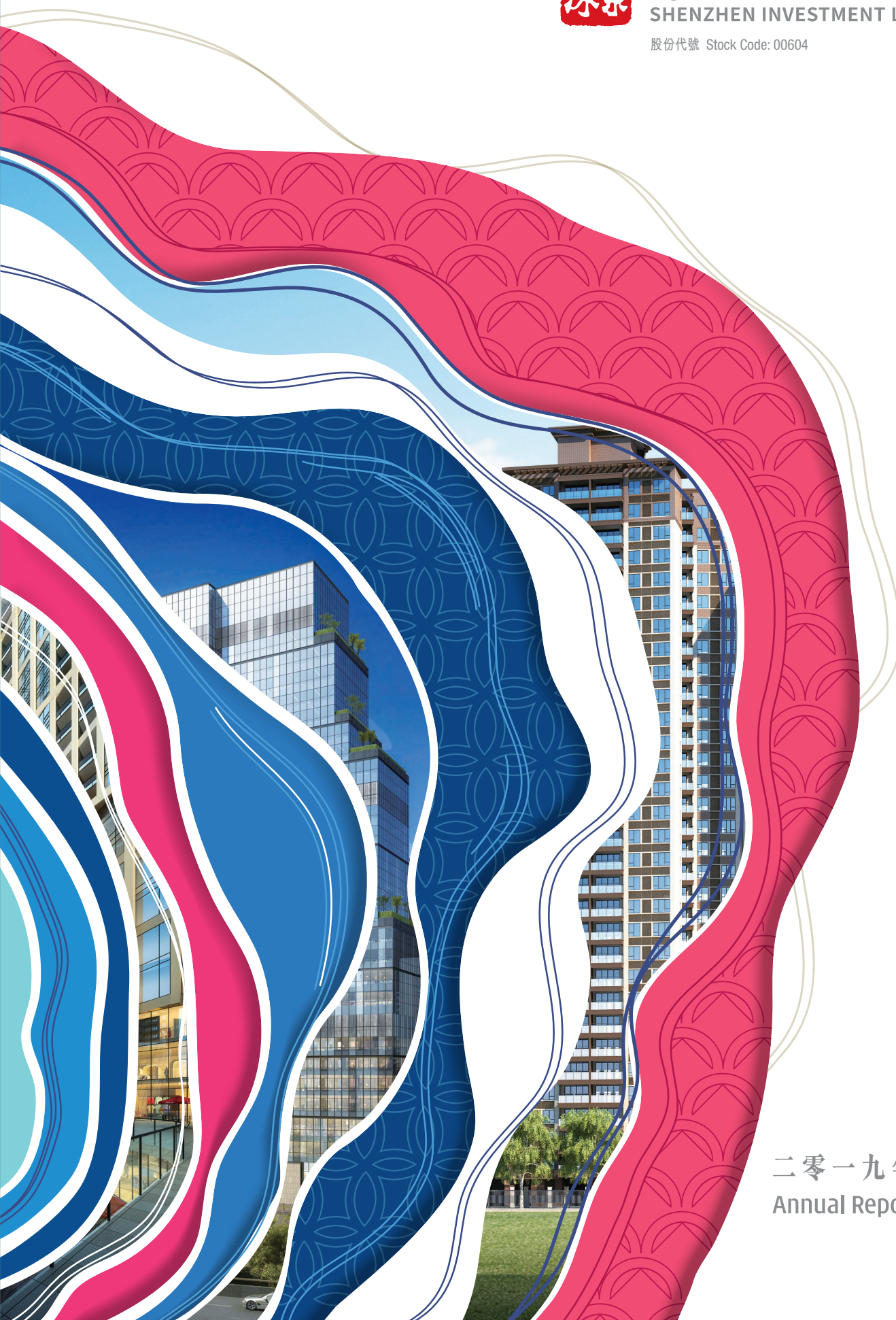




深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

股份代號 Stock Code: 00604



二零一九年年報
Annual Report 2019



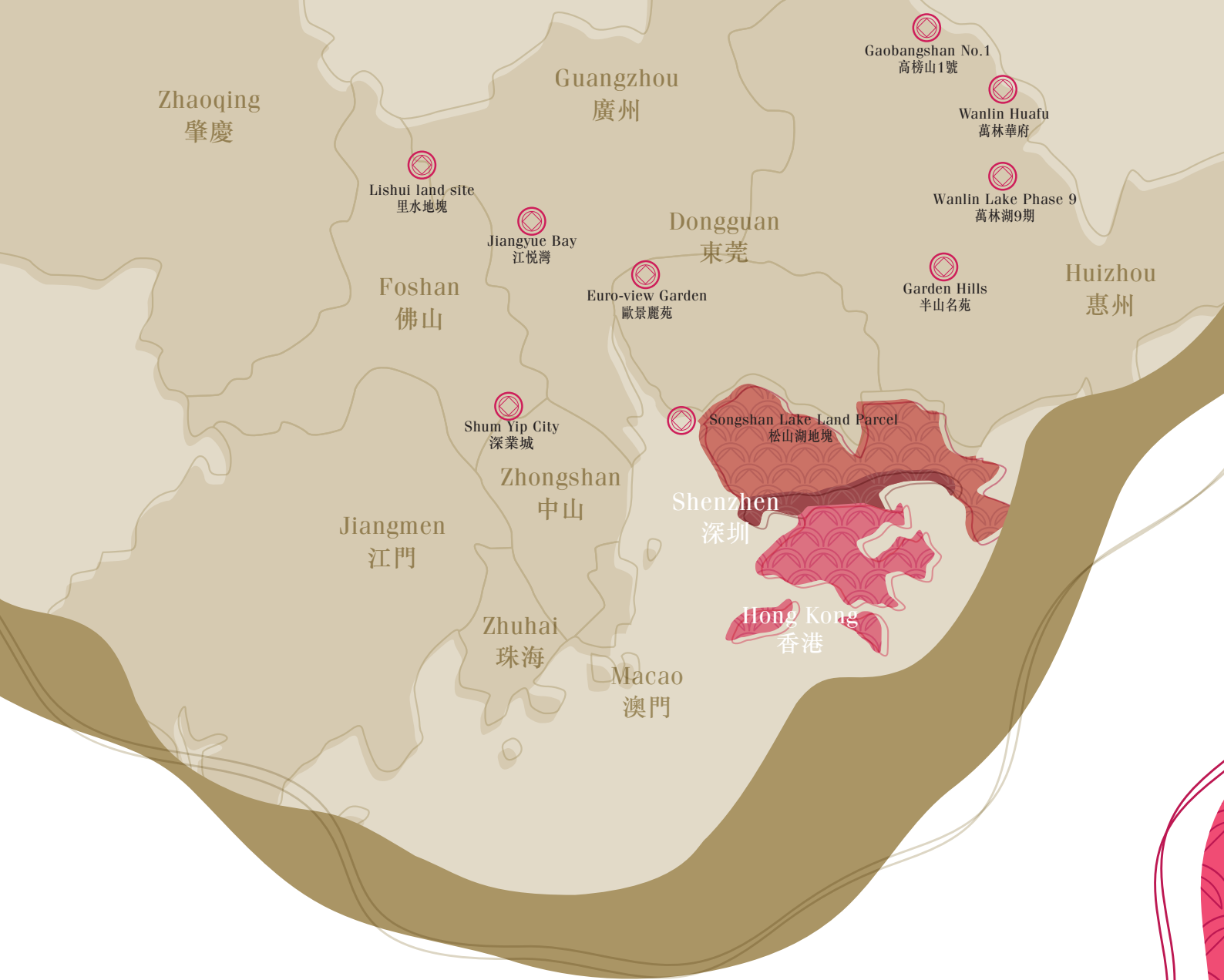




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Shenzhen Investment Limited

has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1997, is the largest listed real estate company under State-owned Assets Supervision and Administration Commission of Shenzhen Municipal. The Company's core business includes property development (including residential real estate, industrial real estate and commercial complex), property investment and management. By intensifying its development in Shenzhen, focusing on the Greater Bay Area and planning for its development in other core cities in China, the Company is committed to be a first-class real estate developer and real estate operator.

The Group currently has a land reserve with a planned total gross floor area close to 4.38 million square meters in various cities of China. The Company is committed to optimizing its land reserves structure, and concentrate its assets and business in the Greater Bay Area as well as key first- and second-tier cities.

It has all along been the Company's core strategic goal to promote the long term sustainable development of its business, with an aim to bring a stable return and create value appreciation for its shareholders.

深圳控股有限公司

於1997年在香港聯合交易所有限公司主板上市，是深圳市國資委旗下最大的房地產上市公司。公司核心業務包括物業開發（包括住宅地產，產業地產及商業綜合體）、物業投資及管理。公司深耕深圳，聚焦大灣區，佈局其他中國核心城市，致力於成為一流的房地產開發及不動產運營商。

目前本集團於國內多個城市合共擁有規劃總建築面積近438萬平方米的土地儲備。公司致力優化土地儲備的結構，將資產和業務向大灣區和重點一二線城市集中。

公司一貫之核心策略目標，乃致力推動業務長期持續發展，以期為股東帶來整體穩定回報及締造價值增長。

The Company intensifies its development in Shenzhen and focuses on the

Greater Bay Area

公司深耕深圳，**聚焦大灣區**

The diagram provides an overview of the Group's development projects in Guangdong – Hong Kong – Macao Greater Bay Area
圖中展示本集團位於粵港澳大灣區的發展項目概覽



Corporate Information

公司資料

Executive Directors

Dr. LU Hua, *Chairman*
Mr. HUANG Wei, *President*
Mr. MOU Yong
Mr. LIU Chong

Non-Executive Directors

Dr. WU Jiesi
Mr. LIU Shichao

Independent Non-Executive Directors

Mr. WU Wai Chung, Michael
Mr. LI Wai Keung
Dr. WONG Yau Kar, David

Company Secretary

Mr. LEE Ka Sze, Carmelo

Auditors

KPMG

Principal Bankers

Bank of China (Hong Kong) Ltd.
DBS Bank Ltd., Hong Kong Branch
China Construction Bank Corporation, Hong Kong Branch
The Bank of East Asia, Ltd.
Industrial and Commercial Bank of China (Asia) Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.
Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch
China Citic Bank International Ltd.
Hang Seng Bank Ltd.
CMB Wing Lung Bank Ltd.

Registered Office

8th Floor, New East Ocean Centre,
9 Science Museum Road, Tsim Sha Tsui,
Kowloon, Hong Kong

Share Listing

The Stock Exchange of Hong Kong Limited
(Stock code: 00604)

Share Registrar

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

Website

www.shenzheninvestment.com

執行董事

呂華博士，主席
黃偉先生，總裁
牟勇先生
劉崇先生

非執行董事

武捷思博士
劉世超先生

獨立非執行董事

吳偉聰先生
李偉強先生
黃友嘉博士

公司秘書

李嘉士先生

核數師

畢馬威會計師事務所

主要往來銀行

中國銀行(香港)有限公司
星展銀行香港分行
中國建設銀行股份有限公司香港分行
東亞銀行有限公司
中國工商銀行(亞洲)有限公司
香港上海滙豐銀行有限公司
上海浦東發展銀行股份有限公司香港分行
中信銀行(國際)有限公司
恒生銀行有限公司
招商永隆銀行有限公司

註冊辦事處

香港九龍
尖沙咀科學館道9號
新東海商業中心8樓

股份上市

香港聯合交易所有限公司
(股份代號：00604)

股份過戶處

卓佳標準有限公司
香港皇后大道東183號
合和中心54樓

網址

www.shenzheninvestment.com

Highlights of 2019 Results

2019年業績摘要

Results 業績

		For the year ended 31 December 截至12月31日止年度		
		2019 2019年	2018 2018年	Changes 變動
		HK\$ million 百萬港元	HK\$ million 百萬港元	
Revenue	收益	14,919.47	16,642.77	(10.35%)
Cost of sales	銷售成本	9,794.35	10,671.78	(8.22%)
Gross profit	毛利	5,125.12	5,970.98	(14.17%)
Share of profits less losses of joint ventures and associates	應佔合營公司及聯營公司溢利減虧損	2,045.79	1,890.64	8.21%
Profit before taxation	除稅前溢利	6,684.54	6,803.01	(1.74%)
Profit for the year attributable to equity shareholders of the Company	本公司權益股東年內應佔溢利	4,062.80	3,415.22	18.96%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	47.53	41.93	13.36%
Interim and proposed final dividend per share (HK cents)	每股中期及建議末期股息(港仙)	18.00	18.00	—

Financial Position 財務狀況

		As at 31 December 於12月31日		
		2019 2019年	2018 2018年	Changes 變動
		HK\$ million 百萬港元	HK\$ million 百萬港元	
Net assets excluding non-controlling interests	資產淨值(不包括非控股權益)	44,474.66	41,703.98	6.64%
Cash and deposits (including restricted cash)	現金及存款(包括受限制現金)	12,372.76	12,655.19	(2.23%)
Net loans	淨貸款	11,925.16	12,605.58	(5.40%)
Net assets per share excluding non-controlling interests (HK\$)	每股資產淨值(不包括非控股權益)(港元)	5.03	4.96	1.41%

Highlights of 2019 Results

2019 年業績摘要

Key Ratios

主要比率

		2019	2018
		2019年	2018年
		%	%
Gross profit margin	毛利率	34.35	35.88
Net loan to net assets excluding non-controlling interests	淨貸款與資產淨值 (不包括非控股權益)之比率	26.81	30.23
Dividend payout ratio	派息比率	37.87	42.93

Results (by operating segment)

業績 (按經營分類)

		2019	2018
		2019年	2018年
		HK\$ million	HK\$ million
		百萬港元	百萬港元
Turnover	營業額		
Property development	物業開發	10,531.57	12,062.58
Property investment	物業投資	1,070.99	983.38
Property management	物業管理	2,099.29	2,103.76
Manufacturing	製造	333.87	342.37
Others	其他	883.75	1,150.68
Total	總額	14,919.47	16,642.77
Segment Results – Profits/(Loss)	分類業績 – 溢利/(虧損)		
Property development	物業開發	4,684.23	5,543.37
Property investment (Note 1)	物業投資 (附註1)	2,081.14	2,301.92
Property management	物業管理	225.34	133.21
Manufacturing	製造	22.73	25.64
Others	其他	(107.38)	(35.59)
Total	總額	6,906.06	7,968.55

Note:

- Segment results included the increase in fair value of investment properties of approximately HK\$434.26 million (2018: HK\$979.92 million) and the recognition of change in fair value upon transfer to investment properties of approximately HK\$958.78 million (2018: HK\$302.94 million).
- Details of segment results of the Group is set out in note 4 to the financial statements.

附註：

- 分類業績包括投資物業公允值增加約434.26百萬港元(2018年：979.92百萬港元)及轉撥至投資物業後確認公允值變動約958.78百萬港元(2018年：302.94百萬港元)。
- 本集團分類業績詳情載於財務報表附註4。

Five-Year Financial Summary

五年財務摘要

		2019	2018	2017	2016	2015
		2019年	2018年	2017年	2016年	2015年
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元
Results	業績					
Revenue	收益	14,919,474	16,642,765	10,254,496	21,353,993	18,428,172
Profit before taxation	除稅前溢利	6,684,537	6,803,008	7,664,682	8,292,792	6,510,629
Income tax expense	所得稅開支	(2,307,247)	(3,104,271)	(2,465,462)	(4,821,911)	(3,423,377)
Profit for the year	年內溢利	4,377,290	3,698,737	5,199,220	3,470,881	3,087,252
Attributable to:	下列應佔：					
Equity shareholders of the Company	本公司權益股東	4,062,796	3,415,223	4,950,941	3,170,581	2,868,796
Non-controlling interests	非控股權益	314,494	283,514	248,279	300,300	218,456
		4,377,290	3,698,737	5,199,220	3,470,881	3,087,252
Assets, liabilities and non-controlling interests	資產、負債及非控股權益					
Current assets	流動資產	61,565,489	61,493,029	62,963,238	56,984,059	55,498,072
Non-current assets	非流動資產	63,707,453	56,527,120	54,263,909	39,561,506	35,587,146
Total assets	總資產	125,272,942	118,020,149	117,227,147	96,545,565	91,085,218
Total liabilities	總負債	76,900,647	72,576,453	(72,126,315)	(60,324,631)	(55,516,152)
Net assets	資產淨值	48,372,295	45,443,696	45,100,832	36,220,934	35,569,066
Non-controlling interests	非控股權益	3,897,639	3,739,721	(3,632,591)	(3,410,121)	(2,243,201)
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	44,474,656	41,703,975	41,468,241	32,810,813	33,325,865

Chairman's Statement 主席報告

The Group is expected to accelerate the materialization of the upgrading of its strategic position from a "real estate developer" to an "operation service provider for urban construction", and create more satisfactory returns for its shareholders.

本集團將加快實現「房地產開發商」向「城市建設運營服務商」的戰略升級，為股東創造更理想的回報。

LU Hua 呂華
Chairman 主席





Tanglang City 塘朗城

In 2019, Chinese economy has experienced greater fluctuations and rising downward pressure amid Sino-US trade friction, the shift in growth momentum of economy and the gradually resolving financial risks. In face of the complicated economy climate, the macro policies were oriented to steady economic growth, enabling the overall economy to maintain stable. With the adjustments in control policies and the eased liquidity, there were signs of recovery in the real estate market in the first-tier and second-tier cities, reflected by land market picking up. There were signs of recovery in the real estate market in Shenzhen, though the extent varies among different market segments. In Shenzhen, the full-year trading area in residential market increased by 26.5% over last year with price maintaining stable; transaction remained sluggish in the apartment market affected by the sales restriction policy; while a higher vacancy rate was seen in the office building market with lower rents due to downward economic pressure.

Despite of the mixed and ever changing business environment, the Group has been able to maintain a steady performance through various efforts including overcoming difficulties resulted from commercial property market downturn, increased uncertainties on block trades and movements on investment income, actively meeting the changes in economic environment, seizing opportunities to promote the sales of key projects, accelerating completion of projects in progress, expanding quality land resources as well as strengthening finance and financial supports.

2019年，中國經濟在中美貿易摩擦、經濟增長新舊動能轉化及金融風險逐步化解過程中，波動因素增多，下行壓力加大。面對錯綜複雜的經濟形勢，宏觀政策以保持經濟平穩增長為導向，經濟總體維持穩定。隨著調控政策的修復及流動性的舒緩，一二線城市房地產市場出現了復蘇，土地市場熱度有所回升。深圳房地產市場整體呈現回暖趨勢，不同業態市場有所差異。深圳全年住宅成交面積同比上升26.5%，價格維持穩定；公寓市場受限售政策影響，交易在低位運行；而寫字樓市場受經濟下行壓力影響，出現了較大空置率，租金有所下調。

面對複雜多變的經營環境，本集團克服商業物業市場下行、大宗交易不確定性增加以及投資收益變動等帶來的困難，積極應對市場環境的變化，把握時機推進重點項目銷售，加快項目竣工進度，拓展優質土地資源，加強融資及財務保障，維持平穩經營業績。

Yihu Rose Garden 怡湖玫瑰苑



Chairman's Statement

主席報告

2019 Annual Results

During the year, the Group achieved a turnover of HK\$14,919.5 million, representing a decrease of 10.4% over the last year. Gross profit was HK\$5,125.1 million, representing a decrease of 14.2% over the last year. Profit attributable to equity shareholders of the Company was HK\$4,062.8 million, representing an increase of 19.0% over the last year. If excluding the net effect of changes in fair value of investment properties attributable to the Group, changes in revaluation value of fixed assets and changes in fair value of financial assets, profit attributable to equity shareholders of the Company was HK\$3,061.5 million, representing a decrease of 2.8% over the last year. Basic earnings per share were HK47.53 cents, representing an increase of 13.4% over the last year. The Board recommends the payment of a final dividend of HK11.00 cents per share for 2019 in cash (with a scrip dividend alternative). Together with the interim dividend of HK7.00 cents per share already paid, the total dividend for the whole year amounts to HK18.00 cents per share.

Steady Sales Growth Achieved with Quality Residential Projects under Hot Sales

During the year, the Group realized contracted sales of approximately RMB16.8 billion, representing an increase of 2.1% over the last year. Its major projects include Shum Yip Zhongcheng, Terra Licheng, Qianhai Parkview Bay, Shum Yip Dongling, Taifu Square and Ma'anshan Shum Yip Huaifu as well as Gaobangshan No.1 in Huizhou. Approximately 80% of the Group's contracted sales were contributed by Shenzhen projects.

There were signs of recovery in the real estate market in Shenzhen, though the extent varies among different market segments and properties. More precisely, the transactions in residential market were relatively active, trading in the apartment market recorded less favorable performance while the trading in office building market was weak; and projects located at a premium location with superior quality and reasonable pricing were under hot sales, but projects with average quality and lower value-for-money were unpopular in the market. The Group's Shum Yip Zhongcheng and Qianhai Parkview Bay had received overwhelming popularity from the market with their core location and outstanding quality. Shum Yip Zhongcheng was completely sold out on the date launched, and 90% of the residential units launched in Qianhai Parkview Bay were sold. Though the office building market was experiencing downturn and institutional clients were facing financial strain, Terra Licheng realized approximately RMB3.14 billion of contracted sales in block trades.

2019年全年業績

年內，本集團實現營業額14,919.5百萬港元，較去年下降10.4%；實現毛利5,125.1百萬港元，較去年下降14.2%；實現本公司權益股東應佔溢利4,062.8百萬港元，較去年上升19.0%。如剔除本集團所屬投資物業公允價值變動，固定資產重估價值變動及金融資產公允價值變動的淨影響，本公司權益股東應佔溢利3,061.5百萬港元，較去年下降2.8%。每股基本盈利為47.53港仙，較去年上升13.4%。董事會建議以現金（並附有以股代息選擇方式）派發2019年末期股息每股11.00港仙。連同已派發的中期股息每股7.00港仙，全年派息合同每股18.00港仙。

銷售平穩增長，優質住宅項目熱銷

本集團全年實現合同銷售額約人民幣168億元，較去年上漲2.1%。主要項目為深業中城、泰然立城、前海頤灣府、深業東嶺、泰富廣場、馬鞍山深業華府，惠州高榜山1號等，其中深圳項目銷售額佔比約80%。

深圳房地產市場整體呈現回暖態勢，但各業態及樓盤表現出現分化。住宅市場交易較為活躍，公寓市場成交較為遜色，寫字樓市場遇冷；位置稀缺，品質優越，定價合理的項目獲得熱銷，而優點不突出，性價比較低的產品受市場冷落。本集團深業中城、前海頤灣府憑借項目的核心位置和卓越品質，深受市場歡迎，深業中城開盤當天完美售罄，頤灣府開盤去化九成。泰然立城在寫字樓市場下行、機構客戶資金緊張的情況下，仍實現了大宗交易約人民幣31.4億元。

Expansion of Quality Land Resources

During the year, the Group continued to focus on the Greater Bay Area and intensify development in Shenzhen, and achieved great results in acquisition of land resources. The Group won the bids for the projects in Shenzhen, Dongguan and Nanjing with a gross floor area of approximately 220,000 square meters at a total consideration of RMB3.6 billion.

Of those projects, the Shenzhen project is a new type industrial land acquired through expansion of its existing self-owned project with a capacity building area of approximately 52,000 square meters. It is located at Banxuegang area, Longgang District, Shenzhen, which is the intersection of Shenzhen's urbanization towards the north and the east, being a prime area with good transportation planning and strong industrial atmosphere. The Dongguan project is a commercial and residential land plot acquired through public bidding with a capacity building area of approximately 125,000 square meters. It is located at Songshan Lake, Dongguan, an area adjacent to Shenzhen with strong momentum of economic development, and is also in close proximity to the R&D and production base of Huawei, which has huge appreciation potential. The Nanjing project is a residential plot acquired through public bidding with a capacity building area of approximately 44,000 square meters. It is located at the prime zone of Hexi, Nanjing, and is adjacent to Yuzui International Commercial District, the next city center of Nanjing, which has a high strategic position and huge market potential.

In addition, the urban redevelopment projects including Chegongmiao and Bagualing Shanglianyuan in Shenzhen have been expedited.

Healthy Financial Position

Under the background of tightened liquidity throughout the year, the Group made active plans to further strengthen its integrated fund planning and finance management to improve the efficiency of fund operation and the returns of the stock funds, and reduced borrowing costs to a lower level of 4.7% by means of debt replacement and optimization of loan portfolio. As of 31 December 2019, net gearing ratio (including all interest-bearing liabilities) was maintained at a reasonable level of 40.7%. Meanwhile, the Group proactively facilitated financing innovation by completing the registration of issuing asset-backed notes with Times Technology Building as the underlying assets, so as to increase financial resources to its reserves.

The Group will continue to seek for high-quality assets, improve operational efficiency and promote the transformation of its profit model to create sustained and steady returns for shareholders.

拓展優質土地資源

年內，本集團持續聚焦大灣區，深耕深圳，在土地資源方面亦取得佳績，本集團以人民幣共36億元的價款，在深圳、東莞及南京取得建築面積約22萬平方米的項目。

其中，深圳項目是通過自有用地擴建提容獲得的新型產業用地，計容建築面積約5.2萬平方米，位於深圳市龍崗區阪雪崗片區，地處深圳北拓和東進起點雙重疊加區域，位置優越，交通規劃良好，產業氛圍濃厚；東莞項目是通過公開競拍獲得的商住地塊，計容建築面積約12.5萬平方米，位於經濟發展勢頭強勁的臨深片區東莞松山湖，臨近華為研發與生產基地，升值潛力大；南京項目是通過公開競拍獲得的住宅地塊，計容建築面積約為4.4萬平方米，位於南京核心區域河西板塊，緊鄰南京未來新城市中心——魚嘴國際商務區，規劃定位高，市場潛力大。

此外，位於深圳的車公廟、八卦嶺上林苑等片區統籌和城市更新項目得到加速推進。

財務保持穩健

本集團在全年流動性偏緊的環境下，積極籌劃，加強資金統籌和融資管理，提高資金效率和存量資金收益，通過債務置換，優化貸款組合，將融資成本降低到4.7%的較低水平，於2019年12月31日淨負債率（包含所有帶息負債）維持在40.7%的合理水平。此外，本集團積極推進融資創新，完成以旗下時代科技大廈為底層資產發行資產支持票據的註冊工作，增加財務資源儲備。

本集團將繼續尋找優質資產，提升運營效率，推動盈利模式轉型，為股東創造持續穩定的回報。

Chairman's Statement

主席報告

Outlook

Shoulder the Responsibility as a State-owned Enterprise in Response to the Outbreak of Epidemic

At the very beginning of 2020, the novel coronavirus epidemic suddenly broke out in full fury. In face of the situation, governments at all levels provide full supports and all the Chinese people were united to fight against the epidemic under quick decision-making and deployment by the central government. With an influx of population and huge number of floating population, Shenzhen was facing extremely severe situation in prevention and control of the outbreak. In light of that, a strict yet effective three-tier professional and comprehensive prevention and control system as well as a livelihood guarantee mechanism were put in place in Shenzhen, based on which, a variety of measures such as data monitoring, all-round inspection, prevention and control through quarantining, medical resources mobilization, delay of timing of work resumption and school opening, closed-off management for residential areas, guarantee of material supply, formulation of guidance and publicity of relevant knowledge were taken to effectively contain the developments.

In face of the epidemic, the Group bravely shouldered its responsibility as a state-owned enterprise by taking active actions to weather through this difficult period. The employees from Shum Yip Property and Shum Yip Intelligent Park Operation Company of the Group persisted to working at the frontline. In strict compliance with the prevention and control policies, the Group initiated the "closed-off management – thorough inspection – three-dimension protection – intimate service" model to manage all-round disinfection, body temperature measurement, strict control over the personnel and vehicles in and out, and complete information report, employment prevention and protection and publicity of epidemic prevention. In response to the Shenzhen Municipal Government's requests to aid enterprise in this difficult time to combat with the epidemic, the Group have initiatively waived 2-months' rent for non-state-owned enterprises, scientific research institutions, medical institutions and individual industrial and commercial households to work with our customers together to overcome difficulties.

Impact of the Epidemic on Economy and Industry

The sudden drastic outbreak of epidemic has made the Chinese economy even worse when it is facing the overlapping influences caused by structural and cyclical issues. Consequently, quite a lot of enterprises suffered a severe blow amid the severe economic situation. The real estate industry was hit even to a larger extent. Except for the direct influences that our sales centers were closed and the commencement of construction was delayed during the period of epidemic prevention and control, there will still be far-reaching influences on the real estate industry brought about by economic downturn, enterprises in operational troubles and their resulting impacts on family income and market sentiment, etc.. Moreover, it has posed challenges to the operation and capital

前景展望

應對突發疫情、肩負國企擔當

2020年伊始，突如其來的新型冠狀病毒疫情來勢洶湧。中央迅速決策部署，各級政府全力響應，全國上下團結一致，投入抗擊疫情的戰鬥。深圳具有大量的外來人口和流動人口，疫情防控形勢嚴峻。深圳建立了嚴格強效的三級專業綜合防控體系和民生保障機制，推行包括數據監測、全面排查、隔離防控、醫療資源調集、延遲復工開學、小區封閉管理、物資供應保障、指引制定和知識宣傳等措施，有效控制疫情發展。

面對疫情，本集團勇於擔當國企使命責任，主動作為，共克時艱。本集團旗下物業管理集團、智慧園區運營公司員工堅守一線，嚴格防控，開啟「封閉管理 – 摸底排查 – 立體防護 – 貼心服務」的模式，做好全面消殺、體溫檢測、嚴控人員及車輛進出管理，做好信息報告、員工防護及防疫宣傳工作。本集團響應深圳市關於應對疫情支持企業共度難關的措施，主動減免旗下非國有企業、科研機構、醫療機構和個體工商戶2個月租金，與客戶攜手同行，共渡難關。

疫情對經濟及行業造成衝擊

突如其來迅猛的疫情，對於本身正面臨結構性、周期性疊加影響的中國經濟來說是雪上加霜，嚴峻的經濟形勢使許多企業遭受重大打擊。疫情對房地產行業的衝擊較大，除防控期間售樓中心關閉、工程延期開工等直接影響外，經濟下行、企業經營困難及其對家庭收入、市場氣氛等方面的打擊，將給房地產行業帶來更為深遠的影響，對房地產企業的經營和資金安全也提出了挑戰。在做好疫情防控的前提下，宏觀經濟政策將加大調節力度，綜合運用財稅、金融等政策，增加市場流動性，加大投資力度，優化投資結構，加強

security of real estate enterprises. On the premise that epidemic prevention and control efforts are carried out properly, the government will strengthen the control of macroeconomic policies by overall employment of fiscal taxation policy and financial policy to boost market liquidity. The government will also allocate more resources, optimize investment structures and provide more supports for the real economy and enterprises to promote smooth running of the economy. Furthermore, positive regulation potential of real estate policies will be released. Based on the keynote that differentiated regulatory policies should be adopted for different cities, it is believed that local governments will launch supporting policies to varying extent to ease capital risk faced by enterprises and help them to tide over the difficulties, thereby steering the development of real estate industry in an orderly and healthy manner.

The Epidemic Will Eventually be Defeated

Despite that the epidemic has hit the economy and the industry, it is firmly believed that the epidemic will eventually be defeated under effective and efficient prevention and control through united efforts of Chinese people all over the country, that the economic development will go back on track and that Shenzhen will again embrace the great historic development opportunity of "Taking the Two Areas as Driver (雙區驅動)" (i.e. the Guangdong-Hong Kong-Macao Greater Bay Area and the Pilot Demonstration Zone of Socialism with Chinese Characteristics). At the end of 2019, a program to build a pilot demonstration zone in Shenzhen was officially launched. According to the program, the government of Shenzhen will carry out a series of major reforms, including the construction of Qianhai, a comprehensive national scientific center and the Shenzhen-Hong Kong science and technology innovative cooperation zone, implement new innovation-driven development strategy, deploy the establishment of major innovation platforms and create an industrial system with strong competitiveness. At the same time, industrial lands with a site area of 30 square kilometers were launched in 36 areas in the whole city of Shenzhen to attract large-scale investments from all around the world with 128 projects being introduced to Shenzhen at a contracted amount of RMB560.0 billion. Industrial leading force will foster urban renewal as well as innovation and development in Shenzhen.

對實體經濟和企業的扶持力度，促進經濟平穩運行；房地產正向調節的政策空間將打開，在因城施策的框架下，相信各地將出台不同程度的支持政策，以緩解企業資金風險，幫助企業度過難關，引導房地產行業有序健康發展。

疫情終將過去

儘管疫情給經濟及行業帶來衝擊，但我們相信，全國上下眾志成城，在高效、強執行力的防控下，疫情終將過去，經濟發展將回歸原本的軌道，深圳也將重新站立在「雙區驅動」（粵港澳大灣區+社會主義先行示範區）的重大歷史發展機遇中。2019年年底，先行示範區行動方案正式公布，深圳將推動前海、深圳綜合性國家科學中心和深港科技創新合作區建設等在內的一批重大改革，實施新一輪創新驅動發展戰略，佈局建設重大創新載體，構築具有競爭力的產業體系。與此同時，深圳推出全市36個片區的30平方公里產業用地，面向全球進行高層次招商，引入128個項目落戶深圳，簽約金額達人民幣5,600億元，產業引領將助力深圳的城市升級和創新發展。

Chairman's Statement

主席報告

In the long run, the real estate industry will return to its basics gradually, while persistent inflow of population, industry cluster and economic vitality will become the critical factors in support for stable and health development of the real estate market. As the innovation hub in China, Shenzhen sees its startup density ranking first in China and its economy full of vitality with the most market-oriented business environment, established infrastructure and service-oriented government. Against the backdrop of "Taking the Two Areas as Driver", the aggregation effect of Shenzhen or even the Guangdong-Hong Kong-Macao Greater Bay Area on industries, capital and talents will become increasingly prominent as the government creates innovative ecological chain and completes the construction of educational, medical and cultural facilities. Thus, demand for city space such as industrial park, office buildings, living space and commercial space in Shenzhen will be released. In view of the developing housing supply and guarantee system with multi-source of supply, multi-channel support, with an equal focus on renting and purchasing in Shenzhen, we are fully confident about the sustainable, steady and sound development of the real estate markets in Shenzhen.

Overcome Difficulties to Make a Breakthrough and Maintain Stable Business Development

The year 2020 is a crucial year for us to inherit the past and usher in the future, but the sudden outbreak of epidemic has posed severe challenges to our smooth-going operation. The measures such as closing sales centers, waiving rent and enhancing prevention and control in our properties have cast direct influence on the Group's operational efficiency. Regarding the fight with epidemic as an order and taking prevention and control of epidemic as responsibility, the Group has made initiative deployment and active response at the special period, which fully embodies our role as a state-owned enterprise and our braveness to take active measures and combat difficulties. Influenced by the epidemic, sale of certain projects will be delayed until 2021. The adjusted saleable value for 2020 is about the same as that for 2019. Due to waiver of rental payment, rental income will be less than planned, and the property management costs will climb up, while return rate will be low and schedule of certain projects will be delayed since people still face severe prevention and control situation upon work resumption. Capital security of the Group has passed interior pressure test with risk controllable since the Group remains capital sufficient with cash balance (including restricted cash) standing at HK\$12.4 billion by the end of 2019 and it has made prior capital arrangement at the beginning of the year.

長期來看，房地產行業將逐漸回歸基本面，城市的人口持續流入、產業聚集和經濟活力將是支撐房地產市場平穩健康發展的重要因素。作為中國的創新中心，深圳具有最具市場化的營商環境、完善的基礎設施以及服務型的政府，創業密度居全國第一，經濟充滿活力。在「雙區驅動」發展的背景下，隨著創新生態鏈的構建和教育醫療文化設施建設完善，深圳乃至粵港澳大灣區將形成對產業、資金、人才的聚集將持續凸顯，從而提升深圳在產業園區、辦公、居住、商業等空間的需求，結合深圳正在建設的多主體供給、多渠道保障、租售並舉的住房供應和保障體系，我們對深圳房地產市場長期健康穩定向好發展充滿信心。

攻堅克難，尋求突破，維持業務穩健發展

2020年是本集團五年規劃中承前啟後的關鍵一年，突如其來的疫情給穩步推進中的經營工作帶來了嚴峻的挑戰，關閉售樓中心、減免租金、加強物管防控等措施對本集團的經營效益產生直接影響。疫情就是命令，防控就是責任，在特殊時期，本集團主動部署、積極響應，體現出國企擔當、主動作為和共克時艱的勇氣。受疫情影響，部分項目將延至2021年推售，調整後2020年推售貨值與2019年推售貨值持平；由於免租，租金收入比原計劃有所減少；物業管理成本有所上升；復工後防控形勢仍然嚴峻，返崗率較低，部分項目工期有所延遲。本集團資金保持充裕，截至2019年底賬上現金餘額（包括受限制現金）124億港元，加上年初提前做好資金安排，資金安全通過內部壓力測試，風險可控。

While fighting with epidemic, the Group will work together to overcome difficulties and strive to maintain the stability of operating indicators such as sales and rental income and the overall performance. The Group has resumed work and production in a safe and orderly manner and adopted various measures to offset the impact of epidemic: developing online marketing channel through the official launch of the online sales platform "Shum Yip Haofang (深業好房)"; promoting tenants to resume work and production in an orderly manner, capitalizing on its image to "shoulder the responsibility as a state-owned enterprise to weather through this difficult period" and its brand effect to increase target customers, strengthening the promotion of commercial and office properties, striving to offset the impact of waiving rent on overall rental income through commercial rental growth; actively communicating with the government to receive subsidies and strengthening communication with tenants to increase customer adhesion and take advantage of its brand; facilitating business expansion of its properties and parks operations; as well as seeking for opportunity to counter-cyclically expand resources relying on its capital advantage. After five years' effort in strategic priorities and transformation, the Group, with its high-quality assets and sufficient financial resources, is well able to respond to the impact of the epidemic and to get through difficulties with customers, which makes active preparation for resource exploration and sustainable development of the Group in the future.

Focus on the Greater Bay Area and Intensify Development in Shenzhen by Proactively Allocating Multi-channel Resources

Affected by the epidemic, the sluggish duration of real estate industry is expected to sustain for a period of time with the potential of good opportunity to obtain high-quality assets. In light of this, the Group will devote more resources to Shenzhen and the Guangdong-Hong Kong-Macao Greater Bay Area, while expanding resources and projects through multi-channels riding on its strategic focus and capital advantages. In terms of the ways to explore resource, the Group will identify various methods of resource exploration proper for its own development, including but not limited to: 1) deepening cooperation with the ultimate holding company of the Company to increase our prime land reserves in Shenzhen and the Greater Bay Area; 2) proactively capturing the opportunity of the ultimate holding company of the Company to participate in the development of Shenfang High-Tech Park in Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone and the Zhongshan Cuiheng Industrial Park (中山翠亨產業園) by capitalizing on sound park operation services to establish industry cluster advantages and expedite resource exploration; 3) relying on the Group's experience in urban renewal projects and seizing the favorable policy of "Taking the Two Areas as Driver" to actively identify opportunities for urban renewal projects in key cities constituting the Guangdong-Hong Kong-Macao Greater Bay Area; 4) focusing on mergers and acquisitions through innovative way of acquiring land to fully participate in the construction of the Guangdong-Hong Kong-Macao Greater Bay Area; and 5) boosting close collaboration with government organizations to actively increase the stock of PPP projects of government property redevelopment.

在抗擊疫情的同時，本集團將同心協力，攻堅克難，努力維護銷售、租金收入等經營指標和整體業績的平穩。本集團已安全有序復工復產並採取多種措施應對疫情影響：線上售樓處「深業好房」已正式上線，開闢線上營銷途徑；推動租戶有序復工復產，發揮「國企擔當、共克時艱」的形象及品牌效應，拓展鎖定客戶，推進商業及辦公物業的招商推廣，力爭通過商業租金增長，抵銷免租對整體租金收入的影響；積極與政府溝通落實補貼，加強與租戶的溝通，增加客戶黏合度，發揮品牌效應；推進物業及園區運營的業務拓展；發揮資金優勢，尋求機會逆周期拓展資源。經過五年戰略性聚焦和轉型的努力，本集團資產優質，財務資源充裕，有足夠的能力抵禦疫情的衝擊，與企業客戶共度難關，並為未來資源獲取及持續發展做好了積極的準備。

聚焦大灣區，深耕深圳，多渠道積極佈局資源

受到疫情影響，房地產行業的低迷周期預計將持續一段時間，可能會出現優質資產的獲取良機，本集團將發揮戰略定力和資金優勢，加大在深圳及粵港澳大灣區的投資，多渠道拓展資源和項目。在獲取資源方式上，本集團將選擇適合自身發展的資源獲取模式，多點出擊：一是深化與本公司最終控股公司的深度合作，增加深圳和大灣區的土地儲備；二是積極把握本公司最終控股公司參與深港科技創新合作區深方科創園、中山翠亨產業園的機會，形成產業聚集優勢，發揮園區運營服務能力，加快拓展資源；三是充分發揮本集團在片區統籌和城市更新中的經驗，把握「雙區驅動」的政策機會，在粵港澳大灣區重點城市主動尋找城市更新機會；四是以兼併購為抓手，創新拿地模式，全面參與粵港澳大灣區建設；五是加強與政府機構的緊密合作，積極拓展政府存量物業改造PPP項目等。

Chairman's Statement

主席報告

Deepen Transformation to Map Out the Blueprint for the Coming Five Years

As the real estate industry gradually steps into the stock era, the high turnover model requires strong resource acquisition capability, sales ability and financial strength, while enhancing asset value through transformation and optimization to increase recurring income is an alternative sustainable model. The Group will adapt to the changing environment and seek to further deepen transformation to exert its industry cluster capability, promote industrial development and allocate more resources to operational assets for long-term value creation. We will provide its industrial partners with tailor-made services, including industrial park operation service to achieve substantial returns, including rental income and operating income, to optimize the Group's business making structure. Meanwhile, the Group will explore new financial instruments to improve asset

Riding the historic opportunity of the real estate industry, the Group will actively fit into this trend and map out its blueprint during the next five years. With its strategic position and high standards, the Group's urban service capability enhanced, its resource acquisition will be greatly strengthened, its recurring income and the scale of operations will be sustainable and value-creating for the next five years.

No winter lasts forever, no spring comes late. The Group will seize the historic opportunity and accelerate the materialization of its "real estate developer" strategy to further achieve a sound and sustainable return for its shareholders.

LU Hua

Chairman

Hong Kong, 30 March 2020

深化轉型，規劃未來五年藍圖

房地產行業逐步進入存量時代，高週轉模型需要強大的資源獲取能力、銷售能力和財務實力，而通過轉型和優化資產價值以增加 recurring income 是另一種可持續的模型。本集團將適應環境的變化，尋求進一步深化轉型，發揮其產業集群能力，促進工業發展，並分配更多資源到運營資產，以實現長期價值創造。我們將為工業 partners 提供定制化的服務，包括工業 park 運營服務，以實現實質性的回報，包括租金收入和運營收入，以優化本集團的業務結構。同時，本集團將探索新的金融工具，以改善資產



Chairman's Statement

主席報告

Deepen Transformation to Map Out the Blueprint for the Coming Five Years

As the real estate industry gradually steps into the stock era, the high turnover model requires strong resource acquisition capability, sales ability and financial strength, while enhancing asset value through transformation and optimization to increase recurring income is an alternative sustainable model. The Group will adapt to the changing environment and seek to further deepen transformation to exert its industry cluster capability, promote industry leading capability and allocate more resources to operational assets for holding purpose. The Group will provide its industrial partners with tailor-made space and high-quality intelligent park operation service to achieve substantial increase in its recurring incomes including rental income and operating income to optimize income and profit-making structure. Meanwhile, the Group will increase the use of capital and financial instruments to improve assets turnover and returns.

Riding the historic opportunity of "Taking the Two Areas as Driver" in Shenzhen, the Group will actively fit into this national and regional development landscape to map out its blueprint during the period of "14th Five Years Plan" with heightened strategic position and high standard. Relying on the fresh strategic planning and innovative assessment and incentive mechanism, it is expected that the Group's urban service capability and industry cluster capability will be gradually enhanced, its resource acquisition capability and professional operating capability will be greatly strengthened, its growth in land reserves, contracted sales, recurring income and the scale of profitability will get more aggressive, and its sustainability and value-creating ability will lift to a new level in the coming five years.

No winter lasts forever, no spring skips its turn. Through unremitting efforts and by seizing the historic development opportunity, the Group is expected to accelerate the materialization of the upgrading of its strategic position from a "real estate developer" to an "operation service provider for urban construction", further achieve a sound, sustainable and steady development and create more satisfactory returns for its shareholders.

LU Hua

Chairman

Hong Kong, 30 March 2020

深化轉型，規劃未來五年藍圖

房地產行業逐步進入存量時代，高周轉模式需要有強大的資源獲取能力、銷售能力及資金實力。而通過轉型優化，提升資產價值，增加經常性收入是另一種可持續發展模式。本集團將適應環境變化，尋求進一步深化轉型，發揮產業聚集能力，推動產業引領，加大對持有型、運營性資產的資源配置，通過為產業合作夥伴提供度身訂造的空間和優質智慧園區運營服務，獲得租金收入及運營收入等經常性收入的大幅提升，優化收入及盈利結構。同時加大對資本金融工具的運用，提升資產周轉率與回報。

站在深圳「雙區驅動」的歷史機遇上，本集團將積極融入國家與區域發展大局，高定位高標準規劃「十四五」時期的發展藍圖。通過新的戰略規劃及考核激勵機制的創新，未來五年，本集團城市服務能力和產業集聚能力將獲得穩步提升；資源獲取能力和專業運營能力將明顯加強；土地儲備、合同銷售、經常性收入及盈利規模的增長將更為進取；可持續發展能力和價值創造能力將重上新台階。

沒有一個冬天不會過去，沒有一個春天不會來臨。本集團將通過持之以恆的努力，抓住發展的歷史機遇，加快實現「房地產開發商」向「城市建設運營服務商」的戰略升級，進一步實現有質量、可持續的穩健發展，為股東創造更理想的回報。

主席

呂華

香港，2020年3月30日



宏觀環境複雜嚴峻，中美貿易摩擦縱橫，市場壓力持續加大，行業增速放緩，市場需求疲弱。面對錯綜複雜的經濟形勢，宏觀經濟以穩增長為導向，經濟總體維持穩定，房地產市場修復及流動性的舒緩，深圳房地市場呈現疲弱趨勢，不同業態市場有所差異。在當前市場環境，本集團努力推進各項經營活動。

營業額約14,919.5百萬港元，較去年同期下降34.4%，較去年下降約1.55,125.1百萬港元，較去年下降1.5%。如剔除本集團所屬投資物業資產重估價值變動和金融資產重估價值變動，本公司權益股東應佔溢利下降2.8%。每股基本盈利下降1.4%。

Enhancing Value

Driving Growth

提升價值

帶動增長

Leading Health, Quality
and Culture

引領健康，品質及文化

Management Discussion and Analysis

管理層討論及分析



Overall Results

In 2019, the external macro-environment was complicated and challenging. The Sino-US trade frictions deepened, the downward pressure on economy continuously increased and the growth of industries slowed down, all increased the uncertainties in the market. In face of the complicated economy climate, the macro policies were oriented to steady economic growth, enabling the overall economy to maintain stable. With the adjustments in control policies and the eased liquidity, there were signs of recovery in the real estate market in Shenzhen, though the extent varies among different market segments. Despite of the mixed and changing business environment, the Group endeavored to implement each operating task and maintained stable results.

During the year, the Group realized revenue of approximately HK\$14,919.5 million, representing a decrease of 10.4% over the last year. Gross profit margin was 34.4%, representing a decrease of approximately 1.5 percentage points over the last year. Gross profit was HK\$5,125.1 million, representing a decrease of 14.2% over the last year. Profit attributable to equity shareholders of the Company was HK\$4,062.8 million, representing an increase of 19.0% over the last year. If excluding the net effect of changes in fair value of investment properties attributable to the Group, changes in revaluation value of fixed assets and changes in fair value of financial assets, profit attributable to equity shareholders of the Company was HK\$3,061.5 million, representing a decrease of 2.8% over the last year. Basic earnings per share were HK47.53 cents, representing an increase of 13.4% over the last year.

整體業績

2019年，外部宏觀環境複雜嚴峻，中美貿易摩擦縱深發展，經濟下行壓力持續加大，行業增速放緩，市場不確定性大幅增加。面對錯綜複雜的經濟形勢，宏觀政策以保持經濟平穩增長為導向，經濟總體維持穩定。隨著調控政策的修復及流動性的舒緩，深圳房地產市場整體呈現回暖趨勢，不同業態市場有所差異。面對複雜多變的經營環境，本集團努力推進各項經營工作，維持穩定業績。

年內，本集團實現營業額約14,919.5百萬港元，較去年下降10.4%。毛利率為34.4%，較去年下降約1.5個百分點；實現毛利5,125.1百萬港元，較去年下降14.2%；實現本公司權益股東應佔溢利4,062.8百萬港元，較去年上升19.0%。如剔除本集團所屬投資物業公允價值變動，固定資產重估價值變動和金融資產公允價值變動的淨影響，本公司權益股東應佔溢利3,061.5百萬港元，較去年下降2.8%。每股基本盈利為47.53港仙，較去年上升13.4%。

Management Discussion and Analysis

管理層討論及分析

Property Development Business

Sales Revenue Booked

During the year, the Group recorded property sales booked of approximately 519,000 square meters (excluding interests attributable to the major associates of the Group), representing an increase of 30.1% over the last year, and achieved net revenue from property sales of approximately RMB9,261.0 million (equivalent to HK\$10,531.6 million) (net of value-added tax), representing a decrease of 12.7% over the last year. Gross profit margin of property development and sales was 37.0%, representing a decrease of 3.2 percentage points over the last year. During the year, the percentage of Shenzhen projects over the sales revenue booked was 60.0%. During the year, the average gross profit margin of projects of the Group in Shenzhen was approximately 35.6%, whereas the average gross profit margin of projects in other cities was approximately 39.0%.

Property Sales Booked in 2019

物業開發業務

結轉銷售收入

年內，本集團結轉物業銷售面積約51.9萬平方米（不包括本集團主要聯營公司所佔權益），較去年上升30.1%；實現物業銷售淨收入約人民幣9,261.0百萬元，相當於10,531.6百萬港元（已扣除增值稅項），較去年下降12.7%。房地產開發銷售毛利率為37.0%，較去年下降3.2個百分點。年內結轉銷售收入中，深圳項目佔比為60.0%。年內，本集團深圳項目平均毛利率約為35.6%，其它城市平均毛利率約為39.0%。

2019年結轉物業銷售

Property Name 樓盤名稱	Type 業態	City 城市	Booked Area 結轉面積 (sq.m.) (平方米)	Net Sales 銷售淨額 (RMB' 000) (人民幣千元)	Unit Price 銷售單價 (RMB/sq.m.) (人民幣元/ 平方米)
Garden Hills 半山名苑	Residential/shop 住宅／商舖	Huizhou 惠州	5,250	62,317	11,870
Wanlin Lake 萬林湖	Residential/shop 住宅／商舖	Huizhou 惠州	50,097	515,832	10,297
Splendid City 錦繡姜城	Residential/shop 住宅／商舖	Taizhou 泰州	6,960	39,236	5,637
Euro-view Garden 歐景麗苑	Shop 商舖	Dongguan 東莞	1,712	17,994	10,510
Shum Yip City 深業城	Residential/apartment 住宅／公寓	Foshan 佛山	5,194	96,416	18,563
Jiangyue Bay 江悅灣	Residential 住宅	Guangzhou 廣州	450	11,311	25,136
Nanhu Rose Bay 南湖玫瑰灣	Residential/shop 住宅／商舖	Wuhan 武漢	1,508	44,386	29,434
Yihu Rose Garden 怡湖玫瑰苑	Residential 住宅	Chengdu 成都	35,460	266,201	7,436
Changzhou Shum Yip Huafu 常州深業華府	Residential 住宅	Changzhou 常州	167	1,333	7,980

Property Name 樓盤名稱	Type 業態	City 城市	Booked Area 結轉面積 (sq.m.) (平方米)	Net Sales 銷售淨額 (RMB' 000) (人民幣千元)	Unit Price 銷售單價 (RMB/sq.m.) (人民幣元/ 平方米)
Ma'anshan Shum Yip Huafu 馬鞍山深業華府	Residential 住宅	Ma'anshan 馬鞍山	126,085	925,632	7,341
UpperHills 深業上城	Residential 住宅	Shenzhen 深圳	934	114,664	122,767
Royal Spring Garden 半湯御泉莊	Villa 別墅	Chaohu 巢湖	10,364	145,947	14,082
Shum Yip Dongling 深業東嶺	Residential 住宅	Shenzhen 深圳	25,527	1,717,678	67,289
Bofeng Building 博豐大廈	Office 寫字樓	Shenzhen 深圳	1,027	43,575	42,429
Taifu Square 泰富廣場	Apartment/office 公寓／寫字樓	Shenzhen 深圳	43,175	2,108,540	48,837
Shum Yip Zhongcheng 深業中城	Office 寫字樓	Shenzhen 深圳	23,730	1,505,828	63,457
Xiaonan Street 小南街	Residential 住宅	Shenyang 瀋陽	1,065	7,979	7,492
Shum Yip Rui Cheng 深業睿城	Residential 住宅	Changsha 長沙	13,949	112,780	8,085
Shum Yip Xihui 深業喜匯	Residential/shop 住宅／商舖	Changsha 長沙	73,529	469,580	6,386
Gaobangshan No. 1 Garden 高榜山1號花園	Residential 住宅	Huizhou 惠州	90,758	851,109	9,378
Saina Bay 塞納灣	Villa/Shop 別墅／商舖	Heyuan 河源	1,083	9,048	8,355
Guanlan Rose Garden 觀瀾玫瑰軒	Residential 住宅	Shenzhen 深圳	1,335	32,421	24,286
Parking space sales 車位銷售	Parking space 車位		—	161,157	—
Total	合計		519,359	9,260,964	—

Note: 1,584 parking spaces were sold.

註：車位銷售1,584個。

Management Discussion and Analysis

管理層討論及分析

Contracted Sales

During the year, the Group realized contracted sales area of approximately 488,000 square meters and contracted sales income of approximately RMB16.80 billion. The average price per square meter was RMB34,426. The projects in Shenzhen performed extremely well: all the residential units of Shum Yip Zhongcheng I were sold out on the launch date; 90% units of Qianhai Parkview Bay were sold on the launch date; and Terra Licheng realized bulk sales of RMB3.14 billion. Besides, sales of the Group's projects in Ma'anshan, Changsha and Chengdu beat the expectations.

By geographical location, projects in the Greater Bay Area accounted for 88% of the realized contracted sales, 7% was contributed by projects in the second-tier cities, and the rest 5% was in the third-tier and fourth-tier cities. By the types of products, residential products accounted for 68% of the realized contracted sales, and commercial products (including office and apartment) accounted for 32%.

Contracted Sales in 2019

合同銷售情況

本集團年內實現合同銷售面積約48.8萬平方米，合同銷售收入約人民幣168.0億元。每平方米平均售價為人民幣34,426元。深圳項目表現突出：深業中城一期住宅項目實現開盤售罄；前海頤灣府開盤去化九成；泰然立城推動大宗交易實現銷售金額人民幣31.4億元。此外，集團在馬鞍山、長沙和成都的項目銷售情況超出預期。

根據區域分佈，大灣區項目佔已實現合同銷售金額的88%，另外7%和5%分別來自二線城市和三線城市。根據產品類型分類，住宅類產品佔已實現合同銷售金額的68%，商業類產品（包括辦公樓、公寓）佔比32%。

2019年合同銷售

Property Name 項目名稱	City 城市	Type 用地性質	Sales Area 銷售面積 (sq.m.) (平方米)	Sales* 銷售金額* (RMB million) (人民幣百萬元)
Shum Yip Dongling 深業東嶺	Shenzhen 深圳	Complex 綜合體	24,172	1,707
Shum Yip Zhongcheng 深業中城	Shenzhen 深圳	Complex 綜合體	44,878	5,736
Changzhou Shum Yip Huafu 常州深業華府	Changzhou 常州	Residential 住宅	2,894	8
Ma'anshan Shum Yip Huafu 馬鞍山深業華府	Ma'anshan 馬鞍山	Residential 住宅	79,040	722
Shum Yip Upper Life 深業青麓上居	Nanjing 南京	Residential 住宅	1,876	49
Jiangyue Bay 江悅灣	Guangzhou 廣州	Residential 住宅	192	14
Saina Bay 塞納灣	Heyuan 河源	Residential 住宅	1,844	18
Gaobangshan No. 1 Garden 高榜山1號花園	Huizhou 惠州	Residential 住宅	59,399	611
Shum Yip City 深業城	Foshan 佛山	Residential 住宅	12,759	279
Euro-view Garden 歐景麗苑	Dongguan 東莞	Residential 住宅	4,580	70

Property Name 項目名稱	City 城市	Type 用地性質	Sales Area 銷售面積	Sales* 銷售金額*
			(sq. m.) (平方米)	(RMB million) (人民幣百萬元)
Garden Hills 半山名苑	Huizhou 惠州	Residential 住宅	38,782	354
Wanlin Lake 萬林湖	Huizhou 惠州	Residential 住宅	2,489	40
Shum Yip Rui Cheng 深業睿城	Changsha 長沙	Residential 住宅	26,655	236
Shum Yip Xihui 深業喜匯	Changsha 長沙	Residential 住宅	22,563	192
Shum Yip Heron Mansion 深業鷺棲府	Changsha 長沙	Residential 住宅	24,328	324
Bofeng Building 博豐大廈	Shenzhen 深圳	Commercial 商業	687	25
Taifu Square 泰富廣場	Shenzhen 深圳	Complex 綜合體	19,633	1,063
Guanlan Rose Garden 觀瀾玫瑰苑	Shenzhen 深圳	Residential 住宅	434	11
Yihu Rose Garden 怡湖玫瑰苑	Chengdu 成都	Residential 住宅	35,775	231
Terra Licheng 泰然立城	Shenzhen 深圳	Complex 綜合體	58,350	3,145
Nanhu Rose Bay 南湖玫瑰灣	Wuhan 武漢	Complex 綜合體	2,748	56
Royal Spring Garden 半湯御泉莊	Chaohu 巢湖	Residential 住宅	5,757	111
Qianhai Parkview Bay 前海頤灣府	Shenzhen 深圳	Residential 住宅	13,591	1,477
UpperHills 深業上城	Shenzhen 深圳	Complex 綜合體	467	63
Tanglang City ** 塘朗城**	Shenzhen 深圳	Complex 綜合體	4,060	256
Total 合計			487,953	16,798

* Including parking space sales.

* 包含車位銷售。

** The project was co-developed with Shenzhen Metro Group, as to 50% owned by the Group, and it is accounted using equity method.

** 該項目與深圳地鐵集團合作開發，持有50%權益，以權益法核算。

Management Discussion and Analysis

管理層討論及分析

Project Development

During the year, the Group had a new construction area of approximately 1,180,000 square meters, and a completed area of approximately 2,251,000 square meters.

項目開發情況

年內，本集團新開工面積約118.0萬平方米，完工面積約225.1萬平方米。

New Construction Projects in 2019

2019年新開工項目

Property Name 項目名稱	City 城市	Type 用地性質	Total GFA 總建築面積 (sq.m.) (平方米)	Saleable Area 可售面積 (sq.m.) (平方米)
Foshan Nanhai Lishui Land Site 佛山南海里水地塊	Foshan 佛山	Residential 住宅	79,094	51,758
Changsha Yuelu Yanghu Project 長沙岳麓區洋湖項目	Changsha 長沙	Residential 住宅	242,577	183,561
Splendid City Phase 3 錦繡姜城3期	Taizhou 泰州	Residential 住宅	182,310	136,767
Nanjing Jiangning Tianyou Road (Land Plot G72) 南京江寧區天佑路G72地塊	Nanjing 南京	Residential 住宅	111,200	69,494
Nanjing Jiangning Qinglong Subway Town (Land Plot G78) 南京江寧區青龍地鐵小鎮G78地塊	Nanjing 南京	Residential 住宅	102,660	71,455
Ma'anshan Shum Yip Huafu Phase 2.2 (North) 馬鞍山深業華府2期2組團北區	Ma'anshan 馬鞍山	Residential 住宅	235,630	181,952
Ma'anshan Shum Yip Huafu Phase 2.2 (South) 馬鞍山深業華府2期2組團南區	Ma'anshan 馬鞍山	Residential 住宅	226,947	177,301
Total 合計			1,180,418	872,288

Completed Projects in 2019

2019年完工項目

Property Name 項目名稱	City 城市	Type 用地性質	Total GFA 總建築面積 (sq.m.) (平方米)	Saleable Area 可售面積 (sq.m.) (平方米)
Chengdu Jinxiu Workshop (South) 成都錦繡工場南地塊	Chengdu 成都	Commercial 商業	11,263	6,735
Yihu Rose Garden Phase 1.2 – Longxi 怡湖玫瑰苑(1.2期—瓏壘)	Chengdu 成都	Residential 住宅	67,221	49,354
Chaohu South Phase 1 巢湖南區1期	Chaohu 巢湖	Residential 住宅	5,508	5,063
Chaohu North Phase 4.2 巢湖北區4期2批	Chaohu 巢湖	Residential 住宅	6,406	6,144
Shum Yip Xihui 深業喜匯	Changsha 長沙	Residential 住宅	102,821	81,665
Gaobangshan No.1 Garden Phase 1 高榜山1號花園1期	Huizhou 惠州	Residential 住宅	136,102	100,609
Wanlin Lake Phase 9 萬林湖9期	Huizhou 惠州	Residential 住宅	74,143	51,893
Taifu Square Phase 1 (South) 泰富廣場1期(南區)	Shenzhen 深圳	Complex 綜合體	200,412	108,512
Taifu Square Phase 1 (North) 泰富廣場1期(北區)	Shenzhen 深圳	Complex 綜合體	104,576	51,616
Ma'anshan Shum Yip Huafu Phase 2.1 馬鞍山深業華府2期1組團	Ma'anshan 馬鞍山	Residential 住宅	156,546	123,683
Shum Yip Zhongcheng (Land Plot 05-01) 深業中城05-01地塊	Shenzhen 深圳	Complex 綜合體	338,873	228,513
UpperHills South Besides Office T2 深業上城南區除T2	Shenzhen 深圳	Complex 綜合體	768,009	32,521
Tanglang City West 塘朗城西區	Shenzhen 深圳	Complex 綜合體	278,798	126,000
Total 合計			2,250,678	972,308

Management Discussion and Analysis

管理層討論及分析

Land Reserves

In September 2019, the Group won the bid for Lot WG029, a commercial and residential land in Songshan Lake, Dongguan at a cost of RMB2.33 billion. The project covers an area of approximately 50,000 square meters, with a capacity building area of approximately 125,000 square meters, including 79,000 square meters for the planned residential units and 35,000 square meters for subsidized talents housing.

In November 2019, the Group won the bid for Lot 2019G77, a residential land in Hexi, Nanjing at a cost of RMB1.23 billion. The project covers an area of approximately 18,000 square meters, with a capacity building area of approximately 44,000 square meters, including 38,000 square meters for the planned residential units.

In November 2019, the Group acquired an emerging industry land lot in Bantian, Longgang district, Shenzhen through capacity expansion of its own land. The project covers an area of approximately 8,437 square meters, with a capacity building area of approximately 52,341 square meters.

By the end of December 2019, the Group had land reserves with an aggregate planned gross floor area (GFA) of approximately 4.38 million square meters (of which the Group was interested in 3.83 million square meters), and a capacity building area of 3.27 million square meters (of which the Group was interested in 2.91 million square meters), of which, the projects under construction had a total planned GFA of approximately 2.18 million square meters and a capacity building area of 1.67 million square meters. The capacity building area of land reserve in the first-tier and second-tier cities and the Greater Bay Area accounted for 51% and 51% of its total capacity building area respectively. Besides, the value of completed properties held for sale amounted to approximately HK\$21.5 billion.

In the future, the Group will continue to focus on the Greater Bay Area, and intensify its development in Shenzhen by proactively seeking for project resources and also opportunities to invest in quality projects in the major first-tier and second-tier cities.

土地儲備

本集團於2019年9月份以人民幣23.3億元競得東莞市松山湖WG029商住地塊。項目佔地約5萬平方米，計容建築面積約12.5萬平方米，其中擬規劃住宅為7.9萬平方米，人才住房3.5萬平方米。

本集團於2019年11月份以人民幣12.3億元競得南京市河西2019G77住宅地塊。項目佔地約1.8萬平方米，計容建築面積約4.4萬平方米，其中擬規劃住宅為3.8萬平方米。

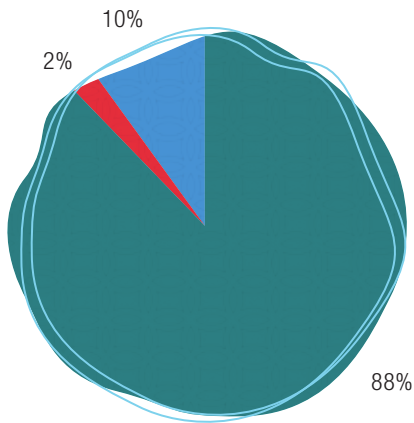
本集團於2019年11月份通過自有用地擴建提容獲得深圳市龍崗區坂田街道的新興產業地塊。項目佔地約8,437平方米，計容建築面積約52,341平方米。

截至2019年12月底，土地儲備規劃總建築面積約438萬平方米（權益部分383萬平方米），計容建築面積327萬平方米（權益部分291萬平方米），其中在建項目規劃總建面約218萬平方米，計容建築面積167萬平方米。一二線城市土地儲備計容建築面積佔比達51%，大灣區土地儲備計容建築面積佔比達51%。此外，持作待售之已落成物業約為215億港元。

未來，本集團將繼續聚焦大灣區、深耕深圳，積極尋求項目資源，並關注重點一二線城市優質項目的投資機會。

Distribution of Land Reserves (As at 31 December 2019)

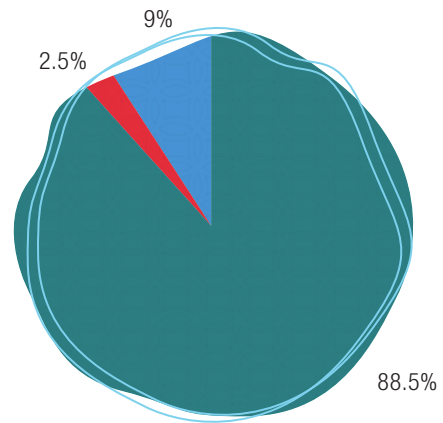
By type – Planned GFA ^{Note 1} (sq.m.)
產品類型分佈 – 規劃建築面積^{附註1} (平方米)



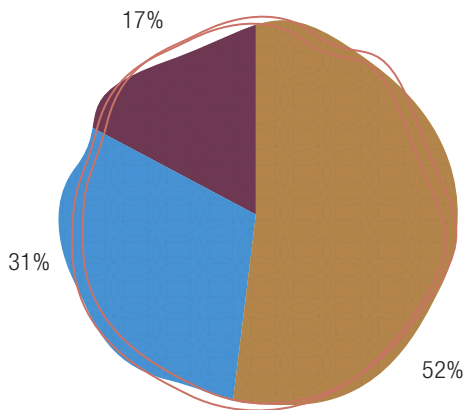
● Residential 住宅 ● Industrial 產業 ● Complex 綜合體

土地儲備分佈 (於2019年12月31日)

By type – Capacity Building Area ^{Note 2} (sq.m.)
產品類型分佈 – 計容建築面積^{附註2} (平方米)

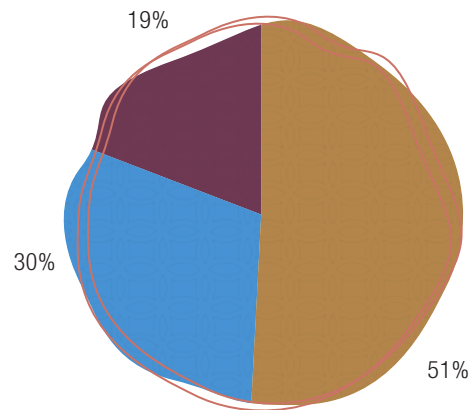


By Region – Planned GFA ^{Note 1} (sq.m.)
區域分佈 – 規劃建築面積^{附註1} (平方米)



● The Greater Bay Area 大灣區 ● 2nd-tier city 二線城市 ● 3rd-tier and 4th-tier cities 三四線城市

By Region – Capacity Building Area ^{Note 2} (sq.m.)
區域分佈 – 計容建築面積^{附註2} (平方米)



Note:

1. Planned GFA: the sum of the gross floor area of all the floors above and under the ground of a single building or buildings within the scope of the land for construction.
2. Capacity building area: the sum of the gross floor area which is used in the calculation of the plot ratio within the land for construction.

附註:

1. 規劃建築面積: 建設用地範圍內單棟或多棟建築物地面以上及地面以下各層建築面積之總和。
2. 計容建築面積: 建設用地範圍內所有計算容積率的建築面積之總和。

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Property Investment

As at 31 December 2019, the Group has investment properties of approximately 1.29 million square meters, 81.8% of which are located in Shenzhen. During the year, the Group recorded rental income of approximately HK\$1,071.0 million, representing an increase of approximately 8.9% over the last year. The gross profit margin of property investment business was approximately 68.3%, representing a decrease of 9.6 percentage points over the last year. The Group recorded a revaluation gain in its investment property portfolio of HK\$1,393.0 million during the year.

Revenue from and scale of the Group's investment properties are expected to increase significantly with the completion and tenant solicitation of UpperHills and Taifu Square projects in the future. Besides, in February 2020, the Group won the bid for the renovation of Shenzhen Women and Children Tower, a public-private partnership (PPP) project, and acquired the operating rights for a period of about 19 years for property management, facilities maintenance, activities planning and other management and operation upon renovation. The project has been the first PPP project in community investment since the establishment of PPP Center in Shenzhen in 2018. The successful bidding is of significant strategic importance for the Company to intensify its close cooperation with the government and expand the existing resource of governmental property renovation projects in the future.

Commercial Operation Business

In 2018, the commercial area of UpperHills ushered in its grand opening with an occupancy rate of 88%. With the completion of the construction of Lianhuashan corridor bridge and opening of Yokochi Japanese restaurants street, the passenger flow volume of the shopping mall has been significantly improved. Meanwhile, driven by the diversified activities, such as the JAZZ UP THE HILLS and the press conference of 5G Pilot, organized in the Greater Bay Area, the overall revenue of merchants is showing a growing trend, with annual turnover of over RMB2.0 billion.

The shopping center named Tanglang City was opened on 26 July 2019. As the first shopping center in Shenzhen University city district, it introduces supermarket, cinema, fitness room and many other major shops. In collaboration with a number of well-known sports brands, it aims to establish the first sports outlet in the region and promote consumption upgrade by gathering many popular food & beverage, kids & parenting and fashion and retail brands. Up to the end of 2019, the occupancy rate of Tanglang City reached 88%.

In addition, the commercial portion of Shum Yip Dongling performed well with an occupancy rate of 70%.

物業投資

於2019年12月31日，本集團投資物業總面積約129萬平方米，其中81.8%位於深圳。年內，本集團實現租賃收入約1,071.0百萬港元，較去年上升約8.9%，物業投資業務毛利率約68.3%，較去年下降9.6百分點。年內本集團所屬投資物業組合重估增值1,393.0百萬港元。

隨著未來深業上城、泰富廣場等項目招商，本集團投資物業的收入和規模將大幅上升。此外，集團於2020年2月成功中標深圳市婦兒大廈改造PPP項目，獲得約19年運營權，承擔改造後項目的物業管理、設備維護、活動籌劃等管理運營工作。此項目為深圳市自2018年成立PPP中心以來首個社會投資領域的PPP項目，本公司成功中標，對未來加強與政府機構的緊密合作，拓展深圳政府存量物業改造項目資源具有重要戰略意義。

商業運營業務

深業上城商業部分於2018年開業，招商率達88%。隨著蓮花山廊橋開通，上橫町日本餐廳街開業，商場客流量顯著提高。同時，通過舉辦大灣區爵士音樂節、5G試點發佈會等多元主題活動帶動人氣，商戶整體銷售額呈現遞增態勢，年度銷售額超過人民幣20億元。

塘朗城購物中心於2019年7月26日隆重開業。作為深圳大學城區首個購物中心，引入了超市、影院、健身房等大型主力店，並聯合眾多知名運動品牌打造片區首個運動奧特萊斯，集合諸多網紅餐飲、親子教育、時尚零售等多元品牌，引領大學城片區的消費升級。截至2019年底，塘朗城招商率達88%。

此外，深業東嶺商業部分運營良好，招商率達70%。

Property Management Business and Intelligent Park Operation Business

Properties under the management of our property management companies exceed 35.43 million square meters, mainly in the Pearl River Delta, Yangtze River Delta and Central China, covering governmental authorities, offices, residence communities and villas. Benefitted from the mixed-ownership reform, the property management company acquired 43 new projects of 3.16 million square meters in Shenzhen, Nanjing, Changsha and Nanchang during the year, beating its expectation.

