關非市場歸屬條件的評估修訂預期歸屬股本工具的估計數目。修訂原有估計的影響(如有)於損益內確認，令累計開支反映經修訂的估計，並相應調整至購股權儲備。

當購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，先前於購股權儲備中確認之款項將轉撥至保留溢利。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in an associate and a joint venture, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

稅項

所得稅開支乃指即期應付稅項及遞延稅項的總額。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利與稅前溢利有所不同，此乃由於在其他年度應課稅或可減免之收入或開支項目以及毋須課稅或不可減免的項目。本集團的即期稅項負債乃使用於報告期末已頒佈或實質頒佈的稅率計算。

遞延稅項於綜合財務報表內資產及負債賬面值與用作計算應課稅溢利的相應稅基的暫時差額確認。遞延稅項負債一般會就所有應課稅的暫時差額確認，而遞延稅項資產一般乃按可能出現可動用可減免的暫時差額的應課稅溢利時確認所有扣減暫時差額。若於一項交易中，因業務合併以外原因初步確認資產及負債而引致不影響應課稅溢利及會計溢利的暫時差額，則不會確認該等遞延稅項資產及負債。此外，若暫時差額是源自商譽之初始確認，則不確認遞延稅項負債。

遞延稅項負債乃按因於附屬公司的投資以及於聯營公司及合營公司的權益有關的應課稅暫時差額而確認，惟若本集團能控制暫時差額的撥回及暫時差額於可見將來可能不會撥回的情況則除外。與該等投資及權益相關的可扣減暫時差額產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用暫時差額且預期將於可見將來撥回時方始確認。

遞延稅項資產的賬面值於各報告期末作審閱，並在不再可能有足夠應課稅溢利收回全部或部分資產時作扣減。

遞延稅項資產及負債乃按預期於償還負債或資產變現期間適用的稅率計量，所根據的稅率(及稅法)乃於報告期末已頒佈或實質上已頒佈者。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債及資產的計量反映本集團於報告期末預期將要收回或償還其資產及負債的賬面值的稅務後果。

就計量遞延稅項負債而言，利用公平值模型計量的投資物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於本集團的業務模式(其業務目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益)內持有時，有關假設會被推翻。

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

就稅項扣減歸因於租賃負債的租賃交易而言，本集團對整項租賃交易應用香港會計準則第12號所得稅之規定。與使用權資產及租賃負債相關的暫時性差額會按淨額基準評估。使用權資產折舊超出租賃負債本金部分的租賃付款的金額會產生可扣減暫時性差額淨額。

當即期稅項資產與即期稅項負債可依法相互抵銷，且是與同一稅務機關向同一稅務實體所徵收的所得稅有關時，遞延稅項資產及負債可相互抵銷。

即期及遞延稅項於損益賬確認，惟倘彼等與於其他全面收入確認或直接於權益確認的項目有關。在該情況下，即期及遞延稅項亦分別於其他全面收入確認或直接於權益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Construction in progress in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interest which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備為就用於生產或供應貨物或服務或作行政用途持有的有形資產(下文所述之永久業權土地及在建物業除外)。物業、廠房及設備於綜合財務狀況報表以成本減其後累計折舊及其後累計減值虧損(如有)列賬。

永久業權土地並不計提折舊，並按成本減其後累計減值虧損計量。

興建中的在建工程(作生產、供應或行政用途)按成本減任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式經營所需的位置及條件而直接產生的任何成本，以及就合資格資產而言，根據本集團的會計政策撥作資本的借貸成本。該等資產按其他物業資產的相同基準，在可作擬定用途時開始折舊。

於租賃土地及樓宇的擁有權權益

倘本集團就含有租賃土地及樓宇成分的擁有權權益付款時，則全部代價於租賃土地及樓宇成分之間按初始確認時的相對公允價值的比例分配。

當付款無法在租賃土地及樓宇成分之間可靠分配時，整項物業被一般分類為物業、廠房及設備。

資產(除了永久業權土地及在建工程)會以直線法在其估計使用年期內撇銷其成本減去殘值後確認折舊。估計使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

物業、廠房及設備項目將於出售時或預期繼續使用有關資產亦不會帶來任何未來經濟利益時終止確認。出售或棄用某個物業、廠房及設備項目所產生任何收益或虧損，按有關資產的出售所得款項與其賬面值差額計算，並在損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Effective 1 January 2019, investment properties also include leased properties that are recognised as right-of-use assets upon application of HKFRS 16 which are subleased by the Group under operating leases. The carrying amounts of these investment properties include the carrying amount of the related lease liabilities, where appropriate, to avoid double counting.

Investment properties are initially measured at cost, including any directly attributable expenditure. Cost incurred for investment properties under development comprises development expenditure including professional charges directly attributable to the development and borrowing costs, and these costs are capitalised as part of the carrying amount of the investment properties under development during the development period.

Subsequent to initial recognition, investment properties including completed investment properties and investment properties under development, are measured at their fair values, adjusted to exclude any prepaid or accrued operating lease income. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Effective 1 January 2019, a leased property which is recognised as a right-of-use asset upon application of HKFRS 16 is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

If there is a transfer from investment property carried at fair value to owner-occupied property evidenced by the commencement of owner occupation, the property's deemed cost for subsequent accounting shall be its fair value at the date of change in use.

3. 主要會計政策(續)**投資物業**

投資物業指為賺取租金及／或資本增值而持有的物業(包括作該等用途的在建物業)。

自二零一九年一月一日起，投資物業亦計入於應用香港財務報告準則第16號後確認為使用權資產的租賃物業，而有關租賃物業乃由本集團根據經營租賃進行分租。該等投資物業的賬面值包括相關租賃負債的賬面值(如適用)，以避免重覆計算。

投資物業按成本值(包括任何直接應佔費用)進行初始計量。在發展中投資物業產生之成本包括開發直接相關專業費用及借貸成本等發展開支，該等成本於開發期間資本化為發展中投資物業賬面值的一部分。

於初次確認後，投資物業(包括已完成投資物業及發展中投資物業)乃按其公允價值計量，並就撇除任何預付或應計經營租賃收入而作出調整。投資物業公允價值變動所產生之盈虧於產生期間計入損益。

就在建投資物業而產生的建築成本資本化為在建投資物業賬面值的一部分。

投資物業於出售時或於投資物業永久不可使用及預期其出售不會產生任何未來經濟利益時予以撇除確認。自二零一九年一月一日起，倘本集團(作為中間出租人)將分租分類為融資租賃，於應用香港財務報告準則第16號後確認為使用權資產的租賃物業則會被終止確認。撇除確認該物業所產生之任何收益或虧損(計算為出售所得款項淨額與該資產賬面值間之差額)於該物業被撇除確認之當期計入損益。

倘按公允價值列賬之投資物業轉撥為業主自用物業，並由業主開始自用予以證實，則該物業於其後入賬時之視作成本應為其於改變用途當日之公允價值。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Properties for/under development/properties for sale

Properties for/under development which are intended to be sold upon completion of development and properties for sale are classified as current assets. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets upon the application of HKFRS 16, properties for/under development/properties for sale are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis including allocation of the related development expenditure incurred and where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less estimated cost to completion and costs necessary to make the sales.

Properties for/under development for sale are transferred to properties for sale upon completion.

Other inventories

Other inventories comprising consumable stores for own consumption which are recognised at cost, and subsequently at the lower of cost and net realisable value. Cost of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Transfer from inventories to investment properties carried at fair value

The Group transfers a property from inventories to investment property when there is a change in use to hold the property to earn rentals or/and for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the inception of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

Impairment on tangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. 主要會計政策(續)

待發展/發展中物業/待售物業

擬於開發完成後出售的待發展/發展中物業及待售物業被分類為流動資產。除租賃土地部分於應用香港財務報告準則第16號後按照使用權資產之會計政策以成本模式計量外，待發展/發展中物業/待售物業均以成本及可變現淨值兩者之較低者入賬。成本按特定識別基準釐定，包括分配所產生之有關開發成本及(倘適用)撥作資本的借貸成本。可變現淨值指物業估計售價減完成之估計成本及進行銷售之估計必要成本。

待發展/發展中待售物業於完成後轉撥至待售物業。

其他存貨

其他存貨包括供本身消耗的消耗品庫存材料，乃按成本確認，而隨後以成本及可變現淨值兩者之較低者確認。存貨成本乃以加權平均法釐定。可變現淨值指存貨的估計售價減所有估計完成成本及進行銷售之估計必要成本。

從存貨轉撥至以公允價值列賬的投資物業

當持有物業的目的發生改變至賺取租金或/及實現資本增值，而非於日常業務過程中出售(以向另一方提供經營租賃開始為證)時，本集團將物業從存貨轉撥至投資物業。於轉撥日期之物業公允價值與其先前賬面金額之間的任何差異於損益確認。

除商譽外有形資產減值

本集團會於報告期末審閱其有形資產之賬面值，以確定有否任何跡象顯示該等資產已出現減值虧損。倘有任何該等跡象存在，須估計相關資產可收回金額以釐定減值虧損程度(如有)。

有形資產之可收回金額乃按個別基準進行估計。倘無法按個別基準估計可回收金額，本集團會估計該資產所屬現金產生單位的可回收金額。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**Impairment on tangible assets other than goodwill** (Cont'd)

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)**除商譽外有形資產減值** (續)

此外，本集團對是否有跡象顯示公司資產可能出現減值進行評估。倘存在有關跡象，於可識別合理一致的分配基準時，公司資產亦會分配至個別現金產生單位，否則有關資產會分配至可識別合理一致分配基準的現金產生單位最小組別。

可收回金額乃公允價值扣除出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量將使用稅前貼現率貼現至其現值，以反映目前貨幣時間值之市場評估及未調整未來現金流估計之資產(或現金產生單位)之特定風險。

倘資產(或現金產生單位)可收回金額估計低於其賬面值，則該資產(或現金產生單位)賬面值將扣減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值(如適用)，然後根據該單位或該組現金產生單位內各項資產的賬面值按比例分配至其他資產。資產的賬面值不會被減少至低於其公允價值減出售成本(如可計量)、其使用價值(如可釐定)及零之最高者。以其他方式分配至資產的減值虧損金額按比例分配至該單位的其他資產。減值虧損應即時於損益內確認。

倘若減值虧損其後撥回，則該資產(或現金產生單位或一組現金產生單位)之賬面值會增加至修訂後之估計可收回款額，惟所增加之賬面值數額不得超過倘以往年度該資產(或現金產生單位或一組現金產生單位)未有確認減值虧損之賬面值。減值虧損撥回會即時於損益賬內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 主要會計政策(續)

撥備

倘本集團因過去事件而承擔現有責任(法定或推定)，而本集團很可能須履行該責任，並可就該責任之金額作出可靠估計時，則會確認撥備。

確認為撥備之金額為於報告期結束時履行現時責任所需代價之最佳估計，而估計乃經考慮圍繞責任之風險及不確定性而作出。倘撥備以估計履行現有責任之現金流量計量時，其賬面值為該等現金流量之現值(倘貨幣時間值之影響屬重大)。

金融工具

倘集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。所有常規購買或出售金融資產均按交易日基準確認及終止確認。常規購買或出售的方式乃購買或銷售金融資產，並要求於市場上按規則或慣例設定之時間框架內交付資產。

財務資產及財務負債初步按公允價值計量，惟來自與客戶訂立合約的貿易應收款項初始按香港財務報告準則第15號計量。與收購或發行直接相關之財務資產及財務負債(透過損益按公允價值列賬的金融資產或金融負債除外)，於初步確認時加入財務資產或財務負債(如適用)的公允價值，或自財務資產或財務負債(如適用)的公允價值中扣除。與收購金融資產或透過損益按公允價值列賬的金融負債直接相關之交易成本會即時於損益內確認。

實際利率法為計算金融資產或金融負債攤銷成本及於有關期間分配利息收入及利息開支之方法。實際利率為可準確將金融資產或金融負債在預計年期或較短期間內(如適用)產生之估計未來現金收入及付款(包括構成實際利率不可或缺部分之已付或已收之一切費用及點數、交易成本及其他溢價或折價)折算為初步確認時之賬面淨值之利率。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost of FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策(續)

金融工具(續)

金融資產

金融資產之分類及其後計量

符合以下條件的金融資產其後按攤銷成本計量：

- 目的為收取合約現金流的業務模式下持有的金融資產；及
- 合約條款引述於特定日期產生僅為支付本金及未償還本金利息的現金流量。

符合以下條件的金融資產其後按公允價值計入其他全面收益(「按公允價值計入其他全面收益」)之方式計量：

- 目的為出售及收取合約現金流的業務模式下持有的金融資產；及
- 合約條款引述於特定日期產生僅為支付本金及未償還本金利息的現金流量。

所有其他金融資產其後按公允價值計入損益(「按公允價值計入損益」)計量，倘該股權投資並非持作買賣或收購方應用香港財務報告準則第3號「業務合併」於業務合併中確認或然代價，於初始應用香港財務報告準則第9號／初始確認金融資產日期本集團可作不可撤回之選擇於其他全面收益(「其他全面收益」)內呈列股權投資其後的公允價值變動除外。

在下列情況下，金融資產為持作買賣：

- 主要為於短期內出售而收購；或
- 初步確認屬於本集團合併管理之可識別金融工具組合之一部份，並具有最近實際短期獲利模式；或
- 並未被指定且可有效作為對沖工具之衍生工具。

此外，本集團可不可撤回地指定須按攤銷成本計量或按公允價值計入其他全面收益之金融資產以按公允價值計入損益之方式計量，前提為有關指定可消除或大幅減少會計錯配。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in OCI and accumulated under the heading of investment revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these debt instruments. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

(i) 攤銷成本及利息收入

金融資產之利息收入使用實際利率法確認及其後按攤銷成本計量，債務工具／應收款項其後以按公允價值計入其他全面收益之方式計量。利息收入乃通過對金融資產之賬面總值應用實際利率計算得出，惟其後成為信貸減值之金融資產除外(見下文)。就其後成為信貸減值之金融資產而言，利息收入透過對下一報告期間金融資產之攤銷成本應用實際利率予以確認。倘信貸減值金融工具之信貸風險有所改善，以致金融資產不再出現信貸減值，則利息收入透過於資產被釐定為不再出現信貸減值後之報告期間開始時，對金融資產賬面總值應用實際利率予以確認。

(ii) 分類為按公允價值計入其他全面收益之債務工具

由於採用實際利率法計算之利息收入而分類為按公允價值計入其他全面收益之債務工具賬面值之其後變動於損益中確認。該等債務工具賬面值之所有其他變動於其他全面收益中確認，並於投資重估儲備項下累計。減值撥備於損益中確認，並在不減少該等債務工具賬面值的情況下對其他全面收益作出相應調整。倘該等債務工具按攤銷成本計量，則在損益中確認之金額與本應在損益中確認之金額相同。當該等債務工具終止確認時，先前於其他全面收益中確認之累計收益或虧損重新分類至損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

(iii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will continue to be held in the investment revaluation reserve.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income, other gains and losses" line item in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including accounts receivable, deposits paid, other receivables, amounts due from a joint venture, restricted bank deposits, bank balances) and financial guarantee contracts which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

(iii) 指定為按公允價值計入其他全面收益之股本工具

按公允價值計入其他全面收益之股本工具投資其後按公允價值計量，其公允價值變動產生之收益及虧損於其他全面收益中確認，並於投資重估儲備項下累計；且毋須進行減值評估。累計收益或虧損不會於出售股權投資後重新分類至損益，且將繼續於投資重估儲備內持有。

當本集團收取股息的權利獲確立時，該等股本工具投資的股息於損益內確認，除非股息明確表示收回部分投資成本。股息計入損益內「其他收入、其他收益及虧損」項目中。

(iv) 按公允價值計入損益之金融資產

不符合按攤銷成本或按公允價值計入其他全面收益計量之標準之金融資產乃按公允價值計入損益計量。

按公允價值計入損益之金融資產於各報告期末按公允價值計量，而任何公允價值收益或虧損均於損益內確認。於損益內確認之收益或虧損淨額包括就金融資產賺取之任何股息或利息。

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對金融資產(包括應收賬款、已付按金、其他應收款項、應收一間合營公司款項、受限制銀行存款、銀行結餘)及根據香港財務報告準則第9號須受限於減值的財務擔保合約進行減值評估。預期信貸虧損金額於各報告日期予以更新，以反映信貸風險自初始確認以來的變動。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for accounts receivable without significant financing component. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

存續期預期信貸虧損指於相關工具預計年內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內可能發生的違約事件預計產生的該部分有效期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特定因素、整體經濟環境及報告日期當前情況及預測未來情況的評估作出調整。

本集團一直就並無重大融資組成部分的應收賬款確認存續期預期信貸虧損。本集團就該等資產之預期信貸虧損使用撥備矩陣配合適當分組作集體評估。

對於所有其他工具而言，本集團按12個月預期信貸虧損等額計量虧損撥備，除非信貸風險自初始確認以來顯著上升，本集團確認存續期預期信貸虧損。評估是否應確認存續期預期信貸虧損的依據，是自初始確認以來發生違約的可能性或風險顯著上升。

(i) 信貸風險顯著上升

評估信貸風險自初始確認以來是否顯著上升時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及精力獲取的前瞻性資料。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

(i) Significant increase in credit risk (Cont'd)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著上升(續)

具體而言，評估信貸風險是否顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸測評的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約掉期價格顯著上升；
- 商業、金融或經濟情況目前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預計的重大不利變動，導致債務人履行債務責任的能力顯著下降。

不論上述評估結果如何，本集團均假設合約付款逾期超過30日後信貸風險自初始確認以來顯著上升，除非本集團有合理及具支持性的資料說明其他情況。

儘管存在上述情況，倘債務工具於報告日期展示為具有低信貸風險，本集團假設債務工具的信貸風險自初始確認起並無大幅增加。倘i)其違約風險偏低，ii)借方有強大能力於短期滿足其合約現金流量責任，及iii)較長期的經濟及業務狀況存在不利變動，惟將未必削弱借方達成其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。當債務工具的內部或外部信貸評級為「投資級別」(按照全球理解的釋義)，則本集團會視該債務工具的信貸風險偏低。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

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截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

(ii) Definition of default

Irrespective of the above, the Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約定義

儘管上文所述，本集團認為，倘該工具逾期超過90天，則已發生違約事件，除非本集團有合理且有理據的資料顯示更寬鬆的違約標準更為合適。

(iii) 信貸減值金融資產

倘發生一項或多項對金融資產估計未來現金流量有不利影響的違約事件，則金融資產出現信貸減值。金融資產信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人出現嚴重財務困難；
- (b) 違反合約，如違約或逾期事件；
- (c) 借款人的放款人因與借款人出現財務困難有關的經濟或合約理由而給予借款人在一般情況下放款人不予考慮的優惠條件；
- (d) 借款人可能破產或進行其他財務重組；或
- (e) 因財務困難而導致該金融資產失去活躍市場。

(iv) 撇銷政策

倘有資料顯示交易對手處於重大財政困難時，且並無實際收回可能(例如交易對手已被清盤或已進入破產程序)，或就應收賬款而言，有關金額逾期超過兩年(以較早發生者為準)，本集團會撇銷金融資產。在考慮法律意見(如適當)後，已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事件。任何其後收回均會於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with *HKFRS 16 Leases* (since 1 January 2019) or *HKAS 17 Leases* (prior to 1 January 2019).

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's accounts and other receivables are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約可能性、違約損失率(即出現違約時的損失幅度)及違約風險的函數。違約可能性及違約損失率的評估乃按照歷史數據進行，並就前瞻性資料作出調整。預期信貸虧損的估計反映無偏頗及概率加權之金額，乃按發生相應違約風險之權重釐定。

一般而言，預期信貸虧損為根據合約到期支付予本集團的所有合約現金流量與本集團預期收取的現金流量之間的差異，並按於初始確認時釐定的實際利率折現。就租賃應收款項而言，用於釐定預期信貸虧損的現金流量與按照香港財務報告準則第16號租賃(自二零一九年一月一日起)或香港會計準則第17號租賃(於二零一九年一月一日前)計量租賃應收款項時使用的現金流量一致。

倘預期信貸虧損按整體基準計量或針對個別工具層面的證據可能尚未提供的情况，則金融工具按以下基準分組：

- 金融工具的性質(即本集團的應收賬款及其他應收款項均作為單獨組別進行評估)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸評級。

管理層定期檢討分組，以確保各組的組成繼續具有類似的信貸風險特徵。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

(v) Measurement and recognition of ECL (Cont'd)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for investments in debt instruments that are measured at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of accounts receivable where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the investment revaluation reserve without reducing the carrying amount of these debt instruments.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損的計量及確認(續)

利息收入乃按金融資產的總賬面值計算，除非金融資產發生信貸減值，於該情況下，利息收入按金融資產的攤銷成本計算。

除按公允價值計入其他全面收益計量的債務工具投資外，本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟應收賬款除外，其相應調整乃透過虧損撥備賬確認。就按公允價值計入其他全面收益計量的債務工具投資而言，虧損撥備於其他全面收益確認，並在不減少該等債務工具賬面值的情況下於投資重估儲備內累計。

終止確認金融資產

僅於從資產收取現金流量之合約權利已到期，或其已轉讓金融資產並將資產擁有權之絕大部份風險及回報轉移至另一實體，則本集團終止確認金融資產。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價總和間之差額於損益確認。

於終止確認分類為按公允價值計入其他全面收益的債務工具投資時，先前於按公允價值計入其他全面收益儲備中累計的累計收益或虧損重新分類至損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities including accounts and other payables, borrowings, debt component of convertible bonds and senior notes and bond are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本

分類為債務或股本

債務及股本工具乃根據合約安排之內容以及金融負債和股本工具之定義被分類為金融負債或股本。

股本工具

股本工具為證明於扣除所有負債後實體之資產剩餘權益之任何合約。由本集團發行之股本工具按已收取得款項減直接發行成本後確認。

金融負債

所有金融負債其後均使用實際利率法按攤銷成本計量。

按攤銷成本列賬之金融負債

金融負債包括使用實際利率法，其後按攤銷成本計量之應付賬款及其他應付款項、借貸、可換股債券、優先票據及債券之債務部分。

財務擔保合約

財務擔保合約為發行人須因指定債務人未能根據債務工具之條款支付到期款項致使持有人蒙受損失時，向持有人償付指定款項之合約。財務擔保合約負債初步按其公允價值計量。其後按下列各項之較高者計量：

- 根據香港財務報告準則第9號釐定之虧損撥備金額；及
- 初次確認之金額減去於擔保期內確認之累計攤銷(如適用)。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Convertible bonds contain debt and derivative components

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative component are recognised at fair value. In subsequent periods, the debt component of the convertible bonds is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible bonds are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible bonds using the effective interest method.

Non-substantial modifications of financial liabilities

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

Senior notes and bond

Senior notes issued by the Group that contain both liability and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability and early redemption option components are recognised at fair value.

Bond issued by the Group that contains both liability and interest rate adjustments (which is closely related to the host contract) is not separated into host contract and embedded derivative on initial recognition. At the date of issue, the bond is recognised at fair value.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

含有債務及衍生工具部分之可換股債券

倘兌換股權將透過以固定金額之現金或另一項金融資產換取固定數目之本集團實體之股本工具以外的方式結算，則分類為兌換股權衍生工具。

於發行日期，債務部分及衍生工具部分均按公允價值確認。於往後期間，可換股債券的債務部分乃採用實際利率法按攤銷成本入賬。衍生工具部分乃按公允價值計量，而公允價值的變動則於損益中確認。

與發行可換股債券有關的交易成本乃按彼等相關公允價值的比例分配至債務及衍生工具部分。與衍生工具部分有關的交易成本即時於損益中扣除。與債務部分有關的交易成本計入債務部分的賬面值，並採用實際利率法按可換股債券的年期攤銷。

金融負債之非重大變更

就不會導致終止確認的金融負債的非重大變更而言，相關金融負債的賬面值將會按照經修改合約現金流量的現值計算，並按照金融負債的初始實際利率貼現。已產生的交易成本或費用將調整為經修改金融負債的賬面值，並在剩餘年內攤銷。對金融負債賬面值的任何調整均於修改日期在損益內確認。

優先票據及債券

本集團發行包含負債及提前贖回權(與主合約並無密切關係)之優先票據在初步確認時分開歸類於有關項目。於發行日期，負債及提前贖回權部分均按公允價值確認。

本集團發行包含負債及利率調整(與主合約有密切關係)之債券在初步確認時並無分類作主合約及嵌入式衍生工具。於發行日期，債券按公允價值確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Senior notes and bond (Cont'd)

In subsequent periods, the liability components of the senior notes and bond are carried at amortised cost using effective interest method. The early redemption option of senior notes is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that related to the issue of the senior notes and bond are included in the carrying amount of the senior notes and bond and amortised over the period of the senior notes and bond using the effective interest method.

Derivatives financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

優先票據及債券(續)

於後續期間，優先票據及債券之負債部分乃使用實際利率法按攤銷成本列賬。優先票據之提前贖回權按照公允價值計量，並於損益內確認公允價值變動。

與發行優先票據及債券相關之交易成本乃計入優先票據及債券之賬面值，並按優先票據及債券之期限採用實際利率法攤銷。

衍生金融工具

衍生工具最初於衍生工具合約訂立當日按其公允價值確認，並其後於報告期末按公允價值重新計量。由此產生之收益或虧損於損益內確認，除非衍生工具被指定為對沖工具並行之有效。在該情況下，於損益確認之時間乃視乎對沖關係之性質而定。

終止確認金融負債

僅在本集團的義務已經履行、解除或到期時，本集團才終止確認金融負債。終止確認的金融負債的賬面值與已付及應付的代價之間的差額會在損益中確認。

4. 重要會計判斷及主要估計不確定性來源

於應用附註3所載之本集團會計政策時，本公司董事須就從其他來源並非顯而易見之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及認為屬相關之其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響修訂估計之期間，則有關修訂會在該期間確認；倘若有關修訂既影響當期，亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors of the Company have determined that certain of the Group's investment properties as at 31 December 2019 amounting to RMB13,529,300,000 (2018: RMB12,840,412,000) situated in the People's Republic of China (excludes Hong Kong, Macau Special Administrative Region of the People's Republic of China and Taiwan) (the "Mainland China") are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. The presumption that the carrying amounts of certain of the Group's investment properties situated in the Mainland China are recovered entirely through sale has been rebutted and the deferred tax on the changes in fair value of these investment properties is recognised according to the relevant tax rules. For remaining investment properties amounting to RMB10,038,229,000 (2018: RMB9,276,839,000), the presumption that the carrying amounts of these investment properties measured using fair value model were recovered entirely through sales was not rebutted.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Income tax

The Group is subject to income tax in various jurisdictions. Significant judgement is required in determining the amount of the provision of tax and the timing of payment of the related taxation. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in periods in which such determinations are made.

4. 重要會計判斷及主要估計不確定性來源(續)

應用會計政策的重要判斷

以下乃本公司董事於應用本集團會計政策過程中所作對綜合財務報表確認之數額構成最重大影響之重要判斷，惟涉及估計者(見下文)除外。

投資物業遞延稅項

就計量由使用公允價值模型計量的投資物業所產生的遞延稅項負債或遞延稅項資產而言，本公司董事決定本集團於二零一九年十二月三十一日金額為人民幣13,529,300,000元(二零一八年：人民幣12,840,412,000元)的若干位於中華人民共和國(不包括香港、中華人民共和國澳門特別行政區及台灣)(「中國內地」)的投資物業乃根據旨在假以時日而非透過出售消耗投資物業所包含的絕大部分經濟利益的業務模式持有。本集團若干位於中國內地的投資物業賬面值可因出售而完全收回的假設已被駁回，而就該等投資物業的公允價值變動而產生的遞延稅項乃根據相關稅項規定確認。餘下投資物業為人民幣10,038,229,000元(二零一八年：人民幣9,276,839,000元)，就該等投資物業而言，該等使用公允價值模式計量的投資物業賬面值可透過銷售全面收回的推定未被駁回。

主要估計不確定性來源

下文闡述於報告期末可能構成重大風險以致對下一財政年度之資產與負債之賬面值作出重大調整之未來相關主要假設及其他主要估計不確定性來源。

所得稅

本集團須繳納不同司法權區的所得稅。釐定稅項撥備的金額及支付相關稅項的時間須作出重大判斷。當最終稅項結果不同於最初記錄的金額時，有關差額將對作出該等釐定期間的所得稅及遞延稅項撥備產生影響。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income tax (Cont'd)

The Group is subject to LAT in the Mainland China. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the Mainland China, and the Group has not finalised certain LAT calculation and payments with local tax authorities in the Mainland China. Accordingly, significant judgement is required in determining the amount on the appreciation of land value and its related LAT. The Group recognised LAT based on the management's best estimates according to the understanding of the tax rules, which are determined by the appreciation of land value. The amount of the land appreciation is determined with reference to estimated proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures.

During the year, the Group incurred LAT of RMB1,023,621,000 (2018: RMB685,180,000) which was charged to the consolidated statement of profit or loss as income tax expense. The directors of the Company considered the amount charged to the consolidated statement of profit or loss to be adequate as this is calculated according to the method which is in compliance with the existing rules and interpretation of LAT.

As at 31 December 2019, a deferred tax asset of RMB131,314,000 (2018: RMB nil) in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised in respect of tax losses of RMB92,844,000 (2018: RMB23,066,000) as it is not probable that taxable profit will be available due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are more than expected, additional recognition of deferred tax assets may arise, which would be recognised in the consolidated statement of profit or loss for the period in which it takes place.

4. 重要會計判斷及主要估計不確定性來源(續)

主要估計不確定性來源(續)

所得稅(續)

本集團在中國內地須繳付土地增值稅。然而，中國內地城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而本集團尚未與中國內地任何地方稅務局落實其若干土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層按其對稅務規則的理解作出的最佳估計，即按土地增值額確認土地增值稅。土地增值金額參考物業銷售減預計可扣稅開支之預計所得款項而釐定，有關可扣稅開支包括土地使用權成本以及所有物業開發開支。

年內，本集團產生土地增值稅人民幣1,023,621,000元(二零一八年：人民幣685,180,000元)，作為所得稅開支自綜合損益表中扣除。本公司董事認為，自綜合損益表中扣除的該筆款額充分，因為此乃根據符合土地增值稅現有規則及詮釋的方法計算。

於二零一九年十二月三十一日，有關未動用稅項虧損之遞延稅項資產人民幣131,314,000元(二零一八年：人民幣零元)已於本集團綜合財務狀況報表中確認。由於未來盈利來源的不可預測性，將不太可能取得應課稅盈利，因此並無就稅項虧損人民幣92,844,000元(二零一八年：人民幣23,066,000元)確認遞延稅項資產。遞延稅項資產的變現能力主要取決於未來是否有足夠的未來盈利或應課稅臨時差額。如所產生的實際未來盈利高於預期，可能產生遞延稅項資產的額外確認，並於產生該項確認的期間於綜合損益表內確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Valuation of investment properties

Investment properties with the aggregate carrying amount as at 31 December 2019 of RMB23,567,529,000 (2018: RMB22,117,251,000) are stated at fair value based on the valuation performed by independent professional valuers. The fair value of the investment properties was determined by reference to valuations conducted on these properties by an independent firm of property valuers using property valuation techniques which involve certain assumptions. Changes in assumptions may result in changes in the fair value of the Group's investment properties which are reported in the consolidated statement of profit or loss and affect the carrying amount of these properties included in the consolidated statement of financial position.

Information about valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties are disclosed in note 13.

Assessment of net realisable value of properties held for sale and properties under development for sale

The directors of the Company determine the net realisable value of completed properties held for sale with carrying amount of RMB2,467,237,000 (2018: RMB3,302,382,000) by using prevailing market data such as most recent sale transactions.

