



華君國際集團有限公司
HUAJUN INTERNATIONAL GROUP LIMITED
(Stock Code 股份代號: 377)

2019 年報
ANNUAL REPORT



CONTENTS

目錄

Pages
頁數

Corporate Information 公司資料	2
Chairman's Statement 主席報告書	4
Management Discussion and Analysis 管理層討論及分析	5
Biography of Directors and Senior Management 董事及高級管理層履歷	15
Corporate Governance Report 企業管治報告	18
Report of the Directors 董事會報告書	33
Independent Auditor's Report 獨立核數師報告書	52
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	64
Consolidated Statement of Financial Position 綜合財務狀況表	67
Consolidated Statement of Changes In Equity 綜合權益變動表	70
Consolidated Statement of Cash Flows 綜合現金流量表	71
Notes to the Consolidated Financial Statements 綜合財務報表附註	74
Five Years Financial Summary 五年財務概要	292
Summary of Properties 物業概要	294

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Meng Guang Bao (*Chairman*)
Ms. Zhang Ye (*Chief Executive Officer*)
Ms. Huang Xiumei
Ms. Bao Limin

Independent Non-Executive Directors

Mr. Zheng Bailin
Mr. Shen Ruolei
Mr. Pun Chi Ping

AUDIT COMMITTEE

Mr. Pun Chi Ping (*Chairman*)
Mr. Zheng Bailin
Mr. Shen Ruolei

REMUNERATION COMMITTEE

Mr. Zheng Bailin (*Chairman*)
Mr. Shen Ruolei
Mr. Pun Chi Ping
Ms. Zhang Ye

NOMINATION COMMITTEE

Mr. Shen Ruolei (*Chairman*)
Mr. Zheng Bailin
Mr. Pun Chi Ping
Ms. Zhang Ye

COMPANY SECRETARY

Mr. Tam Ka Lung

AUTHORISED REPRESENTATIVES

Ms. Zhang Ye
Mr. Tam Ka Lung

LEGAL ADVISERS

Anthony Siu & Co. Solicitors & Notaries
Conyers Dill & Pearman

AUDITOR

SHINEWING (HK) CPA Limited

董事會

執行董事

孟廣寶先生(主席)
張曄女士(行政總裁)
黃秀梅女士
包麗敏女士

獨立非執行董事

鄭柏林先生
沈若雷先生
潘治平先生

審核委員會

潘治平先生(主席)
鄭柏林先生
沈若雷先生

薪酬委員會

鄭柏林先生(主席)
沈若雷先生
潘治平先生
張曄女士

提名委員會

沈若雷先生(主席)
鄭柏林先生
潘治平先生
張曄女士

公司秘書

譚家龍先生

授權代表

張曄女士
譚家龍先生

法律顧問

蕭一峰律師行
康德明律師事務所

核數師

信永中和(香港)會計師事務所有限公司

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Shanghai Company Limited
Industrial and Commercial Bank of China Limited
Jiangnan Rural Commercial Bank Company Limited
Shengjing Bank Company Limited
Yingkou Coastal Bank Company Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

36th Floor
Champion Tower
3 Garden Road
Central
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

STOCK CODE

377

COMPANY WEBSITE

<http://www.huajunintlgroup.com>

INVESTOR RELATIONS CONTACT

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主要銀行

中國銀行(香港)有限公司
上海銀行股份有限公司
中國工商銀行股份有限公司
江南農村商業銀行股份有限公司
盛京銀行股份有限公司
營口沿海銀行股份有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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香港
中環
花園道3號
冠君大廈
36樓

百慕達主要股份過戶登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記處

聯合證券登記有限公司
香港
北角
英皇道338號
華懋交易廣場二期
33樓3301-04室

股份代號

377

公司網址

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CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

I am pleased to present the annual report of Huajun International Group Limited (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2019 (the "Current Year") for the shareholders' perusal.

HIGHLIGHTS

For the Current Year, revenue was approximately RMB3,699.6 million, representing an increase of approximately RMB1,050.1 million, or approximately 39.6%, compared to revenue of approximately RMB2,649.5 million for the nine month period ended 31 December 2018 (the "Last Period"). The overall increase in revenue was attributable to the increase in revenue generated from sales of properties upon delivery of certain completed property projects to customers during the Current Year.

In 2019, Huajun International Group implemented reorganisation and reformation proactively. The Group focused on the development of several major sectors such as industry, real estate and finance under a strategic development strategy of down-to-earth and precise management. Our team is closely united, sharing the same ambition and adhering to the core enterprise value of "Committed to stepping forward" to proactively promoting sustainable development of the enterprise with innovative mindset. At the same time, the Company provided more valuable services and a better lifestyle to its customers through reinforcing its core operating segments and improving its brand value.

PROSPECTS

2020 is a year of hard work and challenge for Huajun. Global economic uncertainties continue to develop, and COVID-19 has spread rapidly around the world since its outbreak in the first quarter of 2020. During this year, the business prospects of the Group are filled with great challenges. To keep strengthening ourselves and stepping forward sustainably, it is more crucial for us to be cautious, far-sighted and determined while adopting forward-looking strategies and making adjustment from time to time, in view of these new circumstances and with the ever-changing business environment.

Huajun International Group will continue to be committed to excellent corporate governance and serve all shareholders and stakeholders as always. We are also committed to take on corporate responsibilities and give back to the society, care for our employees and help others through different way.

Meng Guang Bao
Chairman

Hong Kong, 29 April 2020

致本公司各股東：

本人欣然提呈華君國際集團有限公司(「本公司」)及其附屬公司(統稱為「本集團」)截至二零一九年十二月三十一日止年度(「本年度」)之年度報告，請各位股東省覽。

業績摘要

於本年度，收益約為人民幣3,699.6百萬元，較截至二零一八年十二月三十一日止九個月期間(「去年同期」)收益約人民幣2,649.5百萬元增加約人民幣1,050.1百萬元或39.6%。收益整體增加歸因於本年度向客戶交付若干已竣工物業項目後從銷售物業產生的收益增加。

二零一九年，華君國際集團積極推行架構重組及改革。本集團在腳踏實地、精細管理的戰略發展策略下重點發展實業、地產及金融等幾大板塊。團隊緊密團結、同心同德、秉承「為者常成，行者常至」的企業核心價值觀，以創新思維，積極推動企業可持續發展。同時通過做強做精公司主營板塊，打造公司品牌優勢，為客戶提供更有價值的服務，創造更美好的生活。

展望

二零二零年為華君的耕耘及挑戰之年。環球經濟不明朗因素持續發酵，加上COVID-19自二零二零年第一季爆發以來迅速在全球蔓延，今年本集團的業務前景充滿極大的挑戰。在此新形勢下，面對複雜多變的經營格局，我們更需要居安思危、高瞻遠矚、堅持不懈，同時因時制宜地調整、並採取前瞻性策略，方能自強不息，穩步向前。

華君國際集團將繼續致力於卓越的公司管治，並一如既往地為全體股東及各界持份者繼續服務。我們亦會勇於承擔企業責任，透過不同的方式，回饋社會、關愛員工、助人達己，與社會同舟共濟，攜手共渡時艱。

孟廣寶
主席

香港，二零二零年四月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



BUSINESS REVIEW

The financial year end date of the Company has been changed from 31 March to 31 December since the financial year ended 31 December 2018 in order to align with the Company's financial year end date with that of its principal subsidiaries incorporated in the People's Republic of China (the "PRC"), which are statutorily required to have a financial year end date at 31 December. Accordingly, the current financial period covers a period of twelve months from 1 January 2019 to 31 December 2019 (the "Current Year") which may not be entirely comparable with last period's results which cover a period of nine months from 1 April 2018 to 31 December 2018 (the "Last Period").

Our Group has engaged in five core businesses, namely (i) Printing; (ii) Trading and Logistics; (iii) Property Development and Investments; (iv) Solar Photovoltaic; and (v) Financial Services.

Our strategy is to strengthen our foundation, better diversify our business portfolio, and continue to grow, both organically and through strategic acquisitions. We believe that this strategy will increase our shareholders value by creating an even stronger Huajun.

For the Current Year, revenue was approximately RMB3,699.6 million, representing a increase of approximately RMB1,050.1 million, or 39.6%, compared to revenue of approximately RMB2,649.5 million for the Last Period. The overall increase in revenue was attributable to the increase in revenue generated from sales of properties upon delivery of certain completed property projects to customers during the Current Year. Trading and Logistics segment and Printing segment continued to register a stable growth.

For the Current Year, our Group generated most of its revenue from Trading and Logistics segment which accounted for approximately 59.6% (Last Period: approximately 72.1%) of the total revenue followed by property development and investments segment which accounted for approximately 18.3% (Last Period: approximately 4.0%) of the total revenue. For the Current Year, local PRC sales continued to be our major source of revenue, representing approximately 86.9% (Last Period: 84.8%) of the total revenue.

業務回顧

自截至二零一八年十二月三十一日止財政年度，本公司財政年結日由三月三十一日更改為十二月三十一日，使本公司之財政年結日與其於中華人民共和國（「中國」）註冊成立之主要附屬公司之財政年結日保持一致，而法律規定該等附屬公司須將財政年結日定於十二月三十一日。因此，現時財政期間由二零一九年一月一日起至二零一九年十二月三十一日止，為期十二個月（「本年度」），未必可與去年同期（由二零一八年四月一日起至二零一八年十二月三十一日止，為期九個月（「去年同期」））之業績完全比較。

本集團從事五項核心業務，即(i)印刷、(ii)貿易及物流、(iii)物業開發及投資、(iv)太陽能光伏；及(v)金融服務。

我們的策略為鞏固我們的基礎、令我們的業務組合更多元化及同時透過內部增長及策略性收購持續增長。我們相信，此策略將透過創造一個更強大的華君以提高我們的股東價值。

於本年度，收益約為人民幣3,699.6百萬元，較去年同期收益約人民幣2,649.5百萬元增加約人民幣1,050.1百萬元或39.6%。收益整體增加歸因於本年度向客戶交付若干已竣工物業項目後銷售物業所得收益增加。貿易及物流分部及印刷分部持續穩定增長。

於本年度，本集團大部分收益來自貿易及物流分部收益，佔總收益約59.6%（去年同期：約72.1%），其次為物業開發及投資分部收益，佔總收益約18.3%（去年同期：約4.0%）。於本年度，中國本地銷售繼續為我們收益的主要來源，佔總收益約86.9%（去年同期：84.8%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

The table below sets forth our Group's revenue by business segment for the Current Year and the Last Period:

下表載列本集團於本年度及去年同期按業務分部劃分之收益：

		For the year ended 31 December 2019 截至二零一九年 十二月三十一日止年度		For the nine months ended 31 December 2018 截至二零一八年 十二月三十一日止九個月	
		RMB Million 人民幣百萬元	%	RMB Million 人民幣百萬元	%
Printing	印刷	670.2	18.1%	551.5	20.8%
Trading and logistics	貿易及物流	2,203.7	59.6%	1,910.5	72.1%
Property development and investments	物業開發及投資	677.0	18.3%	104.9	4.0%
Solar photovoltaic	太陽能光伏	92.7	2.5%	69.9	2.6%
Financial services	金融服務	7.6	0.2%	12.7	0.5%
Other	其他	48.4	1.3%	-	-
		3,699.6	100.0%	2,649.5	100%

The table below sets forth our Group's revenue by geographical locations based on the location by customers for the Current Year and the Last Period:

下表載列本集團於本年度及去年同期按地區劃分(根據客戶的地區)之收益：

		For the year ended 31 December 2019 截至二零一九年 十二月三十一日止年度		For the nine months ended 31 December 2018 截至二零一八年 十二月三十一日止九個月	
		RMB Million 人民幣百萬元	%	RMB Million 人民幣百萬元	%
The PRC	中國	3,213.7	86.9%	2,246.2	84.8%
The United States	美國	277.8	7.5%	225.3	8.5%
Hong Kong	香港	58.0	1.6%	50.8	1.9%
European countries	歐洲國家	79.7	2.2%	73.2	2.8%
Other countries	其他國家	70.4	1.8%	54.0	2.0%
		3,699.6	100%	2,649.5	100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



BUSINESS REVIEW (Continued)

Set out below are details of the financial and trading prospects of the core business segments of the Group:

Printing

New Island Printing Company Limited (“New Island”) is one of the leading and reputable printing and packaging companies in Hong Kong and China. New Island produces high quality packaging and paper products with the capability to serve our international clients in the areas of beauty and cosmetics, pharmaceutical, food and beverage globally.

Printing will continue to be the major business segment of the Group and contribute stable revenue and profit to the Group. During the Current Year, we have acquired certain lands and production facilities to set up a high-end printing and packaging production base in Liuhe Economic Development Zone, Nanjing City, Jiangsu Province, the PRC. The production base is expected to put into production in the second half of 2020.

Trading and logistics

This segment is principally engaged in the distribution and sales of petrochemical products and provision of logistics services. This segment trades a large spectrum of petrochemical products. The Group expects vast demand of petrochemical products in Hong Kong and the PRC and with our strength of strong network of suppliers ensure stable supply of products managed by our team, the Group will continue to support the growth of distribution and sales of petrochemical products, in particular of exploring new types of petrochemical products for distribution. Due to the recent volatility of crude oil market in March 2020, we will take a more prudent approach to carry out our business to minimise our inventory risk.

Property development and investments

This segment consists of land consolidation and development, real estate development and sales, property leasing and management, and various real estate business. Leveraging on the rich resources in the PRC, the Group seeks to invest on development projects with asset appreciation potential for investment and enjoys asset appreciation while generating stable revenue. There are several core projects held by the Group and under development during the Current Year as follows:

業務回顧(續)

下列為本集團核心業務分部的財務及貿易前景：

印刷

新洲印刷有限公司(「新洲」)為一間於香港及中國的業內領先且信譽良好的印刷及包裝公司。新洲生產優質包裝及紙張產品，能夠為我們於全球美容及化妝、製藥及餐飲範疇的國際客戶服務。

印刷將繼續為本集團的主要業務分部，為本集團貢獻穩定的收益與利潤。於本年度，我們已收購若干土地及生產設施，以於中國江蘇省南京市六合經濟開發區內設立高端印刷包裝生產基地。預期生產基地將於二零二零年下半年度投入生產。

貿易及物流

此分部主要從事分銷及銷售石化產品以及提供物流服務。此分部進行廣泛的石化產品貿易。本集團預期香港及中國對石化產品需求旺盛，而由我們團隊管理的強大供應商網絡可確保我們的產品供應穩定，本集團將持續支持分銷及銷售石化產品的增長，尤其是探索供分銷的新種類石化產品。由於二零二零年三月原油市場的近期波動，我們將採取更審慎的態度開展業務，將存貨風險降至最低。

物業開發及投資

此分部包括土地整理和開發，房地產開發與銷售，物業租賃及管理以及多項房地產業務等。本集團利用中國豐富的資源，尋求具有資產升值潛力的發展項目進行投資，在產生穩定收益的同時享受資產增值。於本年度由本集團持有及在建的若干核心項目如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

Property development and investments (Continued)

Shanghai Bao Hua International Plaza

Bao Hua Property Development (Shanghai) Company Limited* (保華房地產開發(上海)有限公司) (formerly known as Shanghai Baohua Wanlong Real Estates Company Limited* (上海保華萬隆置業有限公司)), an indirectly wholly-owned subsidiary of the Company, successfully bid for the land use rights of the land in Minhang District, Shanghai, the PRC through the auction held by Shanghai Minhang District Planning and Land Administration Bureau* (上海市閔行區規劃和土地管理局) offered for sale by way of tender at a bidding price of RMB2,305 million. The land is under development and will offer commercial and office complex named Shanghai Bao Hua International Plaza* (上海保華國際廣場) with total gross floor area ("GFA") of approximately 125,000 square metres. We have obtained the pre-sale certificate in January 2020, 40% of the office properties would be sold and the remaining office and commercial properties will be held for long term investment purpose to generate rental income.

Dalian Projects

On 30 March 2017, we acquired two property projects, namely Bao Hua Financial Centre* (保華金融中心) and Bao Hua Wang Yuan* (保華旺苑), from a company controlled by Mr. Meng, the chairman, an executive Director and a substantial shareholder of the Company at a total Consideration of RMB1,920 million. Both Bao Hua Financial Centre and Bao Hua Wang Yuan are located in Dalian City, Liaoning Province, the PRC. In particular, Bao Hua Financial Centre comprises a parcel of land with a site area of approximately 10,857.10 sq.m. situated at Xinghai Bay business area, Dalian City, the PRC. It is under development into a commercial and Grade A office development complex with total GFA of approximately 146,000 square meters to be erected thereon. The development will be developed into a 51-storey commercial and office complex with a 2-storey basement for car parking and ancillary uses.

Property for sale – Gaoyou

A commercial and residential project named Gaoyou Bao Hua – Jun Ting (高郵保華·君庭) with two phases and has a total sellable GFA of approximately 365,000 square meters located in Gaoyou City, Jiangsu Province, the PRC. The first phase has offered for pre-sale since February 2018. At 31 December 2019, a total of approximately 68,260 square meters were sold for proceeds of approximately RMB607.8 million.

業務回顧(續)

物業開發及投資(續)

上海保華國際廣場

本公司的間接全資附屬公司保華房地產開發(上海)有限公司(前稱上海保華萬隆置業有限公司)透過由上海市閔行區規劃和土地管理局舉行以競投方式銷售的拍賣,以投標價人民幣2,305百萬元成功競得一幅於中國上海市閔行區的土地使用權。該土地正在建設及將發售名為上海保華國際廣場的商辦綜合大樓,總建築面積(「建築面積」)約為125,000平方米。於二零二零年一月,我們已獲取預售證書,40%辦公室物業將會出售,餘下辦公室及商業物業將持作長線投資用途,以產生租金收入。

大連項目

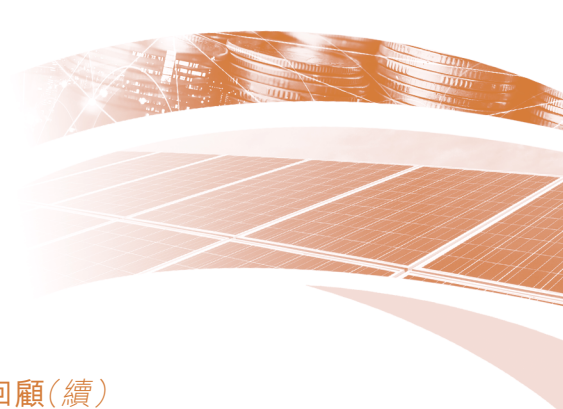
於二零一七年三月三十日,我們以總代價人民幣1,920百萬元,向本公司主席、執行董事及主要股東孟先生控制的一間公司收購兩項物業項目,即保華金融中心及保華旺苑。保華金融中心及保華旺苑均位於中國遼寧省大連市。其中,位於中國大連市星海灣商業區的保華金融中心包括一幅地盤面積約10,857.10平方米的土地。該土地之上正在建設一座總建築面積約146,000平方米的商業甲級辦公綜合大樓。該項目將發展為一幢51層的商辦綜合樓,另有兩層地下樓層作停車場及配套設施用途。

作銷售物業—高郵

名為高郵保華·君庭的商業及住宅項目位於中國江蘇省高郵市,共有兩期,可銷售的總建築面積合共約為365,000平方米。第一期已自二零一八年二月起預售。於二零一九年十二月三十一日,合共約68,260平方米已售出,所得款項約為人民幣607.8百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



BUSINESS REVIEW (Continued)

Property development and investments (Continued)

Property for sale – Wuxi Project

In 6 July 2018, the Group completed the acquisitions of (i) the entire equity interests in Huajun Real Estate (Wuxi) Co, Ltd.* (華君地產(無錫)有限公司) (formerly known as Baohua Real Estate (Wuxi) Co., Ltd.* (保華地產(無錫)有限公司) and Wuxi Huiling Real Estate Co., Ltd.* (無錫惠靈置業有限公司)); (ii) the entire equity interests in Wuxi Huiyuan Real Estate Co., Ltd.* (無錫市惠遠置業有限公司); and (iii) 55% equity interests in Wuxi Huize Real Estate Co., Ltd.* (無錫惠澤置業有限公司) (“Wuxi Huize”) for a total consideration of RMB1,311.29 million, RMB291.95 million and RMB280.50 million respectively (collectively “Wuxi Project”). The Group further acquired 15% equity interests in Wuxi Huize in November 2018 at consideration of RMB76.5 million. The Group is in progress in acquiring the remaining 30% equity interests in and debt of Wuxi Huize at aggregate consideration of approximately RMB154.2 million. For details of acquisition, please refer to the Circular of the Company dated 26 March 2020. Wuxi Project comprises:

- (i) a completed building known as Wuai Renjia (五愛人家) located at Liangxi District, Wuxi City in the PRC with a 13-storey complex building for residential, office and retail purposes with total saleable/lettable area of approximately 20,000 square meters.
- (ii) A residential development named as Zangpin Yuyuan (藏品裕苑) located at Jiangyin District, Wuxi City in the PRC with parcel of land with a site area of approximately 109,000 square metres, and a total of 4 phases of various residential and ancillary facilities which have been developed.
- (iii) A parcel of land located at Binhu District, Wuxi City in the PRC with site area of approximately 163,000 square meters for residential development with project named Huajun Lake Bay Garden (華君湖灣花園).

We have sold/pre-sale certain properties of Wuxi Project and have recognised revenue of approximately RMB427.8 million from the Wuxi Project during the Current Year.

業務回顧(續)

物業開發及投資(續)

作銷售物業 – 無錫項目

於二零一八年七月六日，本集團完成收購(i)華君地產(無錫)有限公司(前稱保華地產(無錫)有限公司及無錫惠靈置業有限公司)全部股權；(ii)無錫市惠遠置業有限公司全部股權；及(iii)無錫惠澤置業有限公司(「無錫惠澤」)55%股權(統稱「無錫項目」)，總代價分別為人民幣1,311.29百萬元、人民幣291.95百萬元及人民幣280.50百萬元。本集團於二零一八年十一月以代價人民幣76.5百萬元進一步收購無錫惠澤15%股權。本集團現正以代價總額約人民幣154.2百萬元收購無錫惠澤餘下30%股權及其債務。有關收購事項之詳情，請參閱本公司日期為二零二零年三月二十六日之通函。無錫項目包括：

- (i) 一幢位於中國無錫市梁溪區名為五愛人家的已竣工樓宇，為樓高13層的住宅、辦公及零售綜合大樓，總可出售／可出租面積約20,000平方米。
- (ii) 一項位於中國無錫市江陰區名為藏品裕苑的住宅發展項目，該幅地塊的地盤面積約109,000平方米，一共四期的多棟住宅及配套設施已開發。
- (iii) 一幅位於中國無錫市濱湖區的地塊，地盤面積約163,000平方米，作住宅發展項目，項目名稱為華君湖灣花園。

於本年度，我們已出售／預售無錫項目的若干物業，並確認無錫項目之收益約人民幣427.8百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

Solar photovoltaic

The PRC government indicated the tightening of the photovoltaic (“PV”) policy which is evidenced by the release of the notification jointly issued by the National Development and Reform Commission, the Ministry of Finance and the Energy Bureau on 31 May 2018 in relation to new regulations for the PV industry in China, which is usually referred to as the 531 New Policy (the “531 New Policy”). The uncertainties brought by the 531 New Policy and future policies has caused the demand in the domestic market to fall. To cope with the challenges faced by the Group under the 531 New Policy, the Group centralises the production of solar products in Jiangsu Province in the PRC to the production plant at Jurong which has more advanced technology and automation.

Finance services

(i) Finance Lease

This segment consists of the leasing of land, property, plant and equipment, and other tangible assets. The operations of this segment is mainly located in the PRC where the Group seeks stable revenue with controllable risk.

(ii) Provision of Finance

The Group provides finance to prospective customers who would provide securities for the performance of their respective obligations to repay the Group. The Group will take a prudence approach to develop this business segment, diversify the customer portfolio and seek opportunity to cooperate with its business partners.