On 19 August 2019, the 43 industrial parks of the Company and its ultimate holding company Shum Yip Group were displayed in the industrial park exhibition of the first Real Expo in Shenzhen, which showed the whole process of development from industrial zone, industrial and trade park, science and technology park to the smart operations of enterprise innovation ecosystem, industrial urban complex and ecological industry chain, and improved the brand awareness of the Group in terms of intelligent park construction and operation.

The Intelligent Park Operation Company manages over 2.91 million square meters of properties which are mainly located in the Guangdong-Hong Kong-Macao Greater Bay Area. During the year, the Intelligent Park Operation Company newly added 540,000 square meters in cities including Shenzhen and Xi'an to its business portfolio, realizing the expansion of its intelligent park operation and management business.

During the year, the property management business contributed approximately HK\$2,099.3 million to the revenue of the Group, representing a decrease of 0.2% over the last year.

Hotel Operation Business

The Group owns four hotels in operation and two hotels in construction. Those in operation are Suzhou Marriott Hotel (with 293 guest rooms), Chaohu Shum Yip Bantang Hot Spring Hotel (with 20 spring villas), Holiday Inn Resort Chaohu Hot Spring (with 203 guest rooms) and Muji Hotel (with 79 guest rooms) in UpperHills, Shenzhen. Those under construction are Mandarin Oriental Shenzhen (with 190 guest rooms planned) and Tanglang City Project Hotel in Shenzhen (with 200 guest rooms planned), which is co-developed with Shenzhen Metro Group.

During the year, the four hotels in operation recorded operating income (included under other operating segment) of approximately HK\$198.2 million, representing a decrease of 10.5% over the last year.

物業管理業務及智慧園區運營業務

物業管理公司接管物業超過3,543萬平方米，物業主要分佈在珠三角、長三角和中部地區，服務涵蓋政府機關、寫字樓、住宅小區、別墅等多種物業類型。得益於混改機制創新帶來的活力，物業管理公司於年內在深圳、南京、長沙、南昌等城市新拓展項目43個，新增管理面積316萬平方米，市場拓展超出預期。

2019年8月19日，本公司及最終控股公司深業集團旗下43個產業園區亮相深圳首屆房博會產業園區展，全面展現了從工業區、工貿園、科技園，到創新企業生態圈，以及產業城市綜合體、全產業生態鏈智慧運營的發展歷程，擦亮了本集團在智慧園區建設運營領域的品牌。

智慧園區運營公司接管產業園區物業超過291萬平方米，物業主要分佈在粵港澳大灣區內。年內，智慧園區運營公司在深圳、西安等城市新拓展管理運營面積54萬平方米，實現智慧園區運營業務的拓展。

年內，本集團實現物業管理業務營業收入約2,099.3百萬港元，同比下降0.2%。

酒店運營業務

本集團擁有四家運營中和兩家建設中的酒店。運營中的酒店分別是蘇州萬豪酒店（設有293間客房），巢湖深業半湯溫泉度假酒店（設有20間溫泉別墅），巢湖深業溫泉假日度假酒店（設有203間客房）和深圳深業上城無印良品酒店（設有79間客房）。建設中的酒店為深圳文華東方酒店（擬設有190間客房）以及與深圳地鐵集團合作的深圳塘朗城項目酒店（擬設有200間客房）。

年內，四家運營中的酒店實現酒店經營收入（其他經營分類項下）約198.2百萬港元，較去年下降10.5%。

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Manufacturing Business

The Group's manufacturing business mainly represents the LCD manufacturing and metal materials processing business held by the companies under the Group over the years. During the year, the manufacturing business recorded operating income of approximately HK\$333.9 million, representing a decrease of 2.5% over the last year.

Performance of Joint Ventures

During the year, Taizhou Shum Yip Investment Development Limited (a 51% owned company of the Group) made a net profit contribution of HK\$115.7 million to the Group. The principal activity of the company is to assist local government in primary land development and the local government arranged for transfer or return of land of approximately 127,000 square meters during the year.

Shenzhen Langtong Property Development Company Limited (a 50% owned company of the Group) made a net profit contribution of HK\$622.4 million for the year, representing an increase of 23.7% over the last year. The company and Shenzhen Metro Group jointly developed Shenzhen's Tanglang City Project.

Shenzhen Tianan Cyber Park (Group) Co., Ltd. made a net profit contribution of HK\$464.1 million to the Group, representing an increase of 8.2% over the last year.

Performance of Associates

During the year, the associates invested by the Group performed as expected. Of these, Road King Infrastructure Limited, a listed company in Hong Kong, made a net profit contribution of HK\$820.1 million to the Group, representing an increase of 4.4% over the last year. Coastal Greenland Limited, a listed company in Hong Kong, incurred a loss of HK\$37.6 million to the Group, compared with a loss of HK\$27.6 million for the last year.

Other Income and Gains

During the year, the Group's other income and gains was HK\$315.5 million, representing a decrease of 64.1% over the last year. The decrease in other income and gains during the year was due to delay in the distribution and accounting of dividends from Hengda Real Estate of approximately HK\$878 million (equivalent to RMB780 million) to January 2020. Dividends income from Hengda Real Estate was approximately HK\$593 million (equivalent to RMB501 million) for the last year.

製造業務

本集團的製造業務主要來自所屬企業多年以來持有的液晶顯示器製造及金屬片材加工等業務。年內，製造業務經營收入實現約333.9百萬港元，較去年下降2.5%。

合營公司業績

年內，本集團持有51%權益的泰州市深業投資發展有限公司為本集團帶來純利115.7百萬港元。該公司的主要業務是協助當地政府進行土地一級開發，年內當地政府安排轉讓或回儲土地總計約12.7萬平方米。

本集團持有50%權益的深圳朗通房地產開發有限公司本年為本集團帶來純利貢獻622.4百萬港元，比去年上升23.7%。該公司為與深圳地鐵集團合作開發深圳塘朗城之項目公司。

深圳天安數碼城有限公司為本集團帶來純利貢獻464.1百萬港元，比去年上漲8.2%。

聯營公司業績

年內，本集團投資的聯營公司業績表現合乎預期。其中，本港上市公司路勁基建有限公司，為本集團帶來純利貢獻820.1百萬港元，較去年上升4.4%。本港上市公司沿海綠色家園有限公司為本集團帶來虧損37.6百萬港元，去年為本集團帶來虧損27.6百萬港元。

其他收入及利得

年內，本集團其他收入及利得為315.5百萬港元，比去年下降64.1%。本年其他收入及利得降低是由於來自於恒大地產的股利約8.78億港元（人民幣7.8億元）延遲至於2020年1月派發並入賬。去年錄得恒大地產股利收入約為5.93億港元（人民幣5.01億元）。

Other Operating Expense

During the year, other operating expense was HK\$586.8 million, representing an increase of 103.9% over the last year. The significant increase in other operating expense during the year was due to the deficits on fixed assets revaluation of approximately HK\$268.3 million. The provision was one-off and no relevant provision was made in the last year.

Significant Investment

On 31 May 2017, the Group, through Shenzhen Shum Yip Shenheng Investment Co., Ltd. (深圳市深業深恒投資有限公司) ("Shum Yip Shenheng", formerly known as 馬鞍山市茂文科技工業園有限公司(Maanshan Maowen Technology Park Co. Ltd.)), a wholly owned subsidiary of the Company, entered into an investment agreement (as amended and supplemented by subsequent supplemental agreements, the "Investment Agreement") with Guangzhou Kailong Real Estate Company Limited ("Kailong Real Estate") and Hengda Real Estate Group Company Limited ("Hengda Real Estate") (both being subsidiaries of China Evergrande Group) to contribute an amount of RMB5.50 billion to the capital of Hengda Real Estate in exchange for 1.7626% equity interests in Hengda Real Estate. Hengda Real Estate is a company established in China with limited liabilities and principally engaged in property development in China.

According to the requirements under accounting standards, the equity interests held by the Group in Hengda Real Estate was included as financial assets through profit or loss in the financial statements and accounted for at fair value, with changes in fair value recognized in profit or loss. As at 31 December 2019, the fair value of the financial asset was HK\$6,788.2 million, representing 5.4% of the total assets of the Group. During the year, gains from changes in fair value amounted to approximately HK\$342.3 million.

For details on the investment in Hengda Real Estate and the valuation technique used for fair value measurement, please refer to note 24 and 40(a) to the financial statements respectively.

Under the terms of the Investment Agreement, Kailong Real Estate and Hengda Real Estate have undertaken that the net profit of Hengda Real Estate for 2017, 2018 and 2019 shall not be less than RMB24.3 billion, RMB50.0 billion and RMB55.0 billion, respectively. Hengda Real Estate will distribute at least 68% of its net profit under the performance undertaking period to its shareholders in cash, till the entering into a reorganization agreement (i.e. the listing of Hengda Real Estate in China as an A-share company through reorganization of China Evergrande Group). Hengda Real Estate has fulfilled its net profit undertaking for 2017 and 2018 and paid dividends of approximately RMB28.41 billion and RMB44.61 billion respectively for 2017 and 2018 to all shareholders. In the second half of 2018, the Group received dividends of approximately RMB0.5 billion for 2017. The Group was entitled to dividends of approximately RMB0.78 billion for 2018, the payment date of which were delayed from 31 December 2019 to 2 January 2020. As of the date of this report, Hengda Real Estate has not announced its 2019 results and financial position yet.

其他經營開支

年內，其他經營開支為586.8百萬港元，較去年上漲103.9%。本年其他經營開支較去年增幅顯著，是由於發生固定資產重估減值約268.3百萬港元。該撥備為一次性事項，去年未進行相關撥備。

重大投資

本集團於2017年5月31日，透過全資附屬公司深圳市深業深恒投資有限公司（原名為馬鞍山市茂文科技工業園有限公司）（「深業深恒」）與廣州市凱隆置業有限公司（「凱隆置業」）及恒大地產集團有限公司（「恒大地產」）（兩者均為中國恒大集團之附屬公司）訂立投資協議（經其後補充協議修訂及補充，「投資協議」），向恒大地產資本投入出資人民幣55.0億元，持有恒大地產1.7626%的股權。恒大地產為一家於中國成立之有限責任公司，主要在中國從事物業發展業務。

按照會計準則要求，本集團持有的恒大地產股權在財務報告中列為計入損益金融資產，按照公允價值入賬，公允價值波動計入當期損益。於2019年12月31日，該筆金融資產公允價值為6,788.2百萬港元，相當於本集團資產總值的5.4%。年內產生公允價值變動收益約342.3百萬港元。

有關投資恒大地產及所採用之公允價值計量估值方法詳情，請分別參閱財務報表附註24及40(a)。

根據投資協議條款，凱隆置業及恒大地產承諾，恒大地產於2017、2018、2019年的淨利潤將分別不少於人民幣243億元、500億元及550億元。恒大地產將於履約承諾期間，至少將其淨利潤的68%以現金方式分配給其股東，直至簽署重組協議（即中國恒大集團將通過重組，將其房地產業務在中國A股上市）。恒大地產已達成2017年、2018年淨利潤的承諾，並向全體股東派發2017年、2018年分紅分別約人民幣284.1億元及446.1億元。本集團於2018年下半年獲得2017年紅利約人民幣5億元。本集團獲得的2018年紅利約人民幣7.8億元，該股息分配時間由2019年12月31日前延期至2020年1月2日。截至報告日期，恒大地產尚未公佈其2019年業績情況和財務狀況。

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Additionally, pursuant to the supplemental investment agreement to the Investment Agreement dated 28 June 2017 entered into amongst Shum Yip Shenheng, Kailong Real Estate, Hengda Real Estate and Mr. Hui Ka Yan, if the above-mentioned proposed reorganization is not completed by 31 January 2020, Shum Yip Shenheng will have the right to demand Kailong Real Estate or Mr. Hui Ka Yan, the controlling shareholder of China Evergrande Group, to buy back the entire equity interest in Hengda Real Estate held by it at its original investment cost, or demand Kailong Real Estate to transfer 50% of the equity interest then held by Shum Yip Shenheng in Hengda Real Estate (excluding any additional equity interest acquired by Shum Yip Shenheng subsequent to the date of the Investment Agreement) to Shum Yip Shenheng at nil consideration as compensation.

On 13 January 2020, Shum Yip Shenheng, Kailong Real Estate, Hengda Real Estate and Mr. Hui Ka Yan entered into a supplementary investment agreement in relation to the Investment Agreement to extend the original listing deadline of the above-mentioned proposed reorganization by one year (i.e. from 31 January 2020 to 31 January 2021) and, as a result of the extension of the original listing deadline, to extend the scope of performance undertaking and indemnity and the minimum dividend payment mechanism to cover the financial year of 2020 (i.e. one additional year). To this end, Kailong Real Estate and Hengda Real Estate further undertake to Shum Yip Shenheng that the amount of net profit of Hengda Real Estate for the financial year ending 31 December 2020 will not be less than RMB60 billion.

The net profit of Hengda Real Estate for 2017 and 2018 was RMB42.00 billion and RMB72.24 billion, respectively. Since its investment in Hengda Real Estate in June 2017, the Group, as a financial investor, received total dividends of RMB1.28 billion from Hengda Real Estate, representing accumulated return on investment of 23.3%.

The Group's equity investment in Hengda Real Estate is an important part of the Group's effort in driving the reorganization plan of Hengda Real Estate with a domestic A-share company and shows the Group's support to the reorganization as a state-holding company.

The Group also considers to choose an appropriate opportunity to exit its investment in the capital market gradually upon the completion of the reorganization. Before the Completion, pursuant to the Investment Agreement, the Group will be entitled to the dividends undertaken by Hengda Real Estate. In the event the reorganization is not completed in a specified time frame, pursuant to the Investment Agreement, the Group will require Hengda Real Estate and its effective controller to fulfill their undertakings.

另外，根據深業深恒與凱隆置業、恒大地產及許家印先生於2017年6月28日就投資協議訂立之補充投資協議，如果上述擬進行的重組於2020年1月31日前尚未完成，深業深恒有權要求凱隆置業或中國恒大集團控股股東許家印先生以原有投資成本購回其持有的全部恒大地產股權，或者要求凱隆置業再向深業深恒無償轉讓屆時深業深恒持有的恒大地產股權（不包括深業深恒於投資協議日期後收購之任何額外股權）的50%作為補償。

於2020年1月13日，深業深恒與凱隆置業、恒大地產及許家印先生就投資協議簽署補充投資協議，將上述原擬進行的重組上市最後日期延長一年（即由2020年1月31日延長至2021年1月31日）及因延長原上市最後日期而將履約承諾及彌償以及最低股息派付機制之範圍擴大至涵蓋2020年財政年度（即一個額外年度），就此，凱隆置業及恒大地產向深業深恒進一步承諾，恒大地產於截至2020年12月31日止財政年度的淨利潤金額將不少於人民幣600億元。

恒大地產2017年淨利潤為人民幣420.0億元，2018年淨利潤為人民幣722.4億元，本集團作為財務投資人，自2017年6月投資恒大地產以來，累計已收到恒大地產分紅人民幣12.8億元，累計投資回報率約23.3%。

本集團對恒大地產的股權投資是推進其與國內A股公司重組計劃的重要環節，體現了本集團作為國有控股企業對該項重組的支持。

本集團亦考慮將於該項重組成功後，選擇合適時機，在資本市場逐步退出該項投資。在重組成功前，本集團將根據投資協議，獲得恒大地產承諾的分紅。若該項重組在約定期內未獲成功，本集團將根據投資協議，要求恒大地產及其實際控制人履行承諾。

Financing

As at 31 December 2019, the Group's total bank and other borrowings amounted to HK\$24,297.9 million (31 December 2018: HK\$25,260.8 million), of which HK\$17,911.1 million were floating rate loans, and the remaining were fixed-rate loans. Long-term loans amounted to HK\$15,891.7 million, representing approximately 65.4% of total borrowings, and short-term loans were HK\$8,406.2 million, representing approximately 34.6% of total borrowings. Borrowings from Hong Kong amounted to HK\$12,492.2 million, representing approximately 51.4% of total borrowings, and the remaining were borrowings from mainland China, representing approximately 48.6% of total borrowings.

During the year, the Group implemented financing innovation and the asset-based notes registration with Times Technology Tower, a property owned by the Group, as the underlying asset was completed with a registration amount of RMB1.9 billion, which expanded its additional financial resource reserve. During the year, the average comprehensive interest rate of the Group in respect of its bank and other borrowings was approximately 4.7% per annum, representing a decrease of 0.1 percentage point from the last year.

As at 31 December 2019, the Group's cash balance (including restricted cash) was HK\$12,372.8 million (31 December 2018: HK\$12,655.2 million), of which approximately 91.6% and 8.4% were denominated in Renminbi and HK\$ respectively.

As at 31 December 2019, the Group had net assets (excluding non-controlling interests) of HK\$44,474.7 million (31 December 2018: HK\$41,704.0 million). The net gearing ratio with the liabilities including bank loans and other borrowings only was 26.8% and the net gearing ratio with the liabilities including loan from ultimate holding company and all other interest-bearing liabilities was 40.7%, representing a decrease of 13.5 percentage points over the end of last year. The gross gearing ratio (being the ratio of total liabilities over total assets) was 61.4%.

融資情況

於2019年12月31日，本集團銀行及其他借款總額24,297.9百萬港元（2018年12月31日：25,260.8百萬港元），其中17,911.1百萬港元為浮息借款，其餘均為定息借款；長期部分15,891.7百萬港元，約佔總借款總額的65.4%，短期部分8,406.2百萬港元，約佔借款總額34.6%。香港借款為12,492.2百萬港元，約佔借款總額的51.4%，其他為在中國大陸的借款，約佔借款總額48.6%。

本集團年內積極推進融資創新，完成以旗下時代科技大廈為底層資產的資產支持票據註冊工作，註冊規模人民幣19億元，增加額外財務資源的儲備。年內，本集團銀行及其他借款平均綜合利率約為年息4.7%，較去年下降0.1個百分點。

於2019年12月31日，本集團的現金結存為12,372.8百萬港元（包括受限制現金）（2018年12月31日：12,655.2百萬港元），其中約91.6%和8.4%分別以人民幣和港幣計值。

於2019年12月31日，本集團除非控股股東權益後淨資產為44,474.7百萬港元（2018年12月31日：41,704.0百萬港元），淨負債率（負債只包含銀行貸款及其他借款）為26.8%，包含最終控股公司貸款及其他所有帶息負債後的淨負債率為40.7%，較去年底下降13.5個百分點。總負債率（總負債佔總資產比率）為61.4%。

Management Discussion and Analysis

管理層討論及分析

Key Financial Position

主要財務情況

HK\$ million 百萬港元		As at 31 December 2019 於2019年 12月31日	As at 31 December 2018 於2018年 12月31日
Bank and other borrowings	銀行貸款及其他借貸	24,297.9	25,260.8
– Long-term borrowings	– 長期借貸	15,891.7	19,362.2
– Short-term borrowings	– 短期借貸	8,406.2	5,898.5
Due to the ultimate holding company	應付最終控股公司款項	1,936.5	4,735.0
Cash (including restricted cash)	現金(包括受限制現金)	12,372.8	12,655.2
Net gearing ratio with the liabilities including bank and other borrowings only	淨負債率(負債只包括銀行及其他貸款)	26.8%	30.2%
Net gearing ratio with the liabilities including all interest-bearing liabilities	淨負債率(負債包括所有帶息負債)	40.7%	54.2%

Effect of Exchange Rate Fluctuation

The Group's assets are mainly denominated in Renminbi. 48.6% of the bank and other borrowings are denominated in Renminbi, while 51.4% are denominated in HK\$. HK\$ is adopted as the reporting currency in the Group's financial statements. The effect of the decrease in RMB exchange rate on the Group's finance was mainly reflected in the depreciation of the asset and earnings denominated in Renminbi against HK\$, the reporting currency. During the year, such changes in the asset and earnings denominated in Renminbi against HK\$, the reporting currency, resulted in a fluctuation of HK\$1,229.2 million in other comprehensive income. The Group will closely monitor and proactively avert foreign exchange risk through various ways.

匯率波動影響

本集團的資產主要以人民幣為貨幣單位，銀行及其他借款中48.6%是人民幣借款，51.4%是境外的港幣借款。本集團的財務報告以港幣作為報告的貨幣單位，人民幣匯率下降對本集團財務的影響主要體現在人民幣資產以及收益相對報告貨幣港幣的貶值。年內，人民幣資產以及收益相對報告貨幣港幣的波動為1,229.2百萬港元，計入其他綜合收益。本集團將密切監控並積極通過多種方式規避匯率風險。

Pledge of Assets and Contingent Liabilities

As at 31 December 2019, the Group had total loans of HK\$383.2 million (31 December 2018: HK\$373.3 million) that were pledged with assets (please refer to note 30 to the financial statements for details).

As at 31 December 2019, the Group has given guarantees amounted to RMB1,344.3 million in respect of bank loans and other borrowings to Guangzhou Pik Sum Real Estate Development Company Limited and Taizhou Shum Yip Investment Development Limited, both are joint ventures of the Group (please refer to note 42 to the financial statements for details).

Employees and Remuneration Policy

As at 31 December 2019, the Group employed 21,164 employees (2018: 18,776) of whom 22 were stationed in Hong Kong (mainly managerial and finance related personnel), and the rest were in mainland China. The total remuneration for the year ended 31 December 2019 (excluding remuneration of the Directors) amounted to approximately HK\$1,919.7 million (2018: HK\$1,627.0 million).

Employee benefits and bonuses are based on their individual performance, the Group's profit condition, benefit level of the industry and the current market condition. The remuneration packages are reviewed on an annual basis to ensure internal equity and its competitiveness in the market. In driving performance, we also grant share options, under the share option scheme of the Group, to employees based on individual performance and the results of the Group.

資產抵押及或然負債撥備狀況

於2019年12月31日，本集團有資產抵押的貸款共383.2百萬港元（2018年12月31日：373.3百萬港元）（詳情參閱財務報表附註30）。

於2019年12月31日，本集團已就本集團合營公司廣州碧森房地產開發有限公司和泰州市深業投資發展有限公司之銀行及其他貸款提供共計人民幣1,344.3百萬元之擔保（詳情參閱財務報表附註42）。

僱員及薪酬政策

於2019年12月31日，本集團共聘用21,164名（2018年：18,776名）僱員，其中在香港工作的員工22名，主要為管理及財務人員，其餘為在內地工作員工。截至2019年12月31日止年度，總薪酬（不包括董事酬金）約為1,919.7百萬港元（2018年：1,627.0百萬港元）。

本集團僱員之薪酬及花紅，以僱員個別之表現、本集團盈利狀況、同業薪酬水平及現時市況而釐定。並每年審閱薪酬組合以達致內部公平及確保具市場競爭力。我們亦根據本集團購股權計劃按個人表現及本集團業績向僱員授出購股權以推動表現。

Directors and Senior Management

董事及高級行政人員



Dr. LU Hua
呂華博士

Chairman
主席

Dr. LU Hua, aged 56, an Executive Director since 21 June 2011 and the Chairman of the Board since 31 January 2013. Dr. LU was the President of the Company during the period from 21 June 2011 to 30 January 2013 and the Acting Chairman of the Board during the period from 24 April 2012 to 30 January 2013. He is also the chairman of the board of directors of Shum Yip Group Limited and Shum Yip Holdings Company Limited. Dr. LU is also a director of various members of the Group. Dr. LU holds a doctorate degree in Political Economics from The Nankai University and a master's degree in Finance from The University of Reading in UK. Dr. LU held the position as the president of Shum Yip Group Limited and Shum Yip Holdings Company Limited from May 2011 to December 2012. Prior to this, Dr. LU served as the chairman of Shahe Industrial Co., Ltd. (000014.SZ) and Shenzhen Shahe Industry (Group) Co., Ltd. and the general manager of Shenzhen Property Development Company Ltd.. Dr. LU also served as a non-executive director of Ping An Insurance (Group) Company of China, Ltd. (2318.HK) and Road King Infrastructure Limited (1098.HK). At present, he is a director of Shenzhen SEZ Construction and Development Group Co., Ltd. and Shenzhen Talents Housing Group Co., Ltd.. He has vast experience of over twenty years in property development, corporate governance and administrative management.

呂華博士，56歲，自2011年6月21日起出任執行董事並自2013年1月31日起擔任董事會主席。呂博士於2011年6月21日至2013年1月30日期間擔任本公司總裁並於2012年4月24日至2013年1月30日期間擔任代董事會主席。彼亦為深業集團有限公司及深業（集團）有限公司董事局主席。呂博士亦為本集團若干成員公司之董事。呂博士持有南開大學政治經濟學博士學位和英國雷丁大學金融學碩士學位。呂博士自2011年5月至2012年12月，出任深業集團有限公司及深業（集團）有限公司總裁職務。此前，呂博士曾擔任沙河實業股份有限公司(000014.SZ)、深圳市沙河集團有限公司董事長及深圳市物業工程開發公司總經理。呂博士亦曾為中國平安保險（集團）股份有限公司(2318.HK)及路勁基建有限公司(1098.HK)之非執行董事。現時，彼為深圳市特區建設發展集團有限公司董事及深圳市人才安居集團有限公司董事。彼在房地產開發、企業管治及行政管理方面擁有逾20年之豐富經驗。



Mr. HUANG Wei
黃偉先生
Executive Director
執行董事

Mr. HUANG Wei, aged 49, an Executive Director and President since 21 July 2015. Mr. HUANG was an on-the-job graduate at Guangdong Academy of Social Sciences, where he graduated with a major in law. He holds a master's degree in Business Administration from Guanghua School of Management, Peking University. Mr. HUANG is currently a director and president of Shum Yip Group Limited and Shum Yip Holdings Company Limited. He is also a director of various members of the Group. Prior to joining the Group, he served as a deputy secretary of the Party Working Committee, a deputy director of the Management Committee and a director of Social Work Committee of CPC Shenzhen Dapeng New District and served as a member of the Standing Committee, a director of District Committee (district government) Office and a district government party member of Longgang District and the Longgang District Youth League secretary. Mr. HUANG has extensive experience in management.

黃偉先生，49歲，自2015年7月21日起擔任執行董事及總裁。黃先生畢業於廣東省社會科學院法學專業，在職研究生學歷，及北京大學光華管理學院工商管理碩士。黃先生現任深業集團有限公司及深業（集團）有限公司董事及總裁。彼亦為本集團若干成員公司之董事。在加入本集團之前，黃先生歷任中共深圳市大鵬新區黨工委副書記、管委會副主任、社工委主任，龍崗區常委、區委（區政府）辦公室主任、區政府黨組成員及龍崗區團委書記。黃先生和管理方面有相當之工作經驗。

Directors and Senior Management

董事及高級行政人員



Mr. MOU Yong

牟勇先生

Executive Director
執行董事

Mr. MOU Yong, aged 57, an Executive Director since 1 December 2009. At present, he is a director of Shum Yip Holdings Company Limited and its various subsidiaries, he also served as a director of Shum Yip Group Limited. He graduated from The Shaanxi University of Technology with major in Chinese Language and Literature and obtained an advanced MBA from The Peking University. He is a lawyer of The People's Republic of China and an arbitrator of The Shenzhen Arbitration Commission. Prior to joining the Group in 2009, he held the positions of the head of Enterprise Leadership Personnel Management and the chief of General Office at The Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission. At present, Mr. MOU is also a non-executive director of Road King Infrastructure Limited (1098.HK). Mr. MOU has extensive experience in corporate governance and administrative management.

牟勇先生，57歲，自2009年12月1日起出任執行董事。彼現時任深業（集團）有限公司及其若干附屬公司之董事，彼亦曾任深業集團有限公司之董事。彼畢業於陝西理工學院漢語言文學專業，擁有北京大學高級工商管理碩士學位。彼為中華人民共和國律師及深圳仲裁委員會仲裁員。在2009年加入本集團之前，彼曾任深圳市人民政府國有資產監督管理委員會企業領導人員管理處處長、辦公室主任。現時，牟先生亦為路勁基建有限公司(1098.HK)之非執行董事。牟先生在企業治理及行政管理等領域有豐富的工作經驗。



Mr. LIU Chong
劉崇先生
Executive Director
執行董事

Mr. LIU Chong, aged 60, an Executive Director since 30 December 2010 and a Vice President of the Company since April 2010. Mr. LIU is also a vice president of Shum Yip Group Limited and Shum Yip Holdings Company Limited and a director of Shum Yip Shahe (Group) Company Limited. He holds a bachelor's degree from The Jiangxi University of Finance and Economics with major in Accounting and he is a senior accountant. Mr. LIU is also a director of various members of the Group. Prior to joining the Group, he served successively as a director, deputy general manager and financial controller of Shenzhen SDG Company Limited (深圳市特發集團有限公司), a director and financial controller of Shenzhen Petrochemical Group Co., Ltd., a director and financial controller of Shenzhen Health Mineral Water Co., Ltd., a director of Shenzhen Tellus (Group) Company Limited (200025.SZ), and an independent director of Shenzhen Shenxin Taifeng Group Co., Ltd. (000034.SZ). At present, Mr. LIU is also a non-executive director of Ping An Insurance (Group) Company of China, Ltd. (2318.HK). Mr. LIU has over 30 years of experience in finance and accounting management.

劉崇先生，60歲，自2010年12月30日起出任執行董事並自2010年4月起出任本公司副總裁。劉先生現亦為深業集團有限公司、深業(集團)有限公司副總裁及深業沙河(集團)有限公司董事。彼擁有江西財經大學會計專業學士學位，並為高級會計師。劉先生亦為本集團若干成員公司之董事。加入本集團前，彼歷任深圳市特發集團有限公司董事、副總經理、財務總監，深圳石化集團有限公司董事、財務總監，深圳市益力礦泉水股份有限公司董事、財務總監，深圳市特力(集團)股份有限公司(200025.SZ)董事及深圳市深信泰豐(集團)股份有限公司(000034.SZ)之獨立董事。現時，劉先生亦為中國平安保險(集團)股份有限公司(2318.HK)之非執行董事。劉先生擁有超過30年之財務管理工作經驗。

Directors and Senior Management

董事及高級行政人員



Dr. WU Jiesi
武捷思博士

Non-executive Director
非執行董事

Dr. WU Jiesi, aged 68, a Non-executive Director since 11 May 2006. Dr. WU holds a doctorate degree in Economics and conducted post-doctorate research work in theoretical economics at The Nankai University in the PRC and was conferred a professorship qualification by The Nankai University in 2001. Dr. WU served in various positions in Industrial and Commercial Bank of China from 1984 to 1995 and served as the president of the Shenzhen Branch. From 1995 to 1998, he served as the deputy mayor of the Shenzhen Municipal Government. From 1998 to 2000, he served as the assistant to the Governor of Guangdong Province.

Dr. WU served as the chairman and honorary president of Guangdong Investment Limited (270.HK), the director and honorary president of Guangdong Tannery Limited (1058.HK), an executive director of Hopson Development Holdings Limited (754.HK), an independent non-executive director of Yingli Green Energy Holding Company Limited (NYSE:YGE) and China Merchants Bank Co., Ltd (3968.HK), respectively, a non-executive director of China Water Affairs Group Limited (855.HK), an executive director, a non-executive director and vice chairman of China Aoyuan Property Group Limited (3883.HK), and an independent director of China Merchants Securities Co., Ltd. (600999.SH) and an independent director of China Life Franklin Asset Management Co., Ltd. At present, Dr. WU is a non-executive director of Silver Base Group Holdings Limited (886.HK), and an independent non-executive director of China Taiping Insurance Holdings Company Limited (966.HK), Beijing Enterprises Holdings Limited (392.HK), Industrial and Commercial Bank of China (Asia) Limited and China CITIC Bank International Limited respectively. Dr. WU has rich experience in finance and corporate management.

武捷思博士，68歲，自2006年5月11日起出任非執行董事。武博士擁有經濟學博士學位，並於中國南開大學完成理論經濟學博士研究後，於2001年獲南開大學授予教授資格。武博士於1984年至1995年期間任職於中國工商銀行，曾任該行的深圳分行行長。彼於1995年至1998年期間出任深圳市政府副市長。彼於1998年至2000年期間出任廣東省省長助理。

武博士曾分別出任粵海投資有限公司(270.HK)之主席及名譽董事長、粵海製革有限公司(1058.HK)之董事及名譽董事長、合生創展集團有限公司(754.HK)之執行董事、英利綠色能源控股有限公司(NYSE:YGE)及招商銀行股份有限公司(3968.HK)之獨立非執行董事、中國水務集團有限公司(855.HK)之非執行董事、中國奧園地產集團股份有限公司(3883.HK)之執行董事及非執行董事兼副主席等之職務、招商證券股份有限公司(600999.SH)之獨立董事及中國人壽富蘭克林資產管理有限公司之獨立董事。武博士現時分別擔任銀基集團控股有限公司(886.HK)之非執行董事、中國太平保險控股有限公司(966.HK)、北京控股有限公司(392.HK)、中國工商銀行(亞洲)有限公司及中信銀行(國際)有限公司之獨立非執行董事。武博士於財務及企業管理方面具有豐富經驗。



Mr. LIU Shichao
劉世超先生

Non-executive Director
非執行董事

Mr. LIU Shichao, aged 48, a Non-executive Director since 18 January 2017. He is a director and the chief financial officer of Shum Yip Group Limited and a director of Shum Yip Holdings Company Limited. He graduated from Zhongnan University of Finance and Economics (now known as Zhongnan University of Economics and Law) majoring in accountancy. He holds a bachelor's degree in economics and the title of senior accountant. Mr. LIU was the deputy head of statistics and assessment (budget finance) department and the deputy head of the second division of enterprise department of the State-owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government, a director of China Resources SZITIC Investment Co. Ltd (華潤深國投投資有限公司) and a director and the chief financial officer of Shenzhen Energy Group Co. Ltd. (000027.SZ). He is currently also a director of Shahe Industrial Co., Ltd (000014.SZ) and Kashi City Shenzhen Investment and Development Co., Ltd. (喀什市深圳城投資發展有限公司). Mr. LIU has considerable working experience in financial management and financial auditing.

劉世超先生，48歲，於2017年1月18日起出任非執行董事，彼為深業集團有限公司董事及財務總監、深業（集團）有限公司董事。劉先生畢業於中南財經大學（現為中南財經政法大學）會計學專業，擁有經濟學學士學位和高級會計師職稱。劉先生曾任深圳市人民政府國有資產監督管理委員會統計評價（預算財務）處副處長、企業二處副處長、華潤深國投投資有限公司董事、深圳能源集團股份有限公司(000027.SZ)董事及財務總監。彼現亦為沙河實業股份有限公司(000014.SZ)董事，喀什市深圳城投資發展有限公司董事。彼在財務管理及財務審計等方面有相當之工作經驗。

Directors and Senior Management

董事及高級行政人員



Mr. WU Wai Chung, Michael

吳偉聰先生

Independent Non-executive Director

獨立非執行董事

Mr. WU Wai Chung, Michael, aged 70, an Independent Non-executive Director since 9 October 2002. He was formerly the deputy chairman of the Shanghai Stock Exchange and a commissioner in the Strategy & Development Committee of the China Securities Regulatory Commission. Prior to that, he was the deputy chairman, chief operating officer and executive director of the Intermediaries Division, comprising the Licensing and Intermediaries Supervision Departments, of the Securities and Futures Commission until 31 December 1997. In addition, Mr. WU also served as an independent non-executive director of Sunwah Kingsway Capital Holdings Limited (188.HK), an independent non-executive director and chairman of Cypress Jade Agricultural Holdings Limited (renamed as China Finance Investment Holdings Ltd.) (875.HK) and an executive director of Tradelink Electronic Commerce Ltd. (536.HK).

吳偉聰先生，70歲，自2002年10月9日起出任獨立非執行董事，彼曾任上海證券交易所副理事長及中國證券監督管理委員會規劃發展委員會委員。在此之前，彼為證券及期貨事務監察委員會中介團體監察科（包括發牌及中介團體監察部）之副主席、營運總裁及執行董事直至1997年12月31日。此外，吳先生亦曾為新華匯富金融控股有限公司(188.HK)之獨立非執行董事、從玉農業控股有限公司（改名為中國金控投資集團有限公司）(875.HK)之獨立非執行董事兼主席及貿易通電子貿易有限公司(536.HK)之執行董事。



Mr. Li Wai Keung
李偉強先生

Independent Non-executive Director
獨立非執行董事

Mr. Li Wai Keung, aged 63, an Independent Non-executive Director since 27 September 2004. Mr. LI graduated from The Hong Kong Polytechnic and holds a master's degree in Business Administration from The University of East Asia. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. LI had worked for Henderson Land Development Company Limited (12.HK). He was an independent non-executive director of Sun Century Group Limited (1383.HK), a director of Shenzhen City Airport (Group) Company Limited (000089.SZ), an executive director and financial controller of GDH Limited and an executive director of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (124.HK) and a non-executive director of Guangdong Investment Limited (270.HK). Mr. LI is currently an independent non-executive director of Hans Energy Company Limited (554.HK), China South City Holdings Limited (1668.HK) and Centenary United Holdings Limited (1959.HK). In addition, he was appointed as a committee member of the 12th Chinese People's Political Consultative Conference of Guangdong Province on 17 January 2018 and appointed as a standing committee member of the Chinese People's Political Consultative Conference of Guangdong Province on 27 January 2018. Mr. LI is also the chairman of the Council of the Hong Kong Chinese Orchestra Limited, a management accounting advisor of the Ministry of Finance, PRC, the vice chairman of the Financial and Accounting Affairs Steering Committee of the Hong Kong Chinese Enterprises Association, and the honorary president of Hong Kong Business Accountants Association Limited.

李偉強先生，63歲，自2004年9月27日起出任獨立非執行董事。李先生畢業於香港理工學院，並持有東亞大學工商管理學碩士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。李先生曾任職於恒基兆業地產有限公司(12.HK)。彼亦曾擔任太陽世紀集團有限公司(1383.HK)之獨立非執行董事，深圳市機場(集團)有限公司(000089.SZ)之董事，粵海控股集團有限公司之執行董事兼財務總監及粵海置地控股有限公司(前稱金威啤酒集團有限公司)(124.HK)之執行董事及粵海投資有限公司(270.HK)之非執行董事。李先生現任漢思能源有限公司(554.HK)、華南城控股有限公司(1668.HK)及世紀聯合控股有限公司(1959.HK)之獨立非執行董事。此外，彼於2018年1月17日獲委任為廣東省第12屆政協委員會委員及於2018年1月27日獲委任為廣東省政協常務委員。彼亦擔任香港中樂團理事會主席、中華人民共和國財政部管理會計諮詢專家、香港中國企業協會財會專業委員會副主任委員及香港商界會計師協會有限公司榮譽會長。

Directors and Senior Management

董事及高級行政人員



Dr. WONG Yau Kar, David
黃友嘉博士

Independent Non-executive Director
獨立非執行董事

Dr. WONG Yau Kar, David, GBS, JP, aged 62, an Independent Non-executive Director since 13 June 2013. Dr. WONG received a doctorate degree in Economics from the University of Chicago in 1987. Dr. WONG has extensive experience in manufacturing, direct investment and international trade. Dr. WONG is active in public service. He is a Hong Kong Deputy of the National People's Congress of the People's Republic of China (全國人民代表大會). He is also the chairman of the Mandatory Provident Fund Schemes Authority. Dr. WONG was appointed as a Justice of Peace (JP) in 2010 and was awarded a Bronze Bauhinia Star (BBS) and Gold Bauhinia Star (GBS) in 2012 and 2017 respectively for his valuable contribution to the society.

Dr. WONG is currently an independent non-executive director of Huayi Tencent Entertainment Company Limited (419.HK), Redco Properties Group Limited (1622.HK), Sinopec Kantons Holdings Limited (934.HK), Guangnan (Holdings) Limited (1203.HK) and CSSC (Hong Kong) Shipping Company Limited (3877.HK), which are listed on the Main Board of the Stock Exchange.

黃友嘉博士，(GBS, JP)，62歲，自2013年6月13日起出任獨立非執行董事。彼於1987年獲得芝加哥大學之經濟學博士學位。黃博士於製造業、直接投資及國際貿易方面擁有豐富經驗。黃博士一直積極參與公共服務。彼現為全國人民代表大會香港區代表。他亦現任強制性公積金計畫管理局委員會主席。於2010年，黃博士獲委任為太平紳士(JP)，於2012年及2017年，黃博士分別獲頒授銅紫荊星章(BBS)及金紫荊星章(GBS)，以表揚彼對社會作出之寶貴貢獻。

黃博士現為聯交所主板上市公司華誼騰訊娛樂有限公司(419.HK)、力高地產集團有限公司(1622.HK)、中石化冠德有限公司(934.HK)、廣南(集團)有限公司(1203.HK)及中國船舶(香港)航運租賃有限公司(3877.HK)之獨立非執行董事。

Directors and Senior Management 董事及高級行政人員

Mr. DONG Fang, aged 47, is currently a Vice President of the Company, Shum Yip Group Limited and Shum Yip Holdings Company Limited. He graduated from The Hunan University with a master's degree and a senior engineer qualification. He joined the Group in 2006 and served as a general manager of the real estate department and investment department of the Company, and a deputy general manager of Huizhou Canton River Expressway Co., Ltd.. Prior to this, he worked in the Transport Commission of Shenzhen Municipality. Mr. DONG is currently a non-executive director of Road King Infrastructure Limited (1098.HK) and a director of Shahe Industrial Co., Ltd (000014.SZ). He has extensive experience in corporate management, property investment and operation management.

Mr. YANG Jianhui, aged 50, is currently the General Manager of Finance Management Department of the Company and Shum Yip Group Limited. Mr. YANG graduated from Heilongjiang Bayi Agricultural University and holds a bachelor's degree in economics and the title of senior accountant. Mr. YANG joined the Group in 2007 and held the position as deputy general manager of Shum Yip Land Company Limited. Mr. YANG has extensive expertise and experience in finance management.

Mr. ZHU Guoqiang, aged 46, is currently the General Manager of Capital Market Department of the Company. He obtained a master's degree in Business Administration from The Hong Kong University of Science & Technology. He joined the Group in 2004, and held positions as general manager of investment department and strategic management department of the Company. Prior to this, he worked in Shenzhen Construction Investment Holdings Ltd.. Mr. ZHU is currently a non-executive director of Coastal Greenland Limited (1124.HK). Mr. ZHU is familiar with the real estate market and capital market and has maintained good communication with investors.

Ms. WONG Yin San, aged 53, is the General Counsel of the Company and the Secretary of the Board. Ms. WONG joined the Group in 2014. She is a solicitor of the High Court of the Hong Kong Special Administrative Region, Chartered Secretary and Chartered Governance Professional. She holds a Bachelor of Business Administration degree and a Bachelor of Laws degree. Prior to joining the Group, she worked in the corporate department of an international law firm. She also previously held a senior position in a listed company in Hong Kong. Ms. WONG has extensive experience in the legal, regulatory, corporate finance, compliance and corporate governance fields.

董方先生，47歲，現任本公司、深業集團有限公司及深業（集團）有限公司副總裁。彼畢業於湖南大學，擁有碩士學位及高級工程師資格。彼於2006年加入本集團，歷任本公司地產部總經理、投資部總經理、惠州廣河高速公路有限公司副總經理。此前，彼曾任職於深圳市交通局。董先生現任路勁基建有限公司(1098.HK)之非執行董事，沙河實業股份有限公司(000014.SZ)董事。彼於企業管理、房地產投資及運營管理等方面有豐富經驗。

楊建輝先生，50歲，現任本公司及深業集團有限公司財務管理部總經理。楊先生畢業於黑龍江八一農墾大學，擁有經濟學學士學位和高級會計師職稱。楊先生於2007年加入本集團，曾任深業置地有限公司副總經理。楊先生於財務管理方面擁有豐富的專業知識和經驗。

朱國強先生，46歲，現任本公司資本運營部總經理。彼擁有香港科技大學工商管理碩士學位。彼於2004年加入本集團，歷任本公司投資部及戰略管理部總經理。在此之前，彼曾任職於深圳市建設投資控股公司。朱先生現任沿海綠色家園有限公司(1124.HK)之非執行董事。朱先生熟悉房地產市場及資本市場，並與投資者保持着良好溝通。

黃燕珊女士，53歲，為本公司法律事務總監及董事會秘書。彼於2014年加入本集團。彼為香港特別行政區高等法院律師，特許秘書及特許管治專業人員。彼持有工商管理學士學位及法律學士學位。在加入本集團之前，彼曾於一家國際律師事務所企業部門任職。彼亦曾於是一家香港上市公司擔任重要職務。黃女士於法律、法規、企業融資、合規與公司管治事務具有豐富經驗。

Directors' Report

董事會報告

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

Principal Activities

The principal activities of the Group consist of property development for sale, property management and property investments for rental income. The property development process is vertically integrated from land acquisition, project planning, material sourcing, construction and project management to sales and marketing to ensure high standards in every aspect. The Group's professional property management team manages a variety of types of properties including government offices, office buildings, residential estates, villas and science and technology parks mainly located in Pearl River and Yangtze River deltas as well as the central region. Our investment property portfolio includes commercial, residential and industrial buildings and car parking bays, which are located mainly in Shenzhen. Details of the principal activities of the principal subsidiaries, associates and joint ventures are set out in note 21, note 22 and note 23 to the financial statements, respectively. There were no significant changes in the nature of the Group's principal activities during the year.

Results and Dividends

The Group's profit for the year ended 31 December 2019 and the financial position of the Company and the Group at that date are set out in the financial statements on pages 98 to 268.

The Board recommends the payment of a final dividend of HK11.00 cents per share for the year ended 31 December 2019 (2018: a final dividend of HK11.00 cents per share), which subject to the approval by the shareholders at the forthcoming annual general meeting of the Company, are payable on or about Monday, 17 August 2020 to shareholders whose names appear on the register of members of the Company on Monday, 8 June 2020. Together with the interim dividend of HK7.00 cents per share which was paid on 18 November 2019, the total dividend for the year ended 31 December 2019 amounts to HK18.00 cents per share (2018: HK18.00 cents per share).

Business Review

The business review of the Group for the year ended 31 December 2019 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" respectively from pages 8 to 16 and pages 17 to 33 of this annual report (which from part of this Directors' Report) and the paragraphs below.

本公司董事（「董事」）欣然向股東提呈本集團截至2019年12月31日止年度之年報及經審核綜合財務報表。

主要業務

本集團主要業務包括開發物業以供出售、物業管理及物業投資以賺取租金收入。物業開發流程為採取垂直綜合業務架構，從土地收購、項目規劃、物料採購、工程建設、項目管理以至市場營銷，以確保每個環節均達到高水準。本集團之專業物業管理團隊管理多種類型物業，包括主要分佈在珠三角、長三角和中部地區政府機關、寫字樓、住宅小區、別墅及科技園區。我們的投資物業組合包括主要分佈於深圳的商業、住宅及工業大廈以及停車場。其主要附屬公司、聯營公司及合營公司之主要業務詳情分別載於財務報表附註21、附註22與附註23。年內，本集團主要業務之性質並無任何重大變動。

業績及股息

本集團截至2019年12月31日止年度之溢利及本公司與本集團於該日之財務狀況載於第98至268頁之財務報表內。

董事會建議於2020年8月17日（星期一）或前後向於2020年6月8日（星期一）名列本公司股東名冊之股東，派發截至2019年12月31日止年度之末期股息每股11.00港仙（2018年：末期股息每股11.00港仙），惟須待股東於本公司應屆股東週年大會上批准。連同已於2019年11月18日派發之中期股息每股7.00港仙，截至2019年12月31日止年度之股息總額為每股18.00港仙（2018年：每股18.00港仙）。

業務回顧

本集團截至2019年12月31日止年度的業務回顧分別載於本年報第8至16頁及第17至33頁之「主席報告」及「管理層討論及分析」（其為本董事會報告一部份）以及以下段落。

Law and Regulations

The Group is principally engaged in property development, property management and property investment in the PRC and is therefore subject to the relevant laws and regulations of the PRC. In respect of the laws and regulations relating to the environment, they include, but not limited to, Law of the People's Republic of China on Environmental Protection (中華人民共和國環境保護法), Law of the People's Republic of China on Prevention and Control of Solid Waste Pollution (中華人民共和國固體廢物污染環境防治法) and the relevant environmental protection laws and regulations of Shenzhen Special Economic Zone as well as other provinces where the Group operates etc.. The Group attaches great importance to legal compliance, and carries out all the business activities in compliance with the requirements of the applicable laws and regulations.

Key Risk Factors

Risks and uncertainties can affect the Group's businesses, financial conditions, operational results or growth prospects leading to a divergence from expected or historical results. The following paragraphs list out the key risks and uncertainties facing by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below, and there may be other risks which are not known to the Group or which may not be material now but could become material in the future.

Epidemic Risks

The novel coronavirus will bring substantive risks on macro economy and the industry where the Group operates, thus affecting the Group's development and operation. The measures taken for epidemic prevention and control, such as the restriction on movement of people, shut down of sales centre, delay of work resumption, rental relief and enhanced efforts on property services, will have impact on the Group's development and sales business, property investment business as well as property service business to some extent. The Group will keep an eye on the trend of the epidemic at all times, and develop corresponding solutions to cope with the risks caused on development and operation on the premise of ensuring public safety.

Macroeconomic Risks

The Group's development and operations may be affected by external macroeconomic and capital market fluctuations. The systematic risk in China's economic transformation, the shocks on macro economy arising from the epidemic situation and the risk of the shrinking wealth effect caused by fluctuating capital market will bring uncertainty to the Group's operating environment. The Group will keep track of the macroeconomic changes at all times and takes corresponding measures to cope with the risks as and when necessary.

法律及法規

本集團主要於中國從物業開發、物業管理及物業投資，因此，須遵守相關的中國法律及法規，就環境相關的法律及法規包括，但不限於，中華人民共和國環境保護法、中華人民共和國固體廢物污染環境防治法及深圳經濟特區以及本集團營運所在的其他省份的相關環境保護法律及法規等。本集團非常重視合法合規，開展各項經營活動均按照各項適用法律法規的規定執行。

主要風險因素

風險及不明朗因素或會影響本集團之業務、財務狀況、經營業績或發展前景，導致業績偏離預期或過往表現。以下段落列明本集團面臨之主要風險及不明朗因素。此清單並非詳盡，除下文闡述之主要風險範疇外，可能有其他進一步風險和不確定因素，及亦可能存在本集團未知之其他風險或現時未必屬重大但日後可能屬重大之風險。

疫情風險

新型冠狀病毒疫情對宏觀經濟及本集團所處行業將帶來實質性風險，以致給本集團發展經營造成影響。由於人流限制、售樓中心關閉、復工推遲、租金減免、物業服務力度加大等防疫措施的实施，將對集團開發銷售業務、物業投資業務及物業服務業務造成一定影響。本集團將時刻留意疫情動向，在保障公共安全的前提下，制定相關方案應對其對發展經營帶來的風險。

宏觀經濟風險

本集團發展經營可能受到外部宏觀經濟及資本市場波動所影響。中國經濟轉型中的系統性風險、疫情對宏觀經濟的衝擊及資本市場波動引起財富效應縮水的風險將對本集團的經營環境帶來不確定性。本集團將時刻留意整體宏觀經濟變動，並在有需要時採取相應措施應對風險。

Directors' Report 董事會報告

Industry Risks

Affected by epidemic prevention and control, policy adjustments, liquidity and other factors, the real estate industry in China is facing complex environment and high uncertainty, which shall have an impact on the Group's development and operations. The income from property business represents mainstream income of the Group, and in the Group's income from real estate sales, the income from the real estate sales in Shenzhen market has a higher proportion. If there is a downside risk in the real estate market in Shenzhen, this will have an effect on the Group's sales revenue and profitability. The Group closely monitors the sales position at all times and adopts strategies with flexibilities to cope with the risks.

Policy Risks

Policy guidance has a profound impact on the real estate market. The changes and the efforts in implementation of the policies may have an impact on trading volume and selling price of real estate market. The Group will carefully interpret the policies and closely monitor the market situation, and flexibly adjust the Company's strategy and sales plan to cope with the risk from policy changes.

Exchange Rate Risks

There is fluctuation in Renminbi exchange rate. The Group's main assets are located in mainland China while the reporting currency of Group's financial reports is Hong Kong dollar. A decrease in Renminbi exchange rate will cause the depreciation of the Group's assets and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency. The Group did not adopt any financial instrument to hedge against exchange rate risk in the year. In future, the Group will monitor the exchange rate fluctuations, and actively address exchange rate risks through a variety of ways.

Operational Risks

The Group's operations may be affected by multiple risk factors related to the real estate business. Inadequate internal processes, personal misconduct, external partner's breach behavior or other factors beyond control may have certain negative impacts on the Group's operation. The Group will continue to optimize its management, improve its internal control system and enhance its operational capabilities so as to avoid such risks.

行業風險

受疫情防控、政策調節、流動性等因素影響，中國房地產行業環境複雜，不確定性大，將給本集團發展經營帶來影響。房地產業收入為本集團主要收入來源，而本集團房地產銷售收入中，深圳市場佔比較高。深圳房地產市場如果發生下行風險，將對本集團的銷售收入和盈利水準產生影響。本集團將時刻密切監控銷售情況，採用靈活策略應對風險。

政策風險

政策導向對房地產市場產生深遠的影響。政策的變化及執行力度對房地產市場的交易量和價格可能產生影響。本集團將仔細解讀政策並密切關注市場情況，靈活調整公司策略和銷售計劃以應對政策變化帶來的風險。

匯率風險

人民幣匯率存在波動風險。本集團主要資產位於中國大陸，而本集團財務報告的呈報貨幣為港元。人民幣匯率下滑，將導致本集團以人民幣計值之資產及收益相對呈報貨幣港元貶值。本集團年內未採用金融工具對沖匯率風險，未來本集團將監控匯率波動，積極通過多種方式應對匯率風險。

運營風險

本集團運營可能受到房地產相關業務的多種風險因素所影響。內部流程不足、員工個人失當行為、外部合作方的失責行為或其他外圍不可控因素可能對本集團營運構成若干負面影響。本集團將繼續優化管理，健全內控體系，提升運營能力以規避相關風險。

Highlight of ESG Report

The Group has identified its own sustainability goal as a whole by integrating its performance of environmental and social liability throughout the entire process of its business operation. During this year, we have been improving and strengthening the environmental, social and governance system and specified the scopes of responsibility from management to implementation level, standardized various measures and improved information management and information disclosure. We pursue the balanced development among economic, environmental, and social benefits by actively promoting our own steady and sustainable development, so as to better shoulder our responsibilities towards all stakeholders.

Adhering to the green operation concepts of low pollution and low carbon and by proactively responding to national policies to encourage the development of green construction and actively implementing garbage sorting in response to government's call, we are committed to creating and establishing an ecological and livable construction environment, so as to achieve a win-win situation for both environmental quality and green ecology. We have been actively promoting the application of BIM technology cloud platform by integrating it into lifetime management of construction. We also build wisdom park, upgrade building automation system and exercise intelligent control over the usage of energy-consuming equipment, in order to effectively restrain the waste of energy, and improve the efficiency of energy consumption.

Adhering to the human resources concept of "morality headed and making good use of talents", we have always been improving and completing human resource system in selecting talent and expanding talent team. We also attach great importance to our employees' safety and health as well as training and development, aiming at providing the employees with a fair and just working environment and atmosphere where they are respected. Our intelligent property platform offers more convenience to homeowners' lives, thus enabling them to enjoy better service. We have actively organized emergent fire-fighting, traffic order maintaining and other volunteer teams to assist the building of harmonious community. Besides, we actively cooperate with the government's enterprise association service centre to support the development of small and medium-sized enterprises. We still pay great attention to targeted poverty alleviation and support the development of community activities, in order to give back to the society and benefit the community. In face of the severe outbreak of pneumonia at the beginning of 2020, we have organized working group for epidemic control soonest and strictly deploy epidemic prevention and control, such as intensifying anti-infection measures at the operating areas and equipping our employees with personal protection items, etc.. Meanwhile, we also reduce rental for commercial tenants further to donating money and medical supplies to severely affected areas, so as to proactively take our social responsibility as a corporate.

環境、社會、管治報告概要

本集團明確自身可持續發展總體目標，將履行環境與社會責任有機融入到業務經營的全過程。本年度我們繼續完善和鞏固環境、社會及管治體系，明確從管理至執行層面的責任分工，規範各項措施，並對資訊管理和資訊披露進行了革新。我們追求實現經濟、環境與社會效益的均衡發展，積極推動企業自身穩健及可持續發展，以更好地承擔起對所有利益相關方的責任。

我們秉持著低污染及低碳的綠色營運理念，積極回應國家政策號召，鼓勵發展綠色建築，回應政府號召積極踐行垃圾分類工作，致力於創造建設生態宜居的建築環境，實現環境品質和綠色生態的共贏。我們積極推動BIM技術雲平臺應用，將其滲入建築全生命週期管理。我們建造智慧園區，進行樓宇自動化系統升級改造，智慧化控制耗能設備使用狀況，有效遏制資源浪費，提高能源使用效率。

我們秉承著「以德為先，尚才善用」的人才理念，不斷更新完善人力資源制度來選拔人才和壯大人才隊伍。我們亦重視員工的安全健康和培訓發展，旨在為員工締造一個公平公正，受尊重的工作環境及氛圍。我們的物業智慧平臺，讓業主生活更便捷，享受更優質的服務。我們主動組建應急消防、交通執勤等義工隊伍，助力和諧社區建設。我們積極配合政府企協服務中心，扶持中小企業發展。我們仍十分關注精準扶貧的工作，支援社區活動的發展，以回饋社會，造福社區。面對2020年初嚴峻的肺炎疫情，我們第一時間組建防控疫情工作組，嚴密部署疫情防控工作，包括加強運營區域的防疫措施，為員工配齊個人防護物品等。同時，除了向疫區捐款、捐贈醫療物資外，我們也主動為商戶減免租金，積極履行企業的社會責任。

Directors' Report

董事會報告

We highly value the recommendations and views provided by all stakeholders and undertake to create long-term values for our stakeholders including homeowners, tenants, investors, business partners, employees, and broad communities. We keep close and good communication with various stakeholders and actively listen to their needs, which is taken to be an important input source to optimize our management. During this year, we visited each respective department to carry out effective communication with the management and employees through 2 ESG trainings and 8 interviews. We will step up our efforts to improve our Group's environmental, social and governance issues by focusing on stakeholders' concerns and requests, in order to make sure that our sustainable development strategy plays an active role in all aspects, thereby achieving the Group's vision.

Please refer to the "2019 Environmental, Social and Governance Report" to be issued by the Company for details.

Summary of Financial Information

A summary of the published results of the assets, liabilities and non-controlling interest of the Group for the last five financial years, as extracted from the audited financial statements as appropriate, is set out on page 7. This summary is not part of the audited financial statements.

Property, Plant and Equipment and Investment Properties

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in note 14 and 17 to the financial statements respectively.

Properties

Particulars of major properties held by the Group are set out on pages 269 to 276.

Principal Subsidiaries, Associates and Joint Ventures

Particulars of the Company's principal subsidiaries, associates and joint ventures are set out in note 21, note 22 and note 23 to the financial statements respectively.

Reserves

As at 31 December 2019, the Company's reserves available for distribution, amounted to HK\$987,094,000 of which HK\$971,678,000 have been proposed as final dividend for the year. Details of movements in the reserves of the Group and the Company during the year are set out in the Consolidated Statement of Changes in Equity on pages 102 to 103 and note 38 to the financial statements respectively.

我們重視各利益相關方提出的建議與意見，承諾為業主、租戶、投資者、商業夥伴、員工及廣大社群等利益相關方創造長遠價值。我們與各利益相關方保持緊密良好的溝通，積極傾聽他們的需求，以此作為管理優化的重要輸入來源。本年度，我們深入各相關部門，共進行了2次ESG培訓及8場訪談，與管理層和員工進行了有效的溝通。我們將緊扣利益相關方的關注與訴求，更努力完善本集團的環境、社會及管治事宜，確保本集團的可持續發展策略在各方面積極發揮作用，實現本集團的願景。

詳情請參閱本公司即將發佈的「2019環境、社會及管治報告」。

財務資料摘要

本集團過去五個財政年度之已公佈資產、負債及非控股權益業績摘要乃摘錄自經審核財務報表（倘適用），載於第7頁。此摘要並非經審核財務報表之一部份。

物業、廠房及設備以及投資物業

年內本集團之物業、廠房及設備以及投資物業之變動詳情分別載於財務報表附註14及附註17。

物業

本集團持有之主要物業詳情載於第269至276頁。

主要附屬公司、聯營公司及合營公司

本公司主要附屬公司、聯營公司及合營公司之詳情分別載於財務報表附註21、附註22及附註23。

儲備

截至2019年12月31日，本公司可供分派之儲備達987,094,000港元，當中971,678,000港元已作為年內擬派的末期股息。年內，本集團及本公司之儲備變動詳情分別載於第102至103頁的綜合權益變動表及財務報表附註38。

Interest Capitalisation

Interest of approximately HK\$875,032,000 was capitalised during the year in respect of the Group's property development and investment projects.

Major Customers and Suppliers

In the year under review, both the aggregate sales attributable to the Group's five largest customers and the aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the Group's sales and purchases respectively.

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 of the Group's five largest customers or five largest suppliers.

Donations

During the financial year, the Group has made donations of approximately HK\$730,806 for charitable or other purposes.

Directors

The list of Directors is set out on page 4 of this annual report. In accordance with article 100 of the articles of association of the Company, Dr. LU Hua, Mr. MOU Yong and Mr. LIU Shichao will retire by rotation at the forthcoming annual general meeting. Dr. LU Hua and Mr. LIU Shichao, being eligible, have offered themselves for re-election. On 30 March 2020, the Company announced that due to taking up of a new appointment, Mr. MOU Yong would not seek for re-election at the forthcoming annual general meeting. Mr. MOU confirmed that he had no disagreement with the Board and there was no other matter in relation to his retirement that needed to be brought to the attention of the shareholders.

The list of directors who have served on the boards of the subsidiaries of the Company during the year of this report is available on the Company's website at www.shenzheninvestment.com under the "Corporate Governance" section.

Update on Directors' Information

Mr. MOU Yong ceased to be a director of Shum Yip Group Limited from 13 December 2019.

Mr. LIU Shichao ceased to be a director of China Resources SZITIC Investment Company Limited from 8 October 2019.

Mr. LI Wai Keung was appointed as an independent non-executive director of Centenary United Holdings Limited (1959.HK) on 15 September 2019. He resigned as the Financial Controller of GDH Limited on 31 December 2019, ceased to be an executive director of Guangdong Land Holdings Limited (124.HK) from 20 February 2020 and resigned as a non-executive director of Guangdong Investment Limited (270.HK) on 28 March 2020.

利息資本化

年內，本集團就物業發展及投資項目資本化之利息約為875,032,000港元。

主要客戶及供應商

於回顧年度內，本集團五大客戶應佔之銷售總額及本集團五大供應商應佔之採購總額分別少於本集團之銷售額及採購額的30%。

董事或其任何聯繫人士或任何股東（據董事所深知擁有本公司5%以上已發行股本之股東）概無擁有本集團五大客戶或五大供應商任何實益權益。

捐贈

於財政年度內，本集團已捐贈約730,806港元用於慈善或其他目的。

董事

董事名單載列於本年報第4頁。根據本公司組織章程細則第100條，呂華博士、牟勇先生及劉世超先生將於應屆股東週年大會上輪值退任，呂華博士及劉世超先生均符合資格並願意膺選連任。於2020年3月30日，本公司宣佈因履行新任命原因，牟勇先生於應屆股東週年大會上將不會尋求連任。牟先生確認，彼與董事會並無意見分歧，亦無其他有關彼退任之事宜須提請股東垂注。

於本年報之年內服務本公司附屬公司董事會之董事的名單可於本公司網站www.shenzheninvestment.com之「企業管治」一節查閱。

董事資料之更新

牟勇先生於2019年12月13日起不再擔任深業集團有限公司之董事。

劉世超先生於2019年10月8日起不再擔任華潤深國投資有限公司之董事。

李偉強先生於2019年9月15日獲委任為世紀聯合控股有限公司(1959.HK)之獨立非執行董事。彼於2019年12月31日辭任粵海控股集團有限公司財務總監一職、於2020年2月20日起不再擔任粵海置地控股有限公司(124.HK)之執行董事，並於2020年3月28日辭任粵海投資有限公司(270.HK)非執行董事。

Directors' Report 董事會報告

Dr. WONG Yau Kar, David was appointed as an independent non-executive director of CSSC (Hong Kong) Shipping Company Limited (3877.HK) on 6 May 2019.

Directors' and Senior Management's Biographies

Biographical details of the Directors and the senior management of the Group are set out on pages 34 to 43 of this annual report.

Directors' Service Contracts

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

Directors' Material Interests in Transaction, Arrangement and Contract

None of the Directors or his connected entity had a material interest, whether directly or indirectly, in any transactions, arrangements or contracts of significance in relation to the business of the Group where were entered into by the Group and subsisting during or at the end of the year.

Directors' Interests in Competing Businesses

Save as disclosed below, none of the Directors has any direct or indirect interest in a business which competes or may compete, with the business of the Group as required to be disclosed under the Listing Rules.

Dr. LU Hua is the chairman and a director, Mr. HUANG Wei is the president and a director, Mr. LIU Shichao is a director and Mr. LIU Chong is the vice president of both Shum Yip Holdings Limited ("SYH") and Shum Yip Group Limited ("SYG"). Mr. MOU Yong is a director of SYH. SYH and SYG, through their subsidiaries and associates, have interests in property investment and development businesses in PRC.

In addition, Mr. MOU Yong is also a non-executive director of Road King Infrastructure Limited (1098.HK), an associated company of the Company, whose shares are listed on The Stock Exchange of Hong Kong Limited and engages in property investment and development businesses.

Emoluments of Directors and Chief Executives and the Five Highest Paid Employees

Details of the Directors' and chief executives' emoluments and of the five highest paid employees in the Group are set out in notes 10 and 11 to the financial statements respectively.

黃友嘉博士於2019年5月6日獲委任為中國船舶(香港)航運租賃有限公司(3877.HK)之獨立非執行董事。

董事及高級管理層成員簡歷

董事及本集團高級管理層成員之履歷詳情載於本年報第34至43頁。

董事之服務合約

董事概無與本公司訂立在未支付賠償(法定賠償除外)的情況下本公司不可於一年內終止之服務合約。

董事於交易、安排及合約中之重大權益

概無董事或其關連實體於本集團訂立且對本集團業務而言屬於重大之交易、安排或合約(在年終或年內任何時間仍然有效)中，直接或間接擁有任何重大權益。

董事於競爭業務之權益

除下文所披露者外，董事概無於上市規則規定須予以披露與本集團業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

呂華博士為深業(集團)有限公司(「深業(集團)」)及深業集團有限公司(「深業集團」)的主席及董事，黃偉先生為該兩間公司的總裁及董事，劉世超先生為該兩間公司的董事，劉崇先生為該兩間公司的副總裁。牟勇先生為深業(集團)之董事。深業(集團)及深業集團透過其附屬公司及聯營公司於中國之物業投資及開發業務中擁有權益。

此外，牟勇先生現亦為本公司聯營公司路勁基建有限公司(1098.HK)之非執行董事，該公司之股份於香港聯合交易所有限公司上市，及其從物業投資及開發業務。

董事及最高行政人員以及五名最高薪僱員之酬金

本集團董事及最高行政人員以及五名最高薪僱員的酬金之詳情分別載於財務報表附註10及11。

Management Contracts

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

Share Option Scheme

The Company adopted a share option scheme on 22 June 2012 ("Share Option Scheme"). The major terms of the Share Option Scheme are as follows:—

1. The purpose of the Share Option Scheme is to provide incentive and reward to the participants to encourage them to work towards enhancing the value of the Company and its shares for the benefits of the Company and its shareholders as a whole.
2. The eligible participants of the Share Option Scheme are the employee or director (including executive, non-executive and independent non-executive director) of any member of the group comprising the Company, Shum Yip Holdings Company Limited, a substantial shareholder of the Company, Shum Yip Group Limited, the holding company of Shum Yip Holdings Company Limited, and their subsidiaries and associated companies from time to time (the "SY Group") or any employee, partner or director of any business consultant, joint venture partner, financial adviser and legal adviser of and to any member of the SY Group, as the Board may at its absolute discretion determine.
3. The total number of shares which may be issued upon exercise of all options to be granted shall not in aggregate exceed 10% of the total number of shares in issue as at the date of adopting the Share Option Scheme. That 10% limit was refreshed at the annual general meeting of the Company held on 19 June 2014 whereby the Company was authorized to grant further options carrying rights to subscribe for up to 538,252,770 shares, representing 10% of the total number of the Company's shares in issue as at the date of the said meeting, under the Share Option Scheme. As at the date of this report, the total number of shares available for issue under the Share Option Scheme was 514,912,865 (of which options to subscribe for 146,821,811 shares had been granted and were outstanding), representing approximately 5.83% of the shares in issue of the Company.
4. The total number of shares issued and to be issued upon exercise of the options granted and to be granted pursuant to the Share Option Scheme to each Participant (including exercised, cancelled and outstanding options) in an 12-month period shall not exceed 1% of the total number of shares of the Company in issue, unless otherwise separately approved by the shareholders of the Company in a general meeting. Further, any grant of option to a participant who is a substantial shareholder or an

管理合約

年內概無訂立或存在任何有關本集團全部或絕大部份業務管理與行政之合約。

購股權計劃

本公司於2012年6月22日採納一項購股權計劃（「購股權計劃」）。購股權計劃之主要條款如下：

1. 購股權計劃旨在向參與者提供激勵及獎勵以鼓勵彼等致力為本公司及其股東之整體利益提升本公司及其股份之價值。
2. 購股權計劃之合資格參與者為本集團任何成員公司（包括本公司、本公司之主要股東深業（集團）有限公司、深業（集團）有限公司之控股公司深業集團有限公司及彼等不時之附屬及關聯公司）（「深業集團」）之僱員或董事（包括執行、非執行及獨立非執行董事）、或深業集團任何成員公司之任何商業顧問、合營夥伴、財務顧問及法律顧問之任何僱員、合夥人或董事，均由董事會全權決定。
3. 因行使將擬授出之全部購股權而可能發行之股份總數合共不得超過於採納購股權計劃當日已發行股份總數之10%。該10%之限額已於2014年6月19日舉行之本公司股東週年大會上更新，藉此，本公司根據購股權計劃獲授權授出附帶權利可認購最多538,252,770股股份（佔上述會議日期本公司已發行股份總數之10%）之購股權。於本報告日期，根據購股權計劃可供發行之股份總數為514,912,865股（其中認購146,821,811股股份之購股權已授出及尚未行使），約相當於本公司已發行股份之5.83%。
4. 根據購股權計劃於任何12個月期間已授予及擬授予各參與者之購股權（包括已獲行使、已註銷及尚未行使之購股權）因行使而發行及擬發行之股份總數，不得超過本公司已發行股份總數之1%，另行於股東大會獲公司股東批准者除外。根據購股權計劃及本公司任何其他購股權計劃，倘向身為本公司主要股東或獨立非執行

Directors' Report

董事會報告

independent non-executive director of the Company, or any of their respective associates, which would result in the shares issued and to be issued upon exercise of all options already granted and to be granted under the Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant (i) representing in aggregate more than 0.1% of the total number of shares of the Company in issue; and (ii) having an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5,000,000, is subject to the approval of the shareholders of the Company in general meeting.