The assessment of directors of the Company on net realisable value of properties under development for sale with carrying amount of RMB8,165,855,000 (2018: RMB7,407,278,000) requires the estimates of future cash flows to be derived from these properties. These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, marketing costs (including price discounts required to stimulate sales) and the expected costs to completion of properties, the legal and regulatory framework and general market conditions.

The Group had not recognised any an impairment loss for the years ended 31 December 2019 and 2018. Where there is any decrease in the estimated selling prices arising from any changes to the property market conditions, a further loss will be recognised on the properties held for sale and properties under development for sale.

4. 重要會計判斷及主要估計不確定性來源(續)

主要估計不確定性來源(續)

投資物業之估值

於二零一九年十二月三十一日，總賬面值為人民幣23,567,529,000元(二零一八年：人民幣22,117,251,000元)的投資物業乃基於獨立專業估值師行的估值按公允價值列賬。投資物業之公允價值乃參考獨立物業估值公司採用物業估值法(涉及若干假設)對該等物業進行之估值而釐定。該等假設變動可能導致本集團投資物業的公允價值出現變動，該等公允價值變動於綜合損益表呈報，並影響綜合財務狀況報表所列之該等物業之賬面值。

有關釐定投資物業公允價值所採用的估值技術、輸入數據及主要假設資料披露於附註13。

待售物業及發展中待售物業之可變現淨值評估

本公司董事採用最新銷售交易等現行市場數據，而釐定賬面值為人民幣2,467,237,000元(二零一八年：人民幣3,302,382,000元)之待售建成物業的可變現淨額。

本公司董事對賬面值為人民幣8,165,855,000元(二零一八年：人民幣7,407,278,000元)之發展中待售物業的可變現淨額的評估須按有關物業未來的現金流量估計。有關估算須根據附近地點的近期銷售交易、推廣費用(包括促銷的價格折扣)及有關預計完成物業的費用、法律和監管架構及一般市況，從而判斷出預期的銷售價格。

截至二零一九年及二零一八年十二月三十一日止年度，本集團沒有確認任何減值虧損。倘房地產市場情況的任何變動使估計銷售價格下跌，將於待售物業及發展中待售物業確認進一步虧損。

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5. REVENUE AND SEGMENT INFORMATION

Revenue represents the income from property development, property leasing and provision of comprehensive services, net of business tax and other sales related taxes and after deduction of any discounts.

An analysis of the Group's revenue for the year is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of properties	物業銷售	5,962,446	3,664,328
Rental income	租金收入	618,674	543,176
Revenue from hotel operation, property management service and other services	來自酒店運營、物業管理服務及其他服務的收益	321,328	308,181
		6,902,448	4,515,685
<i>Timing of revenue recognition from contracts with customers</i>	<i>確認來自客戶合約的收益的時間</i>		
At a point in time	某個時間點確認	5,962,446	3,664,328
Over time	隨着時間確認	321,328	308,181

Sales of properties

For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on customers' specifications with no alternative use. Taking into the consideration of relevant terms, the legal environment and relevant legal precedent, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of relevant properties to customers. Revenue from sales of residential properties and commercial buildings is therefore recognised at a point in time when the completed property is transferred to customers, being at the point that customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable.

The Group receives an upfront payment, ranging from RMB20,000 to RMB2,000,000 (2018: RMB20,000 to RMB2,000,000) for different properties from customers for the subscription of properties and such amount will be treated as the deposits from customers after signing the sale and purchase agreement. However, depending on the market conditions, the Group may offer customers a discount compared to the listed sale price, provided that the customers agree to pay the rest of the consideration earlier.

For contracts entered into with customers on sales of properties, the expected duration of satisfying the performance obligation of which is within one year. The transaction price allocated to these unsatisfied contracts is not disclosed as permitted under HKFRS 15.

The Group considers the advance payment contains no significant financing component and accordingly no adjustments of the amount of consideration would be made.

5. 收益及分類資料

收入為來自物業發展、物業租賃及提供綜合服務的收入，並扣除營業稅及其他銷售有關稅項以及任何折扣。

年內本集團之收益分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of properties	物業銷售	5,962,446	3,664,328
Rental income	租金收入	618,674	543,176
Revenue from hotel operation, property management service and other services	來自酒店運營、物業管理服務及其他服務的收益	321,328	308,181
		6,902,448	4,515,685
<i>Timing of revenue recognition from contracts with customers</i>	<i>確認來自客戶合約的收益的時間</i>		
At a point in time	某個時間點確認	5,962,446	3,664,328
Over time	隨着時間確認	321,328	308,181

物業銷售

就出售物業與客戶訂立之合約而言，合約中規定之相關物業乃基於客戶要求，並無其他替代用途。經考慮相關條款、法律環境及相關法律先例，本集團認為，在轉讓相關物業予客戶前，本集團並無收取付款之可強制執行權利。因此，出售住宅物業及商業樓宇之收益於已竣工物業轉讓予客戶之時間點確認，即客戶獲得已竣工物業之控制權而本集團擁有收取付款之現時權利及可能收取代價之時間點。

本集團就不同物業向客戶收取介乎人民幣20,000元至人民幣2,000,000元(二零一八年：人民幣20,000元至人民幣2,000,000元)的物業認購預付款，有關款項將於簽訂買賣協議後作為客戶按金入賬。但是，取決於市場狀況，本集團可能向客戶提供較所列出售價有所折讓之價格，惟客戶須同意提早支付代價結餘。該預先付款計劃導致於建設期確認有關合約價格全款之合約負債。

就與客戶訂立的物業銷售合約而言，預期完成有關履約責任的年期為一年內。在香港財務報告準則第15號允許的情況下，並無披露分配至該等未獲履行合約的交易價。

本集團認為預付款項並無重大融資成分，因此並無對代價金額作出調整。

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Rental income

Revenue from leasing of commercial properties, office premises and car parks is accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16).

Revenue from hotel operation, property management service and other services

Revenue from hotel operation and property management service is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

All hotel operation service is for periods less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

For property management service, the Group elected to apply practical expedient by recognising revenue in the amount to which the Group has right to invoice. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

In identifying its operating segments, the executive directors of the Company, being the chief operating decision makers, generally follow the Group's service lines, which represent the main products and services provided by the Group. The Group has identified the following reportable segments under HKFRS 8:

- Real estate development and sales: sales of properties
- Commercial property investment and operations: lease of commercial properties, office premises and car parks
- Comprehensive services: hotel operation, property management service and other service income

Each of these operating segments is managed separately as each of these products and service lines requires different resources as well as marketing approaches.

5. 收益及分類資料(續)

租金收入

商業物業、辦公室及停車場租賃所得之收益根據香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於應用香港財務報告準則第16號前)入賬。

酒店運營、物業管理服務及其他服務收入所得之收益

客戶於本集團履約時取得並耗用本集團履約所提供之利益時，酒店運營及物業管理服務所得收益會隨時間按已完成相關履約責任之進度而確認。

所有酒店營運服務均為期一年或以下。在香港財務報告準則第15號允許的情況下，並無披露分配至該等未獲履行合約的交易價。

就物業管理服務而言，本集團選擇應用實際權宜方法，就本集團有權開具發票的金額中確認收益。在香港財務報告準則第15號允許的情況下，並無披露分配至該等未獲履行合約的交易價。

本公司執行董事(即主要營運決策者)通常根據本集團的服務系列(即本集團提供的主要產品及服務)確定經營分類。本集團已根據香港財務報告準則第8號確定下列可呈報分類：

- 房地產發展及銷售：物業銷售
- 商業物業投資與經營：商業物業、辦公室及停車場租賃
- 綜合服務：酒店運營、物業管理服務及其他服務收入

由於該等產品及服務系列各自需要不同的資源及營銷方式，故該等經營分類獲單獨管理。

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 December 2019

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業投資 與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	5,962,446	618,674	321,328	6,902,448
Inter-segment revenue	分類間收益	–	16,212	37,685	53,897
Total segment revenue	分類收益總額	5,962,446	634,886	359,013	6,956,345
Reportable segment profit	可呈報分類盈利	3,784,827	550,378	95,150	4,430,355

For the year ended 31 December 2018

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業投資 與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	3,664,328	543,176	308,181	4,515,685
Inter-segment revenue	分類間收益	–	9,895	45,819	55,714
Total segment revenue	分類收益總額	3,664,328	553,071	354,000	4,571,399
Reportable segment profit	可呈報分類盈利	2,119,707	457,685	108,778	2,686,170

Inter-segment sales are at mutually agreed terms.

5. 收益及分類資料(續)

分類收益及業績

以下為本集團按經營及可呈報分類的收益及業績的分析：

截至二零一九年十二月三十一日止年度

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業投資 與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	5,962,446	618,674	321,328	6,902,448
Inter-segment revenue	分類間收益	–	16,212	37,685	53,897
Total segment revenue	分類收益總額	5,962,446	634,886	359,013	6,956,345
Reportable segment profit	可呈報分類盈利	3,784,827	550,378	95,150	4,430,355

截至二零一八年十二月三十一日止年度

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業投資 與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	3,664,328	543,176	308,181	4,515,685
Inter-segment revenue	分類間收益	–	9,895	45,819	55,714
Total segment revenue	分類收益總額	3,664,328	553,071	354,000	4,571,399
Reportable segment profit	可呈報分類盈利	2,119,707	457,685	108,778	2,686,170

分類間銷售按共同協定之條款進行。

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Reconciliations of reportable segment revenue, profit or loss

The Group does not allocate fair value changes on investment properties, fair value changes on derivative component of convertible bonds, other income, other gains and losses, depreciation, finance costs, share of results of a joint venture and corporate expenses to individual reportable segment profit or loss for the purposes of resource allocation and performance assessment by the chief operating decision makers while the investment properties are allocated to the segment of "commercial property investment and operations" for presenting segment assets.

The accounting policies adopted in preparing the reportable segment information are the same as the Group's accounting policies described in note 3.

5. 收益及分類資料(續)

可呈報分類收益、損益之對賬

本集團並無就主要營運決策者作出之資源分配及表現評估而將投資物業的公允價值變動、可換股債券衍生工具部分的公允價值變動、其他收入、其他收益及虧損、折舊、融資成本、應佔合營公司業績及公司開支分配至獨立可呈報分類之損益內，而投資物業則就呈報分類資產分配至「商業物業投資與經營」分類。

編製可呈報分類資料所採納之會計政策與本集團附註3所述會計政策相同。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益		
Reportable segment revenue	可呈報分類收益	6,956,345	4,571,399
Elimination of inter-segment revenue	對銷分類間收益	(53,897)	(55,714)
Consolidated revenue	綜合收益	6,902,448	4,515,685
Profit	盈利		
Reportable segment profit	可呈報分類盈利	4,430,355	2,686,170
Fair value changes on investment properties	投資物業的公允價值變動	696,378	323,461
Other income, other gains and losses	其他收入、其他收益及虧損	112,292	155,095
Depreciation	折舊	(37,399)	(40,529)
Finance costs	融資成本	(1,256,165)	(657,995)
Share of results of a joint venture	應佔一間合營公司業績	(2)	(8)
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	(20,170)	172,192
Corporate expenses	公司開支	(558,158)	(482,886)
Consolidated profit before tax	除稅前綜合盈利	3,367,131	2,155,500

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities

The following is an analysis of the Group's assets by reportable and operating segment, no liabilities are presented as the information is not reportable to the chief operating decision makers in the resource allocation and assessment of performance:

Segment assets

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Assets	資產		
Real estate development and sales	房地產發展及銷售	12,452,128	10,720,169
Commercial property investment and operations	商業物業投資與經營	23,591,289	22,119,061
Comprehensive services	綜合服務	362,963	365,004
Reportable segment assets	可報告分類資產	36,406,380	33,204,234
Goodwill	商譽	231,602	231,602
Equity instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	541,125	490,816
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產	-	10,559
Debt instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之債務工具	-	20,000
Bank balances and cash (including restricted bank deposits)	銀行結餘及現金(包括受限制銀行存款)	8,346,982	7,589,868
Deferred tax assets	遞延稅項資產	565,713	345,030
Interest in a joint venture and amount due from a joint venture	於一間合營公司的權益及應收一間合營公司款項	528,376	528,378
Interest in an associate	於一間聯營公司的權益	-	-
Corporate assets	公司資產	2,116,105	991,617
Consolidated total assets	綜合總資產	48,736,283	43,412,104

For the purposes of monitoring segment performance and allocating resources between segments, all assets are allocated to operating segments other than goodwill, equity instrument at fair value through other comprehensive income, financial assets at fair value through profit or loss, debt instrument at fair value through other comprehensive income, bank balances and cash (including restricted bank deposits), deferred tax assets, interest in a joint venture and amount due from a joint venture, interest in an associate and corporate assets.

5. 收益及分類資料(續)

分類資產及負債

以下為本集團按可呈報及經營分類的資產分析，由於毋須就資源分配及表現評估向主要營運決策者呈報負債，因此並無呈列該等資料：

分類資產

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Real estate development and sales	房地產發展及銷售	12,452,128	10,720,169
Commercial property investment and operations	商業物業投資與經營	23,591,289	22,119,061
Comprehensive services	綜合服務	362,963	365,004
Reportable segment assets	可報告分類資產	36,406,380	33,204,234
Goodwill	商譽	231,602	231,602
Equity instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	541,125	490,816
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產	-	10,559
Debt instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之債務工具	-	20,000
Bank balances and cash (including restricted bank deposits)	銀行結餘及現金(包括受限制銀行存款)	8,346,982	7,589,868
Deferred tax assets	遞延稅項資產	565,713	345,030
Interest in a joint venture and amount due from a joint venture	於一間合營公司的權益及應收一間合營公司款項	528,376	528,378
Interest in an associate	於一間聯營公司的權益	-	-
Corporate assets	公司資產	2,116,105	991,617
Consolidated total assets	綜合總資產	48,736,283	43,412,104

為監測分類表現及分類間的資源分配，除商譽、按公允價值計入其他全面收益之股本工具、按公允價值計入損益之金融資產、按公允價值計入其他全面收益之債務工具、銀行結餘及現金(包括受限制銀行存款)、遞延稅項資產、於一間合營公司的權益及應收一間合營公司款項、於一間聯營公司的權益以及公司資產外，所有資產分配至經營分類。

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Geographical information

The Group's operations are located on the Mainland China, Hong Kong, the United States of America (the "USA") and the Kingdom of Cambodia ("Cambodia"). Revenue from external customers are mainly generated from the Mainland China for the years ended 31 December 2019 and 2018. Information about the Group's non-current assets is presented based on the geographical location of the assets.

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Mainland China	中國內地	14,309,782	13,638,238
Hong Kong	香港	9,732,606	8,458,137
USA	美國	213,074	203,765
Cambodia	柬埔寨	865,867	803,882
		25,121,329	23,104,022

Note: Non-current assets excluded goodwill, equity instrument at fair value through other comprehensive income and deferred tax assets.

No major customers contributed over 10% of the total sales of the Group for the years ended 31 December 2019 and 2018.

5. 收益及分類資料(續)

地區資料

本集團的業務位於中國內地、香港、美利堅合眾國(「美國」)及柬埔寨王國(「柬埔寨」)。截至二零一九年及二零一八年十二月三十一日止年度，來自外部客戶的收益主要源自中國內地。本集團的非流動資產資料按資產的地理位置呈列。

附註：非流動資產不包括商譽、按公允價值計入其他全面收益之股本工具及遞延稅項資產。

截至二零一九年及二零一八年十二月三十一日止年度並無主要客戶佔本集團總銷售額超出10%。

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6. OTHER INCOME, OTHER GAINS AND LOSSES

6. 其他收入、其他收益及虧損

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest income	利息收入	93,570	103,905
Investment income from financial assets	來自金融資產的投資收入	418	5,816
Dividend received from equity instrument at FVTOCI	按公允價值計入其他全面收益之股本工具所收取之股息	19,745	15,665
Foreign exchange gain, net	匯兌收益淨額	12,356	24,349
Gain on disposal of a subsidiary (note 39)	出售一間附屬公司之收益(附註39)	33,300	-
Loss on early redemption of financial liabilities at amortised cost (note 35)	提前贖回按攤銷成本列賬之金融負債之虧損(附註35)	(1,099)	-
Loss on non-substantial modification of financial liabilities at amortised cost (note 35)	按攤銷成本列賬之金融負債之非重大變更虧損(附註35)	(57,287)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(925)	(2)
Loss on disposal of investment properties	出售投資物業的虧損	-	(3,299)
Recovery of other receivables previously written-off	撥回以前已撇銷的其他應收款項	-	1,500
Fair value changes on financial assets at FVTPL	按公允價值計入損益之金融資產之公允價值變動	-	(47)
Government grants (note)	政府補貼(附註)	9,743	-
Others	其他	2,471	7,208
		112,292	155,095

Note: It represented cash received from unconditional grants by the local government to encourage the business operations in the Mainland China.

附註：該金額指就地方政府為鼓勵於中國內地經營業務而發放的無條件補貼所收取的現金。

7. FINANCE COSTS

7. 融資成本

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest on:	利息：		
Bank and other borrowings	銀行及其他借貸	1,186,817	820,891
Convertible bonds	可換股債券	172,237	131,969
Senior notes and bond	優先票據及債券	411,241	410,200
Lease liabilities	租賃負債	11,929	-
Less: Amount capitalised in investment properties under development and properties under development for sale*	減：撥充在建投資物業及發展中待售物業資本化的金額*	(526,059)	(705,065)
		1,256,165	657,995

* The finance costs have been capitalised at rates ranging from 3.73% to 9.41% (2018: 3.67% to 9.00%) per annum.

* 融資成本乃按年息率3.73%至9.41% (二零一八年：3.67%至9.00%)資本化。

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8. PROFIT BEFORE TAX

8. 除稅前盈利

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before tax is arrived at after charging (crediting):	除稅前盈利乃經扣除(計入):		
Cost of properties held for sale recognised as expense	確認為開支的待售物業的成本	2,177,619	1,544,621
Depreciation of property, plant and equipment	物業、廠房及設備折舊	37,448	40,652
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化之金額	(49)	(123)
		37,399	40,529
Gross rental income from investment properties	投資物業所得租金收入總額	618,674	543,176
Outgoings in respect of investment properties that generated rental income during the year (note 1)	有關於年內產生租金收入之投資物業的開支(附註1)	(68,296)	(85,491)
		550,378	457,685
Operating lease charges in respect of land and buildings	有關土地及樓宇的經營租賃費用	-	29,178
Expense relating to short-term lease and other leases with lease terms ended within 12 months of the date of initial application of HKFRS 16 (note 2)	與短期租賃及租賃期於初始應用香港財務報告準則第16號日期起計12個月內結束的其他租賃有關的開支(附註2)	4,886	-
Reversal on impairment loss on accounts receivable	應收賬款減值虧損撥回	(59)	(39)
Auditor's remuneration	核數師酬金	2,490	2,341
Staff costs	員工成本		
– Directors' emoluments (note 10)	– 董事薪酬(附註10)	11,851	13,722
– Salaries and other benefits in kind	– 薪金及其他實物利益	333,279	285,753
– Equity-settled share-based payments	– 以股權結算以股份支付的款項	-	18,008
– Amount recognised as expense for retirement benefit costs	– 確認為退休福利成本開支的金額	27,946	22,007
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化的金額	(60,571)	(56,556)
		312,505	282,934

Note 1: For the year ended 31 December 2018, the amount included rental expense paid for properties that are under sublease arrangement of RMB23,282,000.

Note 2: For the year ended 31 December 2019, total cash outflows for such leases amounted to RMB4,886,000.

附註1：截至二零一八年十二月三十一日止年度，該金額包括就分租安排項下的物業支付的租金開支人民幣23,282,000元。

附註2：截至二零一九年十二月三十一日止年度，該等租賃的現金流出總額為人民幣4,886,000元。

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9. INCOME TAX EXPENSE

9. 所得稅開支

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current tax	即期稅項			
Mainland China Enterprise Income Tax ("EIT")	中國內地企業所得稅 (「企業所得稅」)			
– Current year	– 本年度	(a)	765,660	467,249
– (Overprovision) underprovision in prior year	– 過往年度(超額撥備)撥備不足		(19,250)	13,330
			746,410	480,579
Mainland China LAT	中國內地土地增值稅			
– Current year	– 本年度	(b)	1,023,621	685,180
– Overprovision in prior year	– 過往年度超額撥備	(c)	(7,778)	(161,781)
			1,015,843	523,399
Deferred taxation (note 20)	遞延稅項(附註20)			
– Current year	– 本年度		(147,029)	(119,326)
– Underprovision in prior year	– 過往年度撥備不足		1,944	40,445
			(145,085)	(78,881)
Total income tax expense	所得稅開支總額		1,617,168	925,097

Notes:

- (a) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Mainland China subsidiaries is 25% from 1 January 2008 onwards.
- No Hong Kong Profits Tax has been provided for as the Group had no estimated assessable profits for both years.
- (b) Under the Provisional Rules on LAT Implementation Rules of the Mainland China implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the Mainland China are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.
- (c) The amount for the year ended 31 December 2018 included an overprovision of LAT of RMB161,781,000 in relation to an urban redevelopment project in Shenzhen, Mainland China. The Group had recomputed the LAT provision based on the actual relocation compensation to original inhabitants finalised during the year ended 31 December 2018.

附註：

- (a) 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，中國內地附屬公司的稅率為25%。
- 由於本集團於兩個年度並無任何估計應課稅盈利，故此並無就香港利得稅計提撥備。
- (b) 根據於一九九五年一月二十七日實施的中國內地土地增值稅暫行條例實施細則，所有因銷售或轉讓於中國內地的土地使用權、樓宇及其相關設施而獲得的收益，均須繳納土地增值稅，稅款按土地增值額(即銷售物業所得款項減可扣減支出，包括土地使用權成本及所有物業發展開支)以累進率計算，由30%至60%不等。
- (c) 截至二零一八年十二月三十一日止年度之金額包括與位於中國內地深圳的一項城市改造項目有關的土地增值稅超額撥備人民幣161,781,000元。本集團已根據截至二零一八年十二月三十一日止年度落實向原居民作出的實際搬遷補償重新計算有關土地增值稅撥備。

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9. INCOME TAX EXPENSE (Cont'd)

No Cambodia Corporate Income Tax has been provided for both years. Pursuant to the Cambodia tax laws, a subsidiary of the Group is entitled to preferential tax treatment with full exemption from Cambodia Corporate Income Tax for three years from 14 June 2018 to 13 June 2021.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

9. 所得稅開支(續)

本集團於兩個年度均無就柬埔寨企業所得稅計提撥備。根據柬埔寨稅法，本集團的附屬公司自二零一八年六月十四日起至二零二一年六月十三日止三個年度享有稅務優惠待遇，獲全面豁免柬埔寨企業所得稅。

本年度所得稅開支可與綜合損益表的除稅前盈利對賬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before tax	除稅前盈利	3,367,131	2,155,500
Tax at the Mainland China EIT at 25% (2018: 25%)	按25%中國內地企業所得稅稅率(二零一八年：25%)	841,783	538,875
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	145,363	73,126
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(112,385)	(70,739)
Tax effect of temporary difference arising from withholding tax for undistributed profits	未分派利潤預扣稅的暫時差額所產生的稅務影響	-	11,000
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	17,809	71
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(364)	(44,007)
Tax effect of deductible temporary differences not recognised	未確認之可扣稅暫時差額之稅務影響	127	2,805
Mainland China LAT charge	中國內地土地增值稅支出	1,015,843	523,399
Effect of tax exemption granted to a subsidiary in Cambodia	向柬埔寨附屬公司授出稅務豁免之影響	(13,811)	-
Tax effect of Mainland China LAT charge (Overprovision) underprovision in prior year	中國內地土地增值稅支出之稅務影響	(253,961)	(130,850)
Others	過往年度(超額撥備)撥備不足 其他	(19,250) (3,986)	13,330 8,087
Income tax expense for the year	本年度所得稅開支	1,617,168	925,097

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the 11 (2018: 9) directors are as follows:

			Fees	Salaries and allowance	Equity-settled share-based payments	Contributions to retirement benefit scheme	Total
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	以股權結算以股份支付的款項	退休福利計劃供款	總計
2019							
Executive directors	二零一九年						
	執行董事						
Ms. Huang Jingshu	黃敬舒女士	(a)	–	2,762	–	120	2,882
Mr. Tang Shouchun	唐壽春先生	(a)	–	2,287	–	114	2,401
Mr. Ye Xingan	葉興安先生	(b)	–	2,050	–	51	2,101
Ms. Deng Chengying	鄧承英女士	(b)	–	2,037	–	–	2,037
Mr. Huang Hao Yuan	黃浩源先生	(c)	–	1,251	–	–	1,251
Mr. Siu Chi Hung	蕭志雄先生	(c)	–	465	–	12	477
			–	10,852	–	297	11,149
Non-executive director	非執行董事						
Ms. Li Lihong	李麗紅女士	(d)	–	–	–	–	–
Independent non-executive directors	獨立非執行董事						
Mr. Zhu Jiusheng	祝九勝先生	(e)	63	–	–	–	63
Mr. Wang Jing	王敬先生	(f)	229	–	–	–	229
Ms. Hu Gin Ing	胡競英女士	(f)	255	–	–	–	255
Mr. Mo Fan	莫凡先生	(f)	155	–	–	–	155
			702	–	–	–	702
			702	10,852	–	297	11,851

10. 董事及僱員酬金

(a) 董事酬金

已付或應付11名(二零一八年:9名)董事各自的薪酬如下:

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

10. 董事及僱員酬金(續)

(a) Directors' emoluments (Cont'd)

(a) 董事酬金(續)

			Fees	Salaries and allowance	Equity-settled share-based payments	Contributions to retirement benefit scheme	Total
	Notes	袍金	薪金及津貼	以股權結算以股份支付的款項	退休福利計劃供款	總計	
	附註	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	
2018	二零一八年						
Executive directors	執行董事						
Ms. Huang Jingshu	黃敬舒女士	-	2,310	382	116	2,808	
Mr. Tang Shouchun	唐壽春先生	(a)	-	2,201	850	3,161	
Mr. Ye Xingan	葉興安先生	-	1,900	850	59	2,809	
Ms. Deng Chengying	鄧承英女士	(b)	-	1,500	722	2,222	
Mr. Huang Hao Yuan	黃浩源先生	-	-	827	382	1,247	
			-	8,738	3,186	323	12,247
Non-executive director	非執行董事						
Ms. Li Lihong	李麗紅女士	(d)	-	-	-	-	
Independent non-executive directors	獨立非執行董事						
Mr. Zhu Jiusheng	祝九勝先生	(e)	245	-	255	500	
Mr. Wang Jing	王敬先生	-	220	-	255	475	
Ms. Hu Gin Ing	胡競英女士	-	245	-	255	500	
			710	-	765	-	1,475
			710	8,738	3,951	323	13,722

Notes: (a) Appointed and acted as the Chief Executive Officer of the Company.

附註：(a) 獲委任並作為本公司行政總裁。

(b) Acted as Executive Director of the Company since 15 May 2014 and resigned on 20 September 2019.

(b) 自二零一四年五月十五日起作為本公司執行董事，並於二零一九年九月二十日辭任。

(c) Appointed and acted as the Executive Director of the Company since 20 September 2019.

(c) 自二零一九年九月二十日起獲委任並作為本公司執行董事。

(d) Appointed and acted as the Non-executive Director of the Company since 29 March 2018.

(d) 自二零一八年三月二十九日起獲委任並作為本公司非執行董事。

(e) Acted as the Independent Non-executive Director of the Company since 15 May 2014 and resigned on 8 April 2019.

(e) 自二零一四年五月十五日起作為本公司獨立非執行董事，並於二零一九年四月八日辭任。

(f) Appointed and acted as the Independent Non-executive Director of the Company since 8 April 2019.

(f) 自二零一九年四月八日起獲委任並作為本公司獨立非執行董事。

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

(a) Directors' emoluments (Cont'd)

Except Ms. Li Lihong who agreed not to receive remuneration during her service period as the non-executive director, no other directors waived or agreed to waive any emoluments for the years ended 31 December 2019 and 2018. The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's and independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Employees' emoluments

The five highest paid employees of the Group during the year included three directors (2018: three directors). Details of the remuneration for the year of the remaining two (2018: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

10. 董事及僱員酬金(續)

(a) 董事酬金(續)

截至二零一九年及二零一八年十二月三十一日止年度，除李麗紅女士同意於其任職期間不收取作為非執行董事之酬金外，概無其他董事放棄或同意放棄任何酬金。上表所列執行董事的酬金為彼等就管理本公司及本集團事務提供服務的報酬。上表所列非執行董事及獨立非執行董事的酬金乃為彼等擔任本公司董事所提供之服務的報酬。

(b) 僱員酬金

於年內，本集團五位最高薪酬僱員當中，包括三名董事(二零一八年：三名)。本年度餘下兩名(二零一八年：兩名)並非本公司董事亦非主要行政人員之最高薪酬僱員之薪酬詳情如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries, allowance and benefits in kind	薪酬、津貼及實物福利	3,881	3,500
Equity-settled share-based payments	以股權結算以股份支付的款項	-	1,571
Contributions to retirement benefit scheme	退休福利計劃供款	51	59
		3,932	5,130

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the followings bands is as follows:

介乎下列酬金範圍之並非本公司董事之最高薪酬僱員人數如下：

		2019 二零一九年	2018 二零一八年
Hong Kong Dollar ("HK\$") 2,000,001 to HK\$2,500,000	2,000,001港元(「港元」)至2,500,000港元	2	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	1
		2	2

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11. DIVIDENDS

11. 股息

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派之股息：		
2018 Final dividend- HK5.3 cents (equivalent to approximately RMB4.65 cents)	二零一八年末期股息－ 5.3港仙 (相當於約人民幣4.65分)	234,207	–
2017 Final dividend- HK5 cents (equivalent to approximately RMB4.40 cents)	二零一七年末期股息－ 5港仙 (相當於約人民幣4.40分)	–	201,740

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2019 of HK6.1 cents (equivalent to approximately RMB5.46 cents) (2018: HK5.3 cents) per ordinary share of the Company has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

報告期末後，本公司董事建議派發截至二零一九年十二月三十一日止年度末期股息每股本公司普通股6.1港仙(相當於約人民幣5.46分)(二零一八年：5.3港仙)，惟須待股東於應屆股東大會上批准。

12. EARNINGS PER SHARE

12. 每股盈利

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

本公司股東應佔每股基本及攤薄盈利乃基於以下數據計算：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purposes of basic earnings per share	用於計算每股基本盈利的盈利	1,749,884	1,237,167
Effect of dilutive potential earnings in respect of – Convertible bonds	潛在攤薄盈利對以下各項的影響－可換股債券	23,891	(18,803)
Earnings for the purposes of diluted earnings per share	用於計算每股攤薄盈利的盈利	1,773,775	1,218,364

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12. EARNINGS PER SHARE (Cont'd)

12. 每股盈利(續)

		2019 二零一九年	2018 二零一八年
Number of shares	股份數目		
Weighted average number of ordinary shares of the Company for the purpose of basic earnings per share	用於計算每股基本盈利的本公司普通股加權平均數	4,982,703,643	4,906,539,369
Effect of dilutive potential ordinary shares in respect of	潛在攤薄普通股對以下各項的影響		
– Share options	– 購股權	74,021,926	94,740,027
– Convertible bonds	– 可換股債券	127,022,653	431,840,962
– Convertible preference shares	– 可換股優先股	3,374,231,808	3,527,514,957
Weighted average number of ordinary shares of the Company for the purpose of diluted earnings per share	用於計算每股攤薄盈利的本公司普通股加權平均數	8,557,980,030	8,960,635,315

The computation of diluted earnings per share for the year ended 31 December 2019 does not assume the conversion of certain outstanding convertible bonds of the Group as the conversion would result in an increase in earnings per share.