(iii) Securities Investments

The Group invests in Hong Kong and overseas securities. We mainly utilise the extensive investment experience of the management to make medium and short-term investments by searching for stable revenue with controllable risk, diversifying the corporate operating risk and improving asset liquidity of the Group.

(iv) Securities brokerage and assets management

The Group has a licensed corporation which is licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571) of the laws of Hong Kong (“SFO”).

業務回顧(續)

太陽能光伏

中國政府表明收緊光伏(「光伏」)政策，體現自國家發展和改革委員會、財政部及能源局於二零一八年五月三十一日就中國光伏行業的新法規共同發出通知，一般稱為五三一新政(「五三一新政」)。五三一新政及未來政策所帶來的不確定因素導致國內市場需求下降。為應對本集團在五三一新政下的挑戰，本集團將中國江蘇省太陽能產品的生產集中於擁有更先進技術及自動化的句容生產廠房。

融資服務

(i) 融資租賃

此分部包括土地、物業、廠房及設備以及其他有形資產的租賃。此分部的營運主要位於中國，而本集團於中國尋求風險可控的穩定收益。

(ii) 提供融資

本集團將就履行向本集團還款的責任提供抵押品的潛在客戶提供融資。本集團將審慎發展此業務分部、實現客戶組合多元化及尋求與其業務夥伴的合作機會。

(iii) 證券投資

本集團投資香港及海外證券。我們主要運用管理層豐富的投資經驗，透過尋求風險可控的穩定收益、分散企業經營風險及改善本集團資產的流動性，作出中短期投資。

(iv) 證券經紀及資產管理

本集團擁有一間持牌可進行香港法例第571章證券及期貨條例(「證券及期貨條例」)第1類(證券交易)、第4類(就證券提供意見)及第9類(資產管理)受規管活動的持牌法團。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



FINANCIAL REVIEW

Revenue

Our Group's revenue for the Current Year was approximately RMB3,699.6 million, representing an increase of approximately RMB1,050.1 million, or 39.6%, compared to revenue of approximately RMB2,649.5 million for the Last Period. For the Current Year, our Group's major business segments, namely (1) Printing reported a revenue of approximately RMB670.2 million (Last Period: approximately RMB551.5 million); (2) Trading and logistics reported a revenue of approximately RMB2,203.7 million (Last Period: approximately RMB1,910.5 million); (3) Solar Photovoltaic recorded a revenue of approximately RMB92.7 million (Last Period: approximately RMB69.9 million); (4) Property Development and investments reported a revenue of approximately RMB677.0 million (Last Period: approximately RMB104.9 million); and (5) Financial services recorded a revenue of approximately RMB7.6 million (Last Period: approximately RMB12.7 million).

The overall increase in revenue was mainly attributable to the increase in revenue generated from sales of properties upon delivery of certain completed property projects such as Wuai Renjia (五愛人家), Zangpin Yuyuan (藏品裕苑) and Yingkou Lake Bay Garden (營口湖灣花園) to customers during the Current Year.

Gross profit and gross profit margin

Gross profit was approximately RMB304.2 million for the Current Year (Last Period: approximately RMB83.9 million), with gross profit margin of approximately 8.2% (Last Period: approximately 3.2%). The mix of business segments that the Group operates affects its results of operations such as its gross profit margins since different segments have different profitability. While our printing business maintained a stable gross margin, the increase in gross profit was mainly due to the change of revenue mix with revenue from sales of property which earning a higher gross profit margin compared to largest contribution of trading revenue earning a lower profit margin.

Selling and distribution expenses

For the Current Year, selling and distribution expenses increased by approximately RMB58.8 million or 63.1% to approximately RMB152.0 million, or 4.1% of revenue for the Current Year, from approximately RMB93.2 million, or 3.5% of revenue for the Last Period. The increase was primarily due to the increase in staff costs and commission expenses.

財務回顧

收益

於本年度，本集團之收益為約人民幣3,699.6百萬元，較去年同期約人民幣2,649.5百萬元增加約人民幣1,050.1百萬元或39.6%。於本年度，本集團之主要業務分部，即(1)印刷錄得收益約人民幣670.2百萬元(去年同期：約人民幣551.5百萬元)；(2)貿易及物流錄得收益約人民幣2,203.7百萬元(去年同期：約人民幣1,910.5百萬元)；(3)太陽能光伏錄得收益約人民幣92.7百萬元(去年同期：約人民幣69.9百萬元)；(4)物業開發及投資錄得收益約人民幣677.0百萬元(去年同期：約人民幣104.9百萬元)；及(5)金融服務錄得收益約人民幣7.6百萬元(去年同期：約人民幣12.7百萬元)。

收益之整體增加主要歸因於本年度向客戶交付若干已竣工物業項目(如五愛人家、藏品裕苑及營口湖灣花園)後銷售物業所得收益增加。

毛利及毛利率

於本年度，毛利約為人民幣304.2百萬元(去年同期：約人民幣83.9百萬元)，毛利率為約8.2%(去年同期：約3.2%)。由於不同分部的盈利能力不同，本集團經營的業務分部組合會影響其經營業績(例如其毛利率)。儘管我們的印刷業務毛利率穩定，毛利增加乃主要由於相對於最大貢獻為賺取較低毛利的交易收益，收益組合變更為賺取高毛利的物業銷售收益。

銷售及分銷費用

於本年度，銷售及分銷費用由去年同期約人民幣93.2百萬元(或收益的3.5%)增加約人民幣58.8百萬元或63.1%至本年度約人民幣152.0百萬元(或收益的4.1%)。有關增加乃主要由於員工成本及佣金費用增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Administrative expenses

For the Current Year, administrative expenses increased by approximately RMB46.6 million or 14.0% to approximately RMB380.2 million or 10.3% of revenue of the Current Year, from approximately RMB333.6 million, or 12.6% of revenue for the Last Period, was due to an increase in amortisation of right-of-use assets and staff costs in property development and investment segment.

Finance costs

Finance costs for the Current Year was approximately RMB572.3 million (Last Period: approximately RMB444.3 million). The increase was primarily due to increase in interest expense on bank and other borrowings, non-cash interest on significant financing component arising from pre-sales of properties, and non-cash imputed interest arising on interest-free borrowings from immediately holding company compared to the Last Period.

Change in fair value of investment properties

During the Current Year, the Group recorded gains on changes in fair value of investment properties of RMB237.9 million compared to a gain of RMB192.0 million in the Last Period as a result of the increase in fair value of investment properties held by the Group as at 31 December 2019.

Reversal of financial guarantee contracts provision

No reversal of provision for financial guarantee contracts recorded during the Current Year.

The Group recorded a provision for financial guarantee contracts of approximately RMB261.7 million for the Last Period. The provision was made in respect of two financial guarantee contracts. Details of the reversal of provision for financial guarantee contracts are set out in note 37 of this annual report.

Loss for the year/period

As a combined effect of the above, during the Current Year, our Group recorded a loss attributable to shareholders of the Company of approximately RMB644.7 million, as compared to a loss of approximately RMB388.9 million for the Last Period.

財務回顧(續)

行政費用

於本年度，行政費用由去年同期約人民幣333.6百萬元(或收益之12.6%)增加約人民幣46.6百萬元或14.0%至本年度約人民幣380.2百萬元(或收益之10.3%)，乃由於物業開發及投資分部的使用權資產之攤銷及員工成本增加。

財務費用

本年度之財務費用為約人民幣572.3百萬元(去年同期：約人民幣444.3百萬元)。有關增加乃主要由於銀行及其他借款的利息開支、來自預售物業之重大融資組成部分之非現金利息及來自直接控股公司之免息借款之非現金估算利息較去年同期增加。

投資物業之公平值變動

於本年度，本集團錄得投資物業公平值變動之收益人民幣237.9百萬元，而去年同期錄得收益人民幣192.0百萬元，乃由於本集團於二零一九年十二月三十一日持有的投資物業公平值增加。

財務擔保合約撥備撥回

於本年度，概無錄得財務擔保合約撥備撥回。

本集團於去年同期錄得財務擔保合約撥備約人民幣261.7百萬元。有關撥備乃根據兩項財務擔保合約而作出。撥回財務擔保合約撥備的詳情載於本年報附註37。

年／期內虧損

由於以上綜合影響，於本年度，本集團錄得本公司股東應佔虧損約人民幣644.7百萬元，而去年同期則錄得虧損約人民幣388.9百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



FINANCIAL REVIEW (Continued)

Liquidity, financial resources and capital structure

Shareholders' funds

Total shareholders' funds amounted to approximately RMB2,721.2 million as at 31 December 2019, as compared to approximately RMB2,630.7 million as at 31 December 2018, representing an increase of 3.4%. The increase was mainly attributable to recognition of equity conversion reserve of approximately RMB541.6 million in respect of the issue of convertible bonds during the Current Year.

Financial position

As at 31 December 2019, the Group had current assets of approximately RMB9,292.8 million (31 December 2018: approximately RMB8,057.7 million) comprising cash and cash equivalents of approximately RMB270.8 million (31 December 2018: approximately RMB701.9 million), and current liabilities of approximately RMB7,798.2 million (31 December 2018: approximately RMB9,715.2 million). The Group's current ratio (defined as current assets divided by current liabilities) was 1.2 (31 December 2018: 0.8).

Our gearing ratio, expressed as a percentage of interest-bearing liabilities to total assets, was at 62.5% as at 31 December 2019 as compared to 33.8% as at 31 December 2018.

Cash and cash equivalents

As at 31 December 2019, our Group had cash and cash equivalents of approximately RMB270.8 million (31 December 2018: approximately RMB701.9 million), most of which were denominated in Renminbi.

Borrowings

Our Group had interest-bearing bank borrowings and other borrowings of approximately RMB10,172.4 million (31 December 2018: approximately RMB4,797.3 million). Of these borrowings, approximately RMB9,727.0 million (31 December 2018: approximately RMB3,818.7 million) were secured by the Group's assets. Most of the borrowings were denominated in Renminbi.

財務回顧(續)

流動資金、財務資源及資本架構

股東權益

於二零一九年十二月三十一日，股東權益總額約為人民幣2,721.2百萬元，較二零一八年十二月三十一日約人民幣2,630.7百萬元增加3.4%。有關增加主要歸因於本年度就發行可換股債券確認權益轉換儲備約人民幣541.6百萬元。

財務狀況

於二零一九年十二月三十一日，本集團之流動資產為約人民幣9,292.8百萬元(二零一八年十二月三十一日：約人民幣8,057.7百萬元)，其中包括現金及現金等價物約人民幣270.8百萬元(二零一八年十二月三十一日：約人民幣701.9百萬元)，流動負債為約人民幣7,798.2百萬元(二零一八年十二月三十一日：約人民幣9,715.2百萬元)。本集團之流動比率(定義為流動資產除以流動負債)為1.2(二零一八年十二月三十一日：0.8)。

於二零一九年十二月三十一日，我們的資本負債比率(按計息負債佔資產總值之百分比列示)為62.5%，而於二零一八年十二月三十一日為33.8%。

現金及現金等價物

於二零一九年十二月三十一日，本集團之現金及現金等價物為約人民幣270.8百萬元(二零一八年十二月三十一日：約人民幣701.9百萬元)，其中大部分以人民幣計值。

借款

本集團之計息銀行借款及其他借款為約人民幣10,172.4百萬元(二零一八年十二月三十一日：約人民幣4,797.3百萬元)。於該等借款中，約人民幣9,727.0百萬元(二零一八年十二月三十一日：約人民幣3,818.7百萬元)乃以本集團的資產作抵押。大部分借款以人民幣計值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Capital expenditure

For the Current Year, the Group's capital expenditure mainly represents additions to investment properties, property, plant and equipment and right-of-use assets totaling of approximately RMB1,475.5 million (Last Period: approximately RMB647.4 million).

Pledge of assets

As at 31 December 2019, the Group's property, plant and equipment, right-of-use assets, property held for sale, investment properties, inventories, pledged bank deposits and restricted bank balances with carrying amounts of approximately RMB707.9 million, RMB254.5 million, RMB5,507.0 million, RMB4,783.5 million, RMB10.0 million, RMB313.3 million and RMB69.1 million, respectively, were pledged to secure certain banking and credit facilities of the Group.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group is exposed to foreign currency risk on bank balances and cash, trade and other receivables, trade and other payables and borrowings that are denominated in currencies other than the functional currency of the operations to which they relate. The Directors ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates and entering into plain vanilla foreign exchange forward contracts where necessary to address short-term imbalances.

CONTINGENT LIABILITIES

Except as disclosed in note 57, the Group had no material contingent liabilities as at 31 December 2019.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises environmental protection is of vital important to the long-term development of the Group. In order to minimise the environmental impact, the Group will continue to review and improve the effectiveness of its management practices from time to time.

A separate report "Environmental, Social, and Governance Report" will be published by the end of July 2020. For details, please refer to the Company's website.

財務回顧(續)

資本支出

於本年度，本集團的資本支出主要為新增投資物業、物業、廠房及設備以及使用權資產合共約人民幣1,475.5百萬元(去年同期：約人民幣647.4百萬元)。

資產抵押

於二零一九年十二月三十一日，賬面值分別約人民幣707.9百萬元、人民幣254.5百萬元、人民幣5,507.0百萬元、人民幣4,783.5百萬元、人民幣10.0百萬元、人民幣313.3百萬元及人民幣69.1百萬元之本集團物業、廠房及設備、使用權資產、持作出售物業、投資物業、存貨、已抵押銀行存款及受限制銀行結餘已抵押作為本集團取得若干銀行及信貸融資之擔保。

外匯風險管理

本集團面對的外匯風險涉及營運的功能貨幣以外的貨幣計值的銀行結餘及現金，貿易及其他應收款項、貿易及其他應付款項以及借款。董事確保淨風險額維持在可接受的水平，並在必要時以現貨匯率買賣外幣及訂立最基本的外匯遠期合約解決短期失衡。

或然負債

於二零一九年十二月三十一日，除附註57所披露者外，本集團並無重大或然負債。

環境政策及表現

本集團確認環境保護對本集團之長期發展至關重要。為將對環境影響減至最低，本集團將持續不時審閱及改進管理常規之實效。

「環境、社會及管治報告」之獨立報告將於二零二零年七月底發佈。詳情請參閱本公司網站。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Meng Guang Bao (孟廣寶先生), aged 47, joined our Company and has been appointed as an Executive Director and the Chairman of the Board of the Company in September 2014. He holds a bachelor's degree in law from 哈爾濱工業大學 (Harbin Institute of Technology) in the PRC. Mr. Meng has been a senior partner of 遼寧華君律師事務所 (Liaoning Huajun Law Firm) since 1998. Mr. Meng had been honoured by 遼寧省司法廳 (Liaoning Provincial Department of Justice) as 文明律師 (Civilised Lawyer) in 2003.

Ms. Zhang Ye (張擘女士), aged 44, has been appointed as an Executive Director and Chief Executive Officer of the Company on 20 December 2017. She holds a master's degree of finance from Peking University and an MBA degree from the Wharton School at the University of Pennsylvania. Ms. Zhang has extensive financial and investment experience and has been working in both financial and investment fields for over a decade. Ms. Zhang has worked at Matlin Patterson Global Opportunities Fund, Bank of China Group Investment Limited and China Merchants Securities (HK) Co., Limited. She is also a director of several subsidiaries of the Company.

Ms. Huang Xiumei (黃秀梅女士), aged 42, has been appointed as an Executive Director of the Company on 27 February 2020, she is a practicing lawyer in the PRC. Ms. Huang has around 20 years of experience in legal industry and over 10 years of experience in corporate administration, investment and risk management. She is practicing and being a partner in Liaoning Huajun Law Firm 遼寧華君律師事務所. She joined the Company as the Vice President of Legal & Compliance department in June 2016 and is the legal representative of certain subsidiaries of the Company.

Ms. Bao Limin, aged 42, has been appointed as an Executive Director and Chief Risk Officer of the Company on 14 April 2020. She holds a bachelor's degree in economic law from 西南政法大學 (Southwest University of Political Science and Law) and a master's degree in law from 遼寧大學 (Liaoning University). She is a practicing lawyer in the PRC. She has worked in Liaoning Huajun Law Firm 遼寧華君律師事務所 since 2006 and is practicing as a partner currently. She joined our company in June 2016.

執行董事

孟廣寶先生，47歲，於二零一四年九月加入本公司並獲委任為本公司執行董事兼董事會主席。彼持有中國哈爾濱工業大學法律學士學位。孟先生由一九九八年起為遼寧華君律師事務所之資深合夥人。孟先生於二零零三年獲遼寧省司法廳嘉許為文明律師。

張擘女士，44歲，於二零一七年十二月二十日獲委任為本公司之執行董事及行政總裁。彼持有北京大學金融碩士學位及賓夕法尼亞大學沃頓商學院工商管理學碩士學位。張女士擁有廣泛金融及投資經驗，於金融投資領域從業超過十年。張女士先後任職於Matlin Patterson環球投資基金、中銀集團投資有限公司及招商證券(香港)有限公司。彼亦為本公司若干附屬公司之董事。

黃秀梅女士，42歲，於二零二零年二月二十七日獲委任為本公司執行董事。彼為中國的執業律師。黃女士於法律行業擁有約20年經驗，並於企業行政、投資及風險管理領域擁有超過十年經驗。彼於遼寧華君律師事務所執業，並為遼寧華君律師事務所之合夥人。彼於二零一六年六月加入本公司，出任法律與合規部副總裁，為本公司若干附屬公司之法律代表。

包麗敏女士，42歲，於二零二零年四月十四日獲委任為本公司執行董事及首席風控官。彼持有西南政法大學經濟法學學士學位及遼寧大學法學碩士學位，為中國的執業律師。彼自二零零六年起工作於遼寧華君律師事務所，目前並作為合夥人於遼寧華君律師事務所執業。彼於二零一六年六月加入本公司。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zheng Bailin (鄭柏林先生), aged 74, joined our Company in September 2014 and has been appointed as our Independent Non-executive Director. Mr. Zheng is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. He holds a bachelor's degree in Spanish. Mr. Zheng was employed by Citicorp International Limited from 2007 to 2008, with his last position as a senior adviser of Greater China of China marketing department. Mr. Zheng worked in Bank of China and was the head of its Shanghai branch, general manager of Hong Kong Kwangtung Provincial Bank, managing director of Bank of China, London Branch and general manager of Bank of China, New York Branch. Mr. Zheng has been honoured by the Department of State, State of New York, as one of the recipients of the "Outstanding 50 Chinese Americans in Business Award" in 2001.

Mr. Shen Ruolei (沈若雷先生), aged 74, joined our Company in September 2014 and has been appointed as our Independent Non-executive Director. Mr. Shen is also the Chairman of the Nomination Committee and a member of Audit Committee and Remuneration Committee. He holds a bachelor's degree from 中央財經大學 (Central University of Finance and Economics (formerly known as 中央財政金融學院 (Central Finance and Economics College))). Mr. Shen was an independent non-executive director of China Trustful Group Limited (stock code: 8265) from February 2016 to January 2020. Mr. Shen currently serves as a chief executive officer of an enterprise established in the PRC which involves in managing investments. Mr. Shen has extensive experience in the banking industry. He was the head of Shanghai branch of Industrial and Commercial Bank of China from June 1992 to June 1997. He was a director of Shanghai Commercial Bank and Bank of Shanghai from March 1999 to May 2012 and from April 2005 to April 2013 respectively. Mr. Shen was also the general manager and chairman of the board of directors of Shanghai United International Investment Ltd. from September 1998 to February 2012.

獨立非執行董事

鄭柏林先生，74歲，於二零一四年九月加入本公司並獲委任為獨立非執行董事。鄭先生亦為本公司薪酬委員會之主席及審核委員會及提名委員會之成員。彼持有西班牙語學士學位。鄭先生由二零零七年至二零零八年任職萬國寶通國際有限公司，離職前最後職位是中國營銷部大中華區高級顧問。鄭先生曾任職中國銀行，擔任其上海分行行長、香港廣東省銀行總經理、中國銀行倫敦分行董事總經理及中國銀行紐約分行總經理。鄭先生於二零零一年獲紐約州州務院嘉許為「50位傑出華裔企業家獎」得獎者之一。

沈若雷先生，74歲，於二零一四年九月加入本公司並獲委任為獨立非執行董事。沈先生亦為提名委員會之主席及審核委員會及薪酬委員會之成員。彼持有中央財經大學(前稱中央財政金融學院)學士學位。沈先生於二零一六年二月至二零二零年一月為中國之信集團有限公司(股份代號：8265)的獨立非執行董事。沈先生目前於一間在中國成立的公司擔任行政總裁，涉及管理投資。沈先生於銀行業擁有豐富經驗。彼於一九九二年六月至一九九七年六月期間，擔任中國工商銀行上海分行行長。於一九九九年三月至二零一二年五月期間以及二零零五年四月至二零一三年四月期間，彼分別擔任上海商業銀行及上海銀行之董事。於一九九八年九月至二零一二年二月期間，沈先生亦為申聯國際投資有限公司之總經理及董事會主席。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Pun Chi Ping (潘治平先生), aged 53, joined our Company in October 2010 and has been appointed as our Independent Non-executive Director. Mr. Pun is also the Chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Pun is also an independent non-executive director of Birmingham Sports Holdings Limited (stock code: 2309) and EPI (Holdings) Limited (stock code: 689) respectively. He holds a Master's degree of Science in Finance and a Bachelor degree of Arts in Accountancy, both from the City University of Hong Kong. Mr. Pun is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Pun has extensive experience in corporate finance, accounting and auditing. Mr. Pun currently acts as the financial controller of Poly Property Group Co., Limited (stock code: 119).

潘治平先生，53歲，於二零一零年十月加入本公司並獲委任為獨立非執行董事。潘先生亦為本公司審核委員會之主席及薪酬委員會及提名委員會之成員。潘先生亦分別為伯明翰體育控股有限公司(股份代號：2309)及長盈集團(控股)有限公司(股份代號：689)的獨立非執行董事。彼持有香港城市大學金融學理學碩士學位及會計學文學士學位。潘先生為特許公認會計師公會資深會員及香港會計師公會會員。潘先生於企業融資、會計及審計擁有廣泛經驗。潘先生現時擔任保利置業集團有限公司(股份代號：119)的財務總監。

SENIOR MANAGEMENT

Mr. Tam Ka Lung (譚家龍先生), aged 41, is the Chief Financial Officer and Company Secretary of the Company. He graduated from the Hong Kong University of Science and Technology with a Bachelor of Business Administration (Hons) Accounting degree. Mr. Tam is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Tam has extensive experience in auditing, financial management, corporate finance and IPO. Prior to joining the Company, Mr. Tam has worked in KPMG Hong Kong for more than 10 years and his last position before leaving was audit senior manager. He joined the Company in November 2014. He is also a director of several subsidiaries of the Company.

高級管理層

譚家龍先生，41歲，為本公司首席財務官兼公司秘書。彼於香港科技大學畢業，擁有工商管理(榮譽)會計學士學位。譚先生為特許公認會計師公會資深會員及香港會計師公會會員。譚先生於審計、財務管理、企業融資及首次公開招股擁有廣泛的經驗。在加入本公司前，譚先生在畢馬威會計師事務所(香港)任職超過10年，離職前最後職位為審計高級經理。彼於二零一四年十一月加入本公司。彼亦為本公司若干附屬公司之董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board believes that good corporate governance practices are increasingly important for maintaining and promoting the confidence of the Shareholders. The Company is committed to ensuring a high standard of corporate governance. The Board will review the corporate governance practices of the Group from time to time to ensure that they reflect the latest development and meet the expectations of the Shareholders.