5. The exercise period of any option granted under the Share Option Scheme is to be determined by the Board at its absolute discretion, and shall expire no later than the 10th anniversary of date upon which the option is granted and accepted in accordance with the Share Option Scheme.
6. There is neither any minimum period for which an option must be held, nor any performance target which is needed to be achieved before the option can be exercised unless otherwise determined by the Board and specified at the time of the offer.
7. The period open for acceptance of an offer of the grant of the option shall be determined by the Board at its absolute discretion provided that it shall not be opened for acceptance after the 10th anniversary of the date upon which the option is granted and accepted in accordance with the Share Option Scheme or after the Share Option Scheme has been terminated in accordance with the provisions of the Share Option Scheme, whichever is earlier. The acceptance of an offer of the grant of the option shall be made with a non-refundable payment of HK\$1.00 from the grantee.
8. The exercise price shall be a price determined solely by the Board and shall be at least the higher of (i) the closing price of the Company's shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited ("Stock Exchange") on the date of grant; and (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant.
9. The Share Option Scheme shall be valid and effective until 22 June 2022 unless otherwise terminated in accordance with the terms stipulated therein.

Please refer to note 37 to the financial statements for further information of the Share Option Scheme.

董事或彼等各自的任何聯繫人之參與者授出及擬授出的所有購股權（包括已獲行使、已註銷及尚未行使的購股權）因行使而導致於截至並包括有關授出日期止12個月期間已發行及擬發行的股份：(i)合共超過本公司已發行股份總數的0.1%；及(ii)按本公司股份於各授出日期的收市價計算，總值超過5,000,000港元者；則進一步授出購股權須經本公司股東在股東大會上批准。

5. 根據購股權計劃授出之任何購股權之行使期將由董事會全權決定，及根據購股權計劃須於授出及接納購股權當日起計不遲於第10個年度前屆滿。
6. 在行使購股權前並無須持有購股權之任何最短期限或須達到之任何表現目標，除非董事會在授出購股權時另有決定及指明。
7. 可供接納授出購股權之要約之時間乃由董事會全權決定，惟根據購股權計劃於授出及接納購股權當日起計滿第10個年度當日或購股權計劃已根據其條文終止（以較早者為準）後不可供接納。接納授出購股權之要約時，承授人須支付不可退還款項1.00港元。
8. 行使價乃由董事會全權釐定，並須至少為以下之較高者：(i)香港聯合交易所有限公司（「聯交所」）每日報價表所載本公司股份於授出當日之收市價；及(ii)聯交所每日報價表所載本公司股份於緊接授出當日前五個營業日之平均收市價。
9. 購股權計劃有效及生效至2022年6月22日，除非根據其中所訂明之條款另行終止。

有關購股權計劃之其他資料，請參閱財務報表附註37。

During the year, 49,616,112 options were lapsed and forfeited, 6,333,179 options were cancelled, 26,348,178 options were exercised and the number of outstanding share options have been adjusted upward by 10,102,000 as a result of the issue and allotment of new shares to shareholders who elected to receive the final dividend for year ended 31 December 2018 and the interim dividend for six months ended 30 June 2019 in scrip form. As at 31 December 2019, 146,821,811 options granted under the Share Option Scheme were still outstanding.

年內，49,616,112份購股權已失效及沒收，6,333,179份購股權已註銷，26,348,178份購股權已行使，而因應向選擇以代息股份方式收取截至2018年12月31日止年度末期股息及截至2019年6月30日止6個月中期股息的股東發行及配發新股份而對尚未行使的購股權的數目向上調整10,102,000份。於2019年12月31日，根據購股權計劃授出之146,821,811份購股權仍尚未行使。

The particulars of, and movements in, the share options outstanding under the Share Option Scheme during the year are set out below:

下文載列年內購股權計劃項下尚未行使之購股權之詳情及變動：

	Number of share options 購股權數目						At 31 December 2019	Date of grant of share options 授出 購股權 日期	Exercise period of share options 購股權 行使期間	Exercise price of share options 購股權 行使價 HK\$per share 每份港元 (Note 1) (附註1)
	At 1 January 2019 於2019年 1月1日	Granted during the year 於年內 授出	Exercised during the year 於年內 行使	Lapsed and forfeited during the year 於年內 失效及沒收	Cancelled during the year 於年內 註銷	Other changes during the year 年內 其他變動 (Note 1) (附註1)				
Directors 董事										
LU Hua 呂華	3,351,849	-	3,350,000	1,849	-	-	28/1/2014	28/1/2016-27/1/2019*	2.191	
	8,369,457	-	-	-	-	525,543	20/6/2017	20/6/2019-19/6/2022**	3.036	
HUANG Wei 黃偉	2,639,768	-	-	2,639,768	-	-	27/7/2015	28/1/2016-27/1/2019*	2.826	
	7,950,550	-	-	-	-	499,239	20/6/2017	20/6/2019-19/6/2022**	3.036	
MOU Yong 牟勇	2,050,714	-	2,050,000	714	-	-	28/1/2014	28/1/2016-27/1/2019*	2.191	
	5,608,578	-	-	-	-	352,179	20/6/2017	20/6/2019-19/6/2022**	3.036	
LIU Chong 劉崇	1,883,196	-	1,883,196	-	-	-	28/1/2014	28/1/2016-27/1/2019*	2.191	
	5,608,578	-	-	-	-	352,179	20/6/2017	20/6/2019-19/6/2022**	3.036	
	37,462,690	-	7,283,196	2,642,331	-	1,729,140				

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	Number of share options 購股權數目						At 31 December 2019	Date of grant of share options	Exercise period of share options	Exercise price of share options
	At 1 January 2019	Granted during the year	Exercised during the year	Lapsed and forfeited during the year	Cancelled during the year	Other changes during the year				
	於2019年 1月1日	於年內 授出	於年內 行使	於年內 失效及沒收	於年內 註銷	年內 其他變動 (Note 1) (附註1)	於2019年 12月31日	授出 購股權 日期	購股權 行使期間	購股權 行使價 HK\$ per share (Note 1) (附註1)
Other employees 其他僱員	25,916,326	-	19,064,982	6,851,344	-	-	-	28/1/2014	28/1/2016-27/1/2019*	2.191
	2,668,647	-	-	2,668,647	-	-	-	27/7/2015	28/1/2016-27/1/2019*	2.826
	5,760,837	-	5,760,837	-	-	-	-	14/6/2016	14/6/2016-27/1/2019*	2.698
	123,364,795	-	-	29,483,844	6,333,179	6,926,222	94,473,994	20/6/2017	20/6/2019-19/6/2022**	3.036
	23,843,985	-	-	2,209,109	-	1,446,638	23,081,514	8/2/2018	20/6/2019-19/6/2022**	3.001
	181,554,590	-	19,064,982	46,973,781	6,333,179	8,372,860	117,555,508			
In aggregate 合共	219,017,280	-	26,348,178	49,616,112	6,333,179	10,102,000	146,821,811			

* The exercise period of the options expired on 27 January 2019 and in accordance with the terms of the Share Option Scheme, all unexercised options lapsed following the expiry of the exercise period.

* 購股權之行使期於2019年1月27日屆滿及根據購股權計劃之條款，所有尚未行使購股權於行使期屆滿後均將失效。

** Options shall be exercisable in the following manner and subject to performance review:

** 購股權將按下列方式行使並受表現審核規限：

Maximum percentage of Share Option exercisable

可行使購股權最高比例

40%

70%

100%

Period for exercise of the relevant percentage of the Share Option

相關比例購股權之行使期間

at any time from 20 June 2019 to 19 June 2020
2019年6月20日至2020年6月19日之任何時間

at any time from 20 June 2020 to 19 June 2021
2020年6月20日至2021年6月19日之任何時間

at any time from 20 June 2021 to 19 June 2022
2021年6月20日至2022年6月19日之任何時間

Notes:

1. The number of unexercised share options and the exercise price may be subject to adjustment in case of alteration in the capital structure of the Company. Pursuant to the announcements dated 15 August 2019 and 18 November 2019, the Company adjusted the exercise price and number of options outstanding with reference to the terms of the Share Option Scheme and the supplementary guidance attached to the letter of the Stock Exchange relating to share option schemes dated 5 September 2005. The adjusted number and exercise prices for each batch of share options and presented in note 37 to the financial statements.

附註：

1. 未行使購股權之數目及行使價會隨本公司股本架構變動而調整。根據2019年8月15日及2019年11月18日之公告，本公司根據購股權計劃的條款及聯交所就購股權計劃出具日期為2005年9月5日的函件隨附的補充指引對尚未行使購股權行使價及數目做出調整。各批購股權之經調整數目及行使價於財務報表附註37列示。

Directors' Interests in Shares

As at 31 December 2019, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests in short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") adopted by the Company were as follows:—

Long positions in the shares ("Shares") and underlying shares of the Company:

董事之股份權益

於2019年12月31日，本公司之董事及最高行政人員於本公司及任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或視為擁有之淡倉之權益），或記錄於根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據本公司採納之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉如下：

本公司股份（「股份」）及相關股份之好倉：

Name of director 董事姓名	Capacity 身份	Number of Shares 股份數目	Underlying shares pursuant to share options 根據購股權之相關股份數目	Aggregate interests 總權益	Percentage of Shares in issue 佔已發行股份之百分比
LU Hua 呂華	Beneficial owner 實益擁有人	1,154,562	8,895,000	10,049,562	0.11
HUANG Wei 黃偉	Beneficial owner 實益擁有人	—	8,449,789	8,449,789	0.10
MOU Yong 牟勇	Beneficial owner 實益擁有人	—	5,960,757	5,960,757	0.07
LIU Chong 劉崇	Beneficial owner 實益擁有人	—	5,960,757	5,960,757	0.07
WU Jiesi 武捷思	Beneficial owner 實益擁有人	3,400,000	—	3,400,000	0.04
LI Wai Keung 李偉強	Beneficial owner 實益擁有人	1,180,880	—	1,180,880	0.01

Note: The percentage was calculated based on 8,833,437,048 Shares in issue as at 31 December 2019.

附註：百分比乃根據截至2019年12月31日之已發行股份8,833,437,048股計算。

Interests of the Directors in the share options of the Company are stated in detail in the preceding section "Share Option Scheme".

董事於本公司購股權之權益於上一節「購股權計劃」中詳細載列。

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Save as disclosed above, none of the Directors and chief executive of the Company had, as at 31 December 2019, any interests or short positions in any Shares and underlying shares or debentures of the Company or any of its associated corporations (which is the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests in short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debts securities (including debentures) of, the Company or its associated corporations and none of the Directors, or their spouse or children under the age of 18, had any rights to subscribe for equity or debt securities of the Company or its associated corporations, or had exercised any such rights.

Substantial Shareholders

So far as is known to any director or chief executive of the Company, as at 31 December 2019, the interests and short positions of the shareholders (other than directors or chief executives of the Company) who had interests or short positions in the Shares and 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 pursuant to Section 336 of the SFO, were as follows:

除上文所披露者外，截至2019年12月31日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份及相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例之有關條文被當作或視為擁有之淡倉之權益），或記錄於根據證券及期貨條例第352條須由本公司存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

除上文所披露者外，於年內任何時間，本公司或其任何附屬公司概無參與任何安排，令董事可藉收購本公司或其相聯法團之股份或債務證券（包括債券）而獲利，亦無任何董事、或彼等之配偶或其十八歲以下子女擁有任何可認購本公司或其相聯法團之權益或債務證券之權利或已行使任何該等權利。

主要股東

就本公司任何董事或最高行政人員所深知，於2019年12月31日，股東（本公司董事或最高行政人員除外）於本公司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及第3分部之條文向本公司披露之權益及淡倉，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益及淡倉如下：

Interest in Shares:

股份權益：

Name 名稱	Capacity 身份	Number of Shares 股份數目		Percentage of Shares in issue 佔已發行股份 之百分比 (Note 1) (附註1)
		Long Position 好倉	Short Position 淡倉	
Shum Yip Group Limited* ("SYG") 深業集團有限公司(「深業集團」)	Interest in controlled corporation 受控法團之權益	5,622,994,189 (Note 2) (附註2)	—	63.66
Shum Yip Holdings Company Limited ("SYH") 深業(集團)有限公司(「深業(集團)」)	Beneficial owner 實益擁有人	5,546,307,730	—	62.79
	Interest in controlled corporation 受控法團之權益	76,686,459 (Note 3) (附註3)	—	0.87
ALPHA-OMEGA CORPORATION	Beneficial owner 實益擁有人	576,713,127	—	6.53

Notes:

- The percentage was calculated based on 8,833,437,048 Shares in issue as at 31 December 2019.
- SYG is deemed to be interested in the 5,622,994,189 Shares which SYH is interested in by virtue of SYH being its direct wholly-owned subsidiary.
- These 76,686,459 Shares were held by Goldclass Industrial Limited, a wholly-owned subsidiary of Successful Years Holdings Limited, which in turn is wholly-owned by Shum Yip Finance Company Limited ("SYF"). SYF is a wholly-owned subsidiary of SYH and accordingly, SYH is deemed to be interested in these 76,686,459 Shares.

* For identification purpose only

Saved as disclosed above, as at 31 December 2019, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying shares of 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 under Section 336 of the SFO.

附註：

- 百分比乃根據截至2019年12月31日之已發行股份8,833,437,048股計算。
- 因深業(集團)為深業集團之直接全資附屬公司，故深業集團被視為於深業(集團)擁有權益之5,622,994,189股股份中擁有權益。
- 該等76,686,459股股份由Successful Years Holdings Limited之全資附屬公司財利實業有限公司持有，而Successful Years Holdings Limited由深業金融財務有限公司(「深業金融」)全資擁有。深業金融為深業(集團)的全資附屬公司，因此，深業(集團)被視為擁有該等76,686,459股股份中的權益。

除上文所披露者外，截至2019年12月31日，概無任何人士(本公司董事及最高行政人員除外)曾知會本公司其於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文或記錄於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

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Equity-Linked Agreements

Other than the share option schemes of the Company as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

Related Party Transactions

Details of the significant related party transactions undertaken in the normal course of business are provided under note 43 to the financial statements. None of these transactions constitute non-exempt connected transactions/continuing connected transactions under Chapter 14A of the Listing Rules.

Purchases, Sale or Redemption of the Company's Securities

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

Public Float

Based on the information that is publicly available to the Company and within the knowledge of its Directors, throughout the year and up to the date of this report, there is sufficient public float, as not less than 25% of the Company's issued Shares are held by the public.

Continuing Disclosure Requirements Under Rule 13.21 of the Listing Rules

Banking facilities with covenants in relation to specific performance of the controlling shareholder:

By an agreement ("1st Facility Agreement") dated 29 May 2015 entered into between the Company as borrower and a bank, up to a principal amount of HK\$200,000,000 term loan facility ("1st Facility") was provided to the Company. The 1st Facility shall be fully repaid by the Company in three instalments with the last repayment date falling 60 months from the date of the 1st Facility Agreement.

By an agreement ("2nd Facility Agreement") dated 9 August 2017 entered into between the Company as borrower and a bank, up to a principal amount of HK\$500,000,000 transferable term loan facility ("2nd Facility") was provided to the Company. The term of the 2nd Facility is 48 months commencing from the date of the 2nd Facility Agreement.

On 16 August 2017, the Company as borrower accepted the facility letter ("3rd Facility Agreement") relating to a transferable term loan facility up to a principal amount of HK\$600,000,000 (or its equivalent in United States dollars) ("3rd

股票掛鈎協議

除上述所披露之本公司之購股權計劃外，於年內或年度結束時，本公司概無訂立或存在任何將會或可導致本公司發行股份或要求本公司訂立將會或可導致本公司發行股份的任何協議的股票掛鈎協議。

關聯方交易

於正常業務過程中進行的重大關聯方交易詳情載於財務報表附註43。該等交易並不構成上市規則第14A章項下之非豁免關連交易／持續關連交易。

購買、出售或贖回本公司之證券

年內，本公司及其任何附屬公司並無購買、出售或贖回其任何上市證券。

公眾持股量

本年度全年及截至本報告日期，根據本公司取得的公開資料及就董事所知悉，本公司有足夠的公眾持股量，即公眾持股量並不少於本公司已發行股份的25%。

上市規則第13.21條之持續披露規定

附帶有關控股股東特定履行契諾之銀行融資：

根據本公司（作為借款人）與一銀行於2015年5月29日訂立之一項協議（「第一份融資協議」），一筆最高本金額為200,000,000港元之定期貸款融資（「第一筆融資」）已提供予本公司。第一筆融資須由本公司分3期悉數償還，最後一筆還款日期為訂立第一份融資協議當日起計屆滿60個月之日期。

根據本公司（作為借款人）與一銀行於2017年8月9日訂立之一項協議（「第二份融資協議」），一筆最高本金額為500,000,000港元之可轉讓定期貸款融資（「第二筆融資」）已提供予本公司。第二筆融資的期限為自第二份融資協議當日起計48個月。

於2017年8月16日，本公司（作為借款人）接納由銀行（作為放款人）授出一筆最高本金額為600,000,000港元（或相等幣值之美元）之可轉讓定期貸款融

Facility") offered by a bank as lender. The Company shall repay in full to the lender each borrowing of a portion of the 3rd Facility on the date falling 48 months from the date such borrowing is made and all other sums (if any) then owing under the 3rd Facility Agreement on the date falling 54 months from 21 August 2017.

On 18 August 2017, the Company as borrower accepted the facility letter ("4th Facility Agreement") relating to a term loan facility of up to US\$65,000,000 (or its equivalent in Hong Kong dollars) ("4th Facility") offered by a bank as lender. The 4th Facility shall be fully repaid by the Company in three installments with the last repayment date falling 36 months from the acceptance date of the 4th Facility Agreement.

On 18 December 2017, the Company as borrower entered into a facility agreement ("5th Facility Agreement") relating to a transferable term loan facility of up to HK\$400,000,000 ("5th Facility") with a bank as lender. The term of the 5th Facility is 48 months commencing from the date of the 5th Facility Agreement.

On 26 February 2018, the Company as borrower accepted the facility letter ("6th Facility Agreement") relating to a term loan facility of up to HK\$500,000,000 ("6th Facility") offered by a bank as lender. The last repayment date of the 6th Facility is the day falling 3 years from the acceptance date of the 6th Facility Agreement.

On 11 April 2018, the Company as borrower accepted the facility letter ("7th Facility Agreement") relating to a term loan facility of up to HK\$1,500,000,000 ("7th Facility") offered by a bank as lender. The term of the 7th Facility is 4 years from the date the first drawdown under the 7th Facility is made.

On 26 June 2018, the Company as borrower entered into a facility agreement ("8th Facility Agreement") relating to a transferable term loan facility of up to a principal amount of HK\$10,000,000,000 ("8th Facility") offered by certain banks as lenders. The Company shall repay the borrowings under the 8th Facility by five installments with all outstanding amounts under the 8th Facility fully repaid on the date falling 60 months from the date of the 8th Facility Agreement.

On 14 September 2018, the Company as borrower accepted the facility letter ("9th Facility Agreement") relating to an uncommitted term loan facility of up to US\$185,000,000 (or its equivalent in Hong Kong dollars) ("9th Facility") offered by a bank as lender. The last repayment date of the 9th Facility is the day falling 4 years from the acceptance date of the 9th Facility Agreement.

資(「第三筆融資」)之貸款函件(「第三份融資協議」)。本公司須於第三筆融資之各部份借款借出日期起計屆滿48個月當日向放款人悉數償還該等借款，而第三份融資協議項下之所有其他借款(如有)須自2017年8月21日起計屆滿54個月當日悉數償還。

於2017年8月18日，本公司(作為借款人)接納由銀行(作為放款人)授出一筆最高金額為65,000,000美元(或相等幣值之港元)之定期貸款融資(「第四筆融資」)之貸款函件(「第四份融資協議」)。第四筆融資須由本公司分三期悉數償還及最後一筆還款日期為接納第四份融資協議當日起計屆滿36個月之日期。

於2017年12月18日，本公司(作為借款人)與一銀行(作為放款人)就一筆最高金額為400,000,000港元之可轉讓定期貸款融資(「第五筆融資」)訂立融資協議(「第五份融資協議」)。第五筆融資期限為自第五份融資協議當日起計48個月。

於2018年2月26日，本公司(作為借款人)接納由銀行(作為放款人)授出一筆最高金額為500,000,000港元之定期貸款融資(「第六筆融資」)之貸款函件(「第六份融資協議」)。第六筆融資的最後還款日期為第六份融資協議接納日期起計屆滿3年之日期。

於2018年4月11日，本公司(作為借款人)接納由銀行(作為放款人)授出一筆最高金額為1,500,000,000港元之定期貸款融資(「第七筆融資」)之貸款函件(「第七份融資協議」)。第七筆融資期限為自第七筆融資項下首次提款當日起計4年。

於2018年6月26日，本公司(作為借款人)就由若干銀行(作為放款人)授出一筆最高本金額為10,000,000,000港元之可轉讓定期貸款融資(「第八筆融資」)訂立一項融資協議(「第八份融資協議」)。本公司須分五期償還第八筆融資項下之貸款，第八筆融資項下之所有未償還金額須於第八份融資協議日期起計屆滿60個月當日悉數償還。

於2018年9月14日，本公司(作為借款人)接納由銀行(作為放款人)授出一筆最高金額為185,000,000美元(或相等幣值之港元)之非承諾定期貸款融資(「第九筆融資」)之貸款函件(「第九份融資協議」)。第九筆融資的最後還款日期為第九份融資協議接納日期起計屆滿4年之日期。

Directors' Report 董事會報告

On 26 June 2019, the Company as borrower accepted the facilities under the "10th Facility Agreement", together with the 1st Facility Agreement, 2nd Facility Agreement, 3rd Facility Agreement, 4th Facility Agreement, 5th Facility Agreement, 6th Facility Agreement, 7th Facility Agreement, 8th Facility Agreement, and 9th Facility Agreement collectively referred to as the "10th Facility Agreements") relating to a revolving loan facility ("10th Facility") offered by a bank as lender. The Company is required to undergo a review by the lender.

Under the Facility Agreements, it will be an event of default if the Company Limited ceases to own beneficially and/or control of the Company, ceases to be the single largest shareholder of the Company, ceases to have management control of the Company, or if the Company is controlled as to at least 51% by the Shenzhen Government or any of its subsidiaries in the Republic of China and at any time the Company fails to pay any of the amounts due under the facilities mentioned above.

Permitted Indemnity

The articles of association of the Company provide that any director or other officer of the Company shall be indemnified by the Company against all liabilities incurred by him or her in connection with the discharge of his or her duties as a director or officer of the Company, except to the extent that he or she has maintained or maintained relevant liabilities.

Audit

The audit report is included in the financial statements of the Company for the year ended 31 December 2019.

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Directors' Report

董事會報告

On 26 June 2019, the Company as borrower accepted the facility letter ("10th Facility Agreement", together with the 1st Facility Agreement, 2nd Facility Agreement, 3rd Facility Agreement, 4th Facility Agreement, 5th Facility Agreement, 6th Facility Agreement, 7th Facility Agreement, 8th Facility Agreement, and 9th Facility Agreement collectively referred to as the "Facility Agreements") relating to a revolving loan facility of up to RMB1,000,000,000 ("10th Facility") offered by a bank as lender. The Facility is subject to annual review by the lender.

Under the Facility Agreements, it will be an event of default if Shum Yip Holdings Company Limited ceases to own beneficially at least 35% of the issued share capital of the Company, ceases to be the single largest shareholder of the Company, ceases to have management control of the Company, or ceases to remain beneficially owned as to at least 51% by the Shenzhen Municipal People's Government of the People's Republic of China and at any time after the happening of an event of default, all amounts due under the facilities may be declared to be immediately due and payable.

Permitted Indemnity

The articles of association of the Company provides that each Director, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors and officers.

Audit Committee

The Group's results for the year have been reviewed by the Audit Committee. Information on the work of Audit Committee and its composition are set out in the Corporate Governance Report on pages 61 to 88.

Auditors

The consolidated financial statements of the Group for the year ended 31 December 2019 have been audited by KPMG (Certified Public Accountants and Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance), who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

By Order of the Board

LU Hua
Chairman

Hong Kong, 30 March 2020

於2019年6月26日，本公司（作為借款人）接納由銀行（作為放款人）授出一筆最高金額為人民幣1,000,000,000元之循環貸款融資（「第十筆融資」）之貸款函件（「第十份融資協議」，與第一份融資協議、第二份融資協議、第三份融資協議、第四份融資協議、第五份融資協議、第六份融資協議、第七份融資協議、第八份融資協議及第九份融資協議統稱為「該等融資協議」）。該筆融資受放款人每年檢討。

根據該等融資協議，倘深業（集團）有限公司不再實益擁有本公司至少35%之已發行股本，或不再為本公司之單一最大股東，或不再控制本公司之管理，或不再由中華人民共和國深圳市人民政府實益擁有至少51%之權益，則將被視作違反協議，及於發生任何違反協議事宜後任何時間，該等融資項下所有金額或被即時宣佈到期並須予償還。

獲准許的彌償

本公司的組織章程細則規定，在公司條例許可的最大範圍內，本公司每名董事、秘書或其他高級人員就其執行職務或與此有關所蒙受或招致一切損失或責任，均有權從本公司資產中獲得彌償。此外，本公司已就針對董事及高級人員的有關法律行動投購適當的董事及高級人員責任保險。

審核委員會

本集團年內業績已由審核委員會審閱。有關審核委員之職責及組成之資料載於第61至88頁之企業管治報告。

核數師

本集團截至2019年12月31日止年度之綜合財務報表已由畢馬威會計師事務所（執業會計師及於《財務匯報局條例》下的註冊公眾利益實體核數師）審核。畢馬威會計師事務所將於本公司應屆股東週年大會上退任，並符合資格且願意膺聘連任。

承董事會命

主席
呂華

香港，2020年3月30日

企業管治常規

本公司致力恪守奉行高標準之企業管治。本公司董事會（「董事會」）堅信，良好企業管治對有效之管理、健全之企業文化、成功之業務發展，以及提升股東價值均關重要。本公司已於整個2019年應用並遵守香港交易所有限公司證券上市規則（「上市規則」）附錄所載之企業管治守則（「企業管治守則」）之所有守則條文。

我們將不斷檢討集團的企業管治常規以確保其能與最新發展（包括企業管治守則的修訂）一致，以改善本公司的常規。

Enriching

Quality Living

締造

優質生活

Building Living Vision to Achieve
Undertakings in Shenzhen

建築生活美景 成就深圳事業

Corporate Governance Report

企業管治報告

Corporate Governance Practices

The Company is committed to maintaining high standard of corporate governance. The board of directors of the Company (the "Board") strongly believes that good corporate governance is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value. The Company has applied the principles and complied with all code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year 2019.

Looking ahead, we will keep our corporate governance practices under continual review to ensure their consistent application and to improve our practices having regard to the latest developments including any new amendment to the CG Code.

企業管治常規

本公司致力恪守奉行高標準之企業管治。本公司董事會（「董事會」）堅信，良好企業管治對有效之管理、健全之企業文化、成功之業務發展，以及提升股東價值至關重要。本公司已於整個2019年應用並遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）之所有原則及守則條文。

展望未來，我們將不斷檢討集團的企業管治常規以確保貫徹應用並在考慮最新發展（包括企業管治守則的任何新修訂）後改善本公司的常規。



Corporate Governance Report
 企業管治報告



Board of Directors

Responsibilities and Delegation

Under the leadership of the Chairman, the Board is responsible for formulating overall strategies and policies of the Company, supervising and evaluating business and financial performance of the Company, determining appropriate corporate governance practices applicable to the Company's circumstances and ensuring operational efficiency and effectiveness by establishing a comprehensive corporate governance framework with appropriate risk control measures and aiming to enhance long-term shareholders' value.

The Board has delegated certain functions to respective committees, including Audit Committee, Nomination Committee and Remuneration Committee, the details of the responsibilities, membership and activities during the year of each of them are set out in the section headed "Board Committees" below. These Board committees assist the Board to discharge its duties while the responsibilities of the day-to-day operations and business management are delegated to the executive directors and senior management. Matters specifically reserved to the Board include approval of financial statements, dividend policy, significant changes in corporate structure, mergers and acquisitions, major investments, material acquisition and disposal of assets, selection of directors, changes to remuneration policy for directors and senior management, terms of reference of board committees, as well as major corporate policies.

All Board members have separate and independent access to the management, and are provided with full and timely information about the conduct of the business and development of the Company, including reports on significant matters. Besides, all Board members are provided with monthly management updates which contain periodic financials with summaries of key events, outlook and business related matters of the Group. Should independent professional advice be considered necessary by the directors, such kind of services would be made available to the directors upon request.

The Company has arranged Directors & Officers Liability and Company Reimbursement Insurance for its directors and officers in respect of legal proceedings and other claims against them arising from their office and execution of their powers, duties and responsibilities.

董事會

職責及授權

董事會在主席的領導下，負責制定本公司的整體策略及政策，監督及評估公司的業務與財務表現；釐定適用於公司情況的合適企業管治常規以及通過建立健全的企業管治架構及制定適當的風險控制措施，確保其營運的效率及效益，致力提升長遠股東價值。

董事會將若干職能授權予相關委員會，包括審核委員會、提名委員會及薪酬委員會，該等委員會各自於年內之職責、成員身份及活動詳情載於下文「董事委員會」一節。該等董事委員會協助董事會履行職責，而執行董事和高級管理人員則獲授權管理日常營運及業務。特定保留予董事會決定的事宜包括批准財務報表、股息政策、公司架構的重大變動、併購、主要投資、重大收購及出售資產、膺選董事、董事及高級管理層薪酬政策的變動、董事委員會職權範圍以及主要企業政策。

所有董事會成員均可個別及獨立與管理層接觸，亦可獲得有關本公司業務經營及發展的全面及即時的資料，包括重大事項的報告。此外，全體董事會成員亦獲提供每月最新管理信息，內容載有本集團之定期財務資料及重要事項、前景及業務相關事宜之撮要。倘董事認為有必要尋求獨立專業意見時，該類服務將應要求提供予董事。

本公司已就董事及高級職員因其職務及執行其權力、職責及責任而引起的法律程序及其他索償而投購董事和高級職員責任及公司補償保險。

Corporate Governance Report

企業管治報告

Composition

The Board currently comprises four executive directors and five non-executive directors of whom three are independent non-executive directors. Our independent non-executive directors constitute not less than one-third and non-executive directors constitute more than half of the Board.

Mr. WU Wai Chung, Michael and Mr. LI Wai Keung, our independent non-executive directors, have served the Board for more than nine years. The Board considers that they have continued to exercise independent judgment on the matters of the Group and there is no evidence that length of tenure is having an adverse impact on their independence. The Board therefore considers that Mr. WU Wai Chung, Michael and Mr. LI Wai Keung remain independent, notwithstanding the length of their tenure.

The Company has received from each independent non-executive director a confirmation of his independence pursuant to the criterion set out in Rule 3.13 of the Listing Rules and considers that all independent non-executive directors are independent.

All directors, including the non-executive directors, have a specific term of appointment which is not more than three years. Each director has entered into an appointment letter with the Company and pursuant to the Articles of Association of the Company, every director, including the non-executive directors, shall be subject to retirement by rotation at least once every three years. One third of the directors (or if their number is not a multiple of three, then the number nearest to one-third) shall retire from office at each annual general meeting and eligible for re-election by shareholders. Also, any director appointed to fill a casual vacancy shall retire at the next general meeting of the Company and be eligible for re-election by shareholders. A separate resolution is proposed for the re-election of each director.

The Board members do not have any financial, business, family or other material/relevant relationships with each other. Brief biographical particulars of the directors are set out from pages 34 to 42 of this annual report.

組成

董事會目前由四名執行董事及五名非執行董事組成，其中三名為獨立非執行董事。我們的獨立非執行董事不少於董事會人數三分之一，而非執行董事則佔董事會人數一半以上。

我們的獨立非執行董事吳偉聰先生及李偉強先生服務本公司董事會已逾九年。董事會認為，彼等持續對本集團的事務行使獨立判斷，及概無任何證據顯示任期長短對彼等獨立性構成不利影響。因此，董事會認為，不論任期長短，吳偉聰先生及李偉強先生仍保持獨立。

根據上市規則第3.13條所載的準則，本公司已接獲各獨立非執行董事的獨立性確認書，並認為所有獨立非執行董事均為獨立。

全體董事（包括非執行董事）均有不超過三年的特定委任期限。每名董事已與本公司訂立委任函，及根據本公司的組織章程細則，每名董事（包括非執行董事）須每三年至少輪值告退一次。每屆股東週年大會上須有三分之一的董事（或若董事人數並非三之倍數，則以最接近三分之一之數目為準）退任，並有資格由股東膺選連任。另外，任何獲委任以填補臨時空缺的董事須於本公司下屆股東大會上退任並有資格由股東膺選連任。本公司就重選每一名董事提呈獨立的決議案。

各董事會成員之間並無任何財務、業務、親屬或其他重大／相關關係。董事的個人履歷詳情載於本年報第34至42頁。

Chairman of the Board and President

The roles of Chairman of the Board are performed by Dr. LU Hua, whereas the roles of President are performed by Mr. HUANG Wei. The Chairman of the Board is responsible for leading the Board to formulate good corporate governance practices and procedures together with the directors, determine the strategic directions, business plans and investment proposals of the Company, assess its performance and supervise the business affairs of the management in ensuring the effectiveness of the Board, whereas the President is responsible for overseeing overall operations of the Company and ensuring the implementation of plans efficiently.

Board Meeting

The Board meets regularly to review the financial and operating performance of the Company and to discuss future strategy. Four regular Board meetings were held in 2019. At the Board meetings, the Board reviewed significant matters including the Company's business development, proposals for final and interim dividends, annual report and half-year report and connected transactions. At least fourteen days' notice of a regular Board meeting was given to all directors who were provided with an opportunity to include matters for discussion in the agenda. The agenda and the accompanying board papers were sent to Directors at least three days before the intended date of a Board meeting. Draft and final versions of minutes of each Board meeting were circulated to directors for their comment and record respectively. In addition to the Board meetings, the Chairman of the Board also held a separate meeting with the independent non-executive directors without the presence of other directors on an annual basis.

董事會主席與總裁

董事會主席之角色由呂華博士擔任，而總裁之角色由黃偉先生擔任。董事會主席負責帶領董事會與全體董事共同制定良好的企業管治常規及程序，決定本公司的策略方針、業務計劃和投資方案，評估其表現和監督管理層的工作事務以確保董事會的有效性，而總裁則負責監督本公司的整體運作，及確保有效地執行計劃。

董事會會議

董事會定期舉行會議以審核本公司的財務及營運表現以及討論未來策略。2019年舉行了四次常規董事會會議。於董事會會議上，董事會檢討的重大事宜，包括本公司的業務發展、建議末期及中期股息、年報及半年度報告及關連交易。常規董事會會議的通知至少提前十四天向全體董事發出，全體董事均有機會提出擬商討之事項列入議程中。議程連同董事會會議文件在擬定董事會會議日期至少三天前發給董事。各董事會會議之會議記錄的初稿及最後定稿會發送給董事，初稿供其表達意見，而最後定稿則作記錄之用。除董事會會議外，董事會主席亦每年在其他董事避席的情況下與獨立非執行董事單獨會面。

Corporate Governance Report

企業管治報告

Attendance Record at Board Meetings, Board Committee Meetings and General Meetings

The attendance record of each director at Board meetings, Board committee meetings and general meetings in 2019 is set out below:

董事會會議、董事委員會會議及股東大會的出席記錄

於2019年，各董事出席董事會會議、董事委員會會議及股東大會的記錄載列如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Annual General Meeting 股東週年大會
No. of meetings held	舉行的會議次數	4	4	1	2	1
Executive Directors	執行董事					
LU Hua (<i>Chairman</i>)	呂華 (主席)	3/4	–	1/1	–	✓
HUANG Wei (<i>President</i>)	黃偉 (總裁)	4/4	–	–	–	✓
MOU Yong	牟勇	3/4	–	–	–	✓
LIU Chong	劉崇	4/4	–	–	–	✓
Non-executive Directors	非執行董事					
WU Jiesi	武捷思	2/4	–	–	–	–
LIU Shichao	劉世超	4/4	–	–	–	✓
Independent Non-executive Directors	獨立非執行董事					
WU Wai Chung, Michael	吳偉聰	4/4	4/4	–	2/2	✓
LI Wai Keung	李偉強	4/4	4/4	1/1	2/2	✓
WONG Yau Kar, David	黃友嘉	4/4	4/4	1/1	2/2	–

Directors' Securities Transactions

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the code of conduct of the Company for dealing in securities of the Company by the directors. Having made specific enquiry to all the directors, all directors confirmed that throughout the year, they had complied with the required standard set out in the Model Code.

董事進行證券交易

董事會已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易的行為準則。經向全體董事作出特定查詢後，全體董事均確認，彼等於整個年度內一直遵守標準守則所載的規定標準。

Directors' Continuing Professional Development Programme

Each newly appointed director will be provided with necessary induction information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant statutes, laws, rules and regulations.

Directors' training is an on-going process, all directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company also updates directors on any latest development regarding the Listing Rules and other applicable regulatory requirements from time to time to ensure compliance and enhance their awareness of good corporate governance practices. During the year, the Company had arranged an in-house training for the directors.

A summary of the training records reported by the directors for year 2019 is set out as follow:

董事持續專業發展計劃

所有新委任的董事均獲提供必要的入職培訓資料，以確保其對本公司的營運及業務以及相關條例、法律、規則及法規下的責任有適當的了解。

董事培訓屬持續過程，本公司鼓勵所有董事參與持續專業發展，以發展及更新其知識及技能。本公司亦不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保合規並提升其對良好企業管治常規的認識。年內，本公司已安排內部董事培訓。

董事呈報於2019年的培訓記錄的概要載列如下：

		Type of training covered* 所涵蓋培訓的類型#
LU Hua	呂華	1, 2, 3
HUANG Wei	黃偉	1, 2, 3
MOU Yong	牟勇	1, 2, 3
LIU Chong	劉崇	1, 2, 3
WU Jiesi	武捷思	1, 2, 3
LIU Shichao	劉世超	1, 2, 3
WU Wai Chung, Michael	吳偉驄	1, 2, 3
LI Wai Keung	李偉強	1, 2, 3
WONG Yau Kar, David	黃友嘉	1, 2, 3

#:

1. Attending briefing/training seminars/conferences relevant to the industry, business and their duties.
2. Reading industrial and regulatory updates/monthly management reports etc.

The Board is regularly kept up-to-date on key events, the performance, position and outlook of the Group through the monthly management reports.
3. Site visit

#:

1. 參加與行業、業務及其職責相關的簡介會／培訓研討會／會議。
2. 閱讀行業及監管更新資料／管理層每月報告等。

董事會透過管理層每月報告定期取得有關本集團重要事件、表現、狀況及前景的最新消息。
3. 實地考察

Corporate Governance Report

企業管治報告

Board Committees

The Board has appointed a number of committees to discharge its functions. The respective roles, responsibilities and activities of each Board committee are set out below:

Audit Committee

The Audit Committee comprises three independent non-executive directors, who are all equipped with commercial and financial skills and experiences required for understanding of accounting information. It is chaired by Mr. LI Wai Keung and other members are Mr. WU Wai Chung, Michael and Dr. WONG Yau Kar, David.

Under its terms of reference, the duties of the Audit Committee include, but not limited to, making recommendations on the appointment of external auditor and monitoring the effectiveness of external audit, supervision of internal audit and oversight of the integrity of financial information and the financial reporting system, overseeing internal audit, risk management and internal control systems of the Company and ensuring such functions are adequately resourced. The full terms of reference of the Audit Committee are available on the Company's website and the website of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

The Audit Committee performed the following in 2019:

Financial reporting/external audit and internal review

- Reviewed the 2018 annual financial statements, annual report and results announcement and recommended the same to the Board for approval;
- Reviewed the 2019 half-year financial statements, half-year report and results announcement and recommended the same to the Board for approval;
- Reviewed report submitted by external auditor on their statutory audit of the 2018 annual financial statements and their independent review of the 2019 half-year financial statements;
- Reviewed and discussed the observations and recommendations on the financial reporting and control matters set out in the 2018 management letter submitted by external auditor;
- Reviewed the representation letter issued by management to external auditor in connection with their audit of the 2018 financial statements;
- Reviewed with the external auditor their plan for statutory audit of the 2019 annual financial statements, including the nature and scope of the audit and reporting obligations.

董事委員會

董事會已委任若干委員會以履行其職責。各個董事委員會各自的角色、職責及活動載列如下：

審核委員會

審核委員會由三名獨立非執行董事組成，彼等均具備了解會計資料所需的商業與財務技巧及經驗。審核委員會由李偉強先生擔任主席，其他成員為吳偉聰先生及黃友嘉博士。

根據其職權範圍，審核委員會負責包括（但不限於）建議聘請外聘核數師、監督外部審計之有效性、監督內部審計及監察財務信息及財務申報系統的完整性、監督本公司的內部審計、風險管理及內部監控系統以及確保該等功能有足夠資源。審核委員會的職權範圍全文可於本公司網站及香港聯合交易所有限公司（「聯交所」）網站內查閱。

審核委員會於2019年曾進行以下工作：

財務申報／外部審計及內部檢討

- 審閱2018年年度財務報表、年報及業績公告，並建議董事會批准；
- 審閱2019年半年度財務報表、半年度報告及業績公告，並建議董事會批准；
- 審閱外聘核數師出具之有關彼等對2018年年度財務報表之法定審計及彼等對2019年半年度財務報表之獨立意見之報告；
- 審閱及討論外聘核數師提交之2018年年度管理層函件所載就財務申報及控制事宜的意見及建議；
- 審閱管理層就外聘核數師對2018年年度財務報表之審計致彼等之聲明函；
- 與外聘核數師檢閱彼等對2019年年度財務報表之法定審計計劃，包括審計性質和範疇及申報責任。

Risk management, internal control and internal audit

- Reviewed the evaluation report on internal control and risk management systems for year 2018 issued by the risk management department;
- Reviewed with the risk management department on the risk management and internal control systems and their effectiveness, the overall risk management, internal control and internal audit work progress and findings, and the adequacy of resources and staffing for such functions.

At the meeting held on 30 March 2020, the Audit Committee reviewed and approved the 2019 annual financial statements, annual report and results announcement and considered reports from the external auditor. The Audit Committee also reviewed the evaluation report on internal control and risk management systems for year 2019 issued by the risk management department.

The meeting attendance of each member of the Audit Committee is set out in the paragraph headed “Attendance Record at Board Meetings, Board Committee Meetings and General Meetings” of this report.

Remuneration Committee

The Remuneration Committee comprises three independent non-executive directors. It is chaired by Dr. WONG Yau Kar, David and other members are Mr. LI Wai Keung and Mr. WU Wai Chung, Michael.

The Company adopted the model whereby the Remuneration Committee is responsible for making recommendation to the Board on the remuneration packages of individual executive director and senior management according to its terms of reference. The Remuneration Committee is also responsible for making recommendation to the Board on the remuneration matters of non-executive directors, the setting up of adequate and transparent procedures for setting such remuneration. The full terms of reference of the Remuneration Committee are available on the Company's website and the Stock Exchange's website.

No director or any of his associates is allowed to determine their own remuneration. In making recommendation to the Board on the remuneration of directors and senior management, the Remuneration Committee shall consider factors such as industry remuneration level, time commitment and responsibilities of directors, employment conditions of other positions within the Group and whether their remuneration are performance-related.

During the year, the Remuneration Committee reviewed the director fees of non-executive directors and the remuneration structure and remuneration of executive directors.

風險管理、內部監控及內部審計

- 審閱風險管理部就2018年內部監控及風險管理系統出具之評估報告；
- 與風險管理部檢討風險管理及內部控制系統及其有效性、整體風險管理、內部監控及內部審計進展及結果、及該等職能方面的資源及人力是否充足。

於2020年3月30日召開的會議上，審核委員會審閱及批准了2019年年度財務報表、年報及業績公告，並審議了外聘核數師出具的報告。審核委員會亦檢討了風險管理部就2019年內部監控及風險管理系統出具之評估報告。

審核委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

薪酬委員會

薪酬委員會由三名獨立非執行董事組成。薪酬委員會由黃友嘉博士擔任主席，其他成員為李偉強先生及吳偉聰先生。

本公司已採納由薪酬委員會負責根據其職權範圍就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議的模式。薪酬委員會亦負責就非執行董事的薪酬事項向董事會提出建議及設立恰當及透明的程序以制訂薪酬。薪酬委員會的職權範圍全文可於本公司網站及聯交所網站內查閱。

任何董事或其任何聯繫人士不得自行釐訂其本身的薪酬。在向董事會建議董事及高級管理人員的薪酬時，薪酬委員會須考慮同業薪酬水平、董事所付出的時間及職責、集團內其他職位的受僱條件及是否按表現等因素而釐定薪酬。

年內，薪酬委員會已審議非執行董事的董事袍金、執行董事之薪酬架構及薪酬。

Corporate Governance Report

企業管治報告

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

截至2019年12月31日止年度，按薪酬範圍劃分的高級管理人員之薪酬載列如下：

Remuneration Bands	薪酬範圍	Number of Individuals 人數
HK\$1,500,000 or below	1,500,000港元或以下	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	3
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1

The particulars regarding Directors' remuneration and the five highest paid employees are set out in notes 10 and 11 to the financial statements.

有關董事之薪酬及五名最高薪僱員的詳情載於財務報表附註10及11。

The meeting attendance of each member of the Remuneration Committee is set out in the paragraph headed "Attendance Record at Board Meetings, Board Committee Meetings and General Meetings" of this report.

薪酬委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

Nomination Committee

The Nomination Committee comprises three members of which two of them are independent non-executive directors. It is chaired by Dr. WONG Yau Kar, David and other members are Dr. LU Hua and Mr. LI Wai Keung.

提名委員會

提名委員會由三名成員組成，其中兩名為獨立非執行董事。提名委員會主席由黃友嘉博士擔任，其他成員為呂華博士及李偉強先生。

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive directors, identifying and evaluating individuals suitably qualified to become Board members as required and making recommendations to the Board on the appointment and re-appointment of directors. The full terms of reference of the Nomination Committee are available on the Company's website and the Stock Exchange's website.

提名委員會負責檢討董事會的架構、規模及組成、評核獨立非執行董事的獨立性、按要求物色並評估具備合適資格可擔任董事的人士以及就委任及重新委任董事向董事會提供推薦建議。提名委員會的職權範圍全文可於本公司網站及聯交所網站內查閱。

During the year 2019, the Nomination Committee reviewed the structure, size and composition of the Board and opined that it has the skills, experience and diversity of perspective appropriate to the requirements of the Company's business. The Nomination Committee also reviewed the policy for nomination of directors of the Company and recommended to the Board in relation to the re-election of the retiring directors at the annual general meeting of the Company held on 29 May 2019. The Nomination Committee also assessed the independency of the independent non-executive directors.

於2019年，提名委員會已檢討董事會的架構、規模及組成，並認為其具備適用於本公司業務要求的技能、經驗及多元化思維。提名委員會亦已審議本公司之董事提名政策及關於本公司於2019年5月29日舉行之股東週年大會上重選退任董事向董事會提供推薦建議。提名委員會亦已評核獨立非執行董事之獨立性。

The meeting attendance of each member of the Nomination Committee is set out in the paragraph headed "Attendance Record at Board Meetings, Board Committee Meetings and General Meetings" of this report.

提名委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

The Board recognizes the benefits of a diverse Board with members possessing a balance of skills, experience and expertise which complement to the business success of the Group, and seeks increasing diversity at Board level to enhance the effectiveness of the Board and to achieve a sustainable and balanced development. The Board diversity policy sets out the approach to achieve diversity in the Board, namely through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will continue to be made on a merit basis having due regard to the overall effective functioning of the Board as a whole. And, the Nomination Committee will review at least annually the appropriateness of the structure, size and composition of the Board to ensure its effectiveness.

The Board nomination policy sets out the principles which guide the Nomination Committee to identify and evaluate a candidate for nomination to (i) the Board for appointment or (ii) the shareholders of the Company for election, as a director of the Company with a view to ensure that the Board has a balance of skills, experience and diversity of perspective appropriate to the requirements of the Company's business. The Nomination Committee shall propose a candidate for nomination or a director for re-election based on merit and other considerations including the Board diversity policy, the expected contribution the candidate would add to Board and whether the candidate is able to commit and devote sufficient time and attention to the Company's affairs etc. The Nomination Committee may take such measures that it considers appropriate in connection with its identification and evaluation of a candidate and make recommendation to the Board for the Board's consideration.

Corporate Governance Functions

The Board is responsible for, and has performed during the year, the following corporate governance duties:

- to develop and review the Company's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and directors;
- to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

董事會深信多元化的董事會擁有互補各成員所具備的技能、經驗及專長的好處，有助於本集團業務成功，董事會亦尋求在董事會層面提升多元化，以提高董事會效率，並實現可持續及均衡發展。董事會成員多元化政策載列達致董事會成員多元化的方法，即透過考慮多種要素尋求達致董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年資。董事會所有委任將繼續以用人唯才為原則，且充分顧及到董事會整體的職能可有效發揮。而提名委員會每年至少對董事會的架構、規模及組成之適當性檢討一次以確保其效率。

董事會提名政策載有指引提名委員會物色及評估候選人的原則以(i)就委任向董事會或(ii)就選舉向本公司股東提名為本公司董事，旨在確保董事會具備適用於本公司業務要求的均衡技能、經驗及多元化思維。提名委員會應以用人唯才為原則推薦候選人以供提名或董事以供膺選連任，而其他考慮因素包括董事會成員多元化政策、預期候選人將為董事會帶來的貢獻以及候選人是否可奉獻及投入足夠的時間及精力於本公司事務等。提名委員會可就物色及評估候選人採取其認為合適的有關措施並向董事會提供推薦建議以供董事會考慮。

企業管治職能

董事會負責且已於年內履行以下企業管治職能：

- 制定及檢討本公司的企業管治政策及常規；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規則方面的政策及常規；
- 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊；
- 檢討本公司遵守企業管治守則及企業管治報告內披露的情況。

Risk Management and Internal Control

Responsibility

The Board is responsible for the risk management and internal control systems and reviewing the effectiveness of such systems. Management is responsible for designing and implementing an internal control system to manage the risks to the Company to the maximum extent, in order to identify and manage these risks so as to understand, reduce, mitigate, divert or avoid these risks. The Board hereby explains that the systems are designed to manage, rather than eliminate, the risk of failure to meet business objectives, and only to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management Structure

Board Oversight

Audit Committee, acting on behalf of the Board

- Ensure that an appropriate and effective risk management framework is established and maintained by the Company.
- Oversee management in the design, implementation and monitoring of the risk management framework.
- Oversee management in their risk mitigation efforts.

Risk Management, Reporting and Communication

Risk Management Department

- Being the specialized risk management department, is responsible for the establishment and operation of the comprehensive risk management system of the Company; guide and supervise the overall risk management of other departments and the respective enterprises which they belong to.
- Risk management: Regularly conduct systematic risk evaluation and carry out risk audit to major businesses in advance.
- Internal control: inspect, evaluate and optimize the implementation of internal control system, to avoid execution risks.
- Internal audit: conduct multi-level audit, implement auditing issues rectification work, prevent operational risks.
- Ensure that a review of the effectiveness of the risk management framework has been conducted at least annually and provide such confirmation to the Board through the Audit Committee.

風險管理與內部監控

責任

董事會須對風險管理及內部監控系統負責，有責任檢討該等制度的有效性，而管理層則負責設計及執行內部監控制度以最大限度的管理本公司面臨的風險，達到識別和管理這些風險，從而可以掌握、降低、舒緩、轉移或規避這些風險。董事會謹在此闡釋該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

風險管理架構

董事會監督

代表董事會行事的審核委員會

- 確保本公司已設立及維持一個合適和有效的風險管理架構。
- 監督管理層在風險管理架構的設計、執行及監察方面的工作。
- 監督管理層在風險舒緩方面的工作。

風險管理、匯報及溝通

風險管理部

- 為風險管理專職部門，負責本公司全面風險管理體系建設與運作的具體工作；指導、督促其他各部門及各所屬企業開展全面風險管理工作。
- 風險管理：定期進行系統風險評估、對重大業務進行事前風險審核。
- 內部控制：檢查、評價和優化內控制度的執行情況，規避執行上的風險。
- 內部審計：開展多層次的審計工作，落實審計問題整改，防範營運風險。
- 確保至少每年檢討一次風險管理架構的成效，並透過審核委員會向董事會作出有關確認。

Performing Daily Risk and Monitoring Responsibility

Functional Departments, Risk Management Departments of Subsidiaries and Individuals

- Responsible for carrying out risk management procedures and internal control measures in their daily operations.
- Regularly review the risk profile and report to the risk management department and management on the risks within their respective operating and functional areas.

執行日常風險及監控權責

職能部門、附屬企業風險管理部門及個人

- 負責於日常營運執行風險管理程序及內部監控措施。
- 定期審視風險狀況及就其各自營運及職能範圍內的風險向風險管理部及管理層進行匯報。

Risk Management Process

The Company adopts an integrated “bottom-up” and “top-down” risk review process, requiring the heads of functional departments and business units of the Company to participate in identifying operational risks and incorporate them into various business and decision-making processes, including strategy formulation, business development, business planning, capital allocation, investment decisions, internal controls and daily operations, to enable

- (1) comprehensive identification and prioritization of all significant risks within the Company;
- (2) reporting of significant risks to the appropriate management level;
- (3) the management to effectively communicate about the risks.

風險管理程序

本公司採用「由下而上」的方式配合「由上而下」的綜合風險檢討程序，要求本公司職能部門及業務部門主管參與識別營運風險，納入各項業務及決策流程中，包括策略制定、業務發展、業務規劃、資金分配、投資決定、內部監控及日常營運等，以便於

- (1) 全面識別本公司內部所有的重大風險，並進行優次排序，
- (2) 將重大風險上報至適當的管理層級別，
- (3) 讓管理層就風險進行有效溝通。

Bottom-up Process

- Business units and functional departments of the Company conduct risk identification and evaluation of specific businesses with the scope of responsibility, propose and implement risk management solutions and report annually to the risk management department of the Company the significant risks identified during the risk management process.
- All departments of the Company are responsible for sorting out their own business processes, collecting and collating internal and external risk initial information within their scope of functions extensively and continuously. The risk management department regularly screens, refines, compares, classifies and combines the initial risk information collected by each department and draws the risk coordinates map based on the risk evaluation results of each department to initially determine the management priorities of various risks of the Company, formulate risk management strategies, and propose and implement risk management solutions.

由下而上的程序

- 業務部門和本公司職能部門對職責範圍內的具體業務進行風險辨識、評估，提出和實施風險管理解決方案；並年度須向本公司風險管理部匯報在風險管理過程中識別的的重大風險。
- 本公司各部門負責梳理自身業務流程，廣泛、持續地收集、整理本部門職能範圍內的內部、外部風險初始信息。風險管理部定期對各部門收集的風險初始信息進行必要的篩選、提煉、對比、分類、組合，並根據各部門的風險評估結果，繪制風險坐標圖，初步確定本公司本部各項風險的管理優先順序、制定風險管理策略和提出和實施風險管理解決方案。

- The Risk Management Department of the Company, through collection, screening and sequencing and interview procedures, compiles the annual comprehensive risk management work report and the "Evaluation Report on Internal Control and Risk Management Systems".
- The Risk Management Department of the Company reports their works to the Audit Committee annually and submits "Evaluation Report on Internal Control and Risk Management Systems" to the Audit Committee and the Board for their review.
- 本公司風險管理部通過匯集、篩選及排序的步驟以及訪談程序，編寫企業全面風險管理年度工作報告及《內部監控及風險管理系統評估報告》。
- 本公司風險管理部按年向審核委員會報告其工作，並提呈《內部監控及風險管理系統評估報告》供審核委員會及董事會審閱。

Top-down Process

- The Audit Committee reviews the new risks or significant strategic risks that may have a significant long-term impact on the Company, and reviews the effectiveness of the risk management and internal control systems of the Company on an annual basis.
- In addition to the risk evaluation function, the management from the functional departments is responsible for identifying and evaluating the financial and other risks in different areas of the Company from the aspects such as investment auditing and strategic planning, financial management and legal compliance respectively, and forms a normalized mechanism for risk evaluation to regularly conduct systematic significant risk evaluation, so as to achieve dynamic management of significant risks.
- Formed a normalized mechanism for risk evaluation to regularly carry out systematic significant risk evaluation, identify, evaluate and analyze all kinds of existing or potential risks in current business development, and timely track and monitor the moving trend of significant risks, control the progress and effectiveness, so as to achieve dynamic management of significant risks.
- For major businesses such as land bidding, equity acquisition, joint venture cooperation etc., a comprehensive risk assessment and audit must be conducted in advance to achieve the operating mechanism where audit opinions without prior risk evaluation may not be submitted for approval so that significant business risks are effectively controlled.
- Annual review is performed to strengthen the institutionalization and standardization of internal audit work.

由上而下的程序

- 審核委員會按年度檢查及討論可能對本公司長遠構成重大影響的新生風險或重大的戰略風險，檢討本公司風險管理及內部監控系統的成效。
- 有關風險評估職能外，職能部門管理層還分別從投資審核及戰略規劃、財務管理、法律合規等方面負責識別及評估本公司不同領域的財務及其他風險，並形成風險評估常態化機制，定期開展系統性重大風險評估工作，實現了重大風險動態管理。
- 形成了風險評估常態化機制，定期開展系統性重大風險評估工作，對當前經營發展中存在或潛在的各類風險進行識別、評估和分析，並及時跟蹤監測重大風險變化趨勢、管控進展和成效，實現了重大風險動態管理。
- 對土地招拍掛、股權收購、合資合作等重大業務要求必須事前進行全面的風險評估和審核，實現無事前風險評估審核意見不能提交上會審議的運行機制，重大業務風險得到了有效地控制。
- 每年進行檢討，加強內審工作的制度化、標準化建設。

Internal Control

The internal control system of the Company is based on the principles under the COSO (the Committee of Sponsoring Organizations of the Treadway Commission). The risk management department of the Company conducts an annual assessment and review of the internal control and risk management systems. The review covers five aspects including control environment, risk assessment, control activities, monitoring measures and information and communication, in order to assess whether the internal control and risk management systems of the Company is sound, appropriate, effective and sufficient. The risk management department annually prepares an evaluation report on internal control and risk management systems of the Company.

內部監控

本公司的內部監控系統是根據COSO (the Committee of Sponsoring Organizations of the Treadway Commission)以下的原則所訂立，本公司風險管理部每年度對內部監控及風險管理系統進行認真評估與檢討，檢討涵蓋監控環境、風險評估、監控活動、監察措施及信息與溝通等五個方面，以此評估本公司內部監控及風險管理系統是否穩健、妥善、有效及足夠。風險管理部每年度形成本公司內部監控及風險管理系統評估報告。

Principal Policies and Measures of Internal Control

Control Environment

- The Company has established a code of discipline of corporate governance policy, human resource management policy, regulatory business operation and governance, as well as regular review and refresher training on key ethical practices.
- The Company has compiled a compilation of human resource system. Through implementation of the management guidance manual, the human resource concepts, policies, systems are further unified and standardized, and the policies are more transparent. In achieving the Company's corporate goals, each employee is subject to an accountability system for internal control responsibilities.
- The Company has, based on the need of management, formulated a number of management systems such as the Emergency Response Plan for Safe Production, Management Measure for Property Right and Management Measure for Asset Valuation, and released the Management Measure for Fund Investment. The Company completed the preparation and publication of 19 management systems throughout the year, and revised the articles of association of its subsidiaries, so as to strengthen its business management and further facilitate its standardized development.

主要內部監控政策與措施

監控環境

- 本公司制定企業管治政策、人力資源管理政策、監管業務運作及管治工作的紀律守則，以及對重要道德操守的定期檢討和進修培訓。
- 本公司制定了人力資源制度匯編。通過落實執行該管控指導手冊，使人力資源理念、政策、制度得到進一步統一和規範，政策更加透明；在達到本公司的企業目標過程中，對每名員工在內部控制責任上，實施問責制度。
- 本公司根據管理需要，編製了安全生產應急預案，制定了產權管理、資產評估管理辦法，發佈了基金投資管理辦法等，等多項管理制度，全年共完成了19項管理制度的編製和發佈，並修訂了二級企業章程，強化了企業管理，進一步提高了業務規範發展。

Risk Assessment

- The risk management functional department identifies and assesses the systemic risks faced by the Company through regular risk management; controls the risk position of subsidiaries as well as identifies and assesses changes that may have a significant impact on the internal control system through periodic risk management reporting systems of the subsidiaries and risk assessment and monitoring of major projects and businesses.
- In addition to the risk management functions, the relevant functional departments of the Company are responsible for identifying and assessing financial and other risks in different areas of the Company from the aspects such as strategy planning and investment auditing, financial management and legal compliance.
- Compile a comprehensive risk management report and submit it to the Audit Committee for consideration and timely take corresponding risk management measures.

風險評估

- 風險管理職能部門通過定期開展風險梳理，識別評估本公司所面臨的系統性風險；通過附屬企業定期風險管理報告制度和對重大項目、業務的風險評估與監控，對附屬企業風險狀況進行控制，識別和評估可能對內部監控系統產生重大影響的變更。
- 除風險管理職能外，本公司相關職能部門還分別從戰略規劃及投資審核、財務管理、法律合規等方面負責識別及評估本公司不同領域的財務及其他風險。
- 匯總編製全面風險管理報告並提交審核委員會審議，並及時採取相應的風險管理措施。

Control Activities

- Ensure that policies are implemented effectively through the development of policies with well-defined policies and procedures.
- Key control systems and processes, including budget and cost control, submitting management report, corporate policies and corporate daily activities, for approval, review and division of duties through financial reporting systems and processes. The internal control system of the Company includes a mature organizational structure that clearly defines the responsibilities and powers of each unit. The Company has established policies and procedures for major business functions and business units.
- The Company has formed a set of effective performance appraisal mechanism through years of experience. In 2015, the Company established and circulated the "Administrative Rules on Supervision and Management of Audit Rectification" for the first time, which included the completion of audit rectification into annual appraisal indicators for related subsidiaries, and complete a closed-loop management accountability mechanism for auditing rectification supervision.
- Through the "Request System on Key Issues", the Company has established strict decision-making mechanism for major businesses and issues, such as major investments, appointments and removal of key personnel and large-scale capital operations to ensure that the Company's major decision-making arrangements are in place.

監控活動

- 通過制訂要求明確的政策及訂立程序，確保政策得以切實執行。
- 主要監控系統及流程，包括預算及成本監控、透過財務匯報系統及流程提呈管理報告、公司政策及公司日常活動進行的審批、覆核及職責劃分。本公司的內部監控系統包括一個成熟的組織架構，清楚界定各單位的職責及權力。本公司對主要業務功能及業務部門制訂了政策及程序。
- 本公司通過多年經驗已形成了一套行之有效的績效考核機制。2015年，本公司制定下發了《審計發現問題整改監督管理細則》，首次將審計整改完成情況列入對所屬企業的年度考核指標，完善審計整改監督閉環管理問責機制。
- 本公司通過《重大事項請示制度》，對重大投資、重要人士任免、大額度資金運作等重大業務和事項建立嚴格的決策機制，確保本公司重大決策部署落實到位。

Monitoring Measures

- Continuously check compliance and conduct risk management and internal control reviews.
- The Board Office and relevant functional departments are responsible for the overall assessment and monitoring for the established procedures to ensure compliance with the Listing Rules and to monitor the compliance with applicable laws and other key provisions.
- The internal audit is performed by the Risk Management Department of the Company, which is responsible for independent auditing of risk management and internal control.
- In 2019, based on the research on the effect of the “Management Measures for Contracts” as at the first anniversary of implementation thereof, the Company organized and held a legal affair seminar to discuss the establishment and improvement of the legal affair management system of the Company, finalize an integrated system combining corporate decisions and legal risk prevention and control, stress the management requirement of contract signing and fulfilment, and strengthen the unified management of case tracking, coordination and post evaluation. It highlighted the function of legal risk control.
- The Company strictly follows the related published systems, such as the “Management Measures for Real Estate Investment” and the “Request System on Key Issues”, for investments in real estate projects. All project investments have to go through the processes of information collection, valuation, project determination, feasibility study, preliminary approval by the investment technology committee and consideration and discussion by the President Office and the Board, to promote project development.
- The Company implements business integrity risk prevention and control over key areas, key processes and key posts. It oversees the entire purchase bidding procedures for significant projects of the Company and its subsidiaries and regulates the standard operation of evaluation process to promote the companywide application of the Sunshine Procurement Platform and realize sunshine transaction, online information transparency and big data monitoring.

監察措施

- 持續檢查合規情況並進行風險管理和內部監控檢討。
- 董事會辦公室及相關職能部門負責整體評估及監察既定程序以確保遵守上市規則及監督有關適用法律及其他主要規定的合規事項。
- 內部審計職能由公司風險管理部門擔任，負責對風險管理及內部監控進行獨立審核。
- 2019年，結合《合同管理辦法》實施一周年情況調研，組織召開法務建設專題會，研究本公司法律事務管理體系的建立健全工作，落實企業決策與法律風險防控相結合的制度，強調合同簽訂和履行的管理要求，強化案件跟蹤、協調、後評價的統籌管理。切實強化法律風險管控職能。
- 本公司嚴格遵循發佈的《房地產投資管理辦法》、《重大事項請示制度》等相關制度進行地產項目投資。項目投資均通過信息收集、評價、立項、可行性研究、投資技術委員會預審、經總裁辦公會和董事會審議等程序，全力推進項目拓展。
- 本公司針對重點領域、關鍵環節和重要崗位，開展廉潔從業風險防控工作。全程監督本公司及所屬企業重大項目採購招投標工作，管控評標環節的規範運作，推進陽光採購平台建設在公司內的廣泛運用，努力實現陽光交易全覆蓋、信息網上全公開和大數據監管全鏈條。

Information and Communication

- Implement, maintain and continuously develop business and information management systems to support the business and operations of the Company, including financial, information disclosure and collaborative oversight.
- Disseminate corporate information in a timely manner through the intranet of the Company, collaborative office systems and e-mail system of the Company.
- Establish and implement the Company's website and shareholder communication policies to ensure that shareholders receive comprehensive, clear, transparent and timely information about the Company.
- Establish a unified stock property management information system and put it into use, conduct real-time and dynamic supervision of the status and leasing situation of the property held, timely and clearly monitor the business data, and prepare a quarterly report on stock management to make the stock asset management more realistic, transparent and instant.
- The Company completed the phase I construction of the cloud platform and launched operation and maintenance to ensure data security and rapid system restoration and support business peak using rapid deployment, multi-point backup, failure drifting and other features of cloud computing; and realize the dynamic extension of the computing platform in line with business demand, provide massive data exchange capabilities for the internet business data and ensure sustainable business development.

信息與溝通

- 實施、維護及持續開發業務及信息管理系統，以支持本公司的業務及營運，包括財務、信息披露及協同監督等。
- 通過本公司的內聯網、協同辦公系統及本公司電郵系統，及時傳播企業信息。
- 本公司網站及股東通訊政策的建立和實施確保股東獲得有關本公司的全面清晰透明及時的信息。
- 建立統一存量物業管理信息系統，並投入使用，對持有物業的現狀、出租情況進行實時動態監管，及時清晰地監測經營數據，編製存量管理季度報告，使存量資產管理更趨真實、透明、即時。
- 本公司完成雲平台一期建設，並上線運維，利用雲計算的快速部署、多點備份、故障飄移等技術，保障數據安全、系統快速恢復、支撐高峰業務的需求；實現計算資源平台根據業務需求動態擴展，為互聯網業務數據提供海量數據交換能力，為業務的可持續發展提供保障。

Internal Auditing

The Risk Management Department is responsible for the internal audit of the Company. It reviews the risks involved in daily operations of the Company and its subsidiaries by using the audit plans and procedures set out in the "Comprehensive Risk Management Manual" and the "Interim Measures for Internal Audit Management" it established, and conducts regular post-evaluation reviews on internal audit items to ensure the effectiveness of risk management framework.

Each year, the Risk Management Department determines the internal audit work priorities and formulates annual internal audit plans according to the Company's strategic deployment, business management needs and annual work schedule.

The annual internal audit plan shall include the following basic elements:

- 1) Annual work objectives of internal audit;
- 2) The specific audit items to be implemented and their sequence;
- 3) The audit resources allocated to each audit item

According to the Interim Measures for Internal Audit Management, matters that must be audited shall include the following:

內部審計

風險管理部門負本公司內部審計，運用其設立的《全面風險管理手冊》及《內部審計工作管理暫行辦法》中清晰列明的審核計劃及程序，檢討本公司及附屬企業的日常運營面臨的風險，並對內部審計項目做定期後評價檢討以保證風險管理架構的成效。

風險管理部每年度按照本公司戰略部署，根據經營管理需要和本公司的年度工作安排，確定內部審計工作重點，制定年度內部審計計劃。

年度內部審計計劃當包括以下基本內容：

- 1) 內部審計年度工作目標；
- 2) 需要執行的具體審計項目及其先後順序；
- 3) 各審計項目所分配的審計資源

按照《內部審計工作管理暫行辦法》，必須進行審計的事項包括下列各項：

Type of Audit 審計類型	Content 內容
Economic Responsibility Audit 經濟責任審計	During the three-year tenure of the corporate management team, at least one internal economic responsibility audit shall be performed 企業經營班子3年任職期間，需要進行至少1次任內經濟責任審計 The departure of a leader of enterprise requires an economic responsibility audit 企業領導人離任，需要進行經濟責任審計
Item Audit 項目審計	For significant investment projects, at least one audit in every three years is required 重大投資項目，每3年內需要進行至少1次審計 For on-going operating projects, at least one audit in every three years is required 持續經營項目，每3年內需要進行至少1次審計
Post-Evaluation Audit 後評價審計	After an investment project is completed, a comprehensive post-evaluation audit of its operation and economic benefits is required 投資項目全部完成後，需要對其運作和經濟效益等進行全面的後評價審計

In addition to the above, the Risk Management Department will also conduct specialized internal audit on the operational priorities of each functional departments and subsidiaries according to the actual operational and management situation, the annual work priorities of the Company, as well as the risks faced by the Company as assessed at the beginning of each year. The risk management department conducts internal audit supervision on the following matters of the wholly-owned and controlled enterprises of the Company:

- The implementation of the relevant financial laws, regulations, rules and regimes by the state, government and superior authorities;
- The implementation of the operating guidelines, policies, rules and regulations formulated by the wholly-owned and controlled enterprises of the Company;
- The soundness, rationality, effectiveness and implementation of internal control systems and regimes;
- Financial revenue and expenditure, asset quality, operating performance and other related economic activities;
- The establishment and implementation of various operating plans, planned budgets;
- Important economic contracts, investment projects, mortgages loans or provision of guarantees, infrastructure projects, etc.

Review of Effectiveness of Risk Management and Internal Control and Main Procedures to Address the Lack of Internal Control

Based on the above risk management and internal control systems, the Risk Management Department of the Company conducts regular review and evaluation in accordance with three aspects of risk management, internal control and internal audit, to identify the deficiencies of internal control and improve the system process.

The Risk Management Department establishes a work plan for the coming year in the later part of every year, which sets out the objectives and scope of the audit.

除上述外，風險管理部門亦會按經營管理實際情況、本公司年度工作重點、以及本公司每年年初評估的公司所面臨的風險，就各職能部門、附屬企業營運重點進行專項內部審計工作，其中風險管理部對本公司所屬全資、控股企業下列事項進行內部審計監督：

- 國家、政府和上級主管部門有關財經法律、法規、規章和制度的貫徹執行情況；
- 所屬全資、控股企業制定的經營方針、政策、規章制度的貫徹執行情況；
- 內部控制系統和制度的健全性、合理性、有效性和執行情況；
- 財務收支、資產質量、經營績效以及其他有關的經濟活動；
- 各種經營方案、計劃預算的制訂和執行情況；
- 重要經濟合同、投資項目、抵押貸款或提供擔保、基建工程等的有關情況。

檢討風險管理及內部監控系統的有效性及解決內控缺失的主要程序

本公司風險管理部根據上述風險管理及內控系統，按風險管理、內部監控、內部審計這三個方面進行定期進行檢討與評估，查找內控缺陷，完善制度流程。

風險管理部於每年較後期制訂來年之工作計劃，當中載明將進行審計工作的目標及範圍。

Internal audits include the testing of the Company's financial, operational and compliance controls. The Risk Management Department engages an external accounting firm to issue an annual internal audit report, and the Risk Management Department will, towards the deficiencies in monitoring raised by the accounting firm, make rectification on the details of the audit disclosed by the internal audit report and on the audit results of the department concerned.

In response to the identified internal control deficiencies, the Risk Management Department will promptly communicate the issues with the relevant functional departments or subsidiaries, put forward measures of rectification and establish corresponding policies after discussion with the management, and issue a rectification notice to the functional departments or subsidiaries to urge them to complete the rectification within the prescribed time.

The implementation of the rectification of various enterprises in this year was good, and passed the second round of internal control conducted by the accounting firm.

