禹洲地産股份有限公司
YUZHOU PROPERTIES COMPANY LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01628)

UPDATE ON ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of Yuzhou Properties Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 31 March 2020 in relation to, among other things, the unaudited annual results of the Group for the year ended 31 December 2019 (the "**Unaudited Results Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Unaudited Results Announcement.

UPDATE ON ANNUAL RESULTS

The Board is pleased to announce that the auditing process for the annual consolidated results of the Group for 2019 has been completed, and the annual consolidated results of the Group for 2019 together with the comparative figures for 2018 are set out as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2019

	Notes	**2019**	2018
		RMB'000	*RMB'000*
REVENUE	*2*	**23,240,705**	24,305,871
Cost of sales		**(17,148,995)**	(16,838,626)
Gross profit		**6,091,710**	7,467,245
Fair value gain on investment properties, net		**600,546**	165,831
Other income and gains	*2*	**2,167,688**	497,215
Selling and marketing expenses		**(659,594)**	(459,152)
Administrative expenses		**(1,090,645)**	(606,179)
Other expenses		**(310,739)**	(54,484)
Finance costs – interest expenses	*3*	**(181,601)**	(223,352)
Finance costs – loss on early redemption of senior notes		**(178,744)**	–
Share of profits and losses of joint ventures		**(63,489)**	(74,265)
Share of profits and losses of associates		**229,369**	21,849
PROFIT BEFORE TAX	*4*	**6,604,501**	6,734,708
Income tax expense	*5*	**(2,637,705)**	(3,008,605)
PROFIT FOR THE YEAR		**3,966,796**	3,726,103
Attributable to:			
Owners of the parent		**3,605,776**	3,504,940
Non-controlling interests		**361,020**	221,163
		3,966,796	3,726,103
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*7*		
Basic *(RMB per share)*		**0.71**	0.78
Diluted *(RMB per share)*		**0.71**	0.78

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2019

	2019	2018
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**3,966,796**	3,726,103
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**289,672**	(972,612)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**4,256,468**	2,753,491
Attributable to:		
Owners of the parent	**3,895,448**	2,532,328
Non-controlling interests	**361,020**	221,163
	4,256,468	2,753,491

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2019

	Notes	2019 RMB'000	2018 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**2,802,912**	934,017
Investment properties		**12,864,131**	10,525,825
Land held for property development for sale		**–**	215,224
Prepayments, other receivables and other assets		**–**	1,029,512
Goodwill		**724,147**	1,133,070
Investments in joint ventures		**4,471,802**	6,204,784
Investments in associates		**4,867,561**	3,807,748
Deferred tax assets		**907,607**	742,157
Total non-current assets		**26,638,160**	24,592,337
CURRENT ASSETS			
Land held for property development for sale		**2,813,172**	5,680,204
Properties under development		**25,054,430**	26,614,206
Properties held for sale		**21,220,032**	13,051,659
Prepayments for acquisition of land		**124,008**	–
Prepayments, other receivables and other assets		**33,744,638**	14,683,118
Prepaid corporate income tax		**388,019**	505,730
Prepaid land appreciation tax		**885,775**	656,400
Derivative financial instruments		**55,627**	–
Restricted cash		**1,866,122**	2,117,120
Non-pledged time deposits with original maturity of over three months		**5,189,418**	–
Cash and cash equivalents		**28,455,729**	27,162,230
Total current assets		**119,796,970**	90,470,667
CURRENT LIABILITIES			
Contract liabilities		**8,658,302**	13,752,438
Trade payables	*8*	**9,783,041**	6,857,073
Other payables and accruals		**36,090,052**	22,960,107
Derivative financial instruments		**–**	5,884
Corporate bonds	*9*	**6,000,000**	7,200,000
Senior notes		**1,658,842**	550,074
Interest-bearing bank and other borrowings		**7,612,774**	8,679,618
Corporate income tax payables		**2,819,745**	2,552,345
Provision for land appreciation tax		**2,228,566**	1,962,590
Total current liabilities		**74,851,322**	64,520,129