The Company has applied the principles and complied with all applicable code provisions of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") for the Current Year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors ("Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors, except Mr. Meng Guang Bao, have complied with the required standard set out in the Model Code throughout the Current Year. On 16 August 2019, the Company entered into a conditional subscription agreement with China Huajun Group Limited, which is a company indirectly wholly owned by Mr. Meng Guang Bao, in relation to the issue of convertible bonds in the principal amount of HK\$1,000,000,000. Afterwards Mr. Meng Guang Bao noticed that the entering into of the conditional subscription of convertible bonds within the blackout period also constitutes a breach of A.3(a)(ii) and B.8 of the Model Code by dealing in shares within blackout period, the subscription agreement eventually lapsed. Save as disclosed, Mr. Meng has complied with the required standard set out in the Model Code throughout the Current Year.

企業管治常規

董事會相信，良好企業管治常規對維持及提升股東之信心日益重要。本公司致力維持高質素之企業管治水平。董事會將不時檢討本集團之企業管治常規，確保有關常規能反映最新發展並達到股東之期望。

於本年度，本公司已應用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」）之原則及遵守所有適用的守則條文。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之《董事進行證券交易的標準守則》（「標準守則」）作為董事進行證券交易之行為守則。於本年度，本公司向全體董事作出特定詢問後，確認全體董事（孟廣寶先生除外）已遵守標準守則所載之規定。於二零一九年八月十六日，本公司與中國華君集團有限公司（孟廣寶先生間接持有的全資公司）就發行本金總額1,000,000,000港元的可換股債券簽訂一項有條件認購協議。其後，孟廣寶先生獲悉其於禁止買賣期內簽訂有條件認購可換股債券之協議構成違反標準守則第A.3(a)(ii)項及B.8項，屬於禁止買賣期內進行股份交易，故認購協議最終宣告失效。除所披露者外，於本年度，孟先生已遵守標準守則所載之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for establishing strategic directions, setting objectives and business plans and monitoring business performance. The management is responsible for the day-to-day management and operations of their respective individual business units.

The Board has established a schedule of matters specifically reserved to the Board for its decisions and those reserved for the management. The Board reviews this schedule from time to time to ensure that it remains appropriate to the needs of the Group.

The Board currently comprises four executive Directors, namely Mr. Meng Guang Bao (Chairman), Ms. Zhang Ye (Chief Executive Officer), Ms. Huang Xiumei and Ms. Bao Limin and three independent non-executive Directors, namely Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping. The biographical details of the Directors are set out under the section headed "Biography of Directors and Senior Management" on pages 15 to 17 of this annual report.

The roles of the chairman of the Board and chief executive officer of the Company are separate and exercised by different individual, namely, Mr. Meng Guang Bao and Ms. Zhang Ye. The list of Directors and their respective role and function are currently available on the Group's website at <http://www.huajunintlgrou.com> and on HKEx's website at <http://www.hkex.com.hk>.

Each of the independent non-executive Directors has entered into an appointment letter with the Company pursuant to which each of Mr. Zheng Bailin and Mr. Shen Ruolei is appointed for a specific term of two years and Mr. Pun Chi Ping is appointed for a specific term of one year. The appointment is subject to re-election and shall be automatically renewed for successive terms of one year or two years respectively unless terminated by either party in writing prior to the expiry of the term.

The broad spectrum of background of the independent non-executive Directors is valuable on the diversified perspectives in the Board. They come from diverse business and professional backgrounds. They have experiences in general management to professional knowledge, from PRC business to global enterprise. All of them have proven experiences in forming corporate strategies, risk management and corporate governance.

董事會

董事會之職責乃確立策略性方針，訂立目標及業務計劃，以及監督業務表現。管理層則負責個別業務單位之日常管理及營運。

董事會已為特別保留予董事會決定及保留予管理層決定之事宜制定項目表。董事會不時檢討該項目表，以確保其繼續符合本集團之需要。

董事會現時由四名執行董事，即孟廣寶先生(主席)、張曄女士(行政總裁)、黃秀梅女士及包麗敏女士以及三名獨立非執行董事，即鄭柏林先生、沈若雷先生及潘治平先生所組成。董事履歷詳情已於本年報第15至17頁的「董事及高級管理層履歷」一節載列。

董事會主席及本公司行政總裁之角色已區分，並由不同人士(即孟廣寶先生及張曄女士)行使。董事名單及其分別的角色與職能現時可於本集團網站<http://www.huajunintlgrou.com>及香港交易所的網站<http://www.hkex.com.hk>參閱。

各獨立非執行董事已與本公司訂立委聘書，據此，鄭柏林先生及沈若雷先生各自獲委任為期兩年特定年期，而潘治平先生獲委任為期一年特定年期。該委聘可重選及將自動分別續期一年或兩年，直至任何一方於任期屆滿前向對方發出書面通知終止委任書為止。

獨立非執行董事之廣泛的領域背景對董事會多元化範疇是有價值的。彼等來自不同的業務及專業背景。彼等具備從中國業務至全球企業的一般管理至專業知識。彼等全部已證明具備企業策略、風險管理及企業管治的經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

The Company has received from each of the independent non-executive Directors an annual confirmation in writing of his independence and is satisfied that each of them continues to be independent in accordance with the requirements of the Listing Rules.

By virtue of A.4.3 of the CG Code, further appointment of Mr. Pun Chi Ping, who has served the Board for more than 9 years, will be subject to a separate resolution to be approved by shareholders. The reasons that the board believes he is still independent and should be re-elected has been disclosed in the "Report of the Directors" and will be enclosed in the circular containing the details of annual general meeting to be despatched to shareholders.

The Company will provide a comprehensive, formal and tailored induction to each newly appointed Director on his/her first appointment in order to enable him/her to have appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news release published by the Stock Exchange to the Directors. Continuing briefing and professional development for Directors are arranged where necessary.

During the Current Year, all Directors, namely, Mr. Meng Guang Bao, Ms. Zhang Ye, Mr. Guo Song, Mr. Zeng Hongbo, Mr. Zheng Bailin, Mr. Shen Ruolei, and Mr. Pun Chi Ping proactively participated in continuous professional training including the professional training provided by the Company and developed and updated their knowledge and skills to ensure that their contribution to the Board remained comprehensively informed and relevant. The Company has received confirmation from all Directors of their respective training records for the Current Year.

The Board meets no less than four times a year to review, inter alia, the financial and operational performance of the Group. Additional Board meetings are held when necessary. Due notice and Board papers are given to all Directors prior to the meeting in accordance with the Listing Rules and the CG Code. The Board has established a procedure to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Company's expenses. Appropriate insurance policy and cover for Directors have been arranged as well.

董事會(續)

本公司已收到各獨立非執行董事就本身之獨立性發出之書面年度確認書，並信納彼等各自按照上市規則之規定繼續保持獨立。

按照企業管治守則第A.4.3條，再次委任已為董事會服務逾九年的潘治平先生，須以獨立決議案獲股東批准後，方可作實。董事會相信彼仍具獨立性及可重新膺選的理由已載列於「董事會報告書」，並將隨付於將寄發予股東並載有股東週年大會詳情的通函內。

本公司將於各新任董事首次獲委任時為彼提供全面、正式兼特定而設之就任須知，以確保彼適當了解本公司之業務及營運並完全知悉彼在上市規則及相關監管規定項下之責任及義務。

本公司鼓勵所有董事參與持續專業發展，以開拓及增進彼等之知識及技能。董事持續獲提供有關法規及監管制度及業務環境發展之最新資料，以協助彼等履行職責。本公司已適時向董事提供最新的技術性資料更新，包括上市規則修訂之簡報及聯交所之新聞發佈。本公司於需要時為董事安排持續簡報及專業發展。

於本年度，所有董事即孟廣寶先生、張擘女士、郭頌先生、曾紅波先生、鄭柏林先生、沈若雷先生及潘治平先生，均積極參加持續專業培訓(包括本公司提供的專業培訓)，發展並更新彼等的知識及技能，以確保彼等繼續在具備全面信息及切合所需的情況下對董事會作出貢獻。本公司已自全部董事確認彼等本年度各自之培訓記錄。

董事會每年舉行至少四次會議，以檢討(其中包括)本集團之財務及營運表現，並於有需要時舉行額外董事會會議。本公司已根據上市規則及企業管治守則於舉行會議前向全體董事發出正式通知及董事會文件。董事會已制定程序，讓董事按合理要求並於適當情況下徵求獨立專業意見，費用由本公司支付。同時，亦已為董事安排適當之保險政策及範圍。

CORPORATE GOVERNANCE REPORT

企業管治報告



BOARD OF DIRECTORS (Continued)

There were fourteen Board meetings, four special general meetings and one annual general meeting held in the Current Year. All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

The attendance of each director of Board meetings and general meetings during the Current Year is set out below:

董事會(續)

於本年度共舉行了十四次董事會會議、四次股東特別大會及一次股東週年大會。在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

各董事於本年度於董事會會議及股東大會之出席次數載列如下：

Directors	Attendance of Board meetings 出席董事會 會議次數	Attendance of general meetings 出席股東大會 次數
董事		
<i>Executive Directors:</i> 執行董事：		
Mr. Meng Guang Bao (Chairman) 孟廣寶先生(主席)	9/12	1/5
Ms. Zhang Ye 張擘女士	14/14	5/5
Mr. He Shufen (Note 1) 何樹芬先生(附註1)	5/6	2/3
Mr. Guo Song 郭頌先生	13/14	3/5
Mr. Zeng Hongbo 曾紅波先生	14/14	1/5
<i>Independent Non-executive Directors:</i> 獨立非執行董事：		
Mr. Zheng Bailin 鄭柏林先生	11/14	3/5
Mr. Shen Ruolei 沈若雷先生	11/14	1/5
Mr. Pun Chi Ping 潘治平先生	11/14	3/5

Note:

1. retired on 28 June 2019.

附註：

1. 於二零一九年六月二十八日退任。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) was established in 2005 pursuant to the recommendations of the CG Code. The primary duty of the Remuneration Committee includes assisting the Board to oversee the establishment and operation of formal and transparent procedures for developing the remuneration packages of directors and senior management of the Company and recommend to the Board the remuneration packages of Directors, including individual executive Directors, and senior management of the Company. The Remuneration Committee’s authority and duties are set out in written terms of reference, which have been revised by the Board on 21 December 2018 that are available on the websites of the Company and Hong Kong Exchanges and Clearing Limited (“HKEX”).

During the Current Year and up to the date of this annual report, the Remuneration Committee consists of 4 members, namely Mr. Zheng Bailin, who is the chairman of the Remuneration Committee, Mr. Shen Ruolei, Ms. Zhang Ye and Mr. Pun Chi Ping. The majority of the members of the Remuneration Committee are independent non-executive Directors.

The Company aims to design a remuneration policy that attracts and retains executives needed to run the Group successfully and to motivate executives to pursue appropriate growth strategies of the Group while at the same time taking into account the performance of the individuals. The remuneration should reflect, inter alia, the performance and responsibilities of the individuals; and the remuneration packages are structured to include salary, bonus and other benefits to provide incentives to directors and senior management of the Group and to improve their individual performance.

薪酬委員會

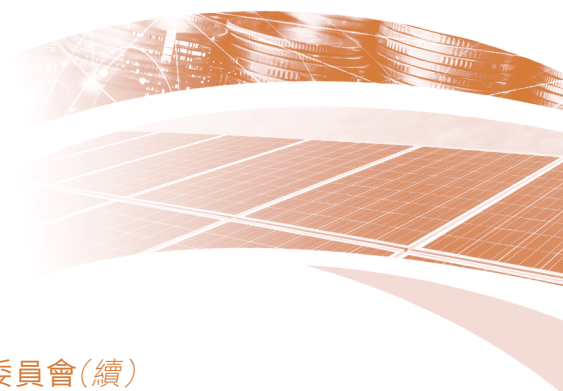
本公司於二零零五年根據企業管治守則的建議成立本公司薪酬委員會（「薪酬委員會」）。薪酬委員會之主要職責包括協助董事會就發展本公司董事及高級管理層之薪酬待遇監督正式且具透明度的程序之設立及運作，並向董事會建議本公司董事（包括個別執行董事）及高級管理層之薪酬待遇。薪酬委員會之權力及職責載於書面職權範圍，其已由董事會於二零一八年十二月二十一日修訂，並可於本公司及香港交易及結算所有限公司（「香港交易所」）網站參閱。

於本年度及直至本年報日期，薪酬委員會包括四位成員，即鄭柏林先生（彼為薪酬委員會主席）、沈若雷先生、張擘女士及潘治平先生。薪酬委員會大部分成員為獨立非執行董事。

本公司旨在設立能成功吸引並挽留本集團業務成功營運所需之行政人員，以及推動行政人員追求合適本集團增長策略之薪酬政策，同時考慮個別員工表現。薪酬應反映（其中包括）個別員工之表現及責任；而薪酬待遇包括薪金、花紅及其他福利，以給予本集團董事及高級管理層獎勵，提升彼等個別之表現。

CORPORATE GOVERNANCE REPORT

企業管治報告



REMUNERATION COMMITTEE (Continued)

For the Current Year, the remuneration of individual Directors is disclosed by name in note 13 to the consolidated financial statements, while the remuneration of senior management is disclosed by bands as follows:

薪酬委員會(續)

於本年度，個別董事之酬金已依名稱於綜合財務報表附註13中披露，而高級管理層之酬金依範圍披露如下：

		Year ended 31 December 2019 截至 二零一九年 十二月三十一日 止年度 Number of individuals 人數	Nine months ended 31 December 2018 截至 二零一八年 十二月三十一日 止九個月 Number of individuals 人數
HK\$1,000,000 to HK\$1,500,000	1,000,000港元至1,500,000港元	–	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
		1	1

The Remuneration Committee met once during the Current Year and the work carried out by the Remuneration Committee included the following:

- reviewed the remuneration policy of the Group; and
- reviewed the specific remuneration packages of the Directors' including executive Directors and senior management of the Group for the Current Year.

薪酬委員會於本年度舉行了一次會議，薪酬委員會進行之工作包括以下：

- 檢討本集團之薪酬政策；及
- 檢討本集團董事(包括執行董事)及高級管理層於本年度之個別薪酬待遇。

All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE (Continued)

The attendance of each member of the Remuneration Committee at the Remuneration Committee meeting during the Current Year is set out below:

Remuneration Committee Members 薪酬委員會成員

Attendance 出席次數

Mr. Zheng Bailin (Chairman) 鄭柏林先生(主席)	1/1
Ms. Zhang Ye 張擘女士	1/1
Mr. Shen Ruolei 沈若雷先生	1/1
Mr. Pun Chi Ping 潘治平先生	1/1

NOMINATION COMMITTEE

The nomination committee of the Company (the "Nomination Committee") was established in 2012, pursuant to the recommendations of the CG Code. The primary duty of the Nomination Committee includes making recommendations to the Board on the appointment and re-appointment of directors, structure, size and composition of the Board and to maintain a balance of skills, experience and diversity of perspectives on the Board which are appropriate to the requirements of the Company's business.

During the Current Year and up to the date of this report, the Nomination Committee consists of 4 members, namely Mr. Shen Ruolei, who is the chairman of the Nomination Committee, Ms. Zhang Ye, Mr. Pun Chi Ping and Mr. Zheng Bailin. The majority of the members of the Nomination Committee are independent non-executive Directors.

The Board adopted a board diversity policy (the "Board Diversity Policy") with the primary objective of enhancing the effectiveness of the Board and its corporate governance standard. The Company recognizes the importance of having a diverse team of Board members, which is an essential element in maintaining a competitive advantage. The Nomination Committee has been delegated the authority to review and assess the diversity of the Board and its skills and experience by considering a number of factors including but not limited to, gender, age, cultural and educational background, and professional experience. When identifying and selecting suitably qualified candidates for recommendation to the Board, the Nomination Committee will give consideration to the Board Diversity Policy whereby selection of candidates will be based on merit against objective criteria and with due regard to the benefits of diversity on the Board. The Nomination Committee reviews and monitors the implementation of the Board Diversity Policy and makes recommendation to the Board as appropriate.

薪酬委員會(續)

薪酬委員會各成員於本年度之薪酬委員會會議之出席次數載列如下：

提名委員會

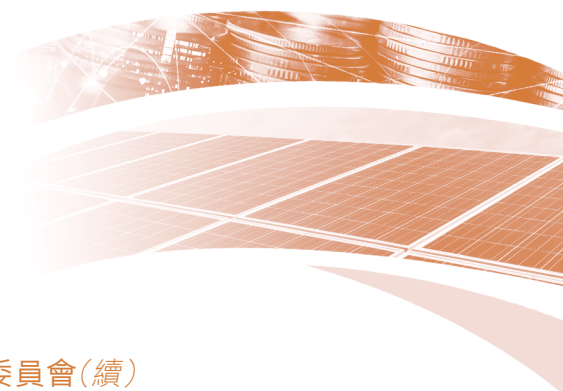
本公司於二零一二年根據企業管治守則之建議成立提名委員會(「提名委員會」)。提名委員會之主要職責包括就委任及重新委任董事、董事會架構、規模及組成，並保持董事會根據本公司業務具備適當所需技能、經驗及多樣的觀點與角度之平衡向董事會提出建議。

於本年度及直至本報告日期，提名委員會包括四位成員，即沈若雷先生(其為提名委員會主席)、張擘女士、潘治平先生及鄭柏林先生。提名委員會大部分成員為獨立非執行董事。

董事會採納董事會多樣性政策(「董事會多樣性政策」)，主要目標為提升董事會之效能及其企業管治標準。本公司意識到擁有董事會成員團隊多樣化之重要性，對維持競爭優勢而言為關鍵要素。提名委員會已獲授權透過考慮多項因素(包括(但不限於)性別、年齡、文化及教育背景，以及專業經驗)審閱及評估董事會多樣性及其技能及經驗。於識別及選擇合適的合資格人士推薦予董事會時，提名委員會將考慮董事會多樣性政策，其中候選人的選擇將根據客觀標準之特長，並顧及董事會多樣性之裨益。提名委員會審閱及監督董事會多樣性政策之實施及適時向董事會提出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告



NOMINATION COMMITTEE (Continued)

The Nomination Committee met once during the Current Year. At the meeting, all members of the Nomination Committee were present and performed the work including the following:

- reviewing the structure, size and composition of the Board;
- identifying individuals qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for Directorships;
- assessing the independence of independent non-executive Directors;
- recognising the importance of having a broad complement of skills, experience and professional knowledge on the Board; and
- reviewing Board Diversity Policy and the measurable objectives for nomination policy and the Board Diversity Policy.

The Nomination Committee formed the view that the Board has maintained an appropriate mix and balance of skills, knowledge, experience, expertise and diversity of perspectives appropriate to the business requirements of the Company during the Current Year.

All business transacted at the above meeting has been duly documented and is maintained in accordance with applicable laws and regulations.

The attendance of each member of the Nomination Committee Meeting during the Current Year is set out below:

Nomination Committee Members 提名委員會成員

Mr. Shen Ruolei (Chairman)
沈若雷先生(主席)
Ms. Zhang Ye
張擘女士
Mr. Pun Chi Ping
潘治平先生
Mr. Zheng Bailin
鄭柏林先生

提名委員會(續)

提名委員會於本年度舉行了一次會議。所有提名委員會之成員皆出席並進行包括以下之工作：

- 檢討董事會的架構、規模及組成；
- 物色具備合適資格可成為董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 評核獨立非執行董事的獨立性；
- 識別董事會具備廣泛的技能、經驗及專業知識的重要性；及
- 審閱董事會多樣性政策及提名政策及董事會多樣性政策之可量度目標。

提名委員會認為，董事會於本年度已根據本公司業務具備適當所需技能、知識、經驗、專業及不同觀點並維持適當組合及平衡。

在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

提名委員會各成員於本年度於提名委員會會議之出席次數載列如下：

Attendance 出席次數

1/1
1/1
1/1
1/1

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established in 2004 pursuant to the recommendations of the CG Code. The primary duty of the Audit Committee includes assisting the Board to monitor integrity of financial statements, oversee the relationship between the Company and its external auditors, ensure effective risk management and internal control systems of the Group are in place and good corporate governance standards and practices are maintained within the Group. The Audit Committee's authority and duties are set out in written terms of reference, which have been revised by the Board on 21 December 2018 and are available on the websites of the Company and HKEX.

During the Current Year and up to the date of this report, the Audit Committee comprises 3 independent non-executive Directors and reports directly to the Board. The Audit Committee meets regularly with the Group's senior management and the Company's external auditor to review the financial reporting and internal control systems of the Group as well as the financial statements of the Company.

The Audit Committee held four meetings during the Current Year and the work carried out by the Audit Committee included the following:

- reviewing the audited consolidated financial statements of the Group;
- reviewing the unaudited interim financial report of the Group;
- reviewing and discussing with the Company's external auditor in respect of the audit plan for the consolidated financial statements of the Group;
- reviewing and discussing with the senior management of the Group and the external auditor of the Company major accounting, audit, risk management and internal control issues;
- reviewing and discussing with the senior management of the Group the corporate governance practices and compliance issues of the Group;
- reviewing the independence and objectivity of the external auditor of the Company;
- monitoring the non-audit services undertaken by the Company's external auditor or their affiliates;
- reviewing and approving the remuneration and terms of engagement of the external auditor of the Company; and
- performing corporate governance duty delegated by the Board.

All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

審核委員會

本公司於二零零四年根據企業管治守則的建議成立審核委員會(「審核委員會」)。審核委員會之主要職責包括協助董事會監察財務報表之合規性、監督本公司與其外聘核數師之關係、確保本集團之風險管理及內部監控系統屬有效，並於本集團內維持良好企業管治標準及做法。審核委員會之權力及職責載於書面職權範圍，其已由董事會於二零一八年十二月二十一日修訂，並可於本公司及香港交易所的網站參閱。

於本年度及直至本報告日期，審核委員會由三名獨立非執行董事組成，並直接向董事會匯報。審核委員會定期與本集團的高級管理層及本公司的外聘核數師舉行會議，以檢討本集團的財務匯報及內部監控系統以及本公司的財務報表。

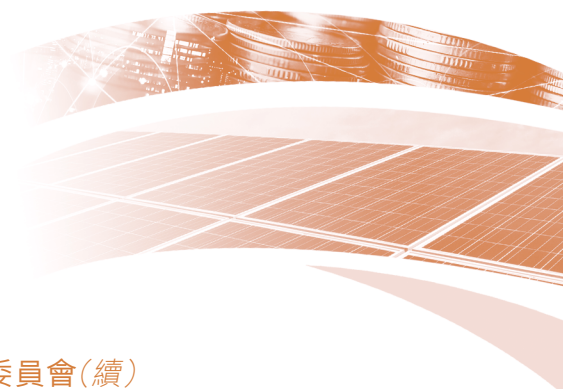
審核委員會於本年度舉行了四次會議，審核委員會進行之工作包括以下：

- 審閱本集團之經審計綜合財務報表；
- 審閱本集團之未經審計中期財務報告；
- 與本公司外聘核數師審閱及商討有關本集團綜合財務報表之審計計劃；
- 與本集團高級管理層及本公司外聘核數師審閱及商討主要之會計、審計、風險管理及內部監控事宜；
- 與本集團高級管理層審閱及商討本集團的企業管治常規及合規事宜；
- 審閱本公司外聘核數師之獨立性及客觀性；
- 監督本公司外聘核數師或其分支機構所提供之非審計服務；
- 審閱及批准本公司外聘核數師之薪酬及聘用條款；及
- 應董事會委派履行企業管治職責。

在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

CORPORATE GOVERNANCE REPORT

企業管治報告



AUDIT COMMITTEE (Continued)

The attendance of each member of the Audit Committee at the Audit Committee meeting during the Current Year is set out below:

Audit Committee Members 審核委員會成員

	Attendance 出席次數
Mr. Pun Chi Ping (Chairman) 潘治平先生(主席)	4/4
Mr. Zheng Bailin 鄭柏林先生	4/4
Mr. Shen Ruolei 沈若雷先生	4/4

The Audit Committee meets with the chief financial officer, chief executive officer and other senior management of the Group from time to time for the purposes of reviewing the interim and annual results, the interim and annual reports, internal control, corporate governance and risk management matters of the Group. It considers and discusses the reports and presentations with the management, the Group's internal and external auditors, with a view to ensuring that the Group's consolidated financial statements are prepared in accordance with Hong Kong Financial Reporting Standards. It also meets with the Company's external auditor, SHINEWING (HK) CPA Limited, to consider their report on the scope, strategy, progress and outcome of audit of the consolidated financial statements. In addition, the Audit Committee holds regular private meetings with the external auditor, separately without the presence of the management.