In the internal control work carried out during the year, the Risk Management Department did not find any significant deficiencies. According to the relevant audit results and management responses, the management believes that the existing internal control system is still valid as a whole.

Review on Effectiveness of Risk Management and Internal Control in 2019

The Risk Management Department has predicted and analyzed the possible risks the Company's operations and management may face in 2019. After evaluation, the Company faced 3 major risks in 2019, namely market competition risk (insufficient market resilience), resource risk (relative limited ways for resource acquisition and weak sustainability for some resources) and strategy implementation risk (strategy implementation progress is slower than expected). The Risk Management Department has put forward operational and responsive measures and strategies for these risks. At the same time, it strengthened pre-examination of major business risks, conducted special risk audits on key projects, and regularly evaluated financial risk early warning indicators such as solvency, asset operation capability, profitability and capital operation capability to monitor changes in corporate financial risks.

內部審計包括測試有關本公司財務、經營及合規方面的監控。風險管理部門聘請外部會計師事務所出具年度內部審計報告內，風險管理部門針對會計師事務所提出監控的不足之處，就該內部審計報告披露的審計工作的詳情以及該部門所有審計工作的結果進行整改。

針對發現的內部控制缺陷，風險管理部及時將問題與相關職能部門或附屬企業進行溝通，與管理層討論後提出整改措施和制定相應政策，並對職能部門或附屬企業下發整改通知書，督促各企業在規定時間內完成整改。

本年度各企業整改落實情況良好，並通過了會計師事務所執行的內部控制第二輪測試。

在本年度進行的內部監控工作中，風險管理部並無發現任何有重大內控缺陷，根據有關的審核結果及管理層響應，管理層認為，整體而言，現有內部監控系統仍屬有效。

2019年度的風險管理及內部監控成效檢討

風險管理部對2019年本公司經營管理可能面臨的風險進行了預測與分析。經評估，本公司2019年所面臨的重大風險有三項，分別為市場競爭風險（市場應變能力不足）、資源保障風險（資源獲取方式相對單一、部分資源可持續性較弱）、戰略實施風險（戰略實施進度低於預期）。風險管理部並針對此等風險提出了具有可操作性的應對措施和策略。年內同時加強重大業務風險事前審核，對重點項目開展專項風險審計，並定期通過對償債能力、資產運營能力、盈利能力、資金運營能力等財務風險預警指標進行評估以及時監測企業財務風險變化。

During the year, the Risk Management Department has conducted internal audit and examination on rectification of audit opinions for its subsidiaries:

- **Conducted special audit on economic efficiency.** The Company organized a special audit on economic efficiency, covering all wholly-owned subsidiaries and holding companies of the Company (excluding closed enterprises) and with a focus on the economic efficiency of enterprises running at a loss, less profitable in recent years, with significant asset impairment or undertaking key projects of the Company. The audit team from the head office of the Company conducted a special audit on the economic efficiency of the wholly-owned subsidiaries and holding companies of the Company for the year 2017-2018 on an overall and hierarchic manner, with a focus on the sustainable development, system establishment and development, significant business decision, asset and liabilities, operating results and operation efficiency, as well as risks relevant to each business, and finally drew a conclusion and expressed its opinion on the audit. 50 problems in operation and management have been identified during the audit, which was categorized into 10 groups, including asset impairment, low efficiency of some assets, operating loss, business progress not meeting expectation, irregularity in contract and bidding management and insufficient internal control. Relevant management suggestions were given by the audit team and rectification notices were issued to the relevant enterprises for timely rectification.
- **Conducted hotel operation audit.** In order to strengthen the operation and management of its hotel projects and prevent operating risks, during the year, the Company conducted a special audit on the operation of four hotels, namely MUJI, Chaohu Hot Spring, Chaohu Holiday Inn and Suzhou Marriott Hotel, for the year 2017-2018, with a focus on the operation of hotel projects and related risk assessment, including the establishment and implementation of the control system of the hotel, daily operation and management, hotel operation efficiency, operating target fulfilment and future profit forecast and operating risks analysis. 12 categories of problems and risks in relation to hotel management were identified in the audit, primarily declining occupancy rate, high cost of holding, insufficient internal control and other general problems. Four audit reports were prepared and, upon consolidation and analysis, constituted the "Report on Hotel Project Efficiency Analysis". Strengthen the operation and management of hotel projects, prevent operating risks and improve project efficiency.

年內，風險管理部對所屬企業開展內部審計和審計意見整改檢查：

- **開展經濟效益專項審計。**本公司組織開展了經濟效益專項審計工作，審計範圍涵蓋本公司所屬全資、控股企業（歷史遺留的關停企業不納本次審計範圍），重點關注系統內虧損企業、近年效益下滑企業、存在大額資產減值或公司重要項目企業的經濟效益情況。本公司總部審計組按照全覆蓋分級審計方式，對所屬全資、控股企業開展2017-2018年度經濟效益專項審計工作，重點檢查各企業可持續發展、制度建設和執行、重大業務決策、資產負債、經營效益、運營效率等情況，並梳理相關業務的風險點，完成了審計結論和意見。審計發現經營管理問題50項，包括：資產減值、部分資產效益較低、經營虧損、業務推進未達預期、合同管理和招標管理規範性、內控缺陷等十大類問題。針對性地提出了管理建議，並及時下發整改通知書、督促相關企業及時整改。
- **開展酒店運營情況審計。**為加強對酒店項目的運營管理，防範經營風險，年內，對本公司MUJI、巢湖溫泉御泉莊、巢湖假日、蘇州萬豪4家酒店2017-2018年度的運營情況開展了專項審計。重點關注酒店項目運營情況、評估項目存在風險，包括酒店內控制度體系建立及執行情況、日常經營管理情況、酒店運營效益情況、運營目標完成情況及未來效益預測和酒店經營風險點梳理等。審計發現酒店管理問題及風險12大項，主要包括入住率下滑、持有成本較高，監督管控不足等共性問題，形成審計報告4份，在此基礎上匯總分析，形成《酒店項目效益分析報告》。加強對酒店項目的運營管理，防範經營風險，提升項目效益。

- **Conducted economic responsibility audit during the term of office.** According to its arrangement, the Company organized an economic responsibility audit during the term of office against the legal representatives of three companies, namely Pengji, Southern Land and East China, during the year, focusing on the business results, financial revenue and expenditure, asset quality and related operating activities, major operational decisions during the term of office, so as to objectively evaluate the performance of the leaders during their term of office, and inspect the implementation of the rectification of the problems identified in the audit. The draft audit report has been completed and sent to the audited unit and leaders for comments.
- **Conducted human resources audit.** In order to ensure the internal control over remuneration and organizational structure of its subsidiaries was reasonable and effective and the relevant policies and systems were properly and effectively implemented, during the year, the Company engaged KPMG to conduct a human resources audit against 4 secondary enterprises, namely Terra, Shum Yip Land, Shum Yip TaiFu and Nongke and 14 tertiary enterprises. The rectification notices were issued on the incompliance, process and misconduct identified in the audit timely to regulate the human resource work of the said subsidiaries.
- **Conducted annual internal control audit.** The Company engaged KPMG to conduct an annual audit against the internal control of the Company in 2018, with a focus on the establishment and implementation of internal control in the head office and 5 subsidiaries of the Company including Pengji, Southern Land, Shum Yip Land and Nongke. The audit identified 12 common internal control deficiencies existed in the companies in 2018, primarily including the late update of the implementation of lease contracts, inadequate efforts in clearing current account and weak password security of the information system. Each enterprise has completed the rectification of the identified internal control deficiencies. KPMG issued the "Auditor's Report on Internal Control 2018" with its unqualified opinion. As is shown in the report, the Company has maintained effective internal control related to financial reporting in accordance with "Basic Norms for Enterprise Internal Control" and the relevant requirements in all material aspects during the reporting period.
- **開展任期經濟責任審計。**按照本公司安排，年內對組織實施了對騰基南方、華東等3家企業的法定代表人任期經濟責任審計。重點關注任期內企業經營成果、財務收支、資產質量和有關經營活動、重大經營決策等內容，對企業領導人任期工作業績做出客觀評價，並針對審計發現問題的整改落實情況進行檢查。已完成審計報告徵求意見稿，正在徵求被審單位和領導人意見。
- **開展人力資源審計。**為保障所屬企業薪酬及機構編製的內部控制合理、有效，相關政策及制度得到恰當及有效執行，年內，本公司聘請畢馬威會計師事務所對泰然、置地、泰富、農科等4家二級企業、14家三級企業開展人力資源專項審計工作，對審計中發現的違規、流程以及操作失誤等問題及時下發整改通知書，以規範所屬企業人力資源工作。
- **開展內部控制年度審計。**本公司聘請畢馬威會計師事務所對本公司2018年度的內部控制開展年度審計工作，重點檢查了本公司總部及所屬騰基南方、置地、農科等5家所屬企業的內部控制建立及執行情況。審計揭示公司2018年度存在一般內部控制缺陷12條，主要包括租賃合同執行情況更新不及時、往來款清理待加強和信息系統密碼控制強度偏弱等。針對發現的內部控制缺陷，各企業已完成整改。據此，畢馬威所出具了無保留意見的《2018年度內部控制審計報告》。報告顯示，本公司在報告期內已按照《企業內部控制基本規範》和相關規定在所有重大方面保持了有效的財務報告內部控制。

During the year, the Audit Committee and the Risk Management Department reviewed the risk management and internal control system of the Company for the year 2019, covering financial, operational and compliance controls, as well as the progress of overall risk management and internal control. The annual review has also taken into account the adequacy of the resources, qualification and experience of staff in accounting, internal audit and financial reporting functions of the Company; and the adequacy of the training courses received by the staff and related budgets.

年內，審核委員會與及風險管理部檢討本公司2019年度的風險管理及內部監控系統，範圍包括財務、營運和合規監控，以及整體風險管理及內部監控工作的進展情況。年度檢討亦考慮到本公司在會計、內部稽核及財務匯報職能方面的資源、員工資歷及經驗是否足夠；以及員工所接受的培訓課程及有關預算是否充足。

Corporate Governance Report

企業管治報告

The Audit Committee and the Board have also reviewed the "Evaluation Report for Internal Control and Risk Management System for the Year 2019" issued by the risk management department. The Board is of the view that the existing risk management and internal control system is effective and sufficient as a whole.

Procedures For Handling Inside Information and Internal Control Measures

The Company requires any department or individual to keep any information which may constitute inside information in strict confidentiality and not to leak or report the contents involving inside information without the prior approval of the Board. The Board makes timely disclosure decision on the inside information (if necessary), and disclosure of the inside information is in charge by the Board Office. In this connection, executive management and other relevant employees who are privy to unpublished inside information are reminded of their responsibilities to comply with the provisions of the Model Code.

Whistleblowing

The Board has adopted a whistleblowing policy which provides employees with reporting channels and guidance to raise concerns about possible improprieties related to the Company, a copy of which is available on the Company's website. In 2019, the Board had not received any whistleblowing enquiry or complaint.

Company Secretary

The Company has appointed a representative from an external secretarial services provider as the company secretary of the Company, who has confirmed his compliance with the relevant training requirement under Rule 3.29 of the Listing Rules. Our primary corporate contact person is Ms. Edith Wong, our General Counsel.

Constitutional Documents

There were no changes in the constitutional documents of the Company during the year.

Director's Responsibilities on Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group that give a true and fair view of the Group's affairs, its results and cash flows in accordance with the Hong Kong Financial Reporting Standards and in compliance with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

The responsibility statement issued by the auditors of the Company is set out in the Independent Auditor's Report in this annual report.

審核委員會及董事會亦已審議由風險管理部出具的《2019年度內部監控及風險管理系統評估報告》，董事會認為整體而言，現有風險管理及內部監控系統有效及足夠。

處理內幕消息的程序和內部監控措施

本公司要求任何部門或個人對可構成內幕消息的任何資料保密，且未經董事會批准，不得對外洩露、報道涉及內幕消息的內容。董事會對內幕消息及時作出披露決定（倘有需要），而內幕消息的披露工作由董事會辦公室具體負責。就此而言，行政管理人員及其他相關僱員已獲提醒彼等必須遵守標準守則的條文，且須保密內幕消息直至公佈為止。

舉報

董事會已採納舉報政策。該政策向僱員提供就本公司相關的潛在不正當行為提出疑問的舉報渠道及指引，該政策可於本公司網站內查閱。於2019年，董事會並無收到任何檢舉查詢或投訴。

公司秘書

本公司已委任一名來自外聘秘書服務機構的代表為本公司公司秘書，其已確認他已遵守上市規則第3.29條項下的有關培訓規定。本公司的主要聯絡人為我們的法律事務總監黃燕珊女士。

組織章程文件

年內本公司之組織章程文件概無變動。

董事就財務報表所承擔的責任

董事明白彼等有責任根據香港財務報告準則及根據公司條例（香港法例第622章）編製能夠真實及公平反映本集團事務、業績以及現金流量之財務報表。

有關本公司核數師發表其申報責任的聲明，載於本年報的獨立核數師報告中。

Dividend Policy

It is the Company's long term policy to provide stable ordinary dividends that are linked to the underlying earnings performances of the business of the Group. The Company aims to ensure that whilst allowing the shareholders to participate in the Company's earnings, adequate balance for future business expansion is retained.

Generally, the Company pays dividends twice a year (annual interim dividend and final dividend) regularly. The overall dividend plan including the amount and form of any dividend is to be proposed/determined by the Board. The Board may also declare/propose the payment of special dividends when there is special income or circumstances and at any time as it deems appropriate.

In determining/recommending any dividend payout, the Board shall take into account:

- the actual and expected financial performance of Group;
- the cash-flow position, the expected working capital requirements and future expansion plans of the Group;
- the general economic conditions, business cycle and other internal and external factors that may have an impact on the business or financial performance and position of the Group;
- the contractual restrictions imposed on the payment of dividends (if any); and
- any other factors that the Board considers appropriate.

Independent Auditor

The Group engages KPMG (Certified Public Accountants and Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance) as our external independent auditor. During the year, the services provided by KPMG and the fees for such services were as follows:

Audit fees:

Financial statements audit fees: HK\$4,530,000 (2018: HK\$4,200,000)

Other service fees:

Interim review: HK\$1,300,000 (2018: HK\$1,300,000)

股息政策

本公司之長期政策為提供與本集團之業務之相關盈利表現掛鈎之穩定普通股息。本公司旨在確保允許股東分享本公司盈利之同時，為未來業務擴張保留充足餘額。

本公司通常一年定期派付兩次股息（年度中期股息及末期股息）。包括金額及任何股息形式之總體股息計劃將由董事會建議／釐定。當有特別收入或於特殊情況下及於董事會認為適當之任何時間，其可能亦宜派／建議派付特別股息。

於釐定／建議派付任何股息時，董事會將考慮以下因素：

- 本集團之實際及預期財務表現；
- 本集團之現金流狀況、預期營運資金需求及未來擴張計劃；
- 可能對本集團之業務或財務表現及狀況產生影響之整體經濟狀況、業務週期及其他內部及外部因素；
- 就派付股息所施加之合約限制（如有）；及
- 董事會認為適當之任何其他因素。

獨立核數師

本集團委聘畢馬威會計師事務所（執業會計師及於《財務匯報局條例》下的註冊公眾利益實體核數師）為外聘獨立核數師。年內，畢馬威會計師事務所提供的服務及該等服務的費用如下：

審計服務費：

財務報表審計服務費：4,530,000港元（2018年：4,200,000港元）

其他服務費：

中期審閱：1,300,000港元（2018年：1,300,000港元）

Corporate Governance Report 企業管治報告

Communication With Shareholders

The Board has established a shareholders' communication channel setting out the dialogues that the Company are in place to promote effective communication with shareholders, with the aim of ensuring shareholders are provided with timely information about the Company and encouraging them to engage actively in communication with the Company and to exercise their rights as shareholders in an informed manner.

The Company endeavours to disclose all material information about the Group to public in a timely manner. The Company maintains a corporate website (www.shenzheninvestment.com) where important information about the Group's activities and corporate matters such as annual and interim reports to shareholders, announcements, business development and operations, corporate governance practices and other information are available for public's access.

The Company's annual general meeting provides a useful platform for face-to-face communication between the Board and shareholders. Separate resolutions are proposed on each issue at the general meetings.

Investors Relations

The Company recognizes its responsibility to update its business activities to persons with legitimate interests and respond to their questions. We meet with investors on a regular basis to update them on our business progress and strategy. In addition, we endeavor to share both financial and non-financial information that is relevant and material, for instance, we publish unaudited contracted sales performance voluntarily on a monthly basis, and respond promptly to enquiries arising from general public and individual shareholders. And, in all cases, great care is taken to ensure that no inside information is disclosed to selected parties.

Shareholders' Rights

Subject to applicable laws and regulations, including but not limited to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "CO"), the Listing Rules, and the articles of association of the Company as amended from time to time, shareholders of the Company ("Shareholders") may call general meeting, put forward proposals at annual general meetings ("AGM") and direct enquiries to the Board in accordance with the following procedures:

— Convening of General Meeting on Request

Shareholder(s) holding at the date of the deposit of the requisition not less than one-twentieth of the paid up capital of the Company may request the directors to convene an extraordinary general meeting pursuant to Sections 566 to 568 of the CO.

與股東之溝通

董事會已建立股東通訊渠道以促進本公司與股東之間的有效溝通，藉以確保股東及時獲取有關本公司的信息，及鼓勵股東加強與本公司的溝通，並在知情之情況下行使其股東之權利。

本公司致力於向公眾披露與本集團有關之所有即時重要資料。本公司網頁(www.shenzheninvestment.com)可提供有關本集團之活動及企業事宜之重要資料(如致股東之年度及中期報告、公告、業務發展及營運、企業管治常規及其他資料等)，以供公眾查閱。

本公司之股東週年大會為董事會與股東之間的面對面溝通提供一個有用平台。於股東大會上會就每項事項提呈個別獨立決議案。

投資者關係

本公司明白向持有合法權益之人士提供其業務活動的最新資料及回應彼等提問之責任。我們定期與投資者會面，匯報公司業務的最新進展及策略。此外，我們致力分享相關及重大之財務資料及非財務資料，例如，我們每月自願公佈未經審核合同銷售表現，並及時回應公眾及個別股東之詢問。且本公司在所有情況下，均採取審慎態度，確保不會選擇性地披露任何內幕資料。

股東之權利

在適用法例及規例(包括但不限於公司條例(香港法例第622章)(「公司條例」)、上市規則及本公司經不時修訂之組織章程細則)規限下，本公司股東(「股東」)可根據以下程序召開股東大會，並於股東週年大會(「股東週年大會」)上提呈建議及向董事會作出直接查詢：

— 應要求召開股東大會

在提呈要求當日持有本公司已繳足股本不少於十分之一的股東可要求董事根據公司條例第566條至568條召開股東特別大會。

In accordance with Section 566 of the CO, the directors are required to call a general meeting if the Company has received requests to do so from Shareholders representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meeting. Such requests must state the general nature of the business to be dealt with at the meeting; and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such requests may be sent to the Company and attention to the Company Secretary in hard copy form (by depositing at the registered office of the Company at 8th Floor, New East Ocean Centre, No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong for the attention of the Board) or in electronic form (by fax: 852-2723-2263); and must be authenticated by the person or persons making it. In accordance with Section 567 of the CO, the directors must call a meeting within 21 days after the date on which they become subject to the requirement under Section 566 of the CO and such meeting must be held on a date not more than 28 days after the date of the notice convening the meeting.

– Putting Forward Proposals at AGM

To put forward a resolution at AGM, Shareholders are requested to follow the requirements and procedures set out in Sections 615 and 616 of the CO.

Section 615 of the CO provides that the Company must give notice of a resolution if it has received requests to do so from (a) the Shareholders representing at least 2.5% of the total voting rights of all the Shareholders who have a right to vote on the resolution at the AGM of the Company to which the requests relate; or (b) at least 50 Shareholders who have the rights to vote on the resolution at the AGM to which the requests relate.

Such requests (a) may be sent to the Company and attention to the Company Secretary in hard copy form (by depositing at the registered office of the Company at 8th Floor, New East Ocean Centre, No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong for the attention of the Board) or in electronic form (by fax: 852-2723-2263); (b) must identify the resolution of which notice is to be given; (c) must be authenticated by the person or persons making it; and (d) must be received by the Company not later than (i) 6 weeks before the AGM to which the requests relate; or (ii) if later, the time at which notice is given of that meeting. Section 616 of the CO provides that the Company that is required under Section 615 of the CO to give notice of a resolution must send a copy of it at the Company's own expense to each Shareholder entitled to receive notice of the AGM (a) in the same manner as the notice of the meeting; and (b) at the same time as, or as soon as reasonably practicable after, it gives notice of the meeting.

The detailed procedures for Shareholders to propose a person for election as a director can be found on the website of the Company headed "Investor Relations" under the "Corporate Information" section.

根據公司條例第566條，倘本公司收到佔全體有權於股東大會上投票股東之全部投票權至少5%的股東要求召開股東大會的要求，則董事須召開股東大會。該要求必須述明將於會上處理的事務的一般性質，並可包含於會上適當地動議及擬動議的決議案內容。相關要求可以印本形式（透過遞交至本公司註冊辦事處，地址為香港九龍尖沙咀科學館道9號新東海商業中心8樓，並註明董事會收）或電子形式（透過傳真：852-2723-2263）寄至本公司之公司秘書收，並須經提出的人士予以核證。根據公司條例第567條，董事須在根據公司條例第566條獲悉要求當日後21日內召開有關會議，及有關會議須於召開會議通告日期後28日內舉行。

– 於股東週年大會上提呈建議

為於股東週年大會上提呈決議案，股東須依照公司條例第615條至616條之要求及程序。

公司條例第615條規定，倘本公司收到以下股東(a)佔全體有權在該要求所關乎的本公司股東週年大會上，就該決議表決的股東的總表決權最少2.5%的股東；或(b)最少50名有權在該要求所關乎的股東週年大會上就該決議表決的股東，發出某決議的通知的要求，則須發出通知。

有關要求(a)可以印本形式（透過遞交至本公司註冊辦事處，地址為香港九龍尖沙咀科學館道9號新東海商業中心8樓，並註明董事會收）或電子形式（透過傳真：852-2723-2263）寄至本公司之公司秘書收；(b)須指出有待發出通告所關乎的決議案；(c)須經所有提出該要求的人認證；及(d)須在不遲於(i)該要求所關乎的股東週年大會舉行前的6個星期；或(ii)（如較晚）發出該大會通告的時間前送抵本公司。公司條例第616條規定，根據公司條例第615條本公司須就某決議案發出通告，則須(a)按大會通告的同樣方式；及(b)在發出大會通告的同時或在發出大會通告後，在合理的切實可行情況下，儘快自費將該決議案通告的文本，送交每名有權收到股東週年大會通告的股東。

有關股東提名董事人選的程序詳情載於本公司網站「公司資料」項下的「投資者關係」一節。

Corporate Governance Report 企業管治報告

Procedures for directing enquiries to the Company

Enquiries to the Board

Shareholders may send their enquiries to the Board in writing through the Board Office at the below contact details:

Address: 8th Floor, New East Ocean Centre,
No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong
Email: ir@shumyip.com.hk
Tel: (852) 2723 8113
Fax: (852) 2723 2263

Share registration related matters

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the Shareholders can contact the Share Registrar, Tricor Standard Limited, at the below contact details:

Address: Level 54 Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2861 1465

向本公司作出直接查詢之程序

向董事會作出查詢

股東可以書面方式按以下聯絡資料透過董事會辦公室向董事會作出查詢：

地址：香港九龍尖沙咀科學館道9號
新東海商業中心8樓
電郵：ir@shumyip.com.hk
電話：(852) 2723 8113
傳真：(852) 2723 2263

股份登記相關之事宜

就股份登記相關之事宜而言，例如股份過戶及登記、名稱或地址之變更、股票或股息單之遺失，股東可聯絡股份過戶登記處卓佳標準有限公司，聯絡資料如下：

地址：香港皇后大道東183號合和中心54樓
電郵：is-enquiries@hk.tricorglobal.com
電話：(852) 2980 1333
傳真：(852) 2861 1465

Independent Auditor's Report

獨立核數師報告

**Independent auditor's report to the members of
Shenzhen Investment Limited**
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Shenzhen Investment Limited ("the Company") and its subsidiaries ("the Group") set out on pages 98 to 268, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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 Hong Kong Companies Ordinance.

Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the 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.

獨立核數師報告
致深圳控股有限公司列位股東
(於香港註冊成立之有限責任公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第98至268頁的深圳控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於2019年12月31日的綜合財務狀況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頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2019年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Independent Auditor's Report
獨立核數師報告

Key audit matters (continued)

關鍵審計事項 (續)

Valuation of investment properties

投資物業估值

Refer to note 17 to the consolidated financial statements and the accounting policies on pages 124 to 125.

請參閱綜合財務報表附註17及第124至125頁的會計政策。

The Key Audit Matter	How the matter was addressed in our audit
關鍵審核事項	於審核中的處理方法
<p>The aggregate fair values of the Group's investment properties as at 31 December 2019 amounted to HK\$34,242 million, representing 27% of the Group's total assets as at that date.</p> <p>於2019年12月31日，貴集團投資物業的公允值總額為342.42億港元，佔貴集團於該日總資產的27%。</p> <p>The net change in fair values recorded in the consolidated statement of profit or loss represented 21% of the Group's profit before taxation for the year ended 31 December 2019.</p> <p>計入綜合損益表中的公允值變動淨額佔貴集團截至2019年12月31日止年度除稅前利潤的21%。</p> <p>The Group's investment properties, which are located in mainland China, comprise shopping malls, office premises, residential premises and car parking bays.</p> <p>貴集團位於中國大陸的投資物業包括購物廣場、寫字樓、住宅物業及停車場。</p> <p>The fair values of the Group's investment properties were assessed by the board of directors based on independent valuations prepared by an external property valuer.</p> <p>貴集團投資物業的公允值乃由董事會根據外部物業估值師編製的獨立估值進行評估。</p>	<p>Our audit procedures to assess the valuation of investment properties included the following:</p> <p>我們對投資物業的估值進行評估的審核程序包括：</p> <ul style="list-style-type: none"> • assessing the competence, capability, experience of the locations and types of properties subject to valuation, independence and objectivity of the external property valuer; • 評估外部物業估值師的資質、能力、評估類似位置及類型物業的相關經驗、獨立性及客觀性； • with the assistance of our internal property valuation specialists, evaluating the valuation methodology used by the external property valuer based on our knowledge and experience of other valuers for similar types of properties; • 在我們內部物業估值專家的協助下，根據我們對類似類型物業的其他估值師的知識和經驗，評估外部物業估值師所使用的估值方法； • comparing, on a sample basis, the tenancy information included in the valuation models, which included committed rents and vacancy rates, with underlying contracts and related documentation; • 以抽樣方式將估值模型中所載的租賃信息（其中包括確定的租金和空置率）與相關合約及相關文件進行比較；

Key audit matters (continued)

關鍵審計事項 (續)

Valuation of investment properties 投資物業估值 <i>Refer to note 17 to the consolidated financial statements and the accounting policies on pages 124 to 125.</i> 請參閱綜合財務報表附註17及第124至125頁的會計政策。	
The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 於審核中的處理方法
<p>We identified valuation of investment properties as a key audit matter because of their significance to the consolidated financial statements and because the determination of the fair values involves significant judgement and estimation, including selecting the appropriate valuation methodology, capitalisation rates and vacancy rates.</p> <p>鑑於投資物業對綜合財務報表的重要性以及公允值的釐定涉及重大管理層判斷和估計，包括選擇適當的估值方法、資本化率和空置率，我們將投資物業的估值確定為一項關鍵審核事項。</p>	<p>Our audit procedures to assess the valuation of investment properties included the following: (continued) 我們對投資物業的估值進行評估的審核程序包括：(續)</p> <ul style="list-style-type: none"> • discussing the valuations with the external property valuer in a separate private session and challenging the key estimates adopted in the valuations, including those relating to vacancy rates and capitalisation rates. With the assistance of our internal property valuation specialists, comparing them with historical rates and available market data, taking into consideration comparability and other local market factors; and • 另行與外部物業估值師單獨討論估值，並對估值中所採用的重要估計（包括與空置率和資本化率相關的估計）提出質疑。在我們內部物業估值專家的協助下，將有關估計與歷史比率及市場公開數據對比，並考慮可比性及其他當地市場因素；及 • conducting site visits to investment properties, on a sample basis, to observe the vacancy rates and comparing the observed vacancy rates with the related assumptions adopted by the external property valuer in the valuation models. • 以抽樣方式實地走訪投資物業項目，以觀察空置率，並將觀察到的空置率與外部物業估值師按估值模型所採納的相關假設進行比較。

Key audit matters (continued)

關鍵審計事項 (續)

Valuation of the equity investment and derivative financial instruments arising from the agreements with Hengda Real Estate Group Company Limited and its controlling parties ("Hengda Investments")

與恒大地產集團有限公司及其控股方訂立的協議產生的股權投資及衍生金融工具（「恒大投資」）的估值

Refer to note 24 to the consolidated financial statements and the accounting policies on pages 122 to 124.

請參閱綜合財務報表附註24及第122至124頁的會計政策。

The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 於審核中的處理方法
<p>As at 31 December 2019, the Group had Hengda Investments amounted to HK\$6,788 million, which comprise equity investment of HK\$6,191 million and derivative financial instruments of HK\$597 million. The investments were accounted for as financial assets at fair value through profit or loss and measured at fair value, with the increase in fair value of HK\$342 million being recorded in the consolidated statement of profit or loss for the year ended 31 December 2019.</p> <p>於2019年12月31日，貴集團的恒大投資為67.88億港元，包括61.91億港元的股權投資及5.97億港元的衍生金融工具。該等投資作為透過損益按公允值計算之金融資產入賬並按公允值計量，公允值增加3.42億港元於截至2019年12月31日止年度之綜合損益表入賬。</p> <p>Hengda Investments are classified as level 3 financial instruments in the fair value hierarchy. The valuations of Hengda Investments are derived from valuation models which require a number of inputs and assumptions which are not observable from market data and which are significant to the entire measurement.</p> <p>恒大投資於公允值等級架構中分類為第三層金融工具。恒大投資的估值乃源自需要大量並非從市場數據觀察而獲得但對整體計量屬重大的輸入值及假設的估值模型。</p>	<p>Our audit procedures to assess the valuation of Hengda Investments included the following: 我們對恒大投資的估值進行評估的審核程序包括：</p> <ul style="list-style-type: none"> • reading the agreements with Hengda Real Estate Group Company Limited and its controlling parties to understand the relevant investment terms and identifying any conditions that were relevant to the valuation of Hengda Investments; • 閱覽與恒大地產集團有限公司及其控股方訂立的協議，了解相關投資條款並識別與恒大投資估值相關的任何條件； • obtaining and inspecting the valuation reports prepared by the external valuer engaged by management and on which the directors' assessment of the fair value of Hengda Investments; • 獲取及檢查管理層委聘的外部估值師編製的估值報告，該估值報告乃董事評估恒大投資公允值的依據； • assessing the qualifications, experience and expertise of the external valuer; • 評估外部估值師的資歷、經驗及專業知識；

Key audit matters (continued)

關鍵審計事項 (續)

Valuation of the equity investment and derivative financial instruments arising from the agreements with Hengda Real Estate Group Company Limited and its controlling parties ("Hengda Investments")

與恒大地產集團有限公司及其控股方訂立的協議產生的股權投資及衍生金融工具（「恒大投資」）的估值

Refer to note 24 to the consolidated financial statements and the accounting policies on pages 122 to 124.

請參閱綜合財務報表附註24及第122至124頁的會計政策。

The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 於審核中的處理方法
<p>We identified the valuation of Hengda Investments as a key audit matter because of its significance to the financial results of the Group, the degree of complexity involved in valuing the investments and the degree of judgement exercised by management in determining the inputs used in the valuation models which could have significant impact to the financial results of the Group.</p> <p>鑑於恒大投資對貴集團財務業績的重要性、該等投資估值涉及的複雜程度及管理層於釐定對貴集團財務業績可能造成重大影響的估值模型所用輸入值時作出判斷的程度，我們將恒大投資的估值確定為一項關鍵審核事項。</p>	<p>Our audit procedures to assess the valuation of Hengda Investments included the following: (continued)</p> <p>我們對恒大投資的估值進行評估的審核程序包括：（續）</p> <ul style="list-style-type: none"> engaging our internal valuation specialists to assist us in understanding, evaluating and challenging the basis of selection of valuation models adopted by the external valuer, and the key assumptions and inputs used in the valuation which required significant estimation and judgement; and 讓我們的內部估值專家協助我們了解及評估外部估值師所採用的估值模型的選擇基準，以及需要作出重大估計及判斷的估值所用主要假設及輸入值，並對此提出質疑；及 assessing the disclosures in the consolidated financial statements in relation to the key inputs and assumptions adopted in the valuation with reference to the requirements of the prevailing accounting standards. 根據現行會計準則的要求，評估綜合財務報表中有關估值所採納的主要輸入值及假設的披露。

Independent Auditor's Report 獨立核數師報告

Information other than the consolidated financial statements and our auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 the directors for the consolidated financial statements

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

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》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

Independent Auditor's Report 獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

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

核數師就審計綜合財務報表承擔的責任(續)

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
30 March 2020

核數師就審計綜合財務報表承擔的責任 (續)

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

出具本獨立核數師報告的審計項目合夥人是吳宇希。

畢馬威會計師事務所

執業會計師

香港中環
遮打道十號
太子大廈八樓
2020年3月30日

Consolidated Statement of Profit or Loss

綜合損益表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

			2019 2019年	2018 2018年 (Note) (附註)
		Note 附註	\$'000 千元	\$'000 千元
Revenue	收益	5	14,919,474	16,642,765
Cost of sales	銷售成本		(9,794,350)	(10,671,784)
Gross profit	毛利		5,125,124	5,970,981
Other income and gains	其他收入及利得	6	315,462	877,769
Gain on disposal of subsidiaries	出售附屬公司利得		–	10,364
Increase/(decrease) in fair value of financial assets at fair value through profit or loss, net	透過損益按公允值計算之金融資產公允值增加/(減少)淨額	24	340,676	(849,929)
Increase in fair value of investment properties	投資物業公允值增加	17	434,258	979,924
Increase in fair value upon transfer to investment properties	轉撥至投資物業後公允值上升	17	958,779	302,943
Selling and distribution expenses	銷售及分銷成本		(352,393)	(261,383)
Administrative expenses	行政開支		(1,035,193)	(947,784)
Other operating expenses	其他經營開支		(586,751)	(287,816)
Finance costs	融資成本	7	(561,210)	(882,699)
Share of profits less losses of joint ventures and associates	應佔合營公司及聯營公司溢利減虧損		2,045,785	1,890,638
Profit before taxation	除稅前溢利	8	6,684,537	6,803,008
Income tax expense	所得稅開支	9	(2,307,247)	(3,104,271)
Profit for the year	年內溢利		4,377,290	3,698,737
Attributable to:	下列應佔：			
Equity shareholders of the Company	本公司權益股東		4,062,796	3,415,223
Non-controlling interests	非控股權益		314,494	283,514
			4,377,290	3,698,737
Earnings per share (HK cents)	每股盈利 (港仙)	12		
Basic	基本		47.53	41.93
Diluted	攤薄		47.53	41.87

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團於2019年1月1日採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

The notes on pages 106 to 268 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 13.

第106至268頁的附註構成該等財務報表的一部份。有關本公司權益股東應佔年內溢利應派股息之詳情，載於附註13。

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2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

		2019 2019年	2018 2018年 (Note) (附註)
		\$' 000 千元	\$' 000 千元
Profit for the year	年內溢利	4,377,290	3,698,737
Other comprehensive income for the year	年內其他全面收益		
Items that will not be reclassified to profit or loss:	將不會重新分類至損益之項目：		
– Surplus on revaluation of investment property transferred from property, plant and equipment	– 由物業、廠房及設備轉撥至投資物業重估盈餘		
– Changes in fair value	– 公允值變動	61,221	–
– Income tax effect	– 所得稅影響	(15,305)	–
		45,916	–
– Surplus on revaluation of leasehold land and buildings held for own use	– 持作自用的租賃土地及樓宇重估盈餘		
– Changes in fair value	– 公允值變動	485,070	–
– Income tax effect	– 所得稅影響	(121,267)	–
		363,803	–
		409,719	–
Items that may be reclassified subsequently to profit or loss:	期後可能重新分類至損益之項目：		
– Share of other comprehensive income of joint ventures and associates	– 應佔合營公司及聯營公司其他全面收益	(185,026)	(235,317)
– Cumulative exchange differences reclassified to profit or loss upon disposal of subsidiaries	– 於出售附屬公司時重新分類至損益之累計匯兌差額	–	6,830
– Exchange differences on translation of foreign operations	– 換算海外業務之匯兌差額	(1,229,187)	(2,581,404)
		(1,414,213)	(2,809,891)
Other comprehensive income for the year, net of tax	年內其他全面收益，除稅後	(1,004,494)	(2,809,891)
Total comprehensive income for the year	年內全面收益總額	3,372,796	888,846
Attributable to:	下列應佔：		
Equity shareholders of the Company	本公司權益股東	3,119,739	775,332
Non-controlling interests	非控股權益	253,057	113,514
Total comprehensive income for the year	年內全面收益總額	3,372,796	888,846

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團於2019年1月1日採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

The notes on pages 106 to 268 form part of these financial statements.

第106至268頁的附註構成該等財務報表的一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

			31 December 2019	31 December 2018
			2019年 12月31日	2018年 12月31日
				(Note)
				(附註)
	Note	\$'000	\$'000	\$'000
	附註	千元	千元	千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	6,103,243	4,666,465
Prepaid land lease payments	預付土地租賃款項	15	32,580	34,455
Goodwill	商譽	16	358,892	366,929
Investment properties	投資物業	17	34,241,821	29,143,111
Interests in associates	於聯營公司權益	22	5,319,511	4,951,156
Interests in joint ventures	於合營公司權益	23	6,811,843	6,215,166
Other financial assets	其他金融資產	24	9,036,933	9,077,347
Deferred tax assets	遞延稅項資產	35(b)	1,802,630	2,072,491
Total non-current assets	非流動資產總額		63,707,453	56,527,120
Current assets	流動資產			
Biological assets	生物資產	25	2,205	1,537
Completed properties held for sale	持作待售之已落成物業	18	21,457,104	6,265,723
Properties under development	發展中物業	19	22,277,161	38,097,509
Inventories	存貨	26	195,177	131,885
Trade receivables	應收賬款	27	593,612	578,468
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	28	4,636,375	3,759,648
Other financial assets	其他金融資產	24	31,095	3,068
Restricted cash	受限制現金	29	2,719,521	2,822,965
Cash and cash equivalents	現金及現金等價物	29	9,653,239	9,832,226
Total current assets	流動資產總額		61,565,489	61,493,029
Current liabilities	流動負債			
Interest-bearing bank and other borrowings	計息銀行貸款及其他借貸	30	8,406,211	5,898,502
Lease liabilities	租賃負債	31	103,476	—
Trade payables	應付賬款	32	2,625,609	1,956,668
Other payables and accruals	其他應付款項及應計費用	33	13,074,208	12,162,041
Contract liabilities	合約負債	34	18,100,667	11,232,109
Due to the immediate holding company	應付直接控股公司款項		562,926	1,233,548
Due to the ultimate holding company	應付最終控股公司款項		1,936,473	4,734,953
Tax payable	應付稅項	35(a)	6,247,561	7,251,663
Total current liabilities	流動負債總額		51,057,131	44,469,484
Net current assets	流動資產淨值		10,508,358	17,023,545
Total assets less current liabilities	總資產減流動負債		74,215,811	73,550,665

Consolidated Statement of Financial Position 綜合財務狀況表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

			31 December 2019	31 December 2018
			2019年 12月31日	2018年 12月31日
				(Note)
			\$' 000	\$' 000
		Note	千元	千元
		附註		
Non-current liabilities	非流動負債			
Interest-bearing bank and other borrowings	計息銀行貸款及其他借貸	30	15,891,707	19,362,263
Lease liabilities	租賃負債	31	401,541	—
Deferred income	遞延收入	36	28,193	22,881
Due to the immediate holding company	應付直接控股公司款項		700,920	—
Deferred tax liabilities	遞延稅項負債	35(b)	8,821,155	8,721,825
Total non-current liabilities	非流動負債總額		25,843,516	28,106,969
NET ASSETS	資產淨值		48,372,295	45,443,696
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	38(b)	21,910,268	20,688,259
Reserves	儲備	38(c)	22,564,388	21,015,716
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		44,474,656	41,703,975
Non-controlling interests	非控股權益		3,897,639	3,739,721
TOTAL EQUITY	權益總額		48,372,295	45,443,696

Approved and authorised for issue by the board of directors on 30 March 2020.

董事會於2020年3月30日批准及授權刊發。

Huang Wei
黃偉

Director
董事

Liu Chong
劉崇

Director
董事

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團於2019年1月1日採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

The notes on pages 106 to 268 form part of these financial statements.

第106至268頁的附註構成該等財務報表的一部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔											
		Share capital	Other reserve	Share option reserve	Capital reserve	Asset revaluation reserve	Statutory reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity	
		股本	其他儲備	購股權儲備	資本儲備	資產重估儲備	法定儲備	匯兌變動儲備	保留溢利	總額	非控股權益	權益總額	
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
附註		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	
Balance at 31 December 2018 (note)	於2018年12月31日之結餘(附註)	2(c)	20,688,259	(132,447)	89,087	59,019	219,851	3,375,004	(925,421)	18,330,623	41,703,975	3,739,721	45,443,696
Profit for the year	年內溢利	-	-	-	-	-	-	-	4,062,796	4,062,796	314,494	4,377,290	
Other comprehensive income for the year:	年內其他全面收益:												
Surplus on revaluation of investment property transferred from property, plant and equipment	由物業、廠房及設備轉撥至投資物業重估盈餘	-	-	-	-	43,989	-	-	-	43,989	1,927	45,916	
Surplus on revaluation of leasehold land and buildings held for own use	持作自用的租賃土地及樓宇重估盈餘	-	-	-	-	346,287	-	-	-	346,287	17,516	363,803	
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益	-	-	-	-	-	-	(185,026)	-	(185,026)	-	(185,026)	
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	-	(1,148,307)	-	(1,148,307)	(80,880)	(1,229,187)	
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	390,276	-	(1,333,333)	4,062,796	3,119,739	253,057	3,372,796	
Final 2018 dividends	2018年末期股息	13	675,777	-	-	-	-	-	(928,407)	(252,630)	-	(252,630)	
Interim 2019 dividends	2019年中期股息	13	478,407	-	-	-	-	-	(607,461)	(129,054)	-	(129,054)	
Change in non-controlling interests arising from increase of the Group's shareholding in a subsidiary	本集團於一間附屬公司持股增加產生之非控股權益變動	-	(51,939)	-	-	-	-	-	-	(51,939)	51,939	-	
Exercise of share options	行使購股權	37(b)(i)	67,825	(10,096)	-	-	-	-	-	57,729	-	57,729	
Forfeit and lapse of share options	購股權沒收及失效	-	-	(10,329)	-	-	-	-	10,329	-	-	-	
Equity-settled share option expense	以股本支付之購股權開支	37(b)(iii)	-	26,836	-	-	-	-	-	26,836	-	26,836	
Dividends declared to non-controlling shareholders	向非控股股東宣派之股息	-	-	-	-	-	-	-	-	-	(147,078)	(147,078)	
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	233,116	-	(233,116)	-	-	-	
Balance at 31 December 2019	於2019年12月31日之結餘		21,910,268	(184,386)	95,498	59,019	610,127	3,608,120	(2,258,754)	20,634,764	44,474,656	3,897,639	48,372,295

Consolidated Statement of Changes in Equity 綜合權益變動表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔										
		Share capital	Other reserve	Share option reserve	Capital reserve	Asset revaluation reserve	Statutory reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	其他儲備	購股權儲備	資本儲備	資產重估儲備	法定儲備	匯兌變動儲備	保留溢利	總額	非控股權益	權益總額
		Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	附註	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Balance at 1 January 2018	於2018年1月1日之結餘	19,712,476	(268,552)	52,330	59,019	219,851	2,987,746	1,714,470	16,783,335	41,260,675	3,583,029	44,843,704
Profit for the year	年內溢利	-	-	-	-	-	-	-	3,415,223	3,415,223	283,514	3,698,737
Other comprehensive income for the year:	年內其他全面收益：											
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益	-	-	-	-	-	-	(235,317)	-	(235,317)	-	(235,317)
Cumulative exchange differences reclassified to profit or loss upon disposal of subsidiaries	於出售附屬公司時重新分類至損益之累計匯兌差額	-	-	-	-	-	-	6,830	-	6,830	-	6,830
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	-	(2,411,404)	-	(2,411,404)	(170,000)	(2,581,404)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	(2,639,891)	3,415,223	775,332	113,514	888,846
Final 2017 dividends	2017年末期股息	13	549,527	-	-	-	-	-	(886,449)	(336,922)	-	(336,922)
Interim 2018 dividends	2018年中期股息	13	390,163	-	-	-	-	-	(576,223)	(186,060)	-	(186,060)
Capital contribution from non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	-	-	-	239,673	239,673
Share of other changes in equity of an associate	應佔一間聯營公司權益之其他變動	-	136,105	-	-	-	-	-	-	136,105	-	136,105
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(18,005)	-	-	(18,005)	(82,261)	(100,266)
Exercise of share options	行使購股權	37(b)(ii)	36,093	(5,373)	-	-	-	-	-	30,720	-	30,720
Equity-settled share option expense	以股本支付之購股權開支	37(b)(iii)	-	-	42,130	-	-	-	-	42,130	-	42,130
Dividends declared to non-controlling shareholders	向非控股股東宣派之股息	-	-	-	-	-	-	-	-	-	(114,234)	(114,234)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	405,263	-	(405,263)	-	-	-
Balance at 31 December 2018	於2018年12月31日之結餘	20,688,259	(132,447)	89,087	59,019	219,851	3,375,004	(925,421)	18,330,623	41,703,975	3,739,721	45,443,696

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團於2019年1月1日首次採用經修訂追溯法應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

The notes on pages 106 to 268 form part of these financial statements.

第106至268頁的附註構成該等財務報表的一部份。

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

			31 December 2019	31 December 2018
			2019年 12月31日	2018年 12月31日
		Note	\$'000	(Note) (附註)
		附註	千元	千元
Operating activities	經營活動			
Cash generated from operations	經營業務產生之現金	29(b)	8,289,241	4,875,680
Interest paid	已付利息		(1,264,068)	(1,696,315)
Mainland China taxes paid	已付中國大陸稅項		(3,013,137)	(4,338,289)
Net cash flows generated from/(used in) operating activities	經營活動產生/(所用)之現金流量淨值		4,012,036	(1,158,924)
Investing activities	投資活動			
Interest received	已收利息		154,562	217,971
Dividends received from equity investments	已收股權投資股息		1,825	594,840
Dividends received from associates	已收聯營公司股息		242,144	221,965
Dividends received from joint ventures	已收合營公司股息		157,136	11,133
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項		7,438	12,697
Purchases of items of property, plant and equipment	購入物業、廠房及設備項目		(551,856)	(315,236)
Additions to investment properties	投資物業增加		(618,792)	(460,146)
Acquisition of an associate	收購一間聯營公司		–	(5,592)
Acquisition of joint ventures	收購合營公司		(11,163)	(22,794)
Net decrease/(additions) to interests in joint ventures	於合營公司權益減少/(增加)淨額		794,198	(570,537)
Net decrease/(increase) in loans to associates	給予聯營公司之貸款減少/(增加)淨額		1,137	(16,202)
Net increase in loans to joint ventures	給予合營公司之貸款增加淨額		–	(1,062,624)
Net cash flows generated from/(used in) investing activities	投資活動產生/(所用)之現金流量淨值		176,629	(1,394,525)

Consolidated Cash Flow Statement 綜合現金流量表

for the year ended 31 December 2019 截至2019年12月31日止年度
(Expressed in Hong Kong dollars) (所有金額均以港元列示)

		31 December 2019 2019年 12月31日	31 December 2018 2018年 12月31日
	Note 附註	\$' 000 千元	(Note) (附註) \$' 000 千元
Financing activities	融資活動		
Proceeds from shares issued under share option scheme	根據購股權計劃已發行股份所得款項	37(b)(i) 57,729	30,720
Capital element of lease rentals paid	已付租賃租金之資本部分	29(c) (93,175)	—
Dividends paid	已付股息	13 (381,684)	(522,982)
Dividends paid to non-controlling shareholders	支付非控股股東之股息	(147,078)	(57,169)
Proceeds from loans from non-controlling shareholders	非控股股東貸款所得款項	29(c) 30,386	—
Repayments of loans from non-controlling shareholders	償還非控股股東貸款	29(c) (193,324)	—
Proceeds from loans from related parties	關聯方貸款所得款項	29(c) 9,503,427	8,983,264
Repayment of loans from related parties	償還關聯方貸款	29(c) (12,194,580)	(9,698,987)
Proceeds from bank and other borrowings	銀行及其他借貸所得款項	29(c) 8,148,401	17,893,937
Repayment of bank and other borrowings	償還銀行及其他借貸	29(c) (8,846,436)	(14,964,514)
Net cash flows (used in)/generated from financing activities	融資活動(所用)/產生之現金流量淨值	(4,116,334)	1,664,269
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨值	72,331	(889,180)
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	9,832,226	11,167,070
Effect of foreign exchange rate changes, net	外幣匯率變動影響淨值	(251,318)	(445,664)
Cash and cash equivalents at end of year	年末之現金及現金等價物	29(a) 9,653,239	9,832,226

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團於2019年1月1日首次採用經修訂追溯法應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

The notes on pages 106 to 268 form part of these financial statements.

第106至268頁的附註構成該等財務報表的一部份。

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

1 Corporate information

Shenzhen Investment Limited (“the Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong. The principal activities of the Company and its subsidiaries (collectively referred to as “the Group”) are described in note 4.

In the opinion of the directors, the immediate holding company of the Company is Shum Yip Holdings Company Limited (“Shum Yip Holdings”, 深業(集團)有限公司), which is a private company incorporated in Hong Kong. The ultimate holding company of the Company is 深業集團有限公司 (“Shum Yip Group”), which is a state-owned company established in Shenzhen, the People's Republic of China (the “PRC”).

2 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 公司資料

深圳控股有限公司(「本公司」)為一間於香港註冊成立之有限責任公司。本公司之註冊辦事處位於香港九龍科學館道9號新東海商業中心8樓。本公司及其附屬公司(統稱為「本集團」)之主要業務於附註4內概述。

董事認為，本公司之直接控股公司為於香港註冊成立之私人公司－深業(集團)有限公司(「深業(集團)」)。本公司之最終控股公司為於中華人民共和國(「中國」)深圳成立之國有公司－深業集團有限公司(「深業集團」)。

2 主要會計政策

(a) 合規聲明

該等財務報表已根據香港財務報告準則(「香港財務報告準則」)的所有相關規定編製。香港財務報告準則整體包括香港會計師公會(「香港會計師公會」)頒佈的所有個別適用的香港財務報告準則、香港會計準則(「香港會計準則」)和詮釋、香港公認會計原則及香港公司條例的規定。該等財務報表亦符合香港聯合交易所有限公司(「聯交所」)證券上市規則相關披露規定。本集團採用的主要會計政策披露於下文。

香港會計師公會頒佈若干於本集團本會計期間首次生效或可供提前採納之新訂及經修訂香港財務報告準則。附註2(c)提供因初次應用該等修訂(以本期間及過往會計期間於該等財務報表內反映之與本集團有關者為限)而引致之會計政策任何變動之資料。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2019 comprise the Company and its subsidiaries and the Group's interests in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- investment properties (see note 2(h));
- leasehold land and buildings within property, plant and equipment (see note 2(i));
- derivative financial instruments (see note 2(g)(i));
- equity investments (see note 2(g)(ii)); and
- biological assets (see note 2(m)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

2 主要會計政策 (續)

(b) 財務報表之編製基準

截至2019年12月31日止年度之綜合財務報表包括本公司及其附屬公司及本集團於聯營公司及合營公司之權益。

編製財務報表使用之計量基準為歷史成本基準，惟下列資產按其公允值列賬（如下文所載會計政策內闡述）者除外：

- 投資物業（參閱附註2(h)）；
- 物業、廠房及設備項下之租賃土地及樓宇（參閱附註2(i)）；
- 衍生金融工具（參閱附註2(g)(i)）；
- 股權投資（參閱附註2(g)(ii)）；及
- 生物資產（參閱附註2(m)）。

編製符合香港財務報告準則的財務報表需要管理層作出影響政策應用及資產、負債、收入及開支之報告金額的判斷、估計及假設。估計及相關假設以過往經驗及多項被視為於當時情況下合理的其他因素為依據，其結果構成了管理層在無法依循其他途徑即時得知資產與負債的賬面值時所作出判斷的基礎。實際結果可能有別於此等估算。

本集團持續審閱該等估計及相關假設。對會計估計進行修訂時，倘修訂僅影響該期間，則修訂會於修訂估計的期間內確認；或倘修訂同時影響當期及未來期間，則會於修訂期間及未來期間確認。

管理層在應用香港財務報告準則中作出的對財務報表有重大影響的判斷及估計不明確性的主要來源在附註3內討論。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies

The HKICPA has issued a new HKFRS, HKFRS 16, Leases, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, Leases, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 16, Leases

HKFRS 16 replaces HKAS 17, Leases, and the related interpretations, HK(IFRIC) 4, Determining whether an arrangement contains a lease, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged, except for the leases where the Group is an intermediate lessor.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach which requires the cumulative effect of initial application to be recognised as an adjustment to the opening balance of equity at 1 January 2019. The adoption of HKFRS 16 did not have an impact on the Group's opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

2 主要會計政策 (續)

(c) 會計政策之變動

香港會計師公會已頒佈在本集團本會計期間首次生效之一項新訂香港財務報告準則(香港財務報告準則第16號租賃)及多項香港財務報告準則之修訂。

除香港財務報告準則第16號租賃外，有關變動對本集團已編製或呈報的本期或過往期間業績及財務狀況並無重大影響。本集團並無應用於本會計期間尚未生效之任何新訂準則或詮釋。

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號釐定安排是否包括租賃、香港(準則詮釋委員會)詮釋第15號經營租賃 – 優惠及香港(準則詮釋委員會)詮釋第27號評估涉及租賃法律形式交易的內容。該準則引入單一的承租人會計模型，其要求承租人確認所有租賃的使用權資產及租賃負債，惟租賃期限為12個月或以下(「短期租賃」)及低價值資產租賃除外。該準則轉承香港會計準則第17號的出租人會計處理規定，大致上維持不變，惟本集團為中間出租人的租賃除外。

香港財務報告準則第16號亦引入額外定性及定量披露規定，旨在讓財務報表使用者評估租賃對實體財務狀況、財務表現及現金流量的影響。

本集團自2019年1月1日起初次應用香港財務報告準則第16號。本集團已選擇使用經修訂追溯法，並因而確認初次應用的累計影響作為對2019年1月1日期初權益結餘的調整。採納香港財務報告準則第16號並未影響本集團於2019年1月1日期初權益結餘。對比資料未經重列並繼續根據香港會計準則第17號予以呈報。

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

a. New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

b. Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to property, plant and equipment as disclosed in note 41(b). For an explanation of how the Group applies lessee accounting, see note 2(j)(i).

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

有關該等變動的性質及其對過往會計政策的影響及所應用過渡方法之進一步詳情載列如下：

a. 租賃之新定義

租賃定義之變動主要與控制權的概念有關。香港財務報告準則第16號根據客戶是否在一段時間內控制已識別資產的使用而界定租賃，該期限可由已界定的使用量釐定。倘客戶有權指示已識別資產的使用並享有因使用該資產而帶來的絕大部分經濟利益，則控制權已轉移予客戶。

本集團僅就於2019年1月1日或之後訂立或修訂之合約應用香港財務報告準則第16號之租賃之新定義。就於2019年1月1日之前訂立的合約而言，本集團已使用過渡性可行權宜處理方法，繼續沿用先前對現有安排是否為租賃或包含租賃所作的評估。因此，先前根據香港會計準則第17號評估為租賃的合約繼續按香港財務報告準則第16號入賬作租賃，而先前評估為非租賃服務安排的合約繼續入賬作待執行合約。

b. 承租人會計處理及過渡影響

香港財務報告準則第16號刪除承租人須將租賃分類為經營租賃或融資租賃的要求（誠如香港會計準則第17號先前所要求者）。相反，本集團須在其為承租人時將所有租賃資本化，包括先前根據香港會計準則第17號分類為經營租賃的租賃，惟短期租賃及低價值資產租賃除外。就本集團而言，該等新資本化租賃主要與附註41(b)所披露的物業、廠房及設備有關。有關本集團如何應用承租人會計處理之闡釋見附註2(j)(i)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

b. Lessee accounting and transitional impact (continued)

At the date of transition to HKFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 4.45%.

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment); and
- (iii) when measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 December 2018 as an alternative to performing an impairment review.

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

b. 承租人會計處理及過渡影響 (續)

於過渡至香港財務報告準則第16號之日 (即2019年1月1日)，本集團釐定剩餘租賃年期，並按剩餘租賃付款額按2019年1月1日的相關增量借貸利率貼現的現值計量先前分類為經營租賃的租賃負債。用於確定剩餘租賃付款現值的增量借貸利率的加權平均值為4.45%。

為順利過渡至香港財務報告準則第16號，本集團於初始應用香港財務報告準則第16號之日應用以下確認豁免及實際權宜方法：

- (i) 本集團選擇不就其剩餘租期於初始應用香港財務報告準則第16號之日起計12月內屆滿 (即租期於2019年12月31日或之前屆滿) 的租賃應用香港財務報告準則第16號的規定確認租賃負債及使用權資產；
- (ii) 當計量於初始應用香港財務報告準則第16號之日的租賃負債時，本集團就具有合理類似特徵的租賃組合 (如於類似經濟環境中的相似類別相關資產的剩餘租期相若的租賃) 應用單一貼現率；及
- (iii) 當計量於初始應用香港財務報告準則第16號之日的使用權資產時，本集團倚賴先前於2018年12月31日對虧損性合約撥備的評估以替代減值檢討。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

b. Lessee accounting and transitional impact (continued)

The following table reconciles the operating lease commitments as disclosed in note 41(b) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

		1 January 2019 2019年1月1日 \$'000 千元
Operating lease commitments at 31 December 2018	於2018年12月31日 之經營租賃承擔	53,449
Less: commitments relating to leases exempt from capitalisation:	減：與獲豁免資本化 之租賃有關之承擔：	
– short-term leases and other leases with remaining lease term ending on or before 31 December 2019	– 短期租賃及剩餘租期 於2019年12月31日或 之前屆滿之其他租賃	(1,725)
– leases of low-value assets	– 低價值資產租賃	(108)
		51,616
Less: total future interest expenses	減：未來利息開支總額	(3,439)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and total lease liabilities recognised at 1 January 2019	剩餘租賃付款之現值，採用於2019年1月1日之增量借貸利率貼現及於2019年1月1日確認之租賃負債總額	48,177

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position at 31 December 2018. There is no impact of the opening balance of equity.

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

b. 承租人會計處理及過渡影響 (續)

下表為附註41(b)所披露於2018年12月31日之經營租賃承擔與於2019年1月1日確認之租賃負債期初結餘之對賬：

與先前分類為經營租賃的租賃有關的使用權資產已按相等於剩餘租賃負債所確認款項的金額確認，並按於2018年12月31日的財務狀況表確認的與該租賃相關的任何預付或應計租賃付款金額進行調整。權益的年初結餘未受到任何影響。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

b. Lessee accounting and transitional impact (continued)

The following table summarises the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

b. 承租人會計處理及過渡影響 (續)

下表概述採納香港財務報告準則第16號對本集團綜合財務狀況表之影響：

		Carrying amount at 31 December 2018 於2018年12月31日之賬面值 \$'000 千元	Capitalisation of operating lease contracts 經營租賃合約資本化 \$'000 千元	Carrying amount at 1 January 2019 於2019年1月1日之賬面值 \$'000 千元
Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:	綜合財務狀況表中受採納香港財務報告準則第16號影響之項目：			
Property, plant and equipment	物業、廠房及設備	4,666,465	48,177	4,714,642
Total non-current assets	非流動資產總額	56,527,120	48,177	56,575,297
Lease liabilities (current)	租賃負債 (流動)	–	16,480	16,480
Total current liabilities	流動負債總額	44,469,484	16,480	44,485,964
Net current assets	流動資產淨值	17,023,545	(16,480)	17,007,065
Total assets less current liabilities	總資產減流動負債	73,550,665	31,697	73,582,362
Lease liabilities (non-current)	租賃負債 (非流動)	–	31,697	31,697
Total non-current liabilities	非流動負債總額	28,106,969	31,697	28,138,666
Net assets	資產淨值	45,443,696	–	45,443,696

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

c. Impact on the financial result, segment results and cash flows of the Group

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. For sublease arrangements that were previously classified as operating leases under HKAS 17 but classified as finance leases under HKFRS 16, the Group as an intermediate lessor is required to recognise the difference between the carrying amount of the right-of-use asset and the finance lease receivables in profit or loss when entering into the arrangements and interest income accrued on the outstanding balance of finance lease receivables over the lease term of the subleases, instead of the previous policy of recognising rental income on a straight-line basis over the lease term of the subleases. These result in a positive impact on the reported profit for the year in the Group's consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

In the cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see note 29(c)). The capital element is classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. The interest element is classified as operating cash outflows, similar to how other interest paid was treated. Although total cash flows are unaffected, the adoption of HKFRS16 therefore results in a significant change in presentation of cash flows within the cash flow statement (see note 29(d)).

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

c. 對本集團財務業績、分類業績及現金流量之影響

於2019年1月1日初始確認使用權資產及租賃負債後，本集團（作為承租人）須確認租賃負債尚未支付結餘應計的利息開支及使用權資產折舊，而非按先前政策於租期內按直線法確認經營租賃項下產生的租金開支。就先前根據香港會計準則第17號分類為經營租賃但根據香港財務報告準則第16號分類為融資租賃的轉租安排而言，本集團作為中間出租人於訂立安排時須於損益中確認使用權資產與融資租賃應收款項賬面值之差額及轉租租期內融資租賃應收款項未償還結餘應計的利息收入，而非按先前政策於轉租租期內按直線法確認租金收入。相比倘於年內應用香港會計準則第17號的結果，此舉將對本集團綜合損益表所呈報的年內溢利產生正面影響。

於現金流量表內，本集團（作為承租人）須將資本化租賃項下的已付租金分拆至其資本部分及利息部分（見附註29(c)）。資本部分分類為融資現金流出（與根據香港會計準則第17號先前分類為融資租賃的租賃之處理方式類似），而非經營現金流出，香港會計準則第17號項下的經營租賃亦然。利息部分分類為經營現金流出，與已付其他利息之處理方式類似。儘管現金流量總額未受影響，但採納香港財務報告準則第16號導致現金流量表內現金流量的呈列發生重大變動（見附註29(d)）。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

c. Impact on the financial result, segment results and cash flows of the Group (continued)

The following tables give an indication of the estimated impact of adoption of HKFRS 16 on the Group's financial result, segment results and cash flows for the year ended 31 December 2019, by adjusting the amounts reported under HKFRS 16 in these consolidated financial statements to compute estimates of the hypothetical amounts that would have been recognised under HKAS 17 if this superseded standard had continued to apply to 2019 instead of HKFRS 16, and by comparing these hypothetical amounts for 2019 with the actual 2018 corresponding amounts which were prepared under HKAS 17. Any potential net tax effect is ignored.

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

c. 對本集團財務業績、分類業績及現金流量之影響 (續)

下表可顯示採納香港財務報告準則第16號對本集團截至2019年12月31日止年度之財務業績、分類業績及現金流量之估計影響，方法為調整該等綜合財務報表中根據香港財務報告準則第16號所呈列之金額，以計算根據香港會計準則第17號本應確認之估計假設金額（倘該項被取代之準則繼續應用於2019年而非應用香港財務報告準則第16號），以及將此等2019年假設金額與根據香港會計準則第17號編製之2018年實際相應金額進行比較。任何潛在稅務淨額影響忽略不計。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

- c. Impact on the financial result, segment results and cash flows of the Group (continued)

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

- c. 對本集團財務業績、分類業績及現金流量之影響 (續)

		2019 2019年			2018 2018年	
	Amounts reported under HKFRS 16	Add back: HKFRS 16 depreciation and interest expense	Deduct: HKFRS 16 lessor accounting for subleasing	Adjust: Estimated amounts as if under HKAS 17 (note a)	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
	(A)	(B)	(C)	(D)	(E=A+B-C+D)	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
Financial result for year ended 31 December 2019 impacted by the adoption of HKFRS 16:						
Revenue	14,919,474	-	-	34,961	14,954,435	16,642,765
Cost of sales	(9,794,350)	19,319	-	(60,226)	(9,835,257)	(10,671,784)
Gross profit	5,125,124	19,319	-	(25,265)	5,119,178	5,970,981
Other income and gains	315,462	-	(49,205)	-	266,257	877,769
Increase in fair value of investment properties	434,258	-	(11,667)	-	422,591	302,943
Administrative expenses	(1,035,193)	13,940	-	(14,542)	(1,035,795)	(947,784)
Finance costs	(561,210)	25,190	-	-	(536,020)	(882,699)
Profit before taxation	6,684,537	58,449	(60,872)	(39,807)	6,642,307	6,803,008
Profit for the year	4,377,290	58,449	(60,872)	(39,807)	4,335,060	3,698,737
Reportable segment profit (adjusted profit before taxation) for the year ended 31 December 2019 (note 4) impacted by the adoption of HKFRS 16:						
- Property development	4,684,229	10,342	-	(4,483)	4,690,088	5,543,372
- Property investment	2,081,139	28,829	(60,872)	(17,701)	2,031,395	2,301,917
- Property management	225,340	16,336	-	(15,291)	226,385	133,208
- Manufacturing	22,729	133	-	(130)	22,732	25,636
- Others	(107,379)	2,809	-	(2,202)	(106,772)	(35,587)
- Total	6,906,058	58,449	(60,872)	(39,807)	6,863,828	7,968,546

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

- c. Impact on the financial result, segment results and cash flows of the Group (continued)

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

- c. 對本集團財務業績、分類業績及現金流量之影響 (續)

		2019 2019年		2018 2018年	
	Amounts reported under HKFRS 16 根據香港財務報告準則第16號呈列之金額 (A) \$' 000 千元	Estimated amounts related to operating leases as if under HKAS 17 (notes a & b) 猶如香港會計準則第17號項下經營租賃相關估計金額 (附註 a 及 b) (B) \$' 000 千元	Hypothetical amounts for 2019 as if under HKAS 17 猶如香港會計準則第17號項下之2019年假設金額 (C=A+B) \$' 000 千元	Compared to amounts reported for 2018 under HKAS 17 與根據香港會計準則第17號呈列之2018年之金額比較 \$' 000 千元	
Line items in the consolidated cash flow statement for the year ended 31 December 2019 impacted by the adoption of HKFRS 16:	截至2019年12月31日止年度之綜合現金流量表中受採納香港財務報告準則第16號影響之項目：				
Cash generated from operations	經營業務產生之現金	8,289,241	(118,365)	8,170,876	4,875,680
Interest paid	已付利息	(1,264,068)	25,190	(1,238,878)	(1,696,315)
Net cash flows generated from/(used in) operating activities	經營活動產生/(所用)之現金流量淨值	4,012,036	(93,175)	3,918,861	(1,158,924)
Capital element of lease rentals paid	已付租賃租金之資本部分	(93,175)	93,175	-	-
Net cash flows (used in)/generated from financing activities	融資活動(所用)/產生之現金流量淨值	(4,116,334)	93,175	(4,023,159)	1,664,269

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

c. Impact on the financial result, segment results and cash flows of the Group (continued)

Notes:

- a. The "estimated amounts related to operating leases" is an estimate of the amounts of the cash flows in 2019 that relate to leases which would have been classified as operating leases, if HKAS 17 had still applied in 2019. This estimate assumes that there were no differences between rentals and cash flows and that all of the new leases entered into in 2019 would have been classified as operating leases under HKAS 17, if HKAS 17 had still applied in 2019. Any potential net tax effect is ignored.
- b. In this impact table the cash outflows in respect of capital element of lease rentals paid are reclassified from financing to operating in order to compute hypothetical amounts of net cash flows generated from operating activities and net cash flows used in financing activities as if HKAS 17 still applied.
- d. Leasehold investment property
Under HKFRS 16, the Group is required to account for all leasehold properties as investment properties when these properties are held to earn rental income and/or for capital appreciation ("leasehold investment properties"). The adoption of HKFRS 16 does not have a significant impact on the Group's financial statements as the Group previously elected to apply HKAS 40, Investment properties, to account for all of its leasehold properties that were held for investment purposes as at 31 December 2018. Consequentially, these leasehold investment properties continue to be carried at fair value.

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

c. 對本集團財務業績、分類業績及現金流量之影響 (續)

附註：

- a. 「經營租賃相關估計金額」為倘香港會計準則第17號於2019年仍適用，將分類為經營租賃之租賃於2019年之估計現金流量金額。該估計假設租金與現金流量之間並無差異，且若香港會計準則第17號於2019年仍適用，所有於2019年新訂立之租賃，將根據香港會計準則第17號分類為經營租賃。任何潛在稅務淨額影響忽略不計。
- b. 於該影響表中，已付租賃租金之資本部分之現金流出由融資重新分類至經營，以計算經營活動產生之現金流量淨值及融資活動所用之現金流量淨值之假設金額，猶如香港會計準則第17號仍然適用。
- d. 租賃投資物業
根據香港財務報告準則第16號，倘租賃物業乃為賺取租金收入及／或為資本增值而持有，則本集團須將所有該等租賃物業以投資物業入賬（「租賃投資物業」）。由於本集團先前選擇應用香港會計準則第40號投資物業對其所有於2018年12月31日為投資目的而持有之租賃物業進行會計處理，因此採納香港財務報告準則第16號對本集團的財務報表並無重大影響。故此，該等租賃投資物業繼續按公允值列賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

e. Lessor accounting

In addition to leasing out the investment property referred to in paragraph d. above, the Group leases out a number of items of building as the lessor of operating leases. The accounting policies applicable to the Group as a lessor remain substantially unchanged from those under HKAS 17, except for the leases where the Group is an intermediate lessor.

Under HKFRS 16, when the Group acts as an intermediate lessor in a sublease arrangement, the Group is required to classify the sublease as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, instead of by reference to the underlying asset. Note 2(j)(ii) provides further details on the accounting policies for subleases classified as a finance lease and an operating lease.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2 主要會計政策 (續)

(c) 會計政策之變動 (續)

香港財務報告準則第16號租賃 (續)

e. 出租人會計處理

除出租上文第d段所述之投資物業外，本集團亦出租若干樓宇項目作為經營租賃的出租人。本集團作為出租人適用的會計政策與香港會計準則第17號項下的會計政策大致維持不變，惟本集團為中間出租人的租賃除外。

根據香港財務報告準則第16號，當本集團作為轉租安排中的中間出租人時，本集團須參照主租賃合同產生的使用權資產而非參照相關資產將轉租分類為融資租賃或經營租賃。有關分類為融資租賃及經營租賃的轉租的會計政策的進一步詳情見附註2(j)(ii)。

(d) 附屬公司及非控股權益

附屬公司乃本集團控制的實體。當本集團承擔或擁有自其參與該實體產生之可變回報之權利及有能力透過行使權力以影響其回報時，本集團即控制該實體。在評估本集團是否擁有權力時，僅考慮實質權利（由本集團及其他方持有）。

自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於附屬公司的投資計入綜合財務報表。集團內公司間結餘、交易及現金流量及任何因集團內公司間交易而產生的未變現溢利在編製綜合財務報表時全數撇銷。集團內公司間交易而產生的未變現虧損僅在並無出現減值證據時以撇銷未變現收益相同的方式撇銷為限。

2 Significant accounting policies (continued)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(p) or (q) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(k)(iii)).