計算截至二零一九年十二月三十一日止年度的每股攤薄盈利時，並無假設本集團若干尚未行使的可換股債券獲兌換，原因為兌換將導致每股盈利增加。

13. INVESTMENT PROPERTIES

The Group leases out various offices, residential properties and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of one to fourteen years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain any residual value guarantees or any lessee's option to purchase the property.

13. 投資物業

本集團根據經營租賃租出多間辦公室、住宅物業及零售商舖，租金應按月支付。有關租賃一般初步為期一至十四年。

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團概無因租賃安排而承受外匯風險。租賃合約並不包含任何剩餘價值擔保或承租人可購買有關物業的任何選擇權。

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13. INVESTMENT PROPERTIES (Cont'd)

For the year ended 31 December 2019, the total cash outflow for leases classified as investment properties is RMB25,598,000.

13. 投資物業(續)

截至二零一九年十二月三十一日止年度，分類為投資物業之租賃之現金流出總額為人民幣25,598,000元。

		Completed investment properties	Investment properties under development at fair value	Total
		已完成投資物業 RMB'000 人民幣千元	按公允價值入賬之發展中投資物業 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	11,624,589	8,026,088	19,650,677
Transfer from properties held for sale	轉撥自持作銷售物業	162,692	-	162,692
Additions	添置	-	1,590,400	1,590,400
Disposals	出售	(4,835)	-	(4,835)
Transfer upon completion	於完成後轉撥	756,463	(756,463)	-
Increase in fair value recognised in profit or loss, unrealised	於損益內確認之公允價值增加，未變現	175,006	148,455	323,461
Exchange adjustments	匯兌調整	-	394,856	394,856
At 31 December 2018	於二零一八年十二月三十一日	12,713,915	9,403,336	22,117,251
Adjustment upon application of HKFRS16 (note 2)	於應用香港財務報告準則第16號後調整(附註2)	220,423	-	220,423
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	12,934,338	9,403,336	22,337,674
Additions	添置	-	545,036	545,036
Transfer upon completion	於完成後轉撥	10,439,446	(10,439,446)	-
Transfer to property, plant and equipment (note 14)	轉撥至物業、廠房及設備(附註14)	-	(520,459)	(520,459)
Acquired on an acquisition of a subsidiary (note 38(a))	於收購一間附屬公司時購入(附註38(a))	-	291,024	291,024
Increase in fair value recognised in profit or loss, unrealised	於損益內確認之公允價值增加，未變現	180,523	515,855	696,378
Exchange adjustments	匯兌調整	13,222	204,654	217,876
At 31 December 2019	於二零一九年十二月三十一日	23,567,529	-	23,567,529

All the completed investment properties are rented out under operating leases or are held for capital appreciation purposes.

所有已完成投資物業均已根據經營租賃出租或為資本增值目的而持有。

13. INVESTMENT PROPERTIES (Cont'd)

The fair values of the Group's investment properties with aggregate carrying value of RMB23,567,529,000 as at 31 December 2019 (2018: RMB22,117,251,000) were arrived at on the basis of valuations carried out on those dates by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, which is a firm of independent qualified professional valuers not connected to the Group.

As 31 December 2019, the carrying amount of investment properties that were leased out under subleases amounted to RMB216,600,000. During the year ended 31 December 2019, income from subleasing these properties amounted to RMB32,302,000 and a fair value loss of these properties amounted to RMB3,823,000 was recognised in profit or loss.

For completed investment properties, the valuations have been arrived at using income capitalisation approach, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuer for the similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

For investment properties under development that are measured at fair value, the valuations have been arrived at residual approach assuming that the investment properties will be completed in accordance with the development proposals and the relevant approvals for the proposals have been obtained. The key inputs in the valuations include the market value of the completed investment properties, which are estimated with reference to sales evidence of similar properties in the nearest locality, with adjustments made to account for differences in locations and other factors specific to the respective properties based on the valuers' judgement. Costs of development are also taken into account including construction costs, finance costs and professional fees, as well as developer's profit margin which reflects the remaining risks associated with the development of the properties at the valuation date and the return that the developer would require for bringing them to completion status, which is determined by the valuers based on its analyses of recent land transactions and market value of similar completed properties in the respective locations.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use. The fair values of certain investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

13. 投資物業(續)

於二零一九年十二月三十一日，本集團賬面總值為人民幣23,567,529,000元(二零一八年：人民幣22,117,251,000元)之投資物業之公允價值乃根據仲量聯行企業評估及諮詢有限公司於該日所進行的估值達致，該公司為與本集團並無關聯之獨立合資格專業估值師行。

於二零一九年十二月三十一日，根據分租租出的投資物業賬面值為人民幣216,600,000元。截至二零一九年十二月三十一日止年度，來自分租該等物業的收益為人民幣32,302,000元，而該等物業的公允價值虧損為人民幣3,823,000元，該等公允價值虧損於損益中確認。

就已完成投資物業而言，該估值乃採用收入資本計算法進行。物業內所有可出租單位的市值租金乃參照可出租單位以及毗鄰相似物業的其他出租單位已得的租金進行評估。採用之資本化比率乃參照當地相似物業的收益率並根據估值師所知各物業的特質進行調整。

就按公允價值計量之發展中投資物業而言，估值乃基於殘值法假設該等投資物業將根據發展規劃及已取得的相關規劃的批覆完工。估值的主要輸入數據包括已完成投資物業的市值，乃參考鄰近地域相似物業的銷售憑證估計，同時，根據估值師判斷的不同地段的差異以及各物業的其他不同特質進行調整。該估值也將開發成本納入考慮，包括建設成本、融資成本和專業費用及開發商的利潤率(於估值日反映物業開發的剩餘風險和開發商使物業達致完成狀況所需的回報)，發展成本乃根據估值師對近期土地交易和不同區域類似已完成物業市場價值的分析而釐定。

估計投資物業的公允價值時，投資物業之目前用途為最高及最佳用途。若干投資物業的公允價值已就撇除預付或應計經營租賃收入作出調整，以避免重複計算。

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13. INVESTMENT PROPERTIES (Cont'd)

The major inputs used in the fair value measurement of the Group's major investment properties as at 31 December 2019 and 2018 are set out below:

13. 投資物業(續)

於二零一九年及二零一八年十二月三十一日，本集團主要投資物業之公允價值計量所用之主要輸入數據載於下文：

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties					
已完成投資物業					
Completed investment properties located in the Mainland China with an aggregate carrying amount of RMB13,408,400,000 (31.12.2018: RMB12,580,001,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 1.5% to 6.0% (31.12.2018: from 2.0% to 6.0%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於中國內地的已完成投資物業，賬面總值為人民幣13,408,400,000元(二零一八年十二月三十一日：人民幣12,580,001,000元)	第三級	收入資本計算法 主要輸入數據如下： (1)資本化比率；及 (2)市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為1.5%至6.0%(二零一八年十二月三十一日：2.0%至6.0%)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB4 to RMB707 (31.12.2018: from RMB4 to RMB600) per square metre ("sqm") per month on gross floor area basis.	The higher the monthly market rent, the higher the fair value.	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa.
			市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米(「平方米」)平均介乎人民幣4元至人民幣707元(二零一八年十二月三十一日：人民幣4元至人民幣600元)。	市場月租越高，公允價值越高。	所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties located in the Mainland China with an aggregate carrying amount of RMB139,900,000 (31.12.2018: RMB133,914,000)	Level 3	Direct Comparison Approach The key input is: Selling price per sqm.	Selling prices per sqm based on market observable transactions of similar properties, of a range from RMB75,340 to RMB76,538 (31.12.2018: from RMB68,966 to RMB70,702) per sqm on gross floor area basis.	The higher the selling prices per sqm, the higher the fair value.	A significant increase in the selling prices per sqm used would result in a significant increase in fair value, and vice versa.
位於中國內地的已完成投資物業，賬面總值為人民幣139,900,000元(二零一八年十二月三十一日：人民幣133,914,000元)	第三級	直接比較法 主要輸入數據如下： 每平方米銷售價格。	根據相似物業的可觀察市場交易釐定的每平方米銷售價格，以建築面積為基準每平方米介乎人民幣75,340元至人民幣76,538元(二零一八年十二月三十一日：人民幣68,966元至人民幣70,702元)。	每平方米銷售價格越高，公允價值越高。	每平方米銷售價格大幅增加將導致公允價值大幅增加，反之亦然。
Completed investment properties 已完成投資物業					
Completed investment properties located in Hong Kong with an aggregate carrying amount of RMB9,154,180,000 (31.12.2018: N/A)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 2.5% (31.12.2018: N/A).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於香港的已完成投資物業，賬面總值為人民幣9,154,180,000元(二零一八年十二月三十一日：不適用)	第三級	收入資本計算法 主要輸入數據如下： (1) 資本化比率；及 (2) 市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為2.5%(二零一八年十二月三十一日：不適用)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB310 to RMB350 (31.12.2018: N/A) per sqm per month on gross floor area basis. 市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米平均介乎人民幣310元至人民幣350元(二零一八年十二月三十一日：不適用)。	The higher the monthly market rent, the higher the fair value. 市場月租越高，公允價值越高。	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa. 所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties located in Cambodia with an aggregate carrying amount of RMB865,049,000 (31.12.2018: N/A)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 8.3% to 9.3% (31.12.2018: N/A).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於柬埔寨的已完成投資物業，賬面總值為人民幣865,049,000元(二零一八年十二月三十一日：不適用)	第三級	收入資本計算法 主要輸入數據如下： (1) 資本化比率；及 (2) 市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為介乎8.3%至9.3%(二零一八年十二月三十一日：不適用)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB103 to RMB165 (31.12.2018: N/A) per sqm per month on gross floor area basis.	The higher the monthly market rent, the higher the fair value.	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa.
			市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米平均介乎人民幣103元至人民幣165元(二零一八年十二月三十一日：不適用)。	市場月租越高，公允價值越高。	所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Investment properties under development that are measured at fair value as at 31 December 2018 於二零一八年十二月三十一日按公允價值計值之發展中投資物業					
Investment properties under development located in the Mainland China with an aggregate carrying amount of RMB145,011,000	Level 3	Cost Approach The key inputs were: (1) Costs of building; and (2) Developer's profit margin	Costs of building on completion basis, taking into account the construction costs incurred, accrued construction costs and relevant fees, and the value of land between the comparable and the property, of RMB126,277,000.	The higher the costs of building, the higher the fair value.	A significant increase in costs of building would result in a significant increase in fair value, and vice versa.
位於中國內地的發展中投資物業，賬面總值為人民幣145,011,000元	第三級	成本法 主要輸入數據如下： (1) 樓宇成本；及 (2) 開發商利潤率	按落成基準計值之建築成本經計及已產生的建築成本、累計建築成本及相關費用以及可資比較物業與該物業之間的土地價值為人民幣126,277,000元。 Developer's profit margin, taking into account the comparable land transactions and progress of the property, of 20%.	樓宇成本越高，公允價值越高。 The higher the developer's profit margin, the higher the fair value.	樓宇成本大幅增加將導致公允價值大幅增加，反之亦然。 A significant increase in developer's profit margin used would result in a significant increase in fair value, and vice versa.
			經計及可資比較土地交易及物業進度，開發商利潤率為20%。	開發商利潤率越高，公允價值越高。	所用開發商利潤率大幅增加將導致公允價值大幅增加，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Investment properties under development located in Hong Kong with an aggregate carrying amount of RMB8,455,330,000	Level 3	Residual Approach The key inputs were: (1) Gross development value; and (2) Developer's profit margin.	Gross development value on completion basis, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparable and the property, of RMB9,638,200,000.	The higher the gross development value, the higher the fair value.	A significant increase in gross development value used would result in a significant increase in fair value, and vice versa.
位於香港的發展中投資物業，賬面總值為人民幣8,455,330,000元	第三級	殘值法 主要輸入數據如下： (1) 總開發價值；及 (2) 開發商利潤率。	按落成基準計值之總開發價值經計及可資比較物業與該物業間之預竣工時間、位置及臨街地界和規模等各項因素為人民幣9,638,200,000元。	總開發價值越高，公允價值越高。	所用總開發價值大幅增加將導致公允價值大幅增加，反之亦然。
			Developer's profit margin, taking into account the comparable land transactions and progress of the property, of 10%.	The higher the developer's profit margin, the lower the fair value.	A significant increase in developer's profit margin used would result in a significant decrease in fair value, and vice versa.
			經計及可資比較土地交易及物業進度，開發商利潤率為10%。	開發商利潤率越高，公允價值越低。	所用開發商利潤率大幅增加導致公允價值大幅減少，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Investment properties under development located in Cambodia with an aggregate carrying amount of RMB802,995,000	Level 3	Residual Approach The key inputs were: (1) Gross development value; and (2) Developer's profit margin.	Gross development value on completion basis, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparable and the property, of RMB926,532,000.	The higher the gross development value, the higher the fair value.	A significant increase in gross development value used would result in a significant increase in fair value, and vice versa.
位於柬埔寨的發展中投資物業，賬面總值為人民幣802,995,000元	第三級	殘值法 主要輸入數據如下： (1) 總開發價值；及 (2) 開發商利潤率。	按落成基準計值之總開發價值經計及可資比較物業與該物業間之預竣工時間、位置及臨街地界和規模等各項因素為人民幣926,532,000元。 Developer's profit margin, taking into account the comparable land transactions and progress of the property, of 5%. 經計及可資比較土地交易及物業進度，開發商利潤率為5%。	總開發價值越高，公允價值越高。 The higher the developer's profit margin, the lower the fair value. 開發商利潤率越高，公允價值越低。	所用總開發價值大幅增加將導致公允價值大幅增加，反之亦然。 A significant increase in developer's profit margin used would result in a significant decrease in fair value, and vice versa. 所用開發商利潤率大幅增加將導致公允價值大幅減少，反之亦然。

There were no transfers in or out of Level 3 during both years.

於兩個年度內，第三級並無轉入或轉出。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Freehold land in USA 美國永久 業權土地 RMB'000 人民幣千元	Hotel property in USA 美國 酒店物業 RMB'000 人民幣千元	Leasehold land and buildings in HK 香港租賃 土地及樓宇 RMB'000 人民幣千元	Leasehold land and buildings in the Mainland China 中國內地租賃 土地及樓宇 RMB'000 人民幣千元	Building improvements 樓宇裝修 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Machinery and electronic equipment and others 機器及電子 設備及其他 RMB'000 人民幣千元	Computer software, furniture and fixtures 計算機軟件、 傢私及裝置 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本										
At 1 January 2018	於二零一八年一月一日	15,821	130,178	-	402,043	37,954	20,419	27,909	22,819	668	657,811
Exchange adjustment	匯兌調整	795	6,656	-	-	-	21	-	135	-	7,607
Additions	添置	-	63,149	-	9,162	1,632	1,985	888	1,071	419	78,306
Disposals/written off	出售/撤銷	-	-	-	-	-	-	(750)	-	-	(750)
At 31 December 2018	於二零一八年十二月三十一日	16,616	199,983	-	411,205	39,586	22,425	28,047	24,025	1,087	742,974
Exchange adjustment	匯兌調整	274	2,268	-	-	1,046	7	-	51	-	3,646
Additions	添置	-	16,799	-	-	877	2,846	1,105	690	29,884	52,201
Transfer upon completion	於完成後轉撥	-	-	-	-	-	-	468	-	(468)	-
Transfer from investment properties (note 13)	轉撥自投資物業(附註13)	-	-	520,459	-	-	-	-	-	-	520,459
Acquired on acquisition of a subsidiary (note 38(a))	於收購一間附屬公司時購入 (附註38(a))	-	-	-	-	-	8	109	29	-	146
Derecognised on disposal of a subsidiary (note 39)	於出售一間附屬公司時終止 確認(附註39)	-	-	-	-	-	-	(143)	-	-	(143)
Disposals/written off	出售/撤銷	-	-	-	-	(2,724)	(313)	(16)	(78)	-	(3,131)
At 31 December 2019	於二零一九年十二月三十一日	16,890	219,050	520,459	411,205	38,785	24,973	29,570	24,717	30,503	1,316,152
DEPRECIATION	折舊										
At 1 January 2018	於二零一八年一月一日	-	2,288	-	160,792	29,032	12,781	23,444	15,603	-	243,940
Exchange adjustment	匯兌調整	-	533	-	-	3	7	-	59	-	602
Provided for the year	年度撥備	-	12,095	-	17,715	2,518	3,603	1,544	3,177	-	40,652
Eliminated on disposals/written off	出售/撤銷之對銷	-	-	-	-	-	-	(613)	-	-	(613)
At 31 December 2018	於二零一八年十二月三十一日	-	14,916	-	178,507	31,553	16,391	24,375	18,839	-	284,581
Exchange adjustment	匯兌調整	-	367	-	-	-	(1)	-	30	-	396
Provided for the year	年度撥備	-	14,370	-	13,799	2,814	2,807	1,818	1,840	-	37,448
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	-	-	-	-	-	-	(129)	-	-	(129)
Eliminated on disposals/written off	出售/撤銷之對銷	-	-	-	-	(1,860)	(254)	(9)	(35)	-	(2,158)
At 31 December 2019	於二零一九年十二月三十一日	-	29,653	-	192,306	32,507	18,943	26,055	20,674	-	320,138
CARRYING VALUES	賬面值										
At 31 December 2019	於二零一九年十二月三十一日	16,890	189,397	520,459	218,899	6,278	6,030	3,515	4,043	30,503	996,014
At 31 December 2018	於二零一八年十二月三十一日	16,616	185,067	-	232,698	8,033	6,034	3,672	5,186	1,087	458,393

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14. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The carrying amounts of owner-occupied leasehold land and buildings, situated in the Mainland China and HK, at the end of the reporting period included both the leasehold land and building elements in property, plant and equipment, as in the opinion of the directors of the Company, allocations of the carrying amounts between the leasehold land and buildings elements cannot be made reliably.

The above items of property, plant and equipment, except for freehold land in USA and construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Hotel property in USA	5% to 10%
Leasehold land and buildings in the Mainland China	Over the shorter of the term of the lease, or 2% to 5%
Leasehold land and buildings in the HK	Over the shorter of the term of the lease, or 2% to 5%
Building improvements	10% to 33 $\frac{1}{3}$ %
Motor vehicles	20% to 25%
Machinery and electronic equipment and others	10% to 33 $\frac{1}{3}$ %
Computer software, furniture and fixtures	20% to 33 $\frac{1}{3}$ %

15. GOODWILL

The amount represents goodwill arising from the Acquisition (defined in note 37(ii)(a)), which has been allocated to the group of cash generating units ("CGU") in the real estate development and sales segment. The recoverable amount of the goodwill has been determined based on a value in use calculation. That calculation used cash flow projections based on financial budgets approved by the management covering five-year period, and the discount rate of 9.4% (2018: 10.0%). The cash flows beyond the five-year period are extrapolated using a zero growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on management's expectations for the market development. The management of the Group believes that any reasonably possible change in the key estimations of the value-in-use calculation would not cause the carrying amount to exceed its recoverable amount. The directors of the Company determined that the recoverable amount was higher than the carrying amount of the CGU and hence no impairment on goodwill is required.

14. 物業、廠房及設備(續)

由於本公司董事認為無法準確作出租賃土地與樓宇部分的分配，報告期末的業主位於中國內地及香港之自用租賃土地及樓宇計入物業、廠房及設備內的租賃土地及樓宇中。

上文所述之物業、廠房及設備項目(位於美國之永久業權土地及在建工程除外)乃以直線法按以下年率折舊：

美國酒店物業	5%至10%
位於中國內地之租賃土地及樓宇	租賃期或2%至5% (以較短者為準)
位於香港之租賃土地及樓宇	租賃期或2%至5% (以較短者為準)
樓宇裝修	10%至33 $\frac{1}{3}$ %
汽車	20%至25%
機器及電子設備及其他	10%至33 $\frac{1}{3}$ %
計算機軟件、傢私及裝置	20%至33 $\frac{1}{3}$ %

15. 商譽

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 31 December	231,602	231,602

款項指收購事項(定義見附註37(ii)(a))產生之商譽(已分配至房地產開發及銷售分類的現金產生單位組別(「現金產生單位」))。商譽之可收回金額乃根據使用價值進行計算而釐定。基於管理層所批准涵蓋5年期間之財政預算，使用9.4%(二零一八年：10.0%)之貼現率以現金流預測法進行計算。超過5年的現金流則使用零增長率推算。使用價值計算之其他主要假設與包括預算銷售額及毛利率的現金流入/流出之估計有關，有關估計乃根據管理層對市場發展之預測作出。本集團管理層相信，使用價值計算之主要估計的任何合理可能變動將不會導致賬面值超出其可回收金額。本公司董事釐定可回收金額高於現金產生單位之賬面值，故無須商譽減值。

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16. INTEREST IN A JOINT VENTURE

16. 於一間合營公司的權益

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註		
Cost of investment in a joint venture	於一間合營公司之投資成本	(a)	9,520	9,520
Share of post-acquisition profits and other comprehensive income, net of dividends received	應佔收購後利潤及其他全面收益，扣除收取之股息	(a)	(3,462)	(3,460)
			6,058	6,060
Amount due from a joint venture	應收一間合營公司款項	(b)	522,318	522,318

Notes:

附註：

(a) Particulars of a joint venture as at 31 December 2019 and 2018 are as follows:

(a) 於二零一九年及二零一八年十二月三十一日一間合營公司的詳情如下：

Company name 公司名稱	Form of business nature 業務性質	Place of establishment and operation 成立及營運地點	Paid-up capital 繳足股本 RMB'000 人民幣千元	Proportion of voting right and percentage of interest held 投票權及所持權益百分比之比例	Principal activity 主要業務
Shenzhen Anyuan Industrial Development Co., Ltd. ("Anyuan") 深圳市安元實業發展有限公司 (「安元」)	Established 成立	Mainland China 中國內地	23,800	40% (2018: 40%) 40% (二零一八年：40%)	Property development 物業發展

(b) Amount due from a joint venture represents advances to a joint venture which is unsecured, interest-free and has no fixed repayment terms. In an opinion of the directors of the Company, the settlement of the advances is neither planned nor likely to occur in the foreseeable future.

(b) 應收一間合營公司款項為支付予合營公司的預付款，該款項無抵押、免息，且無固定償還期限。本公司董事認為，該預付款結算並非按計劃進行，且於可見將來不大可能會發生。

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16. INTEREST IN A JOINT VENTURE (Cont'd)

Notes: (Cont'd)

(b) (Cont'd)

Summarised financial information of Anyuan after adjusting for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產	29	29
Current assets	流動資產	549,814	549,819
Current liabilities	流動負債	(534,699)	(534,699)
Included in the above amounts are:	計入上述款項：		
Properties under development for sale	發展中待售物業	439,702	439,702
Cash and cash equivalents	現金及現金等價物	90,000	90,006
Amount due to a shareholder	應付一名股東款項	522,318	522,318
Loss and total comprehensive expense for the year	年度虧損及其他全面開支	5	22

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

以上財務資料概要與已於綜合財務報表確認之合營公司權益賬面值之對賬：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Anyuan	安元資產淨值	15,144	15,149
Proportion of the Group's ownership interest in Anyuan	本集團於安元擁有之權益比例	40%	40%
Carrying amount of the Group's interest in Anyuan	本集團於安元之權益賬面值	6,058	6,060

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17. INTEREST IN AN ASSOCIATE

17. 於一間聯營公司的權益

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cost of investment in an associate	於一間聯營公司之投資成本	2	-
Share of post-acquisition loss and other comprehensive expense, net of dividends received	應佔收購後虧損及其他全面開支，扣除收取之股息	(2)	-
		-	-

Note:

Particulars of an associate as at 31 December 2019 are as follows:

附註：

於二零一九年十二月三十一日一間聯營公司的詳情如下：

Company name	Form of business nature	Place of establishment and operation	Issued share capital	Proportion of voting right and percentage of interest held	Principal activity
公司名稱	業務性質	成立及營運地點	已發行股本	及所持權益百分比	主要業務
Intelligent City Development Limited ("ICDL") and its subsidiaries	Incorporated	Hong Kong	10,000 shares of HK\$1 each	25%	Investment holding and property development
智慧城市發展有限公司 (「智慧城市」)及其附屬公司	註冊成立	香港	10,000股每股面值1港元之股份	25%	投資控股及物業發展

On 28 October 2019, Greater Bay Area Intelligent City Limited ("GBAIC"), a direct wholly-owned subsidiary of the Company, Affluent Bright Investments Limited ("Affluent Bright") and Mr. Wong entered into the subscription agreement pursuant to which GBAIC agreed to subscribe 99.99% equity interest of Affluent Bright, which has a wholly-owned subsidiary, Affluent Bright Investments (HK) Limited, which indirectly owned 25% of equity interest of ICIDL and its subsidiaries. Pursuant to the terms of the subscription agreement, the subscription price of the subscription shares of Affluent Bright is US\$10,000. Upon completion, the Affluent Bright will be owned as to 99.99% and 0.01% by the GBAIC and Mr. Wong, respectively, and will become a non-wholly owned subsidiary of the Company. The transaction was completed on the same date.

於二零一九年十月二十八日，大灣區智慧城市有限公司(「大灣區智慧城市」，本公司之直接全資附屬公司)、溢明投資有限公司(「溢明」)與黃先生訂立認購協議，據此，大灣區智慧城市同意認購溢明之99.99%股權，而溢明擁有一間全資附屬公司溢明投資(香港)有限公司，該公司間接擁有智慧城市及其附屬公司之25%股權。根據認購協議之條款，溢明認購股份之認購價為10,000美元。於完成後，溢明將分別由大灣區智慧城市及黃先生擁有99.99%及0.01%權益，並將成為本公司之非全資附屬公司。該交易已於同日完成。

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17. INTEREST IN AN ASSOCIATE (Cont'd)

Note: (Cont'd)

Summarised financial information of ICDL and its subsidiaries after adjusting for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產	2,259,424
Current assets	流動資產	1,183,324
Current liabilities	流動負債	(1,638,956)
Non-current liabilities	非流動負債	(1,977,500)
Included in the above amounts are:		
Land related acquisition and development cost	計入上述款項： 土地相關收購及發展成本	2,176,916
Cash and cash equivalents	現金及現金等價物	456,974
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	706,316
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(1,630,363)
Bank borrowings	銀行借貸	(1,978,500)

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements:

17. 於一間聯營公司的權益(續)

附註：(續)

下文披露智慧城市及其附屬公司已就會計政策的任何差異而調整的財務資料概要，以及與綜合財務報表賬面值所對賬：

		2019 二零一九年 RMB'000 人民幣千元
Net liabilities of ICDL	智慧城市負債淨值	(173,708)
Proportion of the Group's ownership interest in ICDL	本集團於智慧城市擁有之權益比例	25%
Carrying amount of the Group's interest in ICDL	本集團於智慧城市之權益賬面值	-

以上財務資料概要與已於綜合財務報表確認之一間聯營公司權益賬面值之對賬：

以上財務資料概要與已於綜合財務報表確認之一間聯營公司權益賬面值之對賬：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
The unrecognised share of loss of an associate for the year and cumulative unrecognised share of loss of an associate	年內未確認之應佔一間聯營公司虧損及累計未確認之應佔一間聯營公司虧損	(3,579)	-

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18. DEBT INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

18. 按公允價值計入其他全面收益之債務工具

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Government bond, with fixed interest of 3.76% per annum and maturity date on 14 August 2023 政府債券，固定年利率為3.76%及到期日為二零二三年八月十四日	-	20,000

19. EQUITY INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

19. 按公允價值計入其他全面收益之股本工具

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Listed investments: - Equity securities listed in the Mainland China (Note) 上市投資： - 於中國內地上市之股權證券(附註)	541,125	490,816

Note:

The above listed equity investment represents 0.4% equity interests in an entity listed in the Mainland China. This investment is not held for trading, instead, it is held for long-term strategic purposes. The directors of the Company have elected to designate this investment in equity instrument as FVTOCI as they believe that recognising short-term fluctuations in this investment's fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising its performance potential in the long run.

附註：

上述上市股權投資指於一間中國內地上市公司之0.4%股權。該項投資並非持作買賣，而是就長期策略用途持有。由於本公司董事認為於損益確認該投資之公允價值短期波動並不符合本集團長期持有該投資及長遠變現其表現潛力之策略，故彼等已選擇指定於該股本工具之投資為按公允價值計入其他全面收益。

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20. DEFERRED TAX

The movements in deferred tax assets (liabilities) arising from temporary differences are as follows:

		Tax losses	Withholding tax for undistributed profits	Valuation on investment properties	Accelerated tax depreciation	Fair value adjustments	Accrual for LAT	Pre-sale deposits	Others	Total
		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
Balance as at 1 January 2018	於二零一八年一月一日之結餘	28,350	(22,050)	(2,266,915)	(151,258)	(25,248)	137,209	9,642	(17,193)	(2,307,463)
(Charge) credit to the profit or loss (note 9)	於損益(扣除)計入(附註9)	(28,350)	(11,000)	(47,183)	(32,765)	-	118,900	119,724	-	119,326
Underprovision in prior year (note 9)	過往年度撥備不足(附註9)	-	-	-	-	-	(40,445)	-	-	(40,445)
Charge to other comprehensive income	於其他全面收益扣除	-	-	-	-	(11,639)	-	-	-	(11,639)
Balance as at 31 December 2018	於二零一八年十二月三十一日之結餘	-	(33,050)	(2,314,098)	(184,023)	(36,887)	215,664	129,366	(17,193)	(2,240,221)
Adjustments (note 2)	調整(附註2)	-	-	(22,175)	-	-	-	-	-	(22,175)
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	-	(33,050)	(2,336,273)	(184,023)	(36,887)	215,664	129,366	(17,193)	(2,262,396)
Credit (charge) to the profit or loss (note 9)	於損益計入(扣除)(附註9)	131,314	-	(42,367)	(33,230)	-	122,134	(30,822)	-	147,029
Underprovision in prior year (note 9)	過往年度撥備不足(附註9)	-	-	-	-	-	(1,944)	-	-	(1,944)
Charge to other comprehensive income	於其他全面收益扣除	-	-	-	-	(12,577)	-	-	-	(12,577)
Balance as at 31 December 2019	於二零一九年十二月三十一日之結餘	131,314	(33,050)	(2,378,640)	(217,253)	(49,464)	335,854	98,544	(17,193)	(2,129,888)

The following is the analysis of the deferred taxation balances for financial reporting purposes:

暫時差額產生的遞延稅項資產(負債)的變動如下:

就財務報告目的而言, 遞延稅項結餘分析如下:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	565,713	345,030
Deferred tax liabilities	遞延稅項負債	(2,695,601)	(2,585,251)
		(2,129,888)	(2,240,221)

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20. DEFERRED TAX (Cont'd)

The EIT Law and its implementation rules impose a withholding tax at 10%, unless reduced by a tax treaty or arrangement, for dividends distributed by the Mainland China-resident enterprises to their non-Mainland China-resident corporate investors for profits earned since 1 January 2008. Under the Sino-Hong Kong Double Tax Arrangement, a qualified Hong Kong tax resident is entitled to a reduced withholding tax rate of 5% if the Hong Kong tax resident is the "beneficial owner" and holds 25% or more of the equity interests of the Mainland China enterprise directly. Since the Group controls the quantum and timing of distribution of profits of the Group's subsidiaries in the Mainland China, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

At 31 December 2019, temporary differences relating to the accumulated undistributed profits of the Group's Mainland China subsidiaries amounted to RMB4,757,025,000 (2018: RMB3,156,160,000). Except for the accumulated undistributed profit of the Group's Mainland China subsidiaries amounted to RMB661,000,000 (2018: RMB661,000,000), no deferred tax liability was recognised in respect of the taxable temporary differences of RMB4,096,025,000 (2018: RMB2,495,160,000) as of 31 December 2019 as the Group controlled the dividend policy of these subsidiaries.

At 31 December 2019, the Group has unused deductible temporary difference amounted to RMB26,239,000 (2018: RMB25,731,000). No deferred tax asset has been recognised in respect of such temporary difference due to the unpredictability of future profit streams.