CORPORATE GOVERNANCE FUNCTIONS

The Board has the overall responsibility for the corporate governance of the Group and reviews its effectiveness, and adopts all necessary and appropriate actions, to maintain sufficient and effective corporate governance policy and functions from time to time. The Audit Committee assists the Board in the review of the corporate governance policy and functions to ensure the upholding of good corporate governance which are of the best interests of the Shareholders and the Group.

The Audit Committee has, during the Current Year, made arrangements to review the Group's the policies and practices on corporate governance and make recommendations to the Board, to review and monitor the policies and practices of the Group on compliance with legal and regulatory requirements, and to review the compliance by the Group with the CG Code and the disclosure requirements for the Corporate Governance Report.

審核委員會(續)

審核委員會各成員於本年度於審核委員會會議之出席次數載列如下：

審核委員會不時與本集團財務總監、行政總裁及其他高級管理層舉行會議，以審閱本集團中期及年度業績、中期及年度報告、內部監控、企業管治及風險管理事項。其與管理層、本集團內部及外聘核數師考慮及討論報告及匯報，以確保本集團之綜合財務報表乃根據香港財務報告準則編製。其亦與本公司外聘核數師信永中和(香港)會計師事務所有限公司舉行會議，考慮報告範圍、策略、進程及綜合財務報表之審核結果。此外，審核委員會分別在無管理層出席下與外聘核數師舉行定期私人會議。

企業管治功能

董事會有責任不時檢討本集團之企業管治及審閱其效益，並採取所有必需而適當之行動，維持足夠及有效之企業管治政策及功能。審核委員會協助董事會審閱企業管治政策及功能，以確保樹立良好的企業管治以保障股東及本集團之最佳利益。

於本年度，審核委員會已安排就本集團之企業管治政策及常規進行審閱，並向董事會提出建議、檢討及監察本集團有關遵守法律及監管規定之政策及常規、及檢討本集團對企業管治守則及企業管治報告之披露規定的合規。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the responsibility for the reviewing risk management and internal control systems of the Group and examining its effectiveness, and to adopt all necessary and appropriate actions, to maintain sufficient and effective risk management and internal control systems from time to time. The Audit Committee assists the Board in the review at least annually, which covers operational, financial and compliance controls and risk management functions, in order to maintain an adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group.

The Directors have made arrangements to review the Group's risk management and internal control systems as well as the adequacy of resource, qualification and experience of the staff of the Group's accounting and financial reporting function for the Current Year. The purpose of the review was to provide a reasonable assurance on the effectiveness and efficiency of the Group's operations in achieving the established corporate objectives, to safeguard the Group's assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records of the Group for the provision of reliable financial information for internal use and for publication, and to ensure the Group's compliance with relevant legislation and regulations.

The Board considered that the risk management and internal control systems of the Group are effective in material respect but have areas for improvement to enhance the implementation of internal control procedures.

AUDITOR'S REMUNERATION

During the Current Year:

- (a) the Company's former auditor, Deloitte Touche Tohmatsu, charged the Group RMB1.3 million for audit services and RMB0.2 million for non-audit service to provide training sessions.
- (b) the Company's current auditor, SHINGWING (HK) CPA Limited, charged the Group RMB3.1 million for audit services.
- (c) Other auditors of the Company's subsidiaries charged RMB0.6 million for audit services.

風險管理及內部監控

董事會有責任不時檢討本集團之風險管理及內部監控制度及審閱其效益，並採取所有必需而適當之行動，維持足夠及有效之風險管理及內部監控制度。審核委員會至少每年協助董事會進行審閱，包括營運、財務及合規監控以及風險管理功能，維持足夠而有效的風險管理及內部監控系統以保障股東利益及本集團之資產。

於本年度，董事已安排就本集團之風險管理及內部監控制度進行審閱，並檢討本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠。審閱旨在為本集團營運之成效及效益作出合理保證，以達致既定企業目標、保障本集團資產免於未經授權之挪用或處置、確保維持本集團妥善之會計記錄以提供可靠之財務資料供內部使用及作公佈之用，以及確保本集團遵守相關法律及法規。

董事會認為，本集團的風險管理及內部監控制度在重大方面有效惟在執行內部監控程序上有改善的空間。

核數師酬金

於本年度：

- (a) 本公司前核數師德勤•關黃陳方會計師行就審計服務向本集團收取人民幣1.3百萬元及就非審計服務收取人民幣0.2百萬元，以提供培訓課程。
- (b) 本公司現任核數師信永中和(香港)會計師事務所有限公司就審計服務向本集團收取人民幣3.1百萬元。
- (c) 本公司之附屬公司之其他核數師就審計服務收取人民幣0.6百萬元。

CORPORATE GOVERNANCE REPORT

企業管治報告



COMPANY SECRETARY

Mr. Tam Ka Lung, the Company Secretary of the Company, is employed on a full time basis and has taken no less than 15 hours of the relevant professional training during the Current Year. Our Company Secretary coordinates and supplies information to the Directors. Our Company Secretary ensures that board procedures and all applicable rules and regulations are complied with for all board meetings.

FINANCIAL REPORTING

The Board acknowledges its responsibility for the preparation of the financial statements of the Company for the Current Year, which have been prepared on a going concern basis.

The reporting responsibility of the auditor of the Company is set out in the Independent Auditor's Report from pages 52 to 63 of this Annual Report.

COMMUNICATIONS WITH SHAREHOLDERS

The objective of communications with Shareholders is to ensure that the Shareholders, both individual and institutional, and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable Shareholders to exercise their rights in an informed manner, and to allow Shareholders and the investment community to engage actively with the Company. In this respect, a written shareholders communication policy has been established and is currently available on the Group's website at <http://www.huajunintlgroup.com>.

公司秘書

譚家龍先生為本公司之公司秘書，彼為全職僱員及於本年度已接受不少於15小時之相關專業培訓。我們的公司秘書向董事協調及提供資料。我們的公司秘書確保董事會程序及所有董事會會議均符合所有適用規則及法規。

財務報告

董事會確認其編製本公司於本年度之財務報表之責任並按持續經營基準編製。

本公司核數師之申報責任刊載於本年報第52至63頁之獨立核數師報告書內。

與股東之溝通

與股東溝通之目標，乃確保股東，包括個人及機構兩者，及在合適的情況下，普遍投資社群，獲提供本公司即時、平等和及時的平衡及可理解的資訊(包括其財務表現、策略目標及計劃、重大發展、管治及風險組合)，以確保股東在知情下行使彼等權利，及容許股東及投資社群活躍地與本公司接合。為此，一項與股東溝通之書面政策已設立，現時可於本集團網站 <http://www.huajunintlgroup.com> 參閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS (Continued)

The Company uses a range of communication tools to ensure Shareholders are kept well informed of key business imperatives. These include general meetings, interim and annual reports, announcements and circulars. The Company's website offers a communication channel between the Company and the Shareholders, and is frequently updated with key information of the Group.

At the Company's annual general meeting held on 28 June 2019, separate resolutions were proposed by the Chairman in respect of each separate issue, including the re-election of Directors.

The Company regularly informs the Shareholders of the procedure for voting by poll and ensures compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the Company. A consolidated version of the Company's Memorandum of Association and Bye-laws is currently available on the Group's website at <http://www.huajunintgroup.com> and on HKEx's website at <http://www.hkex.com.hk>. There is no significant change in the Company's Memorandum of Association and Bye-laws during the Current Year.

與股東之溝通(續)

本公司經由多種溝通方法，確保股東得悉主要業務事項。此等包括股東大會、中期及年度報告、公告及通函。本公司網站提供本公司與股東溝通之渠道及經常更新本集團之主要資料。

於本公司於二零一九年六月二十八日舉行的股東週年大會上，主席亦就每件獨立事項提呈獨立決議案，當中包括重選董事。

本公司定期通知股東有關投票表決之程序，以確保符合上市規則及本公司憲章文件所載有關投票表決之規定。本公司之組織章程大綱及公司細則的綜合版本現時可於本集團網站 <http://www.huajunintgroup.com> 及香港交易所網站 <http://www.hkex.com.hk> 參閱。於本年度，本公司之組織章程大綱及公司細則並無重大改變。

CORPORATE GOVERNANCE REPORT

企業管治報告



SHAREHOLDERS' RIGHTS

Procedures for Convening of Special General Meeting ("SGM") on requisition of Shareholders

- (1) The directors of the Company, notwithstanding anything in the Company's bye-laws shall, on the requisition of Shareholders holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company.
- (2) The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the Company Secretary at the Company's principal place of business at, 36th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong. Such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (3) The requisition will be verified with the Company's Share Registrars and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to include the resolutions in the agenda for the SGM. And such meeting shall be held within two months after the deposit of such requisition.
- (4) If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.
- (5) A meeting convened under this section by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

Procedures for sending enquiries to the Board

The enquiries must be in writing with contact information of the enquirers and submitted to the Company Secretary at the Company's principal place of business at 36th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong.

股東權利

股東要求召開股東特別大會(「股東特別大會」)之程序

- (1) 即使本公司細則另有任何規定，本公司董事須於收到股東要求而該等股東於送達要求日期持有本公司截至該日附帶本公司股東大會投票權的實繳股本不少於十分之一時，立即著手正式召開本公司之股東特別大會。
- (2) 該要求須列示有關會議之目的，並須由要求人簽署及送達本公司之主要營業地點，地址為香港中環花園道3號冠君大廈36樓，送呈公司秘書。該要求可包括多份同樣格式之文件，各文件由一位或以上之要求人簽署。
- (3) 本公司將會向本公司之股份過戶登記處核實該要求，於獲得其確認該要求為恰當及適當後，公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。有關會議將在送達有關要求後兩個月內舉行。
- (4) 如董事未能於該要求之送達日期二十一日內正式召開會議，要求人、或代表要求人總投票權超過一半以上之任何要求人，可自行召開會議，惟所召開之任何會議不得於上述日期起計三個月屆滿後舉行。
- (5) 按此節由要求人召開之會議，須盡可能以由董事召開之同等會議之同樣方式召開。

向董事會查詢之程序

有關查詢須以書面方式連同查詢人之聯絡資料送達本公司之主要營業地點，地址為香港中環花園道3號冠君大廈36樓，送交公司秘書。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for Shareholders to put forward proposals at general meetings

Pursuant to the Companies Act, any number of Shareholders representing not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates or not less than one hundred Shareholders, can request the Company in writing to:

- (a) give to Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- (b) circulate to Shareholders of the Company entitled to have notice of any general meeting send to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition must be deposited to the Company not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisitions.

CONCLUSION

The Board believes that the quality and standard of corporate governance reflects the quality of the management and the operations of the Group's business. Good corporate governance can safeguard the proper use of the Group's assets and effective allocation of the Group's resources as well as protecting the interests of the Shareholders. The management is committed to advocating good practice in corporate governance and will strive to maintain, strengthen and improve the standard and quality of the corporate governance of the Group.

股東權利(續)

股東於股東大會上提呈議案之程序

根據公司法，於該要求日期代表不少於全體股東之總投票權二十分之一而有權於大會上就該要求投票之任何股東數目或不少於一百名股東，可向本公司提交書面要求：

- (a) 向有權接收下一屆股東週年大會通告之本公司股東發出通知，以告知任何可能於該大會上正式動議及擬於大會上動議之決議案；及
- (b) 向有權獲發送任何股東大會通告之本公司股東傳閱任何不超過一千字之陳述書，以告知於該大會上提呈之決議案所述事宜或將處理之事項。

該要求須在不少於(倘為需要決議案通告之要求)大會舉行前六週或(倘為任何其他要求)大會舉行前一週送達至本公司。

總結

董事會相信，企業管治之質素及水準反映管理層質素及本集團之業務運作。良好企業管治能維護本集團資產的妥善運用及有效分配本集團資源，並保障股東權益。管理層致力提倡良好企業管治常規及將嘗試盡最大努力維繫、鞏固及改善本集團企業管治之水準及質素。

REPORT OF THE DIRECTORS

董事會報告書

The Directors have pleasure in submitting their annual report together with the audited consolidated financial statements of Huajun International Group Limited (the "Company") and its subsidiaries (collectively refer to as the "Group") for the Current Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. During the Current Year, the Group has engaged in five core business, namely (i) Printing; (ii) Trading and Logistics; (iii) Property Development and Investments; (iv) Solar Photovoltaic; and (v) Financial Services.

A review of the business of the Group during the Current Year, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business are set out under the section headed "Management discussion and analysis" in this annual report.

The analysis of the geographical segments of the operations of the Company and its subsidiaries during the year is set out in note 7 to the consolidated financial statements.

FINANCIAL STATEMENTS

The profit/loss of the Group for the Current Year and the state of the Group's and the Company's affairs as at that date are set out in the consolidated financial statements on pages 64 to 69 and 287 respectively.

DIVIDEND

The Board did not recommend the payment of a final dividend for the Current Year (the Last Period: Nil).

DIVIDEND POLICY

The Company has adopted a dividend policy, the objective of which is to allow shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves to sustain the Group's future growth. The declaration, form, frequency and amount of dividend paid by the Company must be in accordance with relevant laws and regulations and subject to the bye-laws of the Company. In deciding whether to declare any dividend, the Board will take into account a number of factors, including the financial results, the distributable reserves, the operations and liquidity requirements, and the current and future development plans of the Company. The Board will review the dividend policy of the Company as appropriate from time to time.

董事欣然提呈華君國際集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)於本年度的年報連同經審計綜合財務報表。

主要業務

本公司為一間投資控股公司。於本年度，本集團從事五項核心業務，即(i)印刷；(ii)貿易及物流；(iii)物業開發及投資；(iv)太陽能光伏；及(v)金融服務。

本集團於本年度的業務回顧、本集團面臨的主要風險及不確定性的討論以及本集團業務未來可能發展的展望載於本年報「管理層討論及分析」一節。

本公司及其附屬公司於年內的經營地區分部分分析載列於綜合財務報表附註7。

財務報表

本集團於本年度的溢利／虧損及本集團與本公司於該日的財政狀況分別載列於綜合財務報表第64至69及287頁。

股息

董事會並無建議派付於本年度之末期股息(去年同期：無)。

股息政策

本公司已採納股息政策，其目標為讓本公司股東參與本公司溢利，同時保留充足儲備維持本集團之未來增長。本公司已付股息之宣派、形式、次數及金額須符合相關法例及法規，並受本公司之公司細則所限。於釐定是否宣派任何股息時，董事會將考慮多項因素，包括本公司之財務業績、可分派儲備、經營及流動資金要求，以及目前及未來發展計劃。董事會將不時審閱本公司股息政策(倘適用)。

REPORT OF THE DIRECTORS

董事會報告書

CHARITABLE DONATIONS

Charitable donations made by the Group during the Current Year amounted to RMB173,000.

慈善捐款

本集團於本年度的慈善捐款為人民幣173,000元。

SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 December 2019 are set out in note 55 to the consolidated financial statements.

附屬公司

本公司附屬公司於二零一九年十二月三十一日的詳情載列於綜合財務報表附註55。

FIVE YEARS FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 292 to 293.

五年財務概要

本集團於過去五個財政年度的業績、資產及負債概要載列於第292至293頁。

MAJOR SUPPLIERS AND CUSTOMERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers during the Current Year is as follows:

主要供應商和客戶

於本年度，有關主要客戶及供應商佔本集團銷售額和採購額的資料如下：

		%
Sales	銷售	
Five largest customers in aggregate	五大客戶總和	12.3%
The largest customer	最大客戶	4.1%
Purchases	採購	
Five largest suppliers in aggregate	五大供應商總和	22.5%
The largest supplier	最大供應商	8.6%

At no time during the Current Year have the Directors, their associates or any shareholder (which to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any interests as defined in the Listing Rules in these major customers and suppliers.

於本年度任何時間，本公司董事、彼等的聯繫人或任何股東(據董事所知擁有本公司股本5%以上)並無擁有此等主要客戶及供應商的任何權益(定義見上市規則)。

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the Current Year are set out in note 15 to the consolidated financial statements.

物業、廠房及設備

物業、廠房及設備於本年度的變動載列於綜合財務報表附註15。

INVESTMENT PROPERTIES

Movements in investment properties during the Current Year are set out in note 17 to the consolidated financial statements.

投資物業

投資物業於本年度的變動載列於綜合財務報表附註17。

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 43 to the consolidated financial statements.

股本

本公司的股本變動詳情載列於綜合財務報表附註43。

REPORT OF THE DIRECTORS

董事會報告書

RESERVES

Movements in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity on page 70 and note 56 to the consolidated financial statements respectively.

As at 31 December 2019, the Company's reserves available for distribution calculated in accordance with the provisions of the Bermuda Companies Act 1981 was Nil (31 December 2018: Nil).

BORROWINGS

Particulars of borrowings of the Group at 31 December 2019 are set out in note 32 to the consolidated financial statements.

DIRECTORS

The Directors during the Current Year and up to the date of this report were:

Executive Directors:

Mr. Meng Guang Bao (*Chairman*)
Ms. Zhang Ye
Ms. Huang Xiumei (appointed on 27 February 2020)
Ms. Bao Limin (appointed on 14 April 2020)
Mr. Zeng Hongbo (resigned on 14 April 2020)
Mr. Guo Song (resigned on 27 February 2020)
Mr. He Shufen (retired on 28 June 2019)

Independent Non-executive Directors:

Mr. Zheng Bailin
Mr. Shen Ruolei
Mr. Pun Chi Ping

In accordance with the Bye-laws 86(2) of the Company, Ms. Huang Xiumei, who was appointed on 27 February 2020, and Ms. Bao Limin, who was appointed on 14 April 2020, will hold office until the forthcoming annual general meeting and, being eligible, offer herself for re-election at the annual general meeting. Ms. Zhang Ye, Mr. Zheng Bailin and Mr. Pun Chi Ping will retire by rotation from office in accordance with the Bye-laws 87 of the Company at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive Directors to be independent.

儲備

本集團及本公司的儲備變動分別載列於第70頁的綜合權益變動表及綜合財務報表附註56。

於二零一九年十二月三十一日，本公司之可供分派儲備(根據一九八一年百慕達公司法之條文計算)為無(二零一八年十二月三十一日：無)。

借款

本集團於二零一九年十二月三十一日的借款詳情載列於綜合財務報表附註32。

董事

於本年度及直至本報告日期的董事為：

執行董事：

孟廣寶先生(主席)
張擘女士
黃秀梅女士(於二零二零年二月二十七日獲委任)
包麗敏女士(於二零二零年四月十四日獲委任)
曾紅波先生(於二零二零年四月十四日辭任)
郭頌先生(於二零二零年二月二十七日辭任)
何樹芬先生(於二零一九年六月二十八日退任)

獨立非執行董事：

鄭柏林先生
沈若雷先生
潘治平先生

根據公司細則第86(2)條細則，黃秀梅女士於二零二零年二月二十七日獲委任，包麗敏女士則於二零二零年四月十四日獲委任，彼等之任期將至應屆股東週年大會為止，彼等符合資格並願意於股東週年大會上膺選連任。根據公司細則第87條細則，張擘女士、鄭柏林先生及潘治平先生將於應屆股東週年大會上輪席退任，彼等符合資格並願意膺選連任。

本公司已收到每名獨立非執行董事按照上市規則第3.13條所作出的年度獨立性確認，並認為所有獨立非執行董事屬獨立人士。

REPORT OF THE DIRECTORS

董事會報告書

Mr. Pun Chi Ping has served the Board as independent non-executive Director for more than 9 years. During the Current Year, he has contributed the Board by providing independence view points and advices to the Company. Based on the above and the annual confirmation of the independence received, the Company considers Mr. Pun Chi Ping is still independent and should be re-elected in the forthcoming annual general meeting of the Company.

CHANGES IN INFORMATION OF DIRECTOR

Mr. Shen Ruolei resigned as independent non-executive director of China Trustful Group Limited, a company listed on the Stock Exchange (Stock Code: 8265), with effect from 17 January 2020.

Save as disclosed above and in this annual report, there are no other changes to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

Details of the directors' remuneration of the Company are set out in note 13 to the consolidated financial statements.

RELATED PARTY TRANSACTIONS

Details of transactions between the Group and parties regarded as "Related Parties" under applicable accounting principles are set out in note 53 to the consolidated financial statements. Save for those disclosed under the section in "CONNECTED TRANSACTIONS" below, no transaction disclosed thereto constitutes connected transaction or continuing connected transaction of the Company which is subject to, among other things, reporting, announcement or independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

潘治平先生作為獨立非執行董事服務董事會逾九年。於本年度，彼向本公司提供獨立意見及建議，對董事會作出貢獻。基於以上所述及所接獲之年度獨立性確認書，本公司認為潘治平先生仍屬獨立人士，應於本公司應屆股東週年大會上膺選連任。

董事資料變動

沈若雷先生辭任中國之信集團有限公司(一間於聯交所上市的公司，股份代號：8265)的獨立非執行董事，於二零二零年一月十七日生效。

除上述及於本年報所披露者外，本公司董事並無其他資料變動須根據上市規則第13.51B(1)條作出披露。

董事服務合約

擬於應屆股東週年大會上膺選連任的董事概無與本公司或其任何附屬公司訂立本公司或其任何附屬公司於一年內在不出賠償(法定賠償除外)的情況下不可終止的服務合約。

董事酬金

本公司的董事酬金詳情載列於綜合財務報表附註13。

關聯方交易

本集團與適用會計原則下被視為「關聯方」各方之交易詳情載於綜合財務報表附註53。除下文「關連交易」一節所披露者外，於本報告披露的交易概無構成本公司關連交易或持續關連交易而須遵守(其中包括)上市規則第14A章下有關申報、公告或獨立股東批准的規定。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2019, none of the Directors and their respective associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Although certain associates of Mr. Meng are engaged in property development and property management, which is one of the principal businesses of the Group, the said associates of Mr. Meng carries out their business in considerable distance, i.e. over 100 kilometers, from the location where the property developments of the Group are situated at. Accordingly, there is no competition rendered in between the business of the Group and the business engaged by Mr. Meng's associates. Therefore, the Board is of the view that Mr. Meng and his associates were not interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

CONNECTED TRANSACTIONS

Details of the connected transaction of the Company during the Current Year are set out below:

Huai' An Project

On 21 September 2018, Baohua Properties (China) Limited (保華地產(中國)有限公司), an indirect wholly-owned subsidiary of the Company, as purchaser entered into the agreement with Nanjing Huajun Real Estate Co., Ltd. (南京華君置業有限公司) ("Nanjing Huajun") as vendor, pursuant to which the Nanjing Huajun conditionally agreed to sell, and the purchaser conditionally agreed to purchase, the entire equity interest and the debt in Huaren Real Estate (Huai'an) Limited (華仁置業(淮安)有限公司) ("Huaren Real Estate") at the consideration of RMB180.0 million, comprising of RMB20.0 million being the consideration for the equity interest and RMB160.0 million being the consideration for the debt in Huaren Real Estate.

The consideration shall be satisfied by issue of the convertible bonds to the vendor or its nominee. The convertible bonds carry the right to convert into the 5,400,000 ordinary shares at the conversion price of HK\$38.00 per share, which may be exercised by the bondholder to convert in whole or in any part (in the multiple of HK\$1,000,000). Save as disclosed, the terms of convertible bond is the same as the convertible bond of the First Issue of CB as disclosed under "Issue of Convertible Bond to CHG" under this section.