2 主要會計政策 (續)

(d) 附屬公司及非控股權益 (續)

非控股權益指不直接或間接歸屬本公司之於附屬公司之權益，本集團與該等權益之持有人並無任何額外條款，將會引致本集團整體上就符合金融負債定義的該等權益擁有合約責任。就各項業務合併而言，本集團可選擇按公允值或非控股權益佔附屬公司可識別資產淨值的比例份額計量任何非控股權益。

非控股權益在綜合財務狀況表內權益項下呈列，與本公司權益股東應佔權益獨立呈列。本集團業績中的非控股權益在綜合損益表及綜合損益及其他全面收益表內以總損益在年內合面收益總額在非控股權益與本公司權益股東之間作出分配。非控股權益持有人提供的貸款及該等持有人的其他合約責任按照附註2(p)或(q)視乎負債的性質在綜合財務狀況表內呈列為金融負債。

並不引致失去控制權之本集團於附屬公司之權益變動按股權交易入賬，並對綜合權益內控股及非控股權益的金額作出調整，以反映相關權益的變動，但對商譽並不作出調整及並不確認損益。

當本集團失去對附屬公司的控制權時，其入賬為出售該附屬公司的整個權益，由此產生的收益或虧損於損益內確認。失去控制權日在原有附屬公司保留的任何權益按公允值確認，相關金額視為初步確認金融資產的公允值（參閱附註2(g)）或倘合適視為初步確認於聯營公司或合營公司投資的成本（參閱附註2(e)）。

在本公司財務狀況表，於附屬公司之投資按成本減減值虧損列賬（參閱附註2(k)(iii)）。

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2 Significant accounting policies (continued)

(e) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 2(f) and (k) (iii)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture (after applying the expected credit losses (ECL) model to such other long-term interests where applicable (see note 2(k)(i))).

2 主要會計政策 (續)

(e) 聯營公司及合營公司

聯營公司為本集團或本公司對其擁有重大影響力之實體，但並不控制或共同控制其管理，包括參與財務及經營政策決策。

合營公司指一種合營安排，本集團或本公司及其他方據此合約同意對該安排擁有共同控制權，並對合營安排之資產淨值擁有權利。

於聯營公司及合營公司之投資乃根據權益法在綜合財務報表列賬。根據權益法，投資初步按成本入賬，並對本集團應佔投資對象之可識別資產淨值於收購日之公允值超過投資成本之任何部份（如有）作出調整。投資成本包括購買價、收購該投資的直接應佔其他成本，及構成本集團股本投資一部份的於該聯營公司或合營企業的任何直接投資。其後，就本集團應佔投資對象之資產淨值及有關投資的任何減值虧損的收購日後變動對投資作出調整（參閱附註2(f)及(k)(iii)）。任何收購日超逾成本的部份，本集團應佔投資對象收購後的稅後業績及年內任何減值虧損在綜合損益表內確認，而本集團應佔投資對象其他全面收益的收購後的稅後業績及任何減值虧損在綜合損益及其他全面收益表內確認。

倘出現任何不相符的會計政策，即會作出調整加以修正。

當本集團應佔虧損超過其於聯營公司或合營公司之權益，本集團之權益削減至零並終止確認進一步虧損，惟倘本集團已產生法定或推定責任或代表投資對象作出付款者除外。就此而言，在將預期信用損失模型應用於其他此類長期權益之後，本集團之權益為根據權益法投資之賬面值，連同實質構成本集團於聯營公司或合營公司之投資淨額之本集團長期權益（參閱附註2(k)(i)）。

2 Significant accounting policies (continued)

(e) Associates and joint ventures (continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

In the Company's statement of financial position, investments in associates are stated at cost less impairment losses (see note 2(k)(iii)).

(f) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed 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 expensed as incurred.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over

2 主要會計政策 (續)

(e) 聯營公司及合營公司 (續)

本集團與其聯營公司及合營公司間交易的未變現溢利及虧損將按照本集團於投資對象所佔的權益比例抵銷，惟倘未變現虧損顯示已轉讓資產出現減值，則該等未變現虧損即時在損益內確認。

倘於聯營公司之投資變為於合營公司之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。

在所有其他情況下，倘本集團不再對聯營公司擁有重大影響力或對合營公司擁有共同控制權，則本集團的權益按出售於投資對象之整個權益入賬，由此產生的收益或虧損於損益內確認。在失去重大影響力或共同控制權日期於原投資對象公司保留的任何權益按公允值確認，相關金額視為初步確認金融資產時的公允值（參閱附註2(g)）。

於本公司財務狀況表，於聯營公司之投資按成本減減值虧損列賬（參閱附註2(k)(iii)）。

(f) 業務合併及商譽

業務合併乃以購買法入賬。轉讓的代價乃以收購日期之公允值計量，該公允值為本集團轉讓的資產於收購日期的公允值、本集團自被收購方的前度擁有人承擔的負債及本集團發行以換取被收購方控制權的股本權益的總和。收購相關成本於產生時列支。

倘業務合併分階段進行，先前持有的股權按其於收購日期的公允值重新計量，而所產生之任何收益或虧損於損益確認。

商譽指以下兩者之差額

- (i) 已轉讓總代價的公允值、於被收購方之非控股權益及本集團先前持有的被收購方股權的總額，及

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2 Significant accounting policies (continued)

(f) Business combinations and goodwill (continued)

- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(k)(iii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(g) Derivative financial instruments and other financial assets

(i) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(ii) Other financial assets

Other financial assets include investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures. The Group's accounting policies for these investments are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those financial assets measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 40. These investments are subsequently accounted for as follows, depending on their classification.

2 主要會計政策 (續)

(f) 業務合併及商譽 (續)

- (ii) 被收購方按收購日計量的可識別資產及負債的公允淨值。

倘(ii)大於(i)，則差額即時在損益內確認為廉價購買利得。

商譽按成本減累計減值虧損計量。因業務合併而產生的商譽被分配至預期可從合併產生之協同效益中獲益的各個現金產生單位或現金產生單位組別，並須每年作減值測試(參閱附註2(k)(iii))。

年內出售現金產生單位時，已購入商譽的任何應佔金額計入出售時的損益中。

(g) 衍生金融工具及其他金融資產

(i) 衍生金融工具

衍生金融工具初步按公允值確認。公允值於各報告期末重新計量。重新計量公允值之收益或虧損即時於損益中確認。

(ii) 其他金融資產

其他金融資產包括於債務及股本證券之投資(於附屬公司、聯營公司及合營企業之投資除外)。本集團有關該等投資之會計政策載列如下。

本集團在承諾購入/出售投資當日確認/終止確認債務及股本證券之投資。該等投資初步按公允值加直接應佔交易成本列賬，惟該等透過損益按公允值計算之金融資產的交易成本直接於損益確認除外。有關本集團釐定金融工具公允值之方法之闡釋，見附註40。該等投資視乎其分類於其後入賬。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(g) Derivative financial instruments and other financial assets (continued)

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(v)(vii)).
- fair value through other comprehensive income (FVOCI) – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- fair value at profit or loss (FVPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

2 主要會計政策 (續)

(g) 衍生金融工具及其他金融資產 (續)

於股本投資以外之投資

本集團持有之非股本投資歸入以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為支付本金及利息。投資所得利息收入乃使用實際利率法計算（見附註2(v)(vii)）。
- 透過其他全面收益按公允值計算 – 可撥回，倘投資的合約現金流量僅包括本金及利息付款，投資乃於其目的為同時收取合約現金流量及出售之業務模式中持有。公允值變動於其他全面收益確認，惟預期信用損失、利息收入（使用實際利率法計算）及匯兌收益及虧損於損益確認。當投資被終止確認，於其他全面收益累計的金額從權益劃撥回至損益。
- 透過損益按公允值計算，倘投資不符合按攤銷成本計量或透過其他全面收益按公允值計算（可撥回）之標準。投資之公允值變動（包括利息）於損益確認。

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2 Significant accounting policies (continued)

(g) Derivative financial instruments and other financial assets (continued)

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 2(v)(vi).

(h) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(j)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(v)(iv).

2 主要會計政策 (續)

(g) 衍生金融工具及其他金融資產 (續)

股本投資

股本證券投資被分類為透過損益按公允值計算，除非該股本投資不是持作買賣，並在初始確認投資時本集團不可撤銷地選擇指定該投資為透過其他全面收益按公允值計算（不可撥回），以致後續公允值變動在其他全面收益中確認。這種選擇是以個別工具基準進行，但只有當投資符合發行人角度下之股本定義時方可進行。若作出此選擇，在該投資被出售前，其他全面收益中累計之金額仍保留在公允值儲備（不可撥回）中。在出售時，公允值儲備（不可撥回）中累計之金額會轉入保留溢利。其不會透過損益撥回。來自股本證券投資之股息，不論是否分類為透過損益按公允值計算或透過其他全面收益按公允值計算，均按照附註2(v)(vi)內所載政策在損益中確認為其他收入。

(h) 投資物業

投資物業乃指根據租賃權益（參閱附註2(j)）擁有或持有的為賺取租金收入及／或持作資本增值之土地及／或樓宇。該等投資物業包括目前尚未釐定未來用途持有之土地及目前正在建造或開發以供未來作投資物業使用之物業。

投資業按公允值列賬，惟於報告期末仍在建設或發展過程中及於彼時不能可靠計量其公允值者除外。公允值變動或由報廢或出售投資物業所產生的任何收益或虧損於損益內確認。投資物業的租金收入按附註2(v)(iv)所載政策入賬。

2 Significant accounting policies (continued)

(h) Investment properties (continued)

In the comparative period, when the Group held a property interest under an operating lease and used the property to earn rental income and/or for capital appreciation, the Group could elect on a property-by-property basis to classify and account for such interest as an investment property. Any such property interest which had been classified as an investment property was accounted for as if it were held under a finance lease (see note 2(j)), and the same accounting policies were applied to that interest as were applied to other investment properties leased under finance leases. Lease payments were accounted for as described in note 2(j).

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with note 2(i) up to the date of change in use, and any difference at the date between the carrying amount and the fair value of the property is accounted for as a revaluation and recognised in asset revaluation reserve within equity until the retirement or disposal of the property (when it is released directly to retained profits). For a transfer from completed properties held for sale to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

(i) Property, plant and equipment

Leasehold land and buildings held for own use are stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of reporting period.

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(k)):

- right-of-use assets arising from leases over leasehold land and buildings where the Group is not the registered owner of the property interest (see note 2(j));

2 主要會計政策 (續)

(h) 投資物業 (續)

於比較期間，當本集團為賺取租金收入及／或資本增值而根據經營租賃及所用物業持有物業權益時，本集團可選擇將該權益按逐個物業基準分類並入賬為投資物業。已分類為投資物業的該等物業權益視同根據融資租賃持有而入賬（參閱附註2(j)），根據融資租賃租賃的其他投資物業適用相同會計政策。租賃付款按附註2(j)所載政策入賬。

至於當投資物業轉變為業主自用物業或存貨，期後入賬方法乃以物業於更改用途日之公允值作為其物業成本。倘由本集團佔用作業主自用的物業成為投資物業，則本集團根據截至該物業用途變更當日按附註2(i)將該物業列賬，而於當日任何該物業之賬面值及公允值之差額則按重估列賬及在資產重估儲備權益內確認，直至該物業報廢或出售（當其直接撥往保留溢利時）。當持作待售已落成物業轉撥為投資物業時，則該物業在轉撥當日之公允值與其之前賬面值之任何差額於損益內確認。

(i) 物業、廠房及設備

持作自用的租賃土地及樓宇按其重估金額列賬，列賬金額即重估日期的公允值減其後累計折舊。

定期進行重估，以確保該等資產之賬面值與報告期末使用公允值釐定者不會有重大出入。

物業、廠房及設備之以下項目按成本減累計折舊及減值虧損列賬（參閱附註2(k)）：

- 本集團並非物業權益登記擁有人的租賃土地及樓宇的租賃產生的使用權資產（參閱附註2(j)）；

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2 Significant accounting policies (continued)

(i) Property, plant and equipment (continued)

- right-of-use assets arising from other properties leased for own use; and
- items of plant and equipment;

Changes arising on the revaluation of leasehold land and buildings held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the asset revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

Construction in progress represents buildings under construction, which is stated at cost less accumulated impairment losses (see note 2(k)), and is not depreciated. Other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(k)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(x)). Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Expenditure incurred after items of property, plant and equipment have been put into operations, such as repairs and maintenance is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2 主要會計政策 (續)

(i) 物業、廠房及設備 (續)

- 持作自用的其他租賃物業產生的使用權資產；及
- 廠房及設備項目；

重估持作自用租賃土地及樓宇產生的變動一般在其他全面收益內處理，並於權益項下資產重估儲備內單獨計量。以下情況除外：

- 當重估時產生虧絀時，其將在損益內扣除，以超過該項同一資產緊接重估前有關之儲備持有之金額為限；及
- 當重估產生盈餘時，其將計入損益，以有關該等同一資產先前在損益中扣除之重估虧絀為限。

在建工程指正在建設之中之樓宇，按成本減累計減值虧損列賬（參閱附註2(k)），並不予折舊。物業、廠房及設備之其他項目按成本減累計折舊及減值虧損列賬（參閱附註2(k)）。

物業、廠房及設備之自建項目成本包括材料成本、直接人工、初步估算拆卸及移除該等項目及在其所處地盤的恢復成本（如相關）及適當比例的生產間接成本及借貸成本（參閱附註2(x)）。在建工程於竣工且可供使用時將重新分類至適當之物業、廠房及設備之類別。

物業、廠房及設備項目投入運作後產生之開支（如修理及維護）一般於其產生期間之損益表扣除。在滿足確認條件情況下，大修開支作為重置資本化計入該項資產的賬面值。倘若物業、廠房及設備之重要部份須不時重置，本集團確認此等部份為具有特定可使用年期及當時相應折舊之個別資產。

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2 Significant accounting policies (continued)

(i) Property, plant and equipment (continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the asset revaluation reserve to retained profits and is not reclassified to profit or loss. Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives. The principal annual rates used for this purpose are as follows:

– Ownership interest in leasehold land and buildings held for own use	Over the lease terms
– Other properties leased for own use	Over the lease terms
– Leasehold improvements	20%
– Furniture, fixtures and equipment	10% to 25%
– Motor vehicles	9% to 20%
– Plant and machinery	10% to 25%

Both the useful life of an asset and its residual value, if any, are reviewed annually.

(j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

(A) Policy applicable from 1 January 2019

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

2 主要會計政策 (續)

(i) 物業、廠房及設備 (續)

因報廢或出售物業、廠房及設備項目產生收益或虧損釐定為出售所得款項淨額與該項目賬面值兩者之差額並於報廢或出售日期在損益內確認。任何相關重估盈餘由資產重估儲備轉撥至保留溢利，不重新分類至損益。折舊乃按各物業、廠房及設備項目之估計可使用年期以直線法撇銷其成本或估值減估計殘值（如有）計算。折舊之主要年率如下：

– 於持作自用的租賃土地及樓宇的所有權權益	租賃年期
– 其他自用租賃物業	租賃年期
– 租賃物業裝修	20%
– 傢俬、裝置及設備	10%至25%
– 汽車	9%至20%
– 廠房及機器	10%至25%

資產之可使用年期及其殘值（如有）每年檢討。

(j) 租賃資產

本集團會於合約初始生效時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟收益，則表示控制權已轉讓。

(i) 作為承租人

(A) 自2019年1月1日起適用之政策

倘合約包含租賃部分及非租賃部分，本集團選擇不將非租賃部分區分開來，並將各租賃部分及任何相關非租賃部分入賬為所有租賃的單一租賃部分。

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2 Significant accounting policies (continued)

(j) Leased assets (continued)

(i) As a lessee (continued)

(A) Policy applicable from 1 January 2019 (continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily laptops and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(i) and 2(k)(iii)), except for the following types of right-of-use asset:

2 主要會計政策 (續)

(j) 租賃資產 (續)

(i) 作為承租人 (續)

(A) 自2019年1月1日起適用之政策 (續)

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或少於12個月的短期租賃，以及就本集團而言，通常為筆記型電腦或辦公室傢私的低價值資產租賃除外。當本集團就低價值資產訂立租賃時，本集團決定是否按逐份租賃基準將租賃資本化。與未資本化的租賃相關的租賃付款在租賃期內系統地確認為開支。

倘租賃資本化，則租賃負債初次按租期內應付的租賃付款的現值確認，並使用租賃中所隱含的利率貼現，或倘無法輕易確定利率，則使用相關增量借貸利率。於初次確認後，租賃負債按攤銷成本計量，及利息開支使用實際利率法計算。不依賴指數或利率的可變租賃付款並無納入租賃負債的計量，因此可變租賃付款於其產生的會計期間自損益中扣除。

當租賃資本化時，已確認的使用權資產初始按成本計量，其包括租賃負債的初始金額加上於開始日期或之前作出的任何租賃付款，以及已產生的任何初始直接成本。於適用情況下，使用權資產的成本亦包括拆除及移除相關資產或恢復相關資產或其所在場地的成本估算，按其現值貼現，並減去任何已收取的租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬（見附註2(i)及2(k)(iii)），惟下列類型的使用權資產除外：

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(j) Leased assets (continued)

(i) As a lessee (continued)

(A) Policy applicable from 1 January 2019 (continued)

- right-of-use assets that meet the definition of investment property are carried at fair value in accordance with note 2(h);
- the right-of use assets related to leasehold land and buildings where the Group is the registered owner of the lease hold interest are carried at fair value; and
- right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value in accordance with note 2(l).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and presents lease liabilities separately in the statement of financial position.

2 主要會計政策 (續)

(j) 租賃資產 (續)

(i) 作為承租人 (續)

(A) 自2019年1月1日起適用之政策 (續)

- 符合投資物業定義的使用權資產根據附註2(h)按公允值列賬；
- 與租賃土地及樓宇（其中本集團為租賃權益的登記擁有人）有關的使用權資產按公允值列賬；及
- 與租賃土地權益（其中土地權益持作存貨）有關的使用權資產根據附註2(l)按成本與可變現淨值兩者中之較低者列賬。

當指數或利率變動導致未來租賃付款有所變動，或本集團預期於剩餘價值擔保下應付的估計金額有所變動，或重新評估本集團能否合理地確定會行使購買、延長或終止選擇權導致發生變動時，則租賃負債會重新計量。在這些情況下重新計量租賃負債時，需對使用權資產的賬面值作出相應調整，或如果使用權資產的賬面值已減少至零，相應調整則計入損益。

本集團於「物業、廠房及設備」中呈報不符合投資物業定義之使用權資產及於財務狀況表中單獨呈報租賃負債。

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2 Significant accounting policies (continued)

(j) Leased assets (continued)

(i) As a lessee (continued)

(B) Policy applicable prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property was classified as investment property on a property-by-property basis and, if classified as investment property, was accounted for as if held under a finance lease (see note 2(h)); and
- land held for own use under an operating lease, the fair value of which could not be measured separately from the fair value of a building situated thereon at the inception of the lease, was accounted for as being held under a finance lease, unless the building was also clearly held under an operating lease. For these purposes, the inception of the lease was the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2 主要會計政策(續)

(j) 租賃資產(續)

(i) 作為承租人(續)

(B) 於2019年1月1日前適用之政策

於比較期間，如果有關租約使所有權的絕大部份風險及回報轉移至本集團，則本集團作為承租人會將有關租約分類為融資租賃。不會使所有權的絕大部份風險及回報轉移至本集團的租約，則分類為經營租賃，但下列情況除外：

- 以經營租賃方式持有但在其他方面均符合投資物業定義的物業，會按照每項物業的基準分類為投資物業。倘分類為投資物業，則按融資租賃項下持有的物業入賬(參閱附註2(h))；及
- 以經營租賃方式持作自用，但無法在租約開始時將其公允值與建於其上的建築物的公允值分開計量的土地是按以融資租賃持有方式入賬；但明確地以經營租賃方式持有的建築物除外。就此而言，租約的開始時間是指本集團首次訂立租約時，或自前承租人接收建築物時。

2 Significant accounting policies (continued)

(j) Leased assets (continued)

(i) As a lessee (continued)

(B) Policy applicable prior to 1 January 2019 (continued)

Where the Group acquired the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets were recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, were recorded as obligations under finance leases. Depreciation was provided at rates which wrote off the cost or valuation of the assets over the term of the relevant lease or, where it was likely the Group would obtain ownership of the asset, the life of the asset, as set out in note 2(i). Impairment losses were accounted for in accordance with the accounting policy as set out in note 2(k). Finance charges implicit in the lease payments were charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

Prepaid land lease payments under an operating lease is amortised on a straight-line basis over the period of the lease term. When the payments cannot be allocated reliably between the land and building elements, the entire lease payments are included in the cost of the leasehold land and buildings as a finance lease in property, plant and equipment.

2 主要會計政策 (續)

(j) 租賃資產 (續)

(i) 作為承租人 (續)

(B) 於2019年1月1日前適用之政策 (續)

倘本集團獲得融資租賃項下資產的使用權，則有關資產相當於租賃資產公允值或最低租金現值（如為較低數額）的金額將確認為物業、廠房及設備，而扣除融資費用後的相應負債則入賬列為融資租賃承擔。折舊是在相關的租賃期或資產的可用期限（如本集團很可能取得資產的所有權）內，以撇銷其成本或估值的比率計提（參閱附註2(i)）。減值虧損根據附註2(k)所載的會計政策入賬。租賃付款內含的融資費用會計入租賃期內的損益中，使每個會計期間的融資費用佔租賃承擔餘額的比率大致相同。或然租金在其產生的會計期間內在損益中扣除。

倘本集團擁有經營租賃項下持有的資產的使用權，根據租約作出之付款在租約期限涵蓋的會計期間以等額分期形式在損益內扣除，惟更能代表該租賃資產所產生的收益模式的替代基準除外。已收取之租賃激勵作為已作出租賃付款淨額總額的組成部份在損益內確認。或然租金在產生的會計期間在損益內扣除。

根據經營租賃預付土地租賃款項按租賃年期以直線法攤銷。當租金不可於土地及樓宇部份可靠地分配時，則全部租金作為物業、廠房及設備之融資租賃於租賃土地及樓宇之成本中列賬。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(j) Leased assets (continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(v)(iv).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(j)(i), then the Group classifies the sub-lease as an operating lease.

For a sublease classified as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the finance lease receivables in the sublease when the Group enters into the sublease. Any difference between the right-of-use asset and the finance lease receivables in the sublease is recognised in profit or loss. During the term of the sublease, the Group recognises interest income as it accrues on the outstanding balance of finance lease receivables using the effective interest rate method and interest expense on the lease liability relating to the head lease.

For a sublease classified as an operating lease, the Group retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position unless the right-of-use asset meets the definition of investment property in which case the right-of-use asset is accounted for as an investment property and measured at fair value.

During the term of the sublease, the Group recognises lease income from the sublease and interest expense on the lease liability relating to the head lease.

2 主要會計政策(續)

(j) 租賃資產(續)

(ii) 作為出租人

當本集團擔任出租人時，其於租賃開始時釐定各租賃是否為融資租賃或經營租賃。倘相關資產的所有權附帶的絕大部份風險及回報轉移至承租人時，該租賃分類為融資租賃。倘不屬於該情況，該租賃被分類為經營租賃。

倘合約包括租賃及非租賃部分，本集團根據相對獨立的售價基準將合約代價分配予各部分。經營租賃產生的租金收入根據附註2(v)(iv)確認。

倘本集團為中間出租人，經參考主租賃合同產生的使用權資產，轉租被分類為融資租賃或經營租賃。倘主租賃合同為短期租賃，本集團豁免遵守附註2(j)(i)所載規定，則本集團將轉租分類為經營租賃。

就分類為融資租賃的轉租而言，本集團終止確認與轉讓予中間出租人的主租賃合同有關的使用權資產，並在本集團訂立轉租時確認轉租中的融資租賃應收款項。轉租中使用權資產與融資租賃應收款項的任何差額於損益中確認。於轉租期內，本集團使用實際利率法按融資租賃應收款項未償還結餘的累計額確認利息收入及與主租賃合同有關的租賃負債的利息開支。

就分類為經營租賃的轉租而言，本集團於其財務狀況表中保留與主租賃合同有關的租賃負債及使用權資產，除非使用權資產符合投資物業的定義，在此情況下，使用權資產將入賬列作投資物業並按公允值計量。

於轉租期內，本集團根據轉租安排確認租賃收入及就與主租賃合同有關的租賃負債確認利息開支。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost (including restricted cash and cash equivalents, trade receivables, finance lease receivables and other long-term assets within "Other financial assets", other receivables and loans to related parties included in prepayment, deposits and other receivables).

Financial assets measured at fair value, including equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- lease receivables: discount rate used in measurement of the lease receivable; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

2 主要會計政策 (續)

(k) 信用損失及資產減值

(i) 金融工具之信用損失

本集團就按攤銷成本計量之金融資產 (包括受限制現金及現金等價物、應收賬款、「其他金融資產」內之融資租賃應收款項及其他長期資產、預付款項、訂金及其他應收款項下包含之其他應收款項及給予關聯方貸款) 確認預期信用損失之損失撥備。

按公允值計量之金融資產，包括透過損益按公允值計算之股本證券、指定為透過其他全面收益按公允值計算 (不可撥回) 之股本證券及衍生金融資產，不需進行預期信用損失評估。

預期信用損失之計量

預期信用損失是信用損失概率加權估計值。信用損失以所有預期現金不足額 (即本集團根據合約應得的現金流量和本集團預期收到的現金流量之間的差額) 之現值估算。

倘若貼現的影響重大，則使用以下貼現率貼現預期現金不足額：

- 固定利率金融資產，應收賬款及其他應收款項：初始確認時確定的實際利率或其近似值；
- 計量應收租金時使用之應收租金折現率；及
- 浮動利率金融資產：當前實際利率。

估計預期信用損失時考慮的最長期限是本集團面臨信用風險的最長合約期。

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2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Measurement of ECLs (continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(i) 金融工具之信用損失 (續)

預期信用損失之計量 (續)

在計量預期信用損失時，本集團會考慮可用無需過多的成本或努力之合理且可支持之信息，包括過去事件、當前狀況和未來經濟狀況預測之信息。

預期信用損失是通過以下其一基礎計量：

- 12個月預期信用損失：這些是預計在報告日期後12個月內可能發生之違約事件造成之損失；及
- 整個存續期預期信用損失：這些是預期由預期信用損失模型適用的項目之預期壽命內之所有可能的違約事件導致之損失。

應收賬款及應收租金的損失撥備按照相當於整個存續期預期信用損失的金額計量。該等金融資產之預期信用損失使用基於本集團之歷史信用損失經驗的撥備矩陣進行估算，並根據債務人特有的因素，以及對報告日期的當前和預測的一般經濟狀況評估進行調整。

對於所有其他金融工具，本集團確認相當於12個月預期信用損失的損失準備金，除非自初始確認以來金融工具的信用風險顯著增加，在這種情況下，損失準備金計量等於整個存續期的預期信用損失。

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held). The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(i) 金融工具之信用損失 (續)

信用風險顯著增加

在評估金融工具的信用風險自初始確認以來是否顯著增加時，本集團比較報告日期與初始確認之日評估的金融工具違約風險。在進行此重新評估時，當借款人在本集團採取回收行動如變現抵押品（如持有）不可能全額支付其對本集團的信貸義務時，本集團將視為發生違約事件。本集團考慮合理且可支持的定量和定性信息，包括無需過多的成本或努力可取得之歷史經驗和前瞻性信息。

在評估自初始確認後信用風險是否顯著增加時會特別考慮以下信息：

- 未能在合約到期日支付本金或利息；
- 金融工具的外部或內部信用評級（如有）有實際或預期的顯著惡化；
- 債務人經營業績的實際或預期重大惡化；及
- 技術、市場、經濟或法律環境的現有或預測變化，對債務人履行其對本集團義務的能力產生重大不利影響。

根據不同金融工具的性質，對信用風險顯著增加的評估是在單獨或集體基礎上進行的。當在集體基礎上評估時，金融工具根據共有之信用風險特徵進行分組，例如過期狀態和信用風險評級。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk (continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with note 2(v)(vii) 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 the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(i) 金融工具之信用損失 (續)

信用風險顯著增加 (續)

預期信用損失在每個報告日期被重新計量以反映自初始確認以來金融工具信用風險的變化。預期信用損失金額的任何變動均於損益內確認為減值損益。本集團確認所有金融工具的減值損益，並通過損失準備金賬戶對其賬面金額進行相應調整。

利息收入之計算基礎

根據附註2(v)(vii)確認之利息收入乃根據金融資產的賬面總額計算，惟金融資產需要信貸減值的情況下，利息收入乃根據金融資產的攤銷成本（即賬面值總額減損失撥備）計算。

在每個報告日期，本集團評估金融資產是否有信用減值。當一項或多項事件對金融資產的估計未來現金流量產生不利影響時，金融資產即需有信用減值。

金融資產信用減值的證據包括以下可觀察事件：

- 債務人的重大財務困難；
- 違反合約，如不支付或拖欠利息或本金；
- 借款人很可能會進入破產或其他財務重組；
- 技術、市場、經濟或法律環境的重大改變而對債務人有不利影響；或
- 由於發行人的財務困難造成活躍證券市場的消失。

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Write-off policy

The gross carrying amount of a financial asset or lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees issued are initially recognised within “Other payables and accruals” at fair value, which is determined by reference to fees charged in an arm’s length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(i) 金融工具之信用損失 (續)

撇銷政策

金融資產或應收租金的賬面總額在預期沒有實際可收回的情況下予以撇銷 (部份或全部)。一般情況是當本集團確定債務人沒有資產或收入來源可以產生足夠現金流以償還待撇銷之金額。

先前已撇銷的資產的後續回收於收回發生期間確認為減值撥回計入損益。

(ii) 已發出財務擔保之信用損失

財務擔保為要求發行人 (即擔保人) 就擔保受益人 (「持有人」) 因指定債務人未能根據債務工具之條款在到期時付款而蒙受之損失，向持有人支付特定補償金額之合約。

已發出財務擔保初步於「其他應付款項及應計費用」中按公允值確認，而該公允值乃參照類似服務於公平磋商交易之過程中所收取費用 (如可獲得該等資料) 而釐定，或參照息差作出估計，方法為以放款人在獲提供擔保之情況下實際收取之利率與在不獲提供擔保之情況下放款人將會收取之估計利率作比較 (如該等資料能可靠地估計)。倘就作出擔保之代價已收取或可收取，代價則根據本集團適用於此類別資產之政策確認。倘並無收到或無可收代價，則在損益確認為即時開支。

於初步確認後，初步確認為遞延收入之金額自作出財務擔保後在損益中按擔保之年期作為收入攤銷。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(ii) Credit losses from financial guarantees issued (continued)

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher than the amount carried in "Other payables and accruals" in respect of the guarantees (i.e. the amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 2(k)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

(iii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets (other than properties carried at revalued amounts);
- prepaid land lease payments;
- goodwill; and
- investments in subsidiaries and associates in the Company's statement of financial position.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(ii) 已發出財務擔保之信用損失 (續)

本集團監察特定債務人違約的風險，並當財務擔保的預期信用損失確定為高於擔保的「其他應付款項及應計費用」中的金額（即初始確認金額減累計攤銷）時確認撥備。

為釐定預期信用損失，本集團會考慮指定債務人自發出擔保以來的違約風險變動，並會計量12個月的預期信用損失，惟在指定債務人自發出擔保以來的違約風險大幅增加的情況下除外，在此情況下，則會計量整個存續期的預期信用損失。附註2(k)(i)所述的相同違約定義及信用風險大幅增加的相同評估標準適用於此。

由於本集團僅須於根據獲擔保工具的條款指定債務人違約時作出付款，故預期信用損失乃按預期就補償持有人產生的信用損失而作出的付款，減本集團預期從擔保持有人（指定債務人或任何其他人士）收取的任何款項估計。有關金額其後將使用現時的無風險利率貼現，並就現金流量的特定風險作出調整。

(iii) 其他非流動資產減值

本集團於各報告期末審閱內部及外部資料來源，以識別下列資產可能減值的跡象或，除商譽外，先前確認的減值虧損不再存在或可能已經減少：

- 物業、廠房及設備（包括使用權資產）（按重估金額列賬之物業除外）；
- 預付土地租賃款項；
- 商譽；及
- 在本公司財務狀況表內所列於附屬公司及聯營公司之投資。

2 Significant accounting policies (continued)

(k) Credit losses and impairment of assets (continued)

(iii) Impairment of other non-current assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2 主要會計政策 (續)

(k) 信用損失及資產減值 (續)

(iii) 其他非流動資產減值 (續)

倘存在任何跡象，則估計資產的可收回金額。此外，就商譽而言，每年估計可收回金額是否有任何減值跡象。

— 確認減值虧損

倘資產的賬面值或資產所屬現金產生單位的賬面值超過其可收回金額，則在損益內確認減值虧損。就現金產生單位確認的減值虧損首先予以分配，以減少分配至現金產生單位（或單位組別）的任何商譽的賬面值，然後按比例減少該單位（或單位組別）的其他資產的賬面值，惟資產之賬面值不會減少至低於個別價值以下減出售成本（倘可計量）或使用價值（倘可釐定）。

— 減值虧損撥回

就商譽以外之資產而言，倘用作釐定可收回金額的估計發生有利變動，則撥回減值虧損。有關商譽的減值虧損不予撥回。

減值虧損撥回僅限於過往年度不曾確認減值虧損情況下原可釐定的資產的賬面值。減值虧損撥回於確認撥回的年度計入損益。

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2 Significant accounting policies (continued)

(1) Inventories and other contract costs

(i) Property development

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

- Properties under development
Properties under development are intended to be held for sale after completion. They are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond the normal operating cycle.

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 2(x)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

- Completed properties held for sale
The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

2 主要會計政策(續)

(1) 存貨及其他合約成本

(i) 物業開發

有關物業發展之存貨按成本與可變現淨值兩者之較低者列賬。成本及可變現淨值按以下方式釐定：

- 發展中物業
發展中物業擬於落成後持作待售用途。發展中物業分類為流動資產，除非有關物業開發項目之預計施工期超過正常營運週期。

供出售之發展中物業之成本由特別識別之成本組成，包括土地收購成本、開發總成本、材料及物料、工資及其他直接費用、適當比例的間接成本及資本化的借貸成本（參閱附註2(x)）。可變現淨值指估計銷售價格減估計竣工成本及銷售物業將產生的成本。

- 持作待售之已落成物業
持作待售之已落成物業之成本包括所有採購成本、轉換成本及將存貨置於其現址及現況所產生的其他成本。

就本集團開發之已落成物業而言，成本乃按未出售物業應佔之該發展項目之總開發成本總額分攤計算。可變現淨值指估計售價減銷售物業將予產生的成本。

2 Significant accounting policies (continued)

(I) Inventories and other contract costs (continued)

(ii) Other inventories

Inventories other than those in respect of property development activities are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(iii) Other contract costs

Other contract costs are incremental costs of obtaining a contract with a customer.

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 e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered, unless the expected amortisation period is one year or less from the date of initial recognition of the asset, in which case the sales commissions can be expensed when incurred. The Group applied this practical expedient under HKFRS 15 and did not capitalise sales commissions with amortisation periods of one year or less from the date of initial recognition of the asset. Other costs of obtaining a contract are expensed when incurred.

2 主要會計政策(續)

(I) 存貨及其他合約成本(續)

(ii) 其他存貨

存貨(有關物業開發活動者除外)以成本及可變現淨值兩者之較低者列賬。

成本按加權平均成本公式計算，及包括所有採購成本、轉換成本及將存貨置於現址及現況所產生的其他成本。

可變現淨值為在一般業務過程中的估計售價減竣工的估計成本及完成銷售所必需的估計成本。

當存貨出售時，該等存貨的賬面值於確認相關收入的期間確認為一項開支。存貨減值至可變現淨值的金額及存貨的所有虧損在減值或虧損產生的期間確認為一項開支。存貨的任何減值的任何撥回金額確認為在撥回產生的期間已確認為一項開支的存貨金額的扣減項。

(iii) 其他合約成本

其他合約成本指向客戶獲得合約的增量成本。

獲得合約的增量成本指本集團為向客戶獲得合約所產生的該等成本，而該等成本在未獲得合約時不會產生(例如增量銷售佣金)。倘該等成本與將於未來報告期間確認的收益相關且該等成本預期可收回，則獲得合約的增量成本於產生時資本化，除非自資產初始確認日期起，預期攤銷期限為一年或以下，在該情況下銷售佣金於產生時費用化。本集團根據香港財務報告準則第15號應用此實用方法，且並未於資產初始確認日期起計一年或更短攤銷期限資本化銷售佣金。獲得合約的其他成本於產生時支銷。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(l) Inventories and other contract costs (continued)

(iii) Other contract costs (continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(v).

(m) Biological assets

Biological assets represent breeding pigeons recorded as non-current assets and trading pigeons and cloned orchid flowers recorded as current assets. The biological assets are measured at their fair value on initial recognition and at the end of each reporting period less estimated costs to sell. The fair values of the biological assets are determined based on the most recent market transaction prices. Any change in fair value less estimated costs to sell of a biological asset is included in profit or loss for the period in which it arises.

(n) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(v)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(o)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(v)).

2 主要會計政策 (續)

(l) 存貨及其他合約成本 (續)

(iii) 其他合約成本 (續)

已資本化合約成本按成本減累計攤銷及減值虧損列賬。當合約成本資產的賬面值超過(i)本集團預期因交換資產相關貨品或服務而將收取的代價餘額減(ii)尚未確認為開支之直接與提供該等貨品或服務相關的任何成本的淨額時，確認減值虧損。

已資本化合約成本攤銷於確認資產相關收益時從損益內扣除。收益確認的會計政策載於附註2(v)。

(m) 生物資產

生物資產指列作非流動資產之種鴿及列作流動資產之交易鴿及克隆蘭花。生物資產於初步確認時及於各報告期末按其公允值減銷售成本計量。生物資產的公允值乃按最近期市場交易價格釐定。生物資產的公允值減銷售成本的任何變動於產生期間計入損益。

(n) 合約負債

合約負債於本集團確認相關收益(見附註2(v))前客戶支付代價時確認。倘本集團有權無條件於本集團確認相關收益前收取代價，亦會確認合約負債。在該等情況下，亦將確認相應應收款項(見附註2(o))。

當合約載有重大融資成分時，合約結餘將包括按實際利率法應計之利息(見附註2(v))。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(o) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(k)(i)).

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, taking into account any discount or premium on acquisition and fees or costs that are an integral part to the effective interest rate. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(x)).

(q) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(u), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

Bank deposits which are restricted to use are classified as "restricted cash". Restricted cash are excluded from cash and cash equivalents in the statement of financial position and cash flow statement.

Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(k)(i).

2 主要會計政策 (續)

(o) 應收賬款及其他應收款項

應收款項於本集團有無條件權利收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。

應收款項以實際利率法減信用損失撥備按攤銷成本列賬（見附註2(k)(i)）。

(p) 計息借貸

計息借貸初步按公允價值減交易成本計量。初步確認後，經考慮收購時的折現或溢價及構成實際利率的組成部份的費用或成本，計息借貸使用實際利率法按攤銷成本列賬。利息開支根據本集團借貸成本之會計政策確認（見附註2(x)）。

(q) 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公允價值確認。除金融擔保負債按附註2(u)計量外，應付賬款及其他應付款項其後按攤銷成本列賬，除非折現影響並不重大，在此情況下，應付賬款及其他應付款項按成本列賬。

(r) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、在銀行及其他金融機構之活期存款、可隨時轉換為已確定數額現金、價值變動風險極微及自收購起三個月內到期之短期高流動性投資。

用途受限制之銀行存款分類為「受限制現金」。受限制現金不包括在財務狀況表及現金流量表內的現金及現金等價物中。

現金及現金等價物之預期信用損失乃根據附註2(k)(i)所載之政策評估。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(s) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Each of the subsidiaries operating in mainland China participates in the central pension scheme (the "CPS") operated by the local municipal government for all of its staff. These subsidiaries are required to contribute 13% to 19% of their payroll costs to the CPS. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the CPS, except to the extent that they are included in the cost of investments not yet recognised as an expense.

2 主要會計政策 (續)

(s) 僱員福利

(i) 短期僱員福利及定額供款退休計劃之供款

薪金、年度花紅、帶薪年假、定額供款退休計劃供款及非貨幣福利在僱員提供相關服務年度內累計。當付款或結算遞延時及影響屬重大時，該等金額按其現值列賬。

本集團根據香港強制性公積金計劃條例為根據香港司法權區僱傭條例僱傭之僱員實施一項界定供款強積金退休計劃（「強積金計劃」）。根據強積金計劃，僱主及僱員各自必須按僱員相關收入之5%就該計劃作出供款，上限為每月相關收入的30,000港元。計劃供款即時歸屬並依照強積金計劃之規定在須支付供款時在損益表中扣除。強積金計劃之資產乃與本集團之資產分開由獨立管理之基金持有。根據強積金計劃之規則，若僱員於可全數收取供款前離職，則僱主之自願供款將歸集團所有，惟本集團就強積金計劃作出之僱主供款全數歸僱員所有。

所有於中國大陸經營之附屬公司參與中央退休金計劃（「中央退休金計劃」），此計劃由地方市政府為該等公司所有僱員制訂。此等附屬公司必須按其薪金之13%至19%就中央退休金計劃作出供款。根據中央退休金計劃作出之供款會根據中央退休金計劃之規則在須付供款時自損益表中扣減。惟計入投資成本尚未確認為一項開支者除外。

2 Significant accounting policies (continued)

(s) Employee benefits (continued)

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the Binomial Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

Share-based payment transactions in which the Company grants share options to subsidiaries' employee are accounted for as increase in value of investments in subsidiary in the Company's statement of financial position which is eliminated on consolidation.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

2 主要會計政策 (續)

(s) 僱員福利 (續)

(ii) 以股份為基礎之付款

授予僱員之購股權公允值確認為僱員成本，權益項下的購股權儲備相應增加。公允值使用二項式期權定價模型在授出日期計量，並考慮購股權授出的條款及條件。當僱員在成為無條件享有購股權前必須符合歸屬條件，購股權估計公允值總額在歸屬期間分配，並考慮購股權將會歸屬的概率。

於歸屬期間，對預期歸屬的購股權數目予以審閱。過往年度已確認的累計公允值的任何調整在審閱年度計入損益／從損益中扣除，除非原有僱員開支符合確認資產的資格及購股權儲備相應調整。於歸屬日期，確認為開支之金額予以調整，以反映歸屬的購股權的實際數目（購股權儲備相應調整），僅由於未達成與本公司股份市價有關的歸屬條件才予以沒收。在購股權儲備內確認權益金額直至購股權獲行使（當其計已發行股份的股本的已確認金額之內時）或購股權屆滿（當其直接撥往保留溢利時）。

本公司向附屬公司僱員授出購股權的以股份為基礎之付款按本公司財務狀況表內於附屬公司投資價值增加入賬，而其於綜合賬目時已撇銷。

(iii) 辭退福利

在本集團不再撤回該等福利要約時及當其確認涉及支付辭退福利的結構性成本時（以較早者為準）確認辭退福利。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(t) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 主要會計政策 (續)

(t) 所得稅

年內所得稅包括即期稅項及遞延稅項資產及負債的變動。即期稅項及遞延稅項資產及負債的變動在損益內確認，惟彼等與在其他全面收益內或直接於權益內確認的項目有關者除外，在此情況下，有關稅項金額分別在其他全面收益或直接於權益內確認。

即期稅項乃就年內應課稅收入應付的預期稅項，按報告期末已實施或實際上已實施的稅率計算及就過往年度的應課稅項作出任何調整。

遞延稅項資產及負債分別因可扣減及應課稅暫時差額而產生，暫時差額即為財務報告用途的資產及負債的賬面值與其稅基之間的差額。遞延稅項資產亦因未動用的稅項虧損及未動用的稅項抵免而產生。

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產（以未來課稅溢利可能會被用作抵銷可動用的資產為限）予以確認。可能支持確認因可扣減暫時差額而產生遞延稅項資產確認之未來課稅溢利包括因現有課稅暫時差額撥回而產生者，前提是該等差額與同一稅務當局及同一課稅實體有關，預期於可扣減暫時差額之預期撥回相同期內撥回或於因遞延稅項資產而產生的稅項虧損可予轉回或結轉的期間內撥回。釐定現時課稅暫時差額是否支持確認因未動用稅項虧損及抵免而產生的遞延稅項資產時採納同一標準，即倘等與同一稅務當局及同一課稅實體有關時，考慮該等差額，並預期於動用稅項虧損或抵免的期間撥回。

2 Significant accounting policies (continued)

(l) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2(h), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

2 主要會計政策 (續)

(l) 所得稅 (續)

確認遞延稅項資產及負債的有限例外情況包括來自商譽之不可扣稅暫時差額、既不影響會計亦不影響課稅溢利的初步確認資產及負債（前提是他們並不是業務合併的一部份）及於附屬公司投資有關的暫時差額，如屬課稅差額，僅以本集團控制撥回的時間而不太可能在可預見將來撥回之差額為限，如屬可扣減差額，則僅認可在將來撥回之差額為限。

當投資物業按附註2(h)內所載會計政策按公允值列賬時，已確認的遞延稅項金額使用適用於報告日期按其賬面值出售該等資產的稅率計量。在所有其他情況下，已確認的遞延稅項金額根據預期變現或結算資產及負債賬面值方式，使用報告期末已實施或實際上已實施的稅率計量。遞延稅項資產及負債不予折現。

於各報告期末審閱遞延稅項資產的賬面值，並予以扣減，以不再可能有充足的課稅溢利用作抵銷將予動用的相關稅項溢利者為限。任何扣減會於可能取得足夠應課稅利潤時撥回。

即期稅項餘額及遞延稅項餘額及其變動分別各自單獨呈列且不予抵銷。即期稅項資產抵銷即期稅項負債，倘本公司或本集團擁有合法的可強制執行權利以用即期稅項資產抵銷即期稅項負債及符合下列額外條件時，用遞延稅項資產抵銷遞延稅項負債：

- 如屬即期稅項資產及負債，本公司或本集團擬按淨額基準結算或同時變現資產及清償負債；或
- 如屬遞延稅項資產及負債，倘與同一稅務機構徵收之所得稅有關：

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2 Significant accounting policies (continued)

(t) Income tax (continued)

- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(u) Provisions and contingent liabilities

Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(v) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

2 主要會計政策 (續)

(t) 所得稅 (續)

- 同一納稅實體；或
- 不同納繳實體，於各未來期間，預期清償或收回重大金額之遞延稅項負債或資產，擬按淨額基準變現即期稅項資產及清償即期稅負債或同時變現及清償。

(u) 撥備及或然負債

撥備及或然負債

當本集團或本公司因過去事項須承擔法律責任或推定責任，而履行該責任很可能需要經濟利益流出並能可靠估計其款項時，則對該等未確定時間或金額的負債作出撥備。倘貨幣時間價值屬重大，則按預期履行該責任所需支出的現值列報撥備。

倘不大可能流出經濟利益或無法可靠估計金額，則該責任披露為或然負債，除非經濟利益流出的可能性甚微。潛在責任（其存在僅透過一項或多項未來事件發生與否確認）亦披露為或然負債，除非經濟利益流出的可能性甚微。

(v) 收益及其他收入

本集團將其日常業務過程中源自銷售貨品、提供服務或租賃項下讓渡本集團資產使用權的收入分類為收入。

當產品或服務的控制權轉移至客戶，或承租人有權動用資產時，按本集團預期有權獲取的承諾代價（不包括代表第三方收取的金額）確認收益。收益不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

2 Significant accounting policies (continued)

(v) Revenue and other income (continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of properties

Revenue from sales of properties is recognised upon the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under contract liabilities (see note 2(n)).

When residential properties are marketed by the Group while the property is still under construction, the Group may offer a discount compared to the listed sales price, provided the customer agrees to pay the balance of the consideration early. In such cases, if the advance payments are regarded as providing a significant financing benefit to the Group, interest expense arising from the adjustment of time value of money will be accrued by the Group during the period between the payment date and when control of completed property is transferred to the customer. This accrual increases the balance of the contract liability during the period of construction, and therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer. The interest is expensed as accrued unless it is eligible to be capitalised under HKAS 23, Borrowing costs, in accordance with the policies set out in note 2(x).

2 主要會計政策 (續)

(v) 收益及其他收入 (續)

倘合約包含的融資成分為客戶提供重大融資利益超過12個月，則收益按以與客戶進行的個別融資交易所反映貼現率貼現的應收款項現值計量，而利息收入則按實際利率法獨立累計。倘合約包含的融資成分為本集團提供重大融資利益，則根據該合約確認的收益包括按實際利率法計算合約責任產生的利息開支。本集團運用香港財務報告準則第15號第63段的實際簡易方法，當融資期限為12個月或以下時，則不會就重大融資成分的任何影響調整對價。

本集團收益及其他收入確認政策的進一步詳情如下：

(i) 銷售物業

當客戶有能力直接使用物業並取得該物業絕大部份剩餘利益時，確認銷售物業的收益。於收益確認日期前就出售的物業收取的訂金及分期付款項計入財務狀況表內合約負債項下（見附註2(n)）。

當本集團推銷住宅物業而該物業仍在建設中時，本集團可能會相比上市銷售價提供折扣，但前提是客戶同意提前支付代價的餘額。在此情況下，倘提前付款被視為向本集團提供重大融資利益，則於付款日至已竣工物業控制權轉移至客戶止期間本集團將估算因調整貨幣時間價值產生的利息開支。該估算增加了建設期間的合約負債結餘，並因此增加了已竣工物業控制權轉移至客戶時確認的收益金額。除非根據附註2(x)所載政策，利息根據香港會計準則第23號借貸成本資本化，否則其按應計費用列賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(v) Revenue and other income (continued)

(ii) Sale of goods

Revenue is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

(iii) Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in note 2(u).

2 主要會計政策 (續)

(v) 收益及其他收入 (續)

(ii) 銷售貨品

收益於客戶佔有並接納產品時確認。倘該等產品為部份履行涵蓋其他貨品及／或服務的合約，則確認收益的金額為合約項下總交易價的合適比例，按照相對獨立售價基準根據合約協定的所有貨品及服務之間分配。

(iii) 建造合約

當合約與受客戶管控的房地產資產工程相關時，本集團將與客戶所訂的合約列作建造合約，故本集團建造活動設置或提升受客戶管控的資產。

當建造合約的結果能合理計量時，合約收益採用成本法（即根據所產生的實際成本佔估計總成本的比例）隨時間累計確認。

本集團就提早完成而賺取的合約獎勵或因延遲完工而遭受合約罰款的可能性於作出該等估計時考慮，因此，僅在已確認收益金額很可能不會大幅撥回時方會確認收益。

當合約的結果不能合理計量時，收益僅在預期所產生的合約成本將予收回的情況下確認。

倘於任何時間估計完成合約的成本超過合約代價的餘下金額，則根據附註2(u)所載的政策確認撥備。

2 Significant accounting policies (continued)

(v) Revenue and other income (continued)

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(v) Property management fee income

The Group provides property management services and bills the property owners a fixed lump sum amount for services provided on a monthly basis. Under this arrangement, the Group acts as a principal and is primary responsible for providing the property management services to the property owners. The Group recognises the fee received or receivable from property owners as its revenue when the Group has a right to invoice and that corresponds directly with the value of performance completed, and all related property management costs as its cost of services.

(vi) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(vii) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(k)(i)).

2 主要會計政策 (續)

(v) 收益及其他收入 (續)

(iv) 經營租約的租金收入

經營租約應收租金收入在損益內按等額分期在租賃期限的期間內確認，惟當有替代基準更能代表使用租賃資產所產生的收益模式時除外。所授租賃優惠作為應收租賃款項淨額總額的組成部份在損益內確認。不依賴於指數或利率之可變租賃付款按賺取租金的會計期間的收入確認。

(v) 物業管理費收入

本集團提供物業管理服務，且業主須按月就所提供的服務支付固定包乾費用。根據該安排，本集團作為主事人主要負責向業主提供物業管理服務。當本集團有權開具發票且直接與已完成履約的價值相關，以及所有相關物業管理成本為其服務成本時，本集團將已收或應收業主的費用確認為其收益。

(vi) 股息

- 非上市投資的股息收入在股東收取付款的權利確立時確認。
- 上市投資的股息收入在投資的股價除息時確認。

(vii) 利息收入

利息收入根據實際利息法於產生時使用按金融資產預期年期將估計未來所收取現金準確貼現至該金融資產賬面總值的利率確認。就按攤銷成本或透過其他全面收益按公允值計算（可撥回）且並無出現信貸減值的金融資產而言，實際利率用於該資產之賬面總額。就出現信貸減值的金融資產而言，實際利率用於該資產的攤銷成本（即賬面總額扣除損失撥備）（請參閱附註2(k)(i)）。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(v) Revenue and other income (continued)

(viii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are credited to a deferred income account and are released to profit or loss over the expected useful life of the relevant assets by equal annual instalments or deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(w) Translation of foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions recorded by the entities in the Group during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2 主要會計政策 (續)

(v) 收益及其他收入 (續)

(viii) 政府補助

當有合理保證將會收取有關補助且本集團符合有關補助附帶條件時，在財務狀況表內確認政府補助。補償本集團已發生之開支之補助在產生開支的同一期間有系統地在損益內確認為收入。補償本集團資產成本的補助計入遞延收入賬在有關資產的預期使用年期以年度等額分期撥往損益或自資產賬面值扣除及因而按資產的使用年期以扣減折舊開支形式在損益內實際確認。

(w) 外幣換算

該等財務報表乃以本公司之功能及呈報貨幣港元呈列。本集團之每個實體釐定其本身之功能貨幣，而載於各實體之財務報表之項目乃以功能貨幣計量。

本集團之實體錄得之外幣交易按交易日之現行匯率換算。以外幣計值之貨幣資產及負債乃按報告期末之貨幣匯率換算。匯兌收益及虧損於損益表內確認。

按外幣之歷史成本計量之非貨幣項目乃按交易日期之匯率換算。交易日期為本公司初始確認相關非貨幣資產或負債的日期。按外幣計值之非貨幣項目乃按公允值釐定當日之匯率換算。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(w) Translation of foreign currencies (continued)

The functional currencies of certain subsidiaries, associates and joint ventures are currencies other than the Hong Kong dollars. The results of these entities are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations, are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange fluctuation reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(x) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(y) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

2 主要會計政策 (續)

(w) 外幣換算 (續)

若干附屬公司、聯營公司及合營公司之功能貨幣乃港元以外之貨幣。該等實體之業績按交易日與外幣匯率相若的匯率換算成港元。財務狀況表項目（包括因合併海外業務而產生的商譽）乃按報告期末之收市匯率換算為港元。於換算時產生之匯兌差額均於其他全面收益確認，並於匯兌變動儲備內在權益內單獨累計。

出售海外業務時，當確認出售損益時，有關該海外業務之匯兌差額之累計金額由權益重新分類至損益。

(x) 借貸成本

收購、建設或生產資產直接應佔的借貸成本（即必須花費大量時間準備以作擬定用途或銷售）作為該資產成本的一部份撥充資本。其他借貸成本在發生的期間列支。

借貸成本作為合資格資產的一部份撥充資本在產生資產開支時開始，借貸成本正在發生及將資產準備妥當作擬定用途或銷售所必需的活動正在進行當中。當準備合資格資產作擬定用途或銷售必需的絕大部份活動中斷或完工時，暫停或中止借貸成本的資本化。

(y) 關聯方

(a) 一名人士或其直系親屬符合以下條件即視為本集團的關聯方：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司的主要管理人員。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

2 Significant accounting policies (continued)

(y) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 主要會計政策 (續)

(y) 關聯方 (續)

(b) 符合以下任何條件的實體視為本集團的關聯方：

- (i) 該實體與本集團為同一集團的成員公司（即各母公司、附屬公司及同系附屬公司之間相互關連）。
- (ii) 一間實體為另一實體的聯營公司或合營公司（或為另一實體所屬集團之成員公司的聯營公司或合營公司）。
- (iii) 兩間實體均為同一第三方之合營公司。
- (iv) 一間實體為第三方之合營公司，而另一實體為第三方之聯營公司。
- (v) 該實體為本集團或本集團相關實體以僱員為受益人的離職福利計劃。
- (vi) 該實體由(a)項所訂明人士控制或共同控制。
- (vii) (a)(i)項所指明人士對該實體有重大影響或為該實體（或實體母公司）的主要管理人員。
- (viii) 該實體或該實體屬其中一部份的集團旗下任何成員公司向該集團或該集團母公司提供主要管理人員服務。

個人的直系親屬指預期於該人士與相關實體交易時可能會影響該人士或受其影響的家庭成員。

2 Significant accounting policies (continued)

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 主要會計政策(續)

(z) 分類報告

經營分部及在財務報表內報告的各分類項目的金額根據定期提供予本集團最高管理人員以供分配資源及評估本集團各業務單位及地區分類表現的財務資料確定。

為財務報告目的，個別重要經營分類並未予以匯總，除非各分類具有相若經濟特性及產品及服務性質、生產過程性質及客戶類型或類別、用作分銷產品或提供服務的方法及監管環境的性質相若。個別並不重要的經營分類可能予以匯總，倘該等分類共享大多數該等標準。

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3 Significant accounting judgements and estimates

Estimates and judgements used in preparing the financial statements are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year is estimation of fair value of investment properties and Hengda Investments.

(i) Investment properties

The best evidence of fair value is current prices in an active market for the properties with similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including: (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and (iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The Group assesses the fair value of its investment properties based on valuations determined by independent and professional qualified valuers. Significant judgement and assumptions are required in assessing the fair value of the investment properties. Details of the judgement and assumptions are disclosed in note 17.

3 重大會計判斷及估計

評估在編製財務報表時使用的估計及判斷乃以過往經驗及其他因素（包括在當時情況下被視為合理的未來事件的預期）為依據。

本集團作出有關未來的估計及假設。由此產生的會計估計顧名思義很少會等同於相關實際結果。可能對下一個財政年度內資產及負債賬面值有重大影響的估計及假設為投資物業及恒大投資的公允值估計。

(i) 投資物業

公允值之最佳證明為同類租約及其他合約於活躍市場之現行價格。倘欠缺有關資料，本集團會根據合理公允值估計範圍釐定有關數額。在作出有關判斷時，本集團會考慮到來自多種來源的資料，包括：(i)不同性質、情況或地區物業於活躍市場之現行價格（或受不同租約或其他合約規限），作出調整以反映該等差別；(ii)同類物業於較不活躍市場之近期價格（已就發生交易日期以來經濟狀況之變化作出調整）；及(iii)根據任何現有租約及其他合約之條款以及（如可行）外在證據（如同區狀況相同之同類物業當時之市場租金），基於對現金流量之可靠估計以及反映當前對現金流量金額及時間之不確定性之市場評估貼現率計算之現金流量預測。

本集團基於獨立專業合資格估值師釐定的估值評估投資物業的公允值。在評估投資物業的公允值時需要重大判斷及假設。判斷及假設的詳情在附註17內披露。

3 Significant accounting judgements and estimates (continued)

(ii) Equity investment and derivative financial instruments arising from Hengda Real Estate Group Company Limited and its controlling parties (“Hengda Investments”)

Hengda Investments include the Group's equity investment in Hengda Real Estate Group Company Limited (“Hengda Real Estate”) and a derivative financial instrument arising from the investment agreements with the controlling parties of Hengda Real Estate. The best evidence of fair values for these financial assets are their unadjusted quoted prices in an active market, which are not available to the Group. In the absence of such information, the Group determines the fair values of these financial assets using valuation models which require significant unobservable inputs that are not readily available for liquid markets. In the process of assessing the fair value of the equity investment, the Group determines the fair value using the price/book ratios of comparable listed companies adjusted for lack of marketability discount, which involves significant judgements on the selection of comparable listed companies engaging in similar business and of similar size, and the determination of lack of marketability discount based on comparable historical market transactions. In the process of assessing the fair value of the derivative financial instrument, the Group determines the fair value using Binomial Option Pricing Model, which involves significant judgements on various assumptions, such as the volatility, dividend yield and Group's expected probability of entitling to the right to exercise the option set out in the investment agreements (see note 24 for details).

The Group assesses the fair value of these financial assets based on valuations determined by an independent and professional qualified valuer. Significant judgement and assumptions used in the assessment of the fair value of Hengda Investments are disclosed in note 40.

3 重大會計判斷及估計 (續)

(ii) 恒大地產集團有限公司及其控股方 (「恒大投資」) 產生的股本投資及衍生金融工具

恒大投資包括本集團於恒大地產集團有限公司 (「恒大地產」) 的股本投資及因與恒大地產之控股方訂立的協議而產生的衍生金融工具。該等金融工具公允值的最佳憑證為其於活躍市場之未經調整報價 (本集團無法獲取)。在沒有該等資料之情況下，本集團會使用估值模式 (要求提供流動市場不可即時獲得之重大不可觀察輸入值) 釐定該等金融資產之公允值。於評估股本投資的公允值時，本集團使用可比較上市公司的市賬率釐定公允值，並就缺乏市場流通性折現作出調整。此舉涉及於選擇從事類似業務並具有相似規模的可比較上市公司時作出重大判斷，亦涉及根據可比較過往市場交易釐定是否缺乏市場流通性折現。於評估衍生金融工具的公允值時，本集團使用二項式期權定價模型釐定公允值，此舉涉及對各種假設 (如波幅、股息收益率及本集團有權行使投資協議所載購股權 (詳情請參閱附註24) 的預期概率) 作出重大判斷。

本集團根據獨立專業合資格估值師釐定之估值評估該等金融資產的公允值。評估恒大投資的公允值時所使用的重大判斷及假設於附註40中披露。

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3 Significant accounting judgements and estimates (continued)

(iii) Determining the lease term

As explained in policy note 2(j), the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

4 Segment reporting

The Group manages its businesses by business units, which are organised based on their products and services. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments:

- (a) the property development segment engages in the development of residential, industrial and commercial properties;
- (b) the property investment segment invests in residential, industrial and commercial properties for their rental income potential;
- (c) the property management segment engages in the management of both properties developed by the Group and external parties;
- (d) the manufacture segment engages in the manufacture and sale of industrial and commercial products; and
- (e) the "others" segment comprises, principally, the hotel operations, manufacture and sale of aluminum alloy products and agricultural products, provision of construction services and other businesses.

3 重大會計判斷及估計(續)

(iii) 釐定租賃期限

如政策附註2(j)所解釋，租賃負債初始按租期內應付租賃付款的現值確認。於租賃開始日期釐定租期(包括本集團可予行使的續期選擇權)時，本集團考慮引發本集團行使有關選擇權的經濟動機的所有相關事實及情況來評估行使續期選擇權的可能性，包括優惠條款、進行的租賃物業裝修及相關資產對本集團運營的重要性。當發生重大事件或本集團可控制情況的重大變動時，將會重新評估租期。租期延長或縮短將會對未來年度所確認租賃負債及使用權資產的金額造成影響。

4 分類報告

本集團按業務單位管理業務，而業務單位按其產品及服務劃分。按與向本集團最高行政管理人員內部報告資料(用作資源分配及表現評估)一致之方式，本集團呈報以下五個呈報分類：

- (a) 物業開發分類從事發展住宅、工業及商業樓宇；
- (b) 物業投資分類投資於具租務前景之住宅、工業及商業樓宇；
- (c) 物業管理分類從事管理由本集團及外部人士發展之樓宇；
- (d) 製造分類從事製造及銷售工業及商業產品；及
- (e) 「其他」分類主要包括酒店業務、製造及銷售鋁合金產品和農產品、提供建造服務及其他業務。

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4 Segment reporting (continued)

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets exclude deferred tax assets, restricted cash, cash and cash equivalents, other financial assets and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, an amount due to the ultimate holding company, tax payable, an amount due to the immediate holding company, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before taxation from continuing operations. The adjusted profit before taxation from continuing operations is measured consistently with the Group's profit before taxation except that other income and gains, finance costs, net fair value gain on financial assets measured at fair value through profit or loss as well as head office and corporate expenses are excluded from such measurement.

4 分類報告(續)

就分類表現評估及分類間資源分配而言，本集團高級行政管理人員按下列基準監控各報告分類應佔之業績、資產及負債：

鑒於遞延稅項資產、受限制現金、現金及現金等價物、其他金融資產及其他未分配總辦事處及公司資產乃以集團為基礎管理，故分類資產並不包括以上資產。

鑒於計息銀行及其他借貸、應付最終控股公司款項、應付稅項、應付直接控股公司款項、遞延稅項負債及其他未分配總辦事處及公司負債乃以集團為基礎管理，故分類負債並不包括以上負債。

分類表現乃按可呈報分類溢利進行評估，可呈報分類溢利即持續經營業務的經調整除稅前溢利。持續經營業務的經調整除稅前溢利乃按與本集團之除稅前溢利一致之方式計量，惟其他收入及利得、融資成本、透過損益按公允值計算之金融資產公允值收益淨額，以及總辦事處及公司開支並不包括在此計量內。

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4 Segment reporting (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purpose of resource allocation and assessment of segment performance for the years ended 31 December 2019 and 2018 is set out below.

4 分類報告 (續)

截至2019年及2018年12月31日止年度提供予本集團最高行政管理人員以供分配資源及評估分類表現的本集團可呈報分類資料載列如下。

2019		Property development	Property investment	Property management	Manufacture	Others	Total
2019年		物業發展	物業投資	物業管理	製造	其他	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Segment revenue:	分類收益：						
Sales to customers	銷售予客戶	10,531,572	1,070,991	2,099,290	333,867	883,754	14,919,474
Intersegment sales (note b)	分類間銷售 (附註b)	–	11,816	160,919	–	144,070	316,805
		10,531,572	1,082,807	2,260,209	333,867	1,027,824	15,236,279
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment sales	對銷分類間銷售						(316,805)
Revenue	收益						14,919,474
Segment results before increase in fair value of investment properties	投資物業公允值增加前之分類業績	4,684,229	688,102	225,340	22,729	(107,379)	5,513,021
Increase in fair value of investment properties	投資物業公允值增加	–	434,258	–	–	–	434,258
Increase in fair value upon transfer to investment properties	轉撥至投資物業後公允值增加	–	958,779	–	–	–	958,779
Segment results after increase in fair value of investment properties	投資物業公允值增加後之分類業績	4,684,229	2,081,139	225,340	22,729	(107,379)	6,906,058
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment results	對銷分類間業績						(94,022)
Other income and gains	其他收入及利得						315,462
Fair value gain on financial assets measured at fair value through profit or loss, net	透過損益按公允值計算之金融資產公允值收益淨額						340,676
Corporate and other unallocated expenses	公司及其他未分配費用						(222,427)
Finance costs	融資成本						(561,210)
Profit before taxation	除稅前溢利						6,684,537

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4 Segment reporting (continued)

4 分類報告(續)

2019 2019年		Property development 物業發展	Property investment 物業投資	Property management 物業管理	Manufacture 製造	Others 其他	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Segment assets	分類資產	56,051,271	37,228,889	679,786	141,929	4,942,869	99,044,744
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated assets	公司及其他未分配資產						26,228,198
Total assets	總資產						125,272,942
Segment liabilities	分類負債	26,047,724	5,312,184	1,072,814	85,148	1,185,403	33,703,273
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated liabilities	公司及其他未分配負債						43,197,374
Total liabilities	總負債						76,900,647
Other segment information:	其他分類資料：						
Depreciation	折舊	97,141	35,827	35,480	4,763	98,276	271,487
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	–	–	–	–	1,141	1,141
Interests in associates	於聯營公司權益	2,470,510	637,737	309	15,133	2,195,822	5,319,511
Interests in joint ventures	於合營公司權益	6,446,120	136,913	17,750	–	211,060	6,811,843
Additions to non-current segment assets during the year (note c)	年內添置非流動分類資產(附註c)	204,314	1,013,851	76,637	4,103	1,294,065	2,592,970

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4 Segment reporting (continued)

4 分類報告 (續)

2018 2018年 (Note a) (附註a)		Property development 物業發展	Property investment 物業投資	Property management 物業管理	Manufacture 製造	Others 其他	Total 總額
		\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元
Segment revenue:	分類收益：						
Sales to customers	銷售予客戶	12,062,584	983,375	2,103,756	342,368	1,150,682	16,642,765
Intersegment sales (note b)	分類間銷售 (附註b)	68,318	8,691	90,682	–	44,899	212,590
		12,130,902	992,066	2,194,438	342,368	1,195,581	16,855,355
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment sales	對銷分類間銷售						(212,590)
Revenue	收益						16,642,765
Segment results before increase in fair value of investment properties	投資物業公允值增加前之分類業績	5,543,372	1,019,050	133,208	25,636	(35,587)	6,685,679
Increase in fair value of investment properties	投資物業公允值增加	–	979,924	–	–	–	979,924
Increase in fair value upon transfer to investment properties	轉撥至投資物業後公允值增加	–	302,943	–	–	–	302,943
Segment results after increase in fair value of investment properties	投資物業公允值增加後之分類業績	5,543,372	2,301,917	133,208	25,636	(35,587)	7,968,546
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment results	對銷分類間業績						(68,389)
Other income and gains	其他收入及利得						877,769
Fair value gain on financial assets measured at fair value through profit or loss, net	透過損益按公允值計算之金融資產公允值收益淨額						(849,929)
Corporate and other unallocated expenses	公司及其他未分配費用						(242,290)
Finance costs	融資成本						(882,699)
Profit before taxation	除稅前溢利						6,803,008
Segment assets	分類資產	54,617,333	33,473,099	503,834	143,903	3,549,763	92,287,932
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated assets	公司及其他未分配資產						25,732,217
Total assets	總資產						118,020,149

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4 Segment reporting (continued)

4 分類報告(續)

2018 2018年 (Note a) (附註a)		Property development 物業發展	Property investment 物業投資	Property management 物業管理	Manufacture 製造	Others 其他	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Segment liabilities	分類負債	21,183,749	3,018,511	880,176	78,470	319,282	25,480,188
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated liabilities	公司及其他未分配負債						47,096,265
Total liabilities	總負債						72,576,453
Other segment information:	其他分類資料：						
Depreciation	折舊	68,459	26,728	23,480	3,510	74,394	196,571
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	–	–	–	–	1,222	1,222
Interests in associates	於聯營公司權益	2,402,741	126,301	316	15,133	2,406,665	4,951,156
Interests in joint ventures	於合營公司權益	5,914,717	88,912	18,777	–	192,760	6,215,166
Additions to non-current segment assets during the year (note c)	年內添置非流動分類資產 (附註c)	54,438	315,326	18,671	2,791	218,082	609,308

Note:

- The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).
- Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.
- Additions to non-current segment assets during the year comprise additions to property, plant and equipment, prepaid land lease payments and investment properties.

As the Group generates substantially all of its revenue from customers domiciled in mainland China and most of its non-current assets are located in mainland China, no geographical information is presented.

附註：

- 本集團採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。
- 分類間銷售及轉讓乃經參考與第三方交易的售價，按當時的現行市價進行交易。
- 年內添置非流動分類資產包括添置物業、廠房及設備、預付土地租賃款項以及投資物業。

由於本集團絕大部份收益產自位於中國大陸之客戶，且大部份非流動資產均位於中國大陸，故並未呈報地區資料。

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5 Revenue

Revenue, represents sale of properties, commercial and industrial goods, rental income, management fee income and others. All of the revenue of the Group is recognised at a point in time except for property management fee income, which is recognised over time.

- (i) Disaggregation of revenue from contracts with customers by major products and service lines is as follows:

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Revenue from contracts with customers within the scope of HKFRS 15	於香港財務報告準則第15號範圍內之客戶合約收益		
Sale of completed properties	銷售已落成物業	10,531,572	12,062,584
Management fee income	管理費收入	2,099,290	2,103,756
Sale of commercial and industrial goods	銷售商業及工業產品	333,867	342,368
Others	其他	883,754	1,150,682
		13,848,483	15,659,390
Revenue from other sources	其他來源收益		
Gross rental income from investment properties	投資物業租金收入總額		
– Lease payments that are fixed or depend on an index or a rate	– 固定或依賴於指數或利率之租賃付款	1,035,235	981,191
– Variable lease payments that do not depend on an index or a rate	– 不依賴於指數或利率之可變租賃付款	35,756	2,184
		14,919,474	16,642,765

The Group's customer base is diversified. For the year ended 31 December 2019, sales to the Group's largest customer amounted to approximately 11.48% of the Group's revenue. For the year ended 31 December 2018, none of the customer with whom transactions have exceed 10% of the Group's revenue.