At the end of the reporting period, the Group has unused tax losses of RMB618,100,000 (2018: RMB23,066,000) available to offset against future profits. For the year ended 31 December 2019, a deferred tax asset had been recognised in respect of such tax losses amounting to RMB525,256,000 (2018:nil) and no deferred tax asset had been recognised in respect of the remaining tax losses of RMB92,844,000 (2018: RMB23,066,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB43,131,000 will expire in the following years ending 31 December, other losses may be carried forward indefinitely:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
2021	二零二一年	14,448	14,448
2022	二零二二年	1,347	7,322
2023	二零二三年	1,296	1,296
2024	二零二四年	26,040	-
		43,131	23,066

20. 遞延稅項(續)

企業所得稅法及其實施規則規定，自二零零八年一月一日起，中國內地居民企業就所賺取盈利向非中國內地居民企業投資者分派的股息須按10%繳納預扣稅(除非根據稅項條約或安排獲減免)。根據內地與香港避免雙重徵稅安排，作為「實益擁有人」並直接持有中國內地企業25%或以上股權的合資格香港稅務居民有權按減免預扣稅稅率5%繳稅。由於本集團可控制分派本集團於中國內地的附屬公司的盈利的數量及時間，遞延稅項負債僅以預期可於可見將來分派的有關盈利為限計提撥備。

於二零一九年十二月三十一日，有關本集團中國內地附屬公司之累計未分配利潤暫時差額達人民幣4,757,025,000元(二零一八年：人民幣3,156,160,000元)。除本集團中國內地附屬公司之累計未分配利潤達人民幣661,000,000元(二零一八年：人民幣661,000,000元)外，因本集團控制該等附屬公司的股息政策，故並未就截至二零一九年十二月三十一日的人民幣4,096,025,000元(二零一八年：人民幣2,495,160,000元)應課稅暫時差額確認遞延稅項負債。

於二零一九年十二月三十一日，本集團有未動用可扣稅暫時差額人民幣26,239,000元(二零一八年：人民幣25,731,000元)。由於未來盈利來源的不可預測性，因此概無就該等暫時差額確認遞延稅項資產。

於報告期末，本集團可供抵銷未來盈利之未動用稅項虧損為人民幣618,100,000元(二零一八年：人民幣23,066,000元)。截至二零一九年十二月三十一日止年度，就該等稅項虧損人民幣525,256,000元(二零一八年：無)確認遞延稅項資產及由於未來盈利來源不可預測，故並無就其餘稅項虧損人民幣92,844,000元(二零一八年：人民幣23,066,000元)確認遞延稅項資產。未確認之稅項虧損包括虧損人民幣43,131,000元將於以下截至十二月三十一日止之年度屆滿，而其他虧損則可無限期結轉：

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21. DEPOSIT PAID

21. 已付按金

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deposit for acquisition of additional interests in a subsidiary 增加收購於一間附屬公司的權益之按金	29,410	-

During the year ended 31 December 2019, LVGEM (Suzhou) Real Estate Investment Company Limited ("LVGEM Suzhou"), an indirect wholly-owned subsidiary of the Group as the purchaser entered into a sale and purchase agreement with the non-controlling shareholder of Prosper View Group Limited ("PVGL") to acquire remaining 49% equity interest of PVGL at the considerations of RMB29,410,000 and the amount represents deposit paid and included in non-current assets. The transaction was subsequently completed on 15 January 2020.

截至二零一九年十二月三十一日止年度，綠景(蘇州)地產投資有限公司(「綠景蘇州」)，本集團之間接全資附屬公司，作為買方與協朗集團有限公司(「協朗」)之非控股股東訂立買賣協議，以代價人民幣29,410,000元收購協朗餘下之49%股權，而該款項指已付按金並計入非流動資產。該交易其後已於二零二零年一月十五日完成。

22. PROPERTIES UNDER DEVELOPMENT FOR SALE

22. 發展中待售物業

Included in the properties under development for sale as at 31 December 2019 is carrying value of RMB3,611,033,000 (2018: RMB5,700,430,000) which represents the carrying value of the properties expected to be realised after twelve months from the end of the reporting period. The Group's properties under development for sale are mainly situated in the Mainland China, Hong Kong and Cambodia.

於二零一九年十二月三十一日，列為發展中待售物業之賬面值為人民幣3,611,033,000元(二零一八年：人民幣5,700,430,000元)，乃預期於報告期末起計十二個月後方變現之物業賬面值。本集團之發展中待售物業主要位於中國內地、香港及柬埔寨。

Analysis of leasehold lands:

租賃土地之分析：

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	
Carrying amount	賬面值	2,508,420
As at 31 December 2019	於二零一九年十二月三十一日	
Carrying amount	賬面值	2,519,802
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度	
Total cash outflows	現金流出總額	40,122
Additions	添置	40,122

Effective from 1 January 2019, the carrying amount of leasehold lands is measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2019.

自二零一九年一月一日起，租賃土地之賬面值乃根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量。殘值被釐定為租賃土地部分之估計出售價值。經計及於二零一九年十二月三十一日之估計殘值，概無就租賃土地計提折舊費用。

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23. PROPERTIES HELD FOR SALE

The Group's properties held for sale are situated in the Mainland China.

Analysis of leasehold lands:

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	
Carrying amount	賬面值	223,039
As at 31 December 2019	於二零一九年十二月三十一日	
Carrying amount	賬面值	104,462

Effective from 1 January 2019, the carrying amount of leasehold lands is measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2019.

23. 待售物業

本集團待售物業位於中國內地。

租賃土地之分析：

自二零一九年一月一日起，租賃土地之賬面值乃根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量。殘值被釐定為租賃土地部分之估計出售價值。經計及於二零一九年十二月三十一日之估計殘值，概無就租賃土地計提折舊費用。

24. OTHER INVENTORIES

Other inventories represent low value consumables carried at cost.

24. 其他存貨

其他存貨指按成本入賬的低值易耗品。

25. ACCOUNTS RECEIVABLE

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Accounts receivable	應收賬款	31,825	12,248
Less: Allowance for credit losses	減：信貸虧損撥備	(613)	(672)
		31,212	11,576

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25. ACCOUNTS RECEIVABLE (Cont'd)

Accounts receivable represent receivables arising from sales of properties, rental income from leasing properties and comprehensive services (including hotel operation and property management). For the receivables arising from sales of properties, they are due for settlement in accordance with the terms of the relevant sales and purchase agreements. For the receivables arising from rental income from leasing properties, monthly rents are normally received in advance and sufficient rental deposits are held to minimise credit risk. For accounts receivable generated from hotel operation, the credit term is payable on demand. For accounts receivable generated from property management, receivable generally have credit terms of 30 to 60 days (2018: 30 to 60 days). All accounts receivable are denominated in RMB. The ageing analysis of the Group's accounts receivable, based on invoice dates for rental income from leasing properties and comprehensive services and the terms of relevant sales and purchases agreements for sales of properties, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	1個月內	22,333	6,853
1 to 12 months	1至12個月	6,873	2,079
13 to 24 months	13至24個月	919	1,881
Over 24 months	超過24個月	1,087	763
		31,212	11,576

As at 31 December 2019, included in the Group's accounts receivable balance are debtors with aggregate carrying amount of RMB8,879,000 (2018: RMB4,723,000) which are past due as at the reporting date. For balance has been past due 90 days or more, it is not considered as in default due to the long-term/on-going relationship and good repayment record of the counterparties. The Group does not hold any collateral over these balances.

25. 應收賬款(續)

應收賬款指銷售物業、租賃物業的租金收入及綜合服務(包括酒店營運及物業管理)的應收款項。就銷售物業產生的應收款項而言，該等款項乃根據相關買賣協議條款到期應付。就租賃物業的租金收入產生的應收款項而言，每月租金通常預先收取，並持有充足的租金按金以減低信貸風險。就酒店營運產生的應收賬款而言，信貸期乃須按要求支付。物業管理所得的應收賬款的信貸期一般為30至60天(二零一八年：30至60天)。所有應收賬款以人民幣計值。本集團應收賬款的賬齡按有關租賃物業的租金收入及綜合服務發票日期以及相關物業銷售買賣協議條款分析如下：

於二零一九年十二月三十一日，計入本集團應收賬款結餘之款項為賬面總值為人民幣8,879,000元(二零一八年：人民幣4,723,000元)之應收款項，於報告日已逾期。由於與交易方維持長期/持續關係及彼等還款記錄良好，故此逾期已超過90日或以上之結餘並未被視為違約。本集團並無就該等結餘持有任何抵押品。

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25. ACCOUNTS RECEIVABLE (Cont'd)

The movement in the allowance for credit losses is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
A 1 January	於一月一日	672	711
Reversal on impairment loss recognised	已確認減值虧損之撥回	(59)	(39)
At 31 December	於十二月三十一日	613	672

For the years ended 31 December 2019 and 2018, the Group applies the HKFRS 9 simplified approach to measure ECL for accounts receivable based on lifetime ECL. Accounts receivable have been grouped based on shared credit risk characteristics and the historical observed default rates have been adjusted by forward looking estimates. As at 31 December 2019 and 2018, the directors of the Company considered that the default risk for the accounts receivable is very low and the lifetime ECL allowance is insignificant. None of the debtors is considered credit impaired.

25. 應收賬款(續)

信貸虧損撥備變動如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	672	711
Reversal on impairment loss recognised	已確認減值虧損之撥回	(59)	(39)
At 31 December	於十二月三十一日	613	672

截至二零一九年及二零一八年十二月三十一日止年度，本集團應用香港財務報告準則第9號的簡化方法根據存續期預期信貸虧損計量應收賬款的預期信貸虧損。應收賬款已根據共同信貸風險特徵及歷史觀察違約率分組，並經前瞻性估計調整。於二零一九年及二零一八年十二月三十一日，本公司董事認為應收賬款的違約風險極低，且存續期預期信貸虧損撥備不大。概無債務人被視為出現信貸減值。

26. DEPOSITS PAID, PREPAYMENTS AND OTHER RECEIVABLES

26. 已付按金、預付款項及其他應收款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deposits paid and prepayments	已付按金及預付款項	990,089	434,245
Deposits for urban redevelopment projects	城市更新項目之按金	1,790,400	-
Other receivables	其他應收款項	405,445	393,365
Amounts due from related parties	應收關聯人士款項	30,404	47,302
Amounts due from non-controlling interests	應收非控股權益款項	14,590	15,382
Total	總計	3,230,928	890,294

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26. DEPOSITS PAID, PREPAYMENTS AND OTHER RECEIVABLES (Cont'd)

Notes:

- (a) The balance mainly represents prepaid construction costs of RMB789,047,000 (2018: RMB356,466,000) to the contractors for the Group's property development projects.
- (b) The balance represents deposits paid for urban redevelopment projects located in Zhuhai and Shenzhen in the Mainland China, of which RMB1,622,400,000 (2018: nil) represents deposit paid to local government for acquisition of land use right. The amount is refundable in full if the acquisition of land use right is not successful.
- (c) Amounts due from related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.
- (d) As at 31 December 2019, amount due from non-controlling interests amounting to RMB11,715,000 (2018: RMB12,507,000) is secured by equity interests held by the non-controlling party, interest bearing at 6.37% (2018:6.37%) per annum and repayable on demand. Remaining balance of amount due from non-controlling interests is unsecured, interest-free and repayable on demand.

27. RESTRICTED BANK DEPOSITS

26. 已付按金、預付款項及其他應收款項 (續)

附註：

- (a) 該結餘主要為就本集團物業開發項目而向承包商作出之預付建設成本人民幣789,047,000元(二零一八年：人民幣356,466,000元)。
- (b) 該結餘指就位於中國內地珠海及深圳之城市更新項目支付之按金，其中人民幣1,622,400,000元(二零一八年：無)指就收購土地使用權而向當地政府支付之按金。倘未能成功收購土地使用權，該款項可獲全數退還。
- (c) 應收關聯方款項(最終控股方於其中擁有實益權益)為無抵押、免息及須按要求償還。
- (d) 於二零一九年十二月三十一日，應收非控股權益款項為人民幣11,715,000元(二零一八年：人民幣12,507,000元)，該款項由非控股方持有之股權作抵押、按年利率6.37%(二零一八年：6.37%)計息及須按要求償還。應收非控股權益款項之餘下結餘為無抵押、免息及須按要求償還。

27. 受限制銀行存款

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	Notes 附註		
Pledged certificate of deposits for bank loans	就銀行貸款抵押的存款證	700,709	1,938,317
Funds under regulation by banks for specific purposes	受銀行監管作特定用途的資金	805,255	1,011,723
Performance deposits required by government	政府規定的履約按金	(a) 553,853	553,260
Pledged bank deposits for bank loans	就銀行貸款抵押的銀行存款	647,942	264,469
Pledged bank deposits for mortgage	就按揭抵押的銀行存款	(b) 94,021	144,520
Performance deposits for construction contracts	建築合約的履約按金	2,090	3,244
Others	其他	191	293
Total	總計	2,804,061	3,915,826

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27. RESTRICTED BANK DEPOSITS (Cont'd)

The effective interest rates of restricted bank deposits are in the range of 0.01% to 3.03% for both 2019 and 2018 per annum.

Notes:

- (a) The balance represents performance deposits required by the government for the Group's urban redevelopment projects.
- (b) The balance represents bank deposits pledged to secure the mortgage granted to buyers of properties.

28. BANK BALANCES AND CASH

As at 31 December 2019, included in bank balances and cash was a fixed deposit of RMB447,605,000 (2018: RMB442,133,000) with original maturity period of more than three months but within one year.

The effective interest rates of cash at banks are 0.01% to 1.35% (2018: 0.01% to 1.95%) per annum.

29. ACCOUNTS PAYABLE

Accounts payable mainly represent amounts due to contractors. Payment to contractors is made by reference of progress of the respective construction work and agreed milestones.

The following is an aged analysis of accounts payable presented based on the invoice date:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	1個月內	513,386	1,220,394
1 to 12 months	1至12個月	436,676	109,626
13 to 24 months	13至24個月	137,934	11,029
Over 24 months	超過24個月	23,835	42,465
		1,111,831	1,383,514

The average credit period for purchase of construction materials ranged from six months to one year.

27. 受限制銀行存款(續)

二零一九年及二零一八年之受限制銀行存款實際年利率均介乎0.01%至3.03%。

附註：

- (a) 該結餘指政府規定本集團須就其城市更新項目履約按金。
- (b) 該結餘指為取得向物業買家授出的按揭而作出的抵押銀行存款。

28. 銀行結餘及現金

於二零一九年十二月三十一日，銀行結餘及現金包括原到期日為多於三個月但少於一年之定期存款人民幣447,605,000元(二零一八年：人民幣442,133,000元)。

銀行現金的實際年利率介乎0.01%至1.35%(二零一八年：0.01%至1.95%)。

29. 應付賬款

應付賬款主要指應付承包商款項。應付承包商款項參考有關建設工程進度及協定進度作出。

應付賬款的賬齡按發票日期分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	513,386	1,220,394
1 to 12 months	436,676	109,626
13 to 24 months	137,934	11,029
Over 24 months	23,835	42,465
	1,111,831	1,383,514

購買建築材料的平均信貸期為六個月至一年不等。

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30. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

30. 應計費用、已收按金及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Rental deposits received	已收租金按金	141,865	119,202
Receipts in advance	預收款項	5,402	1,551
Other payables and accruals	其他應付款項及應計費用	495,005	426,142
Amounts due to related parties	應付關聯方款項	28,981	191,195
Amounts due to non-controlling interests	應付非控股權益款項	2,105	6,724
		673,358	744,814

Notes:

- (a) As at 31 December 2019 and 2018, receipts in advance consist of rental considerations received in advance from customers.
- (b) Amounts due to related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.
- (c) Amounts due to non-controlling interests are unsecured, interest-free and repayable on demand.

附註：

- (a) 於二零一九年及二零一八年十二月三十一日，預收款項包括預先向客戶收取之租金代價。
- (b) 應付關聯方款項(最終控股方於其中擁有實益權益)為無抵押、免息及須按要求償還。
- (c) 應付非控股權益款項為無抵押、免息及須按要求償還。

31. CONTRACT LIABILITIES

31. 合同負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of properties	物業銷售	2,502,338	2,265,113
Hotel operation and property management service	酒店營運及物業管理服務	2,927	3,175
		2,505,265	2,268,288

Note: The balance represents sales deposits and advance payments received from sales of properties.

附註：該結餘指銷售按金及物業銷售之預先收取款項。

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31. CONTRACT LIABILITIES (Cont'd)

The following table shows how much of the revenue recognised in the respective years relates to carried-forward contract liabilities at the start of the respective years.

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of properties	物業銷售	1,443,440	881,054
Hotel operation and property management service	酒店營運及物業管理服務	3,175	198

31. 合同負債(續)

下表列示於各年度確認與各年度初之結轉合同負債相關之收益金額。

32. LEASE LIABILITIES

32. 租賃負債

		2019 二零一九年 RMB'000 人民幣千元
Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	22,674
Within a period of more than one year but not more than two years	為期超過一年但不超過兩年	20,627
Within a period of more than two years but not more than five years	為期超過兩年但不超過五年	44,880
Within a period of more than five years	為期超過五年	29,873
		118,054
Less: Amount due for settlement within 12 months shown under current liabilities	減：列入流動負債並於12個月內到期償還之款項	(22,674)
Amount due for settlement after 12 months shown under non-current liabilities	列入非流動負債並於12個月後到期償還之款項	95,380

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33. BORROWINGS

33. 借貸

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Borrowings comprise:	借貸包括：		
– Variable rate bank loans	– 浮息銀行貸款	16,274,940	14,283,068
– Fixed rate bank loans	– 固定利率銀行貸款	2,781,200	1,916,300
– Fixed rate other borrowing	– 固定利率其他借貸	50,000	–
– Private senior notes	– 私募優先票據	349,939	342,428
		19,456,079	16,541,796
Analysed as:	分析：		
– Secured	– 有抵押	18,886,202	16,085,461
– Unsecured	– 無抵押	569,877	456,335
		19,456,079	16,541,796
Borrowings repayable within a period of:	借貸須於以下期間內償還：		
– Within 1 year	– 一年內	3,616,424	2,557,174
– More than 1 year, but not exceeding 2 years	– 超過一年但少於兩年	3,296,968	2,056,850
– More than 2 years, but not exceeding 5 years	– 超過兩年但少於五年	10,090,473	8,906,056
– More than 5 years	– 五年以後	1,762,364	2,346,442
		18,766,229	15,866,522
Borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:	包含按要求償還條款之借貸 (列入流動負債)，惟須於下列期間內償還：		
– Within 1 year	– 一年內	689,850	675,274
Total borrowings	總借貸	19,456,079	16,541,796
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(4,306,274)	(3,232,448)
Amount due after one year	於一年後到期之款項	15,149,805	13,309,348

All the Group's borrowings are denominated in the functional currencies of the relevant group companies (i.e. RMB, United States Dollar ("US\$") and HK\$) except certain bank and other borrowings amounting to RMB1,797,697,000 (2018: RMB1,685,510,000) are denominated in HK\$, and RMB490,355,000 (2018: Nil) are denominated in US\$.

所有本集團借貸採用相關集團公司的功能貨幣(即人民幣、美元(「美元」)與港元)計值，惟若干銀行及其他借貸人民幣1,797,697,000元(二零一八年：人民幣1,685,510,000元)以港元計值及人民幣490,355,000元(二零一八年：無)以美元計值除外。

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33. BORROWINGS (Cont'd)

For bank loans denominated in HK\$, the effective interest rates are ranging from 3.87% to 7.67% (2018: 1.91% to 5.39%) per annum. For bank and other loans denominated in RMB, the effective interest rates are ranging from 4.90% to 9.00% (2018: 4.35% to 9.00%) per annum. For bank loans denominated in US\$, the effective interest rates are ranging from 3.21% to 9.41% (2018: Nil) per annum.

As at 31 December 2019, secured bank loans with aggregate amount of RMB3,256,201,000 and a secured other borrowing with amount of RMB50,000,000 are secured by the equity interests of subsidiaries of the Group (see also note 46).

As at 31 December 2019, a secured bank loan with aggregate amount of RMB244,167,000 was secured by certain equity instrument hold of Mr. Wong, the ultimate controlling shareholder.

On 13 December 2017, Gemstones International Limited (“Gemstones”), a direct wholly-owned subsidiary of the Company (the “Issuer”), entered into a subscription agreement with Harbor Sure (HK) Investments Limited (the “Purchaser”), an independent third party to the Group, pursuant to which the Purchaser agreed to purchase the private senior notes with an aggregate principal amount of US\$50,000,000 (the “Private Notes”). The issue price was at 100.0% of the principal amount of the Private Notes. The Private Notes are:

- (a) carried interest at rate of 8.5% per annum and interest is payable semi-annually on 18 June and 18 December of each year, commencing from 19 December 2017 and maturing on 19 December 2019;
- (b) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Private Notes;
- (c) ranked and will rank at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured unsubordinated indebtedness pursuant to applicable law); and
- (d) guaranteed by the Company and certain subsidiaries of the Company on a senior basis, subject to certain limitations.

The interest charged is calculated by applying an effective interest rate of approximately 8.86% per annum since the Private Notes were issued.

On 13 December 2019, the Issuer and the Purchaser entered into the deed of extension to extend the maturity date of the Private Notes to 18 June 2020. In the opinion of the directors of the Company, the amount on non-substantial modification of financial liabilities arising on such extension is insignificant.

33. 借貸(續)

就以港元計值的銀行貸款而言，實際年利率介乎3.87%至7.67%（二零一八年：1.91%至5.39%）。就以人民幣計值的銀行及其他貸款而言，實際年利率介乎4.90%至9.00%（二零一八年：4.35%至9.00%）。就以美元計值的銀行貸款而言，實際年利率介乎3.21%至9.41%（二零一八年：無）。

於二零一九年十二月三十一日，有抵押銀行貸款總金額人民幣3,256,201,000元及有抵押其他借貸人民幣50,000,000元由本集團附屬公司之股權作抵押（請同時參閱附註46）。

於二零一九年十二月三十一日，一筆有抵押銀行貸款總金額人民幣244,167,000元由最終控股股東黃先生所持有之若干股本工具作抵押。

於二零一七年十二月十三日，本公司的直接全資附屬公司碧玺国际有限公司（「碧玺」）（「發行人」）與本集團獨立第三方Harbor Sure (HK) Investments Limited（「買方」）訂立一份認購協議，據此，買方同意購買本金總額為50,000,000美元的私募優先票據（「私募票據」）。發行價為私募票據本金額的100.0%。私募票據：

- (a) 按年利率8.5%計息，利息須自二零一七年十二月十九日起至二零一九年十二月十九日止，於每年的六月十八日及十二月十八日每半年支付；
- (b) 較列明其收款權利從屬於私募票據的發行人任何現有及日後責任享有優先收款權利；
- (c) 至少與及將與發行人所有其他無抵押、非後償債務具有同等付款權利（須根據適用法律受該等無抵押非後償債務的任何優先權所規限）；及
- (d) 由本公司及本公司若干附屬公司按優先基準擔保（須受若干限制）。

已計利息按自私募票據發行起應用實際年利率約8.86%計算。

於二零一九年十二月十三日，發行人及買方訂立延長契據，以將私募票據之到期日延長至二零二零年六月十八日。本公司董事認為，有關延長所產生之金融負債之非重大變更金額並不重大。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS

(a) Debt component of convertible bonds

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	1,381,645	589,650
Issue of convertible bonds	發行可換股債券	–	704,661
Interest expense	利息開支	172,237	131,969
Interest paid	已付利息	(88,155)	(45,946)
Conversion of 2018 CB (as defined below)	兌換二零一八年可換股債券 (定義見下文)	–	(59,278)
Exchange difference	匯兌差額	27,530	60,589
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	1,493,257	1,381,645
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	1,493,257	–
Amount due after one year	於一年後到期之款項	–	1,381,645

(1) On 6 November 2016, the Company entered into a Convertible Bonds Subscription Agreement (the “Agreement”) with an independent third party, Chance Talent Management Limited (the “Subscriber”). Pursuant to the Agreement, the Subscriber agreed to acquire the Convertible Bond (the “2018 CB”) with aggregate principal amount of US\$100 million (equivalent to RMB686 million) at interest rate of 5.5% per annum, payable by the Company semi-annually in arrears from the issue date, with initial conversion price of HK\$2.76. The maturity date is on the second anniversary of the issue date. The 2018 CB were issued to the Subscriber on 18 November 2016.

The bondholder has the right to convert the 2018 CB in whole or in part into shares at any time on or after the issue date of the 2018 CB up to the respective maturity date. 264,946,889 (2018: 264,946,889) new shares will be issued upon full conversion of the 2018 CB. An adjustment had been made to the conversion price from HK\$2.76 to HK\$2.695 on 21 July 2017 as a result of the dividends paid since the convertible bonds were issued.

On 17 January 2018, the Company received a notice from the Subscriber, requesting for the conversion of the 2018 CB in the principal amount of US\$10,000,000. Accordingly, the Company has allotted and issued 28,794,063 conversion shares to the Subscriber at the conversion price of HK\$2.695 per conversion share.

34. 可換股債券及可換股債券衍生工具部分

(a) 可換股債券債務部分

(1) 於二零一六年十一月六日，本公司與一名獨立第三方Chance Talent Management Limited (「認購人」)訂立一份可換股債券認購協議(「該協議」)。根據該協議，認購人同意收購本金總額為1億美元(相當於人民幣6.86億元)、按年利率5.5%計息的可換股債券(「二零一八年可換股債券」)(初步兌換價為2.76港元)，利息自發行日期起於每半年末由本公司支付。到期日為發行日期起計滿兩週年。二零一八年可換股債券於二零一六年十一月十八日發行予認購人。

債券持有人有權於二零一八年可換股債券發行日期當日或之後至相關到期日止隨時將全部或部份二零一八年可換股債券轉換為股份。264,946,889股(二零一八年：264,946,889股)新股份將於二零一八年可換股債券獲悉數轉換後發行。因可換股債券發行而支付的股息導致於二零一七年七月二十一日兌換價由2.76港元調整至2.695港元。

於二零一八年一月十七日，本公司接獲認購人之通知，要求就本金額10,000,000美元之二零一八年可換股債券進行兌換。因此，本公司已向認購人按每股兌換股份兌換價2.695港元配發及發行28,794,063股兌換股份。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(1) (Cont'd)

Adjustments had been made to the conversion price from HK\$2.695 to HK\$2.636 as a result of allotment of ordinary shares, allotment of convertible preference shares and the dividends paid during the year ended 31 December 2018.

Adjustments had been made to the conversion price from HK\$2.636 to HK\$2.574 as a result of the dividends paid during the year ended 31 December 2019.

On 3 October 2018, the Subscriber, the Company and Mr. Wong entered into the Deed of Extension to extend the maturity date of the 2018 CB to 18 November 2020.

The 2018 CB will be redeemed on maturity at a value equal to the amount equal to the aggregate of (a) the aggregate principal amount of such outstanding 2018 CB; (b) any accrued but unpaid interest on such outstanding 2018 CB on the redemption date (other than default interest); and (c) (if the sum of the amounts referred to above (a) and (b) fall short of making up an internal rate of return of 8% on the aggregate principal amount of 2018 CB) such additional amount which would make up an internal rate of 8% on the aggregate principal amount of 2018 CB.

Further details of the terms and conditions of the 2018 CB were disclosed in the announcements of the Company dated 6 November 2016, 8 November 2016, 18 November 2016 and 3 October 2018 respectively.

The 2018 CB contains two components, debt component and derivative component. The effective interest rate of the debt component is 14.23% (2018: 14.23%) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

The fair value of conversion option is US\$10,363,000 (equivalent to RMB72,292,000) (2018: US\$4,494,000 (equivalent to RMB30,842,000)) as at 31 December 2019.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(1) (續)

由於截至二零一八年十二月三十一日止年度內配發普通股、配發可換股優先股及支付股息，轉換價已由2.695港元調整為2.636港元。

由於截至二零一九年十二月三十一日止年度內支付股息，轉換價已由2.636港元調整為2.574港元。

於二零一八年十月三日，認購人、本公司與黃先生訂立延長契據，以將二零一八年可換股債券之到期日延長至二零二零年十一月十八日。

二零一八年可換股債券將於到期日贖回，價值等同相等於下列總和之金額：(a)有關未轉換二零一八年可換股債券之本金總額；(b)任何有關未轉換二零一八年可換股債券於贖回日期之應計但未付利息(違約利息除外)；及(c)(倘上文(a)及(b)項所述款項之總和不足以令內部回報率達二零一八年可換股債券本金總額之8%)將令內部回報率達二零一八年可換股債券本金總額8%之有關額外金額。

二零一八年可換股債券的條款及條件的進一步詳情於本公司日期分別為二零一六年十一月六日、二零一六年十一月八日、二零一六年十一月十八日及二零一八年十月三日的公告內披露。

二零一八年可換股債券包括兩個部分(債務部分及衍生工具部分)。債務部分的實際利率為每年14.23%(二零一八年：14.23%)。衍生工具部分按公允價值計量及於損益中確認公允價值變動。

於二零一九年十二月三十一日，轉換期權的公允價值為10,363,000美元(相當於人民幣72,292,000元)(二零一八年：4,494,000美元(相當於人民幣30,842,000元))。

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)**(a) Debt component of convertible bonds** (Cont'd)

- (2) On 10 May 2018, a wholly-owned subsidiary of the Company, Gemstones, as the issuer, and the Company together with its eighteen subsidiaries acting as guarantors entered into a Convertible Bonds Subscription Agreement (the "2018 Agreement") with a third party, Global Affluence Holding V Limited (the "2018 Subscriber"). Pursuant to the 2018 Agreement, the 2018 Subscriber agreed to acquire the convertible bonds (the "2023 CB") with aggregate principal amount of US\$100 million (equivalent to RMB675 million) at interest rate of 4.0% per annum, payable by Gemstones semi-annually in arrears. The maturity date is on the fifth anniversary of the issue date. The 2023 CB were issued to the 2018 Subscriber on 17 May 2018.

The bondholder has the right to convert the 2023 CB in whole or in part into shares at any time on or after the issue date of the 2023 CB up to the date falling seven days prior to the maturity date. 208,776,595 new shares will be issued upon full conversion of the 2023 CB based on the initial conversion price of HK\$3.76. Adjustments had been made to the conversion price from HK\$3.76 to HK\$3.68 as a result of the issue of Second 2023 CB and the extension of 2018 CB during the year ended 31 December 2018.

During the year ended 31 December 2019, adjustments had been made to the conversion price from HK\$3.68 to HK\$3.594 as a result of the dividends paid.

The 2023 CB will be redeemed on maturity at a value equal to 124.012214% of the outstanding principal amount of the 2023 CB, together with any accrued and unpaid interest.

The bondholder has the right by written notice at any time on or after 17 May 2020, the second anniversary of the issue date of the 2023 CB and before maturity, require the Gemstones to redeem all or some only of such bondholder's 2023 CB at a gross yield of 8.00% per annum.