董事於競爭業務之權益

於二零一九年十二月三十一日，除本集團業務外，概無董事及彼等各自之聯繫人於與本集團業務構成競爭或可能構成競爭之任何業務中擁有任何權益。

儘管孟先生之若干聯繫人從物業發展及物業管理(本公司其中一項主要業務)，孟先生之上述聯繫人於本集團物業發展所在地的較遠距離(即超過100公里)開展業務。因此，本集團業務與孟先生之聯繫人從事之業務間並無競爭。因此，董事會認為，除本集團業務外，孟先生及其聯繫人並無於與本集團業務直接或間接競爭或可能競爭之任何業務中擁有權益。

關連交易

本公司於本年度之關連交易詳情載列如下：

淮安項目

於二零一八年九月二十一日，本公司間接全資附屬公司保華地產(中國)有限公司(作為買方)與南京華君置業有限公司(「南京華君」)(作為賣方)訂立協議，據此，南京華君有條件同意出售而買方有條件同意購買華仁置業(淮安)有限公司(「華仁置業」)的全部股權及債務，代價為人民幣180.0百萬元，當中人民幣20.0百萬元為華仁置業股權的代價及人民幣160.0百萬元為債務的代價。

代價將透過向賣方或其代名人發行可換股債券結清。可換股債券附帶權利，可按換股價每股股份38.00港元轉換為5,400,000股普通股，可由債券持有人行使，轉換全部或任何部分(以1,000,000港元的倍數計)債券。除披露者外，可換股債券的條款與本節「向中國華君集團發行可換股債券」項下披露的首次發行可換股債券之可換股債券相同。

REPORT OF THE DIRECTORS

董事會報告書

Through the acquisition, the Group would acquire the interest of the land held by Huaren Real Estate. The Board believed that the acquisition would enrich the asset portfolio of the Group and provide an investment opportunity for the Group to enjoy the asset appreciation while generating stable revenue, which will potentially bring a greater return for its Shareholders in a long run.

The acquisition has completed on 28 June 2019 and the convertible bonds were issued to Nanjing Huajun accordingly. For further details, please refer to the Company's circular dated 25 January 2019 and the announcements dated 21 September 2018, 22 February 2019 and 28 June 2019 respectively.

Issue of Convertible Bonds to CHG

On 26 October 2018, the Company entered into a conditional subscription agreement with China Huajun Group Limited ("CHG"), pursuant to which the Company agreed to issue and CHG agreed to subscribe the convertible bond in the principal amount of HK\$1,000,000,000 at the issue price of 100% of the principal amount of the convertible bond (the "First Issue of CB").

The Company looked for opportunities to repay certain borrowings and finance its operation. After comparing with several alternatives, the board of directors considered that the First Issue of CB is less time-consuming and have less impacts on the financial performance of the Group.

The convertible bond carries the right to convert into 26,315,789 ordinary share at the conversion price of HK\$38.00 per share, which may be exercised by the bondholder to convert in whole or in any part (in the multiple of HK\$1,000,000). In any event, the conversion rights shall not be exercised to an extent that public float shall fall below 25% or in breach of applicable laws and regulations.

The maturity date of the convertible bond falls on the fifth anniversary from the date of issue of the convertible bond with an interest rate of 1.5% per annum. At Maturity, all outstanding principal amount of the convertible bond which have not been redeemed or converted will be redeemed by the Company at the principal amount of the convertible bond according to the instrument of the convertible bond. The Company may opt to exercise its right to redeem convertible bond in whole or any part (in the multiple of HK\$1,000,000) prior to the maturity date.

On 27 June 2019, all conditions of the First Issue of CB fulfilled and the convertible bonds were issued to CHG accordingly. For further details, please refer to the Company's circular dated 31 January 2019 and the announcements dated 22 February 2019, 29 March 2019, 8 May 2019 and 27 June 2019.

透過收購事項，本集團將收購華仁置業持有的土地權益。董事會相信，收購事項將豐富本集團的資產組合及為本集團提供享有資產升值的同時產生穩定收益的投資機會，長遠而言可能為其股東帶來更大回報。

收購事項已於二零一九年六月二十八日完成，可換股債券亦已發行予南京華君。進一步詳情，請參閱本公司日期為二零一九年一月二十五日的通函及日期分別為二零一八年九月二十一日、二零一九年二月二十二日及二零一九年六月二十八日的公告。

向中國華君集團發行可換股債券

於二零一八年十月二十六日，本公司與中國華君集團（「中國華君集團」）訂立有條件認購協議，據此，本公司同意發行，而中國華君集團同意認購本金額為1,000,000,000港元之可換股債券，發行價為可換股債券本金額的100%（「首次發行可換股債券」）。

本公司尋找償還若干借款及為其營運提供資金的機遇。經比較多個替代方案後，董事會認為首次發行可換股債券耗時較短，且對本集團財務表現的影響較輕。

可換股債券附帶權利，可按換股價每股38.00港元轉換為26,315,789股普通股，並可由債券持有人行使，轉換全部或任何部份（須為1,000,000港元之倍數）債券。在任何情況下，倘公眾持股量將跌至低於25%或違反適用法律及法規，將不會行使換股權。

可換股債券的到期日為可換股債券發行日期起計第五周年當日，年利率為1.5%。於期滿時，尚未贖回或轉換的所有未償還可換股債券本金額將由本公司根據可換股債券的文據，以可換股債券的本金額贖回。本公司可能選擇行使其權利，於期滿日前贖回全部或任何部份（須為1,000,000港元之倍數）可換股債券。

於二零一九年六月二十七日，首次發行可換股債券的所有條款均獲達成，因此，可換股債券已向中國華君集團發行。有關進一步詳情，請參閱本公司日期為二零一九年一月三十一日之通函及日期為二零一九年二月二十二日、二零一九年三月二十九日、二零一九年五月八日及二零一九年六月二十七日之公告。

REPORT OF THE DIRECTORS

董事會報告書

On 16 August 2019, the Company entered into a conditional agreement with CHG, pursuant to which the Company agreed to issue and CHG agreed to subscribe the convertible bond in the principal amount of HK\$1,000,000,000 at the issue price of 100% of the principal amount of the convertible bond (the "Second Issue of CB") in the view of repaying certain borrowings and further finance its operation.

The terms of the convertible bond proposed to be issued in the Second Issue of CB was similar to that in the First Issue of CB.

As certain conditions of the Second Issue of CB were not fulfilled on or before the long stop date, the Second Issue of CB lapsed on 31 December 2019. For further details, please refer to the Company's circular dated 11 November 2019 and the announcements dated 16 August 2019 and 31 December 2019.

As CHG is the substantial shareholder of the Company and is ultimately wholly and beneficially owned by Mr. Meng, who is a director and controlling shareholder of the Company, CHG is a connected person of the Company under the Listing Rules. The First Issue of CB therefore constituted a connected transaction of the Company.

Dalian Hydraulic Project

On 6 December 2018, Huajun Industrial Park Management (China) Limited* (華君產業園管理(中國)有限公司), an indirect wholly-owned subsidiary of the Company, entered into the agreement with Liaoning Huajun Equipment Manufacturing Co., Limited* (遼寧華君裝備製造有限公司) and Mr. Cong Liming to purchase the entire equity interest in Dalian Hydraulic Machinery Co., Limited* (大連液力機械有限公司) at the consideration of RMB36,000,000, of which RMB27,889,200 shall be settled by cash and RMB8,110,800 shall be settled by issue of 873,875 consideration shares of the Company.

The Company looked for opportunities in expanding all its business including the manufacturing and sales of industrial equipment business. As Dalian Hydraulic Machinery Co., Limited and its subsidiaries were carrying similar type of business as the Company did, the Company believed that the acquisition would provide synergy effect to the Company's existing solar photovoltaic business and expand its customer base to northern part of China due to the location of manufacturing plants.

The acquisition has completed on 30 September 2019 and 873,875 consideration shares were issued accordingly. For further details, please refer to the Company's circular dated 24 June 2019 and announcements dated 6 December 2018, 7 December 2018, 8 March 2019, 11 July 2019 and 30 September 2019.

於二零一九年八月十六日，本公司與中國華君集團訂立有條件認購協議，據此，本公司同意發行，而中國華君集團同意認購本金額為1,000,000,000港元之可換股債券，發行價為可換股債券本金額的100%（「第二次發行可換股債券」），以償還若干借款及進一步為其營運提供資金。

第二次發行可換股債券的建議將予發行可換股債券之條款與首次發行可換股債券的條款相似。

由於第二次發行可換股債券的若干條款並未於最後截止日期或之前達成，於二零一九年十二月三十一日，第二次發行可換股債券宣告失效。有關進一步詳情，請參閱本公司日期為二零一九年十一月十一日之通函及日期為二零一九年八月十六日及二零一九年十二月三十一日之公告。

由於中國華君集團為本公司之主要股東，並由本公司董事及控股股東孟先生最終全資及實益擁有，故根據上市規則，中國華君集團為本公司之關連人士。因此，首次發行可換股債券構成本公司之關連交易。

大連液力項目

於二零一八年十二月六日，本公司之間接全資附屬公司華君產業園管理(中國)有限公司與遼寧華君裝備製造有限公司以及叢黎明先生訂立協議，以購買大連液力機械有限公司全部股權，代價總額為人民幣36,000,000元，當中人民幣27,889,200元將以現金結付，人民幣8,110,800元將由發行873,875股本公司之代價股份所結算。

本公司尋找擴充其所有業務(包括生產及銷售工業設備的業務)的機遇。由於大連液力機械有限公司及其附屬公司的業務類別與本公司的業務類別相似，本公司相信收購將為本公司現有的太陽能光伏業務帶來協同效應，並受惠於生產廠房的位置而擴大其位於中國北部的客戶基礎。

收購已於二零一九年九月三十日完成，故已發行873,875股代價股份。有關進一步詳情，請參閱本公司日期為二零一九年六月二十四日之通函及日期為二零一八年十二月六日、二零一八年十二月七日、二零一九年三月八日、二零一九年七月十一日及二零一九年九月三十日之公告。

REPORT OF THE DIRECTORS

董事會報告書

As Liaoning Huajun Equipment Manufacturing Co., Limited was indirectly wholly owned by Mr. Meng, who is a director and the controlling shareholder of the Company, and his spouse as at the date of the transaction, it was an associate of Mr. Meng and a connected person of the Company under the Listing Rules.

Wuxi Huize

On 23 May 2019, Baohua Properties (China) Limited (保華地產(中國)有限公司) as purchaser, an indirect wholly-owned subsidiary of the Company, entered into an Acquisition Agreement with the Wuxi City Jinde Assets Management Limited (無錫市金德資產管理有限公司) as vendor, pursuant to which the purchaser agreed to acquire, and the vendor agreed to sell, 30% equity interests in Wuxi Huize at the consideration of RMB154,191,453.05, comprising of RMB1 being the consideration for the equity interest and RMB154,191,452.05 being the consideration for the debt in Wuxi Huize).

The Company was informed by the vendor that 30% of equity interest and the debt of Wuxi Huize would be put on sale by way of tender in an action host by Wuxi Equity Exchange Co., Limited (無錫產權交易所有限公司). Although the Company did not have any intention to acquire the remaining 30% equity interests in Wuxi Huize before, the Company did not want any unfriendly or stranger, to be a minority shareholder of Wuxi Huize, who might hinder and/or affect the development of Wuxi Huize.

Accordingly, the Company decided that it would be in its best interests to acquire the equity interest and debt in Wuxi Huize to secure full and complete control over Wuxi Huize. In view of the location of the land and property held by Wuxi Huize, the Board believes that the acquisition would provide the Group with a highly flexibility for decision-making in Wuxi Huize with a view to generate more return on investment to shareholders.

As at the date of this report, the acquisition has not yet completed. For further details, please refer to the circular of the Company dated 26 March 2020 and the announcements of the Company dated 23 May 2019 and 25 June 2019.

As the vendor is a the registered owner of 30% of Wuxi Huize, hence a substantial shareholder of Wuxi Huize which is a 70% indirectly owned subsidiary of the Company, the vendor is a connected person of the Company at the subsidiary level under the Listing Rules. As such, the acquisition also constitutes as a connected transaction under Chapter 14A of the Listing Rules.

於是次交易日期，由於遼寧華君裝備製造有限公司由本公司董事及控股股東孟先生及其配偶間接全資擁有，故根據上市規則，其為孟先生之聯繫人及本公司之關連人士。

無錫惠澤

於二零一九年五月二十三日，保華地產(中國)有限公司(作為買方，為本公司之間接全資附屬公司)與無錫市金德資產管理有限公司(作為賣方)訂立一項收購協議，據此，買方同意收購及賣方同意出售無錫惠澤30%股權，代價為人民幣154,191,453.05元(當中人民幣1元為股權之代價，人民幣154,191,452.05元為無錫惠澤結欠債項之代價)。

本公司獲賣方告知，無錫產權交易所有限公司將舉行拍賣以競投方式出售無錫惠澤30%股權及債項。儘管本公司先前並無任何意向獲取無錫惠澤餘下30%股權，本公司不欲任何不友善的投資者或陌生人成為無錫惠澤的少數股東，彼等可能妨礙及／或影響無錫惠澤的發展。

因此，本公司認為收購無錫惠澤的股權及債項以獲得對無錫惠澤的全權控制，乃符合本公司之最佳利益。鑒於無錫惠澤所持有土地及物業的地點，董事會認為，收購事項為本集團在無錫惠澤的決策提供高度靈活的空間，以期可為股東帶來更多投資回報。

於本報告日期，收購事項尚未完成。有關進一步詳情，請參閱本公司日期為二零二零年三月二十六日之通函以及本公司日期為二零一九年五月二十三日及二零一九年六月二十五日之公告。

由於賣方為無錫惠澤30%股權的登記擁有人，因此賣方為無錫惠澤(為本公司間接擁有70%權益的附屬公司)的主要股東，根據上市規則賣方為本公司附屬公司層面的關連人士。因此，收購事項根據上市規則第14A條亦構成關連交易。

REPORT OF THE DIRECTORS

董事會報告書



CONTRACTS WITH CONTROLLING SHAREHOLDERS

Save as disclosed under the section headed “Connected Transactions” above and the note 53 to the consolidated financial statements, no contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholders of the Company or any of their subsidiaries, at any time during the Current Year. No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholders of the Company or any of their subsidiaries.

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

Interests of Directors and chief executive

As at 31 December 2019, the interests and short positions of each Director and chief executive of the Company in the shares or underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules (the “Model Code”) to be notified to the Company and the Stock Exchange were as follows:

與控股股東之合約

除上文「關連交易」一節及綜合財務報表附註53所披露者外，於本年度任何時間，本公司或其任何附屬公司與本公司控股股東或彼等之任何附屬公司概無訂立任何重大合約。概無就本公司控股股東或彼等之任何附屬公司向本公司或其任何附屬公司提供服務訂立任何重大合約。

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉

董事及主要行政人員之權益

於二零一九年十二月三十一日，本公司各董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份或相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所(包括根據證券及期貨條例有關條文被當作或視作擁有之權益及淡倉)或根據證券及期貨條例第352條須登記於該條例所述之登記冊，或根據上市規則附錄十上市發行人之董事進行證券交易之標準守則(「標準守則」)規定須知會本公司及聯交所之權益及淡倉如下：

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉(續)

Interests of Directors and chief executive (Continued)

董事及主要行政人員之權益(續)

Interests in the Shares

於股份之權益

Director	Nature of interests	Number of Shares	Approximate percentage of interests in the issued share capital of the Company 佔本公司已發行股本權益之概約百分比
董事	權益性質	股份數目	
Mr. Meng Guang Bao 孟廣寶先生	Interest in controlled corporation ^(Note 1 and 2) 所控制法團的權益 ^(附註1及2)	76,166,408 (L)	123.76%
	Beneficial owner 實益擁有人	799,560 (L)	1.30%
	Share Options ^(Note 3) 購股權 ^(附註3)	387,351 (L)	0.63%
Ms. Zhang Ye 張擘女士	Share options ^(Note 4) 購股權 ^(附註4)	274,050 (L)	0.45%
Mr. Guo Song 郭頌先生	Beneficial owner 實益擁有人	30,000 (L)	0.05%
	Share options ^(Note 5) 購股權 ^(附註5)	274,050 (L)	0.45%
Mr. Zeng Hongbo 曾紅波先生	Beneficial owner 實益擁有人	3,560	0.01%
	Share options ^(Note 4) 購股權 ^(附註4)	274,050	0.45%
Mr. Zheng Bailin 鄭柏林先生	Share options ^(Note 6) 購股權 ^(附註6)	38,735 (L)	0.06%
Mr. Shen Ruolei 沈若雷先生	Share options ^(Note 6) 購股權 ^(附註6)	38,735 (L)	0.06%
Mr. Pun Chi Ping 潘治平先生	Share options ^(Note 6) 購股權 ^(附註6)	38,735 (L)	0.06%

The letter "L" denotes a long position in the Shares.

「L」代表股份之好倉。

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Interests of Directors and chief executive (Continued)

Interests in the Shares (Continued)

Notes:

1. Long positions in 76,166,408 Shares are held by CHG. CHG was wholly owned by Huajun Group Limited, a company incorporated in Hong Kong with limited liability, which was beneficially owned as to 100% by Mr. Meng. Mr. Meng was deemed to be interested in all Shares held by CHG by virtue of SFO. Amongst 76,166,408 shares, 31,715,789 shares involve convertible bonds held by CHG.
2. 38,735,070 share options have been granted to Mr. Meng and were subsequently consolidated into 387,351 share options. For further details of the said share options granted, please refer to the announcements of the Company dated 7 February 2017 and 5 December 2017, respectively.
3. 274,050 share options have been granted to each of Ms. Zhang Ye and Mr. Zeng Hongbo prior to their appointment as a director of the Company.
4. 274,050 share options have been granted to Mr. Guo Song. For further details of the said share options granted, please refer to the announcements of the Company dated 16 February 2015, 30 June 2015, 7 February 2017 and 5 December 2017 respectively.
5. 3,873,500 share options have been granted to each of Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping and were subsequently consolidated into 38,735 share options. For further details of the said share options granted, please refer to the announcements of the Company dated 30 June 2015, 7 February 2017 and 5 December 2017 respectively.

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉(續)

董事及主要行政人員之權益(續)

於股份之權益(續)

附註：

1. 76,166,408股股份中的好倉由中國華君集團持有。中國華君集團由華君集團有限公司(一間於香港註冊成立的有限公司)全資擁有，而華君集團有限公司由孟先生實益擁有100%權益。根據證券及期貨條例，孟先生被視為於中國華君集團持有的所有股中擁有權益。於76,166,408股股份中，31,715,789股股份包括可換股債券由中國華君集團持有。
2. 38,735,070份購股權已授予孟先生及其後合併為387,351份購股權。有關上述已授出購股權之更多詳情，請參閱本公司日期分別為二零一七年二月七日及二零一七年十二月五日之公告。
3. 274,050份購股權已於張曄女士及曾紅波先生獲委任為本公司董事前分別授予張曄女士及曾紅波先生。
4. 274,050份購股權已授予郭頌先生。有關上述已授出購股權之更多詳情，請參閱本公司日期分別為二零一五年二月十六日、二零一五年六月三十日、二零一七年二月七日及二零一七年十二月五日之公告。
5. 3,873,500份購股權已分別授予鄭柏林先生、沈若雷先生及潘治平先生，並其後合併為38,735份購股權。有關上述已授出購股權之更多詳情，請參閱本公司日期分別為二零一五年六月三十日、二零一七年二月七日及二零一七年十二月五日之公告。

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉(續)

Interests in shares in associated corporations

於相聯法團股份之權益

Associated corporation	Director	Amount of registered capital/ number of shares held in the associated corporation	Capacity	Approximate percentage interest in the capital of the associated corporation
相聯法團	董事	於相聯法團之註冊股本金額／所持股份數目	身份	佔相聯法團股本權益之概約百分比
Huajun Group Limited ^(Note 7) 華君集團有限公司 ^(附註7)	Mr. Meng 孟先生	HK\$3,000,000,000 3,000,000,000港元	Beneficial owner 實益擁有人	100%

7. CHG is a wholly-owned subsidiary of Huajun Group Limited.

7. 中國華君集團為華君集團有限公司之全資附屬公司。

As 31 December 2019, save as disclosed above, none of the Directors and chief executive of the Company had any interests or short positions in the shares ("Shares"), underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have such under provisions of the SFO); or (ii) pursuant to section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

於二零一九年十二月三十一日，除上文所披露外，概無本公司董事及主要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)之股份(「股份」)、相關股份或債權證的任何權益或淡倉而(i)根據證券及期貨條例第XV部第7及8分部之條文須知會本公司及聯交所(包括彼等根據該等證券及期貨條例規定被當作或視為持有之權益或淡倉)；或(ii)根據證券及期貨條例第XV部第352條須登記於該條例所述之登記冊；或(iii)根據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須知會本公司及聯交所。

REPORT OF THE DIRECTORS

董事會報告書



INTERESTS AND/OR SHORT POSITIONS DISCLOSEABLE UNDER THE SFO AND THE SUBSTANTIAL SHAREHOLDERS

根據證券及期貨條例須予披露及主要股東之權益及／或淡倉

As at the 31 December 2019, so far as was known to the Directors, the following persons, other than a Director or chief executive of the Company, had an interest or short position 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 and section 336 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

於二零一九年十二月三十一日，就董事所深知，本公司董事或主要行政人員以外之以下人士於本公司之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3分部之條文及第336條的規定須向本公司披露之權益或淡倉，或直接或間接擁有附有權利在所有情況下於本公司股東大會上投票之任何類別股本面值之10%或以上的權益：

Name of Shareholders	Number of Shares	Capacity	Approximate percentage of interests in the issued share capital of the Company as at 31 December 2019
股東名稱	股份數目	身份	估二零一九年十二月三十一日本公司已發行股本權益之概約百分比
Madam Bao Le 鮑樂女士	76,965,968 (L)	Interest held by spouse (Note (a)) 配偶持有之權益(附註(a))	125.06%
CHG 中國華君集團	76,166,408 (L)	Beneficial owner 實益擁有人	123.76%
Huajun Group Limited 華君集團有限公司	76,166,408 (L)	Interest of controlled corporation (Note (b)) 所控制法團的權益(附註(b))	123.76%
Mr. Meng 孟先生	76,166,408 (L)	Interest of controlled corporation (Note (b)) 所控制法團的權益(附註(b))	123.76%
	799,560 (L)	Beneficial owner 實益擁有人	1.30%
	387,351 (L)	Share Options 購股權	0.63%

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS DISCLOSEABLE UNDER THE SFO AND THE SUBSTANTIAL SHAREHOLDERS (Continued)

Notes:

- (a) Madam Bao, being a spouse of Mr. Meng, was deemed to be interested in the interest held by Mr. Meng.
- (b) Long positions in 76,166,408 Shares are held by CHG. CHG was wholly owned by Huajun Group Limited, a company incorporated in Hong Kong with limited liability, which was beneficially owned as to 100% by Mr. Meng. Mr. Meng was deemed to be interested in all Shares held by CHG by virtue of SFO. Amongst 76,166,408 shares, 31,715,789 shares involve convertible bonds held by CHG.

The letter "L" denotes a long position in the Shares.

Save as disclosed above, as at 31 December 2019, none of the Directors nor the chief executive of the Company was aware of any other person (other than a Director or chief executive of the Company) or corporation which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 and section 336 of Part XV of the SFO.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR SIGNIFICANT CONTRACTS

Save as set out in note 53 to the consolidated financial statements, no transactions, arrangements or contract of significance to which the Company or subsidiaries or controlling shareholder of its subsidiaries was a party and in which a Director of the Company or an entity connected with a Director of the Company has or had a material interest, either directly or indirectly subsisted at the end of the Current Year or at any time during the Current Year.