5 收益

收益指物業、商業及工業產品之銷售額、租金收入、管理費收入及其他收入。本集團之所有收益均於某一時間點確認，惟物業管理費收入乃隨時間確認。

- (i) 按主要產品及服務線分拆之客戶合約收益如下：

本集團之客戶系多元化。截至2019年12月31日止年度，本集團最大客戶銷售額約佔本集團收益之11.48%。截至2018年12月31日止年度，本集團並無交易金額超過本集團收益之10%的客戶。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

5 Revenue (continued)

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2019, the aggregated amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied under the Group's existing contracts is \$25,939,073,000 (2018: \$16,255,668,000). This amount mainly represents revenue expected to be recognised in the future from pre-completion sales contracts for properties under development. This amount includes the interest component of pre-completion properties sales contracts under which the Group obtains significant financing benefits from the customers (see note 2(v)(i)). The Group will recognise the expected revenue in future, in the case of the properties under development for sale, when the customers has the ability to direct the use of the property, which is expected to occur over the next 12 to 36 months (2018: next 12 to 36 months).

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for commercial and industrial goods and service contracts for property management such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under these contracts which had an original expected duration of one year or less.

5 收益 (續)

- (ii) 預期將於日後確認來自於報告日期現存客戶的合約收益

於2019年12月31日，根據本集團現有合約分配至履約責任的交易價格總額為25,939,073,000元（2018年：16,255,668,000元）。該金額指預期於日後將予確認之來自在建物業預售合約的收益。該金額包括預售物業銷售合約的利息部分，而本集團根據有關合約自客戶取得重大融資利益（見附註2(v)(i)）。對於在開發物業項目，本集團將於客戶可直接使用該物業時確認預期收益，而有關確認將於未來12至36個月（2018年：未來12至36個月）發生。

本集團已將香港財務報告準則第15號第121段所載可行權宜之方法應用於其商業及工業產品銷售合約以及物業管理服務合約，因此，上述資料不包括本集團在履行原始預計年期為一年或更短之該等合約項下剩餘履約義務時有權獲取的收益資料。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

6 Other income and gains

6 其他收入及利得

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Interest income	利息收入	217,983	257,684
Dividend income (note a)	股息收入(附註a)	1,825	594,840
Government grant (note 36)	政府補助(附註36)	20,703	6,834
Others (note b)	其他(附註b)	74,951	18,411
		315,462	877,769

Notes:

- Pursuant to the investment agreements disclosed in note 24 to the financial statements, the Group received a dividend from Hengda Real Estate of \$593,030,000 in 2018. No such dividend was received from Hengda Real Estate in 2019.
- During the year ended 31 December 2019, the Group entered into sublease arrangements with independent third parties whereby the Group is an intermediate lessor. These subleases are classified as finance leases and accounted for in accordance with the accounting policy set out in note 2(c) in which the Group derecognised the right-of-use assets relating to the head leases and recognised finance lease receivables relating to the subleases under "other financial assets" (see note 24). The Group also recognised an income of \$40,245,000, being the difference between the right-of-use assets and the finance lease receivables, when entering into such arrangements.

附註：

- 根據財務報表附註24所披露之投資協議，本集團於2018年自恒大地產收取股息593,030,000元。於2019年概無自恒大地產收取有關股息。
- 截至2019年12月31日止年度，本集團為中間出租人，與獨立第三方訂立轉租安排。該等轉租乃分類為融資租賃並根據附註2(c)所載會計政策入賬，當中本集團終止確認與主租賃合同有關的使用權資產並於「其他金融資產」項下確認與轉租有關的融資租賃應收款項(見附註24)。於訂立有關安排時，本集團亦根據使用權資產與融資租賃應收款項之間的差額確認收益40,245,000元。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

7 Finance costs

7 融資成本

		2019 2019年 \$' 000 千元	2018 2018年 (Note) (附註) \$' 000 千元
Interest on:	利息支出：		
Bank loans	銀行貸款	999,744	1,094,531
Other borrowings	其他借貸	98,505	219,765
Lease liabilities	租賃負債	25,190	—
Loans from the ultimate holding company	來自最終控股公司之貸款	117,054	180,822
Loans from the immediate holding company	來自直接控股公司之貸款	33,213	36,182
Loans from fellow subsidiaries	來自同系附屬公司之貸款	130,556	128,559
Loans from a joint venture	來自一間合營公司之貸款	24,338	55,973
Loans from non-controlling shareholders	來自非控股股東之貸款	7,642	4,662
Total interest expense on financial liabilities not at fair value through profit or loss	並非透過損益按公允值計算之金融負債之利息開支總額	1,436,242	1,720,494
Less: Interest expense capitalised into properties under development	減：發展中物業利息開支資本化	(875,032)	(837,795)
		561,210	882,699

* The borrowing costs have been capitalised at a rate of 3.36% – 4.96% per annum (2018: 3.02% – 4.76%).

* 借貸成本已按年息3.36%至4.96% (2018年：3.02%至4.76%) 資本化。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

8 Profit before taxation

The Group's profit before tax is arrived at after charging/(crediting):

(a) Cost of sales

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Cost of properties and inventories sold	已售物業及存貨成本	6,632,462	7,217,800
Cost of services provided	提供服務成本	3,161,888	3,453,984
		9,794,350	10,671,784

(b) Staff costs

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Wages and salaries	工資及薪金	1,756,027	1,496,795
Equity-settled share option expense	以股本支付之購股權開支	26,836	42,130
Retirement scheme contributions	退休金計劃供款	156,235	149,358
		1,939,098	1,688,283

8 除稅前溢利

本集團除稅前溢利已扣除／(計入)下列各項後達至：

(a) 銷售成本

(b) 員工成本

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

8 Profit before taxation (continued)
(c) Other items

8 除稅前溢利 (續)
(c) 其他項目

			2019	2018
			2019年	2018年
		Notes	\$' 000	\$' 000
		附註	千元	千元
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	15	1,141	1,222
Depreciation charge	折舊支出			
– owned property, plant and equipment*	– 自置物業、廠房及設備*		202,260	196,571
– right-of-use assets*	– 使用權資產*		33,259	–
			235,519	196,571
Total minimum lease payments for leases previously classified as operating leases under HKAS 17*	先前根據香港會計準則第17號分類為經營租賃的租賃的最低租賃付款總額*		–	24,727
Variable lease payment not included in the measurement of lease liabilities	未計入租賃負債計量之可變租賃付款		2,085	706
Impairment losses/(reversal of impairment losses)	減值虧損/(減值虧損撥回)			
– trade receivables	– 應收賬款		16,625	51,593
– prepayments, deposits and other receivables	– 預付款項、訂金及其他應收款項		27,265	(31,405)
– other financial assets	– 其他金融資產		(14,942)	(17,303)
Net foreign exchange loss	匯兌虧損淨額		19,325	74,451
Rental income on investment properties less direct operating expenses of \$339,128,000 (2018: \$217,195,000)	投資物業租金收入減直接經營開支339,128,000元(2018年: 217,195,000元)		(731,863)	(766,180)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損		732	3,414
Auditor's remuneration	核數師酬金			
– audit services	– 核數服務		5,830	5,500

* The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight line basis over the lease term. Under this approach, the comparative information is not restated. See note 2(c).

* 本集團首次採用經修訂追溯法應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的使用權資產。於2019年1月1日對使用權資產進行初步確認後，本集團作為承租人需對使用權資產確認折舊，而不是適用前期會計政策，即在租賃年內按直線法確認經營租賃產生之租金開支。根據此方法，比較資料不予重列。見附註2(c)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

9 Income tax in the consolidated statement of profit or loss

The provision for Hong Kong Profits Tax for 2019 is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the year.

No provision for Hong Kong Profits Tax was made as the Group has no assessable profits arising in or derived from Hong Kong for the year.

Pursuant to the rules and regulations of the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the BVI.

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax ("CIT") at a statutory rate of 25% on their respective taxable income during the year.

PRC Land Appreciation Tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.

9 綜合損益表之所得稅

2019年香港利得稅之撥備根據年內估計應課稅溢利按16.5% (2018年：16.5%) 之稅率計算。

由於本集團年內並無於香港產生或賺取應課稅溢利，故並無就香港利得稅計提撥備。

根據英屬處女群島（「英屬處女群島」）之規則及規例，本集團毋須於英屬處女群島繳納任何所得稅。

根據相關所得稅法，年內，中國附屬公司須就各自應課稅收入按法定稅率25%繳納企業所得稅（「企業所得稅」）。

中國土地增值稅（「土地增值稅」）就土地增值部份按30%至60%累進稅率徵收，土地增值部份即出售物業所得款項減包括土地使用權攤銷、借貸成本及所有物業開發支出在內之可扣減開支。

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Current tax:	流動稅項：		
Mainland China CIT	中國大陸企業所得稅	960,133	1,440,816
Withholding tax on dividend	股息預扣稅	99,207	242,723
LAT in mainland China	中國大陸土地增值稅	862,442	2,154,594
Deferred tax	遞延稅項		
Mainland China CIT	中國大陸企業所得稅	501,143	(401,756)
Withholding tax on dividend	股息預扣稅	5,081	(67,545)
LAT in mainland China	中國大陸土地增值稅	(120,759)	(264,561)
Total tax charge for the year	本年度稅項支出總額	2,307,247	3,104,271

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

9 Income tax in the consolidated statement of profit or loss (continued) 9 綜合損益表之所得稅(續)

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Profit before taxation	除稅前溢利	6,684,537	6,803,008
Notional tax on profit before taxation, calculated at the rate applicable to the respective tax jurisdictions	各地區適用稅率計算之除稅前溢利之名義稅項	1,650,379	1,683,840
Profits less losses attributable to joint ventures and associates	合營公司及聯營公司應佔溢利減虧損	(445,067)	(408,575)
Income not subject to tax	毋須納稅之收入	(6,803)	(152,640)
Tax effect of tax losses not recognised	未獲確認之稅項虧損之稅務影響	311,508	295,092
Tax effect of prior years' tax losses utilised	動用之過往年度稅項虧損之稅務影響	(33,421)	(37,312)
Tax effect of temporary differences not recognised	未獲確認之暫時差額之稅務影響	15,645	38,423
Expenses not deductible for tax	不獲扣稅之開支	154,456	92,740
Effect of withholding tax on distributable profits of the Group's subsidiaries in mainland China	本集團中國大陸附屬公司可供分派溢利之預扣稅影響	104,288	175,178
LAT	土地增值稅	741,683	1,890,033
LAT deductible for PRC CIT purpose	就中國企業所得稅可扣減之土地增值稅	(185,421)	(472,508)
Actual tax expense	實際稅項開支	2,307,247	3,104,271

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

10 Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

10 董事酬金

根據香港公司條例第383(1)條及公司（披露董事利益資料）規例第2部披露之本年度董事酬金如下：

		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Equity settled share option expense (Note)	Total
		董事袍金	薪金、津貼及實物利益	酌情花紅	退休金計劃供款	小計	以股本支付之購股權開支（附註）	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
2019	2019年							
Executive directors:	執行董事：							
Lu Hua	呂華	—	3,207	853	708	4,768	1,428	6,196
Liu Chong	劉崇	—	1,028	804	355	2,187	957	3,144
Huang Wei	黃偉	—	3,082	811	675	4,568	1,357	5,925
Mou Yong	牟勇	—	680	539	233	1,452	957	2,409
		—	7,997	3,007	1,971	12,975	4,699	17,674
Non-executive directors:	非執行董事：							
Wu Jiesi	武捷思	330	—	—	—	330	—	330
Liu Shichao	劉世超	330	—	—	—	330	—	330
		660	—	—	—	660	—	660
Independent non-executive directors:	獨立非執行董事：							
Wu Wai Chung, Michael	吳偉聰	330	—	—	—	330	—	330
Li Wai Keung	李偉強	380	—	—	—	380	—	380
Wong Yau Kar, David	黃友嘉	380	—	—	—	380	—	380
		1,090	—	—	—	1,090	—	1,090
		1,750	7,997	3,007	1,971	14,725	4,699	19,424

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

10 Directors' remuneration (continued)

10 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Equity settled share option expense (Note)	Total
		董事袍金	薪金、津貼及實物利益	酌情花紅	退休金計劃供款	小計	以股本支付之購股權開支(附註)	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
2018	2018年							
Executive directors:	執行董事：							
Lu Hua	呂華	–	3,094	958	544	4,596	2,035	6,631
Liu Chong	劉崇	–	1,035	772	393	2,200	1,364	3,564
Huang Wei	黃偉	–	2,975	910	519	4,404	1,927	6,331
Mou Yong	牟勇	–	690	526	264	1,480	1,364	2,844
		–	7,794	3,166	1,720	12,680	6,690	19,370
Non-executive directors:	非執行董事：							
Wu Jiesi	武捷思	330	–	–	–	330	–	330
Liu Shichao	劉世超	330	–	–	–	330	–	330
		660	–	–	–	660	–	660
Independent non-executive directors:	獨立非執行董事：							
Wu Wai Chung, Michael	吳偉聰	330	–	–	–	330	–	330
Li Wai Keung	李偉強	380	–	–	–	380	–	380
Wong Yau Kar, David	黃友嘉	380	–	–	–	380	–	380
		1,090	–	–	–	1,090	–	1,090
		1,750	7,794	3,166	1,720	14,430	6,690	21,120

Note: These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(s)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and note 37.

附註：以股本支付之購股權開支指根據本公司購股權計劃授予董事之購股權之估計價值。該等購股權價值乃按照本集團有關以股份支付交易事項(載於附註2(s)(ii))之會計政策及包括倘授出股本工具於歸屬前被沒收時反向調整過往年度應計金額在內之政策計量。

該等實物利益之詳情包括授出購股權之主要條款及數目在內，披露於董事會報告之「購股權計劃」及附註37。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

11 Five highest paid employees

The five highest paid employees during the year included three directors (2018: three directors), details of whose remuneration are set out in note 10 above. Details of the remuneration for the year of the remaining two (2018: two) non-director highest paid employees of the Company are as follows:

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,863	2,059
Discretionary bonuses	酌情花紅	1,477	1,574
Equity-settled share option expense (note)	以股本支付之購股權開支(附註)	1,887	2,683
Retirement scheme contributions	退休金計劃供款	648	775
		5,875	7,091

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees	
		僱員數目	
		2019	2018
		2019年	2018年
\$2,500,001 to \$3,000,000	2,500,001元至3,000,000元	1	—
\$3,000,001 to \$3,500,000	3,000,001元至3,500,000元	1	—
\$3,500,001 to \$4,000,000	3,500,001元至4,000,000元	—	2
		2	2

Note: Share options were granted to two non-director highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 37 to the financial statements. The fair value of these options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director highest paid employees' remuneration disclosures.

11 五名最高薪僱員

本年度之五名最高薪僱員包括三名董事(2018年：三名董事)，該等董事之酬金詳情載於上文附註10。餘下兩名(2018年：兩名)非本公司董事之最高薪僱員於本年度之酬金詳情如下：

除董事外，酬金屬以下範圍之最高薪僱員數目如下：

附註：除董事外，兩名最高薪僱員因彼等為本集團服務而獲授購股權，有關進一步詳情乃載於財務報表附註37之披露資料內。該等購股權之公允值(其已於歸屬期間於損益表內確認)已於授出日期釐定，而計入本年度財務報表之金額已計入上文除董事外之最高薪僱員酬金之披露資料內。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

12 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$4,062,796,000 (2018: \$3,415,223,000) and the weighted average of 8,548,473,879 ordinary shares (2018: 8,144,123,420) in issue during the year, calculated as follows:

(i) Weighted average number of ordinary shares

		Number of shares 股份數目	
		2019 2019年	2018 2018年
Issued ordinary shares at 1 January	於1月1日已發行普通股	8,413,711,807	8,058,124,983
Effect of shares issued in respect of scrip dividends	就以股代息已發行股份之影響	109,352,814	84,830,904
Effect of share options exercised	已行使購股權之影響	25,409,258	1,167,533
Weighted average number of ordinary shares at 31 December	於12月31日普通股之加權平均數	8,548,473,879	8,144,123,420

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of \$4,062,796,000 (2018: \$3,415,223,000) and the weighted average of 8,548,473,879 ordinary shares (2018: 8,156,474,013).

For the year ended 31 December 2019, the effect of conversion of share option scheme (note 37) was anti-dilutive and the diluted earnings per share for the year is therefore equal to the basic earnings per share. For the year ended 31 December 2018, the diluted earnings per share was calculated after taking into account the dilutive effect of deemed exercise of share options of 12,350,593.

12 每股盈利

(a) 每股基本盈利

每股基本盈利金額乃按照本公司權益股東應佔溢利4,062,796,000元(2018年: 3,415,223,000元)及年內已發行普通股加權平均數8,548,473,879股(2018年: 8,144,123,420股)計算，計算方式如下：

(i) 普通股之加權平均數

(b) 每股攤薄盈利

每股攤薄盈利金額乃按照本公司權益股東應佔溢利4,062,796,000元(2018年: 3,415,223,000元)及普通股加權平均數8,548,473,879股(2018年: 8,156,474,013股)計算。

截至2019年12月31日止年度，轉換購股權計劃(附註37)的影響為反攤薄，因此，年內每股攤薄盈利相等於每股基本盈利。截至2018年12月31日止年度，每股攤薄盈利乃經計及視作行使12,350,593份購股權之攤薄影響計算。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

13 Dividends

13 股息

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Dividends recognised as distribution during the year:	確認為年內分派之股息：		
Final dividend declared for 2018 – HK11.00 cents per share (2018: declared for 2017 – HK11.00 cents per share) (note a/b)	2018年宣派末期股息 – 每股11.00港仙 (2018年：2017年宣派末期股息 – 每股11.00港仙) (附註a/b)		
Scrip shares	代息股份	675,777	549,527
Cash	現金	252,630	336,922
		928,407	886,449
Interim – HK7.00 cents (2018: HK7.00 cents) per ordinary share (note a/c)	中期股息 – 每股普通股7.00港仙 (2018年：7.00港仙) (附註a/c)		
Scrip shares	代息股份	478,407	390,163
Cash	現金	129,054	186,060
		607,461	576,223
Dividends proposed after the end of the reporting period	報告期末後擬分派之股息		
Final dividend of HK11.00 cents (2018: final dividend of HK11.00 cents) per ordinary share (note a/d)	末期股息每股普通股11.00港仙 (2018年：末期股息11.00港仙) (附註a/d)	971,678	928,407

Notes:

a. The shareholders are given the option of receiving these dividends wholly in cash, or wholly in new fully paid share(s) of the Company in lieu of cash, or partly in cash and partly in the form of scrip shares.

b. The Company declared a final dividend of HK11.00 cents per share in respect of year ended 31 December 2018 amounted to \$928,407,000, of which \$252,630,000 were paid in cash and the remaining balance of \$675,777,000 were settled in the form of 237,949,329 scrip shares on 15 August 2019.

The Company declared a final dividend of HK11.00 cents per share in respect of year ended 31 December 2017 amounted to \$886,449,000, of which \$336,922,000 were paid in cash and the remaining balance of \$549,527,000 were settled in the form of 173,133,769 scrip shares on 17 August 2018.

c. The Company declared an interim dividend of HK7.00 cents (2018:HK7.00 cents) per share in respect of year ended 31 December 2019 amounted to \$607,461,000 (2018: \$576,223,000), of which \$129,054,000 (2018: \$186,060,000) were paid in cash and the remaining balance of \$478,407,000 (2018: \$390,163,000) were settled in the form of 155,427,734 (2018: 168,464,032) scrip shares on 18 November 2019.

d. On 30 March 2020, the board of directors recommends a final dividend of HK11.00 cents per share for the year ended 31 December 2019 (2018: final dividends of HK11.00 cents per share). The proposed final dividends for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting and has not been recognised as a liability at the end of the reporting period.

The amount of the final dividend for 2019 was calculated on the basis of 8,833,437,048 shares in issue as at 30 March 2020.

附註：

a. 股東有權選擇全部以現金、全部以本公司新繳足股份代替現金或部份以現金部份以代息股份之方式收取該等股息。

b. 本公司已宣派之截至2018年12月31日止年度之末期股息每股11.00港仙，合共928,407,000元，於2019年8月15日，以現金支付252,630,000元，及餘下結餘675,777,000元以237,949,329股代息股份之形式償付。

本公司宣派截至2017年12月31日止年度之末期股息每股11.00港仙，合共886,449,000元，於2018年8月17日，以現金支付336,922,000元，及餘下結餘549,527,000元以173,133,769股代息股份之形式償付。

c. 本公司已就截至2019年12月31日止年度宣派每股7.00港仙 (2018年：7.00港仙) 之中期股息，合共607,461,000元 (2018年：576,223,000元)，其中129,054,000元 (2018年：186,060,000元) 已以現金支付及餘下結餘478,407,000元 (2018年：390,163,000元) 已於2019年11月18日以155,427,734股 (2018年：168,464,032股) 代息股份之形式結算。

d. 於2020年3月30日，董事會就截至2019年12月31日止年度建議派發每股11.00港仙 (2018年：末期股息每股11.00港仙) 之末期股息。本年度擬派末期股息須獲本公司股東於應屆股東週年大會上批准並於報告期末尚未確認為負債。

2019年之末期股息金額乃根據於2020年3月30日之已發行8,833,437,048股股份計算。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

14 Property, plant and equipment

14 物業、廠房及設備

		Ownership interest in leasehold land and buildings held for own use (note b) 於持作自用的租賃土地及樓宇的所有權權益 (附註b)	Other properties leased for own use (note a) 其他自用租賃物業 (附註a)	Leasehold improvements 租賃物業裝修	Furniture, fixtures and equipment 傢私、裝置及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總額
		\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元
At 31 December 2018	於2018年12月31日								
Cost or valuation	成本或估值	3,293,841	–	383,255	338,154	87,371	83,884	1,661,455	5,847,960
Accumulated depreciation	累計折舊	(519,183)	–	(280,504)	(249,365)	(75,092)	(57,351)	–	(1,181,495)
Net carrying amount	賬面淨值	2,774,658	–	102,751	88,789	12,279	26,533	1,661,455	4,666,465
Impact on initial application of HKFRS 16 (note a)	初始應用香港財務報告準則第16號的影響 (附註a)	–	48,177	–	–	–	–	–	48,177
At 1 January 2019, net of accumulated depreciation	於2019年1月1日，經扣除累計折舊	2,774,658	48,177	102,751	88,789	12,279	26,533	1,661,455	4,714,642
Additions	添置	1,431	558,348	133,976	16,824	4,968	9,852	1,248,779	1,974,178
Transfer from investment properties (note 17)	轉撥自投資物業 (附註17)	23,789	–	–	–	–	–	–	23,789
Transfer from properties held for sale (note 18)	轉撥自持作待售之物業 (附註18)	93,662	–	–	–	–	–	–	93,662
Transfer from construction in progress	轉撥自在建工程	–	–	2,392	18,163	–	–	(20,555)	–
Transfer to investment properties (note 17)	轉撥至投資物業 (附註17)	(200,279)	(128,001)	(24,643)	–	–	–	–	(352,923)
Derecognition of right-of-use assets	終止確認使用權資產	–	(127,245)	(34,618)	–	–	–	–	(161,863)
Disposals	出售	(1,461)	–	–	(1,082)	(1,826)	(1,563)	(2,240)	(8,172)
Revaluation (note b)	重估 (附註b)	216,775	–	–	–	–	–	–	216,775
Depreciation provided during the year	本年度折舊撥備	(93,460)	(69,227)	(69,266)	(35,262)	(3,526)	(746)	–	(271,487)
Exchange realignment	匯兌調整	(53,250)	(7,705)	(3,439)	(2,038)	(261)	(720)	(57,945)	(125,358)
At 31 December 2019, net of accumulated depreciation	於2019年12月31日，經扣除累計折舊	2,761,865	274,347	107,153	85,394	11,634	33,356	2,829,494	6,103,243
At 31 December 2019:	於2019年12月31日：								
Cost or valuation	成本或估值	3,274,522	343,574	450,420	357,353	83,747	85,889	2,829,494	7,424,999
Accumulated depreciation	累計折舊	(512,657)	(69,227)	(343,267)	(271,959)	(72,113)	(52,533)	–	(1,321,756)
Net carrying amount	賬面淨值	2,761,865	274,347	107,153	85,394	11,634	33,356	2,829,494	6,103,243

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

14 Property, plant and equipment (continued)

14 物業、廠房及設備(續)

	Ownership interest in leasehold land and buildings held for own use 於持作自用的租賃土地及樓宇的所有權權益(附註b)	Leasehold improvements 租賃物業裝修	Furniture, fixtures and equipment 傢俬、裝置及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總額	
	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	\$' 000 千元	
At 31 December 2017 and at 1 January 2018:	於2017年12月31日及2018年1月1日：							
Cost or valuation	成本或估值	3,135,008	345,965	308,527	93,256	90,801	1,860,044	5,833,601
Accumulated depreciation	累計折舊	(478,254)	(220,718)	(250,957)	(78,653)	(58,118)	–	(1,086,700)
Net carrying amount	賬面淨值	2,656,754	125,247	57,570	14,603	32,683	1,860,044	4,746,901
At 1 January 2018, net of accumulated depreciation	於2018年1月1日，經扣除累計折舊	2,656,754	125,247	57,570	14,603	32,683	1,860,044	4,746,901
Additions	添置	25,602	58,463	29,640	1,064	2,945	197,522	315,236
Transfer from investment properties (note 17)	轉撥自投資物業(附註17)	44,397	–	–	–	–	–	44,397
Transfer from construction in progress	轉撥自在建工程	274,637	–	38,598	–	–	(313,235)	–
Disposals	出售	(12,070)	–	(3,333)	(70)	(638)	–	(16,111)
Disposal of subsidiaries	出售附屬公司	–	–	–	(28)	(1,240)	–	(1,268)
Depreciation provided during the year	本年度折舊撥備	(84,232)	(74,469)	(29,292)	(2,686)	(5,892)	–	(196,571)
Exchange realignment	匯兌調整	(130,430)	(6,490)	(4,394)	(604)	(1,325)	(82,876)	(226,119)
At 31 December 2018, net of accumulated depreciation	於2018年12月31日，經扣除累計折舊	2,774,658	102,751	88,789	12,279	26,533	1,661,455	4,666,465
At 31 December 2018:	於2018年12月31日：							
Cost or valuation	成本或估值	3,293,841	383,255	338,154	87,371	83,884	1,661,455	5,847,960
Accumulated depreciation	累計折舊	(519,183)	(280,504)	(249,365)	(75,092)	(57,351)	–	(1,181,495)
Net carrying amount	賬面淨值	2,774,658	102,751	88,789	12,279	26,533	1,661,455	4,666,465

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

14 Property, plant and equipment (continued)

Notes:

- The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See Note 2(c).
- The Group's leasehold land and buildings were revaluated at 31 December 2019 by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), an independent firm of professionally qualified property valuers who have among their staff Fellow of the Hong Kong Institute of Surveys with recent experience in location and category of property being valued. The surpluses and deficits on revaluation of HK\$485,070,000 and HK\$268,295,000 were recognised in asset revaluation reserve and the consolidated statement of profit or loss, respectively. These leasehold land and buildings are situated in mainland China under medium term leases.

Had the revaluated properties held for own use carried at cost less accumulated depreciation, the carrying amounts would have been:

14 物業、廠房及設備(續)

附註：

- 本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的使用權資產。見附註2(c)。
- 本集團之租賃土地及樓宇於2019年12月31日由獨立專業合資格物業估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)(其部份員工為香港測量師學會資深會員，於物業之位置及類別估值方面具備最新經驗)進行估值重估。重估之盈餘及虧損485,070,000港元及268,295,000港元分別於資產重估儲備及綜合損益表中確認。該等租賃土地及樓宇以中期租約於中國大陸持有。

倘若持作自用之重估物業按成本減累計折舊入賬，則賬面值將為：

	2019	2018
	2019年	2018年
	\$' 000	\$' 000
	千元	千元
Ownership interest in leasehold land and buildings held for own use	1,981,134	2,299,806
於持作自用的租賃土地及樓宇的所有權權益		

On 5 January 2011, Shenzhen Nongke Group Limited ("Nongke"), a subsidiary acquired by the Group on 22 August 2014, entered into an agreement with a real estate developer (the "Counterparty"), an independent third party. Pursuant to the agreement, Nongke agreed to exchange certain of its properties located at Longxi Garden (龍溪花園), Futian District, Shenzhen, the PRC with an carrying amount of \$481,227,000 (including investment properties of \$470,186,000 and property, plant and equipment of \$11,041,000) at 31 December 2019, for new properties with total gross floor areas of 8,469.85 square metres to be built by the Counterparty. The new properties will be built by the Counterparty at the current location of Longxi Garden upon demolition of the existing properties owned by Nongke. At the date of approval of these financial statements, the timetable for the demolition of these properties is not determined yet.

於2011年1月5日，深圳市農科集團有限公司(「農科」)(本集團於2014年8月22日收購之一間附屬公司)與獨立第三方房地產開發商(「對方」)訂立協議。於2019年12月31日，根據該協議，農科同意將位於中國深圳市福田區龍溪花園賬面值為481,227,000元(包括投資物業470,186,000元及物業、廠房及設備11,041,000元)之若干投資物業置換對方所建總建築面積為8,469.85平方米之新物業。新物業將於農科擁有之現有物業清拆後由對方於龍溪花園當前位置建成。於該等財務報表審批日期，該等物業之清拆時間表仍未釐定。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

14 Property, plant and equipment (continued)

On 3 September 2012, Nongke entered into a supplemental agreement with the Counterparty. Pursuant to the supplemental agreement, Nongke agreed to further dispose of certain of its buildings located at Longxi Garden with a carrying amount of \$46,550,000 as at 31 December 2019 to the Counterparty for a cash consideration of RMB250,457,000, of which RMB30,000,000 had been received by Nongke as of 31 December 2019 and was recorded as receipt in advance within "other payables and accruals". At the date of approval of these financial statements, the Counterparty has no obligations under the supplemental agreement to settle the remaining consideration of RMB220,457,000 until the commencement of demolition of these properties.

At 31 December 2019, the Group has not yet obtained the ownership certificates in respect of the buildings with a net carrying amount of \$538,288,000 (2018: \$551,567,000).

At 31 December 2019, certain of the Group's land and buildings in mainland China with a net carrying amount of approximately \$605,816,000 (2018: \$646,862,000) were pledged to secure bank loans granted to the Group (note 30(a)).

15 Prepaid land lease payments

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Carrying amount at 1 January	於1月1日之賬面值	35,763	38,721
Charge for the year	本年度支出	(1,141)	(1,222)
Exchange realignment	匯兌調整	(738)	(1,735)
Carrying amount at 31 December	於12月31日之賬面值	33,884	35,764
Current portion included in prepayments, deposits and other receivables	計入預付款項、訂金及其他應收款項之即期部份	(1,304)	(1,309)
Non-current portion	非即期部份	32,580	34,455

Prepaid land lease payments represent prepayments for land use rights in mainland China held under medium term leases.

14 物業、廠房及設備 (續)

於2012年9月3日，農科與對方訂立補充協議。根據補充協議，農科同意向對方進一步出售其位於龍溪花園賬面值於2019年12月31日為46,550,000元之若干樓宇。現金代價為人民幣250,457,000元，截至2019年12月31日，農科已收取其中人民幣30,000,000元，並作為預收款項錄入「其他應付款項及應計費用」。於該等財務報表審批日期，對方於該等物業開始清拆前並無義務須根據補充協議清償餘下之代價人民幣220,457,000元。

於2019年12月31日，本集團尚未取得賬面淨值為538,288,000元（2018年：551,567,000元）之樓宇之房地產證。

於2019年12月31日，本集團於中國大陸持有之賬面淨值約為605,816,000元（2018年：646,862,000元）之若干土地及樓宇已抵押，作為本集團獲授銀行貸款之擔保（附註30(a)）。

15 預付土地租賃款項

預付土地租賃款項指根據中期租約持有之中國大陸土地使用權之預付款項。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

16 Goodwill

16 商譽

		\$' 000 千元
Cost at 1 January 2019	於2019年1月1日之成本	366,929
Exchange realignment	匯兌調整	(8,037)
Cost and carrying amount at 31 December 2019	於2019年12月31日之成本及賬面值	358,892
Cost at 1 January 2018	於2018年1月1日之成本	379,302
Exchange realignment	匯兌調整	(12,373)
Cost and carrying amount at 31 December 2018	於2018年12月31日之成本及賬面值	366,929

Impairment tests for cash-generating units containing goodwill

Goodwill acquired through business combinations is primarily related to a cash-generating unit ("CGU") engaged in property development activities. The recoverable amounts of the CGU are determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a three-year period approved by the Group's senior management. The cash flows are discounted using a discount rate of 12% (2018: 12%). The discount rates used are pre-tax and reflect specific risks relating to the relevant business.

包含商譽之現金產生單位減值測試

透過業務合併所收購之商譽主要與從事物業開發業務之一個現金產生單位（「現金產生單位」）相關。現金產生單位之可收回金額乃按根據本集團高級管理人員批准之三年期間財務預算使用現金流量預測計算之使用價值釐定。現金流量採用12%折現率（2018年：12%）予以折現。所採用之折現率為除稅前並反映有關業務之特殊風險。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

17 Investment properties

(a) Reconciliation of carrying amount

17 投資物業

(a) 賬面值對賬

2019		Completed investment properties at fair value	Investment properties under development at fair value	Total
2019年		按公允值列賬之已落成投資物業	按公允值列賬之發展中投資物業	總額
		\$' 000	\$' 000	\$' 000
		千元	千元	千元
Carrying amount at 1 January 2019	於2019年1月1日之賬面值	26,775,311	2,367,800	29,143,111
Additions	添置	18,572	600,220	618,792
Transfer from property, plant and equipment (note 14)	轉撥自物業、廠房及設備(附註14)	352,923	–	352,923
Transfer from completed properties held for sale (note 18)	轉撥自持作待售之已落成物業(附註18)	596,770	–	596,770
Transfer from property under development (note 19)	轉撥自發展中物業(附註19)	–	2,905,763	2,905,763
Transfer from investment properties under development to completed investment properties	自發展中投資物業轉撥至已落成投資物業	6,703,781	(6,703,781)	–
Transfer to property, plant and equipment (note 14)	轉撥至物業、廠房及設備(附註14)	(23,789)	–	(23,789)
Transfer to completed properties held for sale	轉撥至持作待售之已落成物業	(20,184)	–	(20,184)
Transfer to property under development (note 19)	轉撥至發展中物業(附註19)	(126,793)	–	(126,793)
Recognition of change in fair value upon transfer to investment properties	轉撥至投資物業後確認公允值變動	138,136	881,864	1,020,000
Increase in fair value of investment properties	投資物業公允值增加	434,258	–	434,258
Exchange realignment	匯兌調整	(607,164)	(51,866)	(659,030)
Carrying amount at 31 December 2019	於2019年12月31日之賬面值	34,241,821	–	34,241,821

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

17 Investment properties (continued)

(a) Reconciliation of carrying amount (continued)

17 投資物業(續)

(a) 賬面值對賬(續)

2018		Completed investment properties at fair value	Investment properties under development at fair value	Total
2018年		按公允值列賬之已落成投資物業	按公允值列賬之發展中投資物業	總額
		\$' 000	\$' 000	\$' 000
		千元	千元	千元
Carrying amount at 1 January 2018	於2018年1月1日之賬面值	24,909,059	2,030,386	26,939,445
Additions	添置	14,677	279,395	294,072
Transfer from property under development (note 19)	轉撥自發展中物業(附註19)	–	1,910,962	1,910,962
Transfer from completed properties held for sale (note 18)	轉撥自持作待售之已落成物業(附註18)	301,221	–	301,221
Transfer from investment properties under development to completed investment properties	自發展中投資物業轉撥至已落成投資物業	1,910,962	(1,910,962)	–
Transfer to property, plant and equipment (note 14)	轉撥至物業、廠房及設備(附註14)	(44,397)	–	(44,397)
Transfer to property under development (note 19)	轉撥至發展中物業(附註19)	(68,421)	–	(68,421)
Recognition of change in fair value upon transfer to investment properties (note 18 and note 19)	轉撥至投資物業後確認公允值變動(附註18及附註19)	302,943	–	302,943
Increase in fair value of investment properties	投資物業公允值增加	828,558	151,366	979,924
Disposal of a subsidiary	出售一間附屬公司	(187,516)	–	(187,516)
Exchange realignment	匯兌調整	(1,191,775)	(93,347)	(1,285,122)
Carrying amount at 31 December 2018	於2018年12月31日之賬面值	26,775,311	2,367,800	29,143,111

Certificates of ownership in respect of certain investment properties of the Group with a net carrying amount of approximately \$2,107,180,000 as at 31 December 2019 (2018: \$1,713,727,000) have not yet been issued by the relevant PRC authorities. The Group is in the process of obtaining the relevant certificates.

As at 31 December 2019, the Group's investment properties with a net carrying value of approximately \$498,181,000 (2018: \$497,515,000) was pledged to secure bank loans granted to the Group (note 30(a)).

於2019年12月31日之賬面淨值約為2,107,180,000元(2018年:1,713,727,000元)之本集團若干投資物業尚未獲中國相關部門頒發所有權證。本集團仍在辦理相關權證之手續。

於2019年12月31日，本集團賬面淨值約為498,181,000元(2018年:497,515,000元)之投資物業已抵押，作為本集團獲授銀行貸款之擔保(附註30(a))。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

17 Investment properties (continued)

(b) Fair value hierarchy

The Group's investment properties are situated in mainland China and are held under medium term leases. The directors of the Company have determined that the investment properties are commercial based on the nature, characteristics and risks of each property. The Group's investment properties were revalued at 31 December 2019. The valuations were performed by JLL, an independent firm of professionally qualified property valuers who have among their staff Fellow of the Hong Kong Institute of Surveyors with recent experience in location and category of property being valued, at approximately \$34,241,821,000 (2018: \$29,143,111,000) across three levels of the inputs to the revaluation methodologies in accordance with HKFRS 13, Fair value measurement ("HKFRS 13"). The levels are defined in note 40(a)(i).

None of the Group's investment properties measured at fair value are categorised as Level 1 and Level 2 input. The Group's investment properties are at Level 3 valuation.

The Group's property manager and the General Manager from Financial Management Department have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

17 投資物業 (續)

(b) 公允值等級架構

本集團之投資物業位於中國大陸，並以中期租約持有。本公司董事已按各物業之性質、特性及風險將投資物業釐定為商業投資物業。本集團之投資物業於2019年12月31日進行重估。該等估值由獨立專業合資格物業估值師仲量聯行（其部份員工為香港測量師學會資深會員，於物業之位置及類別估值方面具備最新經驗）進行，估值金額約為34,241,821,000元（2018年：29,143,111,000元），乃採用根據香港財務報告準則第13號，公允值計量（「香港財務報告準則第13號」）所界定之重估方法將輸入值分為三個級別。級別定義見附註40(a)(i)。

本集團以公允值計量之投資物業並無歸類為第一層及第二層輸入值。本集團之投資物業歸類為第三層估值。

於各中期報告日期及年度報告日期進行估值時，本集團物業經理與財務管理部門總經理會同測量師討論估值假設及估值結果。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

17 Investment properties (continued)

(b) Fair value hierarchy (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

17 投資物業 (續)

(b) 公允價值等級架構 (續)

以下為投資物業估值所用之估值方法及主要輸入值之概要：

	Valuation technique 估值方法	Significant unobservable inputs 重大不可觀察輸入值	Range (weighted average) 範圍 (加權平均數)
<i>At 31 December 2019:</i> 於2019年12月31日：			
Commercial properties 商業樓宇	Income Capitalisation method 收入資本化法	Vacancy rate 空置率	2% – 25%
		Capitalisation rate 資本化率	2% – 7%

At 31 December 2018:

於2018年12月31日：

Commercial properties 商業樓宇	Income Capitalisation method 收入資本化法	Vacancy rate 空置率	2% – 25%
		Capitalisation rate 資本化率	2% – 7%
	Residual method 剩餘法	Profit margin 利潤率	10% – 15%
		Capitalisation rate 資本化率	3.5%

Valuation techniques

The fair value of the Group's investment properties in the mainland China is determined using income capitalisation method, except for certain investment properties under development at 31 December 2018 which were valued using residual method.

Income capitalisation method determines fair values by discounting the projected cash flows associated with the properties using capitalisation rates. The valuation takes into account expected market rental growth and vacancy rate of the respective properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement is positively correlated to the expected market rental growth, and negatively correlated to the vacancy rate and the capitalisation rates.

估值方法

於2018年12月31日，本集團位於中國大陸之投資物業公允價值採用收入資本化法予以釐定，惟採用剩餘法進行估值之若干發展中投資物業除外。

收入資本化法透過採用資本化率折現有關物業之預測現金流量釐定公允價值。有關估值考慮到各物業之預期市場租金增長及空置率。所用貼現率乃就樓宇的質素及地點以及租戶信貸質素作出調整。公允價值計量與預期市場租金增長正相關，惟與空置率及資本化率負相關。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

17 Investment properties (continued)

(b) Fair value hierarchy (continued)

Valuation techniques (continued)

Residual method was adopted to determine the fair values of certain investment properties under development. It assumes that the properties will be developed and completed in accordance with the latest development proposals in terms of property use, saleable area and construction schedule to establish the gross development value ("GDV"), the established GDV has been adjusted by the total estimated costs of the development including construction costs, professional fees and other associated expenditures, together with an allowance for interest expense, and developer's profit and risk margin. The capitalisation rates used have been adjusted for the quality and location of the building and the tenant credit quality.

(c) Undiscounted lease payments under non-cancellable operating leases

The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 15 years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased every year to reflect market rentals. Certain leases include variable lease payment terms that are based on the revenue of tenants.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
Within one year	一年內	862,152	902,352
After one year but within five years	一年後但五年內	1,662,588	1,550,851
After five years	五年後	170,688	206,588
		2,695,428	2,659,791

17 投資物業 (續)

(b) 公允值等級架構 (續)

估值方法 (續)

本集團採用剩餘法以釐定若干發展中投資物業的公允值。假設該等物業將根據最新發展方案中約定之物業用途、可銷售面積及施工時間表開發及完工，以確立開發價總值（「開發價總值」），則所確立的開發價總值已經估計開發成本總額（包括建設成本、專業費用及其他相關開支）連同利息開支撥備以及開發商之溢利及風險邊際進行調整。所用資本化率乃就樓宇的質素及地點以及租戶信貸質素作出調整。

(c) 不可取消經營租賃之未貼現租賃付款

本集團根據經營租賃出租投資物業。租約一般初步為期1至15年，並有權於到期日續租，同時重新商討所有條款。租賃付款一般每年增加一次，以反映市場租金。若干租約包含基於租戶收益的可變租賃付款條款。

本集團於未來期間應收於報告日期已訂立之不可取消經營租賃之未貼現租賃付款如下：

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18 Completed properties held for sale

During the year ended 31 December 2018 and 2019, completed properties held for sale with an aggregate carrying amount of approximately \$596,770,000 (2018: \$301,221,000) were transferred to investment properties upon change in use as evidenced by the signing of relevant tenancy agreements. The differences of the fair value of these properties at the date of transfer from their carrying amounts, amounting to net gain of \$76,915,000 (2018: net gain of \$120,884,000), was recognised in the consolidated statement of profit or loss.

During the year ended 31 December 2019, completed properties held for sale with an aggregate carrying amount of approximately \$93,662,000 (2018: nil) were transferred to property, plant and equipment, upon change in use as evidenced by the commencement of owner-occupation.

The completed properties include costs of acquiring rights to use certain lands, which are located in the mainland China, for property development over fixed periods. Land use rights are held on leases of between 40 to 70 years.

19 Properties under development

		31 December 2019 2019年 12月31日 \$' 000 千元	31 December 2018 2018年 12月31日 \$' 000 千元
Land in mainland China	於中國大陸之土地		
– 50 years or more	— 50年或以上	13,582,953	10,283,090
– between 10 and 50 years	— 10年至50年	4,204,767	19,125,796
Development expenditure	開發支出	4,489,441	8,817,721
		22,277,161	38,226,607
Less: Write-down of properties under development	減：發展中物業減值	–	(129,098)
		22,277,161	38,097,509

18 持作待售之已落成物業

於截至2018年及2019年12月31日止年度，賬面總值約為596,770,000元（2018年：301,221,000元）持作待售之已落成物業於簽訂相關租賃協議證實用途改變後，已轉撥至投資物業。於轉撥日期，該等物業之公允值與其賬面值之差額為收益淨額76,915,000元（2018年：收益淨額120,884,000元），已於綜合損益表內確認。

於截至2019年12月31日止年度，賬面總值約為93,662,000元（2018年：無）持作待售之已落成物業於業主入住證實用途改變後，已轉撥至物業、廠房及設備。

已落成物業包括於固定期限內就物業開發取得若干位於中國大陸之土地使用權之成本。土地使用權按租約持有，年期介乎40至70年。

19 發展中物業

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

19 Properties under development (continued)

Movement in properties under development during the year is as following:

19 發展中物業 (續)

發展中物業於年內之變動如下：

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$'000	\$'000
		千元	千元
Land in mainland China, at cost:	於中國大陸持有之土地，按成本：		
At beginning of year	年初	29,408,886	30,448,105
Additions	添置	4,519,589	5,406,876
Transfer to completed properties held for sale	轉撥至持作待售之已落成物業	(14,217,244)	(3,821,709)
Transfer to investment properties (note 17)	轉撥至投資物業 (附註17)	(1,584,336)	(1,235,398)
Transfer from investment properties (note 17)	轉撥自投資物業 (附註17)	126,793	68,421
Exchange realignment	匯兌調整	(465,968)	(1,457,409)
At 31 December	於12月31日	17,787,720	29,408,886
Development expenditure, at cost:	開發支出，按成本：		
At beginning of year	年初	8,817,721	9,693,781
Additions	添置	5,570,480	8,073,793
Transfer to completed properties held for sale	轉撥至持作待售之已落成物業	(8,436,860)	(7,819,380)
Transfer to investment properties (note 17)	轉撥至投資物業 (附註17)	(1,321,427)	(675,564)
Exchange realignment	匯兌調整	(140,473)	(454,909)
At 31 December	於12月31日	4,489,441	8,817,721
Less: Write-down of properties under development	減：發展中物業減值	-	(129,098)
		22,277,161	38,097,509
Properties under development expected to be recovered:	預期可收回之發展中物業：		
Within one year	一年內	2,181,536	10,968,752
After more than one year	超過一年後	20,095,625	27,128,757
		22,277,161	38,097,509

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

19 Properties under development (continued)

During the year ended 31 December 2019, properties under development with an aggregate carrying amount of \$2,905,763,000 (2018: \$1,910,962,000) were transferred to investment properties upon change in use. The excess of the fair value of those properties at the end of transfer over their carrying amounts, amounting to \$881,864,000 (2018: \$182,059,000) was recognised in the consolidated statement of profit or loss.

As at 31 December 2019, the Group's properties under development with a net carrying amount of \$1,086,976,000 (2018: \$1,111,319,000) were pledged to secure bank loans granted to the Group (note 30(a)).

As at 31 December 2019, the application for certificates of land use rights in mainland China for land with a net carrying amount of approximately \$4,149,329,000 (2018: \$3,041,902,000) was still in progress.

The properties under development include costs of acquiring rights to use certain lands, which are located in the mainland China, for property development over fixed periods. Land use rights are held on leases of between 40 to 70 years.

19 發展中物業 (續)

於截至2019年12月31日止年度，賬面總值為2,905,763,000元（2018年：1,910,962,000元）之發展中物業於改變用途後轉撥至投資物業。於轉撥結束時，該等物業之公允值超出其賬面值部份為881,864,000元（2018年：182,059,000元），已於綜合損益表內確認。

於2019年12月31日，本集團之賬面淨值1,086,976,000元（2018年：1,111,319,000元）之發展中物業已抵押，作為本集團所獲授銀行貸款之擔保（附註30(a)）。

於2019年12月31日，賬面淨值約4,149,329,000元（2018年：3,041,902,000元）之於中國大陸持有之土地使用權證仍在申請中。

發展中物業包括於固定期限內就物業開發取得若干位於中國大陸之土地使用權之成本。土地使用權按租約持有，年期介乎40至70年。

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20 Right-of-use assets

The analysis of the net book value of the Group's right-of-use assets by class of underlying asset at the end of the reporting period and at the date of transition to HKFRS 16 is as follows:

20 使用權資產

於報告期末及過渡至香港財務報告準則第16號當日，按相關資產類別劃分之本集團使用權資產之賬面淨值分析如下：

		At 31 December 2019	At 1 January 2019
		於2019年 12月31日	於2019年 1月1日
	Note	\$'000	\$'000
	附註	千元	千元
Included in "Property, plant and equipment":	計入「物業、廠房及設備」：		
Ownership interests in leasehold land and buildings held for own use, carried at fair value	於持作自用的租賃土地及樓宇的所有權權益，按公允值列賬	14 2,761,865	2,774,658
Other properties leased for own use, carried at depreciated cost	其他自用租賃物業，按折舊成本列賬	14 274,347	48,177
Included in "Prepaid land lease payments":	計入「預付土地租賃款項」：		
Prepaid land lease payments	預付土地租賃款項	15 32,580	34,455
Included in "Investment properties":	計入「投資物業」：		
Ownership interests in leasehold investment properties, carried at fair value	於租賃投資物業的所有權權益，按公允值列賬	17 34,241,821	29,143,111
Included in "Completed properties held for sale":	計入「持作待售之已落成物業」：		
Completed properties held for sale	持作待售之已落成物業	18 21,457,104	6,265,723
Included in "Properties under development":	計入「發展中物業」：		
Properties under development	發展中物業	19 17,787,720	29,408,886
		76,555,437	67,675,010

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20 Right-of-use assets (continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

20 使用權資產 (續)

於損益中確認的有關租賃之開支分析如下：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分之使用權資產之折舊開支：		
Ownership interest in leasehold land and buildings held for own use	於持作自用的租賃土地及樓宇的所有權權益	93,460	84,232
Other properties leased for own use	其他自用租賃物業	33,259	—
Amortisation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分之使用權資產之攤銷支出：		
Prepaid land lease payments	預付土地租賃款項	1,141	1,222
Interest on lease liabilities (note 7)	租賃負債的利息 (附註7)	25,190	—
Expense relating to short-term leases and other leases with remaining lease term ending on or before 31 December 2019	短期租賃及剩餘租期於2019年12月31日或之前屆滿之其他租賃有關之開支	7,965	—
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	低價值資產租賃 (不包括低價值資產的短期租賃) 有關之開支	155	—
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	就先前根據香港會計準則第17號分類為經營租賃的租賃之最低租賃付款總額	—	24,727
Variable lease payments not included in the measurement of lease liabilities	未計入租賃負債計量之可變租賃付款	2,085	706

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation and amortisation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的使用權資產。於2019年1月1日對使用權資產進行初步確認後，本集團作為承租人需對使用權資產確認折舊及攤銷，而不是適用前期會計政策，即在租賃年期內按直線法確認經營租賃產生之租金開支。根據此方法，比較資料不予重列。見附註2(c)。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

20 Right-of-use assets (continued)

During the year, additions to right-of-use assets were \$5,698,160,000. This amount included the purchase of a leasehold property of \$5,139,812,000, and the remainder primarily related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases, the maturity analysis of lease liabilities and the future cash outflows arising from leases that are not yet commenced are set out in notes 29(d), 31 and 41(b), respectively.

At 31 December 2019, the above balance includes right-of-use assets in respect of certain leasehold properties from the Group's immediate holding company, an associate and fellow subsidiaries of \$9,305,000, \$98,824,000 and \$112,970,000, respectively.

21 Investment in subsidiaries

The following lists contain only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

20 使用權資產 (續)

年內，添置至使用權資產為5,698,160,000元。該金額包括購買租賃物業5,139,812,000元，餘額主要與新訂租賃協議項下資本化租賃應付款項相關。

有關租賃的現金流出總額、租賃負債的到期日分析以及尚未開始的租賃產生的未來現金流出之詳情分別載於附註29(d)、31及41(b)。

於2019年12月31日，上述結餘包括來自本集團直接控股公司、一間聯營公司及同系附屬公司的若干租賃物業的使用權資產分別為9,305,000元、98,824,000元及112,970,000元。

21 附屬公司投資

以下列表僅包含對本集團業績、資產或負債有主要影響力之附屬公司詳情。除另有說明外，所持股份類別均為普通股。

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及 營業地點	Particulars of issued/ paid up capital 已發行／ 繳足股本之詳情	Proportion of effective ownership interest held by the Group 本集團持有 實際所有權 權益之百分比	Principal activities 主要業務
Shum Yip Southern Land (Holdings) Co., Ltd. (note a/b/e) 深業南方地產(集團)有限公司 (附註a/b/e)	PRC/mainland China 中國／中國大陸	\$1,702,500,000 1,702,500,000元	100%	Property investment and development 物業投資及開發
Shum Yip Terra (Holdings) Co., Ltd. ("Shum Yip Terra") (note a/d/e/f) 深業泰然(集團)股份有限公司 (「深業泰然」)(附註a/d/e/f)	PRC/mainland China 中國／中國大陸	RMB800,000,000 人民幣800,000,000元	75.05%	Property investment and development 物業投資及開發
Shum Yip Pengji Holdings Co., Ltd. (note a/b/e) 深業鵬基(集團)有限公司(附註a/b/e)	PRC/mainland China 中國／中國大陸	RMB1,042,050,000 人民幣1,042,050,000元	100%	Property investment and development 物業投資及開發
Shum Yip Investment (Shenzhen) Co., Ltd. (note a/b/e) 深業控股(深圳)有限公司(附註a/b/e)	PRC/mainland China 中國／中國大陸	US\$150,000,000 150,000,000美元	100%	Investment holding 投資控股

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21 Investment in subsidiaries (continued)

21 附屬公司投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及 營業地點	Particulars of issued/ paid up capital 已發行／ 繳足股本之詳情	Proportion of effective ownership interest held by the Group 本集團持有 實際所有權 權益之百分比	Principal activities 主要業務
Changzhou Shum Yip Property Development Limited (note a/b) 常州深業地產有限公司(附註a/b)	PRC/mainland China 中國／中國大陸	US\$99,800,000 99,800,000美元	100% 100%	Property development 物業開發
Shenzhen Tairan Real Estate Management Service Company Limited (note a/c) 深圳市泰然物業管理服務有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB5,060,000 人民幣5,060,000元	75.05% 75.05%	Property management 物業管理
Shenzhen Terra Construction Co., Ltd. (note a/c) 深圳市深業泰然建設工程有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB30,000,000 人民幣30,000,000元	75.05% 75.05%	Manufacture and sale of aluminum products 生產及銷售鋁製品
Shum Yip TaiFu Logistic Group Holding Co., Ltd. (note a/c) 深業泰富物流集團股份有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB323,799,552 人民幣323,799,552元	97.68% 97.68%	Operation of warehouses and property development 經營貨倉及物業開發
Shenzhen Pengji Property Management Services Limited (note a/c) 深圳市鵬基物業管理服務有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB22,245,904 人民幣22,245,904元	100% 100%	Property management 物業管理
Shenzhen Jinghua Displays Co., Ltd. (note a/c) 深圳晶華顯示器材有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB29,019,751 人民幣29,019,751元	70% 70%	Manufacture of industrial products 製造工業產品
Shenzhen Wondershine Residence Company Limited (note a/c) 深圳市萬慶居業有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB15,000,000 人民幣15,000,000元	100% 100%	Property management 物業管理

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

21 Investment in subsidiaries (continued)

21 附屬公司投資 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及 營業地點	Particulars of issued/ paid up capital 已發行／ 繳足股本之詳情	Proportion of effective ownership interest held by the Group 本集團持有 實際所有權 權益之百分比	Principal activities 主要業務
Changsha Pengji Property Limited (note a/c) 長沙鵬基地產有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB75,000,000 人民幣75,000,000元	80%	Property development 物業開發
Huizhou Zhongkai Pengji Investment Limited (note a/c) 惠州仲愷鵬基投資有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB3,000,000 人民幣3,000,000元	100%	Property development 物業開發
Shum Yip (Shenzhen) Property Management Limited (note a/c) 深業集團(深圳)物業管理有限公司 (附註a/c)	PRC/mainland China 中國／中國大陸	RMB30,000,000 人民幣30,000,000元	100%	Property management 物業管理
Shum Yip Land Company Limited (note a/c) 深業置地有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB411,520,000 人民幣411,520,000元	100%	Property development 物業開發
Great Assets Development (Shenzhen) Ltd. (note b) 新旺實業發展(深圳)有限公司(附註b)	PRC/mainland China 中國／中國大陸	US\$100,744,000 100,744,000美元	95%	Property development 物業開發
Shenzhen Kezhigu Investment Limited (notes a/c) 深圳市科之谷投資有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB784,528,950 人民幣784,528,950元	100%	Property development and property investment 物業開發及物業投資
Shenzhen Nongke Holdings Company Limited (note a/c) 深圳市農科集團有限公司(附註a/c)	PRC/mainland China 中國／中國大陸	RMB200,000,000 人民幣200,000,000元	100%	Investment holding, property investment and property management 投資控股、物業投資及 物業管理

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21 Investment in subsidiaries (continued)

21 附屬公司投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及 營業地點	Particulars of issued/ paid up capital 已發行／ 繳足股本之詳情	Proportion of effective ownership interest held by the Group 本集團持有 實際所有權 權益之百分比	Principal activities 主要業務
Shenzhen Nongke Property Development Limited ("Nongke") (note a/c)	PRC/mainland China	RMB30,000,000	100%	Property development and property investment
深圳市農科房地產開發有限公司 (「農科」)(附註a/c)	中國／中國大陸	人民幣30,000,000元	100%	物業開發及物業投資
Shenzhen Shum Yip Sky Park Co., Ltd (note a/c)	PRC/mainland China	RMB100,000,000	100%	Property development
深圳市深業中城有限公司(附註a/c)	中國／中國大陸	人民幣100,000,000元	100%	物業開發
Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd ("SIQ Real Estate") (note a/c/g)	PRC/mainland China	RMB10,000,000	50%	Property development and property investment
深國際前海置業(深圳)有限公司 (「前海置業」)(附註a/c/g)	中國／中國大陸	人民幣10,000,000元	50%	物業開發及物業投資
Shenzhen Guohuikanguotai Real Estate Development Co, Ltd (note a/c/g)	PRC/mainland China	RMB100,000,000	38.28%	Property development and property investment
深圳市國惠康國泰房地產開發有限公司 (附註a/c/g)	中國／中國大陸	人民幣100,000,000元	38.28%	物業開發及物業投資
Chengdu Fengze Investment Co., Ltd (note a/c/g)	PRC/mainland China	RMB10,000,000	45.03%	Land development
成都豐澤投資有限公司(附註a/c/g)	中國／中國大陸	人民幣10,000,000元	45.03%	土地開發
Maanshan Shum Yip Property Limited (note a/c)	PRC/mainland China	RMB70,000,000	99.77%	Property development
馬鞍山深業地產有限公司(附註a/c)	中國／中國大陸	人民幣70,000,000元	99.77%	物業開發
Shenzhen Shum Yip Shenheng Investment Co. Ltd (note a/c)	PRC/mainland China	RMB10,000,000	100%	Business services
深圳市深業深恒投資有限公司(附註a/c)	中國／中國大陸	人民幣10,000,000元	100%	業務服務

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21 Investment in subsidiaries (continued)

21 附屬公司投資 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立／註冊及 營業地點	Particulars of issued/ paid up capital 已發行／ 繳足股本之詳情	Proportion of effective ownership interest held by the Group 本集團持有 實際所有權 權益之百分比	Principal activities 主要業務
Taizhou Shum Yip Pengji Investment Co. Ltd. (note a/c) 泰州深業鵬基投資有限公司 (附註a/c)	PRC/mainland China 中國／中國大陸	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
Shum Yip Southern Land Property Limited. (note a/c) 惠州深業南方地產有限公司 (附註a/c)	PRC/mainland China 中國／中國大陸	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
Shum Yip Property Management (Shenzhen) Limited (note a/c) 深業商業管理(深圳)有限公司 (附註a/c)	PRC/mainland China 中國／中國大陸	RMB50,000,000 人民幣50,000,000元	100%	Property management 物業管理
Foshan Shunde Shum Yip Property Limited (note a/c) 佛山市順德區深業房地產有限公司 (附註a/c)	PRC/mainland China 中國／中國大陸	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發

Notes:

- The English translation of the company's name is for reference only. The official name of the company is in Chinese.
- Established in the PRC as a wholly-foreign-owned enterprise
- Established in the PRC as a domestic enterprise with limited liability
- Established in the PRC as a Sino-foreign joint venture enterprise
- Subsidiaries directly held by the Company
- As at 31 December 2019, the Group's effective interest (including equity interest both directly and indirectly by the Company) in Shum Yip Terra was 75.05%.
- Although the Group's effective ownership interests in these companies were equal to or less than 50%, the management consider that the Group controls these companies through more than 50% voting power in the board or shareholders' meeting of these companies and therefore these companies are accounted for as subsidiaries of the Group.

附註：

- 公司之英文譯名僅供參考。公司之正式名稱為中文。
- 於中國成立為外商獨資企業
- 於中國成立為國內有限責任企業
- 於中國成立為中外合營企業
- 由本公司直接持有之附屬公司
- 於2019年12月31日，本集團於深業泰然之實際權益(包括由本公司直接及間接持有之股本權益)為75.05%。
- 儘管本集團於該等公司的實際所有權權益等於或少於50%，管理層認為本集團透過於該等公司的董事會或股東大會擁有50%以上的投票權控制該等公司，因此，該等公司作為本集團的附屬公司入賬。

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21 Investment in subsidiaries (continued)

The following tables lists out the information of the subsidiaries of the Group which has a material non-controlling interest (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination.

Shum Yip Terra

21 附屬公司投資(續)

下表列出本集團擁有重大非控股權益之附屬公司之資料。下文呈列之財務資料摘要乃指未作任何成員公司間對銷之金額。

深業泰然

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
NCI percentage	非控股權益百分比	24.95%	24.95%
Current assets	流動資產	7,744,483	6,603,900
Non-current assets	非流動資產	8,774,285	8,918,079
Current liabilities	流動負債	(7,052,823)	(6,186,511)
Non-current liabilities	非流動負債	(1,308,424)	(1,698,219)
Net assets	資產淨值	8,157,521	7,637,249
Carrying amount of NCI	非控股權益之賬面值	2,035,301	1,905,494
Revenue	收益	1,508,821	2,052,252
Profit for the year	年內溢利	851,711	866,519
Total comprehensive income	全面收益總額	640,381	555,715
Profit allocated to NCI	分配予非控股權益之溢利	212,502	216,196
Dividend declared to NCI	宣派予非控股權益之股息	120,109	48,462
Cash flows generated from/(used in) operating activities	經營活動所得/(所用)之現金流量	505,332	(790,617)
Cash flows generated from investing activities	投資活動所得之現金流量	140,684	8,987
Cash flows used in financing activities	融資活動所用之現金流量	(168,181)	(165,385)

Note: The subsidiary has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：附屬公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

21 Investment in subsidiaries (continued) SIQ Real Estate

21 附屬公司投資(續) 前海置業

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
NCI percentage	非控股權益百分比	50.00%	50.00%
Current assets	流動資產	4,782,415	2,906,366
Non-current assets	非流動資產	272	357
Current liabilities	流動負債	(2,186,766)	(354,434)
Non-current liabilities	非流動負債	(125,551)	–
Net assets	資產淨值	2,470,370	2,552,289
Carrying amount of NCI	非控股權益之賬面值	1,235,185	1,276,145
Revenue	收益	2,897	3,017
Loss for the year	年內虧損	(26,500)	(3,076)
Total comprehensive income	全面收益總額	(81,919)	(125,940)
Loss allocated to NCI	分配予非控股權益之虧損	(13,250)	(1,538)
Dividend paid to NCI	支付予非控股權益之股息	–	–
Cash flows generated from/(used in) operating activities	經營活動所得／(所用)之現金流量	1,526,988	(536,823)
Cash flows used in investing activities	投資活動所用之現金流量	(41)	(96)
Cash flows generated from financing activities	融資活動所得之現金流量	131,825	–

Note: The subsidiary has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：附屬公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

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22 Interests in associates

22 於聯營公司權益

		2019	2018
		2019年	2018年
		\$' 000	\$' 000
		千元	千元
Unlisted	非上市	206,708	205,269
Listed in Hong Kong	於香港上市	5,928,803	5,561,887
Provision for impairment*	減值撥備*	(816,000)	(816,000)
		5,319,511	4,951,156

* The provision for impairment is related to the Company's interest in Coastal Greenland Limited ("Coastal Greenland"). In respect of the Group's interest in Road King Infrastructure Ltd. ("Road King"), the board of directors consider there is no impairment after considering the fact that there were no significant or prolonged decline in its fair value below its cost.

* 減值撥備與本公司於沿海綠色家園有限公司(「沿海綠色家園」)之投資有關。就本集團於路勁基建有限公司(「路勁」)之權益而言，經考慮該權益之公允值並無嚴重或經常性下跌至低於其成本後，董事會認為並無減值。

Particulars of the material associates, which is accounted for using the equity method in the consolidated financial statements, are as follows:

使用權益法於綜合財務報表入賬之主要聯營公司詳情如下：

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and business 成立／註冊及 營業地點	Issued ordinary/ registered share capital 已發行普通／ 註冊股本	Percentage of ownership Interest attributable to the Group 本集團應佔所有權 權益百分比		Principal activities 主要業務
				2019 2019年	2018 2018年	
Coastal Greenland*	Corporate	Bermuda/ mainland China	4,185,874,285 ordinary shares of \$0.1 each	15.22	15.08	Property development and investment
沿海綠色家園*	公司	百慕達／中國大陸	4,185,874,285股 每股面值0.1元之 普通股	15.22	15.08	物業開發及投資
Road King**	Corporate	Bermuda/ mainland China	749,336,566 ordinary shares of \$0.1 each	27.00	27.00	Development, operation and management of toll roads and property development and investment
路勁**	公司	百慕達／中國大陸	749,336,566股 每股面值0.1元之 普通股	27.00	27.00	發展營運及管理收費公路 以及物業開發及投資

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

22 Interests in associates (continued)

None of the associates are audited by KPMG, Hong Kong or another member firm of the KPMG global network.

- * Coastal Greenland is a limited liability company incorporated in Bermuda and its ordinary shares with a nominal value of \$0.10 each are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The principal location of Coastal Greenland's business is mainland China. Although the Group holds less than 20% of the ownership interest and voting control of Coastal Greenland, the Group considers that it has the ability to exercise significant influence over Coastal Greenland through both its shareholding and its nominated directors' participation on Coastal Greenland's board of directors.
- ** Road King is a limited liability company incorporated in Bermuda and its ordinary shares with a nominal value of \$0.10 each are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The principal location of Road King's business is mainland China.

The Group's shareholdings in the associates comprise equity shares held by the Company, except for Road King, the shareholdings of which are held through a wholly-owned subsidiary of the Company.

The financial years of the Group's associates are coterminous with that of the Group, except for Coastal Greenland which has a financial year ending 31 March.

22 於聯營公司權益 (續)

任何聯營公司均未經香港畢馬威會計師事務所或該事務所其他全球會員公司所審核。

- * 沿海綠色家園乃於百慕達註冊成立之有限責任公司，其每股面值0.10元之普通股在香港聯合交易所有限公司主板上市。沿海綠色家園之主要營業地點為中國大陸。儘管本集團持有沿海綠色家園之所有權權益及投票權少於20%，但本集團認為可透過股權及提名董事參與沿海綠色家園董事會從而具有對沿海綠色家園實行重大影響之能力。
- ** 路勁乃於百慕達註冊成立之有限責任公司，其每股面值0.10元之普通股在香港聯合交易所有限公司主板上市。路勁之主要營業地點為中國大陸。

本集團於聯營公司之股權包括本公司持有之權益股份，除路勁之外，該公司之股權乃透過本公司之全資附屬公司持有。

本集團聯營公司之財政年度與本集團之財政年度基本一致，惟沿海綠色家園之財政年度年結為3月31日。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

22 Interests in associates (continued)

The following table sets out the summarised financial information in respect of Road King adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

22 於聯營公司權益 (續)

下表列示財務資料摘要，乃有關路勁就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Current assets	流動資產	64,923,667	54,366,851
Non-current assets	非流動資產	25,758,960	24,584,852
Current liabilities	流動負債	(39,096,002)	(43,077,073)
Non-current liabilities	非流動負債	(23,022,608)	(11,107,188)
Net assets	資產淨值	28,564,017	24,767,442
Less: Non-controlling interests	減：非控股權益	9,697,968	7,369,379
Net assets attributable to equity shareholders of the associate	聯營公司權益股東應佔資產淨值	18,866,049	17,398,063
Reconciliation to the Group's interest in the associate:	對賬調整至本集團於聯營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	27.00%	27.00%
Carrying amount of the investment	投資之賬面值	5,093,833	4,697,477
Revenue	收益	21,494,796	22,365,223
Profit for the year	年內溢利	3,676,626	3,698,603
Other comprehensive income	其他全面收益	(767,495)	(936,353)
Total comprehensive income for the year	年內全面收益總額	2,909,131	2,762,250
Dividend received	已收股息	238,754	218,507

Note: The associate has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：聯營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

22 Interests in associates (continued)

The following table sets out the summarised financial information in respect of Coastal Greenland adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

22 於聯營公司權益（續）

下表列示財務資料摘要，乃有關沿海綠色家園就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Current assets	流動資產	9,150,115	8,064,650
Non-current assets	非流動資產	687,555	815,479
Current liabilities	流動負債	(2,186,955)	(2,552,098)
Non-current liabilities	非流動負債	(2,072,682)	(480,582)
Net assets	資產淨值	5,578,033	5,847,449
Less: Non-controlling interests	減：非控股權益	92,028	115,287
Net assets attributable to equity shareholders of the associate	聯營公司權益股東應佔資產淨值	5,486,005	5,732,162
Reconciliation to the Group's interest in the associate:	對賬調整至本集團於聯營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	15.22%	15.08%
Carrying amount of the investment	投資之賬面值	834,970	864,410
Accumulated impairment losses	累計減值虧損	(816,000)	(816,000)
Net carrying amount of the investment	投資之賬面淨值	18,970	48,410
Revenue	收益	49,505	249,419
Loss for the year	年內虧損	(267,303)	(191,553)
Other comprehensive income for the year	年內其他全面收益	25,131	(49,933)
Total comprehensive income for the year	年內全面收益總額	(242,172)	(241,486)
Dividend received	已收股息	—	—

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

22 Interests in associates (continued)

The following table sets out the aggregate financial information of the Group's other associates that are not individually material:

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
Share of the associates' profit for the year and total comprehensive income	分佔聯營公司之年內溢利及全面收益總額	9,395	22,292
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資賬面總值	206,708	205,269

Note: The associate has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：聯營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

As at 31 December 2019, the fair value of interests in associates whose shares are listed in Hong Kong was \$3,124,666,000 (2018: \$2,981,096,000).

於2019年12月31日，於股份在香港上市的聯營公司的權益之公允值為3,124,666,000元（2018年：2,981,096,000元）。

23 Interests in joint ventures

23 於合營公司權益

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
Unlisted	非上市	6,811,843	6,215,166

Notes to the Financial Statements

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

Particulars of the Group's material joint ventures, which is accounted for using the equity method in the consolidated financial statements, are as follows:

23 於合營公司權益 (續)

使用權益法於綜合財務報表入賬之本集團之主要合營公司詳情如下：

Name 名稱	Nominal value of registered capital 註冊資本面值	Place of registration and business 註冊及營業地點	Percentage of 所佔之百分比			Principal activities 主要業務
			Ownership interest 所有權權益	Voting power 投票權	Profit sharing 溢利分享	
Shenzhen Langtong Property Development Company Limited ("Langtong")	RMB100,000,000	PRC/ mainland China	50	50	50	Property development and property investment
深圳市朗通房地產開發有限公司 (「朗通」)	人民幣100,000,000元	中國／中國大陸	50	50	50	物業開發及物業投資
Shenzhen Tianan Cyber Park (Group) Company Limited* ("Tianan")	US\$62,000,000	PRC/ mainland China	37.53*	50	37.53*	Property investment and development
天安數碼城(集團)有限公司* (「天安」)	62,000,000美元	中國／中國大陸	37.53*	50	37.53*	物業投資及開發
Taizhou Shum Yip Investment Development Limited ("Taizhou Shum Yip")	RMB100,000,000	PRC/ mainland China	51	50	51	Provision of land development service
泰州市深業投資發展有限公司 (「泰州深業」)	人民幣100,000,000元	中國／中國大陸	51	50	51	提供土地開發服務
Shum King Company Limited ("Shum King")	HK\$2	Hong Kong	50	50	50	Property development and property investment
深勁有限公司 (「深勁」)	2港元	香港	50	50	50	物業開發及物業投資
Guangzhou Pik Sum Real Estate Development Company Limited** ("Pik Sum")	RMB69,832,402	PRC/ mainland China	14.28	14.28	14.28	Property development and property investment
廣州碧森房地產開發有限公司** (「碧森」)	人民幣69,832,402元	中國／中國大陸	14.28	14.28	14.28	物業開發及物業投資

* The 50% ownership interest in Tianan is held by Shum Yip Terra (Holdings) Company Limited ("Shum Yip Terra"), a 75.05% non-wholly owned subsidiary of the Group. Therefore, the Group's effective ownership interest and profit sharing is 37.53%.