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 December 2019

	Notes	2019 RMB'000	2018 RMB'000
NET CURRENT ASSETS		**44,945,648**	25,950,538
TOTAL ASSETS LESS CURRENT LIABILITIES		**71,583,808**	50,542,875
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**9,598,056**	12,468,045
Corporate bonds	9	**3,500,000**	3,800,000
Senior notes		**27,298,834**	10,934,118
Deferred tax liabilities		**2,459,289**	1,910,360
Total non-current liabilities		**42,856,179**	29,112,523
Net assets		**28,727,629**	21,430,352
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**447,146**	410,035
Senior perpetual securities		**1,911,986**	1,911,986
Reserves		**20,544,015**	17,164,569
		22,903,147	19,486,590
Non-controlling interests		**5,824,482**	1,943,762
Total equity		**28,727,629**	21,430,352

Notes:

1. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements:

Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*
Amendments to HKAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to HKAS 28	*Long-term Interests in Associates and Joint Ventures*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Except for the amendments to HKFRS 9 and HKAS 19, and *Annual Improvements to HKFRSs 2015-2017 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

(a) HKFRS 16 replaces HKAS 17 Leases, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17.

The Group adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretations.

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a 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 obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for an elective exemption for leases with a lease term of 12 months or less ("short-term leases") (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

Impact on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and included in interest-bearing bank and other borrowings. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019.

All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets in property, plant and equipment.

For the leasehold land and building (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

The Group has used the following elective practical expedient when applying HKFRS 16 at 1 January 2019:

- Applying the short-term leases exemptions to leases with a lease term that ends within 12 months from the date of initial application

Considering that the leasing arrangement is immaterial to the Group, the adoption of HKFRS 16 did not have any significant impact on the Group's financial statements.

(b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continued to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions. The interpretation did not have any impact on the financial position or performance of the Group.

2. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

	2019	2018
	RMB'000	*RMB'000*
Revenue		
Revenue from contracts with customers		
Sale of properties	**22,470,173**	23,625,857
Property management fee income	**447,673**	417,243
Hotel operation income	**17,721**	18,196
Revenue from other sources		
Rental income from investment properties	**305,138**	244,575
	23,240,705	24,305,871
Other income and gains		
Bank interest income	**385,481**	337,292
Gain on disposal of subsidiaries	**1,400,044**	–
Gain on bargain purchase of subsidiaries	**255,794**	58,246
Others	**126,369**	101,677
	2,167,688	497,215

3. FINANCE COSTS – INTEREST EXPENSES

An analysis of finance costs – interest expenses is as follows:

	2019	2018
	RMB'000	*RMB'000*
Interest on bank loans, other loans, corporate bonds and senior notes	**4,338,458**	3,050,162
Less: Interest capitalized	**(4,156,857)**	(2,826,810)
	181,601	223,352

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2019	2018
	RMB'000	*RMB'000*
Cost of properties sold	**16,631,223**	16,439,208
Cost of services provided	**517,772**	399,418
Depreciation	**83,188**	77,147
Gain on disposal of subsidiaries	**(1,400,044)**	–
Fair value loss on derivative financial instruments, net*	**–**	30,318
Realized loss on derivative financial instruments*	**399**	–
Impairment of goodwill*	**189,292**	–

* *The amounts are included in "Other expenses" in the consolidated statement of profit or loss.*

5. INCOME TAX

No provision for Hong Kong profits tax has been made for the year as the Group has available tax losses brought forward from prior years to offset the assessable profits generated during the year. No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong in the prior year. The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on the taxable profits for the year.