根據證券及期貨條例須予披露及主要股東之權益及／或淡倉(續)

附註：

- (a) 鮑女士(為孟先生之配偶)被視為於孟先生持有之權益中擁有權益。
- (b) 76,166,408股股份中的好倉由中國華君集團持有。中國華君集團由華君集團有限公司(一間於香港註冊成立的有限公司)全資擁有，而華君集團有限公司由孟先生實益擁有100%權益。根據證券及期貨條例，孟先生被視為於中國華君集團持有的所有股份中擁有權益。於76,166,408股股份中，31,715,789股股份包括可換股債券由中國華君集團持有。

[L]代表股份之好倉。

除上文所披露者外，於二零一九年十二月三十一日，本公司董事或主要行政人員並不知悉任何其他人士(本公司董事或主要行政人員除外)或法團於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文及第336條的規定須向本公司披露之權益或淡倉。

董事於交易、安排或重要合約的權益

除綜合財務報表附註53所載外，於本年度末或本年度任何時間，概無存續本公司或附屬公司或其附屬公司的控股股東為訂約方且本公司董事或與本公司董事有關連之實體直接或間接擁有或曾擁有重大利益的交易、安排或重要合約。

REPORT OF THE DIRECTORS

董事會報告書

SHARE OPTION SCHEME

The Company adopted a share option scheme on 28 September 2007. The purpose of the Share Option Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to Executive or Non-executive Directors including Independent Non-executive Directors or any employees (whether full-time or part-time) of each member of the Group (the "Participants") and for such other purpose as the Board may approve from time to time. Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 25 October 2017, the new share option scheme (the "Scheme") has been adopted and approved. The Scheme shall remain valid and effective until 24 October 2027.

The principal terms of the Scheme are summarised as follows:

- (i) The total number of Shares which may be issued upon exercise of all share 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 adoption of the Scheme, unless approved by Shareholders and which must not in aggregate exceed 30% of the total number of the relevant class of securities of the Company in issue from time to time. The total number of Shares available for issue under the Scheme is 6,066,920 Shares.
- (ii) The total number of shares issued and to be issued upon exercise of the share options (including both exercised and outstanding options) granted pursuant to the Scheme and any other share option schemes of the Company to each of the Participants in any 12-month period shall not exceed 1% of the total number of the relevant class of securities of the Company (or its subsidiaries) in issue.
- (iii) The exercise price shall be solely determined by the Board, and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of offer of the share option to the Participants, which must be a day (other than a Saturday or a Sunday) on which licenced banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities (the "Business Day"); (b) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of offer of the share option to the Participants; and (c) the nominal value of the Shares.

購股權計劃

本公司於二零零七年九月二十八日採納了一項購股權計劃。購股權計劃的目的是為本公司提供一個靈活的方法，以便向執行或非執行董事（包括獨立非執行董事）或本集團各成員的任何僱員（不論全職或兼職）（「參與者」）提供獎勵、報酬、酬金、補償及／或福利，以及達致董事會可不時審批的該等其他目的。根據本公司股東於二零一七年十月二十五日舉行之股東特別大會上通過之特別決議案，新購股權計劃（「該計劃」）已獲採納及批准。該計劃將一直有效及生效，直至二零二七年十月二十四日止。

該計劃的主要條款概述如下：

- (i) 行使該計劃及本公司任何其他購股權計劃所授予的所有購股權而可發行的股份總數合計不得超過該計劃獲採納當日的已發行股份總數的10%，除非獲股東批准及合計不得超過本公司不時發行的相關證券類別總數的30%。根據該計劃可供發行的股份總數為6,066,920股。
- (ii) 每名參與者在任何12個月期間內透過行使根據該計劃及本公司任何其他購股權計劃所授予的購股權（包括已行使及未行使的購股權）而獲得已發行及將發行的股份總數，不得超過本公司（或其附屬公司）已發行相關證券類別總數的1%。
- (iii) 行使價應由董事會全權釐定，並最少為下列三者中的最高者：(a)本公司股份於購股權授予參與者當日在聯交所日報表所列的收市價，而該日（星期六或星期日除外）必須為持牌銀行在香港營業及聯交所可供進行證券買賣的日期（「營業日」）；(b)本公司股份於緊接購股權授予參與者當日前五個營業日在聯交所日報表所列的平均收市價；及(c)本公司股份的面值。

REPORT OF THE DIRECTORS

董事會報告書

SHARE OPTION SCHEME (Continued)

- (iv) A share option may be exercised at any time during a period determined by the Board at its absolute discretion and notified by the Board to each grantee the period during which an option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Scheme.
- (v) There is no minimum period for which a share option must be held before the share option can be exercised unless otherwise determined by the Board.
- (vi) According to the Scheme, the offer of a grant of share options may be accepted within 28 days from the date of offer, HK\$100 is payable by each of the Participants to the Company on acceptance of the share options as consideration for the grant. The share options to which the offer relates shall be deemed to have been granted on the date of offer of such share options.

As at 31 December 2019, the number of share options have been granted and remained outstanding under the Scheme was 2,421,906 (31 December 2018: 2,703,132) representing approximately 3.94% (31 December 2018: 4.46%) of the Company in issue at that date.

The movement of share options under the Scheme during the Current Year is presented as follows:

		At 1 January 2019	Granted	Exercised	Lapsed	At 31 December 2019
		於二零一九年 一月一日	已授出	已行使	已失效	於二零一九年 十二月 三十一日
Movement during the year ended 31 December 2019	截至二零一九年十二月三十一日止年度之變動	2,703,132	NIL 無	NIL 無	281,226	2,421,906

購股權計劃(續)

- (iv) 購股權可在董事會按其絕對酌情釐定及董事會所通知各獲授購股權人士有關該購股權可行使期間其中的任何時間行使並在任何情況下，有關期間不得超過根據該計劃所獲授任何特定購股權之日起計10年。
- (v) 除董事會另行釐定外，概無設定購股權可予行使前必須持有購股權之最短期限。
- (vi) 根據該計劃，每名參與者在獲授購股權當日起計28天內接納購股權之授予時應向本公司支付100港元，作為授予的代價。與該授予相關的購股權應被視為在發出有關購股權要約當日已經授予。

於二零一九年十二月三十一日，根據該計劃已授出但未獲行使之購股權數目為2,421,906份(二零一八年十二月三十一日：2,703,132份)，佔本公司於當日已發行購股權約3.94%(二零一八年十二月三十一日：4.46%)。

於本年度，該計劃項下之購股權變動呈列如下：

REPORT OF THE DIRECTORS

董事會報告書



ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Apart from the Scheme as disclosed above, at no time during the Current Year was the Company, any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws, although there is no restriction against such rights under Bermuda Law.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the Current Year, the Company nor any of its subsidiaries has purchased, sold or redeemed any of the shares.

PERMITTED INDEMNITY PROVISION

The Bye-laws of the Company provide that each Director, Secretary and other officers of the Company and shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of the duties in their respective offices. The Company has taken out and maintained appropriate insurance, which is currently in force and was in force throughout the Current Year, to cover potential legal actions against its Directors and senior officers of the Company.

EQUITY-LINKED AGREEMENTS

Save as disclosed above under the section "CONNECTED TRANSACTIONS – Issue of Convertible Bonds to CHG" and in note 46 of the consolidated financial statements and the section under "Share Option Scheme", the Company did not enter into any equity-linked agreements for the year ended 31 December 2019 and no equity-linked agreements subsisted as at 31 December 2019.

董事認購股份或債權證的安排

除上文披露之該計劃外，於本年度任何時間，本公司、其任何控股公司、附屬公司或同系附屬公司均沒有參與任何安排，致使本公司董事可以透過購入本公司或任何其他法團的股份或債權證而獲益。

優先購買權利

儘管百慕達法律並無限制優先購買權利，本公司的公司細則並無優先購買權利的條文。

購買、出售或贖回本公司的股份

於本年度，本公司或其任何附屬公司概無購買、出售或贖回任何股份。

獲准許之彌償條文

根據本公司之公司細則，本公司每名董事、秘書及本公司其他高級人員就彼等或彼等任何一人基於彼之職位履行彼等之相應職務而產生或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產及溢利獲得彌償及獲擔保免受損害。本公司已投購及維持目前生效且於整個本年度一直生效之適當保險，以對董事及本公司高級人員涉及之潛在法律訴訟投保。

股票掛鈎協議

除「關連交易一向中國華君集團發行可換股債券」一節及綜合財務報表附註46及「購股權計劃」一節所披露者外，截至二零一九年十二月三十一日止年度，本公司並無訂立任何股票掛鈎協議，且於二零一九年十二月三十一日並無仍然生效的股票掛鈎協議。

REPORT OF THE DIRECTORS

董事會報告書

USE OF PROCEEDS IN FUND RAISING ACTIVITIES 集資活動所得款項用途

Date of announcement 公告日期	Event 事項	Net Proceeds (approximately) 所得款項淨額 (概約)	Intended use of proceed 所得款項擬定用途	Actual use of proceeds 所得款項實際用途
26 October 2018 二零一八年十月二十六日	Issue of convertible bonds under specific mandate 根據特別授權發行可換股債券	Approximately HK\$999,400,000 約999,400,000港元	Repayment of borrowings – HK\$502,140,000 502,140,000港元用作償還借款	Note 1 附註1
			Payment payable or to be payable for construction costs of existing property projects of the Group – HK\$198,240,000 198,240,000港元用作支付本集團現有物業項目之工程成本應付或將應付之款項	Used as intended 按擬定用途使用
			The Group's investment in and acquisition of assets in the property development and investments and printing sectors that are complementary to the Company's existing principal activities – HK\$299,020,000 (Notes 2 and 3) 299,020,000港元用作本集團於物業發展及投資及印刷行業(與本公司現有之主要業務互為補充)之投資及資產收購(附註2及3)	

Notes:

- HK\$353.6 million had been used as intended for repayment of borrowings, HK\$20 million had been reallocated to be used as working capital of the Company's head office from the original intended use for repayment of borrowings because there was a need for the working capital of the Company's head office and the HK\$20 million has been fully utilised as at the end of September 2019. The remaining HK\$128.5 million had been utilized for repayment of borrowings and interest payment.
- As disclosed by the Company in its announcement dated 8 May 2019, there was a change in the use of proceeds from this convertible bonds. The original use was for settlement of partial considerations for the acquisition of the entire equity interest in and debts owed by Jurong Simaite Intelligent Science and Technology Co., Ltd.* (句容思麥特智能科技有限公司) and Jiangsu Xietong Solar Technology Co., Ltd.* (江蘇協通光伏科技有限公司). However, as announced by the Company on 1 April 2019, the above mentioned acquisition has lapsed, therefore the Company's intended use of proceeds has changed and the Company has announced its change in the application of the proceeds from this convertible bonds for the Group's investment in and acquisition of assets in the property development and investments and printing sectors that are complementary to the Company's existing principal activities which is the property development for setting up of high-end printing and packaging production base ("Production Base").
- HK\$68.4 million will be applied for the acquisition of assets in the Production Base in Liuhe Economic Development Zone, Nanjing City, Jiangsu Province, the PRC, as announced by the Company in its announcements dated 15 May 2019, 6 June 2019 and 3 July 2019, the said HK\$68.4 million has been fully utilized during Current Year. Approximately HK\$30.8 million had been applied for bidding of the land for the Production Base. Approximately HK\$175.8 million will be applied for the acquisition of 30% equity interest in and debts due by Wuxi Huize Real Estate Co., Ltd., as announced by the Company in its circular dated 26 March 2020 and announcements dated 24 May 2019, 25 June 2019 and 20 April 2020. Out of the HK\$175.8 million, HK\$52.4 million had been utilized and the remaining HK\$123.4 million is expected to be utilized on or before 30 September 2020. The remaining HK\$24 million was reallocated to be used as general working capital of the Group from the original intended use for the Group's investment in and acquisition of assets in the property development and investments and printing sectors that are complementary to the Company's existing principal activities because the consideration to be paid for the acquisitions are less than the estimated amount. During the Current Year, the remaining proceeds of HK\$24 million have been used as general working capital.

附註:

- 353.6百萬港元已按擬定用途用作償還借款，20百萬港元已因本公司總辦事處需要營運資金而由原本償還借款之擬定用途調撥作本公司總辦事處之營運資金，於二零一九年九月底，20百萬港元已悉數使用。剩餘之128.5百萬港元已用於償還借款及支付利息。
- 誠如本公司於二零一九年五月八日刊發之公告所披露，可換股債券所得款項用途有所變動。原本用途是支付收購句容思麥特智能科技有限公司及江蘇協通光伏科技有限公司之全部股權及所結欠之債務之部分代價。然而，誠如本公司於二零一九年四月一日所公佈，上述收購事項已失效，因此本公司之擬定所得款項用途已發生變化，而本公司已公告就將可換股債券所得款項更改至用於本集團於物業發展及投資及印刷業務進行與本公司現有主要業務互補之投資及資產收購，即建立高端印刷及包裝生產基地(「生產基地」)之物業發展。
- 誠如本公司於二零一九年五月十五日、二零一九年六月六日及二零一九年七月三日之公告所公佈，68.4百萬港元將用作收購中國江蘇省南京市六合經濟開發區生產基地之資產。於本年度，上述68.4百萬港元已悉數使用。約30.8百萬港元已用作競投生產基地之土地。誠如本公司於二零二零年三月二十六日刊發之通函及於二零一九年五月二十四日、二零一九年六月二十五日及二零二零年四月二十日刊發之公告所公佈，約175.8百萬港元將用作收購無錫惠澤置業有限公司30%股權及其結欠債項。175.8百萬港元當中52.4百萬港元已獲動用，而剩餘123.4百萬港元預期於二零二零年九月三十日或之前動用。由於收購事項之所需支付代價較預期少，剩餘24百萬港元已由原本用於本集團於物業發展及投資及印刷業務進行與本公司現有主要業務互補之投資及資產收購擬定用途重新分配為本集團一般營運資金。於本年度，剩餘所得款項24百萬港元已用作一般營運資金。

REPORT OF THE DIRECTORS

董事會報告書

RETIREMENT SCHEMES

Particulars of retirement schemes of the Group are set out in note 44 to the consolidated financial statements.

STAFF

As at 31 December 2019, the Group had a total staff of 3,541 (31 December 2018: 3,164).

The Group provides employee benefits such as staff insurance, retirement schemes and discretionary bonus and also provides in-house training programmes and external training sponsorship.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the Current Year, the Company acquired the interest in each of Huaren Real Estate and Dalian Hydraulic Machinery Co., Limited. After completion, each of Huaren Real Estate and Dalian Hydraulic Machinery Co., Limited has become an indirect wholly-owned subsidiary of the Company and their financial results have been consolidated into the financial statements of the Group. For details of the acquisitions, please refer to the disclosure under "Huai' An Project" and "Dalian Hydraulic Project" in the section of "CONNECTED TRANSACTIONS".

Save for those disclosed in this report, there were no other material acquisitions or disposals of subsidiaries completed during the Current Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued share capital as required under the Listing Rules.

INDEPENDENT AUDITOR

The former auditor of the Company, Deloitte Touche Tohmatsu, retired as the auditor of the Company at the conclusion of the annual general meeting of the Company held on 28 June 2019. SHINEWING (HK) CPA Limited was appointed as the auditor of the Company on 27 August 2019 to fill the causal vacancy following the retirement of former auditor.

The consolidated financial statements of the Company for the year ended 31 December 2019 have been audited by SHINEWING (HK) CPA Limited.

By Order of the Board
Meng Guang Bao
Chairman and Executive Director

Hong Kong, 29 April 2020

退休計劃

本集團退休計劃的詳情載列於綜合財務報表附註44。

員工

於二零一九年十二月三十一日，本集團合共有3,541名(二零一八年十二月三十一日：3,164名)員工。

本集團除了提供員工保險、退休計劃及酌情花紅等僱員福利外，還提供內部培訓計劃及外部培訓資助。

重大收購及出售附屬公司

於本年度，本公司收購華仁置業及大連液力機械有限公司的股權。完成後，華仁置業及大連液力機械有限公司各自成為本公司的間接全資附屬公司，而其財務業績已於本集團的財務報表綜合入賬。有關收購事項的詳情，請參閱「關連交易」一節有關「淮安項目」及「大連液力項目」的披露。

除本報告所披露者外，於本年度內並無完成其他重大收購或出售附屬公司。

公眾持股量是否足夠

根據於本年報刊發日本公司所獲得及董事所知悉的公開資料，本公司仍維持足夠的公眾持股量，即上市規則所規定不少於本公司已發行股本的25%。

獨立核數師

本公司前核數師德勤•關黃陳方會計師行於二零一九年六月二十八日舉行之本公司股東週年大會結束時退任本公司核數師。於二零一九年八月二十七日，信永中和(香港)會計師事務所有限公司獲委任為本公司核數師以填補前核數師退任所產生之臨時空缺。

本公司截至二零一九年十二月三十一日止年度之綜合財務報表已由信永中和(香港)會計師事務所有限公司審計。

承董事會命
孟廣寶
主席兼執行董事

香港，二零二零年四月二十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong



信永中和(香港)
會計師事務所有限公司
香港銅鑼灣
希慎道33號利園一期43樓

TO THE SHAREHOLDERS OF HUAJUN INTERNATIONAL GROUP LIMITED 華君國際集團有限公司

(incorporated in Bermuda with limited liability)

致華君國際集團有限公司全體股東

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Huajun International Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 64 to 291, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("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.

意見

我們已審計載列於第64至291頁的華君國際集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

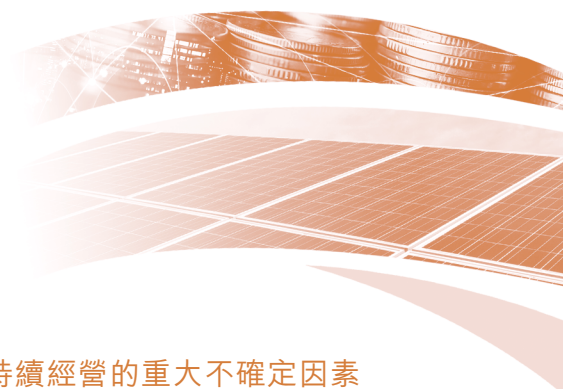
我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

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》(「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」部分中作進一步闡述。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意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which indicates that as of 31 December 2019, the Group had capital and other commitments of RMB2,419,671,000 as disclosed in note 51 to the consolidated financial statements and incurred a net loss of RMB633,755,000 for the year ended 31 December 2019. The Group's ability to continue as a going concern is dependent on a number of assumptions, including:

- (i) the continuous financial support from the immediate holding company;
- (ii) the successful issuance of a convertible bond at an aggregate sum of HK\$1,000,000,000 (equivalent to RMB892,857,000) to the immediate holding company.
- (iii) the Group obtained facilities and written intention letter from Yingkou Coastal Bank that borrowings of RMB800,000,000 that are due in 2020 will be able to be renewed upon maturity;
- (iv) Successful negotiation with banks and other financial institutions to extend overdue borrowings; and
- (v) the forecasted operating cash flows for the year ending 31 December 2020.

However if the funding from immediate holding company and Yingkou Coastal Bank are not forthcoming or if the Group is not able to generate the expected cash inflows from its operations and to refinance its borrowings, the Group would be unable to meet its financial obligations as and when they fall due. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

有關持續經營的重大不確定因素

我們謹請閣下注意綜合財務報表附註2，其顯示截至二零一九年十二月三十一日，誠如綜合財務報表附註51所披露，貴集團的資本承擔為人民幣2,419,671,000元，於二零一九年十二月三十一日止年度產生淨虧損人民幣633,755,000元。貴集團持續經營之能力取決於多項假設，包括：

- (i) 來自直接控股公司的持續財務支援；
- (ii) 成功向直接控股公司發行合共1,000,000,000港元（相等於人民幣892,857,000元）可換股債券；
- (iii) 貴集團取得營口沿海銀行的融資及書面意向書，於二零二零年到期的人民幣800,000,000元的借款將於到期前重續；
- (iv) 成功與銀行及其他融資機構磋商以將逾期借款延期；及
- (v) 截至二零二零年十二月三十一日止年度的預期經營現金流。

然而，倘未能取得來自直接控股公司及營口沿海銀行的融資或倘貴集團未能自其營運及再融資借款產生預期現金流入，則貴集團將無法履行到期財務責任。該等事件及狀況顯示存在重大不確定性，導致貴集團之持續經營能力可能存疑。我們並無就此事項而修訂意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS

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

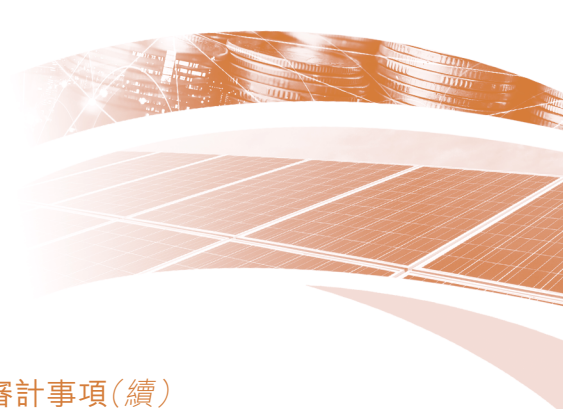
關鍵審計事項

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就其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。除上述「有關持續經營的重大不確定因素」一節中提及的事項外，我們認為下列事項為報告中的關鍵審計事項。

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<i>Valuation of investment properties</i> 投資物業之估值	
<p>We identified the valuation of investment properties as a key audit matter due to the quantitative significance of the balance to the consolidated financial statements as a whole, combined with the management estimations required in determining the fair values. 我們將投資物業之估值列為關鍵審計事項乃由於其結餘對整體綜合財務報表的量化重要性，加上管理層須就釐訂公平值作出估算。</p> <p>As disclosed in note 17 to the consolidated financial statements, the investment properties of the Group comprised of completed investment properties of RMB397,000,000 and investment properties under construction of RMB4,466,150,000, which are all located in the People's Republic of China (the "PRC") and represented 27.5% of the Group's total assets. 誠如綜合財務報表附註17所披露，貴集團之投資物業包括已竣工投資物業人民幣397,000,000元及在建投資物業人民幣4,466,150,000元，全部均位於中華人民共和國（「中國」），並佔貴集團總資產27.5%。</p> <p>All of the Group's investment properties are stated at fair value based on valuations performed by independent qualified professional valuers ("Valuers"). The management of the Group works with the Valuers to establish the appropriate valuation techniques and inputs to the model. 全部貴集團之投資物業乃基於獨立合資格專業估值師（「估值師」）進行之估值按公平值呈列。貴集團管理層與估值師合作於模式中設立合適之估值技術及輸入數據。</p>	<p>Our procedures in relation to the valuation of investment properties included: 我們就有關投資物業之估值採取的程序包括：</p> <ul style="list-style-type: none">• Evaluating the Valuers' competence, capabilities and objectivity and obtaining an understanding of the Valuers' scope of work;• 評估估值師之資歷、能力及客觀性並了解估值師之工作範圍；• Discussing with the Valuers and the management to understand their valuation techniques, the performance of the property markets, significant assumptions adopted, key inputs and data used in the valuations to assess if they were consistent with the requirements of HKFRSs and the industry norms;• 與估值師及管理層討論以了解其估值技術、房地產市場的表現、所採用的重大假設、估值所使用的主要輸入數據及數據，從而審查其是否符合香港財務報告準則的規定及行業慣例；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<p><i>Valuation of investment properties (Continued)</i> 投資物業之估值(續)</p>	
<p>Fair value gain on investments properties of approximately RMB237,945,000 were recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2019. 投資物業的公平值收益約人民幣237,945,000元已於截至二零一九年十二月三十一日止年度的綜合損益及其他全面收益表內確認。</p> <p>As further disclosed in note 17 to the consolidated financial statements, the completed investment properties at a fair value of RMB25,800,000 were measured using the fair value model based on the market comparison method and the significant unobservable input was adjusted market unit sale rate while the remaining completed investment properties at fair value of RMB371,200,000 were arrived at based on income approach, where the unobservable inputs are adjusted monthly rent and the market yield. The investment properties under construction were valued either using the residual approach or market approach and the significant unobservable inputs were adjusted market unit sales rate, expected developer's profit margin and estimated total construction cost to complete. 誠如綜合財務報表附註17進一步披露，已竣工投資物業之公平值為人民幣25,800,000元，乃採用市場比較法以公平值模型計量，其重大不可觀察輸入數據為經調整市場單位銷售價格，而公平值為人民幣371,200,000元之餘下已竣工投資物業乃按收入法而達致，其不可輸入數據為經調整每月租金及市場回報率。在建投資物業採用剩餘法或市場法估值，其重大不可觀察輸入數據為經調整市場單位銷售價格、發展商預期溢利率及估計竣工總建築成本。</p>	<ul style="list-style-type: none"> • Evaluating the reasonableness of the key inputs and source data used in the valuations by comparing them, on a sample basis, to existing tenancy profiles, publicly available information of similar comparable properties and our knowledge of the real estate industry in the PRC; and • 按抽樣方式，將用於估值的主要輸入數據及來源數據與現有租約狀況、類似可資比較物業的公開可得資料以及我們對中國房地產行業的了解比較，以評估其合理性；及 • Assessing the appropriateness of estimated cost to complete for investment properties under construction by comparing the costs incurred to date against the budgets provided by the Group and evaluating whether the expected property developer's profit margins are comparable to the market and the Group's specific information. • 將目前已產生的成本與貴集團提供的預算進行比較以判斷完成在建投資物業的估計成本的適當性，並評估物業發展商之預期溢利率是否與市場及貴集團之特定資料相近。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