* 天安50%所有權權益由一間本集團持股75.05%之非全資附屬公司深業泰然(集團)股份有限公司(「深業泰然」)持有。因此，本集團實際所有權權益及溢利分攤佔37.53%。

** On 9 February 2018, the Group entered into investment agreements with Guangzhou Pik Sum Real Estate Development Company Limited ("Pik Sum") by contributing RMB9,972,000 (equivalent to HKD11,381,000) for joint control of Pik Sum to engage in a property development project in Panyu, Guangzhou. Although the Group's effective ownership interests in Pik Sum was only 14.28%, all the decisions about significant operating, financing and investing activities of Pik Sum require the unanimous consent of the parties sharing control and as such, Pik Sum is accounted for as a joint venture of the Group.

** 於2018年2月9日，本集團與廣州碧森房地產開發有限公司(「碧森」)訂立投資協議，透過注資人民幣9,972,000元(相當於11,381,000港元)共同控制碧森參與廣州番禺之一項物業開發項目。儘管本集團於碧森之實際所有權權益僅佔14.28%，但所有有關碧森重大營運、財務及投資活動之決策均需享有控制權之訂約方作出一致同意，因此，碧森按本集團合營公司入賬。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

All the joint ventures in which of the Group participates, are unlisted corporate entities whose quoted market prices are not available.

The following table sets out the summarised financial information in respect of Langtong adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

23 於合營公司權益 (續)

本集團參與其中之所有合營公司均為非上市企業實體，並無市場報價。

下表列示財務資料摘要，乃有關朗通就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Current assets	流動資產	1,726,530	5,419,977
Non-current assets	非流動資產	1,765,692	1,618,877
Current liabilities	流動負債	(666,825)	(5,521,258)
Non-current liabilities	非流動負債	(119,467)	–
Net assets	資產淨值	2,705,930	1,517,596
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	499,534	927,758
Revenue	收益	3,767,068	2,813,529
Profit for the year	年內溢利	1,244,721	1,006,621
Total comprehensive income for the year	年內全面收益總額	1,244,721	1,006,621
Dividend declared	已宣派之股息	–	–
Included in the above profit:	計入上述溢利：		
Depreciation and amortisation	折舊及攤銷	(258)	(449)
Interest income	利息收入	55,560	86,122
Interest expense	利息開支	–	–
Income tax expense	所得稅開支	(415,135)	(332,495)
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	50%	50%
Group's share of net assets of the joint venture	本集團分佔合營公司資產淨值	1,352,965	758,798
Goodwill on acquisition recognised by the Group	本集團確認之收購商譽	6,116	6,116
Carrying amount of the investment	投資之賬面值	1,359,081	764,914

Note: The joint venture has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

The following table sets out the summarised financial information in respect of Tianan adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

23 於合營公司權益 (續)

下表列示財務資料摘要，乃有關天安就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
Current assets	流動資產	15,072,926	14,106,801
Non-current assets	非流動資產	8,547,217	6,358,236
Current liabilities	流動負債	(9,570,817)	(8,379,513)
Non-current liabilities	非流動負債	(6,457,283)	(5,388,971)
Net assets	資產淨值	7,592,043	6,696,553
Less: Non-controlling interests	減：非控股權益	266,903	138,862
Net assets attributable to equity shareholders of the joint venture	合營公司權益股東應佔資產淨值	7,325,140	6,557,691
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	2,676,250	2,861,235
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(3,095,141)	(2,678,273)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(4,716,805)	(4,396,544)
Revenue	收益	3,466,583	3,062,644
Profit for the year	年內溢利	928,150	857,515
Total comprehensive income for the year	年內全面收益總額	928,150	857,515
Dividend declared	已宣派之股息	—	—
Included in the above profit:	計入上述溢利：		
Depreciation and amortisation	折舊及攤銷	(22,583)	(27,672)
Interest income	利息收入	13,290	34,948
Interest expense	利息開支	(76,616)	(169,449)
Income tax expense	所得稅開支	(377,603)	(337,881)
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	50%	50%
Group's share of net assets of the joint venture	本集團分佔合營公司資產淨值	3,662,570	3,278,846
Loan to the joint venture*	給予合營公司之貸款*	167,445	285,325
Carrying amount of the investment	投資之賬面值	3,830,015	3,564,171

* In accordance with the terms of the joint venture agreement, the loan is unsecured, interest free and subordinated to the other financing obtained by the joint venture. Accordingly, the shareholder's loan forms an integral part of the Group's equity investment in the joint venture and is recognised as such.

* 根據合營公司協議條款，該等貸款為無抵押、免息及後償於合營公司取得之其他融資。因此，股東貸款構成本集團於合營公司之股權投資之組成部份並按此確認。

Note: The joint venture has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

The following table sets out the summarised financial information in respect of Taizhou Shum Yip adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

23 於合營公司權益 (續)

下表列示財務資料摘要，乃有關泰州深業就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Current assets	流動資產	2,652,127	2,951,617
Non-current assets	非流動資產	2,714,794	2,775,684
Current liabilities	流動負債	(3,174,877)	(4,045,267)
Non-current liabilities	非流動負債	(1,942,362)	(1,449,534)
Net assets	資產淨值	249,682	232,500
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	383,528	208,733
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(357,535)	(735,150)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(1,942,362)	(1,449,451)
Revenue	收益	811,592	2,696,980
Profit for the year	年內溢利	226,917	303,835
Total comprehensive income for the year	年內全面收益總額	226,917	303,835
Dividend declared	已宣派之股息	102,241	146,751
Included in the above profit:	計入上述溢利：		
Depreciation and amortisation	折舊及攤銷	(225)	(217)
Interest income	利息收入	—	1,233
Interest expense	利息開支	(83,445)	(125,988)
Income tax expense	所得稅開支	(75,639)	(101,278)
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	51%	51%
Carrying amount of the investment	投資之賬面值	127,338	118,575

Note: The joint venture has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

The following table sets out the summarised financial information in respect of Shum King adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

23 於合營公司權益 (續)

下表列示財務資料摘要，乃有關深勁就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Current assets	流動資產	3,630,574	3,411,696
Current liabilities	流動負債	(30,824)	(1,295,994)
Non-current liabilities	非流動負債	(3,614,822)	(2,127,621)
Net liabilities	負債淨值	(15,072)	(11,919)
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	9,135	26,674
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	–	(1,294,090)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(3,614,822)	(2,127,621)
Revenue	收益	–	–
Loss for the year	年內虧損	(3,153)	(8,659)
Total comprehensive income for the year	年內全面收益總額	(3,153)	(8,659)
Dividend declared	已宣派之股息	–	–
Included in the above loss:	計入上述虧損：		
Depreciation and amortisation	折舊及攤銷	–	–
Interest income	利息收入	64	–
Interest expense	利息開支	–	–
Income tax expense	所得稅開支	–	–
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	50%	50%
Group's share of net assets of the joint venture	本集團分佔合營公司資產淨值	(7,536)	(5,960)
Loan to the joint venture*	給予合營公司之貸款*	1,115,825	1,063,733
Carrying amount of the investment	投資之賬面值	1,108,289	1,057,773

* In accordance with the terms of the joint venture agreement, both parties to the joint venture have provided loan capital to the joint venture in proportion to their shareholdings and under equal terms. Accordingly, the shareholder's loan forms an integral part of the Group's equity investment in the joint venture and is recognised as such.

Note: The joint venture has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

* 根據合營公司協議條款，合營公司雙方已按彼等之持股比例及根據同等條款向合營公司提供貸款。因此，股東貸款構成本集團於合營公司之股權投資之組成部份並按此確認。

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

The following table sets out the summarised financial information in respect of Pik Sum adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

23 於合營公司權益 (續)

下表列示財務資料摘要，乃有關碧森就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$' 000	\$' 000
		千元	千元
Current assets	流動資產	6,518,076	5,017,737
Non-current assets	非流動資產	15,276	29
Current liabilities	流動負債	(3,793,739)	(3,904,503)
Non-current liabilities	非流動負債	(2,712,330)	(1,039,257)
Net assets	資產淨值	27,283	74,006
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	690,191	489,834
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款項及撥備)	—	—
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款項及撥備)	(2,712,330)	(1,038,583)
Revenue*	收益*	1,036	90
Loss for the year/period*	年/期內虧損*	(45,945)	(5,909)
Total comprehensive income for the year/period*	年/期內全面收益總額*	(45,945)	(5,909)
Dividend declared	已宣派之股息	—	—
Included in the above loss:	計入上述虧損：		
Depreciation and amortisation	折舊及攤銷	(126)	(105)
Interest income	利息收入	2,085	242
Interest expense	利息開支	(13,789)	—
Income tax expense	所得稅開支	(15,315)	(175)
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	14.28%	14.28%
Group's share of net assets of the joint venture	本集團分佔合營公司資產淨值	3,896	10,568
Loan to the joint venture**	給予合營公司之貸款**	130,473	498,333
Carrying amount of the investment	投資之賬面值	134,369	508,901

* The comparatives in 2018 represented the financial information of Pik Sum for the period from 9 February 2018 (the date in which Pik Sum became a joint venture of the Group) to 31 December 2018.

** In accordance with the terms of the joint venture agreement, both parties to the joint venture have provided loan capital to the joint venture in proportion to their shareholdings and under equal terms. Accordingly, the shareholder's loan forms an integral part of the Group's equity investment in the joint venture and is recognised as such.

Note: The joint venture has initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

* 2018年的比較數據指碧森於2018年2月9日 (碧森成為本集團合營公司之日) 起至2018年12月31日止期間之財務資料。

** 根據合營公司協議條款，合營公司雙方已按彼等之持股比例及根據同等條款向合營公司提供貸款。因此，股東貸款構成本集團於合營公司之股權投資之組成部份並按此確認。

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

23 Interests in joint ventures (continued)

The following table sets out the aggregate financial information of the Group's joint ventures that are not individually material:

23 於合營公司權益 (續)

下表列示本集團個別不重要之合營公司之合計財務資料：

		2019	2018 (Note)
		2019年	2018年 (附註)
		\$'000	\$'000
		千元	千元
Share of the joint ventures' profit for the year	分佔合營公司年內溢利	59,855	22,135
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營公司之投資賬面總值	252,751	200,832

Note: The joint ventures have initially applied HKFRS16 using the modified retrospective approach. Under this approach, the comparative information is not restated.

附註：合營公司採用經修訂追溯法初次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

24 Other financial assets

24 其他金融資產

		31 December 2019 2019年 12月31日 \$' 000 千元	31 December 2018 2018年 12月31日 \$' 000 千元
Current:	流動：		
Financial assets measured at FVPL	透過損益按公允值計算之金融資產		
– Listed equity investments in Hong Kong	– 於香港之上市股權投資	2,367	3,068
Financial assets measured at amortised cost	按攤銷成本計量之金融資產		
– Finance lease receivables due within one year	– 於一年內到期之融資租賃應收款項	29,296	–
Less: Loss allowance	減：損失撥備	(568)	–
		28,728	–
		31,095	3,068
Non-current:	非流動：		
Financial assets measured at FVPL	透過損益按公允值計算之金融資產		
– Listed equity investments in mainland China	– 於中國大陸之上市股權投資	31,801	33,437
– Unlisted equity investments in mainland China (note a)	– 於中國大陸之非上市股權投資 (附註a)	6,191,000	6,261,172
– Derivative financial instrument (note a)	– 衍生金融工具 (附註a)	597,221	335,542
		6,820,022	6,630,151
Equity securities designated at FVOCI (non-recycling)	指定為透過其他全面收益按公允值計算之股本證券 (不可撥回)		
– Unlisted equity investments in mainland China	– 於中國大陸之非上市股權投資	3,748	3,832
Financial assets measured at amortised cost	按攤銷成本計量之金融資產		
– Finance lease receivables	– 融資租賃應收款項	144,210	–
– Other long term assets (note b)	– 其他長期資產 (附註b)	2,157,680	2,549,654
Less: Loss allowance	減：損失撥備	(88,727)	(106,290)
		2,213,163	2,443,364
		9,036,933	9,077,347

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

24 Other financial assets (continued)

Notes:

- a. The balance mainly represented the Group's Hengda Investments of \$6,788,221,000 (2018: \$6,596,714,000), the details of which are set out below:

On 31 May 2017, 28 June 2017 and 6 November 2017, the Group entered into investment agreements ("Investment Agreements") with Guangzhou Kailong Real Estate Company Limited ("Kailong Real Estate"), Hengda Real Estate, both of which are subsidiaries of China Evergrande Group, and Mr. Hui Ka Yan ("Mr. Hui", a director and controlling shareholder of China Evergrande Group). Pursuant to the Investment Agreements, the Group agreed to contribute RMB5,500,000,000 (equivalent to \$6,337,100,000) to the capital of Hengda Real Estate for acquisition of approximately 2.0522% of the enlarged equity interest of Hengda Real Estate at the date of contribution, which was subsequently diluted to 1.7626% of the enlarged equity interest of Hengda Real Estate after the capital contributions from other investors in November 2017.

Hengda Real Estate is undergoing a major assets reorganisation such that Kailong Real Estate, as the holding company of Hengda Real Estate, will become the controlling shareholder of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co. Ltd., a company listed on the Shenzhen Stock Exchange, after the major assets reorganisation ("Proposed Reorganisation"). If the Proposed Reorganisation of Hengda Real Estate is not completed by 31 January 2020 ("Listing Deadline") and the failure to complete is not caused by reasons attributable to the Group, the Group is entitled to have the right ("Hengda Option Right") within two months of the expiry of the Listing Deadline to demand Kailong Real Estate to either:

- (i) buy back the entire equity interest in Hengda Real Estate held by the Group at the original amount of capital contributed by it, provided that Kailong Real Estate may choose not to buy back such equity interest from the Group, in which case, the Group will have the right to request Mr. Hui to buy back the entire equity interest held by the Group at the original amount of capital contributed by it; or
- (ii) transfer additional shares, which are equivalent to 50% of the equity interest held by the Group in Hengda Real Estate on the signing of the compensation agreement (excluding any additional equity interest acquired by the Group after the date of the Investment Agreements), to the Group at nil consideration.

In addition, under the terms of the Investment Agreements, Kailong Real Estate and Hengda Real Estate have undertaken to the Group that the net profit of Hengda Real Estate for the three financial years of 2017, 2018 and 2019 ("Performing Undertaking Period") shall not be less than RMB24.3 billion, RMB50 billion and RMB55 billion, respectively. If the net profit of Hengda Real Estate for any financial year in the Performance Undertaking Period is less than the amount for that financial year, the proportional dividend to be paid by Hengda Real Estate to the Group will be adjusted upward in accordance with the formulae specified in the Investment Agreements (the "Minimum Dividend Payment Mechanism").

The Group has undertaken to Hengda Real Estate and its holding company, Kailong Real Estate, that it will not transfer its interests in Hengda Real Estate or create any encumbrances over such interests without the consent of Kailong Real Estate for a period of three years from completion of the capital contribution.

24 其他金融資產 (續)

附註:

- a. 結餘主要指本集團之恒大投資6,788,221,000元(2018年:6,596,714,000元)，其詳情載列如下:

於2017年5月31日、2017年6月28日及2017年11月6日，本集團與廣州市凱隆置業有限公司(「凱隆置業」)及恒大地產(均為中國恒大集團之附屬公司)以及許家印先生(「許先生」，中國恒大集團之董事及控股股東)訂立投資協議(「投資協議」)。根據投資協議，本集團同意向恒大地產投入資本人民幣5,500,000,000元(相當於6,337,100,000元)，以於注資日收購恒大地產經擴大股權約2.0522%，其隨後於其他投資者於2017年11月注資後攤薄至恒大地產經擴大股權的1.7626%。

恒大地產正在進行重大資產重組，於重大資產重組後，恒大地產的控股公司凱隆置業將成為深圳證券交易所上市公司深圳經濟特區房地產(集團)股份有限公司的控股股東(「建議重組」)。倘恒大地產的建議重組於2020年1月31日(「上市最後日期」)前尚未完成，而未能完成並非由本集團造成，則本集團有權(「恒大選擇權」)於上市最後日期屆滿前兩個月內向凱隆置業提出下列要求:

- (i) 以其原本注資金額回購本集團所持有的恒大地產的全部股權，惟凱隆置業或選擇不向本集團回購有關股權，在此情況下，本集團將有權要求許先生以其原本注資金額回購本集團所持有的全部股權；或
- (ii) 無償向本集團轉讓額外股份，相等於本集團於簽署補償協議時持有之恒大地產股權的50%(不包括本集團於投資協議日期後收購的任何額外股權)。

此外，根據投資協議條款，凱隆置業及恒大地產向本集團承諾，恒大地產於2017年、2018年及2019年三個財政年度(「履約承諾期間」)的淨利潤將分別不少於人民幣243億元、人民幣500億元及人民幣550億元。倘恒大地產於履約承諾期間的任一財政年度的淨利潤少於該財政年度的金額，則恒大地產將向本集團派付的股息的比例將根據投資協議訂明的公式向上調整(「最低股息派付機制」)。

本集團向恒大地產及其控股公司凱隆置業承諾，於該注資完成起計三年期間內，在未經凱隆置業同意下，本集團將不會轉讓其於恒大地產之權益或就有關權益增設任何產權負擔。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

24 Other financial assets (continued)

Notes: (continued)

On 13 January 2020, the Group, Kailong Real Estate, Hengda Real Estate and Mr. Hui entered into a supplemental investment agreement pursuant to which the parties thereto have agreed to amend certain terms of the Investment Agreements as follows:

- (i) Original Listing Deadline has been extended from 31 January 2020 to 31 January 2021;
- (ii) Kailong Real Estate and Hengda Real Estate have further undertaken to the Group that the amount of net profit of Hengda Real Estate for financial year 2020 will not be less than RMB60 billion; and
- (iii) the same Minimum Dividend Payment Mechanism provided for in the Investment Agreements in respect of the financial years of 2017, 2018 and 2019 will also apply to the financial year of 2020.

During the year ended 31 December 2019, there was an increase in fair value in respect of Hengda Investments of \$342,297,000 (2018: \$845,962,000), which was recognised in the consolidated statement of profit or loss.

- b. As at 31 December 2019, other long term assets mainly represented non-current receivables from a government authority of \$1,007,088,000 (2018: \$1,415,494,000), loans to a joint venture of \$1,051,665,000 (2018: \$1,013,478,000) and associates of \$12,994,000 (2018: \$14,392,000).

25 Biological assets

The Group's total amounts of the biological assets are as follows:

	2019	2018
	2019年	2018年
	\$'000	\$'000
	千元	千元
Trading biological assets	2,205	1,537
消耗性生物資產	2,205	1,537

The Group's biological assets comprise mainly cloned orchid flowers.

The Group's biological assets were revalued by management at the end of each reporting period on a fair value basis. The fair value less estimated point-of-sale costs of the biological assets was determined using the market approach, which was determined based on the most recent market transaction prices.

24 其他金融資產(續)

附註：(續)

於2020年1月13日，本集團、凱隆置業、恒大地產及許先生訂立補充投資協議，據此，訂約方已同意修訂投資協議之下列若干條款：

- (i) 原上市最後日期已由2020年1月31日延長至2021年1月31日；
- (ii) 凱隆置業及恒大地產已向本集團進一步承諾，恒大地產於2020年財政年度的淨利潤金額將不得少於人民幣600億元；及
- (iii) 就2017年、2018年及2019年財政年度於投資協議規定的相同最低股息派付機制亦將適用於2020年財政年度。

截至2019年12月31日止年度，有關恒大投資之公允值增加342,297,000元（2018年：845,962,000元），乃於綜合損益表內確認。

- b. 於2019年12月31日，其他長期資產主要指非流動應收政府機關款項1,007,088,000元（2018年：1,415,494,000元）、給予合營公司之貸款1,051,665,000元（2018年：1,013,478,000元）及給予聯營公司之貸款12,994,000元（2018年：14,392,000元）。

25 生物資產

本集團生物資產總額如下：

本集團之生物資產主要包括克隆蘭花。

本集團之生物資產由管理層於各報告期末按公允值基準重估。生物資產之公允值減估計銷售點成本乃以市場法釐定，即按最近期市場交易價格釐定。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

25 Biological assets (continued)

A reconciliation of the carrying values of the biological assets is as follows:

25 生物資產(續)

生物資產之賬面值對賬如下：

Trading biological assets 消耗性生物資產		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
At 1 January	於1月1日	1,537	333
Purchases	購買	4,393	4,949
Sales	銷售	(3,667)	(3,670)
Exchange realignment	匯兌調整	(58)	(75)
		2,205	1,537

26 Inventories

26 存貨

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Raw materials	原材料	65,683	63,934
Work in progress	在產品	52,977	45,952
Finished goods	製成品	76,517	21,999
		195,177	131,885

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

27 Trade receivables

27 應收賬款

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$' 000	\$' 000
		千元	千元
Trade receivables	應收賬款	725,876	697,064
Less: loss allowance account	減：損失撥備賬	(132,264)	(118,596)
		593,612	578,468

Under normal circumstances, the Group does not grant any credit terms to its customers for the sale of properties. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

在正常情況下，本集團不會向客戶就物業出售授出任何信貸期。本集團設法對未收回應收款項保持嚴格控制及減低信貸風險。鑑於上述原因及本集團之應收賬款涉及多個行業之眾多客戶，故本集團並無過度集中之信貸風險。本集團並無就其應收賬款結餘持有任何抵押品或其他信貸升級。應收賬款為不計息款項。

An aged analysis of the trade receivables as at the end of the reporting period, based on the contract date and net of provision, is as follows:

於報告期末以合約日期計算並扣除撥備之應收賬款賬齡分析如下：

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$' 000	\$' 000
		千元	千元
Within one year	一年內	438,893	430,387
One to two years	一年至兩年內	122,226	140,548
Two to three years	兩年至三年內	32,493	7,533
		593,612	578,468

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

28 Prepayments, deposits and other receivables

28 預付款項、訂金及其他應收款項

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$'000	\$'000
		千元	千元
Prepayments	預付款項	248,136	263,058
Deposits and other receivables	訂金及其他應收款項	3,970,852	2,318,011
Loans to joint ventures (note)	給予合營公司之貸款(附註)	584,656	1,133,928
Loans to associates (note)	給予聯營公司之貸款(附註)	1,116	1,463
Due from the immediate holding company (note)	應收直接控股公司款項(附註)	1,337	2,302
Due from the ultimate holding company (note)	應收最終控股公司款項(附註)	—	180,658
Due from non-controlling shareholders	應收非控股股東款項	2,233	8,610
		4,808,330	3,908,030
Less: loss allowance	減：損失撥備	(171,955)	(148,382)
		4,636,375	3,759,648

Note: Except for interest-bearing loans to related parties of \$553,744,000 (2018: \$1,131,171,000), the balances are unsecured, interest-free and have no fixed terms of repayment.

附註：除給予關聯方之計息貸款553,744,000元(2018年：1,131,171,000元)外，結餘款項為無抵押、免息且無固定還款期限。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash

(a) Cash and cash equivalents comprise:

		2019	2018
		2019年	2018年
		\$' 000	\$' 000
		千元	千元
Cash and bank balances	現金及銀行結餘	11,312,887	11,547,664
Non-pledged time deposits with original maturity of less than three months when acquired	購入時原到期日少於三個月之無抵押定期存款	1,059,873	1,107,527
		12,372,760	12,655,191
Less: Restricted cash	減：受限制現金	(2,719,521)	(2,822,965)
Cash and cash equivalents	現金及現金等價物	9,653,239	9,832,226

As at 31 December 2019, there was \$2,522,202,000 (2018: \$2,686,891,000) in the Group's restricted cash, which was limited to use in the development of certain property projects. In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amounts of presale proceeds from properties as guarantee deposits for the construction of related properties. The deposits can only be used for purchases of construction materials and the payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after completion of the related pre-sold properties or issuance of the real estate ownership certificates, whichever is the earlier.

At 31 December 2019, the Group's cash and cash equivalents and restricted cash of denominated in Renminbi ("RMB") amounted to \$11,338,196,000 (2018: \$11,793,289,000). The RMB is not freely convertible into other currencies. However, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

29 現金及現金等價物及受限制現金

(a) 現金及現金等價物包括：

於2019年12月31日，本集團受限制現金有2,522,202,000元（2018年：2,686,891,000元），僅可用作開發若干物業項目。根據中國國有土地資源管理局頒佈之有關文件，本集團若干物業開發公司須於指定銀行賬戶存放若干數額之預售物業所得款項，作為相關物業建造專項之擔保存款。該存款僅可於獲得中國國有土地資源管理局批准時用於購買建材及支付有關物業項目之建造費用。有關擔保存款僅會於相關預售物業竣工或簽發房地產權證（以較早發生者為準）後方予解除。

於2019年12月31日，本集團以人民幣（「人民幣」）計值之現金及現金等價物以及受限制現金共11,338,196,000元（2018年：11,793,289,000元）。人民幣並不可自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務之銀行將人民幣兌換為其他貨幣。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued)

(b) Reconciliation of profit before taxation to cash generated from operations:

29 現金及現金等價物及受限制現金(續)

(b) 除稅前溢利與來自經營業務之現金之對賬如下：

			2019	2018
		Note	2019年	2018年
		附註	\$'000	(附註)
			千元	\$'000
				千元
Profit before taxation	除稅前溢利		6,684,537	6,803,008
Adjustments for:	按下列各項調整：			
Finance costs	融資成本	7	561,210	882,699
Interest income	利息收入	6	(217,983)	(257,684)
Depreciation	折舊	6	235,519	196,571
Increase in fair value of investment properties	投資物業公允值增加	17	(434,258)	(979,924)
Increase in fair value upon transfer to investment properties	轉撥至投資物業後公允值上升	17	(958,779)	(302,943)
Dividend income from other financial assets	來自其他金融資產之股息收入	6	(1,825)	(594,840)
Share of profits less losses of joint ventures and associates	應佔合營公司及聯營公司溢利減虧損		(2,045,785)	(1,890,638)
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	15	1,141	1,222
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	8	732	3,414
Gain on disposal of subsidiaries	出售附屬公司利得		–	10,364
Loss allowance of trade receivables, net	應收賬款損失撥備淨額	8	16,625	(51,593)
Loss allowance of prepayments, deposits and other receivables, net	預付款項、訂金及其他應收款項損失撥備淨額	8	27,265	31,405
Loss allowance of other financial assets, net	其他金融資產損失撥備淨額	8	(14,942)	17,303
Deficits on revaluation	重估虧絀	14	268,295	–
Sublease income	轉租收入	6	(40,245)	–
Increase/(decrease) in fair value of financial assets at fair value through profit or loss, net	透過損益按公允值計算之金融資產公允值增加/(減少)淨額		(340,676)	849,929
Equity-settled share option expense	以股本支付之購股權開支	8(b)	26,836	42,130
			3,767,667	4,760,423

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued)

(b) Reconciliation of profit before taxation to cash generated from operations: (continued)

29 現金及現金等價物及受限制現金(續)

(b) 除稅前溢利與來自經營業務之現金之對賬如下：(續)

		2019	2018
	Note	2019年	2018年
	附註	\$' 000	\$' 000
		千元	千元
Changes in working capital:	營運資金變動：		
Decrease in trade receivables and other financial assets	應收賬款及其他金融資產減少	393,511	129,480
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、訂金及其他應收款項(增加)/減少	(749,050)	512,476
Increase in inventories	存貨增加	(66,181)	(21,505)
Increase in trading biological assets	消耗性生物資產增加	(668)	(1,278)
Decrease in completed properties held for sale	持作待售之已落成物業減少	6,748,887	10,776,730
Increase in properties under development	發展中物業增加	(9,273,306)	(12,762,749)
Increase in trade payables	應付賬款增加	711,802	408,361
Decrease in other payables and accruals	其他應付款項及應計費用減少	(949,731)	(9,064,876)
Increase in contract liabilities	合約負債增加	7,658,890	11,232,109
Increase/(decrease) in deferred income	遞延收入增加/(減少)	5,813	(4,010)
Increase/(decrease) in restricted cash	受限制現金增加/(減少)	41,607	(1,089,481)
Cash generated from operations	經營業務產生之現金	8,289,241	4,875,680

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets and lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Previously, cash payments under operating leases made by the Group as a lessee of \$5,432,309,000 were classified as operating activities in the consolidated cash flow statement. Under HKFRS 16, except for short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of lease liabilities, all other rentals paid on leases are now split into capital element and interest element (see note 29(c)) and classified as financing cash outflows and operating cash outflows respectively. Under the modified retrospective approach, the comparative information is not restated. Further details on the impact of the transition to HKFRS 16 are set out in note 2(c).

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的使用權資產及租賃負債。此前，本集團作為承租人根據經營租賃作出的現金付款5,432,309,000元分類為綜合現金流量表中的經營活動。根據香港財務報告準則第16號，除未計入計量租賃負債的短期租賃付款、租賃低價值資產付款及可變租賃付款外，所有其他就租賃已付租金現時分類為資本要素及利息要素(見附註29(c))並分別分類為融資現金流出及經營現金流出。根據經修訂追溯法，比較資料並無重列。有關過渡至香港財務報告準則第16號的影響之進一步詳情載於附註2(c)。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued)

(c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flow from financing activities.

29 現金及現金等價物及受限制現金(續)

(c) 來自融資活動之負債之對賬：

下表詳述本集團來自融資活動之負債變動，包括現金及非現金變動。來自融資活動之負債為其現金流量或將來現金流量於本集團綜合現金流量表中分類為融資活動現金流量的負債。

		Interest-bearing bank and other borrowings	Lease liabilities	Due to the ultimate holding company	Due to the immediate holding company	Loans from fellow subsidiaries	Loans from associates	Loans from joint ventures	Loans from non-controlling shareholders	Total
		計息銀行及其他借貸	租賃負債	應付最終控股公司款項	應付直接控股公司款項	同系附屬公司貸款	聯營公司貸款	合營公司貸款	非控股股東貸款	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元
		(Note 30)	(Note 31)							
		(附註30)	(附註31)							
At 31 December 2018	於2018年12月31日	25,260,765	-	4,734,953	1,233,548	3,132,996	46,950	1,167,231	821,091	36,397,534
Impact on initial application of HKFRS 16 (Note)	初始應用香港財務報告準則第16號之影響(附註)	-	48,177	-	-	-	-	-	-	48,177
At 1 January 2019	於2019年1月1日	25,260,765	48,177	4,734,953	1,233,548	3,132,996	46,950	1,167,231	821,091	36,445,711
Changes from financing cash flows:	來自融資現金流量之變動：									
Proceeds from new bank loans	新銀行貸款所得款項	8,148,401	-	-	-	-	-	-	-	8,148,401
Repayments of bank loans	償還銀行貸款	(8,846,436)	-	-	-	-	-	-	-	(8,846,436)
Proceeds from loans from non-controlling shareholders	來自非控股股東之貸款之所得款項	-	-	-	-	-	-	-	30,386	30,386
Repayments of loans from non-controlling shareholders	償還來自非控股股東之貸款	-	-	-	-	-	-	-	(193,324)	(193,324)
Capital element of lease rentals paid	已付租賃租金之資本部分	-	(93,175)	-	-	-	-	-	-	(93,175)
Proceeds from loans from related parties	來自關聯方之貸款之所得款項	-	-	5,575,380	16,671	3,910,340	1,036	-	-	9,503,427
Repayment of loans from related parties	償還來自關聯方之貸款	-	-	(8,379,383)	(16,164)	(2,958,674)	(1,629)	(838,730)	-	(12,194,580)
Totals changes from financing cash flows	來自融資現金流量之變動總額	(698,035)	(93,175)	(2,804,003)	507	951,666	(593)	(838,730)	(162,938)	(3,645,301)

Notes to the Financial Statements
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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued) 29 現金及現金等價物及受限制現金 (續)
(c) Reconciliation of liabilities arising from financing activities: (c) 來自融資活動之負債之對賬：(續)
(continued)

	Interest-bearing bank and other borrowings	Lease liabilities	Due to the ultimate holding company	Due to the immediate holding company	Loans from fellow subsidiaries	Loans from associates	Loans from joint ventures	Loans from non-controlling shareholders	Total	
	計息銀行及其他借貸	租賃負債	應付最終控股公司款項	應付直接控股公司款項	同系附屬公司貸款	聯營公司貸款	合營公司貸款	非控股股東貸款	總額	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	千元	千元	千元	千元	
	(Note 30)	(Note 31)								
	(附註30)	(附註31)								
Interest paid included as changes in operating cashflows	列作經營現金流量變動之已付利息	(1,098,249)	(25,190)	(54,731)	-	(78,256)	-	(7,642)	(1,264,068)	
Exchange adjustments	匯兌調整	(264,812)	(8,333)	(56,800)	(3,422)	(87,078)	(435)	(10,600)	(416,555)	
Other changes:	其他變動：									
Increase in lease liabilities from entering into new leases during the year	年內訂立新租賃產生之租賃負債增加	-	558,348	-	-	-	-	-	558,348	
Finance costs (note 7)	融資成本 (附註7)	395,095	25,190	61,383	33,213	14,349	-	24,338	561,210	
Capitalised borrowing costs	資本化借貸成本	703,154	-	55,671	-	116,207	-	-	875,032	
At 31 December 2019	於2019年12月31日	24,297,918	505,017	1,936,473	1,263,846	4,049,884	45,922	342,239	673,078	33,114,377

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. See notes 2(c) and 29(b).

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。見附註2(c)及29(b)。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued) (c) Reconciliation of liabilities arising from financing activities (continued):

29 現金及現金等價物及受限制現金(續) (c) 來自融資活動之負債之對賬(續):

		Interest-bearing bank and other borrowings	Due to the ultimate holding company	Due to the immediate holding company	Loans from fellow subsidiaries	Loans from associates	Loans from joint ventures	Loans from non-controlling shareholders	Total
		計息銀行及其他借貸	應付最終控股公司款項	應付直接控股公司款項	同系附屬公司貸款	聯營公司貸款	合營公司貸款	非控股股東貸款	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
		(Note 30)	(Note 30)	(Note 30)	(Note 30)	(Note 30)	(Note 30)	(Note 30)	(Note 30)
		(附註30)	(附註30)	(附註30)	(附註30)	(附註30)	(附註30)	(附註30)	(附註30)
At 1 January 2018	於2018年1月1日	22,903,246	5,107,312	2,141,290	1,074,446	81,145	2,648,740	1,033,844	34,990,023
Changes from financing cash flows:	來自融資現金流量之變動:								
Proceeds from new bank loans	新銀行貸款所得款項	17,893,937	-	-	-	-	-	-	17,893,937
Repayments of bank loans	償還銀行貸款	(14,964,514)	-	-	-	-	-	-	(14,964,514)
Proceeds from loans from related parties	來自關聯方之借款之所得款項	-	4,464,811	29,063	4,489,331	59	-	-	8,983,264
Repayment of loans from related parties	償還來自關聯方之借款	-	(4,809,962)	(974,045)	(2,432,441)	(31,445)	(1,451,094)	-	(9,698,987)
Totals changes from financing cash flows	來自融資現金流量之變動總額	2,929,423	(345,151)	(944,982)	2,056,890	(31,386)	(1,451,094)	-	2,213,700
Interest paid included as changes in operating cash flows	列作經營現金流量變動之已付利息	(1,374,433)	(134,642)	-	(5,757)	-	(15,841)	(165,642)	(1,696,315)
Exchange adjustments	匯兌調整	(511,767)	(73,388)	1,058	(121,142)	(2,809)	(70,547)	(51,773)	(830,368)
Other changes:	其他變動:								
Finance costs (note 7)	融資成本(附註7)	664,358	32,421	36,182	89,103	-	55,973	4,662	882,699
Capitalised borrowing costs	資本化借貸成本	649,938	148,401	-	39,456	-	-	-	837,795
At 31 December 2018	於2018年12月31日	25,260,765	4,734,953	1,233,548	3,132,996	46,950	1,167,231	821,091	36,397,534

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

29 Cash and cash equivalents and restricted cash (continued)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

		2019	2018
			(Note)
		2019年	2018年
			(附註)
		\$' 000	\$' 000
		千元	千元
Within operating cash flows	屬於經營現金流量	4,555,046	5,432,309
Within investing cash flows	屬於投資現金流量	620,223	319,674
Within financing cash flows	屬於融資現金流量	93,175	—
		5,268,444	5,751,983

Note: As explained in the note to note 29(b), the adoption of HKFRS 16 introduces a change in classification of cash flows of certain rentals paid on leases. The comparative amounts have not been restated.

附註：如附註29(b)所闡釋，採納香港財務報告準則第16號導致若干租賃已付租金的現金流量分類變動。比較金額並無重列。

These amounts relate to the following:

與以下相關的該等金額：

		2019	2018
			(Note)
		2019年	2018年
			(附註)
		\$' 000	\$' 000
		千元	千元
Lease rentals paid	已付租賃租金	128,632	25,433
Purchase of leasehold property	購買租賃物業	5,139,812	5,726,550
		5,268,444	5,751,983

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

30 Interest-bearing bank and other borrowings

30 計息銀行及其他借貸

		2019		2018	
		2019年		2018年	
		Effective/ contractual interest rate (%)	\$' 000	Effective/ contractual interest rate (%)	\$' 000
		實際/ 合約利率(%)	千元	實際/ 合約利率(%)	千元
Current	即期				
Bank loans – secured	銀行貸款 – 有抵押	4.9	132,683		–
Bank loans – unsecured	銀行貸款 – 無抵押	3.09 – 5.84	7,157,228	2.60 – 5.84	5,898,502
Other borrowings – unsecured	其他借貸 – 無抵押	6.80	1,116,300		–
			8,406,211		5,898,502
Non-current	非即期				
Bank loans – secured	銀行貸款 – 有抵押	4.90 – 4.99	250,525	4.90 – 4.99	373,343
Bank loans – unsecured	銀行貸款 – 無抵押	4.14 – 5.39	13,966,732	3.84 – 6.80	16,135,670
Other borrowings – unsecured	其他借貸 – 無抵押	6.80	1,674,450	6.80	2,853,250
			15,891,707		19,362,263
			24,297,918		25,260,765

All of the non-current interest-bearing borrowings are carried at amortised cost. None of the non-current interest-bearing borrowings is expected to be settled within one year.

所有非即期計息借貸均按攤銷成本列賬。非即期計息借貸預期不會於一年內清償。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

30 Interest-bearing bank and other borrowings (continued)

30 計息銀行及其他借貸(續)

		2019	2018
		2019年	2018年
		\$' 000	\$' 000
		千元	千元
Analysed into:	分析：		
Bank loans repayable:	應償還之銀行貸款：		
Within 1 year or on demand	一年內或按要求	7,289,911	5,898,502
After 1 year but within 2 years	一年至兩年內	4,361,607	6,308,661
After 2 years but within 5 years	兩年至五年內	9,855,650	9,892,201
After 5 years	五年以上	–	308,151
		21,507,168	22,407,515
Other borrowings repayable:	應償還之其他借貸：		
Within one year	一年內	1,116,300	–
In the second year	第二年	1,674,450	1,141,300
From third to fifth years	三年至五年	–	1,711,950
		2,790,750	2,853,250
		24,297,918	25,260,765

(a) Bank loans amounting to \$383,208,000 (2018: \$373,343,000) were secured by certain of the Group's assets with carrying amounts as below:

(a) 金額為383,208,000元之銀行貸款(2018年：373,343,000元)以下列賬面值之若干本集團資產作抵押：

		2019	2018
		2019年	2018年
		\$' 000	\$' 000
		千元	千元
Land and buildings in mainland China (note 14)	於中國大陸之土地及樓宇(附註14)	605,816	646,862
Properties under development (note 19)	發展中物業(附註19)	1,086,976	1,111,319
Investment properties (note 17)	投資物業(附註17)	498,181	497,515

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

30 Interest-bearing bank and other borrowings (continued)

- (b) A subsidiary in mainland China has entered into a fund arrangement with a financial institution (the "Trustee"), pursuant to which the Trustee has raised trust fund amounting to RMB2,500,000,000 (equivalent to \$2,790,750,000) (2018: RMB2,500,000,000 (equivalent to \$2,853,250,000)) and provided the fund to the subsidiary for financing a property development project of the subsidiary. The fund bears a fixed interest rate at 6.80% (2018: 6.80%) per annum. The fund shall be repaid by the Group in two instalments, with \$1,116,300,000 to be repaid in May 2020 and the remaining balance to be repaid in May 2021. The fund is guaranteed by Shum Yip Group, the Group's ultimate holding company. This transaction constitutes continuing connected transactions as defined in Chapter 14A of the Listing Rules but is exempt from the disclosure requirements under Chapter 14A as it is a financial assistance received by the Group which is conducted on normal commercial terms or better, and is not secured by the assets of the Group.
- (c) Except for the bank loans equivalent to approximately \$12,492,202,000 (2018: \$13,074,322,000), which are denominated in Hong Kong dollars, all borrowings as at 31 December 2019 are denominated in RMB.
- (d) Certain of the Group's banking facilities are subject to the fulfillment of covenants relating to the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 39(b). As 31 December 2019. None of the covenants relating to drawn down facilities had been breached (2018: nil).

30 計息銀行及其他借貸(續)

- (b) 中國大陸之一間附屬公司與一間金融機構(「受託人」)簽訂資金安排，據此，受託人已籌集信託基金人民幣2,500,000,000元(相當於2,790,750,000元)(2018年：人民幣2,500,000,000元(相當於2,853,250,000元))及就撥付附屬公司之一個物業發展項目所需資金向附屬公司提供資金。該筆資金按固定年利率6.80%(2018年：6.80%)計息，將由本集團分兩期償還，於2020年5月償還1,116,300,000元及餘下結餘將於2021年5月償還。該筆資金由本集團的最終控股公司深業集團擔保。由於該交易為本集團接收之財務資助，因此構成上市規則第14A章內所界定之持續關聯交易，惟獲豁免遵守第14A章內之披露規定，該交易按一般商業條款或更佳條款進行，且毋須以本集團之資產作抵押。
- (c) 除相當於約12,492,202,000元(2018年：13,074,322,000元)之銀行貸款以港元計值外，於2019年12月31日之所有借貸均以人民幣計值。
- (d) 標有關之契諾獲履行後方告作實(常見於與金融機構簽訂之貸款協議中)。倘若本集團違反契諾，則已支取之融資將變為須於要求時償還。本集團定期監察其遵守該等契諾之情況。本集團管控流動性風險之進一步詳情載於附註39(b)。於2019年12月31日，概無與已支取融資有關之契諾遭違反(2018年：無)。

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31 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting periods and at the date of transition to HKFRS 16:

31 租賃負債

本集團租賃負債於本報告期末及過渡至香港財務報告準則第16號當日的剩餘合約期限如下：

		31 December 2019 2019年12月31日		1 January 2019 (Note a) 2019年1月1日(附註a)	
		Present value of the minimum lease payments 最低租賃付款之現值 \$'000 千元	Total minimum lease payments 最低租賃付款總額 \$'000 千元	Present value of the minimum lease payments 最低租賃付款之現值 \$'000 千元	Total minimum lease payments 最低租賃付款總額 \$'000 千元
Within 1 year	一年內	103,476	125,116	16,480	18,281
After 1 year but within 2 years	一年至兩年內	94,766	111,670	15,367	16,508
After 2 years but within 5 years	兩年至五年內	256,257	290,223	16,330	16,827
After 5 years	五年以上	50,518	57,960	—	—
		401,541	459,853	31,697	33,335
		505,017	584,969	48,177	51,616
Less: total future interest expenses	減：未來利息開支總額		(79,952)		(3,439)
Present value of lease liabilities	租賃負債之現值		505,017		48,177

At 31 December 2019, the above balance includes lease liabilities in respect of certain leasehold properties from the Group's immediate holding company, an associate and fellow subsidiaries of \$9,448,000, \$101,065,000 and \$54,429,000 respectively.

於2019年12月31日，上述結餘包括分別租入本集團直接控股公司、一間聯營公司及同系附屬公司之若干租賃物業之租賃負債9,448,000元、101,065,000元及54,429,000元。

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. At 31 December 2018, the Group did not have any leases classified as finance leases and therefore did not have any lease liabilities. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 2(c).

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。於2018年12月31日，本集團並無擁有任何分類為融資租賃之租賃，因此，並無擁有任何租賃負債。於2018年12月31日之比較資料並無重列。有關過渡至香港財務報告準則第16號之影響之進一步詳情載於附註2(c)。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

32 Trade payables

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Within one year	一年內	2,026,082	1,206,283
One to two years	一年至兩年內	124,859	327,110
Two to three years	兩年至三年內	106,228	188,902
Over three years	三年以上	368,440	234,373
		2,625,609	1,956,668

The total amounts of the trade payables are non-interest-bearing. All the trade payables are expected to be settled within one year.

32 應付賬款

於報告期末按發票日期計算之應付賬款賬齡分析如下：

應付賬款總額為不計息款項。所有應付賬款預期於一年內清償。

33 Other payables and accruals

		31 December 2019 2019年 12月31日 \$'000 千元	31 December 2018 2018年 12月31日 \$'000 千元
Receipts in advance	預收款項	82,757	55,006
Other payables	其他應付款項	8,520,676	7,687,594
Loans from associates	來自聯營公司之貸款	45,922	46,950
Loans from joint ventures	來自合營公司之貸款	342,239	1,167,231
Loans from fellow subsidiaries	來自同系附屬公司之貸款	4,049,884	3,132,996
Accruals and provisions	應計費用及撥備	32,730	72,264
		13,074,208	12,162,041

The balances are repayable on demand, except for interest-bearing loans from related parties of \$4,210,851,000 (2018: \$4,139,666,000) which is expected to be settled within one year.

33 其他應付款項及應計費用

結餘須按要求償還，惟來自關聯方之計息貸款4,210,851,000元（2018年：4,139,666,000元）預期於一年內清償。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

34 Contract liabilities

34 合約負債

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$' 000	\$' 000
		千元	千元
Contract liabilities	合約負債		
Property development	物業開發		
– Forward sales deposits and instalments received	– 預售定金及已收分期款項	18,100,667	11,232,109

Typical payment terms which impact on the amount of contract liabilities of property development recognised are as follows:

The Group receives certain amount of deposit from customers when they sign the sale and purchase agreements. These deposits are recognised as contract liabilities until the relevant properties are completed and ready for hand-over to the customers.

The Group may require the customers to pay off the remaining balance of the consideration within an agreed timeframe while constructions are still ongoing, rather than on the completion of the relevant properties. Such advance payment schemes result in contract liabilities being recognised throughout the remaining property construction period for the full amount of the contract price. In addition, the contract liabilities will be increased by the amount of interest expense being accrued by the Group to reflect the effect of any significant financing benefit obtained from the customers during the period between the payment and hand-over date. As this accrual increases the amount of the contract liabilities during the period of construction, it therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer.

對已確認物業開發合約負債金額構成影響之一般支付條款如下：

本集團於客戶簽署買賣協議時自彼等收取若干訂金。該等訂金確認為合約負債，直至有關物業落成並可供轉讓予客戶為止。

本集團可要求客戶於建造工程仍在進行之協定時間內而非於有關物業落成時償還剩餘代價。有關提前付款計劃會導致於整個剩餘物業建造期間按全額合約價格確認合約負債。此外，本集團用以反映於付款日期與轉讓日期期間自客戶獲得的任何重大融資利益影響之應計利息開支金額將會增加合約負債。由於此應計費用會增加建造期間合約負債之金額，故其會增加落成物業之控制權轉讓予客戶時已確認收益之金額。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

34 Contract liabilities (continued) Movements in contract liabilities

34 合約負債(續) 合約負債變動

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Balance at 1 January	於1月1日之結餘	11,232,109	9,154,326
Recognising revenue that was included in the contract liabilities at the beginning of the year	確認於年初計入合約負債之收益	(4,641,888)	(7,006,306)
Receiving forward sales deposits and instalments	收取預售訂金及分期款項	11,082,358	8,935,235
Accruing interest expense on advances received	預收款項應計利息開支	428,088	148,854
Balance at 31 December	於12月31日之結餘	18,100,667	11,232,109

The amount of billings in advance of performance and forward sales deposits and instalments received expected to be recognised as income after more than one year is \$2,933,074,000 (2018: \$501,927,000).

預期於超過一年後確認為收入之履約預付款項、預售訂金及已收分期款項預期為2,933,074,000元(2018年：501,927,000元)。

35 Income tax in the consolidated statement of financial position

35 綜合財務狀況表內之所得稅

(a) Current tax in the consolidated statement of financial position represents:

(a) 綜合財務狀況表內之即期稅項指：

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Provision for CIT	企業所得稅撥備	851,898	1,115,933
Provision for LAT	土地增值稅撥備	5,395,663	6,135,730
		6,247,561	7,251,663

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35 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax asset and liabilities recognised

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities:

35 綜合財務狀況表內之所得稅 (續)

(b) 已確認遞延稅項資產及負債

遞延稅項負債及資產年內變動如下：

遞延稅項負債：

		2019 2019年							
		Withholding tax on dividend (note) 股息預扣稅 (附註)	Revaluation of investment properties 投資物業重估	Revaluation of assets 資產重估	Revaluation of other financial assets 其他金融資產重估	Fair value adjustment arising from acquisition of subsidiaries 因收購附屬公司產生之公允價值調整	Accelerated tax depreciation on investment properties 投資物業之加速稅項折舊	Others 其他	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1 January 2019	於2019年1月1日	303,719	3,414,374	59,937	78,972	4,455,582	282,036	127,205	8,721,825
Deferred tax charged/ (credited) to the statement of profit or loss during the year	本年度扣除/ (計入) 損益表內之遞延稅項	5,081	348,259	-	85,169	(324,433)	60,523	(17,800)	156,799
Deferred tax credited to equity during the year	本年度計入權益之遞延稅項	-	15,305	121,267	-	-	-	-	136,572
Exchange realignment	匯兌調整	(6,746)	(81,383)	(1,313)	(3,295)	(91,636)	(7,290)	(2,378)	(194,041)
Gross deferred tax liabilities at 31 December 2019	於2019年12月31日之遞延稅項負債總額	302,054	3,696,555	179,891	160,846	4,039,513	335,269	107,027	8,821,155

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

35 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax asset and liabilities recognised (continued)

35 綜合財務狀況表內之所得稅 (續)

(b) 已確認遞延稅項資產及負債 (續)

		2018 2018年							
		Withholding tax on dividend (note)	Revaluation of investment properties	Revaluation of assets	Revaluation of other financial assets	Fair value adjustment arising from acquisition of subsidiaries	Accelerated tax depreciation on investment properties	Others	Total
		股息預扣稅 (附註)	投資物業重估	資產重估	其他金融資產重估	因收購附屬公司產生之公允值調整	投資物業之加速稅項折舊	其他	總額
		\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000
		千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2018	於2018年1月1日	388,648	3,296,279	63,217	295,008	5,426,032	243,573	114,032	9,826,789
Deferred tax charged/ (credited) to the statement of profit or loss during the year	本年度扣除/ (計入) 損益表內之遞延稅項	(67,545)	320,717	-	(212,484)	(788,145)	51,531	20,002	(675,924)
Disposal of a subsidiary	出售一間附屬公司	-	(38,191)	-	-	-	-	-	(38,191)
Exchange realignment	匯兌調整	(17,384)	(164,431)	(3,280)	(3,552)	(182,305)	(13,068)	(6,829)	(390,849)
Gross deferred tax liabilities at 31 December 2018	於2018年12月31日之遞延稅項負債總額	303,719	3,414,374	59,937	78,972	4,455,582	282,036	127,205	8,721,825

Note:

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate of 5% may be applied if there is a tax treaty between mainland China and jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in mainland China in respect of earnings generated from 1 January 2008. As at 31 December 2019, the Group recognised a deferred tax liability of \$302,054,000 (2018: \$303,719,000) in respect of the withholding tax on future dividend distribution by these PRC subsidiaries.

附註：

根據中國企業所得稅法，於中國大陸成立之外商投資企業向外國投資者宣派股息須按10%徵收預扣稅。此規定由2008年1月1日起生效，並適用於2007年12月31日後之盈利。倘中國大陸與外國投資者之司法權區有簽訂相關稅務協議，則可運用5%之較低預扣稅率。因此，本集團有責任就於中國大陸成立之該等附屬公司於2008年1月1日起產生之盈利所派股息繳付預扣稅。於2019年12月31日，本集團就該等中國附屬公司之未來股息分派之預扣稅確認遞延稅項負債302,054,000元(2018年：303,719,000元)。

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35 Income tax in the consolidated statement of financial position (continued)

(b) Deferred tax asset and liabilities recognised (continued)
Deferred tax assets:

35 綜合財務狀況表內之所得稅 (續)

(b) 已確認遞延稅項資產及負債 (續)
遞延稅項資產：

		2019 2019年						
		Losses available for offsetting against future taxable profits	Temporary differences arising from LAT provision	Temporary differences arising from accruals	Unrealised profits	Credit loss allowance	Others	Total
		可用作抵銷未來應課稅溢利之虧損	土地增值稅撥備產生之暫時差額	應計費用產生之暫時差額	未變現溢利	信用損失撥備	其他	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
At 1 January 2019	於2019年1月1日	96,910	1,389,245	267,224	212,895	90,844	15,373	2,072,491
Deferred tax (charged)/ credited to the statement of profit or loss during the year	本年度(扣除)/計入損益表內之遞延稅項	(90,108)	(203,377)	(31,036)	4,009	16,760	75,086	(228,666)
Exchange realignment	匯兌調整	(467)	(26,693)	(5,283)	(4,737)	(2,298)	(1,717)	(41,195)
Gross deferred tax assets at 31 December 2019	於2019年12月31日之遞延稅項資產總額	6,335	1,159,175	230,905	212,167	105,306	88,742	1,802,630

		2018 2018年						
		Losses available for offsetting against future taxable profits	Temporary differences arising from LAT provision	Temporary differences arising from accruals	Unrealised profits	Credit loss allowance	Others	Total
		可用作抵銷未來應課稅溢利之虧損	土地增值稅撥備產生之暫時差額	應計費用產生之暫時差額	未變現溢利	信用損失撥備	其他	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
At 1 January 2018	於2018年1月1日	115,529	1,542,789	119,983	224,541	94,255	13,398	2,110,495
Deferred tax (charged)/ credited to the statement of profit or loss during the year	本年度(扣除)/計入損益表內之遞延稅項	(13,902)	(83,571)	153,241	(1,189)	623	2,736	57,938
Exchange realignment	匯兌調整	(4,717)	(69,973)	(6,000)	(10,457)	(4,034)	(761)	(95,942)
Gross deferred tax assets at 31 December 2018	於2018年12月31日之遞延稅項資產總額	96,910	1,389,245	267,224	212,895	90,844	15,373	2,072,491

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35 Income tax in the consolidated statement of financial position (continued)

(c) Deferred tax asset not recognised

The Group has tax losses arising in Hong Kong of \$322,367,000 (2018: \$322,367,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses arising in mainland China of \$4,341,021,000 (2018: \$4,002,725,000), which will expire in 2020, 2021, 2022, 2023, 2024 with details as follow:

		2019	2018
		2019年	2018年
		\$'000	\$'000
		千元	千元
2019	2019年	–	568,096
2020	2020年	404,685	441,271
2021	2021年	816,189	929,895
2022	2022年	956,585	1,087,619
2023	2023年	917,530	975,844
2024	2024年	1,246,032	–
		4,341,021	4,002,725

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for years and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

36 Deferred income

As at 31 December 2019, deferred income of \$28,193,000 (2018: \$22,881,000) represented government grants received from the relevant government bodies to support the research and development activities of the Group. During the year, the income of \$20,703,000 (2018: \$6,834,000) has been credited to the consolidated statement of profit or loss upon fulfilment of certain conditions specified by the government bodies.

35 綜合財務狀況表內之所得稅 (續)

(c) 未確認遞延稅項資產

本集團於香港之稅項虧損為322,367,000元(2018年: 322,367,000元)，可用作無限抵銷產生虧損之公司之未來應課稅溢利。

本集團於中國大陸之稅項虧損為4,341,021,000元(2018年: 4,002,725,000元)，將分別於2020年、2021年、2022年、2023年及2024年到期，詳情如下：

由於該等虧損乃來自虧損多年之附屬公司，而稅項虧損未必可獲動用以抵銷應課稅溢利，故並無就該等虧損確認遞延稅項資產。

36 遞延收入

於2019年12月31日，28,193,000元(2018年: 22,881,000元)之遞延收入指自有關政府機構收取之政府補助，以支持本集團之研發活動。年內，20,703,000元(2018年: 6,834,000元)之收入於達成政府機構訂明之若干條款後計入綜合損益表。

37 Share options scheme

The Company operated a share option scheme (the "Scheme") which was approved and adopted on 22 June 2012 for the purpose of providing incentives and rewards to directors and employees of the Group who contributes to the success of the Group's operations. The Scheme became effective on 22 June 2012 and, unless otherwise cancelled or amended, shall be valid and effective for a period of 10 years from that date, after which period no further options will be issued but in all other respects the provisions of the Scheme shall remain in full force and effect.

The maximum number of ordinary shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Scheme unless the Company obtains a fresh 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 the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30 percent of the shares in issue from time to time.

The maximum entitlement of each participant under the Scheme is that 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.

The period under which an option may be exercised will be determined by the board of directors at their absolute discretion and notified by the directors to each grantee as being the period during which an option may be exercised, and shall expire no later than the 10th anniversary of the date upon which the option is granted and accepted in accordance with the Scheme. Unless otherwise determined by the board of directors and specified in the offer letter at the time of the offer, there is no minimum period for which an option must be held before the option can be exercised. An option is open for acceptance for a period as determined by the Board at its absolute discretion. The amount payable on acceptance of each grant of options is \$1. The full amount of exercise price for the subscription for shares has to be paid upon exercise of an option.

37 購股權計劃

本公司設有一項購股權計劃（「計劃」）於2012年6月22日批准及採納，以對本集團業務成功作出貢獻之本集團董事及僱員提供鼓勵及獎勵。計劃於2012年6月22日生效，而除非被取消或經修訂，否則該計劃將於當日起計十年內有效。有效期屆滿後，則不會再授出任何購股權，但在所有其他方面，計劃條文仍具十足效力及作用。

除非本公司獲股東另行批准，否則因悉數行使根據計劃及本公司任何其他購股權計劃授出之購股權而可能發行之普通股數目上限不得超過於批准計劃當日已發行股份總數之10%。根據計劃條款失效之購股權將不會就此計入該10%限額。無論如何，因悉數行使根據計劃及本公司任何其他購股權計劃授出而將行使之尚未行使購股權而可能發行之股份數目上限不得超過不時已發行股份總數之30%。

每名參與者根據計劃可獲得之股份上限，即因行使於任何12個月期間授予各參與者之購股權（包括已獲行使及尚未行使之購股權）而發行及將發行之股份總數，不得超過已發行股份總數之1%。

購股權之可行使期間由董事會全權決定，並由董事通知各承授人，而有關行使期限須根據計劃於購股權授出及獲接納當日起計滿10週年當日前屆滿。除非董事會決定及在授出購股權時於授予函件中指明，否則在行使購股權前不設必須持有購股權之最低期限。購股權可供接納授出之要約時間乃由董事會全權決定，接納各授出之購股權時須支付款項1元。認購股份之行使價須於行使購股權時全數支付。

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37 Share options scheme (continued)

The exercise price shall be a price determined by the board of directors and notified to a participant and shall be at least the higher of (i) the closing price of the shares as stated on The Stock Exchange of Hong Kong Limited's daily quotation sheet on the date of offer of grant, which must be a business day, and (ii) a price being the average of the closing prices of the shares as stated on The Stock Exchange of Hong Kong Limited's daily quotation sheets for the five business days immediately preceding the date of offer of grant.

(a) The terms and conditions of the share options outstanding as at end of the year are as follows:

37 購股權計劃 (續)

行使價由董事會釐定及通知參與者，行使價須至少為以下之較高者：(i)於授出當日（必須為營業日）在香港聯合交易所有限公司每日報價表所載之股份收市價，及(ii)於緊接授出當日前五個營業日在香港聯合交易所有限公司每日報價表所載之股份收市價平均價。

(a) 於年末尚未行使購股權之條款及條件如下：

		Number of instruments	Exercise price	Vesting date	Expiry date	Contractual life of options
		工具數目	行使價	歸屬日期	到期日期	購股權之合約年限
		(note 37(b))	(note 37(b))			
		(附註37(b))	(附註37(b))			
At 31 December 2019	於2019年12月31日					
Options granted to directors and employees:	授予董事及僱員之購股權：					
– on 20 June 2017	– 2017年6月20日	49,496,109	3.036	20/06/2019 2019年6月20日	19/06/2022 2022年6月19日	5.00
– on 20 June 2017	– 2017年6月20日	37,122,071	3.036	20/06/2020 2020年6月20日	19/06/2022 2022年6月19日	5.00
– on 20 June 2017	– 2017年6月20日	37,122,117	3.036	20/06/2021 2021年6月20日	19/06/2022 2022年6月19日	5.00
Options granted to directors and employees:	授予董事及僱員之購股權：					
– on 8 February 2018	– 2018年2月8日	9,232,599	3.001	20/06/2019 2019年6月20日	19/06/2022 2022年6月19日	4.36
– on 8 February 2018	– 2018年2月8日	6,924,451	3.001	20/06/2020 2020年6月20日	19/06/2022 2022年6月19日	4.36
– on 8 February 2018	– 2018年2月8日	6,924,464	3.001	20/06/2021 2021年6月20日	19/06/2022 2022年6月19日	4.36
Total share options outstanding	尚未行使購股權總數	146,821,811				

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

37 Share options scheme (continued)

- (a) The terms and conditions of the share options outstanding as at end of the year are as follows: (continued)

At the end of the reporting period, the Company had 146,821,811 share options outstanding under the Scheme, representing approximately 1.66% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 146,821,811 additional ordinary shares of the Company and an increase in share capital of \$540,441,000 (before issue expenses).

- (b) Share options movement during the reporting period

The number and weighted average exercise prices of share options under the Scheme are as follows:

37 購股權計劃 (續)

- (a) 於年末尚未行使購股權之條款及條件如下：(續)

於報告期末，根據計劃，本公司有146,821,811份購股權（佔本公司於該日已發行股份約1.66%）尚未行使。按照現時之本公司股本架構，悉數行使尚未行使之購股權將致使發行額外146,821,811股本公司普通股，及股本增加540,441,000元（未扣除發行開支）。

- (b) 報告期內購股權變動

根據計劃授出購股權之數目及加權平均行使價如下：

		2019 2019年		2018 2018年	
		Weighted average exercise price 加權平均 行使價 \$ per share 每股元	Number of options 購股權 數目	Weighted average exercise price 加權平均 行使價 \$ per share 每股元	Number of options 購股權 數目
Outstanding at the beginning of the year	於年初尚未行使	3.041	219,017,280	3.161	196,385,731
Granted during the year	於年內授出	—	—	3.394	22,384,000
Exercised during the year (i)	於年內行使(i)	2.191	(26,348,178)	2.196	(13,989,023)
Forfeited during the year	於年內沒收	3.102	(19,015,772)	—	—
Lapsed during the year	於年內失效	2.831	(36,933,519)	—	—
Adjusted during the year (ii)	於年內調整(ii)		10,102,000		14,236,572
Outstanding at the end of the year	於年末尚未行使	3.029	146,821,811	3.041	219,017,280
Exercisable at the end of the year	於年末可予行使	3.030	58,728,708	2.333	44,271,337

The options outstanding at 31 December 2019 had an exercise price of \$3.001 – \$3.036 (2018: \$2.191 – \$3.226) and a weighted average remaining contractual life of 2.43 years (2018: 2.78 years).

於2019年12月31日尚未行使購股權之行使價為3.001元 – 3.036元（2018年：2.191元 – 3.226元），加權平均剩餘合約年限為2.43年（2018年：2.78年）。

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37 Share options scheme (continued)

(b) Share options movement during the reporting period (continued)

- (i) The subscription rights attaching to 26,348,178 (2018: 13,989,023) share options were exercised at the weighted average exercise price of \$2.191 (2018: \$2.196) per share, resulting in the issue of 26,348,178 (2018: 13,989,023) shares for a total cash consideration, before expenses, of \$57,729,000 (2018: \$30,720,000). The corresponding amount included in share option reserve of \$10,096,000 (2018: \$5,373,000) was also transferred to share capital upon the exercise of the share options, resulting in a total increase in share capital of \$67,825,000 (2018: \$36,093,000).

The weighted average share price at the date of exercise for share options exercised during the year was \$2.566 (2018: \$2.603) per share.

- (ii) The number of unexercised share options and the exercise price may be subject to adjustment in case of alteration in the capital structure of the Company. Pursuant to the announcements dated 17 August 2018, 19 November 2018, 15 August 2019 and 18 November 2019, the Company adjusted the exercise price and number of options outstanding with reference to the terms of the Scheme and the supplementary guidance attached to the letter of the Stock Exchange relating to share option schemes dated 5 September 2005. The adjusted number and exercise prices for each batch of share options are presented in note 37(a) above.
- (iii) The Group recognised a share option expense of \$26,836,000 during the year (2018: \$42,130,000).

37 購股權計劃 (續)

(b) 報告期內購股權變動 (續)

- (i) 26,348,178 份 (2018 年 : 13,989,023 份) 購股權之所附認購權以每股股份 2.191 元 (2018 年 : 2.196 元) 之加權平均行使價行使，導致以 57,729,000 元 (2018 年 : 30,720,000 元) 之總現金代價 (扣除開支前) 發行 26,348,178 股 (2018 年 : 13,989,023 股) 股份。於購股權行使後，計入購股權儲備 10,096,000 元 (2018 年 : 5,373,000 元) 之相應金額亦轉撥至股本，致使股本合共增加 67,825,000 元 (2018 年 : 36,093,000 元)。

年內購股權行使當日所行使之加權平均股份價格為每股 2.566 元 (2018 年 : 2.603 元)。

- (ii) 未行使購股權之數目及行使價會隨本公司股本架構變動而調整。根據 2018 年 8 月 17 日、2018 年 11 月 19 日、2019 年 8 月 15 日及 2019 年 11 月 18 日之公告，本公司根據計劃的條款及聯交所就購股權計劃出具日期為 2005 年 9 月 5 日的函件隨附的補充指引對尚未行使購股權行使價及數目作出調整。各批購股權之經調整數目及行使價於上文附註 37(a) 列示。
- (iii) 年內，本集團確認購股權開支 26,836,000 元 (2018 年 : 42,130,000 元)。

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38 Capital and reserves

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share capital 股本 \$'000 千元	Share option reserve 購股權儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 總額 \$'000 千元
At 1 January 2018	於2018年1月1日	19,712,476	46,116	986,070	20,744,662
Total comprehensive income for the year	年內全面收益總額	–	–	1,811,649	1,811,649
Final 2017 dividends	2017年末期股息	549,527	–	(886,449)	(336,922)
Interim 2018 dividends	2018年中期股息	390,163	–	(576,223)	(186,060)
Exercise of share options	行使購股權	36,093	(5,373)	–	30,720
Equity-settled share option expense	以股本支付之購股權開支	–	42,130	–	42,130
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	20,688,259	82,873	1,335,047	22,106,179
Total comprehensive income for the year	年內全面收益總額	–	–	1,181,940	1,181,940
Final 2018 dividends	2018年末期股息	675,777	–	(928,407)	(252,630)
Interim 2019 dividends	2019年中期股息	478,407	–	(607,461)	(129,054)
Exercise of share options	行使購股權	67,825	(10,096)	–	57,729
Forfeit and lapse of share options	購股權沒收及失效	–	(5,975)	5,975	–
Equity-settled share option expense	以股本支付之購股權開支	–	26,836	–	26,836
At 31 December 2019	於2019年12月31日	21,910,268	93,638	987,094	22,991,000

38 資本及儲備

(a) 權益組成部份之變動

本集團各權益組成部份於期初及期末結餘之對賬載於綜合權益變動表內。本公司個別權益組成部份於年初及年末之變動詳情載列如下：

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

38 Capital and reserves (continued)

(b) Share capital

38 資本及儲備(續)

(b) 股本

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Issued and fully paid:	已發行及繳足：		
8,833,437,048 (2018: 8,413,711,807) ordinary shares	8,833,437,048股 (2018年：8,413,711,807股) 普通股	21,910,268	20,688,259

During the year, the movements in share capital were as follows:

年內，股本變動如下：

		2019 2019年		2018 2018年	
		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 \$'000 千元	Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 \$'000 千元
At 1 January	於1月1日	8,413,711,807	20,688,259	8,058,124,983	19,712,476
Share options exercised (note 37(b)(i))	行使購股權 (附註37(b)(i))	26,348,178	67,825	13,989,023	36,093
Final dividend in the form of new shares (note 13(b))	以新股份形式派發 之末期股息 (附註13(b))	237,949,329	675,777	173,133,769	549,527
Interim dividend in the form of new shares (note 13(c))	以新股份形式派發 之中期股息 (附註13(c))	155,427,734	478,407	168,464,032	390,163
At 31 December	於12月31日	8,833,437,048	21,910,268	8,413,711,807	20,688,259

Notes:

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

附註：

根據《香港公司條例》第135條，本公司普通股無每股面值。

普通股持有人有權收取不時宣派之股息，並有權於本公司股東大會上就每股享有一份投票權。所有普通股對本公司之剩餘資產享有同等權利。

38 Capital and reserves (continued)

(c) Nature and purpose of reserves

(i) Share option reserve

The share option reserve comprises the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2(s)(ii).

(ii) Asset revaluation reserve

The asset revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for leasehold land and buildings held for own use in note 2(i).

(iii) Fair value reserve (non-recycling)

The fair value reserve comprises the cumulative net change in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 2(g)).

(iv) Statutory reserve

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of respective companies of the Group. PRC companies are required to transfer certain of their net profits (after offsetting prior year losses), as determined under the approval by the board of directors, to statutory general reserve.

Statutory general reserve can be used to make good prior years' losses, if any, and may be converted into capital by issuing new shares to shareholders proportionate to their existing percentage of equity interests provided that the balance after such issue is not less than 25% of the registered capital.

(v) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The reserve is dealt with in accordance with the accounting policies set out in notes 2(w).

38 資本及儲備 (續)

(c) 儲備之性質及用途

(i) 購股權儲備

購股權儲備包括部份已授予本公司僱員但未行使之購股權於授出日期之公允值，該金額已按照附註2(s)(ii)內以股份支付所採納之會計政策予以確認。

(ii) 資產重估儲備

已按照附註2(i)內持作自用之租賃土地及樓宇所採用之會計政策設立及列賬處理資產重估儲備。

(iii) 公允值儲備 (不可撥回)

公允值儲備包括於報告期末持有之根據香港財務報告準則第9號指定透過其他全面收益按公允值計算之股權投資之公允值累積淨值變動 (見附註2(g))。

(iv) 法定儲備

中國法定儲備乃按照相關中國規則及法規以及本集團各公司之公司組織章程細則建立。中國公司須按要求將其若干純利 (經彌補過往年度虧損後) 轉撥至一般法定儲備 (經董事會批准後釐定)。

一般法定儲備可用於彌補過往年度虧損 (如有)，並可透過按股東現有股權百分比向彼等發行新股之方式轉換為資本，惟發行後之結餘不低於註冊資本之25%。

(v) 匯兌變動儲備

匯兌變動儲備包括轉換境外業務之財務報表產生之所有匯兌差額。

該儲備按照附註2(w)所載之會計政策列賬處理。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

38 Capital and reserves (continued)

(c) Nature and purpose of reserves (continued)

(vi) Other reserve

Other reserve represents the difference between the consideration paid and the book value of the share of net assets acquired in respect of the acquisition of non-controlling interests, and the difference between the consideration received and the book value of the share of net assets disposed of in respect of a change in the ownership interest in a subsidiary without a loss of control.

(d) Distributability of reserves and dividends

At 31 December 2019, the aggregate amount of reserves available for distribution to equity shareholders of the Company was \$987,094,000 (2018: \$1,335,047,000). Dividends declared and paid out of these distributable reserves are detailed in note 13.