34. 可換股債券及可換股債券衍生工具部分 (續)**(a) 可換股債券債務部分** (續)

- (2) 於二零一八年五月十日，本公司一間全資附屬公司碧玺(作為發行人)以及本公司及其十八間附屬公司(作為擔保人)與一名第三方Global Affluence Holding V Limited (「二零一八年認購人」)訂立一份可換股債券認購協議(「二零一八年協議」)。根據二零一八年協議，二零一八年認購人同意收購本金總額為1億美元(相等於人民幣6.75億元)、按年利率4.0%計息的可換股債券(「二零二三年可換股債券」)，利息於每半年末由碧玺支付。到期日為發行日期起計滿五週年。二零二三年可換股債券於二零一八年五月十七日發行予二零一八年認購人。

債券持有人有權於二零二三年可換股債券發行日期當日或之後至到期日前七日止隨時將全部或部分二零二三年可換股債券兌換為股份。208,776,595股新股份將於二零二三年可換股債券獲悉數兌換後按初步兌換價3.76港元發行。由於截至二零一八年十二月三十一日止年度內發行第二批二零二三年可換股債券及延長二零一八年可換股債券，兌換價已由3.76港元調整為3.68港元。

於截至二零一九年十二月三十一日止年度，兌換價因支付股息而由3.68港元調整為3.594港元。

二零二三年可換股債券將於到期日贖回，價值等同於二零二三年可換股債券未清償本金額的124.012214%連同任何應計及未付利息。

債券持有人有權於二零二零年五月十七日(即二零二三年可換股債券發行日期起計滿兩週年及到期日前)當日或之後，隨時透過書面通知要求碧玺按每年8.00%的毛收益率贖回該債券持有人持有的全部或僅部分二零二三年可換股債券。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(2) (Cont'd)

The fair value of conversion option is US\$5,100,459 (equivalent to RMB35,582,000) (2018: US\$5,877,000 (equivalent to RMB40,338,000)) as at 31 December 2019. The fair value of early redemption option is US\$12,712,000 (equivalent to RMB88,681,000) (31 December 2018: US\$13,404,000 (equivalent to RMB91,994,000)) as at 31 December 2019.

Further details of the terms and conditions of the 2023 CB were disclosed in the announcements of the Company dated 11 May 2018.

The 2023 CB contains two components, debt component and derivative component (including the conversion option and the early redemption option that is not closely to the host). The effective interest rates of the debt component is 13.48% (2018:13.48%) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit and loss.

- (3) On 16 September 2018, Gemstones entered into a Convertible Bonds Subscription Agreement (the "2018 Second Agreement") with an independent third party, Pioneer Festive Limited (the "2018 Second Subscriber"). Pursuant to the 2018 Second Agreement, the 2018 Second Subscriber agreed to acquire the convertible bonds (the "Second 2023 CB") with aggregate principal amount of US\$50 million (equivalent to RMB341.8 million) at interest rate of 5.0% per annum, payable by Gemstones semi-annually in arrears. The maturity date is on the fifth anniversary of the issue date. The Second 2023 CB were issued to the 2018 Second Subscriber on 28 September 2018.

The bondholder has the right to convert the Second 2023 CB in whole or in part into shares at any time on or after the issue date of the Second 2023 CB up to the date falling seven days prior to the maturity date. 127,022,653 new shares will be issued upon full conversion of the Second 2023 CB based on the initial conversion price of HK\$3.09.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(2) (續)

於二零一九年十二月三十一日，轉換期權的公允價值為5,100,459美元(相當於人民幣35,582,000元)(二零一八年：5,877,000美元(相當於人民幣40,338,000元))。於二零一九年十二月三十一日，提前贖回權的公允價值為12,712,000美元(相當於人民幣88,681,000元)(二零一八年十二月三十一日：13,404,000美元(相當於人民幣91,994,000元))。

有關二零二三年可換股債券的條款及條件的進一步詳情已在本公司日期為二零一八年五月十一日的公告內披露。

二零二三年可換股債券包括兩個部分(債務部分及衍生工具部分)(包括與主部分並無緊密關聯之轉換期權及提前贖回權)。債務部分的實際利率為每年13.48%(二零一八年：13.48%)。衍生工具部分按公允價值計量及於損益中確認公允價值變動。

- (3) 於二零一八年九月十六日，碧玺與一名獨立第三方Pioneer Festive Limited(「二零一八年第二認購人」)訂立一份可換股債券認購協議(「二零一八年第二份協議」)。根據二零一八年第二份協議，二零一八年第二認購人同意收購本金總額為5,000萬美元(相等於人民幣3.418億元)、按年利率5.0%計息的可換股債券(「第二批二零二三年可換股債券」)，利息於每半年末由碧玺支付。到期日為發行日期起計滿五週年。第二批二零二三年可換股債券於二零一八年九月二十八日發行予二零一八年第二認購人。

債券持有人有權於第二批二零二三年可換股債券發行日期當日或之後至到期日前七日止隨時將全部或部分第二批二零二三年可換股債券兌換為股份。127,022,653股新股份將於第二批二零二三年可換股債券獲悉數兌換後按初步兌換價3.09港元發行。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(3) (Cont'd)

Adjustments had been made to the conversion price from HK\$3.09 to HK\$3.018 as a result of the dividends paid during the year ended 31 December 2019.

The Second 2023 CB will be redeemed on maturity at a value equal to 136.1% of the outstanding principal amount of the Second 2023 CB, together with any accrued and unpaid interest.

The bondholder has the right by written notice at any time on or after 28 September 2020, the second anniversary of the issue date of the Second 2023 CB and before maturity, require the Gemstones to redeem all or some only of such bondholder's Second 2023 CB at a yield of internal rate of return of 10.00% per annum.

If a bondholder has exercised the conversion rights attached to any 2023 CB and disposed of any conversion shares issued as a result thereof, Gemstones will be entitled to share 30% of the consideration (net of taxes and brokerage fees) payable to the relevant bondholder in excess of the agreed preferred return in accordance with the terms of the Second 2023 CB.

The fair value of conversion option (after profit-sharing) is US\$3,279,000 (equivalent to RMB22,875,000) (2018: US\$3,419,000 (equivalent to RMB23,468,000)) as at 31 December 2019. The fair value of early redemption option is US\$398,000 (equivalent to RMB2,777,000) (31 December 2018: US\$1,670,000 (equivalent to RMB11,463,000)) as at 31 December 2019.

Further details of the terms and conditions of the Second 2023 CB were disclosed in the announcements of the Company dated 17 September 2018.

The Second 2023 CB contains two components, debt component and the derivative component (including the conversion option after profit-sharing and the early redemption option that is not closely related to the host). The effective interest rate of the debt component is 8.73% (2018: 8.73%) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit and loss.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(3) (續)

於截至二零一九年十二月三十一日止年度，兌換價因支付股息而由3.09港元調整為3.018港元。

第二批二零二三年可換股債券將於到期日贖回，價值等同於第二批二零二三年可換股債券未清償本金額的136.1%連同任何應計及未付利息。

債券持有人有權於二零二零年九月二十八日(即第二批二零二三年可換股債券發行日期起計滿兩週年及到期日前)當日或之後，隨時透過書面通知要求碧瑩按每年10.00%的內部回報收益率贖回該債券持有人持有的全部或僅部分第二批二零二三年可換股債券。

倘債券持有人已行使任何二零二三年可換股債券所附的換股權，並出售因此而發行的任何兌換股份，碧瑩將有權分佔應付相關債券持有人的代價(扣除稅項及經紀費用後)超過根據第二批二零二三年可換股債券條款協定的優先回報的金額的30%。

於二零一九年十二月三十一日，轉換期權(溢利分成後)的公允價值為3,279,000美元(相當於人民幣22,875,000元)(二零一八年：3,419,000美元(相當於人民幣23,468,000元))。於二零一九年十二月三十一日，提前贖回權的公允價值為398,000美元(相當於人民幣2,777,000元)(二零一八年十二月三十一日：1,670,000美元(相當於人民幣11,463,000元))。

有關第二批二零二三年可換股債券的條款及條件的進一步詳情已在本公司日期為二零一八年九月十七日的公告內披露。

第二批二零二三年可換股債券包括兩個部分(債務部分及衍生工具部分)(包括與主部分並無緊密關聯之溢利分成後轉換期權及提前贖回權)。債務部分的實際利率為每年8.73%(二零一八年：8.73%)。衍生工具部分按公允價值及於損益中確認的公允價值變動計量。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

34. 可換股債券及可換股債券衍生工具部分(續)

(b) Derivative component of convertible bonds

(b) 可換股債券衍生工具部分

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	198,105	111,078
Embedded derivatives at the date of issue of convertible bonds	於可換股債券發行日期的嵌入式衍生工具	-	255,307
Conversion of 2018 CB	兌換二零一八年可換股債券	-	(11,107)
Loss (gain) arising on changes in fair value	公允價值變動產生的虧損(收益)	20,170	(172,192)
Exchange difference	匯兌差額	3,932	15,019
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	222,207	198,105
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(222,207)	-
Amount due after one year	於一年後到期之款項	-	198,105

- (1) The methods and assumptions applied for the valuation of the 2018 CB at 31 December 2018 and at 31 December 2019 were as follows:

The fair value of the derivative component of convertible bonds at 31 December 2018 and as at 31 December 2019 derived by using the Binomial Option Pricing Model were approximately RMB30,842,000 and RMB72,292,000, respectively, which were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative instruments with reference to market values. During the year ended 31 December 2019, the Group recognised the fair value loss of RMB40,037,000 (2018: gain of RMB71,432,000) in the consolidated statement of profit or loss.

- (1) 於二零一八年十二月三十一日及於二零一九年十二月三十一日對二零一八年可換股債券進行估值時所應用的方法及假設如下：

可換股債券衍生工具部分於二零一八年十二月三十一日及於二零一九年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣30,842,000元及人民幣72,292,000元，有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值評估同類衍生工具方面擁有近期經驗。截至二零一九年十二月三十一日止年度，本集團於綜合損益表中確認公允價值虧損人民幣40,037,000元(二零一八年：收益人民幣71,432,000元)。

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

(1) (Cont'd)

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values of derivative component of the 2018 CB at the respective dates were as follows:

		At 31.12.2018 於二零一八年 十二月三十一日	At 31.12.2019 於二零一九年 十二月三十一日
Share price	股價	HK\$2.23 2.23港元	HK\$2.79 2.79港元
Exercise price	行使價	HK\$2.636 2.636港元	HK\$2.574 2.574港元
Expected dividend yield	預期股息率	2.24%	1.90%
Volatility	波幅	33.31%	34.98%
Discount rate	貼現率	17.872%	16.432%
Risk free interest rate	無風險利率	2.540%	1.606%

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生部分(續)

(1) (續)

獨立專業估值師於各日期釐定二零一八年可換股債券衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

- (2) The methods and assumptions applied for the valuation of the 2023 CB at 31 December 2018 and 31 December 2019 were as follows:

The fair value of the derivative component of convertible bonds at 31 December 2018 and as at 31 December 2019 derived by using the Binomial Option Pricing Model were approximately RMB132,332,000 and RMB124,263,000, respectively, which were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative component of convertible bonds with reference to market values. During the year ended 31 December 2019, the Group recognised the fair value gain of RMB10,128,000 (2018: RMB90,477,000) in the consolidated statement of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values the derivative component of the 2023 CB at the respective dates were as follows:

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生工具部分(續)

- (2) 於二零一八年十二月三十一日及二零一九年十二月三十一日對二零二三年可換股債券進行估值時所應用的方法及假設如下：

可換股債券衍生工具部分於二零一八年十二月三十一日及於二零一九年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣132,332,000元及人民幣124,263,000元，有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值評估同類可換股債券衍生工具部分方面擁有近期經驗。截至二零一九年十二月三十一日止年度，本集團於綜合損益表中確認公允價值收益人民幣10,128,000元(二零一八年：人民幣90,477,000元)。

獨立專業估值師於各日期釐定二零二三年可換股債券衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

		At 31.12.2018 於二零一八年 十二月三十一日	At 31.12.2019 於二零一九年 十二月三十一日
Share price	股價	HK\$2.23 2.23港元	HK\$2.79 2.79港元
Exercise price	行使價	HK\$3.68 3.68港元	HK\$3.594 3.594港元
Expected dividend yield	預期股息率	2.24%	1.90%
Volatility	波幅	50.73%	33.50%
Discount rate	貼現率	17.581%	16.215%
Risk free interest rate	無風險利率	2.529%	1.669%

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34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

- (3) The methods and assumptions applied for the valuation of the Second 2023 CB at 31 December 2018 and 31 December 2019 were as follows:

The fair value of the derivative component of convertible bonds at 31 December 2018 and as at 31 December 2019 derived by using the Binomial Option Pricing Model were approximately RMB34,931,000 and RMB25,652,000, respectively, which were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative component of convertible bonds with reference to market values. During the year ended 31 December 2019, the Group recognised the fair value gain of RMB9,739,000 (2018: RMB10,283,000) in the consolidated statement of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values the derivative component of the Second 2023 CB at the respective dates were as follows:

		At 31.12.2018 於二零一八年 十二月三十一日	At 31.12.2019 於二零一九年 十二月三十一日
Share price	股價	HK\$2.23 2.23港元	HK\$2.79 2.79港元
Exercise price	行使價	HK\$3.09 3.09港元	HK\$3.018 3.018港元
Expected dividend yield	預期股息率	2.24%	1.90%
Volatility	波幅	49.536%	33.528%
Discount rate	貼現率	14.403%	13.052%
Risk free interest rate	無風險利率	2.541%	1.696%

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生部分(續)

- (3) 於二零一八年十二月三十一日及二零一九年十二月三十一日對第二批二零二三年可換股債券進行估值時所應用的方法及假設如下：

可換股債券衍生工具部分於二零一八年十二月三十一日及於二零一九年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣34,931,000元及人民幣25,652,000元，有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值評估同類可換股債券衍生工具部分方面擁有近期經驗。截至二零一九年十二月三十一日止年度，本集團於綜合損益表中確認公允價值收益人民幣9,739,000元(二零一八年：人民幣10,283,000元)。

獨立專業估值師於各日期釐定第二批二零二三年可換股債券衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

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35. SENIOR NOTES AND BOND

35. 優先票據及債券

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Senior notes and bond comprise:	優先票據及債券包括：		
– Public senior notes	– 公開優先票據	2,870,055	2,809,060
– Domestic corporate bond	– 境內公司債券	2,157,068	2,591,909
		5,027,123	5,400,969
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	5,400,969	5,250,854
Less: Redemption of senior notes and bond	減：贖回優先票據及債券	(485,375)	–
Add: Interest charged during the year	加：年內已扣除利息	411,241	410,200
Less: Interest paid	減：已付利息	(403,425)	(394,549)
Add: Adjustments on change in coupon rate	加：就票息率變動的調整	57,287	–
Exchange differences	匯兌差額	46,426	134,464
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	5,027,123	5,400,969
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(5,027,123)	(2,591,909)
Amount due after one year	於一年後到期之款項	–	2,809,060

Issue of US\$ denominated public senior notes due in 2020

On 15 August 2017 and 25 October 2017, the Issuer issued senior notes with the aggregate principal amounts of US\$225,000,000 and US\$175,000,000 respectively (collectively known as, the “Senior Notes”). The issue price was at 100.0% and 100.6% of the principal amount of the Senior Notes, respectively.

發行將於二零二零年到期以美元計值之公開優先票據

於二零一七年八月十五日及二零一七年十月二十五日，發行人分別發行本金總額為225,000,000美元及175,000,000美元的優先票據（統稱「優先票據」）。發行價分別為優先票據本金額的100.0%及100.6%。

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35. SENIOR NOTES AND BOND (Cont'd)

Issue of US\$ denominated public senior notes due in 2020 (Cont'd)

Senior Notes are listed on the Singapore Exchange Securities Trading Limited ("SGX"). Senior Notes are:

- (a) carried interest at rate of 8.5% per annum and interest is payable semi-annually on 15 February and 15 August of each year, commencing from 15 February 2018 and will mature on 15 August 2020, unless redeemed earlier;
- (b) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Senior Notes;
- (c) ranked and will rank at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured unsubordinated indebtedness pursuant to applicable law);
- (d) guaranteed by the Company and certain subsidiaries of the Company (collectively the "Guarantors") on a senior basis, subject to certain limitations;
- (e) effectively subordinated to the secured obligations if any, of the Issuer and the Guarantors, to the extent of the value of the assets serving as security therefor; and
- (f) effectively subordinated to all existing and future obligations of the subsidiaries of the Company other than the Guarantors.

At any time prior to 15 August 2020, the Issuer may at its option to redeem the Senior Notes, in whole but not in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes plus the applicable premium as defined in the offering memorandum of the Company dated 17 October 2017 ("Applicable Premium") as of, and accrued and unpaid interest (if any) to (but not including), the redemption date.

"Applicable Premium" means with respect to any Senior Notes at any redemption date, the greater of (i) 1.00% of the principal amount of such Senior Notes and (ii) the excess of the present value at such redemption date of the principal amount of such Senior Notes on 15 August 2020, plus all required remaining scheduled interest payments due on such Senior Notes through 15 August 2020 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over the principal amount of such Senior Notes on such redemption date.

35. 優先票據及債券(續)

發行將於二零二零年到期以美元計值之公開優先票據(續)

優先票據於新加坡證券交易所有限公司(「新交所」)上市。優先票據：

- (a) 按年利率8.5%計息，利息須自二零一八年二月十五日起，於每年二月十五日及八月十五日每半年支付，並將於二零二零年八月十五日屆滿(除非獲提早贖回)；
- (b) 較列明其付款權利從屬於優先票據的發行人任何現有及日後責任享有優先付款權利；
- (c) 至少與及將與發行人所有其他無抵押、非後償債務具有同等付款權利(須根據適用法律受該等無抵押非後償債務的任何優先權所規限)；
- (d) 由本公司及本公司若干附屬公司(統稱「擔保人」)按優先基準擔保(須受若干限制)；
- (e) 實際上次於發行人及擔保人的有抵押責任(如有)，惟須以就此作為抵押品的資產價值為限；及
- (f) 實際上次於非擔保人的本公司附屬公司的所有現有及未來責任。

於二零二零年八月十五前的任何時間，發行人可選擇按相等於優先票據本金額100.0%的贖回價，另加截至贖回日期(但不包括該日)的適用溢價(「適用溢價」，定義見本公司日期為二零一七年十月十七日的發售備忘錄)以及應計及未付利息(如有)，贖回全部(但非部分)優先票據。

「適用溢價」指就於任何贖回日期的任何優先票據而言，下列各項的較高者：(i)該優先票據本金額的1.00%；及(ii)超出於該優先票據在二零二零年八月十五日之本金額加至二零二零年八月十五日為止該優先票據一切規定的既定利息支付餘額(但不包括至贖回日期的應計及未付利息)於有關贖回日期的現值(按相等於經調整公債利率加100個基點之貼現率計算)超出於贖回日期該優先票據本金額的差價。

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35. SENIOR NOTES AND BOND (Cont'd)

Issue of US\$ denominated public senior notes due in 2020 (Cont'd)

At any time and from time to time prior to 15 August 2020, the Issuer may redeem up to 35% of the aggregate principal amount of the Senior Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 108.5% of the principal amount of the Senior Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Senior Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Early redemption option is regarded as embedded derivative not closely related to the host contract. The directors consider that the fair value of the above early redemption options is insignificant at initial recognition date, 31 December 2018 and 2019.

The interest charged for the year is calculated by applying an effective interest rate of approximately 8.90% per annum since the Senior Notes were issued.

The fair value of the Senior Notes at 31 December 2019 amounted to RMB2,770,919,000 (2018: RMB2,552,122,000). The fair value is calculated by using the quoted price based on SGX at the end of the reporting period (or the nearest day of trading).

Subsequent to 31 December 2019, the Group commenced an exchange offer (the "Exchange Offer") to the holders of the existing Senior Notes. For details, please refer to note 51.

Issue of RMB denominated domestic corporate bond due in 2021

On 26 August 2016, a subsidiary of the Company, Zhengxinglong Real Estate (Shenzhen) Co., Ltd. ("Zhengxinglong") issued a domestic corporate bond (the "Bond") with a principal amount of RMB2,600,000,000 and will be repayable in full by 26 August 2021. Zhengxinglong has an option to increase the coupon rate from 6.5% up to 7.5% per annum at the end of the third year ("2019 coupon rate adjustment"). Zhengxinglong will make an announcement of the determination on the coupon rate adjustment and irrespective of whether adjustment will be made or not, the investor can exercise retractable option within three working days from the third anniversary of the issue date.

35. 優先票據及債券(續)

發行將於二零二零年到期以美元計值之公開優先票據(續)

於二零二零年八月十五日前任何時間，發行人可不時按優先票據本金額108.5%的贖回價，另加截至贖回日期(但不包括該日)的應計及未付利息(如有)，以股本發售中一宗或以上的本公司普通股銷售的所得現金款項淨額，贖回優先票據本金總額的最多35%；惟在每次贖回後須至少有於原發行日期原發行的優先票據本金總額的65%仍未贖回，以及任何贖回須於相關股本發售截止後60日內發生。

提早贖回權視為並非與主合約有密切關係的嵌入衍生工具。董事認為上述提早贖回權於初始確認日、二零一八年及二零一九年十二月三十一日的公允價值不重大。

年內已計利息按自優先票據發行日期起應用實際年利率約8.90%計算。

優先票據於二零一九年十二月三十一日的公允價值為人民幣2,770,919,000元(二零一八年：人民幣2,552,122,000元)。該公允價值乃按於報告期末(或最近交易日)新交所的報價計算。

於二零一九年十二月三十一日後，本集團對現有優先票據的持有人展開交換要約(「交換要約」)。詳情請參閱附註51。

發行將於二零二一年到期以人民幣計值之境內公司債券

於二零一六年八月二十六日，本公司之附屬公司正興隆房地產(深圳)有限公司(「正興隆」)發行境內公司債券(「該債券」)，本金額為人民幣2,600,000,000元，而有關金額將於二零二一年八月二十六日全數償還。正興隆可選擇於第三年結束時將年票息率自6.5%上調至最多7.5% (「二零一九年票息率調整」)。正興隆將就票息率調整的決定作出公告(不論是否將會作出調整)，而投資者可自發行日期第三週年當日起的三個工作天內行使回售選擇權。

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35. SENIOR NOTES AND BOND (Cont'd)

Issue of RMB denominated domestic corporate bond due in 2021 (Cont'd)

On 23 July 2019, with the consent of the bondholders, Zhengxinglong make an announcement that Zhengxinglong shall have an option to increase coupon rate by up to 2% per annum at end of the third and fourth years from the issue date. Zhengxinglong will make an announcement of the determination on the coupon rate adjustment and irrespective of whether adjustment will be made or not, and the investor can exercise retractable option within five working days from the third and fourth anniversary of the issue date.

On 8 August 2019, Zhengxinglong make an announcement that coupon rate was increased from 6.5% to 8% per annum from 27 August 2019. Such increase in coupon rate is considered as debt modification and a loss of RMB57,287,000 is recognised on such non-substantial modification of financial liabilities.

On 26 August 2019, an investor exercised retractable option and redeemed bonds with a principal amount of RMB486,474,000 and the loss on early redemption of financial liabilities of RMB1,099,000 is recognised during the year.

The Bond is listed in Shenzhen Stock Exchange ("SZX"). The interest charged for the year is calculated by applying an effective interest rate of approximately 6.63% per annum since the Bond were issued.

The fair value of the Bond as at 31 December 2019 is RMB2,113,949,000 (2018: RMB2,579,720,000) with reference to the quoted market price of the Bond on SZX at the end of the reporting period (the last trading day prior to 31 December 2019).

35. 優先票據及債券(續)

發行將於二零二一年到期以人民幣計值之境內公司債券(續)

於二零一九年七月二十三日，在債券持有人同意下，正興隆就其將可選擇於自發行日期起計第三及第四年結束時將年票息率上調最多2%作出公告。正興隆將就票息率調整的決定作出公告(不論是否將會作出調整)，而投資者可自發行日期第三及第四週年當日起的五個工作天內行使回售選擇權。

於二零一九年八月八日，正興隆就年票息率自二零一九年八月二十七日起由6.5%上調至8%作出公告。有關票息率上調被視為債務變更，並就金融負債之該等非重大變更確認虧損人民幣57,287,000元。

於二零一九年八月二十六日，一名投資者行使回售選擇權贖回本金額為人民幣486,474,000元的債券，而提前贖回金融負債的虧損人民幣1,099,000元則於年內確認。

該債券於深圳證券交易所(「深交所」)上市。年內已計利息按自該債券發行日期起應用實際年利率約6.63%計算。

經參考該債券於報告期末(於二零一九年十二月三十一日前之最後交易日)於深交所之市場報價後，該債券於二零一九年十二月三十一日之公允價值為人民幣2,113,949,000元(二零一八年：人民幣2,579,720,000元)。

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36. SHARE CAPITAL

36. 股本

		2019 二零一九年			2018 二零一八年		
		Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元	Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元
Authorised share capital of the Company:	本公司法定股本：						
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股	30,000,000,000	300,000	240,000	30,000,000,000	300,000	240,000
Issued and fully paid share capital of the Company:	本公司已發行及繳足股本：						
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股						
At 1 January	於一月一日	4,942,241,524	49,422	41,141	4,694,182,792	46,941	39,121
Exercise of share options (note 40)	行使購股權(附註40)	4,392,000	44	39	6,700,000	67	58
Conversion of convertible preference shares (note i)	兌換可換股優先股(附註i)	103,826,087	1,038	880	-	-	-
Conversion of 2018 CB (Note 34(a)(1))	兌換二零一八年可換股債券(附註34(a)(1))	-	-	-	28,794,063	288	240
Issue of ordinary shares (note ii)	發行普通股(附註ii)	-	-	-	212,564,669	2,126	1,722
At 31 December	於十二月三十一日	5,050,459,611	50,504	42,060	4,942,241,524	49,422	41,141

Notes:

(i) Conversion of convertible preference shares:

On 29 April 2019, 22 November 2019 and 27 November 2019, 50,000,000, 17,826,087 and 36,000,000 shares of convertible preference shares issued on 30 November 2015 have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively.

附註：

(i) 兌換可換股優先股：

於二零一九年四月二十九日、二零一九年十一月二十二日及二零一九年十一月二十七日，分別有50,000,000股、17,826,087股及36,000,000股於二零一五年十一月三十日發行的可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。

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36. SHARE CAPITAL (Cont'd)

Notes: (Cont'd)

- (ii) On 7 February 2018, the Company entered into a share subscription agreement with Leadon International Investments Real Estate Limited, an independent third party to the Group and as the share subscriber, and pursuant to which the share subscriber agreed to subscribe for 132,564,669 new ordinary shares at the subscription price of HK\$2.938 per share totalling approximately HK\$389.47 million (equivalent to RMB325.56 million). The allotment and issue of subscription shares were completed on 26 February 2018. The details of the issue of new ordinary shares are set out in the announcement of the Company dated 7 February 2018.

On 8 February 2018, China LVGEM Property Holdings Limited ("China LVGEM") as the vendor, entered into the placing and subscription agreement with the placing agents pursuant to which the placing agents have agreed to place the 80,000,000 existing shares ("Placing Shares") at a price of HK\$2.938 per share (the "Placing Price") on behalf of China LVGEM totalling approximately HK\$235.04 million (equivalent to RMB196.47 million). The Placing Shares will be placed by the placing agents to Essence Securities Co., Ltd. – QDII and Guosen Securities Co., Ltd. – QDII, who are independent third parties. Pursuant to the placing and subscription agreement, China LVGEM has conditionally agreed to further subscribe at the Placing Price for 80,000,000 new ordinary shares of the Company. The placement of the Placing Shares and issue of subscription shares were completed on 14 February 2018. The details of the placing and subscription are set out in the announcement of the Company dated 8 February 2018.

37. RESERVES

Share premium	股份溢價		
Convertible preference shares	可換股優先股	(i)	
Other reserves	其他儲備	(ii)	
Exchange reserve	匯兌儲備		
Investment revaluation reserve	投資重估儲備		
Share option reserve (note 40)	購股權儲備(附註40)		
Statutory reserve	法定儲備	(iii)	
Retained profits	保留盈利		

Notes:

The movements of the Group's reserves for the year are presented in the consolidated statement of changes in equity of the consolidated financial statements. The nature and purpose of the reserves are as follows:

36. 股本(續)

附註:(續)

- (ii) 於二零一八年二月七日，本公司與Leadon International Investments Real Estate Limited(為本集團之獨立第三方及作為股份認購人)訂立股份認購協議，據此，股份認購人同意按認購價每股2.938港元認購132,564,669股新普通股，總額約389.47百萬港元(相當於人民幣325.56百萬元)。認購股份之配發及發行已於二零一八年二月二十六日完成。發行新普通股的詳情載於本公司日期為二零一八年二月七日之公告。

於二零一八年二月八日，中國綠景地產控股有限公司(「中國綠景」)作為賣方，與配售代理訂立配售及認購協議，據此，配售代理已同意代表中國綠景以每股2.938港元之價格(「配售價」)配售80,000,000股現有股份(「配售股份」)，總額約235.04百萬港元(相當於人民幣196.47百萬元)。配售股份將由配售代理配售予獨立第三方安信證券股份有限公司-QDII及國信證券股份有限公司-QDII。根據配售及認購協議，中國綠景已有條件同意以配售價進一步認購80,000,000股本公司新普通股，配售股份之配售及認購股份之發行已於二零一八年二月十四日完成。配售及認購的詳情載於本公司日期為二零一八年二月八日之公告。

37. 儲備

Notes 附註	2019	2018
	二零一九年 RMB'000 人民幣千元	二零一八年 RMB'000 人民幣千元
	7,073,804	6,882,609
(i)	6,064,905	6,246,161
(ii)	(11,637,887)	(11,637,887)
	28,689	59,400
	148,393	110,661
	210,718	222,970
(iii)	313,625	221,376
	10,683,552	9,185,017
	12,885,799	11,290,307

附註：

本集團年內之儲備變動於綜合財務報表之綜合權益變動表中呈列。儲備之性質及用途如下：

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37. RESERVES (Cont'd)

Notes: (Cont'd)

- (i) On 30 November 2015, the Company issued convertible preference shares (the "2015 CPS") at issue price of HK\$2.06 per share, of which 3,413,473,023 CPS were issued to Mr. Wong for aggregate consideration of HK\$7,031,754,000 (equivalent to approximately RMB5,959,114,000) as consideration for the Transaction as defined in note 37(ii)(b).

Key terms of the 2015 CPS

- Holders of the 2015 CPS will be entitled to receive notices of and to attend the general meetings of the Company but are not permitted to vote unless a resolution is proposed to vary the rights of holders of the 2015 CPS or a resolution is proposed for the winding up of the Company;
- Holders of the 2015 CPS have the right to convert each 2015 CPS at any time into one ordinary share of the Company without the payment of any additional consideration. The holders may not exercise the conversion right if upon the conversion, the percentage of ordinary shares held by the public will fall below the minimum public float requirement under Rule 8.08 of the Listing Rules. The shares that are issued upon the exercise of the conversion right of the 2015 CPS are not subject to any restriction;
- The 2015 CPS cannot be redeemed by the Company or its holder;
- Holders of 2015 CPS will have priority over the holders of ordinary shares of the Company on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company;
- Subject to compliance with all applicable laws and the article of association of the Company, each 2015 CPS shall confer on its holder the right to receive a preferred distribution from the date of the issue of the 2015 CPS at a rate of 0.2% per annum, payable annually in arrears. Such preferred distribution is non-cumulative. The board of directors may, in its sole discretion, elect to defer or not to pay a preferred distribution. No interest accrues on any unpaid preferred distribution. If the board of directors of the Company elects to defer or not to pay a preferred distribution, the Company cannot pay any dividends, distributions or make any other payment to any ordinary shares of the Company.

On 7 February 2018, the Company entered into the Convertible Preference Shares (the "2018 CPS") subscription agreement with Silver Sure (BVI) Investments Limited, an independent third party to the Group as the 2018 CPS subscriber pursuant to which the 2018 CPS subscriber agreed to subscribe for 132,564,669 new CPS at an aggregate consideration of approximately HK\$389.47 million (equivalent to RMB325.56 million). The allotment and issue of 2018 CPS was completed on 21 February 2018.