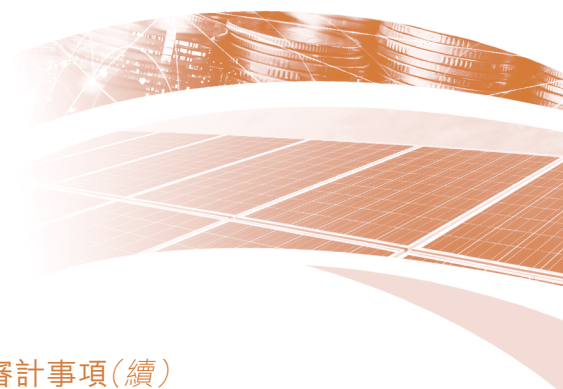
KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<p>Valuation of properties held for sale 持作出售的物業之估值</p>	
<p>We identified the valuation of properties held for sale as a key audit matter due to its quantitative significant to the consolidated financial statements as a whole, combined with significant estimations involved in determining the net realisable value of properties held for sale.</p> <p>我們將持作出售的物業之估值定為關鍵審計事項乃由於其對整體綜合財務報表的量化重要性，加上釐定持作出售的物業之可變現淨值時涉及重大的估計。</p> <p>As disclosed in note 24 to the consolidated financial statements, the Group had properties held for sale with carrying amount of approximately RMB7,440,044,000, which included completed properties held for sale of approximately RMB1,826,555,000 and properties under development for sale of approximately RMB5,613,489,000, which are all located in the PRC and in aggregate represented 42.1% of the Group's total assets. These properties held for sale are stated at the lower of cost and net realisable value (the "NRV") on an individual basis.</p> <p>誠如綜合財務報表附註24所披露，貴集團擁有之持作出售的物業賬面值為約人民幣7,440,044,000元，當中包括已竣工持作出售的物業約人民幣1,826,555,000元及發展中待售物業約人民幣5,613,489,000元，全部均位於中國，合共佔貴集團總資產42.1%。該等持作出售的物業個別以成本及可變現淨值(「可變現淨值」)較低者列賬。</p>	<p>Our procedures in relation to valuation of properties held for sale included:</p> <p>我們就有關持作出售的物業之估值採取的程序包括：</p> <ul style="list-style-type: none"> • Obtaining an understanding on the management's process of estimating the construction costs to complete for properties held for sale and estimating the NRV of properties held for sales; • 了解管理層估計建築成本以完成持作出售物業的進度及估計持作出售物業的可變現淨值； • Assessing the reasonableness of the estimated selling price used by the management with reference to the selling prices in the presale agreement and market prices achieved for comparable properties, including an evaluation of the appropriateness of the comparable properties used by the management of the Group based on our knowledge of the Group's business and the property markets in the relevant locations on a sample basis, if applicable; and • 根據我們對貴集團業務及相關地點之物業市場之了解按抽樣基準(如適用)評估管理層參考預售協議中的售價及可資比較物業之市價而使用之預測售價之合理性，包括評估貴集團管理層使用之可資比較物業之適當性；及

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<p><i>Valuation of properties held for sale (Continued)</i> 持作出售的物業之估值(續)</p>	
<p>As disclosed in note 5 to the consolidated financial statements, NRV is estimated by reference to the actual or estimated selling price less estimated costs to complete the development based on existing asset structure and material price lists and the estimated costs necessary to make the sales. If the actual NRV on properties held for sale is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, material allowances for impairment losses may result if the NRV is less than the carrying amount on each individual property held for sale.</p> <p>誠如綜合財務報表附註5所披露，可變現淨值乃基於現有資產架構及材料價格表及對進行銷售而言屬必要的估計成本後參考實際或估計售價減去估計竣工成本估計。倘持作出售的物業之實際可變現淨值因市場狀況變動及／或預算發展成本出現重大變更而低於預期，而各個別持作出售的物業的可變現淨值低於賬面值，則可能會導致重大減值虧損撥備。</p>	<ul style="list-style-type: none"> Assessing the reasonableness of the estimated costs to completion of properties under development for sale on a sample basis by comparing the budgeted construction costs to actual development costs incurred, and signed construction contracts with sub-contractors committed and relevant market information showing the latest cost trend. 將預算建造成本與實際已產生的發展成本比較，並評估已承諾分包商簽署的建築合約及反映最新成本趨勢的相關市場資料，按抽樣基準評估發展中待售物業的估計竣工成本的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<i>Related party transactions and disclosure</i> 關聯方的交易及披露	
<p>The Group had significant amount of transactions with related parties and certain transactions were of complex nature. 貴集團有與關聯方有重大交易金額，且若干交易具複雜性質。</p> <p>We have identified this as a key audit matter because it requires careful consideration to account for and disclose these transactions. It is also essential to disclose all these transactions properly in accordance with the requirements of HKFRS and The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). 我們已識別其為關鍵審計事項，原因為其需要仔細計量以對該等交易進行入賬及披露。根據香港財務報告準則及香港聯合交易所有限公司的證券上市規則（「上市規則」），需妥為披露所有該等交易。</p>	<p>Our procedures in relation to related party transactions and disclosure included: 我們就有關關聯方的交易及披露的程序包括：</p> <ul style="list-style-type: none">• Identifying and verifying related party relationship through enquiry and searches. 透過查詢及搜尋識別及核實關聯方的關係。• Scrutinising the accounting ledgers and bank ledgers to ensure material transactions with related parties are properly reflected in the Group's accounting records. 仔細檢查會計賬戶及銀行賬戶以確保與關聯方的重大交易已妥為反映至 貴集團的會計記錄。• Carrying out various analysis and market comparisons to assess the reasonableness of these transactions. 進行各項分析及市場比較以評估該等交易的合理性。• Performing review over the internal control to identify and monitor related party transactions. 對內部監控進行審閱以識別及監察關聯方交易。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項
<p><i>Impairment assessment of property, plant and equipment</i> 物業、廠房及設備之減值評估</p>	
<p>We have identified the impairment assessment of the property, plant and equipment as a key audit matter since the carrying amount of property, plant and equipment is significant to the consolidated financial statements and significant judgements and estimates have been used by the management and independent valuer in determining the recoverable amounts of property, plant and equipment. 我們已將物業、廠房及設備之減值評估列為關鍵審計事項，原因為物業、廠房及設備之賬面值對綜合財務報表而言屬重大，且管理層及獨立估值師已於釐定物業、廠房及設備之可收回金額時運用重大判斷及估計。</p> <p>When an objective evidence of impairment exists, the Group estimated the recoverable amount based on the higher of fair value less costs of disposal and value in use. 當出現減值的客觀證據時，貴集團以公平值減出售成本與使用價值的較高者估計可收回金額。</p> <p>As disclosed in note 15 to the consolidated financial statements, property, plant and equipment of the Group amounted to approximately RMB2,027,984,000 and represented 11.5% of the Group's total assets. No impairment has been made in the financial year ended 31 December 2019. 誠如綜合財務報表附註15所披露，貴集團之物業、廠房及設備為約人民幣2,027,984,000元，佔貴集團總資產11.5%。概無於截至二零一九年十二月三十一日止財政年度作出減值。</p>	<p>Our procedures in relation to impairment assessment of property, plant and equipment included: 我們就有關物業、廠房及設備之減值評估採取的程序包括：</p> <ul style="list-style-type: none"> Obtaining an understanding of the management's assessment process in selecting the valuation methodologies and adopting key assumptions and input data; 了解管理層選擇估值方法及採用主要假設以及輸入數據之評估程序； For impairment assessment where external valuation is performed, evaluating the valuer's competence, capabilities and objectivity, obtaining an understanding of the valuer's scope of work; 就進行外部估值之減值評估而言，評估估值師之資歷、能力及客觀性並了解估值師之工作範圍； Assessing the appropriateness of the valuation methodologies, evaluating the reasonableness of assumptions and key input data applied in determining the recoverable amounts of the assets; 評估估值方法的適當性、評估假設的合理性以及於釐定資產的可收回金額所採用的主要輸入數據； For value in use calculation, comparing the future cash flow forecast with the budget approved by the board of directors of the Company, as well as the actual results available up to the date of these consolidated financial statements; and 就使用價值計算而言，將未來現金流量預測與貴公司董事會批准的預算以及截至該等綜合財務報表日期的可用實際業績進行比較；及 Assessing the discount rate employed in the calculation of value in use by reviewing its basis of calculation and comparing its input data to market sources. 評估在使用價值計算中應用的折扣率，方法為審閱計算基準並將其輸入數據與市場來源進行比較。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

OTHER MATTER

The consolidated financial statements of the Group for the period from 1 April 2018 to 31 December 2018 were audited by another auditor who expressed an unmodified opinion on those statements on 14 May 2019.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of 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 DIRECTORS OF THE COMPANY AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

其他事項

貴集團於二零一八年四月一日至二零一八年十二月三十一日期間的綜合財務報表已由另一核數師進行審計，彼於二零一九年五月十四日對該等報表發表了無修改的意見。

其他資料

貴公司董事需對其他信息負責。除綜合財務報表及我們的核數師報告外，其他信息包括所有刊載於年報內的信息。

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。

就我們對綜合財務報表的審計而言，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瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他信息存在重大錯誤陳述，則我們需要報告該事實。在這方面，我們沒有任何報告。

貴公司董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對彼等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監控負責。

在擬備綜合財務報表時，貴公司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，除非貴公司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。

治理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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.

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，並根據百慕達公司法第90條及我們委聘的協定條款僅向全體成員出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 評價 貴公司董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對 貴公司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相關交易和事項。
- 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，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了審計的計劃範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Pang Wai Hang.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044

Hong Kong
29 April 2020

核數師就審計綜合財務報表承擔的 責任(續)

我們還向治理層提交聲明，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。

從與治理層溝通的事項中，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彭衛恒。

信永中和(香港)會計師事務所
執業會計師
彭衛恒
執業證書編號：P05044

香港
二零二零年四月二十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

			1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日
		Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	6		
Goods and services	貨品及服務		3,675,741	2,609,167
Finance lease income	融資租賃收入		127	953
Interest income from provision of finance	提供融資之利息收入		2,064	6,590
Rental income from property investments	物業投資之租金收入		9,615	22,139
Dividend from securities investments	證券投資之股息		5,374	5,081
Others	其他		6,685	5,555
Total revenue	總收益		3,699,606	2,649,485
Cost of sales and services	銷售及服務成本		(3,395,404)	(2,565,567)
Gross profit	毛利		304,202	83,918
Other gains and losses	其他收益及虧損	8	8,049	(37,152)
Other income	其他收入	9	16,577	23,294
Change in fair value of investment properties	投資物業之公平值變動	17	237,945	192,015
Selling and distribution expenses	銷售及分銷開支		(151,999)	(93,215)
Administrative expenses	行政費用		(380,157)	(333,637)
Impairment of goodwill	商譽減值	18	-	(5,846)
(Impairment loss) reversal of impairment loss of	以下各項減值虧損之撥回(減值虧損)			
- trade receivables	- 貿易應收款項	47	(27,042)	(19,372)
- other receivables	- 其他應收款項	47	(11,712)	(9,750)
- financial guarantee contracts	- 財務擔保合約	37	-	261,713
Impairment loss in respect of property, plant and equipment	有關物業、廠房及設備之減值虧損	15	-	(68,699)
Finance costs	財務費用	10	(572,252)	(444,252)
Share of profit (loss) from associates	分佔聯營公司溢利(虧損)		813	(8,371)
Share of loss from joint venture	分佔合營企業虧損		(216)	-
Gain on disposal of subsidiaries	出售附屬公司溢利	48	11	20
Loss on disposal of associates	出售聯營公司虧損	20	-	(8,637)
Change in fair value of convertible bonds - derivative component	可換股債券之公平值變動 - 衍生部分	36	12,498	118,374
Loss before tax	除稅前虧損		(563,283)	(349,597)
Income tax expense	所得稅開支	11	(70,472)	(46,514)
Loss for the year/period	年度/期間虧損	12	(633,755)	(396,111)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

1.1.2019 to
31.12.2019
二零一九年
一月一日
至二零一九年
十二月三十一日
RMB'000
人民幣千元

1.4.2018 to
31.12.2018
二零一八年
四月一日
至二零一八年
十二月三十一日
RMB'000
人民幣千元

Other comprehensive (expense) income 其他全面(開支)收入			
Items that may be reclassified subsequently to profit or loss:	可能於其後重新分類至損益的項目：		
Exchange differences on translating of foreign operations	換算海外營運之匯兌差額	(8,694)	26,496
Change in fair value of debt instruments at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收益(「按公平值計入其他全面收益」)之債務工具之公平值變動	939	(3,880)
Reclassification adjustment relating to loss on disposal of debt instruments at FVTOCI included in profit or loss	出售於損益入賬按公平值計入其他全面收益之債務工具之虧損之重新分類調整	1,814	2,560
		(5,941)	25,176
Item that will not be reclassified to profit or loss:	將不會重新分類至損益的項目：		
Exchange differences on translation to presentation currency	轉換為呈列貨幣之匯兌差額	12,850	(100,642)
Other comprehensive income (expense) for the year/period	年度/期間其他全面收入(開支)	6,909	(75,466)
Total comprehensive expense for the year/period	年度/期間全面開支總額	(626,846)	(471,577)
(Loss) profit for the year/period attributable to:	年度/期間(虧損)溢利應佔如下：		
– Shareholders of the Company	– 本公司股東	(644,710)	(388,926)
– Non-controlling interests	– 非控股股東權益	10,955	(7,185)
Loss for the year/period	年度/期間虧損	(633,755)	(396,111)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Total comprehensive (expense) income attributable to:	全面(開支)收益總額應佔如下:		
– Shareholders of the Company	本公司股東	(637,811)	(463,301)
– Non-controlling interests	非控股股東權益	10,965	(8,276)
		(626,846)	(471,577)
		RMB 人民幣元	RMB 人民幣元
Loss per share	每股虧損	14	
Basic	基本	(10.59)	(6.41)
Diluted	攤薄	(10.59)	(6.41)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Restated) (經重列)
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	物業、廠房及設備	15	2,027,984	1,308,271
Prepaid lease payments	預付租賃款項	16	–	302,247
Investment properties	投資物業	17	4,863,150	5,814,375
Goodwill	商譽	18	8,087	8,087
Interests in an associate	於一間聯營公司之權益	20	29,213	28,400
Interests in joint ventures	於合營企業之權益	21	–	6,100
Deposits for property, plant and equipment, right-of-use assets and investment properties	購買物業、廠房及設備、使用權資產及投資物業之按金	22	649,887	100,020
Financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)之金融資產	23	35,815	44,688
Other receivables and deposits	其他應收款項及按金	27	83,892	32,686
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具	23	26,762	49,031
Deferred tax assets	遞延稅項資產	40	17,221	10,957
Right-of-use assets	使用權資產	26	620,685	–
			8,362,696	7,704,862
CURRENT ASSETS				
流動資產				
Properties held for sale	持作出售物業	24	7,440,044	5,736,201
Inventories	存貨	25	233,948	261,118
Deposits for leasehold land for development for sale	購買開發作銷售之租賃土地之按金	22	–	50,000
Prepaid lease payments	預付租賃款項	16	–	8,106
Trade and other receivables, and prepayments	貿易及其他應收款項及預付款項	27	935,351	827,860
Loan receivables and interest receivables	應收貸款及應收利息	28	15,004	12,187
Tax recoverable	可收回稅項		1,354	1,041
Financial assets at FVTPL	按公平值計入損益之金融資產	23	13,888	173,580
Restricted bank balance	受限制銀行結餘	29	69,109	–
Pledged bank deposits	銀行抵押存款	29	313,265	285,634
Bank balances and cash	銀行結餘及現金	29	270,836	701,946
			9,292,799	8,057,673

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Restated) (經重列)
CURRENT LIABILITIES	流動負債			
Trade and other payables, and other liabilities	貿易及其他應付款項及其他 負債	30	1,148,011	1,298,398
Bill payables	應付票據	31	729,969	576,664
Tax payable	應付稅項		105,816	104,221
Borrowings	借款	32	4,266,637	3,619,333
Obligations under finance leases	融資租賃承擔	33	–	6,847
Obligations under financing arrangements	融資安排承擔	42	–	2,693,469
Contract liabilities	合約負債	34	1,513,556	973,061
Corporate bonds	公司債券	35	3,612	214,840
Lease liabilities	租賃負債	26	30,570	–
Financial guarantee contracts	財務擔保合約	37	–	228,382
			7,798,171	9,715,215
NET CURRENT ASSETS (LIABILITIES)	淨流動資產(負債)		1,494,628	(1,657,542)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		9,857,324	6,047,320
NON-CURRENT LIABILITIES	非流動負債			
Deferred consideration	遞延代價	38	95,000	95,000
Deferred income	遞延收入	39	103,491	21,660
Deferred tax liabilities	遞延稅項負債	40	141,415	76,524
Amount due to immediate holding company	應付直接控股公司之款項	41	16,655	1,706,956
Borrowings	借款	32	5,905,780	1,178,000
Obligations under finance leases	融資租賃承擔	33	–	17,719
Corporate bonds	公司債券	35	76,921	76,109
Convertible bonds – liability component	可換股債券 – 負債部分	36	776,973	227,498
Convertible bonds – derivative component	可換股債券 – 衍生部分	36	4,942	17,134
Lease liabilities	租賃負債	26	14,923	–
			7,136,100	3,416,600
NET ASSETS	淨資產		2,721,224	2,630,720

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019
於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Restated) (經重列)
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	43	55,983	55,203
Reserves	儲備		2,597,448	2,513,008
Equity attributable to shareholders of the Company	本公司股東應佔權益		2,653,431	2,568,211
Non-controlling interests	非控股股東權益		67,793	62,509
TOTAL EQUITY	權益總額		2,721,224	2,630,720

The consolidated financial statements on pages 64 to 291 were approved and authorised for issue by the board of directors on 29 April 2020 and are signed on its behalf by:

載於第64至291頁之綜合財務報表乃董事會於二零二零年四月二十九日核准並許可發出，並由以下董事代表簽署：

Mr. Meng Guang Bao
孟廣寶先生
Director
董事

Ms. Zhang Ye
張擘女士
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔											Non-controlling interests 非控股股東權益	Total 總額
		Share capital 股本	Share premium 股份溢價	Statutory surplus reserve 法定盈餘儲備	Exchange translation reserve 匯兌儲備	Share-based payment reserve 以股份為基礎之付款儲備	Deemed contribution reserve 視作注資儲備	Investment revaluation reserve 投資重估儲備	Other reserve (Note) 其他儲備	Accumulated losses 累計虧損	Subtotal 小計			
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		
Balance at 1 April 2018	於二零一八年四月一日之結餘	55,203	2,551,848	35,234	99,324	50,989	180,970	-	5,033	(441,799)	2,536,802	144,719	2,681,521	
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	(388,926)	(388,926)	(7,185)	(396,111)	
Other comprehensive expense for the period	期間其他全面開支	-	-	-	(73,055)	-	-	(1,320)	-	-	(74,375)	(1,091)	(75,466)	
Total comprehensive expense for the period	期間總全面開支總額	-	-	-	(73,055)	-	-	(1,320)	-	(388,926)	(463,301)	(8,276)	(471,577)	
Lapsed of share options (note 46)	購股權失效(附註46)	-	-	-	-	(8,386)	-	-	-	8,386	-	-	-	
Acquisition of subsidiary with non-controlling interest (note 48(a))	收購非控股股東權益的附屬公司(附註48(a))	-	-	-	-	-	-	-	-	-	-	(111,150)	(111,150)	
Deemed contribution from the controlling company (note 41)	視作來自控股公司之注資(附註41)	-	-	-	-	-	186,346	-	-	-	186,346	-	186,346	
Deemed contribution from reversal of financial guarantee contracts (note 37)	視作來自撥回財務擔保合約之注資(附註37)	-	-	-	-	-	223,905	-	-	-	223,905	-	223,905	
Deemed contribution relating to an unlisted investments in China Huacai (defined in note 23(e))	視作有關於中國華財之未上市投資之注資(定義見附註23(e))	-	-	-	-	-	154,470	-	-	-	154,470	-	154,470	
Reversal of deemed contribution from the controlling company (note 41)	撥回視作控股公司之注資(附註41)	-	-	-	-	-	(32,795)	-	-	-	(32,795)	-	(32,795)	
Acquisition of additional interest from non-controlling interests	自非控股股東權益收購額外權益	-	-	-	-	-	-	-	-	(37,216)	(37,216)	37,216	-	
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	55,203	2,551,848	35,234	26,269	42,603	712,896	(1,320)	5,033	(859,555)	2,568,211	62,509	2,630,720	

		Attributable to shareholders of the Company 本公司股東應佔											Non-controlling interests 非控股股東權益	Total 總額	
		Share capital 股本	Share premium 股份溢價	Statutory surplus reserve 法定盈餘儲備	Exchange translation reserve 匯兌儲備	Share-based payment reserve 以股份為基礎之付款儲備	Convertible bonds - equity conversion reserve 可換股債券-權益轉換儲備	Deemed contribution reserve 視作注資儲備	Investment revaluation reserve 投資重估儲備	Other reserve (Note) 其他儲備	Accumulated losses 累計虧損	Subtotal 小計			
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元			RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日之結餘	55,203	2,551,848	35,234	26,269	42,603	-	712,896	(1,320)	5,033	(859,555)	2,568,211	62,509	2,630,720	
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	-	(644,710)	(644,710)	10,955	(633,755)	
Other comprehensive expense for the year	年度其他全面開支	-	-	-	4,146	-	-	-	2,753	-	6,899	6,899	10	6,909	
Total comprehensive income (expense) for the year	年度全面收益(開支)總額	-	-	-	4,146	-	-	-	2,753	-	(644,710)	(637,811)	10,965	(626,846)	
Lapsed of share options (note 46)	購股權失效(附註46)	-	-	-	-	(4,740)	-	-	-	-	4,740	-	-		
Deemed contribution relating to disposal of subsidiaries (note 48 (b))	視作與出售附屬公司相關之注資(附註48 (b))	-	-	-	-	-	-	2,321	-	-	2,321	-	2,321		
Issue of convertible bonds (note 36)	發行可換股債券(附註36)	-	-	-	-	-	541,618	-	-	-	541,618	-	541,618		
Acquisition of a wholly owned subsidiary (note 48(a))	收購全資附屬公司(附註48(a))	780	5,618	-	-	-	-	19,913	-	-	26,311	-	26,311		
Deemed contribution from the controlling company (note 41)	視作控股公司之注資(附註41)	-	-	-	-	-	-	3,377	-	-	3,377	-	3,377		
Deemed contribution from reversal of financial guarantee contracts (note 37)	視作來自撥回財務擔保合約之注資(附註37)	-	-	-	-	-	-	231,404	-	-	231,404	-	231,404		
Reversal of deemed contribution from the controlling company (note 41)	撥回視作控股公司之注資(附註41)	-	-	-	-	-	-	(78,735)	-	-	(78,735)	-	(78,735)		
Deemed acquisition of additional interests from non-controlling interests (note 49)	視作自非控股股東權益收購額外權益(附註49)	-	-	-	-	-	-	-	-	(3,265)	(3,265)	(5,681)	(8,946)		
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	55,983	2,557,466	35,234	30,415	37,863	541,618	891,176	1,433	5,033	(1,502,790)	2,653,431	67,793	2,721,224	

Note:

Other reserves were set up by the Company's PRC subsidiaries in accordance with their articles of association. The amounts to be transferred to these reserves are determined by the respective board of directors. They can be used to convert into paid-up capital, and are not distributable to shareholders.