An analysis of the income tax charges for the year is as follows:

	2019	2018
	RMB'000	*RMB'000*
Current	**2,895,787**	3,368,044
Deferred	**(258,082)**	(359,439)
Total tax charge for the year	**2,637,705**	3,008,605

6. DIVIDENDS

	2019	2018
	RMB'000	*RMB'000*
Interim HK12 cents (2018: HK11 cents) per ordinary share	**523,159**	403,551
Special interim HK3 cents (2018: Nil) per ordinary share	**130,790**	–
Second interim HK21 cents (2018 final: HK20.5 cents) per ordinary share	**980,294**	842,506
Second special interim HK4 cents (2018: Nil) per ordinary share	**186,723**	–
	1,820,966	1,246,057

The second interim dividend and second special interim dividend will be either payable in cash or, at the scrip option of the shareholders, in form of new fully paid scrip shares of the Company in lieu of cash, or partly in cash and partly in scrip shares.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount for the year ended 31 December 2019 is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted for the distribution related to senior perpetual securities, and the weighted average number of ordinary shares of 4,913,323,081 (2018: 4,332,639,749) in issue during the year.

The calculation of the diluted earnings per share amount for the year ended 31 December 2019 is based on the profit for the year attributable to ordinary equity holders, adjusted for the distribution related to senior perpetual securities, and the weighted average number of ordinary shares used in the calculation is the total of (i) the weighted average number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares (see below).

The calculation of the basic and diluted earnings per share are based on:

	2019	2018
	RMB'000	*RMB'000*
Earnings		
Profit attributable to owners of the parent	**3,605,776**	3,504,940
Distribution related to senior perpetual securities	**(110,743)**	(106,546)
Profit used in the basic and diluted earnings per share calculations	**3,495,033**	3,398,394

	Number of shares 2019	Number of shares 2018
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings per share calculation	**4,913,323,081**	4,332,639,749
Effect of dilution of share options weighted average number of ordinary shares	**25,435,416**	39,016,251
Weighted average number of ordinary shares in issue during the year, used in the diluted earnings per share calculation	**4,938,758,497**	4,371,656,000

8. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the due date, is as follows:

	2019	2018
	RMB'000	*RMB'000*
Due within 1 year or on demand	**5,205,825**	3,978,243
Due within 1 to 2 years	**4,577,216**	2,878,830
	9,783,041	6,857,073

The trade payables are non-interest-bearing and unsecured.

9. CORPORATE BONDS

	2019	2018
	RMB'000	*RMB'000*
Corporate bonds due in 2019	**–**	5,000,000
Corporate bonds due in 2020	**3,000,000**	3,000,000
Corporate bonds due in 2021	**3,000,000**	3,000,000
Corporate bonds due in 2024	**3,500,000**	–
	9,500,000	11,000,000
Portion classified as current liabilities	**(6,000,000)**	(7,200,000)
Non-current liabilities	**3,500,000**	3,800,000

Included in the above are bonds in an aggregate principal amount of:

(i) RMB3,000,000,000 corporate bonds due in 2020 issued by a subsidiary of the Company in December 2015 (the "5.1% Corporate Bonds"). The 5.1% Corporate Bonds have a term of five years and bear interest at a rate of 5.1% per annum. The 5.1% Corporate Bonds are unsecured. In December 2018, the coupon rate is adjusted to 7.5% per annum. The 5.1% Corporate Bonds are classified as a current liability as at 31 December 2019.

(ii) RMB2,000,000,000 corporate bonds due in 2019 issued by a subsidiary of the Company in June 2016 (the "6.28% Corporate Bonds"). The 6.28% Corporate Bonds have a term of three years and bear interest at a rate of 6.28% per annum. The 6.28% Corporate Bonds are unsecured. In June 2018, the coupon rate is adjusted to 6.99% per annum. During the year, the 6.28% Corporate Bonds were fully repaid.

(iii) RMB3,000,000,000 corporate bonds due in 2019 issued by the Company in September 2016 (the "5.3% Corporate Bonds"). The 5.3% Corporate Bonds have a term of three years and bear interest at a rate of 5.3% per annum. The 5.3% Corporate Bonds are unsecured. In September 2018, the coupon rate is adjusted to 7.7% per annum. During the year, the 5.3% Corporate Bonds were fully repaid.