37. 儲備(續)

附註:(續)

- (i) 於二零一五年十一月三十日，本公司按每股發行價2.06港元發行可換股優先股(「二零一五年可換股優先股」)，其中3,413,473,023股可換股優先股發行予黃先生，總代價7,031,754,000港元(相當於約人民幣5,959,114,000元)，作為交易代價(定義見附註37(ii)(b))。

二零一五年可換股優先股之主要條款

- 二零一五年可換股優先股持有人將有權收取本公司股東大會通告並出席本公司股東大會，但並不賦予投票的權利，除非所提呈的決議案會修訂二零一五年可換股優先股持有人的權利或就本公司清盤提呈決議案；
- 二零一五年可換股優先股持有人有權隨時將每股二零一五年可換股優先股轉換為一股本公司普通股股份，而毋須支付任何其他代價。倘於轉換後，公眾人士所持普通股股份之百分比低於上市規則第8.08條之最低公眾持股量規定，則持有人不得行使換股權。行使二零一五年可換股優先股之換股權發行之股份毋須受任何限制；
- 本公司或二零一五年可換股優先股持有人不可贖回二零一五年可換股優先股；
- 本公司因清算、清盤或解散而分派資產時，二零一五年可換股優先股持有人較本公司普通股持有人優先享有本公司可供分派之資產及資金；
- 待符合所有適用法律及本公司組織章程細則後，每股二零一五年可換股優先股將賦予其持有人權利，自發行二零一五年可換股優先股日期起按0.2%之年利率收取優先分派，並於每年年末支付。各優先分派不可累積。董事會可全權酌情選擇遞延或不支付優先分派。任何未支付優先分派並不計息。倘本公司董事會選擇遞延或不支付優先分派，則本公司不可就任何本公司普通股派付任何股息、分派或作出任何其他派付。

於二零一八年二月七日，本公司與銀順(BVI)投資有限公司(為本集團之獨立第三方及作為二零一八年可換股優先股認購人)訂立可換股優先股(「二零一八年可換股優先股」)認購協議，據此，二零一八年可換股優先股認購人同意以總代價約389.47百萬港元(相當於人民幣325.56百萬元)認購132,564,669股新可換股優先股。二零一八年可換股優先股之配發及發行於二零一八年二月二十一日完成。

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37. RESERVES (Cont'd)

Notes: (Cont'd)

(i) (Cont'd)

Key terms of the 2018 CPS

- Holders of the 2018 CPS will be entitled to receive notices of and to attend the general meetings of the Company but are not permitted to vote unless a resolution is proposed to vary the rights of holders of the 2018 CPS or a resolution is proposed for the winding up of the Company;
- Holders of the 2018 CPS have the right to convert each 2018 CPS at any time into one ordinary share of the Company without the payment of any additional consideration. The holders may not exercise the conversion right if upon the conversion, the percentage of ordinary shares held by the public will fall below the minimum public float requirement under Rule 8.08 of the Listing Rules. The shares that are issued upon the exercise of the conversion right of the 2018 CPS are not subject to any restriction;
- The 2018 CPS cannot be redeemed by the Company or its holder; and
- Holders of 2018 CPS will have priority over the holders of ordinary shares of the Company on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company;

The details of the 2018 CPS are set out in the announcement of the Company dated 7 February 2018.

The 2018 CPS and 2015 CPS are classified as equity instruments in the Group's consolidated financial statements as the Group does not have a contractual obligation to deliver cash or other financial assets arising from the issue of the 2018 CPS and 2015 CPS.

On 29 April 2019, 22 November 2019 and 27 November 2019, 50,000,000, 17,826,087 and 36,000,000 2015 CPS have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively. Up to the date of the authorisation for issue of the Group's consolidated financial statements for the year ended 31 December 2019, no 2018 CPS has been converted into ordinary shares of the Company.

(ii) Other reserves mainly comprise:

- (a) A deemed contribution of an amount of HK\$1,007,864,525 (equivalent to approximately RMB806,292,000) by China LVGEM the then immediate holding company of the Company, to acquire approximately 75% of the then aggregate issued share capital of the Company on 8 May 2014 (the "Acquisition").

37. 儲備(續)

附註:(續)

(i) (續)

二零一八年可換股優先股之主要條款

- 二零一八年可換股優先股持有人將有權收取本公司股東大會通告並出席本公司股東大會，但並不賦予投票的權利，除非所提呈的決議案會修訂二零一八年可換股優先股持有人的權利或就本公司清盤提呈決議案；
- 二零一八年可換股優先股持有人有權隨時將每股二零一八年可換股優先股轉換為一股本公司普通股股份，而毋須支付任何額外代價。倘於轉換後，公眾人士所持普通股股份之百分比低於上市規則第8.08條之最低公眾持股量規定，則持有人不得行使換股權。行使二零一八年可換股優先股之換股權後發行之股份毋須受任何限制；
- 本公司或二零一八年可換股優先股持有人不可贖回二零一八年可換股優先股；及
- 本公司因清算、清盤或解散而分派資產時，二零一八年可換股優先股持有人較本公司普通股持有人優先享有本公司可供分派之資產及資金。

二零一八年可換股優先股的詳情載於本公司日期為二零一八年二月七日之公告。

由於本集團並無交付發行二零一八年可換股優先股及二零一五年可換股優先股產生的現金或其他金融資產的合約責任，故二零一八年可換股優先股及二零一五年可換股優先股於本集團綜合財務報表中獲分類為股本工具。

於二零一九年四月二十九日、二零一九年十一月二十二日及二零一九年十一月二十七日，分別有50,000,000股、17,826,087股及36,000,000股二零一五年可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。直至授權刊發本集團截至二零一九年十二月三十一日止年度綜合財務報表日期，概無二零一八年可換股優先股獲兌換為本公司普通股股份。

(ii) 其他儲備主要包含：

- (a) 中國綠景(本公司當時之直接控股公司)之視作出資1,007,864,525港元(相當於約人民幣806,292,000元)，以收購本公司於二零一四年五月八日之當時已發行股本總額約75% (「收購事項」)。

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37. RESERVES (Cont'd)

Notes: (Cont'd)

(ii) Other reserves mainly comprise: (Cont'd)

- (b) A deemed distribution of an amount of HK\$13,785,000,000 (equivalent to approximately RMB11,682,204,000) to Mr. Wong, to acquire the entire equity interests in Green View Holding Company Limited and its subsidiaries (collectively referred to as the "Target Group") (the "Transaction"). The Transaction was completed on 30 November 2015. The amount of deemed distribution comprised of issuance of 2,509,342,511 new ordinary shares at issue price of HK\$2.06 per ordinary share of the Company amounted to HK\$5,169,246,000 (equivalent to approximately RMB4,380,717,000), issuance of 3,413,473,023 convertible preference shares at issue price of HK\$2.06 per convertible preference shares amounted to HK\$7,031,754,000 (equivalent to approximately RMB5,959,114,000), and cash consideration of HK\$1,584,000,000 (equivalent to approximately RMB1,342,373,000).
- (c) The difference between the aggregate amount of share capital and share premium of the Target Group and the Company at the completion date of the Transaction, which amounted to approximately RMB433,106,000.
- (d) On 28 December 2018, the Group entered into a subscription agreement with Mr. Wong to subscribe 90.1% equity interests in Copious Favour Holdings Limited ("Copious Favour"), an investment holding company wholly owned by Mr. Wong and Copious Favour indirectly holds 44% equity interests in Zhuhai LVGEM Dongqiao Investment Co., Ltd ("Zhuhai LVGEM Dongqiao"), which is a 51% owned indirect subsidiary of the Company. Upon completion of the subscription on 28 December 2018, Copious Favour became a non-wholly owned subsidiary of the Company, while the Group's equity interests in Zhuhai LVGEM Dongqiao increased from 51% to 90.64%.

The difference between subscription amount and the attributable net liabilities being acquired was included in other reserves.

- (iii) As stipulated by the relevant laws and regulations in the Mainland China, certain subsidiaries of the Company in the Mainland China are required to maintain a statutory reserve which is non-distributable other than upon the liquidation of the entity. Transfer to this reserve is made out of profit after tax of the Mainland China subsidiaries' statutory financial statements which are prepared in accordance with the accounting principles generally accepted in the Mainland China.

37. 儲備(續)

附註:(續)

(ii) 其他儲備主要包含:(續)

- (b) 向黃先生之視作出資13,785,000,000港元(相當於約人民幣11,682,204,000元),以收購綠景控股有限公司及其附屬公司(統稱「目標集團」)之全部股權(「該交易」)。該交易已於二零一五年十一月三十日完成。視作出資金額包括按每股本公司普通股發行價2.06港元發行2,509,342,511股新普通股股份之金額5,169,246,000港元(相當於約人民幣4,380,717,000元)、按每股可換股優先股發行價2.06港元發行3,413,473,023股可換股優先股股份之金額7,031,754,000港元(相當於約人民幣5,959,114,000元),以及現金代價1,584,000,000港元(相當於約人民幣1,342,373,000元)。
- (c) 於該交易完成日期,目標集團與本公司之股本及股份溢價總額的差額約人民幣433,106,000元及計入其他儲備。
- (d) 於二零一八年十二月二十八日,本集團與黃先生訂立認購協議,以認購黃先生全資擁有之投資控股公司厚益控股有限公司(「厚益」)之90.1%股權,而厚益間接持有珠海市綠景東橋投資有限公司(「珠海綠景東橋」)之44%股權,而珠海綠景東橋為本公司擁有51%權益之間接附屬公司。於二零一八年十二月二十八日完成認購事項後,厚益成為本公司之非全資附屬公司,而本集團於珠海綠景東橋之股權由51%增至90.64%。

認購金額與已收購之應佔負債淨值之間之差額計入其他儲備。

- (iii) 根據中國內地的相關法律及法規規定,本公司於中國內地的若干附屬公司須維持不可分派的法定儲備,惟該公司清盤則除外。此儲備乃由中國內地附屬公司按照中國內地普遍採納會計原則編製的法定財務報表中的除稅後盈利轉撥。

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38. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

- (a) As detailed in the announcement of the Company dated 21 May 2019, Shenzhen LVGEM Real Estate Development Co., Ltd (“the Purchaser”), an indirect wholly-owned subsidiary of the Company as the purchaser entered into the Equity Transfer Agreement on 21 May 2019, with Dongguan Lusheng Enterprise Investment Co., Ltd. (“the Vendor”), a company established in the Mainland China with limited liability which is controlled by the family members of Mr. Wong as the seller pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, 100% equity interest in Dongguan LVGEM Real Estate Development Co., Ltd (“the Target Company”) at a total consideration of RMB8 million.

The Target Company is principally engaged in the development of a commercial properties project located in Zhangmutou Town, Dongguan City, Guangdong Province, the Mainland China. The acquisition is regarded as acquisition of assets and liabilities. The acquisition was completed on 28 May 2019.

Assets and liabilities recognised at the date of acquisition:

38. 透過收購附屬公司收購資產及負債

- (a) 誠如本公司日期為二零一九年五月二十一日的公告所詳述，買方深圳市綠景房地產開發有限公司(「買方」，為本公司之間接全資附屬公司)與賣方東莞市綠景實業投資有限公司(「賣方」，為一間於中國內地成立之有限公司，由黃先生之家族成員控制)訂立股權轉讓協議，據此，買方同意購買及賣方同意出售於東莞市綠景房地產開發有限公司(「目標公司」)的100%股權，總代價為人民幣8百萬元。

目標公司主要從事發展位於中國內地廣東省東莞市樟木頭鎮的商業物業項目。有關收購事項被視為收購資產及負債，並於二零一九年五月二十八日完成。

於收購日期確認之資產及負債：

		RMB'000 人民幣千元
Assets		
Investment properties under development	在建投資物業	291,024
Property, plant and equipment	物業、廠房及設備	146
Properties under development for sale	發展中待售物業	48,907
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	2,481
Other current assets	其他流動資產	847
Bank balances and cash	銀行結餘及現金	306,970
		650,375
Liabilities		
Accounts payable	應付賬款	490
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	494,885
Borrowings	借貸	147,000
		642,375
Net assets	資產淨值	8,000

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38. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

38. 透過收購附屬公司收購資產及負債(續)

(a) (Cont'd)

(a) (續)

Total consideration:

總代價：

RMB'000
人民幣千元

Cash consideration paid

已付現金代價

8,000

Net cash inflows arising on acquisition:

收購事項產生的現金流入淨額：

RMB'000
人民幣千元

Consideration paid in cash

以現金支付的代價

(8,000)

Less: cash and cash equivalent balances acquired

減：已收購現金及現金等價物結餘

306,970

298,970

(b) As detailed in the announcement of the Company dated 28 December 2018 and 4 January 2019, the Group entered into a subscription agreement with Mr. Wong, the controlling shareholder, to subscribe 90.1% equity interests at a consideration of RMB20,000,000 in Copious Favour, an investment holding company wholly owned by Mr. Wong and Copious Favour indirectly holds 44% equity interests in Zhuhai LVGEM Dongqiao, which is a 51% owned indirect subsidiary of the Company. Upon completion of the subscription on 28 December 2018, Copious Favour became a non-wholly owned subsidiary of the Company, while the Group's effective equity interests in Zhuhai LVGEM Dongqiao increased from 51% to 90.64%. At the date of acquisition, the net liabilities acquired by the Group amounting to RMB401,400,000, which mainly included an amount due to China LVGEM.

(b) 誠如本公司日期為二零一八年十二月二十八日及二零一九年一月四日的公告所詳述，本集團與控股股東黃先生訂立認購協議，以按代價人民幣20,000,000元認購黃先生全資擁有之投資控股公司厚益之90.1%股權，而厚益間接持有珠海綠景東橋之44%股權，而珠海綠景東橋為本公司擁有51%權益之間接附屬公司。於二零一八年十二月二十八日完成認購事項後，厚益成為本公司之非全資附屬公司，而本集團於珠海綠景東橋之實際股權由51%增至90.64%。於收購日期，本集團收購之負債淨值為人民幣401,400,000元，當中主要包括應付中國綠景款項。

The difference between subscription amount and the attributable net liabilities being acquired was included in other reserves.

認購金額與已收購之應佔負債淨值之間之差額計入其他儲備。

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39. DISPOSAL OF A SUBSIDIARY

During the year, the Group entered into a sale agreement to dispose of its 100% equity interest in Yiyang Zhonghe Real Estate Co., Ltd (“Yiyang Zhonghe”), a company which owned a piece of land classified as properties under development for sale of RMB27,496,000, to an independent third party. The disposal was completed on 21 February 2019.

Assets and liabilities recognised at the date of disposal:

		RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	14
Properties under development for sale	發展中待售物業	42,513
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	319
Bank balances and cash	銀行結餘及現金	1,343
		44,189
Liabilities	負債	
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	51,090
Net liabilities	負債淨額	(6,901)

The net liabilities of Yiyang Zhonghe at the date of disposal was as follows:

益陽中核於出售日期之負債淨額如下：

		RMB'000 人民幣千元
Net liabilities disposed of	已出售負債淨額	(6,901)
Gain on disposal	出售之收益	33,300
Total consideration	總代價	26,399
Satisfied by:	以下列方式支付：	
Cash	現金	26,399

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39. DISPOSAL OF A SUBSIDIARY (Cont'd)

Net cash inflows arising on disposal:

		RMB'000 人民幣千元
Total cash consideration received	已收現金代價總額	26,399
Less: cash and cash equivalent balances disposed	減：已出售現金及現金等價物結餘	(1,343)
		25,056

40. SHARE-BASED EMPLOYEE COMPENSATION

The share option scheme adopted by the Company on 14 November 2005 expired on 13 November 2015. On 2 June 2016, the Company adopted a new share option scheme (the "Scheme") at the annual general meeting of the Company held on 2 June 2016.

Pursuant to the Scheme, the board of directors may, at its discretion, invite any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Company, its subsidiaries and associated companies; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of each member of the Group or its associated companies; any consultants, professional and other advisers to each member of the Group or its associated companies (or persons, firms or companies proposed to be appointed for providing such services); any chief executives or substantial shareholders of the Company; any associates of any director, chief executive or substantial shareholder of the Company; and any employees (whether full-time or part-time) of substantial shareholders of the Company, provided that the board of directors may have absolute discretion to determine whether or not one falls within the above categories, (together, the "Participants" and each a "Participant"), to take up options ("Option(s)") to subscribe for shares at a price determined in accordance with the paragraph below.

In determining the basis of eligibility of each Participant, the board of directors would take into account such factors as the board of directors may at its discretion consider appropriate.

The Scheme shall be valid and effective for a period of ten years commencing on the date on which the Scheme is adopted, after which period no further Options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect, and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of grant.

39. 出售附屬公司(續)

出售帶來的現金流入淨額：

40. 以股份支付的僱員薪酬

本公司於二零零五年十一月十四日採納之購股權計劃已於二零一五年十一月十三日屆滿。於二零一六年六月二日，本公司於二零一六年六月二日舉行之本公司股東週年大會上採納新購股權計劃(「該計劃」)。

根據該計劃，董事會可酌情邀請本公司、其附屬公司及聯營公司的任何執行或非執行董事，包括獨立非執行董事或任何僱員(不論全職或兼職)；本集團各成員公司或其聯營公司的任何僱員、執行或非執行董事所設立的全權信託的任何全權受益人；本集團各成員公司或其聯營公司的任何諮詢人、專業人士及其他顧問(或擬委任以提供該等服務的人士、商行或公司)；本公司任何主要行政人員或主要股東；本公司任何董事、主要行政人員或主要股東的任何聯繫人；及本公司主要股東的任何僱員(不論全職或兼職)，惟董事會可全權酌情釐定有關人士是否屬於上述類別(上述人士均稱為及合稱「參與者」)，以接納購股權(「購股權」)，並根據下文確定的價格認購股份。

於釐定各參與者的資格標準時，董事會將考慮其可能酌情認為恰當的因素。

該計劃自獲採納日期起計有效期為十年，在限期後不會再授出購股權，惟在所有其他方面，該計劃的條文仍具有十足效力及作用，於該計劃期限內授出的購股權可按其授出條款繼續行使。

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40. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

The exercise price of a share in relation to each Option granted under the Scheme shall be a price solely determined by the board of directors and notified to a Participant and shall be at least the highest of:

- (a) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the business day on which an offer is accepted by the grantee or if such date of acceptance by the grantee is not a business day, the immediately preceding business day;
- (b) a price being the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which an offer is accepted by the grantee (provided that the new issue price shall be used as the closing price for any business day falling within the period before listing of the shares where the Company has been listed for less than five business days as at the date on which an offer is accepted by the grantee); and
- (c) the nominal value of a Company's share.

The total number of shares, which may be issued upon exercise of all Options to be granted under the Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares in issue on the date of commencement of dealings in the shares on the Stock Exchange ("Scheme Mandate Limit"), unless the Company obtains an approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit.

Notwithstanding any other provisions of the Scheme, the maximum number of the shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares in issue from time to time.

Unless approved by the shareholders, the total number of shares issued and to be issued upon exercise of the Options granted to each participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

Offer of an option ("Offer") shall be deemed to have been accepted by any Participant (the "Grantee") who accepts an Offer in accordance with the terms of the Scheme and the option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 30 days from the date upon which the Offer is made.

40. 以股份支付的僱員薪酬(續)

根據該計劃授出之各購股權之股份行使價將為僅由董事會釐定及告知參與者之價格，以及將為以下之最高者：

- (a) 於要約獲承授人接納的營業日(或如要約獲承授人接納當日並非營業日，則為緊接該日前的營業日)聯交所日報表所報的本公司股份收市價；
- (b) 緊接要約獲承授人接納前五個營業日聯交所日報表所報的本公司股份平均收市價(惟倘本公司股份於要約獲承授人接納當日前已上市的日子數少於五個營業日，則新發行價應用作股份上市前期間任何營業日的收市價)；及
- (c) 一股本公司股份面值。

因行使根據該計劃及本公司任何其他購股權計劃授出的所有購股權可發行的股份總數，合共不得超過股份於聯交所開始買賣當日已發行股份總數的10% (「計劃授權限額」)，惟本公司取得股東的批准則除外。計算該10%限額並不計及根據該計劃條款已失效的購股權。

儘管該計劃另有任何其他規定，於行使該計劃及本公司任何其他購股權計劃的已授出但尚未行使的所有未行使購股權時，最多可發行的股份數目不得超過不時已發行股份總數的30%。

除非獲股東批准，否則於任何十二個月期間因行使授予每名參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數，不得超過已發行股份總數的1%。

任何參與者(「承授人」)凡按照該計劃的條款接納購股權要約(「要約」)，即被視為接納要約，而當載有接納要約的要約書副本由承授人妥為簽署，並在本公司作出要約當日起30日內，接獲承授人在接納購股權時須向本公司支付1.00港元作為授出購股權的代價後，與要約有關的購股權即被視為已授出並生效。

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40. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

On 28 June 2016, the Company granted share options under the Scheme to certain Participants which will enable the Grantees to subscribe for a total of 285,800,000 ordinary shares of HK\$0.01 each in the share capital of the Company.

Details of the Options granted by the Company pursuant to the Scheme and the Options outstanding as at 31 December 2019 and 31 December 2018 are as follows:

40. 以股份支付的僱員薪酬(續)

於二零一六年六月二十八日，本公司根據該計劃向若干參與者授出購股權，使承授人能夠認購本公司股本中合共285,800,000股每股面值0.01港元的普通股。

本公司根據該計劃授出及於二零一九年十二月三十一日及二零一八年十二月三十一日尚未行使的購股權詳情如下：

		Date of grant	Exercisable period	購股權數目					Balance at 31 December 2019	Exercise price per share
				Balance at 1 January 2019	Transfer during the year	Granted during the year	Exercised during the year	Lapsed during the year		
		授出日期 (dd/mm/yyyy) (日/月/年)	行使期間 (dd/mm/yyyy) (日/月/年)	於二零一九年 一月一日 的結餘	於年內轉撥	於年內授出	於年內行使 (Note 4) (附註4)	於年內失效	於二零一九年 十二月三十一日 的結餘	每股行使價 HK\$ 港元
Executive directors (Note 1)	執行董事(附註1)	28/06/2016	28/06/2016 to 27/06/2026	13,950,000	(3,450,000)	-	-	-	10,500,000	1.846
Executive directors (Note 2)	執行董事(附註2)	28/06/2016	28/06/2017 to 27/06/2026	13,950,000	(3,450,000)	-	-	-	10,500,000	1.846
Executive directors (Note 3)	執行董事(附註3)	28/06/2016	28/06/2018 to 27/06/2026	18,600,000	(4,600,000)	-	-	-	14,000,000	1.846
Employees (Note 1)	僱員(附註1)	28/06/2016	28/06/2016 to 27/06/2026	65,490,000	2,550,000	-	(1,440,000)	(3,090,000)	63,510,000	1.846
Employees (Note 2)	僱員(附註2)	28/06/2016	28/06/2017 to 27/06/2026	65,850,000	2,550,000	-	(1,440,000)	(3,090,000)	63,870,000	1.846
Employees (Note 3)	僱員(附註3)	28/06/2016	28/06/2018 to 27/06/2026	87,800,000	3,400,000	-	(1,512,000)	(4,120,000)	85,568,000	1.846
Others (Note 1)	其他(附註1)	28/06/2016	28/06/2018 to 27/06/2026	3,000,000	900,000	-	-	-	3,900,000	1.846
Others (Note 2)	其他(附註2)	28/06/2016	28/06/2018 to 27/06/2026	-	900,000	-	-	-	900,000	1.846
Others (Note 3)	其他(附註3)	28/06/2016	28/06/2018 to 27/06/2026	-	1,200,000	-	-	-	1,200,000	1.846
				268,640,000	-	-	(4,392,000)	(10,300,000)	253,948,000	
Exercisable at the end of the year 於年末可行使									253,948,000	

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40. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

40. 以股份支付的僱員薪酬(續)

		Date of grant	Exercisable period	購股權數目					Balance at 31 December 2018 於二零一八年十二月三十一日的結餘	Exercise price per share 每股行使價 HK\$ 港元
				Balance at 1 January 2018 於二零一八年一月一日的結餘	Transfer during the year 於年內轉撥	Granted during the year 於年內授出	Exercised during the year 於年內行使 (Note 4) (附註4)	Lapsed during the year 於年內失效		
		授出日期 (dd/mm/yyyy) (日/月/年)	行使期間 (dd/mm/yyyy) (日/月/年)							
Executive directors (Note 1)	執行董事(附註1)	28/06/2016	28/06/2016 to 27/06/2026	13,950,000	-	-	-	-	13,950,000	1.846
Executive directors (Note 2)	執行董事(附註2)	28/06/2016	28/06/2017 to 27/06/2026	13,950,000	-	-	-	-	13,950,000	1.846
Executive directors (Note 3)	執行董事(附註3)	28/06/2016	28/06/2018 to 27/06/2026	18,600,000	-	-	-	-	18,600,000	1.846
Employees (Note 1)	僱員(附註1)	28/06/2016	28/06/2016 to 27/06/2026	68,490,000	-	-	(3,000,000)	-	65,490,000	1.846
Employees (Note 2)	僱員(附註2)	28/06/2016	28/06/2017 to 27/06/2026	68,490,000	-	-	(2,100,000)	(540,000)	65,850,000	1.846
Employees (Note 3)	僱員(附註3)	28/06/2016	28/06/2018 to 27/06/2026	91,320,000	-	-	(1,600,000)	(1,920,000)	87,800,000	1.846
Others (Note 1)	其他(附註1)	28/06/2016	28/06/2018 to 27/06/2026	3,000,000	-	-	-	-	3,000,000	1.846
				277,800,000	-	-	(6,700,000)	(2,460,000)	268,640,000	
Exercisable at the end of the year 於年末可行使									268,640,000	

Note 1: The options were vested immediately on the date of grant.

附註1: 購股權於授出日期即時歸屬。

Note 2: The options granted are subject to the vesting period from the date of grant up to 27 June 2017.

附註2: 所授出的購股權受自授出日期起至二零一七年六月二十七日止之歸屬期所規限

Note 3: The options granted are subject to the vesting period from the date of grant up to 27 June 2018.

附註3: 所授出的購股權受自授出日期起至二零一八年六月二十七日止之歸屬期所規限

Note 4: The weighted average share price at the dates of exercise for share options during the year was HK\$2.74 per share.

附註4: 於本年度行使購股權當日之加權平均股價為每股2.74港元。

The closing price of the Company's shares immediately before 28 June 2016, the date of grant, was HK\$1.820.

本公司股份於緊接二零一六年六月二十八日(授出日期)前的收市價為1.820港元。

There is no performance condition for the Options to vest.

購股權並無表現條件需予歸屬。

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40. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

The fair values of the Options determined at the date of grant using the Binomial Option Pricing Model were HK\$276,156,000 (equivalent to approximately RMB236,030,000). During the year ended 31 December 2019, the Group recognised the total expense of nil (2018: RMB21,959,000) in relation to share options granted by the Company.

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the best estimate of the directors of the Company. Changes in variables and assumptions may result in changes in the fair value of the Options.

41. RETIREMENT BENEFIT SCHEME

Hong Kong

The Group has joined a Mandatory Provident Fund Scheme (the "MPF Scheme") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss represent contributions payable to the funds by the Group at rates specified in the rules of the scheme.

The Mainland China

The employees of the Group's subsidiaries in the Mainland China are members of a state-managed retirement benefit scheme operated by the government of the Mainland China. The subsidiaries are required to contribute a certain percentage of the salaries of their employees to the state-managed retirement benefit scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

During the year, the retirement benefit scheme contributions amounted to RMB28,243,000 (2018: RMB22,330,000). No forfeited contributions have been used to reduce the level of contributions in both years.

40. 以股份支付的僱員薪酬(續)

於授出日期以二項式期權定價模型釐定的購股權公允價值為276,156,000港元(相當於約人民幣236,030,000元)。截至二零一九年十二月三十一日止年度，本集團就本公司授出之購股權確認之總開支為零(二零一八年：人民幣21,959,000元)。

二項式期權定價模型已用於估計購股權的公允價值。用於計算購股權公允價值的可變因素及假設乃根據本公司董事最佳估計得出。可變因素及假設的變動可能導致購股權公允價值出現變動。

41. 退休福利計劃

香港

本集團已參加一項為其在香港之僱員設立之強制性公積金計劃(「強積金計劃」)。強積金計劃已根據強制性公積金計劃條例在強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開處理，由獨立受託人管理之基金持有。根據強積金計劃之規則，僱主及僱員須分別按規則指定之比率對強積金計劃供款。本集團就強積金計劃承擔之責任僅限於根據強積金計劃作出指定供款。

自綜合損益表中扣除有關強積金計劃之退休福利計劃供款乃本集團按該計劃規則訂明之比率須撥入基金之供款額。

中國內地

本集團中國內地附屬公司之僱員參與中國內地政府營運之國家管理退休福利計劃。附屬公司須按僱員薪金之若干比率向國家管理退休福利計劃供款。本集團就該退休福利計劃承擔之責任僅限於根據該計劃作出指定供款。

年內，退休福利計劃供款為人民幣28,243,000元(二零一八年：人民幣22,330,000元)。概無利用沒收供款減低兩個年度內之供款水平。

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42. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing properties commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets.

The Group monitors capital on the basis of the net debt to equity ratio. For this purpose the net debt is defined as borrowings less cash and cash equivalents. The Group's goal in capital management is to maintain a net debt to equity ratio at a reasonable level. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debts.

The Group's overall strategy in capital management remains unchanged from prior year.

43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

Categories of financial instruments

Financial assets

Financial assets at amortised cost

Equity instrument at fair value through other comprehensive income

Financial asset at FVTPL

Debt instrument at fair value through other comprehensive income

金融資產

按攤銷成本計量的金融資產

按公允價值計入其他全面收益之股本工具

按公允價值計入損益之金融資產

按公允價值計入其他全面收益之債務工具

Financial liabilities

Financial liabilities measured at amortised cost

Derivative financial instruments

金融負債

按攤銷成本計量的金融負債

衍生金融工具

The Group is exposed to a variety of financial risks: currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group currently does not have any written risk management policies and guidelines. However, the directors of the Company meet periodically to analyse and formulate strategies to manage and monitor financial risks.