(e) Capital management

The objectives of the Group's capital management policy are to ensure the financing capabilities of the Company in running its operation on a going concern basis, to maintain an optimal capital structure, to reduce capital cost and to maximise shareholders' value.

The Group manages and adjusts its capital structure appropriately according to the specific features of the risks of its assets and the changes in various economic conditions. Through adjustments in dividend distribution, injections and repayments of capital by shareholders or issuance of new shares, the Group is able to maintain an optimal capital structure of the Company.

The Group monitors capital using a gearing ratio, which is net debt divided by equity attributable to equity shareholders of the Company. The Group's policy is to keep the gearing ratio at a reasonable level. Net debt is interest-bearing bank and other borrowings less cash and cash equivalents and restricted cash.

38 資本及儲備 (續)

(c) 儲備之性質及用途 (續)

(vi) 其他儲備

其他儲備指與收購非控股權益相關之已付代價與分佔所收購資產淨值賬面值之差額，以及與持有附屬公司擁有權益變動（未失去控制權）相關之已收代價與所出售資產淨值賬面值之差額。

(d) 儲備及股息之可分派性

於2019年12月31日，可供分派予本公司權益股東之儲備總額為987,094,000元（2018年：1,335,047,000元）。自該等可供分派儲備宣派及派付之股息詳情載於附註13。

(e) 資本管理

本集團資本管理政策之目標為確保本公司之融資能力以能夠按持續經營基準經營業務，並能夠維持優化之資本架構、減少資本成本及使股東價值最大化。

本集團根據自身資產之特定風險特點及各種經濟狀況之變動適當地對其資本架構進行管理及調整。透過調整股息分派、股東注資及償還資本或發行新股，本集團能夠將本公司之資本架構維持在優化水平。

本集團使用負債率（即淨貸款除以本公司擁有人應佔權益）監控其資本。本集團之政策乃將負債率維持在合理水平。淨貸款為計息銀行及其他借貸減現金及現金等價物以及受限制現金。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

38 Capital and reserves (continued)

(e) Capital management (continued)

The gearing ratios as at the end of the current and previous reporting periods and at the date of transition to HKFRS 16 are as follows:

38 資本及儲備 (續)

(e) 資本管理 (續)

於本期及過往報告期末及過渡至香港財務報告準則第16號當日之負債率如下：

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$' 000	\$' 000
		千元	千元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	24,297,918	25,260,765
Less: Cash and cash equivalents	減：現金及現金等價物	(9,653,239)	(9,832,226)
Restricted cash	受限制現金	(2,719,521)	(2,822,965)
Net debt	淨貸款	11,925,158	12,605,574
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	44,474,656	41,703,975
Gearing ratio	負債率	27%	30%

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 2(c). The directors have considered the impact of the application of HKFRS 16 on the gearing ratio and are of the view that the impact is not significant.

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。根據此方法，比較資料並無重列。見附註2(c)。董事已考慮應用香港財務報告準則第16號對負債率的影響，並認為該影響並不重大。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities and movements in its own equity share price.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk arising from cash and cash equivalents, restricted cash, trade receivables, other receivables, loans to related parties and financial guarantee on mortgage loans. Among these credit risk exposure, the Group's exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are state-owned financial institutions and reputable banks which are all high-credit-quality financial institutions.

The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers. At the end of the reporting period, 6% (2018: 10%) and 19% (2018: 23%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

For trade receivables in respect of property development, the Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate loss allowance are made for irrecoverable amounts.

For other trade receivables, the Group's customer base is diversified and has no significant concentrations of credit risk. Trade receivables are due from 30 to 180 days to from the date of billing. The Group has a policy to closely monitor the settlement status of these trade receivables and all long outstanding balances are requested to be settled before any further credit is granted. Normally, the Group does not obtain collateral from customers.

39 財務風險管理

本集團面臨正常業務過程中發生之信貸、流動性、利率及貨幣風險。本集團亦面臨因其對其他實體股權投資產生之股權價格風險及自身權益股價格變動風險。

本集團面臨之該等風險及金融風險管理政策以及本集團管控該等風險所採用之慣例詳述如下。

(a) 信貸風險

本集團的信貸風險產生自現金及現金等價物、受限制現金、應收賬款、其他應收款項、給予關聯方貸款及抵押貸款金融擔保。在該等信貸風險中，本集團產生自現金及現金等價物及受限制現金的信貸風險有限，因為交易對手為屬於高信貸質量金融機構的國有金融機構及著名銀行。

本集團並無重大集中信貸風險，所面對之風險分散於多名交易對手及客戶。於報告期末，應收賬款總額的6%（2018年：10%）及19%（2018年：23%）分別來自本集團最大客戶及五大客戶。

就有關物業發展的應收賬款而言，本集團已實行政策確保向具有適當財務實力及支付適當百分比首期付款之買家作出銷售。本集團亦制定有其他監控程序，以確保採取跟進措施收回逾期債務。此外，本集團定期審閱每名個人之應收貿易賬款可收回金額，以確保就不可收回金額作出足夠損失撥備。

就其他應收賬款而言，本集團的客戶基礎多元化且並無重大集中信貸風險。應收賬款自開票之日起30至180天到期。本集團已制定政策密切監察該等應收賬款的結算狀況，而所有長期未償還結餘均須於授出任何進一步信貸前結清。一般而言，本集團不會向客戶收取抵押品。

39 Financial risk management (continued)

(a) Credit risk (continued)

For other receivables, finance lease receivables and loans to related parties, management makes periodic collective assessments as well as individual assessment on the recoverability of outstanding balances based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables and loans to related parties.

For properties that are still under construction, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of the guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount under the loan and any accrued interest thereon. Under such circumstances, the Group is able to retain the customer's deposits and sell the property to recover any amounts paid by the Group to the bank. Unless the selling price would drop by more than 30%, which is remote, the Group would not be in a loss position in selling those properties out. In this regard, the directors of the Company consider that the Group's credit risk is largely mitigated. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 42.

The Group considers the probability of default upon initial recognition of a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, including credit rating of the borrower, actual or expected significant adverse changes in business, financial or economic conditions, actual or expected significant changes in the operating results of the borrower and whether there are significant increases in credit risk on other financial instruments of the same borrower.

39 財務風險管理 (續)

(a) 信貸風險 (續)

就其他應收款項、融資租賃應收款項及給予關聯方貸款而言，管理層根據歷史結算記錄及過往經驗，定期對未償還結餘的可收回性進行集體評估及個別評估。本公司董事認為，本集團其他應收款項及給予關聯方貸款的未償還結餘並無重大信貸風險。

就在建物業而言，本集團通常就客戶為購買物業融資所取得的按揭貸款向銀行提供擔保，而擔保金額最高為物業總購買價的70%。如果買方於擔保期間未能償還按揭，則提供按揭的銀行可能會要求本集團償還貸款的未償還款項及該等款項的任何應計利息。在此情況下，本集團可沒收客戶的按金並將物業出售以收回任何由本集團支付予銀行的款項。除非售價下降超過30%（該情況極為罕見），本集團不會在銷售此類物業時承受損失。因此，本公司董事認為，本集團的信貸風險已大幅減低。於報告期末，有關該等金融擔保的最高信貸風險披露於附註42。

本集團在金融資產的初始確認時考慮壞賬的可能性，亦按持續基準評估各報告期間是否會有信貸風險的顯著增加。在評估信貸風險是否顯著增加時，本集團將報告日期資產發生壞賬的可能性與初始確認日期發生壞賬的可能性進行比較，同時亦考慮公開且合理的有理據的前瞻性資料，包括借款人的信貸評級、實際發生的或者預期的營業狀況、財務狀況或經濟環境中的重大不利變化、借款人的經營成果實際發生或者預期發生重大變化以及同一借款人的其他金融工具信貸風險是否顯著增加。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(a) Credit risk (continued)

(i) Trade receivables (excluding prepayments and loans to related and third parties)

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables (excluding prepayments and loans to related and third parties).

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

39 財務風險管理(續)

(a) 信貸風險(續)

(i) 應收賬款(不包括預付款項及給予關聯方及第三方的貸款)

本集團根據香港財務報告準則第9號的規定應用簡化的方式計提預期信用損失撥備，該準則允許應收賬款(不包括預付款項及給予關聯方及第三方的貸款)採用整個存續期預期損失撥備。

下表載列本集團面臨的信貸風險及應收賬款的預期信用損失的資料：

		2019 2019年		
		Expected loss rate 預期損失率	Gross carrying amount 賬面總值	Loss allowance 損失撥備
		%	\$'000 千元	\$'000 千元
		%	千元	千元
Current (not past due)	即期(未逾期)	5%	220,283	11,014
Less than one year past due	逾期少於一年	10%	255,138	25,514
One to two years past due	逾期一年至兩年	20%	152,783	30,557
Two to three years past due	逾期兩年至三年	50%	64,987	32,494
Over three years past due	逾期三年以上	100%	32,685	32,685
			725,876	132,264

Notes to the Financial Statements
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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(a) Credit risk (continued)

- (i) Trade receivables (excluding prepayments and loans to related and third parties) (continued)

39 財務風險管理(續)

(a) 信貸風險(續)

- (i) 應收賬款(不包括預付款項及給予關聯方及第三方的貸款)(續)

		2018 2018年		
		Expected loss rate	Gross carrying amount	Loss allowance
		預期損失率	賬面總值	損失撥備
		%	\$' 000	\$' 000
		%	千元	千元
Current (not past due)	即期(未逾期)	5%	153,489	7,675
Less than one year past due	逾期少於一年	10%	316,191	31,619
One to two years past due	逾期一年至兩年	20%	175,686	35,137
Two to three years past due	逾期兩年至三年	50%	15,066	7,533
Over three years past due	逾期三年以上	100%	36,632	36,632
			697,064	118,596

Expected loss rates are estimated using a provision matrix, taking into account the past due status of the customers. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. The expected loss rates are adjusted periodically to reflect changes in current economic conditions and the Group's view of forecast economic conditions over the expected lives of the trade receivables.

預期損失率乃使用撥備矩陣估計，並考慮到客戶的逾期狀況。由於本集團的歷史信貸損失經驗並未表明不同客戶群的損失模式存在顯著差異，因此基於逾期狀況的損失撥備不會進一步區分本集團的不同客戶群。預期損失率會定期調整，以反映當前經濟狀況的變化以及本集團對應收賬款預期年期的預測經濟狀況的觀點。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(a) Credit risk (continued)

(i) Trade receivables (excluding prepayments and loans to related and third parties) (continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Balance at 1 January	於1月1日之結餘	118,596	74,178
Impairment losses recognised during the year	年內已確認減值虧損	18,060	52,706
Reversal of impairment	減值撥回	(1,435)	(1,113)
Amounts written off during the year	年內撇銷之金額	(54)	(1,946)
Exchange realignment	匯兌調整	(2,903)	(5,229)
Balance at 31 December	於12月31日之結餘	132,264	118,596

(ii) Finance lease receivables and loans to related and third parties

For loans to related parties and third parties, the Group monitors the credit risk over the terms of the loans and provide for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of loan, and adjusts for forward looking macroeconomic data. The ECL provision is limited to 12 months expected losses unless there is a significant increase in credit risk for that related/third party, which the Group considers as an underperforming loan and makes ECL provision based on lifetime expected losses. The Group's expected credit loss rates on loans to related parties and third parties range from 1% to 5%, depending on management's assessment of credit risks of the counterparties based on various internal and external factors.

For finance lease receivables, the Group assesses the credit risk of the lessee and monitors the lease receivables regularly to mitigate the risk of significant exposure of default. In calculating the ECL rates, the Group considers historical loss rates and adjusts for forward looking information.

39 財務風險管理 (續)

(a) 信貸風險 (續)

(i) 應收賬款 (不包括預付款項及給予關聯方及第三方的貸款) (續)

年內有關應收賬款之損失撥備賬變動如下：

(ii) 融資租賃應收款項及給予關聯方及第三方的貸款

就給予關聯方及第三方的貸款而言，本集團於貸款期限內監控信貸風險，並及時計提預期信用損失。在計算預期信用損失率時，本集團考慮每類貸款的歷史損失率，並就前瞻性宏觀經濟數據作出調整。預期信用損失撥備以12個月預期損失為限，除非該關聯／第三方的信貸風險顯著增加，則本集團將其視為不良貸款，並根據整個存續期預期損失作出預期信用損失撥備。本集團給予關聯方及第三方的貸款的預期信用損失率介於1%至5%之間，取決於管理層根據多項內部及外部因素對交易對手的信貸風險評估。

就融資租賃應收款項而言，本集團評估承租人之信貸風險，並定期監控租賃應收款項，以減低違約之重大信貸風險。於計算預期信用損失率時，本集團考慮歷史虧損率，並就前瞻性資料作出調整。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(a) Credit risk (continued)

(ii) Finance lease receivables and loans to related and third parties (continued)

No significant change to estimation techniques or assumptions was made during the reporting period.

Movement in the loss allowance account in respect of deposit, prepayments and other receivables and other financial assets during the year is as follows:

		Deposits, prepayments and other receivables	Other financial assets	Total
		訂金、預付款項 及其他應收款項	其他金融資產	總額
		\$' 000	\$' 000	\$' 000
		千元	千元	千元
Balance at 1 January 2019	於2019年1月1日之結餘	148,382	106,290	254,672
Impairment losses recognised during the year	年內已確認減值虧損	51,810	5,293	57,103
Reversal of impairment	減值撥回	(24,545)	(20,235)	(44,780)
Amounts written off during the year	年內撇銷之金額	(7)	—	(7)
Exchange realignment	匯兌調整	(3,685)	(2,053)	(5,738)
Balance at 31 December 2019	於2019年12月31日之結餘	171,955	89,295	261,250

39 財務風險管理 (續)

(a) 信貸風險 (續)

(ii) 融資租賃應收款項及給予關聯方及第三方的貸款 (續)

於報告期內，估計方法或假設並無發生重大變化。

年內有關訂金、預付款項及其他應收款項以及其他金融資產之損失撥備賬變動如下：

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(a) Credit risk (continued)

(ii) Finance lease receivables and loans to related and third parties (continued)

		Deposits, prepayments and other receivables 訂金、預付款項 及其他應收款項 \$'000 千元	Other financial assets 其他金融資產 \$'000 千元	Total 總額 \$'000 千元
Balance at 1 January 2018	於2018年1月1日之結餘	186,962	128,890	315,852
Impairment losses recognised during the year	年內已確認減值虧損	22,932	462	23,394
Reversal of impairment	減值撥回	(54,337)	(17,765)	(72,102)
Exchange realignment	匯兌調整	(7,175)	(5,297)	(12,472)
Balance at 31 December 2018	於2018年12月31日 之結餘	148,382	106,290	254,672

(b) Liquidity risk

Liquidity risk arises when the Group is unable to meet its current liabilities that fall due. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short and long term bank loans. Through maintaining a reasonable proportion in its asset and liability structure, the Group is able to meet its ongoing financial needs.

39 財務風險管理 (續)

(a) 信貸風險 (續)

(ii) 融資租賃應收款項及給予關聯方及第三方的貸款 (續)

(b) 流動性風險

當本集團未能償還其已到期流動負債時則產生流動性風險。本集團旨在透過運用短期及長期銀行貸款，維持資金持續供應與靈活性之平衡。透過將其資產負債結構保持在合理比例，本集團可滿足其持續財務需要。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(b) Liquidity risk (continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

39 財務風險管理 (續)

(b) 流動性風險 (續)

下表列示本集團以合約未貼現現金流量 (包括使用合約利率或 (如為浮息) 按照報告期末之現行利率計算之利息付款) 為基礎之金融負債於報告期末餘下之合約期限及本集團可按要求支付之最早日期：

		2019 Contractual undiscounted cash outflow 2019年合約未貼現現金流出量					Total	Carrying amount at 31 December 2019 於2019年 12月31日 之賬面值
		On demand 按要求 \$' 000 千元	Within one year 一年內 \$' 000 千元	One to two years 一至兩年 \$' 000 千元	Two to three years 兩至三年 \$' 000 千元	Over three years 超逾三年 \$' 000 千元		
Interest-bearing bank and other borrowings (note 30)	計息銀行及其他借貸 (附註30)	-	9,497,131	6,685,902	5,969,566	4,432,488	26,585,087	24,297,918
Trade payables (note 32)	應付賬款 (附註32)	2,625,609	-	-	-	-	2,625,609	2,625,609
Other payables (note 33)	其他應付款項 (附註33)	8,520,676	-	-	-	-	8,520,676	8,520,676
Lease liabilities (note 31)	租賃負債 (附註31)	-	125,116	111,670	101,110	247,073	584,969	505,017
Loans from fellow subsidiaries (note 33)	來自同系附屬公司之貸款 (附註33)	173,923	3,997,282	-	-	-	4,171,205	4,049,884
Due to the immediate holding company (note 29(c))	應付直接控股公司款項 (附註29(c))	562,926	32,706	32,659	729,857	-	1,358,148	1,263,846
Due to the ultimate holding company (note 29(c))	應付最終控股公司款項 (附註29(c))	652,727	1,303,269	-	-	-	1,955,996	1,936,473
Loans from joint ventures (note 33)	來自合營公司之貸款 (附註33)	7,350	341,445	-	-	-	348,795	342,239
Loans from associates (note 33)	來自聯營公司之貸款 (附註33)	45,922	-	-	-	-	45,922	45,922
Total	總額	12,589,133	15,296,949	6,830,231	6,800,533	4,679,561	46,196,407	43,587,584

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(b) Liquidity risk (continued)

39 財務風險管理(續)

(b) 流動性風險(續)

		2018 Contractual undiscounted cash outflow 2018年合約未貼現現金流出量					Total	Carrying amount at 31 December 2018 於2018年 12月31日 之賬面值
		On demand	Within one year	One to two years	Two to three years	Over three years		
		按要求	一年內	一至兩年	兩至三年	超逾三年	總額	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	千元	
Interest-bearing bank and other borrowings (note 30)	計息銀行及其他借貸(附註30)	-	7,055,231	7,128,828	4,330,005	10,003,040	28,517,104	25,260,765
Trade payables (note 32)	應付賬款(附註32)	1,956,668	-	-	-	-	1,956,668	1,956,668
Other payables (note 33)	其他應付款項(附註33)	7,687,594	-	-	-	-	7,687,594	7,687,594
Loans from fellow subsidiaries (note 33)	來自同系附屬公司之貸款(附註33)	134,630	3,049,311	-	-	-	3,183,941	3,132,996
Due to the immediate holding company (note 29(c))	應付直接控股公司款項(附註29(c))	531,272	724,141	-	-	-	1,255,413	1,233,548
Due to the ultimate holding company (note 29(c))	應付最終控股公司款項(附註29(c))	881,003	4,046,108	-	-	-	4,927,111	4,734,953
Loans from joint ventures (note 33)	來自合營公司之貸款(附註33)	25,931	1,163,641	-	-	-	1,189,572	1,167,231
Loans from associates (note 33)	來自聯營公司之貸款(附註33)	46,950	-	-	-	-	46,950	46,950
Total	總額	11,264,048	16,038,432	7,128,828	4,330,005	10,003,040	48,764,353	45,220,705

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Other lease liabilities include amounts recognised at the date of transition to HKFRS 16 in respect of leases previously classified as operating leases under HKAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂追溯法初步應用香港財務報告準則第16號並調整於2019年1月1日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。其他租賃負債包括於過渡至香港財務報告準則第16號當日就先前根據香港會計準則第17號分類為經營租賃的租賃確認之金額及年內訂立新租賃有關之金額。根據此方法，比較資料並無重列。見附註2(c)。

39 Financial risk management (continued)

(c) Interest rate risk

The interest rate risk of the Group is mainly due to the interest rate fluctuations of its bank and related parties borrowings. Interest on these borrowings is computed based on market rates.

The Group will constantly assess the interest rate risk it encounters to decide whether it is required to hedge against the possible interest rate risk that may arise.

At 31 December 2019, the Group had \$21,011,092,000 (2018: \$23,615,236,000) variable interest rate borrowings which expose the Group to cash flow interest rate risk. If the interest rate of these borrowings had increased/decreased by 0.5% and all other factors remained unchanged, the profit after tax for the year of the Group would have decreased/increased by approximately \$94,407,000 (2018: \$105,883,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise assuming that the change in interest rates had occurred at the end of the reporting period and the impact on the Group's profit after tax (and retained profits) is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as 2018.

(d) Currency risk

Most of the operating income of the Group's business is in RMB and the Group's assets held and all of the committed borrowings of the Group are mainly denominated in RMB, except for certain US\$-denominated bank loans held by the Company.

The Group currently does not have a policy on foreign currency risk as it had minimal transactions denominated in foreign currencies during the years ended 31 December 2018 and 2019 and the impact of foreign currency risk on the Group's operation is minimal. The US\$-denominated bank loans are currently not hedged as the directors consider the risk of movements in exchange rates between the United States dollar and the Hong Kong dollar (the Company's functional currency) to be insignificant.

39 財務風險管理 (續)

(c) 利率風險

本集團之利率風險主要因其銀行及關聯方借貸之利率波動而產生。該等借貸之利息乃根據市場利率計算。

本集團將持續評估所遇利率風險以決定是否需要對沖可能產生之可能利率風險。

於2019年12月31日，本集團有21,011,092,000元(2018年：23,615,236,000元)浮息借貸，令本集團面臨現金流量利率風險。倘若該等借貸之利率上升/下跌0.5%，而所有其他因素均保持不變，則本集團之年內除稅後溢利將會減少/增加約94,407,000元(2018年：105,883,000元)。

上述敏感度分析顯示本集團的除稅後溢利(及保留溢利)可能產生的即時變動，當中假設利率變動已於報告期末發生，而本集團除稅後溢利(及保留溢利)所受影響乃按有關利率變動對年度化利息支出或收入的影響作估計。分析乃基於與2018年相同的基準進行。

(d) 貨幣風險

本集團業務中大部份經營收益為人民幣，且本集團所持資產及本集團所有已承諾借貸均主要以人民幣列值，惟本公司持有之若干銀行貸款以美元計值除外。

當前，本集團並無有關外幣風險之政策，乃因本集團於截至2018年及2019年12月31日止年度內僅有極少以外幣計值之交易，並且外幣風險對本集團營運之影響極小。以美元計值之銀行貸款目前並未作對沖，乃由於董事認為美元與港元(本公司之功能貨幣)之間的匯率變動之影響甚微。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(e) Equity price risk

The Group is exposed to equity price changes arising from listed and unlisted equity investments held for trading and non-trading purposes (see note 24).

The Group's listed equity investments are listed on the Stock Exchange of Hong Kong and Shanghai Stock Exchange. Decisions to buy or sell trading securities are based on the performance of individual securities compared to that of the relevant stock market Index and other industry indicators, as well as the Group's liquidity needs. Listed equity investments that are not held for trading purposes have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

The Group's unlisted equity investments are not held for trading purposes and have been chosen based on their longer term growth potential. Their performance is assessed regularly and the decisions to buy or sell is based on the Group's long term strategic plans. The fair value of the derivative financial instrument underlying the Investment Agreements with Hengda Real Estate and its controlling parties is positively correlated with the fair value of the Group's equity investment in Hengda Real Estate.

39 財務風險管理(續)

(e) 股權價格風險

本集團面臨因買賣及非買賣目的而持有的上市及非上市股權投資所產生的股權價格變動(見附註24)。

本集團的上市股權投資於香港聯交所及上海證券交易所上市。購入或出售買賣證券的決定乃基於個別證券相對於相關股票市場指數及其他行業指標的表現以及本集團對流動資金的需要。並非為買賣目的而持有的上市股權投資的選擇乃根據其長期升值潛力，並定期監察其實際表現是否符合預期。

本集團的非上市股權投資並非為買賣目的而持有，而是根據其長期升值潛力而選擇。其表現會定期評估，而買賣決定則基於本集團的長期策略計劃作出。與恒大地產及其控股方訂立的投資協議的衍生金融工具的公允值與本集團於恒大地產的股權投資的公允值正相關。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

39 Financial risk management (continued)

(e) Equity price risk (continued)

At 31 December 2019, it is estimated that an increase/(decrease) of 1% (2018: 1%) in the relevant stock market index (for listed equity investments) and the price/book ratios of comparable listed companies (for unlisted equity investments and derivative financial instrument) as applicable, with all other variables held constant, would have increased/decreased the Group's profit after tax (and retained profits) and other components of consolidated equity as follows:

			2019 2019年		2018 2018年	
Change in the relevant equity price risk variables: 相關股權價格風險變量的變動：			Effect on profit after tax and retained profits 對除稅後溢利及保留溢利的影響	Effect on other components of equity 對權益的其他組成部份的影響	Effect on profit after tax and retained profits 對除稅後溢利及保留溢利的影響	Effect on other components of equity 對權益的其他組成部份的影響
			\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Increase	增加	1%	51,408	37	48,328	29
Decrease	減少	(1%)	(51,408)	(37)	(48,253)	(29)

The sensitivity analysis indicates the instantaneous change in the Group's profit after tax (and retained profits) and other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2018.

39 財務風險管理 (續)

(e) 股權價格風險 (續)

於2019年12月31日，倘所有其他變量維持不變，估計相關股票市場指數（就上市股權投資而言）及可資比較上市公司的市賬率（就非上市股權投資及衍生金融工具而言）（如適用）每增加／（減少）1%（2018年：1%），將導致本集團的除稅後溢利（及保留溢利）及綜合權益的其他組成部份增加／減少如下：

敏感度分析顯示本集團的除稅後溢利（及保留溢利）及綜合權益的其他組成部份可能產生的即時變動，當中假設股票市場指數或其他相關風險變量變動已於報告期末發生，並已應用於重新計量本集團所持有之金融工具，而該等工具令本集團於報告期末須承受股權價格風險。本集團亦假設其股權投資之公允值將根據與相關股票市場指數或相關風險變量之歷史相互關係而變動，而所有其他變量維持不變。分析乃基於與2018年相同的基準進行。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

40 Fair value and fair value hierarchy of financial instruments

(a) Fair value measurement

(i) Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

The Group's Financial Management Department headed by the General Manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The Financial Management Department reports directly to the Vice President and the audit committee. At each reporting date, the Financial Management Department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Vice President. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

40 金融工具之公允值及公允值等級架構

(a) 公允值計量

(i) 按公允值計量之金融資產

公允值等級架構

下表呈報本集團於報告期末按經常性基準計量、按香港財務報告準則第13號，公允值計量的定義分為三層公允值等級之金融工具公允值。公允值計量所歸類之層級乃參照估值方法所使用可觀察性及重要性之輸入值釐定如下：

- 第一級估值：僅採用第一級輸入值（例如同等資產或負債於計量日期未經調整之活躍市場報價）計量之公允值
- 第二級估值：採用第二級輸入值（例如未滿足第一級之可觀察輸入值）且未採用重大不可觀察輸入值計量之公允值。不可觀察輸入值為不可提供市場數據之輸入值。
- 第三級估值：採用重大不可觀察輸入值計量之公允值

本集團以總經理為首的財務管理部負責釐訂金融工具公允值計量之政策及程序。財務管理部直接向副總裁及審核委員會報告。於各報告日期，財務管理部分析金融工具之價值變動並釐定估值中適用的主要輸入值。估值由副總裁審核及批准。估值過程及結果與審核委員會每年討論兩次，作中期及年度財務申報。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

40 Fair value and fair value hierarchy of financial instruments (continued)

(a) Fair value measurement (continued)

(i) Financial assets measured at fair value (continued)

Assets: 資產：	Fair value measurement as at 31 December 2019 using 於2019年12月31日使用以下輸入之公允值計量				Fair value measurement as at 31 December 2018 using 於2018年12月31日使用以下輸入之公允值計量			
	Unadjusted quoted prices in active markets (Level 1) 於活躍市場之未經調整報價 (第一級)	Observable inputs (Level 2) 可觀察輸入值 (第二級)	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級)	Total 總額	Unadjusted quoted prices in active markets (Level 1) 於活躍市場之未經調整報價 (第一級)	Observable inputs (Level 2) 可觀察輸入值 (第二級)	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級)	Total 總額
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Listed equity investments in Hong Kong 於香港上市之股權投資	2,367	-	-	2,367	3,068	-	-	3,068
Listed equity investments in mainland China 於中國大陸上市之股權投資	31,801	-	-	31,801	33,437	-	-	33,437
Unlisted equity investments in mainland China 於中國大陸非上市之股權投資	-	-	6,194,748	6,194,748	-	-	6,265,004	6,265,004
Derivative financial instrument 衍生金融工具	-	-	597,221	597,221	-	-	335,542	335,542
	34,168	-	6,791,969	6,826,137	36,505	-	6,600,546	6,637,051

During the year, there were no transfers of fair value measurements between Level 1 and Level 2, or transfers into or out of Level 3.

- (i) The fair values of listed equity investments categorised under “financial assets measured at FVPL” is measured using level 1 fair value hierarchy and is determined based on quoted market prices.
- (ii) The fair values of unlisted equity investment and derivative financial instrument categorised under “Other financial assets” are measured using level 3 fair value hierarchy and are determined based on Guideline Public Company Method and Binomial Option Pricing Model respectively.

年內，第一級與第二級之間概無公允值計量的轉撥，亦無轉入或轉出第三級。

- (i) 分類為「透過損益按公允值計算之金融資產」項下的上市股權投資的公允值乃使用第一級公允值等級架構計量及根據市場報價釐定。
- (ii) 「其他金融資產」項下分類的非上市股權投資及衍生金融工具之公允值使用第三級公允值等級架構計量，並分別根據指引公眾公司法及二項式期權定價模型進行釐定。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

40 Fair value and fair value hierarchy of financial instruments (continued)

(a) Fair value measurement (continued)

(i) Financial assets measured at fair value (continued)

Information about level 3 fair value measurements

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入值	Weighted average 加權平均數
Unlisted equity investment in Hengda Real Estate 於恒大地產之非上市股權投資	Guideline Public Company Method 指引公眾公司法	Discount for lack of marketability 缺乏市場流通性折讓	24% (2018: 24%)
Derivative financial instrument 衍生金融工具	Binomial Option Pricing Model 二項式期權定價模型	Expected probability of entitling to the Hengda Option Right 有權行使恒大選擇權的預期概率	20% (2018: 10%)

The fair value of the unlisted equity instruments in Hengda Real Estate amounting to \$6,191,000,000 is determined using Guideline public company method, which uses the price/book ratios of comparable listed companies as benchmark and adjusted for lack of marketability discount. The fair value measurement is positively correlated to the price/book ratios and negatively correlated to the discount for lack of marketability. As at 31 December 2019, it is estimated that with all other variables held constant, a decrease/increase in discount for lack of marketability by 1% would have increased/decreased the Group's profit after tax and retained profits by \$14,233,000 (2018: \$15,100,000).

The fair value of the derivative financial instrument amounting to \$597,221,000 is determined based on the estimated amount that the Group would receive from the Hengda Option Right, taking into account the Group's expected probability of entitling to the Hengda Option Right. The fair value measurement is positively correlated to the expected probability of entitling to the Hengda Option Right. As at 31 December 2019, it is estimated that with all other variables held constant, an increase/decrease in expected probability of entitling to the Hengda Option Right by 1% would have increased/decreased the Group's profit after tax and retained profits by \$22,396,000 (2018: \$25,166,000).

40 金融工具之公允值及公允值等級架構 (續)

(a) 公允值計量 (續)

(i) 按公允值計量之金融資產 (續)

關於第三級公允值計量之資料

於恒大地產之非上市股權工具的公允值6,191,000,000元乃使用指引公眾公司法釐定，其使用可資比較上市公司的市賬率為基準及對缺乏市場流通性折讓進行調整。公允值計量與市賬率呈正相關及與缺乏市場流通性折讓呈負相關。於2019年12月31日，倘所有其他變量維持不變，估計缺乏市場流通性折讓每減少／增加1%，將導致本集團除稅後溢利及保留溢利增加／減少14,233,000元（2018年：15,100,000元）。

衍生金融工具之公允值597,221,000元乃基於本集團將可從恒大選擇權獲取的估計金額釐定，當中考慮本集團有權行使恒大選擇權的預期概率。公允值計量與有權行使恒大選擇權的預期概率正相關。於2019年12月31日，倘所有其他變量維持不變，則有權行使恒大選擇權的預期概率每增加／減少1%，將導致本集團的除稅後溢利及保留溢利增加／減少22,396,000元（2018年：25,166,000元）。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

40 Fair value and fair value hierarchy of financial instruments (continued)

(a) Fair value measurement (continued)

(i) *Financial assets measured at fair value (continued)*

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Financial assets measured at FVPL:	透過損益按公允值計算之 金融資產：		
Unlisted equity investment in mainland China At 1 January	於中國大陸之非上市股權投資 於1月1日	6,261,172	—
Transfer from level 2	轉撥自第二級	—	7,698,699
Changes in fair value recognised in profit or loss during the year	年內於損益確認的公允值變動	68,232	(1,124,403)
Exchange realignment	匯兌調整	(138,404)	(313,124)
At 31 December	於12月31日	6,191,000	6,261,172
Derivative financial instrument:	衍生金融工具：		
At 1 January	於1月1日	335,542	70,449
Changes in fair value recognised in profit or loss during the year	年內於損益確認的公允值變動	274,065	278,441
Exchange realignment	匯兌調整	(12,386)	(13,348)
At 31 December	於12月31日	597,221	335,542
Financial assets measured at FVOCI:	透過其他全面收益按公允值計算之 金融資產：		
Unlisted equity investment in mainland China At 1 January	於中國大陸之非上市股權投資 於1月1日	3,832	—
Transfer from financial assets measured at amortised cost	轉撥自按攤銷成本計算之金融資產	—	4,017
Exchange realignment	匯兌調整	(84)	(185)
At 31 December	於12月31日	3,748	3,832
Total gains or losses for the year included in profit or loss for assets held at the end of the reporting period	於報告期末持有的計入損益資產的 年內收益或虧損總額	342,297	(845,962)

(ii) *Fair value of financial assets and liabilities carried at other than fair value*

The carrying amount of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair value as at 31 December 2018 and 2019.

40 金融工具之公允值及公允值等級架構 (續)

(a) 公允值計量 (續)

(i) *按公允值計量之金融資產 (續)*

年內該等第三級公允值計量的餘額變動如下：

(ii) *按公允值以外方式列賬的金融資產及負債的公允值*

本集團按成本或攤銷成本列賬的金融工具的賬面值與其於2018年及2019年12月31日之公允值並無重大區別。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

41 Commitments

- (a) Capital commitments outstanding at 31 December 2019 not provided for in the financial statements were as follows:

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Commitments in respect of acquisition of land and buildings, and development costs attributable to properties under development:	就收購土地及樓宇及發展中物業發展成本之承擔：		
Contracted, but not provided for	已訂約但未撥備	4,600,678	7,343,032

In addition to this, as disclosed in the Company's announcement dated 14 July 2017, the Group agreed a maximum capital contribution to a related party, Shum King Limited, of \$3,000,000,000 for its development of a piece of land in Hong Kong. As at 31 December 2019, the Group had an outstanding capital commitment to Shum King of \$1,971,500,000 (2018: \$2,007,500,000).

除此以外，如於本公司日期為2017年7月14日之公佈所披露，本集團同意向關聯方深勁有限公司最多注資3,000,000,000元以從事發展香港之一塊土地。於2019年12月31日，本集團對深勁之尚未行使之資本承擔為1,971,500,000元（2018年：2,007,500,000元）。

- (b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		Properties and others 物業及其他 \$'000 千元
Within one year	一年內	20,104
In the second to fifth years, inclusive	第二年至第五年（包括首尾兩年）	33,345
		53,449

41 承擔

- (a) 於2019年12月31日尚未行使及未於財務報表作出撥備的資本承擔如下：

- (b) 於2018年12月31日，於以下期間應付之不可取消經營租約在未來之最低應付租金總額如下：

41 Commitments (continued)

(b) (continued)

The Group is the lessee in respect of a number of properties and items of property, plant and equipment held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (see note 2(c)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in note 2(j), and the details regarding the Group's future lease payments are disclosed in note 31.

42 Contingent liabilities

(a) Financial guarantees to purchasers of the Group's properties

As at 31 December 2019, the Group has given guarantees to a maximum extent of approximately \$5,144,838,000 (2018: \$5,866,018,000) to banks for housing loans extended by the banks to the purchasers of the Group's properties.

Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the buyer of the Group's properties obtain the individual property ownership certificate.

The directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty and therefore no provision has been made in connection with the guarantees.

(b) Financial guarantees to related parties of the Group

As at 31 December 2019, the Group has given guarantees amounted to RMB1,344,292,000 in respect of bank loans and other borrowings to Pik Sum and Taizhou Shum Yip, both of which are joint ventures of the Group (see note 23).

41 承擔 (續)

(b) (續)

本集團為根據先前按香港會計準則第17號分類為經營租約之租約持有之多個物業以及物業、廠房及設備項目之承租人。本集團透過採用經修訂追溯法初次應用香港財務報告準則第16號。根據該方法，本集團調整於2019年1月1日的期初結餘以確認與該等租約有關之租賃負債（見附註2(c)）。自2019年1月1日起，日後租賃付款乃根據附註2(j)所載之政策於財務狀況表內確認為租賃負債，有關本集團未來租賃付款之詳情於附註31披露。

42 或然負債

(a) 向本集團物業買家提供之財務擔保

於2019年12月31日，本集團就銀行給予本集團物業買家之房屋貸款向銀行提供最多達約5,144,838,000元（2018年：5,866,018,000元）之擔保。

根據擔保條款，倘該等買家拖欠按揭貸款項，本集團有責任償付欠付之按揭貸款以及拖欠款項買家欠付銀行之任何應計利息及罰款。本集團隨後可接收有關物業之合法所有權。本集團之擔保期由授出有關按揭貸款當日開始截至本集團物業買家取得個別物業所有權證後屆滿。

董事認為，倘拖欠款項，有關物業之可變現淨值足以償付尚未償還之按揭貸款連同任何應計利息及罰款，故未就該等擔保作出撥備。

(b) 給予本集團關聯方之財務擔保

於2019年12月31日，本集團就碧森及泰州深業（兩者均為本集團合營公司）銀行及其他貸款提供人民幣1,344,292,000元之擔保（見附註23）。

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43 Related party transactions

In addition to the financial guarantee received from the ultimate holding company disclosed in note 30(b), the financial guarantees provided to joint ventures disclosed in note 42(b) and the capital commitments provided to a joint venture disclosed in note 41(a), the Group had the following related party transactions:

(a) Financing arrangements

- (i) The Group entered into certain financing arrangements with its related parties. The interest expenses arising from these financing arrangements for the year are disclosed in note 7. The cash flows arising from these financing arrangements for the year and the amounts due to these related parties at the end of the reporting period are disclosed in note 29(c). These financing arrangements are unsecured, interest-free and have no fixed terms of repayment, except for the balances of \$6,194,516,000 (2018: \$8,954,388,000) which are interest-bearing, unsecured and have fixed terms of repayment ranging from one to three year. Among these financing arrangements, the financial assistance received by the Group from the immediate holding company, the ultimate holding company and the fellow subsidiaries constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements under Chapter 14A of the Listing Rules as they are conducted on normal commercial terms or better, and are not secured by the assets of the Group.
- (ii) The Group also provides loans to its related parties. At 31 December 2019, the Group's loans to joint ventures and associates were \$3,032,524,000 (2018: \$3,960,779,000) and \$14,076,000 (2018: \$15,811,000) respectively. The related interest income from the joint ventures and associates for the year ended 31 December 2019 were \$161,895,000 (2018: \$164,480,000) and \$494,000 (2018: \$368,000). The balances at 31 December 2019 include \$2,860,786,000 (2018: \$3,677,164,000) which are interest-bearing, unsecured and have fixed terms of repayment ranging from one to four year. The remaining balances are unsecured, interest-free and have no fixed terms of repayment.

43 關聯方交易

除附註30(b)所披露的從最終控股公司獲得的財務擔保、附註42(b)所披露的向合營公司提供的財務擔保及附註41(a)所披露的向一間合營公司提供的資本承擔外，本集團的關聯方交易如下：

(a) 融資安排

- (i) 本集團與其關聯方訂立若干融資安排。年內來自該等融資安排之利息開支披露於附註7。年內來自該等融資安排之現金流量及於報告期末應付該等關聯方之款項披露於附註29(c)。該等融資安排為無抵押、免息及無固定還款期，除金額為6,194,516,000元（2018年：8,954,388,000元）之計息、無抵押及固定還款期限介乎一至三年之結餘除外。於該等融資安排中，本集團接收來自直接控股公司、最終控股公司及同系附屬公司之財務資助構成上市規則第14A章內所界定之持續關聯交易，惟獲豁免遵守上市規則第14A章內之披露規定，該等交易按一般商業條款或更佳條款進行，且毋須以本集團之資產作抵押。
- (ii) 本集團亦向其關聯方提供貸款。於2019年12月31日，本集團給予合營公司及聯營公司之貸款分別為3,032,524,000元（2018年：3,960,779,000元）及14,076,000元（2018年：15,811,000元）。截至2019年12月31日止年度，來自合營公司及聯營公司的相關利息收入分別為161,895,000元（2018年：164,480,000元）及494,000元（2018年：368,000元）。於2019年12月31日的結餘包括2,860,786,000元（2018年：3,677,164,000元），為計息、無抵押及固定還款期限介乎一至四年。餘下結餘為無抵押、免息及無固定還款期。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

43 Related party transactions (continued)

(b) Leasing arrangements

- (i) The Group entered into leases in respect of certain leasehold properties from its related parties, with lease terms ranging from 1 years to 5 years. During the year ended 31 December 2019, the amounts of rent payable by the Group under these leases to its immediate holding company, fellow subsidiaries and associates were \$4,972,000 (2018: \$10,714,000), \$3,460,000 (2018: \$490,000) and \$29,475,000 (2018: Nil) respectively. At 1 January 2019, the Group has initially applied HKFRS 16 using the modified retrospective approach and recognised right-of-use asset and lease liabilities relating to these lease arrangements. The related balances of right-of-use assets and lease liabilities are disclosed in note 20 and note 31 respectively.
- (ii) The Group also entered into a lease arrangement with its ultimate holding company as a lessor. For the year ended 31 December 2019, the rental income in respect of the lease arrangement was \$13,038,000 (2018: \$12,370,000).
- (iii) The prices for the above transactions were determined based on mutual agreement between the parties.

(c) Other related party transactions

- (i) The Group entered into arrangement with its ultimate holding company in which the Group provides management services on its behalf in respect of certain agricultural lands and property development projects. For the year ended 31 December 2019, the management fee income in respect of these management services was \$1,985,000 (2018: \$2,068,000).
- (ii) During the year ended 31 December 2019, the Group sold products to its joint ventures of \$24,822,000 (2018: \$228,074,000).
- (iii) The prices for the above transactions were determined based on mutual agreement between the parties.

Note: The related party transactions with the ultimate holding company, immediate holding company and the fellow subsidiaries disclosed in note 43(b) and 43(c)(i) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements under Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1).

43 關聯方交易 (續)

(b) 租賃安排

- (i) 本集團就其關聯方的若干租賃物業訂立租約，租賃期介乎一至五年。截至2019年12月31日止年度，本集團根據該等租約應向其間接控股公司、同系附屬公司及聯營公司支付的租金分別為4,972,000元（2018年：10,714,000元）、3,460,000元（2018年：490,000元）及29,475,000元（2018年：無）。於2019年1月1日，本集團採用經修訂追溯法初步應用香港財務報告準則第16號並確認有關該等租賃安排之使用權資產及租賃負債。使用權資產及租賃負債的相關結餘分別披露於附註20及附註31。
- (ii) 本集團作為出租人亦與其最終控股公司訂立租賃安排。截至2019年12月31日止年度，有關租賃安排的租金收入為13,038,000元（2018年：12,370,000元）。
- (iii) 上述交易之價格乃經雙方相互協定後釐定。

(c) 其他關聯方交易

- (i) 本集團與其最終控股公司訂立安排，據此，本集團代其就若干農業用地及物業開發項目提供管理服務。截至2019年12月31日止年度，有關該等管理服務的管理費收入為1,985,000元（2018年：2,068,000元）。
- (ii) 截至2019年12月31日止年度，本集團向其合營公司銷售產品24,822,000元（2018年：228,074,000元）。
- (iii) 上述交易之價格乃經雙方相互協定後釐定。

附註：上文附註43(b)及43(c)(i)所披露的與最終控股公司、直接控股公司及同系附屬公司的關聯方交易構成持續關連交易（定義見上市規則第14A章），惟獲豁免遵守上市規則第14A章項下的披露規定，因其低於第14A.76(1)條項下之最低豁免水平。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

43 Related party transactions (continued)

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 10 and certain of the highest paid employees as disclosed in note 11, is as follows:

		2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Short-term employee benefits	短期僱員福利	16,094	16,343
Post-employment benefits	退休福利	2,619	2,495
Equity settled share option expense	以股本支付之購股權開支	6,586	9,373
		25,299	28,211

Total remuneration is included in "staff cost" (see note 8(b)).

(e) Applicability of the Listing Rules relating to connected transactions

The Group's transactions with Shum Yip Group, Shum Yip Holdings and its fellow subsidiaries as disclosed in note 30(b), 43(b) and 43(c) constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements under Chapter 14A of the Listing Rules because of the reasons disclosed in the respective notes.

In the opinion of the directors, the above related party transactions were conducted on normal commercial terms and in the ordinary course of the Group's business. The directors of the Company confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

43 關聯方交易 (續)

(d) 主要管理人員酬金

本集團主要管理人員之酬金(包括已付本公司董事(於附註10內披露)及若干最高薪僱員(於附註11內披露)之金額)如下:

	2019 2019年 \$'000 千元	2018 2018年 \$'000 千元
Short-term employee benefits	16,094	16,343
Post-employment benefits	2,619	2,495
Equity settled share option expense	6,586	9,373
	25,299	28,211

酬金總額載於「員工成本」(見附註8(b))。

(e) 有關關連交易之上市規則之適用程度

由於附註30(b)、43(b)及43(c)所披露之原因，本集團與深業集團、深業(集團)及其同系附屬公司之交易(如有關附註所披露)構成上市規則第14A章內所界定之持續關聯交易，惟獲豁免遵守上市規則第14A章內之披露規定。

董事認為，上述關聯方交易乃屬本集團日常業務中按一般商業條款進行之交易。本公司董事確認本公司已遵從上市規則第14A章之披露規定。

Notes to the Financial Statements
財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

44 Company-level statement of financial position

44 公司層面財務狀況表

		31 December 2019	31 December 2018
		2019年 12月31日	2018年 12月31日
		\$' 000	\$' 000
		千元	千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	198	260
Investments in subsidiaries	附屬公司投資	35,770,416	35,270,312
Investments in associates	聯營公司投資	28,557	22,791
Total non-current assets	非流動資產總額	35,799,171	35,293,363
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	2,778	1,589
Other financial assets	其他金融資產	2,367	3,068
Cash and cash equivalents	現金及現金等價物	882,377	722,171
Total current assets	流動資產總額	887,522	726,828
Current liabilities	流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	1,579,077	1,091,495
Other payables and accruals	其他應付款項及應計費用	774,602	412,400
Due to the ultimate holding company	應付最終控股公司款項	37,083	36,126
Due to the immediate holding company	應付直接控股公司款項	391,806	391,164
Total current liabilities	流動負債總額	2,782,568	1,931,185
Net current liabilities	流動負債淨值	(1,895,046)	(1,204,357)
Total assets less current liabilities	總資產減流動負債	33,904,125	34,089,006
Non-current liabilities	非流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	10,913,125	11,982,827
Total non-current liabilities	非流動負債總額	10,913,125	11,982,827
NET ASSETS	資產淨值	22,991,000	22,106,179

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

44 Company-level statement of financial position (continued) 44 公司層面財務狀況表 (續)

			31 December 2019	31 December 2018 (Note)
			2019年 12月31日	2018年 12月31日 (附註)
		Notes	\$'000	\$'000
		附註	千元	千元
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	38(b)	21,910,268	20,688,259
Other reserves	其他儲備		1,080,732	1,417,920
TOTAL EQUITY	權益總額		22,991,000	22,106,179

Approved and authorised for issue by the board of directors on 30 March 2020.

經董事會於2020年3月30日批准及授權刊發。

Huang Wei

黃偉

Director

董事

Liu Chong

劉崇

Director

董事

Note: The Company has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本公司於2019年1月1日採用經修訂追溯法初步應用香港財務報告準則第16號。根據此方法，比較資料不予重列。見附註2(c)。

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

45 Comparative figures

The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2(c).

46 Non-adjusting events after the reporting period

(a) Subsequent to the end of the reporting period, the board of the directors proposed a final dividend. Further details are disclosed in note 13.

(b) Impact of Novel Coronavirus (COVID-19) Epidemic

The outbreak of COVID-19 since January 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position and performance.

The Group has been closely monitoring the impact of the developments on the Group's businesses. As far as the Group's businesses are concerned, only a limited portion of businesses are located in Wuhan. Based on management's current assessment, the most significant impacts are on the Group's property development and property investment segments, which are the Group's major sources of revenue. The outbreak of COVID-19 has caused delays in progress for certain projects in the property development segment, which may result in a reduction in the Group's sales of properties. It may also affect the Group's rental income from the property investment segment as the Group has implemented measures to offer rental reliefs to certain tenants.

The Group is also assessing the impact of the outbreak of COVID-19 on its contracted sales, rental income and working capital. Based on management's preliminary assessment as of the date of these consolidated financial statements, the impact of COVID-19 on the Group's financial position is not significant. However, it would be difficult to accurately determine the full impact of the outbreak on the Group given the uncertainties in predicting the severity and duration of its effect on the mainland China and the difficulties in predicting the adverse impact on the levels of rental income of the Group which would only be more accurately determined when current leases are due for renewal. These impacts have not been reflected in the consolidated financial statements for the year ended 31 December 2019.

45 比較數字

本集團於2019年1月1日採用經修訂追溯法初步應用香港財務報告準則第16號。根據此方法，比較資料不予重列。有關會計政策變動的進一步詳情披露於附註2(c)。

46 不涉調整的報告期後事項

(a) 於報告期末後，董事會建議派發末期股息。進一步詳情於附註13披露。

(b) 新型冠狀病毒(COVID-19)疫情的影響

自2020年1月以來爆發的新型冠狀病毒為本集團的營運環境帶來更多不確定因素，並對本集團的業務及財務狀況及表現造成影響。

本集團一直密切監察疫情發展對本集團業務的影響。在本集團的業務中，僅有小部分位於武漢。根據管理層目前的評估，最大影響在於本集團物業開發及物業投資分類，此乃本集團的主要收益來源。爆發新型冠狀病毒導致物業開發分類的若干項目進度延誤，可能會導致本集團的物業銷售減少。由於本集團已採取措施向部分租戶減免租金，這亦可能影響本集團來自物業投資分類的租金收入。

本集團亦正評估新型冠狀病毒爆發對其合約銷售、租金收入及營運資金的影响。根據管理層截至該等綜合財務報表日期的初步評估，新型冠狀病毒對本集團財務狀況的影響不大。然而，難以準確釐定疫情爆發對本集團的全面影響，原因是在預測疫情對中國大陸影響的嚴重性及持續時間方面存在不確定性，且難以預測其對本集團租金收入水平的不利影響，這將僅於現行租約到期續約時始可更準確地釐定。該等影響尚未於截至2019年12月31日止年度的綜合財務報表中反映。

Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，所有金額均以港元列示)

47 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, Insurance contracts, which are not yet effective for the year ended 31 December 2019 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

47 截至2019年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響

截至該等財務報表刊發當日，香港會計師公會已頒佈若干修訂及一項新訂準則香港財務報告準則第17號，保險合約，於截至2019年12月31日止年度尚未生效，亦未於該等財務報表中採納。該等修訂包括與本集團可能有關的以下內容。

Effective for accounting periods
beginning on or after

於下列日期或之後開始之
會計期間生效

Amendments to HKFRS 3, <i>Definition of a business</i> 香港財務報告準則第3號之修訂，業務的定義	1 January 2020 2020年1月1日
Amendments to HKAS 1 and HKAS 8, <i>Definition of material</i> 香港會計準則第1號及香港會計準則第8號之修訂，重大性的定義	1 January 2020 2020年1月1日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在就該等修訂預期對首次應用期間的影響程度作出評估。截至目前為止之結論為，採納該等修訂不大可能對綜合財務報表產生重大影響。

Schedule of Major Properties

主要物業表

Group I – Property interest held by the Group under development and for future development 第一類 – 本集團持有發展中及有待日後發展之物業權益

Project Name	Address	Type	Interests attributable to the Group	Site Area	Planned GFA (sq.m.)	Expected Completion Year
項目名稱	地址	用地性質	本集團所佔權益	佔地面積	規劃建築面積 (平方米)	預計完工年份
Property Interest held for future development						
有待日後發展之物業權益						
Garden Hills (Land Plot 1) 半山名苑1號地塊	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	Residential 住宅	100%	39,475	166,985	2024
Wanlin Huafu 萬林華府	Huicheng, Huizhou 惠州市惠城區	Residential 住宅	100%	72,922	314,360	2024
Yihu Rose Garden Laohuaniao Block 怡湖玫瑰苑老花鳥地塊	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	Residential 住宅	52.54%	46,697	287,421	2024
Wuhan Bio Valley Project 武漢生物谷項目	North of Gaoxin Avenue, East Lake High-tech Development Zone, Wuhan 武漢市東湖高新區高新大道北側	Residential 住宅	52.54%	93,200	266,400	2023
Nanhu Rose Bay 10-17#(Block 1&2, Phase 4) 南湖玫瑰灣10-17#(4期1&2區)	Wuhan, Hubei 湖北省武漢市	Residential 住宅	75.05%	38,035	132,800	2022
Chaohu Royal Spring Garden North 巢湖御泉莊北區	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	Residential 住宅	100%	78,827	28,997	Unscheduled 未有計劃
Chaohu South Residential 巢湖南區住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	Residential 住宅	100%	113,764	22,292	Unscheduled 未有計劃
Taifu Square Phase 2 泰富廣場2期	Luohu, Shenzhen 深圳市羅湖區	Complex 綜合體	97.68%	8,964	106,106	2023
Taifu Square Phase 3 泰富廣場3期	Luohu, Shenzhen 深圳市羅湖區	Complex 綜合體	97.68%	8,807	130,781	2024
Kashi Residential (Land Plot 1) 喀什住宅(地塊1)	Duolaitebage Road, Kashi 喀什市多萊特巴格路	Residential 住宅	100%	17,129	59,952	Unscheduled 未有計劃
Tuen Mun (Land Plot 520) 屯門520地塊	Tuen Mun Area, Shenjing & Qingshan Road, Tuen Mun, Hongkong 香港屯門區深井及青山公路屯門區域	Residential 住宅	50%	12,205	43,938	Unscheduled 未有計劃
Xinhongcheng 信宏城	Gongming Street, Guangming New District, Shenzhen 深圳市光明新區光明街道	Residential 住宅	65%	48,680	322,563	2023

Schedule of Major Properties

主要物業表

Group I – Property interest held by the Group under development and for future development

第一類 – 本集團持有發展中及有待日後發展之物業權益

Project Name	Address	Type	Interests attributable to the Group	Site Area	Planned GFA (sq.m.)	Expected Completion Year
項目名稱	地址	用地性質	本集團所佔權益	佔地面積	規劃建築面積 (平方米)	預計完工年份
Property Interest held for future development						
有待日後發展之物業權益						
Chengdu Chenghua Haibinwan Project 成都成華區海濱灣項目	Qinglong Street, Chenghua, Chengdu 成都市成華區青龍街道	Residential 住宅	75.05%	20,479	55,631	2021
Songshan Lake 2019WG029 land Parcel 松山湖2019WG029地塊	Songshan Lake, Dongguan 東莞市松山湖	Residential 住宅	100%	50,017	168,043	2024
Nanjing Hexi 2019G77 land Parcel 南京河西2019G77地塊	Hexi, Nanjing 南京市河西區	Residential 住宅	100%	17,500	43,600	2022
Longgang Bantian land Parcel 龍崗坂田街道地塊	Banrian Street, Longgang, Shenzhen 深圳市龍崗區坂田街道	Industrial 產業	100%	8,437	52,341	Unscheduled 未有計劃

Schedule of Major Properties
主要物業表

Group I – Property interest held by the Group under development and for future development
第一類 – 本集團持有發展中及有待日後發展之物業權益

Project Name 項目名稱	Address 地址	Type 用地性質	Interests attributable to the Group 本集團所佔權益	Site Area 佔地面積	Planned GFA (sq.m.) 規劃建築面積 (平方米)	Progress (note) 發展進度 (附註)	Expected Completion Year 預計完工年份
Property interest held under development 持有發展中之物業權益							
Qingshuihe Auto Park Phase 4 清水河國際汽車產業園4期	Luohu, Shenzhen 深圳市羅湖區	Warehouse/ Commercial 倉儲/商業	97.68%	8,726	51,560	2	2021
Terra Licheng 泰然立城	Tairan 4th Road, Futian, Shenzhen 深圳市福田區泰然四路	Complex 綜合體	75.05%	7,944	129,050	4	2020
Chaohu South Phase 2 巢湖南區2期	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	Residential 住宅	100%	29,816	7,294	3	2020
Shum Yip Dongling (Land Plot 04-01) 深業東嶺04-01地塊	Intersection of Shennan East Road and Yanhe North Road, Luohu, Shenzhen 深圳市羅湖區深南東路與沿河 北路交匯處	Commercial 商業	95%	6,751	75,819	2	2022
Qianhai 19-06-06 Project 前海19-06-06項目	Free Trading Area, Qianhai, Shenzhen 深圳市前海自貿區	Residential 住宅	50%	12,491	54,360	3	2021
Yihu Rose Garden Long Jing 怡湖玫瑰苑瓏璟	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	Residential 住宅	52.54%	8,433	45,026	3	2020
Garden Hills Phase 3.2 半山名苑3.2期	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	Residential 住宅	100%	48,702	215,006	4	2022
Rui Cheng Phase 3.2 睿城3.2期	Changsha County, Changsha 長沙市長沙縣	Residential 住宅	80%	12,453	66,505	4	2020
Gaobangshan No.1 Garden Phase 2 高榜山1號花園2期	Huicheng, Huizhou 惠州市惠城區	Residential 住宅	100%	108,237	355,140	4	2022
Foshan Nanhai Lishui Land Site 佛山南海里水地塊	Lishui Town, Nanhai District, Foshan 佛山市南海區里水鎮	Residential 住宅	100%	19,883	79,094	3	2022
Changsha Yuelu Yanghu Project 長沙岳麓區洋湖項目	Yanghu Ecological New City, Yuelu, Changsha 長沙市岳麓區洋湖生態新城	Residential 住宅	100%	79,994	242,577	3	2021
Splendid City Phase 3 錦繡姜城3期	Taizhuo, Jiangsu 江蘇省泰州市	Residential 住宅	100%	46,678	182,310	3	2021

Schedule of Major Properties

主要物業表

Group I – Property interest held by the Group under development and for future development

第一類 – 本集團持有發展中及有待日後發展之物業權益

Project Name	Address	Type	Interests attributable to the Group	Site Area	Planned GFA (sq.m.)	Progress (note)	Expected Completion Year
項目名稱	地址	用地性質	本集團所佔權益	佔地面積	規劃建築面積 (平方米)	發展進度 (附註)	預計完工年份
Property interest held under development							
持有發展中之物業權益							
Nanjing Jiangning Tianyou Road G72 Land Plot 南京江寧區天佑路G72地塊	Shangfang Town, Jiangning District, Nanjing 南京市江寧區上坊鎮	Residential 住宅	100%	34,682	111,200	3	2021
Nanjing Jiangning Qinglong Subway Town G78 Land Plot 南京江寧區青龍地鐵小鎮G78地塊	Qinglong Subway Town, Jiangning District, Nanjing 南京市江寧區青龍地鐵小鎮	Residential 住宅	100%	31,304	102,660	3	2022
Ma'anshan Shum Yip Huafu Phase 2.2 North 馬鞍山深業華府2期2組團北區	Yushan, Ma'anshan 馬鞍山市雨山區	Residential 住宅	99.77%	71,259	235,630	3	2020
Ma'anshan Shum Yip Huafu Phase 2.2 South 馬鞍山深業華府2期2組團南區	Yushan, Ma'anshan 馬鞍山市雨山區	Residential 住宅	99.77%	71,259	226,947	2	2022

Note:

1. Site formation
2. Foundation work
3. Superstructure in progress
4. Interior finishing

附註：

1. 地盤平整
2. 地基工程
3. 上蓋工程進行中
4. 內部裝修

Schedule of Major Properties
主要物業表

Group II – Property interest held by the Group for sales
第二類 – 本集團持有作銷售之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Group 本集團所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion year 落成年份
Shunde Shum Yip City 順德深業城	Shunde, Foshan, Guangdong 廣東省佛山市順德區	Com. & Res. 商業及住宅	100%	92,946.12	2012-2017
Rui Cheng Phase 1 睿城1期	Changsha, Hunan 湖南省長沙市	Res. 住宅	80%	3,362.72	2013
Wanlin Lake 萬林湖	Huizhou, Guangdong 廣東省惠州市	Com. & Res. 商業及住宅	100%	10,919.39	2008-2019
Garden Hills 半山名苑	Huizhou, Guangdong 廣東省惠州市	Com. & Res. 商業及住宅	100%	37,157.10	2012-2017
Saina Bay 塞納灣	Heyuan, Guangdong 廣東省河源市	Com. & Res. 商業及住宅	100%	5,290.25	2012
Euro-view Garden Phase 1 歐景麗苑1期	Dongguan, Guangdong 廣東省東莞市	Com. & Res. 商業及住宅	100%	2,814.85	2012
Splendid City Phase 1 & 2 錦繡姜城1期及2期	Taizhou, Jiangsu 江蘇省泰州市	Com. & Res. 商業及住宅	100%	4,929.53	2012-2016
Ma'anshan Shum Yip Huafu 馬鞍山深業華府	Ma'anshan, Anhui 安徽省馬鞍山市	Res. 住宅	99.77%	9,871.35	2013-2019
Changzhou Shum Yip Huafu 常州深業華府	Changzhou, Jiangsu 江蘇省常州市	Res. 住宅	100%	5,825.42	2014-2017
Nanhu Rose Bay Phase 1-3 南湖玫瑰灣1至3期	Wuhan, Hubei 湖北省武漢市	Com. & Res. 商業及住宅	52.54%	7,255.37	2012
Yihu Rose Garden 怡湖玫瑰苑	Chengdu, Sichuan 四川省成都市	Com. & Res. 商業及住宅	52.54%	15,102.37	2013-2019
UpperHills 深業上城	Shenzhen, Guangdong 廣東省深圳市	Com., Off. and Res. 商業、辦公室及住宅	100%	80,283.97	2014, 2016
Jiangyue Bay 江悅灣	Guangzhou, Guangdong 廣東省廣州市	Res. 住宅	100%	833.93	2014, 2015
Royal Spring 御泉莊	Chaohu, Anhui 安徽省巢湖市	Res. 住宅	100%	2,695.52	2015-2017
Bofeng Building 博豐大廈	Luohu, Shenzhen, Guangdong 廣東省深圳市羅湖區	Off. 辦公室	97.68%	1,066.22	2016
Rui Cheng Phase 2 睿城2期	Changsha, Hunan 湖南省長沙市	Res. 住宅	80%	1,126.66	2016-2017
Guanlan Rose Pavilion and Rose Garden 觀瀾玫瑰軒及玫瑰苑	Shenzhen, Guangdong 廣東省深圳市	Com. & Res. 商業及住宅	38.28%	1,010.96	2016
Rui Cheng Phase 3.1 睿城3.1期	Changsha City, Hunan 湖南省長沙市	Res. 住宅	80%	665.72	2018
Shum Yip Dongling (Land Plot 03-01) 深業東嶺 (03-01地塊)	Shenzhen, Guangdong 廣東省深圳市	Res. 住宅	95%	14,709.94	2018
Taifu Square 泰富廣場	Shenzhen, Guangdong 廣東省深圳市	Com., Off. and Res. 商業、辦公室及住宅	97.68%	261,283.00	2019
Shum Yip Zhongcheng 深業中城	Shenzhen, Guangdong 廣東省深圳市	Com., Off. and Res. 商業、辦公室及住宅	100%	204,783.16	2019
Shum Yip Gaobangshan No. 1 Garden 高榜山1號花園	Huizhou, Guangdong 廣東省惠州市	Res. 住宅	100%	9,581.36	2019
Shum Yip Xihui 深業喜匯	Changsha, Hunan 湖南省長沙市	Res. 住宅	80%	7,455.84	2019

Schedule of Major Properties

主要物業表

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Property 物業	Address 地址	Use 用途	Interest to the Group 本集團 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion year 落成年份
Shun Hing Square 信興廣場	Junction of Shennan Zhong Road, Jiefang Road and Baoan Road, Luohu, Shenzhen 深圳市羅湖區深南中路解放路 及寶安路交界	Off., Apartment. and Carpark 辦公室、公寓及停車場	100%	17,817.12	1996
Shum Yip Centre 深業中心	Shennan Zhong Road, Luohu, Shenzhen 深圳市羅湖區深南中路	Com., Off. and Carpark 商業、辦公室及停車場	100%	10,417.58	1997
Hua Min Building 華民大廈	Renmin Nan Road, Luohu, Shenzhen 深圳市羅湖區人民南路	Apartment., Com. and Carpark 公寓、商業及停車場	50%	6,252.73	1993
Hua Min Building 華民大廈	Renmin Nan Road, Luohu, Shenzhen 深圳市羅湖區人民南路	Apartment 公寓	100%	947.42	1993
Shum Yip Building 深業大廈	Wenjin Zhong Road, Luohu, Shenzhen 深圳市羅湖文錦中路	Off. 辦公室	100%	7,066.10	1991
Noble Times 東晨時代	Pingshan, Shenzhen 深圳市坪山區	Com. 商業	100%	26,975.97	2012
Che Gong Miao Ind. Zone 車公廟工業區	Futian, Shenzhen 深圳市福田區	Com., Off., Res. and Carpark 商業、辦公室、 住宅及停車場	75.05%	136,639.81	1994-2012
No.10 Fuxing Nan Road 福星南路10號	Futian, Shenzhen 深圳市福田區	Res. 住宅	75.05%	64.44	1990
Shenhua Science & Technology Park 深華科技園	Meiliin Road, Futian, Shenzhen 深圳市福田區梅林路	Com. and Off. 商業及辦公室	75.05%	15,246.77	1994
Shop in No.117 Fuxing Road 福星路117號商舖	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	50.49	1993
Tian'an Che Gong Miao Ind. Zone 天安車公廟工業區	Futian, Shenzhen 深圳市福田區	Off., Com., Res. and Carpark 辦公室、商業住宅及停車場	37.53%	81,087.07	1992-2005
Tian'an Nanhai New Cyber-City Phase 2 天安南海數碼新城2期	Nanhai, Guangdong 廣東省南海	Com., Off. and Carpark 商業、辦公室及停車場	37.53%	63,740.18	2008-2015
Tian'an Panyu New Cyber-City 天安番禺數碼新城	Panyu, Guangdong 廣東省番禺	Com., Res. and Carpark 商業、住宅及停車場	37.53%	115,028.69	2010
Tian'an Longgang New Cyber-City 天安龍崗數碼新城	Shenzhen, Guangdong 廣東省深圳市	Com., Off. and Carpark 商業、辦公室及停車場	37.53%	43,080.02	2010-2014
Tian'an Dongguan New Cyber-City 天安東莞數碼新城	Dongguan, Guangdong 廣東省東莞市	Com., Off. and Carpark 商業、辦公室及停車場	37.53%	45,228.00	2012-2017

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Tian'an Jiangyin Cyber-City 天安江陰數碼城	Jiangyin, Jiangsu 江蘇省江陰市	Res. and Off. 住宅及辦公室	37.53%	26,952.63	2012-2017
Tian'an Changzhou New Cyber-City 天安常州數碼新城	Changzhou, Jiangsu 江蘇省常州市	Off. and Com. 辦公室及商業	37.53%	35,788.28	2012
Tian'an Qingdao New Cyber-City 天安青島數碼新城	Qingdao, Shandong 山東省青島市	Off. 辦公室	37.53%	12,004.56	2015-2017
Tian'an Tianjin New Cyber-City 天安天津數碼新城	Xiqing, Tianjin 天津市西青區	Off. 辦公室	37.53%	20,130.65	2016
Tian'an Chongqing New Cyber-City 天安重慶數碼新城	Da Du Kou, Chongqing 重慶市大渡口	Com. 商業	37.53%	5,304.91	2015
Tian'an Wuxi Cyber-City 天安無錫數碼城	Wuxi, Jiangsu 江蘇省無錫市	Off. and Com. 辦公室及商業	37.53%	71,667.28	2014
Tian'an Nantong Cyber-City 天安南通數碼城	Nantong, Jiangsu 江蘇省南通市	Off. and Com. 辦公室及商業	37.53%	59,992.23	2011
Tian'an Nanjing Cyber-City 天安南京數碼城	Nanjing, Jiangsu 江蘇省南京市	Com., Off. and Carpark 商業·辦公室及停車場	37.53%	82,511.39	2014-2015
Shum Yip Garden 深業花園	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,646.43	2002
Sungang Warehouse Zone 笋崗倉庫區	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Com. 商業	97.68%	72,564.21	1990-2002
Composite Building on Taoyuan Road 桃源路綜合樓	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Com. and Off. 商業及辦公室	97.68%	4,812.73	1991
Dormitory Building on Taoyuan Road 桃源路宿舍樓	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Com./Res. 商住	97.68%	4,835.28	1988
Boxing Building 博興大廈	Qingshuihe, Luohu, Shenzhen 深圳市羅湖區清水河	Com. 商業	97.68%	12,861.05	2014
Bolong Building 博隆大廈	Qingshuihe, Luohu, Shenzhen 深圳市羅湖區清水河	Com. 商業	97.68%	39,284.24	2014
Bofeng Building 博豐大廈	Qingshuihe, Luohu, Shenzhen 深圳市羅湖區清水河	Com. 商業	97.68%	10,070.39	2017
S.Z. Int'l. Trust and Investment Corp. Building 深圳國際信託投資總公司大樓	Junction of Zhenxing Road and Shangbu Zhong Road, Futian, Shenzhen 深圳市福田區振興路及上步中路交界	Off. 辦公室	75.05%	1,316.54	1990

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Shenyang Wuai Bus Station 瀋陽五愛客運站	Shenyang, Liaoning 遼寧省瀋陽市	Com. 商業	93.39%	33,089.44	1994-1996
Shenyang Wuai Shengang Bus Station and Meibo Trading Centre 瀋陽五愛深港客運站及美博貿易中心	Shenyang, Liaoning 遼寧省瀋陽市	Com. 商業	93.39%	67,939.18	2011
Coastal International Centre 沿海國際中心	Suzhou, Jiangsu 江蘇省蘇州市	Com., Apartment. and Off. 商業、公寓及辦公室	100%	56,606.73	2009
Chengdu Jinxiu Workshop 成都錦繡工場	Chengdu, Sichuan 四川省成都市	Com. and Carpark 商業及停車場	87.91%	30,803.45	2008
UpperHills 深業上城	Shenzhen, Guangdong 廣東省深圳市	Com., Off. and Carpark 商業、辦公室及停車場	100%	378,818.21	2017-2019
Pengji Properties 鵬基物業	Shenzhen, Guangdong and Nanjing, Jiangsu 廣東省深圳市及江蘇省南京	Com., Res., Off. and Carpark 商業、住宅、辦公室及停車場	100%	201,870.19	1983-2005
Xiangli Oasis Club 香荔綠洲會所	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,560.00	2003
Times Technology Building 時代科技大廈	Futian, Shenzhen 深圳市福田區	Com. and Off. 商業及辦公室	100%	52,742.86	2009
Longxi Garden 龍溪花園	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	6,515.27	1984-1996
Nongke Oasis Office Tower 農科綠洲辦公樓	Futian, Shenzhen 深圳市福田區	Off. 辦公室	100%	5,343.91	2012
Nongke Business Office Tower 農科商務辦公樓	Futian, Shenzhen 深圳市福田區	Off. and Com. 辦公室及商業	100%	859.16	2012
Xiangli Garden 香荔花園	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,560.00	2003
Tanglang City 塘朗城	Nanshan, Shenzhen 深圳市南山區	Com., Carpark and Res. 商業、停車場及住宅	50%	68,639.38	2015-2018
Shum Yip Dongling 深業東嶺	Luohu, Shenzhen 深圳市羅湖區	Com. and Carpark 商業及停車場	95%	41,929.64	2018



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