(iv) RMB1,000,000,000 corporate bonds due in 2021 issued by a subsidiary of the Company in August 2018 (the "7.85% Corporate Bonds I"). The 7.85% Corporate Bonds I have a term of three years and bear interest at a rate of 7.85% per annum. The 7.85% Corporate Bonds I are unsecured. At the end of the first and second year, the subsidiary of the Group shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to the Group. In August 2019, the coupon rate is adjusted to 6.98%. The 7.85% Corporate Bonds I are classified as current liability as at 31 December 2019.

(v) RMB1,200,000,000 corporate bonds due in 2021 issued by a subsidiary of the Company in September 2018 (the "7.8% Corporate Bonds"). The 7.8% Corporate Bonds have a term of three years and bear interest at a rate of 7.8% per annum. The 7.8% Corporate Bonds are unsecured. At the end of the first year and second year, the subsidiary of the Group shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to the Group. In September 2019, the coupon rate is adjusted to 6.98%. The 7.8% Corporate Bonds are classified as current liability as at 31 December 2019.

(vi) RMB800,000,000 corporate bonds due in 2021 issued by a subsidiary of the Company in September 2018 (the "7.85% Corporate Bonds II"). The 7.85% Corporate Bonds II have a term of three years and bear interest at a rate of 7.85% per annum. The 7.85% Corporate Bonds II are unsecured. At the end of the second year, the subsidiary of the Group shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to the Group. The 7.85% Corporate Bonds II are classified as current liability as at 31 December 2019.

(vii) RMB2,000,000,000 corporate bonds due in 2024 issued by a subsidiary of the Company in April 2019 (the "6.5% Corporate Bonds"). The 6.5% Corporate Bonds have a term of five years and bear interest at a rate of 6.5% per annum. The 6.5% Corporate Bonds are unsecured. At the end of the second and fourth year, the subsidiary of the Group shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to the Group. The 6.5% Corporate Bonds are classified as a non-current liability as at 31 December 2019.

(viii) RMB1,500,000,000 corporate bonds due in 2024 issued by a subsidiary of the Company in April 2019 (the "7.5% Corporate Bonds"). The 7.5% Corporate Bonds have a term of five years and bear interest at a rate of 7.5% per annum. The 7.5% Corporate Bonds are unsecured. At the end of the third year, the subsidiary of the Group shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to the Group. The 7.5% Corporate Bonds are classified as a non-current liability as at 31 December 2019.

10. EVENTS AFTER THE REPORTING PERIOD

(a) In January 2020, the Company granted 64,208,000 share options with an exercise price of HK$4.274 per share under its share option scheme to certain directors of the Company and employees of the Group.

(b) On 13 January 2020, the Company issued six-year senior notes with an aggregate principal amount of US$645,000,000 (approximately RMB4,468,915,000) bearing interest at 7.375% per annum. The net proceeds, after deducting the issuance costs, amounted to approximately US$638,500,000 (approximately RMB4,423,880,000). The senior notes will mature on 13 January 2026.

(c) On 20 February 2020, the Company issued five-year senior notes with an aggregate principal amount of US$400,000,000 (approximately RMB2,771,420,000) bearing interest at 7.7% per annum. The net proceeds, after deducting the issuance costs, amounted to approximately US$396,000,000 (approximately RMB2,743,706,000). The senior notes will mature on 20 February 2025.

MATERIAL DIFFERENCES BETWEEN ANNUAL RESULTS IN THE UNAUDITED RESULTS ANNOUNCEMENT AND ANNUAL RESULTS IN THIS ANNOUNCEMENT

Since the financial information contained in the Unaudited Results Announcement has not been audited and has not been agreed with the Company's auditor as at the date of its publication and subsequent adjustments have been made to such information, shareholders and potential investors of the Company are advised to pay attention to certain differences between the annual results in the Unaudited Results Announcement and the annual results in this announcement. Set forth below are the principal details and reasons for the aforementioned material differences in accordance with Rule 13.49(3)(ii)(b) of the Listing Rules.