The Group is not engaged in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

42. 資本風險管理

本集團管理資本的主要目標是保障本集團可持續經營能力，以不斷為股東提供回報及為其他利益相關方帶來利益。方法包括依照風險水平釐定物業價格，及以合理的成本進行融資。

本集團根據經濟狀況的變動及相關資產的風險特性管理資本結構並作出相應調整。

本集團按淨負債權益比率的基準監察其資本。就此而言，淨負債的定義為借貸減現金及現金等價物。本集團資本管理的目標為將淨負債權益比率維持於合理的水平。為維持或調整資本結構，本集團可調整派付予股東的股息款額、發行新股份、退還股本予股東、籌集新債務融資或出售資產減債。

自上年度起，本集團資本管理的整體策略維持不變。

43. 財務風險管理的政策及目標

金融工具類別

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	9,350,949	8,579,811
Equity instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	541,125	490,816
Financial asset at FVTPL	按公允價值計入損益之金融資產	–	10,559
Debt instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之債務工具	–	20,000
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	27,735,342	25,336,421
Derivative financial instruments	衍生金融工具	222,207	198,105

本集團承受多種財務風險：貨幣風險、利率風險、價格風險、信貸風險及流動資金風險。本集團的整體風險管理重點在於金融市場的不可預測性，並尋求將對本集團財務表現的潛在不利影響降至最低。本集團現時並無任何明文的風險管理政策及指引。然而，本公司董事定期召開會議，以分析及制定措施以管理及監控財務風險。

本集團並無從事以投機為目標的金融資產買賣。本集團所面對的最主要財務風險載列如下。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.1 Currency risk

Certain subsidiaries of the Company have foreign currency denominated monetary assets and liabilities, which expose the Group to foreign currency risk. The Group currently does not have a policy to hedge the foreign currency exposure. However, the management monitors the related foreign currency fluctuation closely and will consider entering into foreign exchange forward contracts to hedge significant portion of the foreign currency risk should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date as follows:

		Assets 資產		Liabilities 負債	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
US\$	美元	279,351	125,999	1,153,875	835,367
HK\$	港元	442,438	219,876	1,860,657	2,782,493

Sensitivity analysis

The Group is mainly exposed to the currency of US\$ and HK\$.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to directors of the Company's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items assuming the balances at the end of the reporting period outstanding for the whole year and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where RMB strengthen 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

43. 財務風險管理的政策及目標(續)

43.1 貨幣風險

本公司若干附屬公司之貨幣資產及負債以外幣計值，故本集團面臨外匯風險。本集團現時並無對沖外匯風險之政策。然而，管理層會密切監控有關外匯波動，並於有需要時考慮簽訂外匯遠期合約以對沖重大外匯風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告日期之賬面值如下：

敏感度分析

本集團主要面臨美元及港元貨幣風險。

下表詳述本集團對人民幣兌相關外幣增減5%的敏感度。5%為向本公司董事內部匯報外幣風險時所使用的敏感度比率，反映本公司董事對外幣匯率出現合理可能變動之評估。

敏感度分析僅包括以外幣折算之尚未支付貨幣項目(假設報告期末結餘於整個年度未結算)，並於年結時以外幣匯率變動5%作匯兌調整。下列之正數數字反映人民幣兌有關外幣升值5%時，盈利會有所增加。人民幣兌有關外幣貶值5%時，盈利將構成等值及相反影響，而下列結餘將為負數。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.1 Currency risk (Cont'd)

Sensitivity analysis (Cont'd)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
US\$	美元		
Profit or loss	損益	32,795	26,601
HK\$	港元		
Profit or loss	損益	53,183	96,098

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

43.2 Interest rate risk

The Group has significant borrowings (see note 33 for details) with floating interest rate which are exposed to cash flow interest-rate risk. Certain bank loans and certain other borrowings, certain restricted bank deposits, certain bank balances, convertible bonds, senior notes and bond, and lease liabilities (see note 32 for details) carried at fixed rate which exposed the Group to fair value interest rate risk. During the year, the Group has not hedged its cash flow and fair value interest rate risks.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate borrowings at the end of the reporting period. The analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 (2018: 50) basis point increase or decrease is used when reporting interest rate risk internally to directors of the Company's assessment of the reasonably possible change in interest rates.

43. 財務風險管理的政策及目標(續)

43.1 貨幣風險(續)

敏感度分析(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
US\$	美元		
Profit or loss	損益	32,795	26,601
HK\$	港元		
Profit or loss	損益	53,183	96,098

管理層認為，由於年末風險不反映年內風險，故敏感度分析未能代表內在的外幣風險。

43.2 利率風險

本集團有以浮息利率計算的重大借貸(詳情見附註33)承受現金流量利率風險。若干銀行貸款及若干其他借貸、若干受限制銀行存款、若干銀行結餘、可換股債券、優先票據及債券以及租賃負債(詳情見附註32)以固定利率計息，並使本集團承受公允價值利率風險。年內，本集團並無對沖其現金流量及公允價值利率風險。

敏感度分析

以下敏感度分析乃根據浮息借貸於報告期末面對之利率風險釐定。分析乃假設報告期末負債餘額於整個年度尚未償還而編製。向本公司董事內部申報利率風險時採用50(二零一八年：50)個基點增減，反映本公司董事對利率合理可能出現之變動之評估。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.2 Interest rate risk (Cont'd)

Sensitivity analysis (Cont'd)

If interest rates had been 50 (2018: 50) basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by approximately RMB24,538,000 (2018: RMB24,916,000), net of interest that would be capitalised in accordance with the Group's accounting policy.

Sensitivity analysis on bank deposits is not presented as the directors of the Company consider that the Group's exposure to interest rate fluctuations on bank deposits is insignificant.

43.3 Credit risk and impairment assessment

As at 31 December 2019, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 47.

The Group's credit risk is primarily attributable to its accounts and other receivables, amounts due from a joint venture, related companies and non-controlling interests, and amount of contingent liabilities in relation to the financial guarantees provided by the Group. The amounts presented in the consolidated statement of financial position are net of allowances for credit losses, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers, except for amounts due from a joint venture, a subcontractor, related parties and non-controlling interests of RMB829,310,000 (2018: RMB810,002,000) in aggregate as at 31 December 2019. The credit risk on liquid funds is limited because the funds have been deposited with various creditworthy financial institutions located in Hong Kong and the Mainland China.

43. 財務風險管理的政策及目標(續)

43.2 利率風險(續)

敏感度分析(續)

倘利率增加/減少50(二零一八年:50)個基點而所有其他變數維持不變,本集團扣除按照本集團會計政策資本化利息後的年內除稅後盈利將減少/增加約人民幣24,538,000元(二零一八年:人民幣24,916,000元)。

銀行存款之敏感度分析並未呈列,因本公司董事認為本集團銀行存款利率浮動風險並不重大。

43.3 信貸風險及減值評估

於二零一九年十二月三十一日,由於交易方未有履行責任及本集團提供財務擔保而對本集團造成財務損失的最大信用風險承擔由綜合財務狀況報表所載各確認金融資產的賬面值及與本集團所發出財務擔保有關的或然負債金額而產生,於附註47中作出披露。

本集團信貸風險主要來自有關本集團提供財務擔保之應收賬款及其他應收款項、應收一間合營公司、關聯公司及非控股權益款項,及或然負債款項。綜合財務狀況報表所示金額已扣除信貸虧損撥備,由本集團管理層根據過往經驗及對當時經濟環境的評估作出估計。

本集團並無重大集中之信貸風險,且交易方及客戶數目眾多,能夠分散風險,惟於二零一九年十二月三十一日應收一間合營公司、一名分包商、關聯方及非控股權益款項合共人民幣829,310,000元(二零一八年:人民幣810,002,000元)除外。由於資金存放於香港及中國內地具良好信譽的金融機構,故有關流動資金的信貸風險有限。

43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.3 Credit risk and impairment assessment (Cont'd)

As at 31 December 2019, the directors of the Company considered that the default risk for other receivables, amounts due from a joint venture, related parties and non-controlling interests is very low due to their sound credit worthiness, financial position and historical repayment records.

For amount due from a joint venture, the management of the Group assessed the profitability of the underlying project of the joint venture and its recoverability. Due to its profitability, the directors of the Company considered that the default risk is low.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For properties under development which are subject to pre-sales agreements, the Group generally typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for certain amount of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount of the loan and any accrued interest thereon. Under such circumstances, the Group is able to forfeit the customer's purchase deposit and sell the property to recover any amounts paid by the Group to the bank. Therefore, the management considers it would likely recover any loss incurred arising from the guarantee by the Group. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market prices of the properties are higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

As at 31 December 2019, the directors of the Company considered that the default risk for the accounts receivable is very low and the lifetime ECL allowance is insignificant.

43. 財務風險管理的政策及目標(續)

43.3 信貸風險及減值評估(續)

於二零一九年十二月三十一日，本公司董事認為，由於交易方之信譽、財務狀況及過往還款記錄良好，故其他應收款項、應收一間合營公司、關聯方及非控股權益款項之違約風險極低。

就應收一間合營公司款項而言，本集團管理層評估合營公司相關項目的盈利能力及其可收回性。基於其盈利能力，本公司董事認為違約風險較低。

為將信貸風險減至最低，本集團管理層已委派團隊，負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務。此外，本集團於報告期末檢討各項個別貿易債項的可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已顯著降低。

就預售協議下之發展中物業而言，本集團一般通常為客戶就撥資購買物業而作出之按揭貸款向銀行提供擔保，金額為物業購買價總額之一定數額。倘買方於擔保期內逾期支付按揭款項，持有按揭之銀行可要求本集團償還貸款尚未償還金額及任何應計利息。在該情況下，本集團可沒收客戶之購買按金並出售有關物業以收回本集團向銀行支付之任何金額。因此，管理層認為任何因本集團之擔保而產生之虧損均可能收回。由於該等融資以物業作抵押，而物業之市價高於擔保金額，故管理層認為向物業買方提供財務擔保而面臨之信貸風險有限。就此而言，本公司董事認為此舉大幅減低本集團之信貸風險。

於二零一九年十二月三十一日，本公司董事認為應收賬款之違約風險極低，且存續期預期信貸虧損撥備不大。

43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.4 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In the opinion of the directors of the Company, the Group does not have any significant liquidity risk exposure.

The Group's policy is to regularly monitor its liquidity requirements to ensure that the Group maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term financial liabilities.

The following table shows the remaining contractual maturities at the end of the reporting period of the non-derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest date the Group can be required to pay.

Specifically, for term loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflows based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank borrowings is prepared based on the scheduled repayment dates.

43. 財務風險管理的政策及目標(續)

43.4 流動資金風險

於管理流動資金風險時，本集團監控及維持現金及現金等價物達到管理層認為充足的水平，以便為本集團業務提供資金及減低現金流量波動的影響。本公司董事認為，本集團並無任何重大流動資金風險。

本集團的政策為定期監控其流動資金需要，以確保本集團維持充裕現金儲備來滿足其短期及長期金融負債的流動資金需要。

下表列示按未折現現金流量(包括按合約利率或(如為浮息)按報告期末的現行利率計算的利息金額)及本集團可被要求還款的最早日期呈列的於報告期末的非衍生金融負債的餘下合約期限。

具體而言，對於涵蓋銀行可全權酌情行使的按要求償還條款的定期貸款，有關分析按本集團可被要求還款的最早期間(即倘貸方擬行使其無條件權利要求即時償還貸款)呈列現金流出。其他銀行借貸的到期日分析則按計劃還款日期編製。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.4 Liquidity risk (Cont'd)

43. 財務風險管理的政策及目標(續)

43.4 流動資金風險(續)

		Weighted average effective interest rate 加權平均 實際利率 %	Less than 1 year or on demand 一年內或 按要求 RMB'000 人民幣千元	After 1 year but less than 2 years 一年以上 兩年以內 RMB'000 人民幣千元	After 2 years but less than 5 years 兩年以上 五年以內 RMB'000 人民幣千元	After 5 years 五年後 RMB'000 人民幣千元	Total contractual undiscounted cash flows 未折現合約 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
2019	二零一九年							
Non-derivative financial liabilities	非衍生金融負債							
Accounts payable	應付賬款	-	1,111,831	-	-	-	1,111,831	1,111,831
Accruals and other payables	應計費用及其他應付款項	-	528,998	-	-	-	528,998	528,998
Borrowings	借貸	6.29	5,022,406	4,834,740	11,345,649	1,950,810	23,153,605	19,456,079
Senior notes and bond	優先票據及債券	7.89	5,274,980	-	-	-	5,274,980	5,027,123
Convertible bonds	可換股債券	12.83	1,787,118	-	-	-	1,787,118	1,715,464*
Leases liabilities	租賃負債	9.50	33,218	29,615	71,702	40,754	175,289	118,054
Financial guarantee contracts (note 47)	財務擔保合約 (附註47)	-	2,132,390	-	-	-	2,132,390	-
			15,890,941	4,864,355	11,417,351	1,991,564	34,164,211	27,957,549

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43. 財務風險管理的政策及目標(續)

43.4 Liquidity risk (Cont'd)

43.4 流動資金風險(續)

		Weighted average effective interest rate 加權平均 實際利率 %	Less than 1 year or on demand 一年內或 按要求 RMB'000 人民幣千元	After 1 year but less than 2 years 一年以上 兩年以內 RMB'000 人民幣千元	After 2 years but less than 5 years 兩年以上 五年以內 RMB'000 人民幣千元	After 5 years 五年後 RMB'000 人民幣千元	Total contractual undiscounted cash flows 未折現金約 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
2018	二零一八年							
Non-derivative financial liabilities	非衍生金融負債							
Accounts payable	應付賬款	-	1,383,514	-	-	-	1,383,514	1,383,514
Accruals and other payables	應計費用及其他應付款項	-	628,497	-	-	-	628,497	628,497
Borrowings	借貸	6.05	3,718,961	2,768,303	9,531,104	2,473,164	18,491,532	16,541,796
Senior notes and bond	優先票據及債券	7.75	2,962,551	2,963,780	-	-	5,926,331	5,400,969
Convertible bonds	可換股債券	13.87	78,080	754,167	1,144,755	-	1,977,002	1,579,750*
Financial guarantee contracts (note 47)	財務擔保合約(附註47)	-	1,162,977	-	-	-	1,162,977	-
			9,934,580	6,486,250	10,675,859	2,473,164	29,569,853	25,534,526

* The carrying amount of the convertible bonds disclosed here includes the carrying amount of the related derivative components.

* 此處披露的可換股債券賬面值包括相關衍生工具部分的賬面值。

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

上述計入財務擔保合約的款項為倘交易對方追討有關擔保，本集團根據安排就全部擔保須支付的最高金額。按照報告期末預期，本集團認為根據安排須要繳付該款項的可能性很低。然而，這估計可能會改變，取決於持有已擔保財務應收賬款的交易對方遭受信貸損失而按擔保條款追討的可能性。

The table that follows summarises the maturity analysis of term loans with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis above. Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

下表概述附有按要求償還條款的定期貸款按貸款協議載列的議定還款日期的到期日分析。該等金額包括按合約利率計算的利息款項。因此，該等金額較以上到期日分析中「按要求」時間範圍內披露的金額為高。鑒於本集團的財務狀況，董事認為銀行不大可能行使其酌情權要求即時還款。董事相信該等定期貸款將按貸款協議所載的既定還款日期償還。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.4 Liquidity risk (Cont'd)

Maturity analysis of term loans subject to a repayment on demand clause based on scheduled repayments is as follows:

	On demand	Less than 6 months	6 to 12 months	1 to 5 years	Total undiscounted cash flows	Carrying amount
	按要求	少於六個月	六個月至十二個月	一年至五年	未折現現金流量總額	賬面值
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2019 二零一九年十二月三十一日	-	41,894	355,880	318,366	716,140	689,850
31 December 2018 二零一八年十二月三十一日	-	180,144	264,489	249,942	694,575	675,274

43.5 Price risk

The Group is exposed to price risk in connection with equity instrument at FVTOCI which is public listed equity security in the Mainland China. The Group closely monitors the fluctuation of the prices and assesses the impact on the Group's consolidated financial statements.

If prices of equity security has been 5% higher/lower and all other variables were held constant, the Group's investment revaluation reserve would increase/decrease by approximately RMB20,292,000 (2018: RMB18,406,000).

The Group was also exposed to other price risk arising from the outstanding derivative financial instruments with predetermined maturity date. The fair value of these derivative financial instruments was calculated using the Binomial Option Pricing Model detailed in note 34.

However, the management considers that the sensitivity analysis is unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of these derivative financial statements which involves multiple variables are interdependent and the Company's exposure to fluctuation of the fair value is minimal.

43. 財務風險管理的政策及目標(續)

43.4 流動資金風險(續)

附有按要求償還條款的定期貸款按既定還款日期的到期日分析如下：

43.5 價格風險

本集團承受與按公允價值計入其他全面收益之股本工具相關之價格風險，有關股本工具為於中國內地的公眾上市股權證券。本集團密切監察價格浮動及評估有關浮動對本集團綜合財務報表之影響。

倘股權證券價格增加／減少5%，而所有其他變數維持不變，本集團之投資重估儲備將增加／減少約人民幣20,292,000元（二零一八年：人民幣18,406,000元）。

本集團亦面對來自附有預定到期日之尚未行使衍生金融工具之其他價格風險。該等衍生金融工具的公允價值乃使用二項式期權定價模型計算，詳情載於附註34。

然而，管理層認為，由於評估該等衍生金融工具公允價值所用的定價模型涉及多項互相影響的可變因素，且本公司之公允價值波動風險為微不足道，故固有市場風險的敏感度分析並無代表性。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.6 Fair value measurement of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation or to establish the appropriate valuation techniques and inputs to the model.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at 31 December		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2019	2018			
Financial assets/ financial liabilities	二零一九年	二零一八年			
金融資產/金融負債	RMB'000	RMB'000	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據
	人民幣千元	人民幣千元			
Derivative financial instruments	222,207	198,105	Level 3	Binomial option pricing model The fair value is estimated based on the risk free rate, discount rate, share price, volatility of the share prices of the Company, dividend yield and exercise price.	Volatility of the share prices determined by reference to the historical share prices of the Company (Note).
衍生金融工具			第三級	二項式期權定價模式 公允價值乃按無風險利率、貼現率、股價、本公司股價波幅、股息率及行使價估計得出。	經參考本公司歷史股價後釐定的股價波幅(附註)。
Equity instrument at fair value through other comprehensive income	541,125	490,816	Level 1	Quoted bid price in an active market.	N/A
按公允價值計入其他全面收益之股本工具			第一級	於活躍市場之買入價報價。	不適用
Financial assets at fair value through profit or loss	-	10,559	Level 1	Quoted bid price in an active market.	N/A
按公允價值計入損益之金融資產			第一級	於活躍市場之買入價報價。	不適用
Debt instrument at fair value through other comprehensive income	-	20,000	Level 1	Quoted bid price in an active market.	N/A
按公允價值計入其他全面收益之債務工具			第一級	於活躍市場之買入價報價。	不適用

43. 財務風險管理的政策及目標(續)

43.6 金融工具的公允價值計量

本附註提供有關本集團如何釐定多項金融資產及金融負債公允價值的資料。

就財務報告目的而言，本集團部分金融工具乃按公允價值計量。在估計公允價值時，本集團在可得的範圍內使用市場可觀察數據。倘並無第一級輸入數據，本集團會委聘第三方合資格估值師進行估值或設立適用之估值技術及模型之輸入數據。

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值

本集團部分金融資產及金融負債於各報告期末按公允價值計量。下表提供有關如何釐定該等金融資產及金融負債公允價值的資料(尤其是所採用的估值技術及輸入數據)。

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43. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

43.6 Fair value measurement of financial instruments (Cont'd)

Note: The higher the volatility of the share prices of the Company, the higher the fair value of the derivative financial instruments, and vice versa. For the volatility of the share prices of the Company used in the fair value measurement for derivative financial instruments, please refer to note 34.

There is no transfer between different levels of the fair value hierarchy for both years.

Reconciliation of Level 3 fair value measurements

		Conversion option derivative 兌換期權衍生工具	
		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	198,105	111,078
Embedded derivatives at the date of issue of convertible bonds	於發行可換股債券日期之嵌入式衍生工具	-	255,307
Conversion of convertible bond of 2018 CB	兌換二零一八年可換股債券之可換股債券	-	(11,107)
Fair value (gain) loss recognised in profit or loss	於損益確認的公允價值(收益)虧損	20,170	(172,192)
Exchange difference	匯兌差額	3,932	15,019
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	222,207	198,105

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except for the senior notes and bond as detailed in note 35, the directors of the Company consider that the carrying amounts of financial assets and liabilities recorded as amortised cost in the consolidated financial statements approximate to their fair values.

The fair value of such financial assets and financial liabilities (categories within Level 3 hierarchy) are determined in accordance with general accepted pricing models based on discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

43. 財務風險管理的政策及目標(續)

43.6 金融工具的公允價值計量(續)

附註：本公司股價波幅愈高，衍生金融工具的公允價值則愈高，反之亦然。有關衍生金融工具公允價值計量所採用的本公司股價波幅，請參閱附註34。

於兩個年度，公允價值等級各級之間概無轉移。

第三級公允價值計量的對賬

		Conversion option derivative 兌換期權衍生工具	
		2019	2018
		二零一九年	二零一八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	198,105	111,078
Embedded derivatives at the date of issue of convertible bonds	於發行可換股債券日期之嵌入式衍生工具	-	255,307
Conversion of convertible bond of 2018 CB	兌換二零一八年可換股債券之可換股債券	-	(11,107)
Fair value (gain) loss recognised in profit or loss	於損益確認的公允價值(收益)虧損	20,170	(172,192)
Exchange difference	匯兌差額	3,932	15,019
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	222,207	198,105

並非按經常性基準以公允價值計量(但須作出公允價值披露)的金融資產及金融負債的公允價值

除於附註35詳述之優先票據及債券外，本公司董事認為，於綜合財務報表內按攤銷成本列賬的金融資產及負債的賬面值與其公允價值相若。

有關金融資產及金融負債的公允價值(屬第三級類別者)乃根據基於貼現現金流量分析的一般公認定價模式釐定，其中最重要的輸入數據為反映交易對手信貸風險的貼現率。

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44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

44. 融資活動產生之負債對賬

下表為本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃為現金流量或將來現金流量於本集團之綜合現金流量表分類為融資活動現金流量之負債。

		Dividend payables	Borrowings	Debt component of convertible bonds	Senior notes and bond	Derivative component of convertible bonds	Lease Liabilities	Total
		應付股息	借貸	可換股債券債務部分	優先票據及債券	可換股債券衍生工具部分	租賃負債	總值
		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
At 1 January 2019	於二零一九年一月一日	-	16,541,796	1,381,645	5,400,969	198,105	-	23,522,515
Adjustment upon application of HKFRS 16	應用香港財務報告準則第16號後之調整	-	-	-	-	-	131,723	131,723
At 1 January 2019	於二零一九年一月一日	-	16,541,796	1,381,645	5,400,969	198,105	131,723	23,654,238
Financing cash flows	融資性現金流	(234,207)	1,356,160	(88,155)	(889,899)	-	(25,598)	118,301
Acquisition of a subsidiary	收購附屬公司	-	147,000	-	-	-	-	147,000
Foreign exchange translation	外匯換算	-	224,306	27,530	46,426	3,932	-	302,194
Interest expenses	利息開支	-	1,186,817	172,237	411,241	-	11,929	1,782,224
Fair value adjustment	公允價值調整	-	-	-	-	20,170	-	20,170
Loss on non-substantial modification of financial liabilities at amortised cost	按攤銷成本列賬之金融負債的非重大變更虧損	-	-	-	57,287	-	-	57,287
Loss on early redemption of financial liabilities at amortised cost	提前贖回按攤銷成本列賬之金融負債之虧損	-	-	-	1,099	-	-	1,099
Dividend declared	宣派股息	234,207	-	-	-	-	-	234,207
At 31 December 2019	於二零一九年十二月三十一日	-	19,456,079	1,493,257	5,027,123	222,207	118,054	26,316,720
At 1 January 2018	於二零一八年一月一日	-	12,958,277	589,650	5,250,854	111,078	-	18,909,859
Financing cash flows	融資性現金流	(203,019)	2,501,044	658,715	(394,549)	255,307	-	2,817,498
Foreign exchange translation	外匯換算	-	261,584	60,589	134,464	15,019	-	471,656
Interest expenses	利息開支	-	820,891	131,969	410,200	-	-	1,363,060
Conversion of 2018 CB	兌換二零一八年可換股債券	-	-	(59,278)	-	(11,107)	-	(70,385)
Fair value adjustment	公允價值調整	-	-	-	-	(172,192)	-	(172,192)
Dividend declared	宣派股息	203,019	-	-	-	-	-	203,019
At 31 December 2018	於二零一八年十二月三十一日	-	16,541,796	1,381,645	5,400,969	198,105	-	23,522,515

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45. COMMITMENTS

(a) Capital and other commitments

At the end of the reporting period, the Group has the following commitments:

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted but not provided for:		
– Investment properties under development	–	98,892
– Properties under development for sale	1,692,469	1,526,006
– Acquisition of the rights of an urban redevelopment project	40,000	–
	1,732,469	1,624,898

(b) Operating lease arrangements

The Group as lessee

The Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2018 二零一八年 RMB'000 人民幣千元
Within one year	30,449
In the second to fifth year, inclusive	98,963
Over five years	80,057
	209,469

45. 承擔

(a) 資本及其他承擔

於報告期末，本集團有以下承擔：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted but not provided for:		
– 在建投資物業	–	98,892
– 發展中待售物業	1,692,469	1,526,006
– 收購一項城市改造項目的權益	40,000	–
	1,732,469	1,624,898

(b) 經營租賃安排

本集團作為承租人

本集團於不可撤銷經營租賃項下的未來最低租金付款承擔到期日如下：

	2018 二零一八年 RMB'000 人民幣千元
一年內	30,449
第二至五年(包括首尾兩年)	98,963
多於五年	80,057
	209,469

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45. COMMITMENTS (Cont'd)

(b) Operating lease arrangements (Cont'd)

The Group as lessor

All of the properties held for rental purposes have committed lessees for the next one and fourteen years.

Lease payments receivable on leases are as follows:

		2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	488,373
In the second year	第二年	383,816
In the third year	第三年	244,789
In the fourth year	第四年	145,996
In the fifth year	第五年	108,250
After five years	五年後	230,413
		1,601,637

The Group had contracted with lessee for following future minimum lease payments:

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	501,321
In the second to fifth year, inclusive	第二至五年(包括首尾兩年)	905,003
Over five years	多於五年	250,874
		1,657,198

45. 承擔(續)

(b) 經營租賃安排(續)

本集團作為出租人

所有持作出租用途的物業於隨後一及十四年擁有有承擔承租人。

租賃的應收租賃付款如下：

		2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	488,373
In the second year	第二年	383,816
In the third year	第三年	244,789
In the fourth year	第四年	145,996
In the fifth year	第五年	108,250
After five years	五年後	230,413
		1,601,637

本集團已就以下未來最低租金付款與承租人訂約：

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	501,321
In the second to fifth year, inclusive	第二至五年(包括首尾兩年)	905,003
Over five years	多於五年	250,874
		1,657,198

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46. PLEDGE OF ASSETS

(a) Pledge of assets

At the end of the reporting period, the Group had the following assets being pledged.

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Properties under development for sale	發展中待售物業	2,893,324	243,244
Properties held for sale	待售物業	618,954	17,612
Investment properties	投資物業	20,557,312	16,186,128
Property, plant and equipment	物業、廠房及設備	925,831	228,428
Pledged bank deposits	抵押銀行存款	1,348,651	2,202,786
		26,344,072	18,878,198

Note: As at 31 December 2019, except for assets pledged above, secured bank loans with aggregate amount of RMB3,256,201,000 and a secured other borrowing with amount of RMB50,000,000 are secured by the equity interests of subsidiaries of the Group (see also note 33).

(b) Restrictions on assets

In addition, lease liabilities of RMB118,054,000 are recognised with related investment properties of RMB216,600,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

47. CONTINGENT LIABILITIES

For the year ended 31 December 2019, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB2,132,390,000 (2018: RMB1,162,977,000). The guarantees are secured by the Group's pledged bank deposits amounting to RMB94,021,000 (2018: RMB144,520,000).

Pursuant to the terms of the guarantees, if there is default on the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks.

46. 資產抵押

(a) 資產抵押

於報告期末，本集團以下資產已被抵押。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Properties under development for sale	發展中待售物業	2,893,324	243,244
Properties held for sale	待售物業	618,954	17,612
Investment properties	投資物業	20,557,312	16,186,128
Property, plant and equipment	物業、廠房及設備	925,831	228,428
Pledged bank deposits	抵押銀行存款	1,348,651	2,202,786
		26,344,072	18,878,198

附註： 於二零一九年十二月三十一日，除上述抵押之資產外，有抵押銀行貸款總金額人民幣3,256,201,000元及有抵押其他借貸人民幣50,000,000元由本集團附屬公司之股權作抵押(請同時參閱附註33)。

(b) 資產限制

此外，租賃負債人民幣118,054,000元與相關投資物業人民幣216,600,000元於二零一九年十二月三十一日確認。除於出租人所持有租賃資產的抵押權益外，租賃協議並無施加任何契諾，且相關租賃資產不得用作抵押品以取得借貸。

47. 或然負債

截至二零一九年十二月三十一日止年度，本集團就若干買方的按揭融資提供擔保的或然負債約為人民幣2,132,390,000元(二零一八年：人民幣1,162,977,000元)。有關擔保以本集團的抵押銀行存款人民幣94,021,000元(二零一八年：人民幣144,520,000元)作抵押。

根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方應付銀行的任何應計利息及罰金。

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47. CONTINGENT LIABILITIES (Cont'd)

The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the buyer obtaining the individual property ownership certificate or the full settlement of mortgage loan by the buyer.

The Directors consider that it is not probable for the Group to sustain a loss under these guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties and sell the properties under default to recover any amounts paid by the Group to the banks. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the Directors. The Directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event that the purchasers default payments to the banks for their mortgage loans.

48. RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in these consolidated financial statements, the Group has the following transactions with related parties during the year:

(a) Transactions with related parties

Interest expenses paid to Shenzhen Forsafe System Technology Co., Ltd. ("Shenzhen Forsafe"), an entity controlled by ultimate controlling party	向深圳市賦安安全系統有限公司(「深圳賦安」)(一家由最終控股方之聯繫人士控制之實體)支付之利息開支
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(b) Balances with related parties

Details of the balances with related parties at the end of the reporting period are disclosed in the consolidated statement of financial position and notes 16, 26 and 30.

(c) Key management personnel compensation

The directors are of the opinion that the key management personnel were solely the executive directors of the Company. Remuneration paid to the Company's executive directors is disclosed in note 10.

47. 或然負債(續)

本集團的擔保期由相關按揭貸款授出日期起，直至買家取得個人房產所有權證或悉數清償按揭貸款(以較早者為準)時為止。

董事認為本集團於擔保期間不大可能因該等擔保而遭受虧損，而本集團在違約的情況下可接管有關物業的所有權並將之出售，以收回本集團向銀行支付的任何金額。由於董事認為該等擔保的公允價值微不足道，故本集團並未就該等擔保確認任何遞延收入。董事亦認為，倘買方拖欠償還銀行按揭貸款，相關物業的公允市值足以彌補本集團所擔保的未償還按揭貸款。

48. 關聯方交易

除綜合財務報表其他地方所披露者外，本集團年內與關聯方進行的交易如下：

(a) 與關聯方進行的交易

2019	2018
二零一九年	二零一八年
RMB'000	RMB'000
人民幣千元	人民幣千元

2,731

-

(b) 關聯方之結餘

於報告期末與關聯方之結餘詳情於綜合財務狀況報表及附註16、26及30中披露。

(c) 主要管理人員薪酬

董事認為，主要管理人員僅包括本公司執行董事。已付本公司執行董事的薪酬於附註10中披露。

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49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

49. 本公司財務狀況表

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	3,381,353	3,381,353
Amounts due from subsidiaries	應收附屬公司款項	8,854,131	9,517,918
Property, plant and equipment	物業、廠房及設備	27,760	-
Right-of-use asset	使用權資產	37,950	-
		12,301,194	12,899,271
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	4,670,869	3,246,078
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	5,068	2,698
Bank balances and cash	銀行結餘及現金	602,626	86,277
		5,278,563	3,335,053
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	62,309	25,938
Amounts due to subsidiaries	應付附屬公司款項	1,492,519	231,455
Borrowings	借貸	570,748	590,239
Debt component of convertible bonds	可換股債券債務部分	663,521	-
Derivative component of convertible bonds	可換股債券衍生工具部分	72,292	-
Lease liabilities	租賃負債	12,507	-
		2,873,896	847,632
Net current assets	流動資產淨值	2,404,667	2,487,421
Total assets less current liabilities	總資產減流動負債	14,705,861	15,386,692
Non-current liabilities	非流動負債		
Borrowings	借貸	975,616	1,012,908
Debt component of convertible bonds	可換股債券債務部分	-	613,593
Derivative component of convertible bonds	可換股債券衍生工具部分	-	30,842
Lease liabilities	租賃負債	25,509	-
		1,001,125	1,657,343
Net assets	資產淨值	13,704,736	13,729,349
Capital and reserves	資本及儲備		
Share capital	股本	42,060	41,141
Reserves	儲備	13,662,676	13,688,208
Total equity	總權益	13,704,736	13,729,349

HUANG Jingshu
黃敬舒
CHAIRMAN AND EXECUTIVE DIRECTOR
主席兼執行董事

SIU Chi Hung
蕭志雄
EXECUTIVE DIRECTOR
執行董事

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49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd)

49. 本公司財務狀況表(續)

Note:

附註：

Details of the movement in the Company's reserves are set out below:

本公司儲備變動之詳情載列如下：

		Share premium	Convertible preference share	Share option reserve	Exchange reserve	Contributed surplus	Retained profits	Total
		股份溢價	可換股優先股	購股權儲備	匯兌儲備	實繳盈餘	保留盈利	總計
		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
Balance as at 1 January 2018	於二零一八年一月一日之結餘	6,300,567	5,959,114	208,337	30,165	(18)	206,032	12,704,197
Profit for the year	年度盈利	-	-	-	-	-	299,990	299,990
Lapse of share options	購股權失效	-	-	(2,039)	-	-	2,039	-
Exercise of share options	行使購股權	15,999	-	(5,287)	-	-	-	10,712
Recognition of equity-settled share-based payments	確認以股權結算以股份支付之付款	-	-	21,959	-	-	-	21,959
Conversion of convertible bonds	兌換可換股債券	70,145	-	-	-	-	-	70,145
Issue of ordinary shares	發行普通股	495,898	-	-	-	-	-	495,898
Issue of convertible preference shares	發行可換股優先股	-	287,047	-	-	-	-	287,047
Dividend declared and made	已宣派及派付之股息	-	-	-	-	-	(201,740)	(201,740)
Balance as at 31 December 2018	於二零一八年十二月三十一日之結餘	6,882,609	6,246,161	222,970	30,165	(18)	306,321	13,688,208
Profit for the year	年度盈利	-	-	-	-	-	202,406	202,406
Lapse of share options	購股權失效	-	-	(8,582)	-	-	8,582	-
Exercise of share options	行使購股權	10,819	-	(3,670)	-	-	-	7,149
Conversion of convertible preference shares	兌換可換股優先股	180,376	(181,256)	-	-	-	-	(880)
Dividend declared and made	已宣派及派付之股息	-	-	-	-	-	(234,207)	(234,207)
Balance as at 31 December 2019	於二零一九年十二月三十一日之結餘	7,073,804	6,064,905	210,718	30,165	(18)	283,102	13,662,676

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50. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries, each of which is a limited liability company, as at 31 December 2019 and 2018 are as follows:

50. 主要附屬公司的詳情

於二零一九年及二零一八年十二月三十一日主要附屬公司(均為有限公司)的詳情如下:

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通 股本/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
LVGEM Suzhou 綠景蘇州	HK 香港	156 shares of HK\$1 each 156股每股面值1港元之股份	- (二零一八年: 100%)	100% (2018: 100%)	Administration vehicle of the Group (HK) 處理本集團行政工作(香港)
Prosper View Group Limited* ("PVGL") 協朗集團有限公司*(「協朗」)	HK 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	- (二零一八年: 51%)	51% (2018: 51%)	Investment holding (HK) 投資控股(香港)
Suzhou Garden Villa Development & Management Co., Ltd. 蘇州錦華苑建設發展管理有限公司	Mainland China (Note (a)) 中國內地(附註(a))	US\$20,550,000 20,550,000美元	- (二零一八年: 95%)	95% (2018: 95%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Suzhou New Heritage GF Limited ("SNHGF") 蘇州新綉地產有限公司(「蘇州新綉」)	Mainland China 中國內地	US\$26,600,000 26,600,000美元	- (二零一八年: 61%#)	61%# (2018: 61%#)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Suzhou New Heritage WZA Limited 蘇州新興地產有限公司	Mainland China (Note (b)) 中國內地(附註(b))	US\$15,000,000 15,000,000美元	- (二零一八年: 100%)	100% (2018: 100%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
New Heritage WJA Limited 吳江新澤地產有限公司	Mainland China (Note (b)) 中國內地(附註(b))	US\$13,000,000 13,000,000美元	- (二零一八年: 100%)	100% (2018: 100%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Shenzhen LVGEM Asset Management Co., Ltd. 深圳市綠景資產管理有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB16,000,000 人民幣16,000,000元	- (二零一八年: 100%)	100% (2018: 100%)	Property management service (Mainland China) 物業管理服務(中國內地)
Shenzhen LVGEM Hotel Co., Ltd. 深圳市綠景酒店有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB10,000,000 人民幣10,000,000元	- (二零一八年: 100%)	100% (2018: 100%)	Hotel operation services (Mainland China) 酒店營運服務(中國內地)
Shenzhen LVGEM Jiyuan Property Management Service Co., Ltd. 深圳市綠景紀元管理服務有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB500,000 人民幣500,000元	- (二零一八年: 100%)	100% (2018: 100%)	Property management service (Mainland China) 物業管理服務(中國內地)
Shenzhen LVGEM Marketing Co., Ltd. 深圳市綠景房地產策劃有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB1,000,000 人民幣1,000,000元	- (二零一八年: 100%)	100% (2018: 100%)	Consultancy services (Mainland China) 顧問服務(中國內地)

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50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

50. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股本/註冊資本	Effectively attributable equity interests		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Shenzhen LVGEM Property Management Co., Ltd. 深圳市綠景物業管理有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB5,000,000 人民幣5,000,000元	-	100% (2018: 100%) (二零一八年: 100%)	Property management services (Mainland China) 物業管理服務(中國內地)
Shenzhen LVGEM Real Estate Development Co., Ltd. 深圳市綠景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB150,000,000 人民幣150,000,000元	-	100% (2018: 100%) (二零一八年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Yiyang Zhonghe Real Estate Co., Ltd. 益陽中核置業有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB30,000,000 人民幣30,000,000元	-	100% (2018: 100%) (二零一八年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Zhengxinglong Real Estate (Shenzhen) Co., Ltd. 正興隆房地產(深圳)有限公司	Mainland China (Note (b)) 中國內地(附註(b))	HK\$40,000,000 40,000,000港元	-	100% (2018: 100%) (二零一八年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Huazhou LVGEM Real Estate Development Co., Ltd. 化州市綠景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB210,000,000 人民幣210,000,000元	-	100% (2018: 100%) (二零一八年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Zhuhai LVGEM Dongqiao Investment Co., Ltd. 珠海市綠景東橋投資有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB7,500,000 人民幣7,500,000元	-	90.64% (2018: 90.64%) (二零一八年: 90.64%)	Property development (Mainland China) 物業發展(中國內地)
Zhengxinglong Real Estate (Zhuhai) Co., Ltd. 正興隆房地產(珠海)有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB407,000,000 人民幣407,000,000元	-	100% (2018: 100%) (二零一八年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Guangzhou Yuejing Real Estate Development Co., Ltd. 廣州市粵景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB10,000,000 人民幣10,000,000元	-	93% (2018: 93%) (二零一八年: 93%)	Property development (Mainland China) 物業發展(中國內地)
Jianmai Limited ("Jianmai") 景邁有限公司(「景邁」)	BVI 英屬維爾京群島	200 shares of US\$1 each 200股每股面值1美元之股份	-	95% (2018: 95%) (二零一八年: 95%)	Investment holding (HK) 投資控股(香港)
Wisdom Concept Development Limited 聰勁發展有限公司	HK 香港	2 shares of HK\$1 each 2股每股面值1港元之股份	-	95% (2018: 95%) (二零一八年: 95%)	Property development (HK) 物業發展(香港)

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50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

50. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通 股本/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Olinda	HK 香港	20 shares of HK\$1 each 20股每股面值1港元之股份	-	100% (2018: 100%) (二零一八年: 100%)	Property development and investment (HK) 物業發展及投資(香港)
Gemstones	BVI	1 share of US\$1	100% (2018: 100%)	-	Treasury vehicle (BVI)
碧玺	英屬維爾京群島	1股1美元之股份	(二零一八年: 100%)		處理財資工作(英屬維爾京群島)
Zone Asia Investments (HK) Limited	HK	1 share of HK\$1	-	100% (2018: 100%)	Investment holding (HK)
崇亞投資(香港)有限公司	香港	1股1港元之股份		(二零一八年: 100%)	投資控股(香港)
World Margin Limited	HK	800,000 shares of HK\$1 each	-	100% (2018: 100%)	Treasury vehicle (HK)
世謙有限公司	香港	800,000股每股面值1港元之股份		(二零一八年: 100%)	處理財資工作(香港)
Greater Bay Area Intelligent City Limited	BVI	1 share of US\$1	100% (2018: Nil)	-	Investment holding (BVI)
大灣區智慧城市有限公司	英屬維爾京群島	1股1美元之股份	(二零一八年: 無)		投資控股(英屬維爾京群島)
Affluent Bright Investment Limited	BVI	10,000 share of HK\$1 each	-	99.99% (2018: Nil)	Investment holding (HK)
溢明投資有限公司	英屬維爾京群島	10,000股每股面值1港元之股份		(二零一八年: 無)	投資控股(香港)
Affluent Bright Investment (HK) Limited	HK	1 share of HK\$1	-	99.99% (2018: Nil)	Investment holding (HK)
溢明投資(香港)有限公司	香港	1股1港元之股份		(二零一八年: 無)	投資控股(香港)

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50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

* The Group has an effective interest of 51% (2018: 51%) in PVGL. In the opinion of the directors, the Group has the power to control over the relevant activities of PVGL and its subsidiary and PVGL and its subsidiary are consolidated in the financial statements of the Group accordingly.

Approximate percentage.

Notes:

- (a) This subsidiary is registered as a Sino-foreign cooperative joint venture under the Mainland China law.
- (b) These subsidiaries are registered as wholly foreign owned enterprises under the Mainland China law.
- (c) Except for Zhengxinglong, which issued the Bond on 26 August 2016 as disclosed in note 35, and Gemstones, which issued Private Notes and Senior Notes in 2017 as disclosed in note 33 and note 35 respectively, none of the remaining subsidiaries had issued any debt securities at the end of the reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affect the results for the year or form a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Material non-controlling interests

Summarised consolidated financial information of PVGL and its subsidiary and Jianmai and its subsidiary that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name of subsidiary 附屬公司名稱		Proportion of equity interest held by non-controlling interests 非控股權益持有的股權比例		Total comprehensive income (expenses) allocated to non-controlling interests 分配給非控股權益的 綜合收入(支出)總額		Accumulated non-controlling interests 累計非控股權益	
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
PVGL and its subsidiary	協朗及其附屬公司	49%	49%	(1,152)	(2,139)	36,375	37,527
Jianmai and its subsidiary	景邁及其附屬公司	5%	5%	8	15	30,618	30,610
Individually immaterial subsidiaries with non- controlling interests	個別不屬重大 並擁有非控股 權益的附屬公司	N/A 不適用	N/A 不適用	623	(4,362)	39,981	39,358
				(521)	(6,486)	106,974	107,495

50. 主要附屬公司的詳情(續)

* 本集團擁有協朗的51% (二零一八年: 51%) 實際股權。董事認為, 本集團有權控制協朗及其附屬公司的相關業務, 因此協朗及其附屬公司已在本集團財務報表中綜合入賬。

概約百分比

附註:

- (a) 該附屬公司根據中國內地法律登記為中外合資合營公司。
- (b) 該等附屬公司根據中國內地法律登記為外資獨資企業。
- (c) 除正興隆(如附註35所披露, 其於二零一六年八月二十六日發行該債券)及碧璽(如附註33及附註35分別披露, 其於二零一七年發行私募票據及優先票據)外, 於報告期末, 其餘附屬公司概無發行任何債務證券。

本公司董事認為, 上表列出之本公司附屬公司, 主要影響本集團本年度之業績或為本集團資產及負債之主要組成部分。董事認為詳細交待其他附屬公司之詳情會令篇幅過於冗長。

重大非控股權益

有關協朗及其附屬公司以及景邁及其附屬公司(其擁有重大非控股權益)之綜合財務資料概要載列如下。下表所載財務資料概要指於集團內公司間對銷前之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(i) PVGL and its subsidiary

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	270,555	271,056
Current liabilities	流動負債	(143,564)	(141,696)
Net assets	資產淨值	126,991	129,360
Equity attributable to owners of the Company	本公司股東應佔權益	37,859	39,058
Equity attributable to non-controlling interests of PVGL	協朗之非控股權益應佔權益	36,375	37,527
Equity attributable to non-controlling interests of SNHGF (Note)	蘇州新綉之非控股權益應佔權益(附註)	52,757	52,775
Total equity	權益總額	126,991	129,360
Other income, other gains and losses	其他收入、其他收益及虧損	295	(914)
Expenses	開支	(2,664)	(3,486)
Attributable to non-controlling interests of SNHGF (Note)	蘇州新綉非控股權益應佔(附註)	18	34
Loss for the year	年度虧損	(2,351)	(4,366)
Loss attributable to owners of the Company	本公司股東應佔虧損	(1,199)	(2,227)
Loss attributable to non-controlling interests	非控股權益應佔虧損	(1,152)	(2,139)
Loss for the year	年度虧損	(2,351)	(4,366)
Net cash used in operating activities	經營活動所用現金淨額	(3,109)	(185,774)
Net cash from investing activities	投資活動所得現金淨額	-	3,312
Net cash outflow	現金流出淨額	(3,109)	(182,462)

Note: As at 31 December 2019, the Group held 51% (2018: 51%) equity interests in PVGL, which indirectly held 80% (2018: 80%) equity interests in SNHGF. In addition, the Group also indirectly held the remaining 20% (2018: 20%) equity interests in SNHGF. Therefore, the Group effectively held 61% (2018: 61%) in SNHGF.

附註：於二零一九年十二月三十一日，本集團持有協朗51%股權(二零一八年：51%)，協朗間接持有蘇州新綉80%股權(二零一八年：80%)。此外，本集團亦間接持有蘇州新綉餘下20%股權(二零一八年：20%)。因此，本集團實際持有蘇州新綉61%(二零一八年：61%)股權。

50. 主要附屬公司的詳情(續)

重大非控股權益(續)

(i) 協朗及其附屬公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

50. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(ii) Jianmai and its subsidiary

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	684,751	667,159
Current liabilities	流動負債	(72,376)	(54,952)
Net assets	資產淨值	612,375	612,207
Equity attributable to owners of the Company	本公司股東應佔權益	581,757	581,597
Equity attributable to non-controlling interests	非控股權益應佔權益	30,618	30,610
Total equity	權益總額	612,375	612,207
Other income	其他收入	214	380
Expenses	開支	(46)	(73)
Profit for the year	年度盈利	168	307
Profit attributable to owners of the Company	本公司股東應佔盈利	160	292
Profit attributable to non-controlling interests	非控股權益應佔盈利	8	15
Profit for the year	年度盈利	168	307
Net cash used in operating activities and net cash outflow	經營活動所用現金淨額及現金流出淨額	(1,365)	(5,650)

50. 主要附屬公司的詳情(續)

重大非控股權益(續)

(ii) 景邁及其附屬公司

51. EVENTS AFTER REPORTING PERIOD

(i) Issuance of USD denominated senior notes

On 20 February 2020, the Group commenced the Exchange Offer to the holders of the existing USD denominated senior notes with principal amount of USD400,000,000 (equivalent to RMB2,801,040,000). The Exchange Offer extends the due date of the existing Senior Notes to 2023 with an increased coupon rate of 12% per annum. Upon the expiry of the Exchange Offer on 2 March 2020, senior note holders with an amount of USD227,390,000 (equivalent to RMB1,942,451,000) had validly tendered their notes for the exchange and accepted pursuant to the Exchange Offer. On the following day, the Group announced to issue a new series of USD denominated senior notes with principal amount of USD222,610,000 (equivalent to RMB1,558,849,000) for cash to the same amount at an interest rate of 12% per annum due 2023 (the "New Issuance"). The Exchange Offer and the New Issuance were completed on 10 March 2020. The Exchange Offer is a non-cash transaction and would be accounted for as a debt extinguishment of the existing Senior Notes as the terms associated with the Exchange Offer are substantially different from the existing Senior Notes. For details of transaction, please refer to the announcements of the Company dated 20 February 2020, 25 February 2020, 3 March 2020, 4 March 2020 and 11 March 2020.

(ii) Outbreak of COVID-19

The outbreak of a respiratory illness caused by a novel coronavirus, or known as the COVID-19, in China, has affected many businesses to different extent. As the Group's business are all in various locations in the mainland where different precautionary measures were imposed by local governments, all at once or implemented at different stages depending on the latest development, the Group's ability to serve its customers may be largely depending on various government measures and the availability of workforce, which may be affected by the travel restrictions and home quarantine requirements. Due to the inherent unpredictable nature and rapid development relating to the novel coronavirus and its pervasive impact, the Group has taken action to negotiate with its major subcontractors and employees to confirm continuous and adequate supply of manpower. The Group will closely monitor in this regard and seek alternative subcontractors and manpower if necessary.

Given the dynamic nature of these circumstances and unpredictability of future development, the directors of the Company consider that the financial effects on the Group's consolidated financial statements cannot be reasonably estimated as at the date these financial statements are authorised for issue, but are expected to negatively affect the consolidated results and cash flows for the financial year ending 2020 and the financial position of the Group as at that date and beyond depending on how the situation evolves.

51. 報告期後事項

(i) 發行美元計值優先票據

於二零二零年二月二十日，本集團向本金金額400,000,000美元(相當於人民幣2,801,040,000元)的現有美元計值優先票據持有人展開交換要約。交換要約將現有優先票據的到期日延長至二零二三年，並將票息率提高至每年12%。交換要約於二零二零年三月二日屆滿後，持有227,390,000美元(相當於人民幣1,942,451,000元)的優先票據持有人已根據交換要約有效提交票據以作交換及接納。翌日，本集團公佈發行本金金額222,610,000美元(相當於人民幣1,558,849,000元)於二零二三年到期按年利率12%計息的新系列美元計值優先票據(「新發行」)，以換取同等金額的現金。交換要約及新發行於二零二零年三月十日完成。由於與交換要約有關的條款與現有優先票據有重大差異，故交換要約為一項非現金交易，並將作為就現有優先票據的債務償還入賬。有關交易的詳情請參閱本公司日期為二零二零年二月二十日、二零二零年二月二十五日、二零二零年三月三日、二零二零年三月四日及二零二零年三月十一日的公告。

(ii) COVID-19爆發

在中國爆發由新型冠狀病毒(又稱COVID-19)引致的呼吸道疾病已對各行各業造成不同程度的影響。由於本集團的所有業務分佈於內地多個地區，而各地方政府已施行不同的預防措施，並視乎最新情況發展即時或分階段實施所有該等措施，本集團服務客戶的能力可能在很大程度上取決於各項政府措施及可動用的人力資源而定，而人力資源可能受旅遊限制及家居隔離等規定的影響。鑒於有關新型冠狀病毒及其廣泛影響本身的不可預測性及急劇發展，本集團已採取行動與其主要分包商及僱員磋商，以確保持續及充足的人手供應。本集團將會密切監察有關狀況，並於必要時尋找替代分包商及工作人手。

鑒於該等情況不斷變化且未來發展難以預測，本公司董事認為，於該等財務報表獲授權刊發當日無法合理估計本集團的綜合財務報表會受到的財務影響，惟視乎事態發展而定，預期將對截至二零二零年財政年度的綜合業績及現金流量以及本集團於該日及往後的財務狀況造成負面影響。

Financial Summary

財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements for the years ended 31 December 2015, 2016 and 2017 as below. For the years ended 31 December 2018 and 2019 which extracted from the annual report 2019 was restated as appropriate, is set out below.

本集團過去五個財政年度之業績以及資產及負債(摘錄自截至二零一五年、二零一六年及二零一七年十二月三十一日止年度之已刊發經審核財務報表)如下。截至二零一八年及二零一九年十二月三十一日止年度乃摘錄自二零一九年年報，並經重列(如適用)。

		2015 二零一五年 RMB'000 人民幣千元 (restated) (經重列)	2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RESULTS						
	業績					
Revenue	收益	1,210,270	4,590,162	2,967,751	4,515,685	6,902,448
Profit from operation	經營盈利	853,975	2,259,932	2,111,059	2,813,503	4,623,298
Finance costs	融資成本	(262,868)	(406,500)	(613,592)	(657,995)	(1,256,165)
Share of results of a joint venture	應佔一間合營公司業績	(30)	(9)	(93)	(8)	(2)
Profit before tax	除稅前盈利	591,077	1,853,423	1,497,374	2,155,500	3,367,131
Income tax expense	所得稅開支	(166,492)	(1,044,757)	(458,811)	(925,097)	(1,617,168)
Profit for the year	年度盈利(虧損)	424,585	808,666	1,038,563	1,230,403	1,749,963
Attributable to owners of the Company	本公司股東應佔	417,780	802,297	1,035,392	1,237,167	1,749,884
ASSETS AND LIABILITIES						
	資產及負債					
Non-current assets	非流動資產	13,606,921	14,399,166	22,654,001	24,171,470	26,459,769
Current assets	流動資產	10,385,006	11,525,352	14,142,819	19,240,634	22,276,514
Current liabilities	流動負債	(7,193,427)	(5,816,445)	(9,650,864)	(11,689,752)	(17,760,664)
Non-current liabilities	非流動負債	(8,825,330)	(10,910,409)	(17,076,753)	(20,283,409)	(17,940,786)
Net assets	資產淨值	7,973,170	9,197,664	10,069,203	11,438,943	13,034,833
Equity attributable to owners of the Company	本公司股東應佔權益	7,881,077	8,964,512	9,836,062	11,331,448	12,927,859

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES

投資物業

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
LVGEM Zoll 1866 Shopping Mall located at the eastern side of Meilong Road and the southern side of Zhongmei Road Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區梅隴路東側及中梅路南側的綠景1866佐聆薈	100%	54,360	Commercial 商業	70 years from 31 August 2004 to 30 August 2074 二零零四年八月三十一日至二零七四年八月三十日，為期70年
LVGEM Zoll Chanson Shopping Mall located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區民治社區民治路西側的綠景佐聆香頌購物中心	100%	37,220	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至二零八零年八月五日，為期70年
Various commercial units of LVGEM Chanson Meilu Garden located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區民治社區民治路西側的香頌美廬園多個商業單位	100%	330	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至二零八零年八月五日，為期70年
Various commercial units of City Garden located at the western side of Longxiang Avenue and the eastern side of Huangge Road Longguang District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市龍崗區龍翔大道西側及黃閣路東側的城市立方花園多個商業單位	100%	4,650	Commercial 商業	70 years from 22 February 2001 to 21 February 2071 二零零一年二月二十二日至二零七一年二月二十一日，為期70年
LVGEM Zoll Hongwan Shopping Mall located at the northern side of North Ring Avenue and the eastern side of Meilin Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區北環大道北側及梅林路東側的綠景佐聆虹灣購物中心	100%	52,880	Commercial 商業	70 years from 16 December 2011 to 15 December 2081 二零一一年十二月十六日至二零八一年十二月十五日，為期70年
Various commercial units of LVGEM Hotel located at the western side of Xinzhou Road and the northern side of Xinzhou Sixth Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區新洲路西側及新洲六路北側的綠景錦江花園酒店多個商業單位	100%	4,410	Commercial 商業	70 years from 30 December 2003 to 29 December 2073 二零零三年十二月三十日至二零七三年十二月二十九日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Various commercial units of Lanwan Peninsula Community located at the northern side of Furong Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區福榮路北側的藍灣半島社區多個商業單位	100%	2,810	Commercial 商業	70 years from 20 September 2001 to 19 September 2071 二零零一年九月二十日至二零七一年九月十九日，為期70年
Various commercial units, office units and car parking spaces of Tower A of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體A座多個商業單位、辦公單位及車位	100%	108,360	Commercial 商業	50 years from 8 May 2005 to 7 May 2055 二零零五年五月八日至二零零五年五月七日，為期50年
Various commercial units and car parking spaces of Tower B and Tower C of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體B座及C座多個商業單位及車位	100%	26,100	Commercial 商業	70 years from 26 February 2002 to 25 February 2072 二零零二年二月二十六日至二零七二年二月二十五日，為期70年
Various commercial units of Phase II of LVGEM Garden located at the western side of Xinzhou Road and the northern side of Fuqiang Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區新洲路西側及福強路北側的綠景花園二期多個商業單位	100%	20,610	Commercial 商業	70 years from 5 February 2001 to 4 February 2071 二零零一年二月五日至二零七一年二月四日，為期70年
LVGEM Zoll Mangrove Bay No. 1 Shopping Mall located at the junction of Shazui Road and Jindi First Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區沙嘴路與金地一路交匯處的綠景佐陞紅樹灣壹號購物中心	100%	20,770	Commercial 商業	50 years from 23 November 2012 to 22 November 2062 二零一二年十一月二十三日至二零六二年十一月二十二日，為期50年

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Various commercial units and ancillary units of LVGEM Garden Estate located at No. 1185 Jin Dao Tian Road Luohu District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市羅湖區金稻田路1185號的綠景山莊多個商業單位及配套單位	100%	3,820	Commercial 商業	70 years from 9 March 1998 to 8 March 2068 一九九八年三月九日至二零六八年三月八日，為期70年
A parcel of land and blocks located at Yi Jia Industrial Park, Fuqian Road, Guanlan Street Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾街道福前路位於溢佳工業園一幅土地和多個房屋	89%	37,150	Industrial 工業	50 years from 8 July 2002 to 7 July 2052 二零零二年七月八日至二零五二年七月七日，為期50年
LVGEM Zoll International Garden Shopping Mall Zone A located at Hexi Street, Huazhou Guangdong Province, The PRC 位於中國廣東省化州市河西街道綠景佐陰國際花城購物中心A區	100%	22,170	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
LVGEM Zoll International Garden Shopping Mall Zone B4 located at Hexi Street, Huazhou Guangdong Province, The PRC 位於中國廣東省化州市河西街道綠景佐陰國際花城購物中心B4區	100%	23,250	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
Hong Kong LVGEM NEO located at No. 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong 位於香港九龍觀塘海濱道123號香港綠景NEO大廈	100%	55,390	Commercial 商業	From 29 November 1988 to 30 June 2047 一九八八年十一月二十九日至二零四七年六月三十日
Sunshine Bay Project located at Village 1, Commune No.3, Mittaphea Town, Shihanoukville Municipal, Cambodia 位於柬埔寨王國西哈努克城米塔匹博第三街區一號村莊海納天項目	100%	45,970	Commercial 商業	No lease term 沒有期限
LVGEM Zoll Jinhua Shopping Mall located at 98 Shi Shan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號的綠景佐陰錦華購物中心	95%	15,500	Commercial 商業	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Villa J101 of Phase I of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第一期J101別墅	95%	270	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年
Flat 1A of Jin Guo Tower, Flats 1A, 8C, 17C and 18D, of Jin Xing Tower of Phase II of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第二期錦國樓1A、錦興樓1A、8C、17C及18D室	95%	730	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年
Flats 1B, 1D and 1F of Jin Bon Tower of Phase III of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第三期錦邦樓1B、1D及1F室	95%	480	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年
LVGEM Zoll Yuexi Shopping Mall located at No.199 Tayun Road, Yuexi, Wuzhong Development District, Suzhou, The PRC 位於中國江蘇省蘇州市吳中開發區越溪塔韻路199號的綠景佐吟越溪購物中心	100%	12,220	Commercial 商業	40 years from 1 August 2003 to 31 July 2043 二零零三年八月一日至二零四三年七月三十一日，為期40年
Commercial units of Zhong He Ti Xiang Garden located at No.209 Haitang Road, Heshan District, Yiyang, Hu'nan Province, The PRC 位於中國湖南省益陽市赫山區海棠路209號中核緹香名苑多個商業單位	100%	3,610	Commercial 商業	40 years from 1 April 2007 to 31 March 2047 二零零七年四月一日至二零四七年三月三十一日，為期40年
Residential units of Hongwan Garden located at Meilin Road East, Bei Huan Avenue, Shenzhen, Guangdong Province, The PRC 位於中國廣東省深圳市福田區北環大道以北梅林路以東的虹灣花園的多個住宅單位	100%	1,960	Residential 住宅	70 years from 16 December 2011 to 15 December 2081 二零一一年十二月十六日一日至二零八一年十二月十五日，為期70年
Dongguan LVGEM Zoll Shopping Mall located at Baoshan Road Zhangmutou Dongguan City Guangdong Province The PRC 位於中國廣東省東莞市樟木頭寶山路的東莞綠景佐吟購物中心	100%	58,930	Commercial 商業	40 years from 21 November 2013 to 20 November 2053 二零一三年十一月二十一日至二零五三年十一月二十日，為期40年

2. PROPERTIES UNDER DEVELOPMENT FOR SALE

發展中待售物業

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Residential and commercial units of Hongshu Huafu Sifang Zone located at the southeast corner of the intersection of Shazui Road and Jindi Road Futian District Shenzhen City, Guangdong Province The PRC 位於中國廣東省深圳市福田區沙嘴路和金地一路交匯處東南側的紅樹華府四坊片區住宅及商業項目	100%	17,590	139,330	Residential/ Commercial 住宅/商業	2022 二零二二年	Demolition and relocation plan in progress 進行拆遷計劃方案
Residential and commercial units of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City Guangdong Province The PRC 位於中國廣東省茂名市化州縣河西路橘洲公園西北側的綠景國際花城住宅及商業項目	100%	630,870	1,766,090	Residential/ Commercial 住宅/商業	2020-2025 二零二零年至二零二五年	Under construction 工程進行中
Residential, commercial and industrial complex located at Liguang Village, Guanlan Town Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾鎮黎光村的住宅及商業	100%	85,330	382,140	Residential/ Commercial 住宅/商業	2023 二零二三年	Demolition and relocation plan in progress 進行拆遷計劃方案
Residential, commercial and industrial complex located at No. 4088 Qiaoxiang Road in Nanshan District, Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市南山區僑香路4088號的住宅、商業及工業於一體的綜合性項目	100%	10,860	97,210	Residential/ Commercial/ Industrial complex 住宅/商業/ 工業綜合體	2020 二零二零年	Under construction 工程進行中

List of Principal Properties

主要物業

2. PROPERTIES UNDER DEVELOPMENT FOR SALE (Cont'd)

發展中待售物業(續)

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Residential, commercial and office complex located at West Mingzhu Station, Mingzhu North Road, Shangchong, Zhuhai City, Guangdong Province The PRC 位於中國廣東省珠海市西沖明珠北路明珠站西側的住宅、商業及辦公室	100%	62,460	445,490	Residential/ Commercial/ Office 住宅／商業／ 辦公室	2021 二零二一年	Under construction 工程進行中
Residential, commercial and hotel complex located at No.37 Maofeng Road, Xiangzhou District Nanping Town, Zhuhai City, Guangdong Province The PRC 位於中國廣東省珠海市香洲區南屏鎮茂豐路37號的住宅、商業及酒店	95%	207,550	743,770	Residential/ Commercial/ Hotel 住宅、商業、 酒店	2022 二零二二年	Under construction 工程進行中
Residential units located at the west of Xihuan Road and the north of Jiuchang Road, Gusu District, Suzhou City, Jiangsu Province, The PRC 位於中國江蘇省蘇州市姑蘇區西環路西、酒廠路北住宅項目	100%	10,040	22,300	Residential 住宅	2020 二零二零年	Under construction 工程進行中
Villa located at Deep Bay Road near Mong Tseng Village and Mong Tseng Wai, Lau Fau Shan, Yuen Long, New Territories, Hong Kong 位於香港元朗流浮山深灣路近輞井村輞井圍的別墅	95%	82,400	23,880	Villa 別墅	2022 二零二二年	Planning stage 前期規劃
Residential, commercial and office complex located in the core area of Nanshan District, Shenzhen City, being adjacent to Shennan Avenue and in proximity to Science Park and the sub-district of Overseas Chinese Town 位於深圳市南山區核心區域(緊鄰深南大道、並毗鄰科技園及華僑城片區)可作住宅、商業及辦公室用途的綜合大樓	25%	460,000	3,580,000	Residential/ Commercial/ Office 住宅／商業／ 辦公室	2023-2030 二零二三年至 二零三零年	Demolition and relocation plan in progress 進行拆遷計劃 方案



綠景(中國)地產投資有限公司

LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

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