Consolidated Statement of Financial Position (Extract)

	31 December 2019 *RMB'000* (Disclosed in the Unaudited Results Announcement)	**31 December 2019** ***RMB'000*** **(Disclosed in this announcement)**	Change *RMB'000*	*Notes*
NON-CURRENT ASSETS				
Goodwill	725,723	**724,147**	(1,576)	*1*
Deferred tax assets	906,672	**907,607**	935	*2*
Total non-current assets	26,638,801	**26,638,160**	(641)	
CURRENT ASSETS				
Properties under development	25,432,263	**25,054,430**	(377,833)	*3*
Properties held for sale	20,840,624	**21,220,032**	379,408	*1, 3*
Prepayments, other receivables and other assets	28,805,638	**33,744,638**	4,939,000	*5*
Restricted cash	6,102,082	**1,866,122**	(4,235,960)	*4*
Non-pledged time deposits with original maturity of over three months	–	**5,189,418**	5,189,418	*4*
Cash and cash equivalents	29,409,187	**28,455,729**	(953,458)	*4*
Total current assets	114,856,395	**119,796,970**	4,940,575	
CURRENT LIABILITIES				
Contract liabilities	8,595,355	**8,658,302**	62,947	*5*
Trade payables	9,098,429	**9,783,041**	684,612	*5*
Other payables and accruals	31,782,386	**36,090,052**	4,307,666	*5*
Corporate income tax payables	2,901,527	**2,819,745**	(81,782)	*5*
Provision for land appreciation tax	2,263,010	**2,228,566**	34,444	*5*
Total current liabilities	69,912,323	**74,851,322**	4,938,999	
NET CURRENT ASSETS	44,944,072	**44,945,648**	1,576	
NON-CURRENT LIABILITIES				
Deferred tax liabilities	2,458,354	**2,459,289**	935	*2*
Total non-current liabilities	42,855,244	**42,856,179**	935	

Notes:

1. The change was resulted from the revision of purchase price allocation schedule on acquisition of a subsidiary through business combination as a result of the finalisation of valuation on assets acquired and liabilities assumed.

2. The change was resulted from a reclassification between “Deferred tax assets” and “Deferred tax liabilities”.

3. The change was resulted from a reclassification between “Properties under development” and “Properties held for sale”.

4. The change was resulted from certain reclassifications among “Restricted cash”, “Non-pledged time deposits with original maturity of over three months” and “Cash and cash equivalents”.

5. The changes were resulted from certain reclassifications among “Prepayments, other receivables and other assets”, “Contract liabilities”, “Trade payables”, “Other payables and accruals”, “Corporate income tax payables” and “Provision for land appreciation tax”.

Consolidated Statement of Comprehensive Income (Extract)

	2019 *RMB’000* (Disclosed in the Unaudited Results Announcement)	**2019** ***RMB’000*** **(Disclosed in this announcement)**	Change *RMB’000*	*Note*
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods – Exchange differences on translation of foreign operations	481,004	**289,672**	(191,332)	*1*
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
Attributable to:				
Owners of the parent	4,086,780	**3,895,448**	(191,332)	*1*

Notes:

1. The change was resulted from the revision on the exchange rate adopted for the translation of certain items of the Company.

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

REVIEW OF ACCOUNTS

The Company's Audit Committee has reviewed the accounting policies adopted by the Group and the consolidated financial statements of the Group for the year ended 31 December 2019.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2019 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Company's auditor on this announcement.

By order of the Board
Yuzhou Properties Company Limited
Lam Lung On
Chairman

Hong Kong, 24 April 2020

As at the date of this announcement, the executive directors of the Company are Mr. Lam Lung On (Chairman, J.P.), Ms. Kwok Ying Lan, Mr. Lin Conghui and Ms. Lam Yu Fong, the non-executive director of the Company is Ms. Xie Mei, and the independent non-executive directors of the Company are Mr. Lam Kwong Siu, Mr. Wee Henny Soon Chiang and Dr. Zhai Pu.