附註:

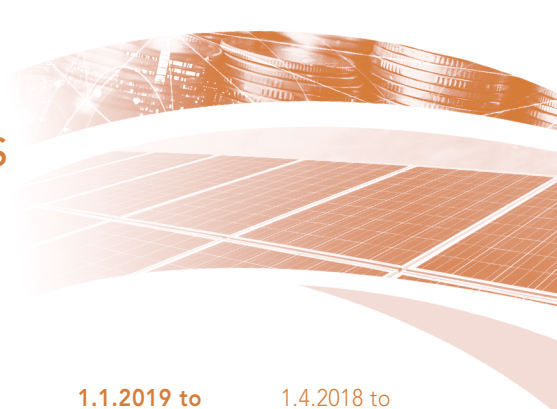
本公司於中國的附屬公司根據彼等之章程細則設立其他儲備。轉移至此等儲備之金額由彼等各自之董事會釐定。此等儲備可換成實繳股本，且不向股東派付。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度



1.1.2019 to 31.12.2019 二零一九年 一月一日至 二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日至 二零一八年 十二月三十一日 RMB'000 人民幣千元
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CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Loss before tax	除稅前虧損	(563,283)	(349,597)
Adjustments for:	調整：		
Change in fair value of convertible bonds – derivative component	可換股債券之公平值變動 – 衍生部分	(12,498)	(118,374)
Change in fair value of investment properties	投資物業之公平值變動	(237,945)	(192,015)
Change in fair value of financial assets at FVTPL	按公平值計入損益之金融資產之公平值變動	(8,619)	9,476
Loss on disposal of debt instruments at FVTOCI	出售按公平值計入其他全面收益之債務工具之虧損	1,814	2,560
Depreciation and amortisation of non-current assets	非流動資產之折舊及攤銷	131,633	91,894
Dividend income from securities investments	證券投資之股息收入	(5,374)	(5,081)
Finance costs	財務費用	572,252	444,252
Loss on disposal of associates	出售聯營公司之虧損	–	8,637
Gain on disposal of subsidiaries	出售附屬公司之收益	(11)	(20)
Impairment loss on – trade receivables	以下各項之減值虧損 – 貿易應收款項	27,042	19,372
– other receivables	– 其他應收款項	11,712	9,750
Written off of other receivables	其他應收款撇銷	8,394	–
Impairment of goodwill	商譽減值	–	5,846
Write-down of inventories	存貨撇減	9,004	7,528
Impairment of property, plant and equipment	物業、廠房及設備之減值	–	68,699
Interest income on bank deposits and pledged bank deposits	銀行存款及銀行抵押存款之利息收入	(5,647)	(5,339)
Impairment of properties held for sales	持作出售物業減值	–	29,050
Impairment of deposits for machineries modification and enhancement	機器改裝及提升之按金減值	–	25,000
Interest income on finance lease receivables	融資租賃應收款項之利息收入	(127)	(953)
Interest income on loan receivables	應收貸款之利息收入	(2,064)	(6,590)
Loss (gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損(收益)	1,753	(244)
Gain on disposal of a right-of-use asset	出售一項使用權資產之收益	(127)	–
Loss on disposal of club membership	出售會所會籍之虧損	–	63
Net foreign exchange loss	外匯虧損淨額	2,794	297
Reversal of financial guarantee contracts	撥回財務擔保合約	–	(261,713)
Share of (profits) loss from associates	分佔聯營公司(溢利)虧損	(813)	8,371
Share of loss from joint venture	分佔合營企業虧損	216	–
Gain on bargain purchase	議價購買收益	(5,791)	–

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		1.1.2019 to 31.12.2019 二零一九年 一月一日至 二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日至 二零一八年 十二月三十一日 RMB'000 人民幣千元
	Notes 附註		
Operating cash flows before movements in working capital	營運資金變動前的經營現金流	(75,685)	(209,131)
Decrease (increase) in properties held for sale	持作出售物業減少(增加)	66,178	(240,105)
Decrease in inventories	存貨減少	43,806	86,077
Decrease in trade and other receivables	貿易及其他應收款項減少	280,014	101,963
(Increase) decrease in loan receivables	應收貸款(增加)減少	(2,817)	95,106
Decrease in finance lease receivables	融資租賃應收款項減少	-	12,020
Decrease (increase) in financial assets at FVTPL	按公平值計入損益的金融資產減少(增加)	10,063	(8,765)
Decrease in trade and other payables and deferred income	貿易及其他應付款項以及遞延收入減少	(488,355)	(720,133)
Decrease in bill payables	應付票據減少	(154,295)	(145,206)
Increase in contract liabilities	合約負債增加	449,642	293,608
Increase in restricted bank balance	受限制銀行結餘增加	(69,109)	-
Cash from (used in) operations	經營所得(所用)現金	59,442	(734,566)
Income tax (paid) refunded	(支付)退還所得稅	(18,633)	52,175
Interest received on loan receivables	已收取應收貸款的利息	2,064	6,590
Interest received on finance lease receivables	已收取應收融資租賃的利息	127	953
Dividend received from securities investments	已收取證券投資的股息	5,374	5,081
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營活動所得(所用)現金淨額	48,374	(669,767)
INVESTING ACTIVITIES	投資活動		
Purchase of property, plant and equipment	購買物業、廠房及設備	(381,581)	(109,319)
Proceeds from disposal of plant and equipment	出售物業、廠房及設備所得款項	3,061	3,123
Payment for purchase of investment properties	購買投資物業款項	(416,051)	(5,980)
Proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益之金融資產的所得款項	169,484	55,224
Proceeds from disposal of debts instruments at FVTOCI	出售按公平值計入其他全面收益之債務工具的所得款項	23,208	17,830
Proceeds from disposal of club membership	出售會所會籍的所得款項	-	1,638
Payment for right-of-use assets	支付使用權資產款項	(44,400)	(88,205)
Proceeds from disposal of a right of use asset	出售使用權資產的所得款項	2,203	-
Interest received on bank deposits	已收取銀行存款的利息	5,647	5,339
Investments in joint ventures	合營企業的投資	-	(6,100)
Release of pledged bank deposits	解除已抵押銀行存款	359,844	144,880
Placement of pledged bank deposits	存入已抵押銀行存款	(382,374)	(130,978)
Deposits paid for purchases of property plant and equipment, right-of-use assets and investment properties	支付購買物業、廠房及設備、使用權資產及投資物業的按金	(626,994)	(293,860)
Net cash outflow for acquisition of subsidiaries	收購附屬公司的現金流出淨額	48 (9,626)	(49,774)
Net cash outflow from disposal of subsidiaries	出售附屬公司現金流出淨額	48 (19)	(695)
Net cash inflow from disposal of investment properties	出售投資物業的現金流入淨額	119,350	-
Proceeds from disposal of an associate	出售一間聯營公司的所得款項	-	465
Repayment from a former associate	一間前聯營公司還款	14,400	6,484
Advance to a former associate	墊款予一間前聯營公司的款項	-	(16,400)
Advance to a related company	墊款予一間關聯公司的款項	-	(9,413)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(1,163,848)	(475,741)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度



1.1.2019 to	1.4.2018 to
31.12.2019	31.12.2018
二零一九年	二零一八年
一月一日至	四月一日至
二零一九年	二零一八年
十二月三十一日	十二月三十一日
RMB'000	RMB'000
人民幣千元	人民幣千元

FINANCING ACTIVITIES	融資活動		
Proceeds from borrowings	借款所得款項	7,812,648	2,136,256
Repayment of borrowings	償還借款	(2,094,425)	(2,282,020)
Repayment of lease liabilities	償還租賃負債	(32,708)	(2,226)
Advance received from bill payables	已收應付票據之預付款項	-	721,870
Repayment of bill payables	償還應付票據	-	(523,552)
Interest paid	已付利息	(441,196)	(481,150)
Proceeds from issue of convertible bonds	發行可換股債券所得款項	877,192	-
Redemption of corporate bonds	贖回公司債券	(216,830)	-
Payment of transaction costs for issue of convertible bonds	發行可換股債券之交易成本付款	(536)	-
Redemption of convertible bonds	贖回可換股債券	(26,814)	(550,923)
Acquisition of additional interest from a non-controlling shareholder	從一名非控股股東收購額外權益	(8,946)	-
Deposits paid for acquisition of additional interest of a subsidiary from a non-controlling shareholder	從一名非控股股東收購一間附屬公司額外權益的已付按金	(46,000)	-
Advance from immediate holding company	來自直接控股公司之預付款項	3,559,347	2,559,718
Repayment to immediate holding company	償還直接控股公司之款項	(8,701,454)	(1,180,812)
Proceeds from financing arrangements	融資安排所得款項	-	1,183,417
NET CASH FROM FINANCING ACTIVITIES	融資活動產生之現金淨額	680,278	1,580,578
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(435,196)	435,070
AT THE BEGINNING OF YEAR/PERIOD	年/期初現金及現金等價物	701,946	255,113
Effect of exchange rate changes on the balance of cash held in foreign currencies	匯率變動對所持外幣現金結餘之影響	4,086	11,763
CASH AND CASH EQUIVALENTS	現金及現金等價物	270,836	701,946

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

1. GENERAL

Huajun International Group Limited (the “Company”) is a limited company incorporated in Bermuda as an exempted company and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of its business is 36/F, Champion Tower, 3 Garden Road, Central, Hong Kong. As at 31 December 2019, the directors of the Company (the “Directors”) consider that immediate holding company of the Company to be China Huajun Group Limited (“CHG”) which is incorporated in the British Virgin Islands and ultimate holding company of the Company is Huajun Group Limited, which is incorporated in Hong Kong. Its ultimate controlling party is Mr. Meng Guang Bao (“Mr. Meng”), who is the chairman of the Board of Directors and an executive director of the Company.

The Company acts as an investment holding company. The principal activities of its subsidiaries are set out in note 55. The Company and its subsidiaries are collectively referred to as the “Group”.

The functional currency of the Company is Hong Kong dollars (“HK\$”) while the consolidated financial statements of the Group are presented in Renminbi (“RMB”) to enable the shareholders of the Company to have a more accurate picture of the Group’s financial position and performance.

Change of financial year end date

During the nine-month period ended 31 December 2018, the reporting period end date of the Group was changed from 31 March to 31 December because the Directors determined to align the financial year end date of the Group with that of its principal subsidiaries in the PRC. The Directors consider such change will facilitate the preparation of the consolidated financial statements of the Group. Accordingly, the consolidated financial statements for the prior period covered the nine month period from 1 April 2018 to 31 December 2018. The amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover a twelve month period from 1 January 2019 to 31 December 2019 and therefore may not be comparable with amounts shown for the comparative period.

1. 一般事項

華君國際集團有限公司(「本公司」)為於百慕達註冊成立之獲豁免有限公司，而其股份在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。其主要營業地點為香港中環花園道3號冠君大廈36樓。於二零一九年十二月三十一日，本公司董事(「董事」)認為本公司之直接控股公司為中國華君集團有限公司(「中國華君集團」)，該公司為一家於英屬處女群島註冊成立的公司，而本公司的最終控股公司為華君集團有限公司，該公司於香港成立。其最終控股方為本公司董事會主席兼執行董事孟廣寶先生(「孟先生」)。

本公司為投資控股公司。其附屬公司之主要業務載於附註55。本公司及其附屬公司統稱為(「本集團」)。

本公司的功能貨幣為港元(「港元」)，而本集團之綜合財務報表以人民幣(「人民幣」)呈列，以更準確地向本公司股東展示本集團之財務狀況及表現。

更改財政年結日

截至二零一八年十二月三十一日止九個月期間，本集團之報告期間結算日由三月三十一日改為十二月三十一日，原因為董事決定使其財政年結日與其於中國的主要附屬公司之財政年結日保持一致。董事認為有關變動將方便編製本集團之綜合財務報表。因此，去年同期之綜合財務報表涵蓋二零一八年四月一日至二零一八年十二月三十一日九個月期間。綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及相關附註所示之金額涵蓋二零一九年一月一日至二零一九年十二月三十一日年十二個月期間，故未必可與比較期間所示之金額作比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing the consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group in light of the fact that as of 31 December 2019 the Group has capital and other commitments of RMB2,419,671,000 as disclosed in note 51 to the consolidated financial statements and incurred a net loss of RMB633,755,000 for the year ended 31 December 2019.

The Directors consider that it is appropriate to prepare the consolidated financial statements on the going concern basis taking into account the following facts and assumptions:

(i) Continuous financial support from the immediate holding company

The immediate holding company has agreed to continue to provide financial support to the Group when in need. As at 31 December 2019, approximately RMB16,962,000 of advances has been drawn in which the immediate holding company agreed not to demand for the repayment of the amount due to immediate holding company until 31 May 2021.

(ii) Issue of convertible bonds to the immediate holding company

On 22 January 2020, the Company entered into convertible bond subscription agreement with the immediate holding company in which the Company agreed to issue and the immediate holding company agreed to subscribe a zero coupon 5 years convertible bond at an aggregate sum of HK\$1,000,000,000 (equivalent to approximately RMB892,857,000) which is expected to be paid by 30 June 2020. Up to the date of these consolidated financial statements, the immediate holding company has advanced approximately RMB267,400,000 to the Group as part of the convertible bond subscription. The Directors expect that the remaining RMB625,457,000 will be received from the immediate holding company by 30 June 2020.

2. 綜合財務報表的編製基準

如綜合財務報表附註51所披露，鑒於截至二零一九年十二月三十一日，本集團擁有資本及其他承擔人民幣2,419,671,000元，以及截至二零一九年十二月三十一日止年度產生淨虧損人民幣633,755,000元，於編製綜合財務報表時，董事已審慎考慮本集團之未來流動性。

董事認為，經計及以下事實及假設，按持續經營基準編製綜合財務報表屬恰當：

(i) 來自直接控股公司之持續財務支持

直接控股公司已同意在有需要時繼續向本集團提供財務支持。於二零一九年十二月三十一日，已提取約人民幣16,962,000元，而直接控股公司已同意於二零二一年五月三十一日前不要求償還應付直接控股公司款項。

(ii) 向直接控股公司發行可換股債券

於二零二零年一月二十二日，本公司與直接控股公司訂立可換股債券認購協議，據此本公司同意發行，而直接控股公司同意以總代價1,000,000,000港元(相等於約人民幣892,857,000元)認購無利息之五年可換股債券，預期於二零二零年六月三十日前支付。直至本綜合財務報表日期，直接控股公司已向本集團預付約人民幣267,400,000元，作為可換股債券認購的一部分。董事預期餘下人民幣625,457,000元將於二零二零年六月三十日前收取自直接控股公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(iii) Renewal of bank borrowings and unused facilities from Yingkou Coastal Bank Company Limited

As at 31 December 2019, the Group had borrowings of approximately RMB10,172,417,000, of which RMB4,266,637,000 was current in nature and RMB1,841,850,000 was provided by Yingkou Coastal Bank Company Limited ("Yingkou Coastal Bank"), which is a related party of the Group as disclosed in note 53(c). Subsequently after the year end and before the date of these consolidated financial statements, Yingkou Coastal Bank had renewed bank borrowings to the Group of RMB1,026,330,000 and Yingkou Coastal Bank has provided its intention to renew borrowings of RMB800,000,000 which will be matured in July 2020 and September 2020. Given the historical experience of borrowings renewal, the relationship of Yingkou Coastal Bank with the Group and considering the availability of assets to be pledged upon maturity of the borrowings, the Directors expect that the above borrowings will be able to be renewed by Yingkou Coastal Bank upon maturity in July 2020 and September 2020 for extension of at least one year. The Group also has unused facilities from Yingkou Coastal Bank available for drawdown anytime when the need arises.

2. 綜合財務報表的編製基準(續)

(iii) 來自營口沿海銀行股份有限公司之銀行借款之續期及未動用的融資

如附註53(c)披露於二零一九年十二月三十一日，本集團有借款約人民幣10,172,417,000元，其中人民幣4,266,637,000元屬流動性質及人民幣1,841,850,000元由本集團關聯方營口沿海銀行股份有限公司(「營口沿海銀行」)提供。於期末後及於本綜合財務報表日期前，營口沿海銀行已重續授予本集團之銀行借款人民幣1,026,330,000元，及營口沿海銀行已表達其有意重續將於二零二零年七月及二零二零年九月到期之借款人民幣800,000,000元。鑒於借款續期的過往經驗、營口沿海銀行與本集團的關係及考慮到借款屆滿後將予抵押的資產，董事預期，營口沿海銀行將可於二零二零年七月及二零二零年九月屆滿後將該上述借款續期至少一年。本集團亦有未動用的營口沿海銀行融資以供於有需要時提取。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(iv) Negotiation with banks on overdue borrowings

As disclosed in note 32 to the consolidated financial statements, the Group had breached the repayment terms of two borrowings during the year ended 31 December 2019 and further breached the repayment terms of another borrowing subsequently in March 2020. The Group has successfully reached an agreement to reschedule the repayment terms of one of the overdue borrowings. The Group is currently in the process of negotiation with other counterparties for the extension of the repayment of aggregate principal amounts of RMB1,597,000,000 that remained outstanding as at the date of these consolidated financial statements. Among the aggregate principal amounting RMB1,597,000,000 as disclosed in note 32(e), the lender of a borrowing of RMB1,440,000,000 has agreed to extend the repayment date of the principals of RMB240,000,000, RMB240,000,000 and RMB960,000,000 from March 2020, June 2020 and September 2020 respectively to March 2022, June 2022 and September 2022 respectively. Supplemental agreement to such loan is to be arranged between the Group and the lender in due course.

(v) Cash inflow from operations

The Group is expected to generate adequate cash flows to maintain its operations.

The Directors believe that, taking into account the above factors, the Group will have sufficient working capital to satisfy its present requirements for at least the next twelve months from the date of these consolidated financial statements. However, should the above financing be unavailable (in particular the continuous financial support from the immediate holding company, banking facilities from Yingkou Coastal Bank as well as the renewal of borrowings from Yingkou Coastal Bank) if the Group is not able to generate the expected cash inflows from its operations and to refinance its borrowings, the Group may be unable to operate as a going concern, in which case adjustments might have to be made to the carrying values of the Group's assets to state them at their realisable values, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities to current assets and current liabilities, respectively.

2. 綜合財務報表的編製基準(續)

(iv) 與銀行就逾期借款進行談判

誠如綜合財務報表附註32所披露，本集團於截至二零一九年十二月三十一日止年度兩次違反借款的還款期，並隨後於二零二零年三月進一步違反另一筆借款的還款期。本集團已成功達成協議，以重新安排其中一項逾期借款的還款期限。本集團目前正在與其他交易方進行談判，以延期償還截至本綜合財務報表日期仍未償還的本金總額人民幣1,597,000,000元。誠如附註32(e)所披露，本金總額人民幣1,597,000,000元中，貸方同意延期償還本金人民幣1,440,000,000元，該本金將分別自二零二零年三月、二零二零年六月及二零二零年九月延至於二零二二年三月、二零二二年六月及二零二二年九月分別償還人民幣240,000,000元，人民幣240,000,000元和人民幣960,000,000元。本集團與貸方將在適當時候安排簽訂有關貸款的補充性協議。

(v) 來自營運的現金流入

本集團預期產生足以維持營運的現金流量。

董事相信，考慮到上述因素，本集團自該等綜合財務報表之日起未來至少十二個月將擁有足夠的營運資金以滿足其目前的需求。然而，如果無法取得上述融資(尤其是來自直接控股公司之持續財務支持，營口沿海銀行之銀行融資以及續借來自營口沿海銀行的借款)或倘本集團不能自其營運產生預期現金流入及再融資其借款，本集團可能無法持續經營，在此情況下，可能需對本集團資產的賬面值作出調整，以按其可變現價值呈列，從而就可能產生的任何進一步負債作出撥備，並將其非流動資產及非流動負債分別重新分類為流動資產及流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

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

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

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

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

The adoption of HKFRS 16 resulted in the changes in the Group’s accounting policies and adjustments to the amounts recognised in the consolidated financial statements as summarised below.

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

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本年度強制性生效之新訂及經修訂香港財務報告準則

於本年度，本集團已首次應用以下由香港會計師公會(「香港會計師公會」)所頒佈之新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號(修訂本)	具有負補償的提前付款功能
香港會計準則第19號(修訂本)	計劃修改、削減或結算
香港會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益
香港財務報告準則(修訂本)	二零一五年至二零一七年週期香港財務報告準則的年度改進

採納香港財務報告準則第16號導致本集團的會計政策變動及綜合財務報表所確認金額的調整概述如下。

除下文所述外，於本年度應用其他新訂及經修訂香港財務報告準則對本集團於本年度及過往期間的財務表現及狀況及／或綜合財務報表所載披露並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

3.1 Impact on adoption of HKFRS 16 Leases

HKFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating lease and finance lease and requiring the recognition of right-of-use asset and a lease liability for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new accounting policies are described in note 4. The Group has applied HKFRS 16 Leases retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of equity, where appropriate, at 1 January 2019, and has not been restated comparatives for the 2018 reporting period as permitted under the specific transitional provisions in the standard. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 17 Leases.

On transition to HKFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which arrangements are, or contain, leases. It applied HKFRS 16 only to contracts that were previously identified as leases. 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.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制性生效之新訂及經修訂香港財務報告準則(續)

3.1 採納香港財務報告準則第16號租賃的影響

香港財務報告準則第16號就租賃會計引入新訂或經修訂規定。透過移除經營租賃及融資租賃的差異，於承租人會計處理引入重大變動，而除短期租賃及低值資產租賃外，須確認使用權資產及所有租賃的租賃負債。與承租人會計處理相反，出租人會計處理大致維持不變。有關該等新訂會計政策之詳情於附註4作出闡述。本集團已追溯應用香港財務報告準則第16號租賃，以初始應用的累計影響作為對股本期初餘額的調整(如適用)於二零一九年一月一日進行了調整，並未根據準則中特定過渡期的規定下重述了二零一八年報告期的比較。因此，若干比較資料或無法與根據香港會計準則第17號租賃編製的比較資料作出比較。

於過渡至香港財務報告準則第16號時，本集團選擇應用可行權宜方法豁免評估安排是否或有否包含租賃，並僅就先前識別為租賃的合約應用香港財務報告準則第16號，且概不重新評估根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號並非識別為租賃的合約。因此，香港財務報告準則第16號項下租賃的定義僅應用於二零一九年一月一日或之後訂立或更改的合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

3.1 Impact on adoption of HKFRS 16 Leases (Continued)

The Group as lessee

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of HKAS 17 Leases (except for lease of low value assets and lease with remaining lease term of twelve months or less). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 were 2.9%–15.0%.

The Group recognises right-of-use assets and measures them at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group as lessor

The Group leases some of the properties. The accounting policies applicable to the Group as lessor remain substantially unchanged from those under HKAS 17.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制性生效之新訂及經修訂香港財務報告準則(續)

3.1 採納香港財務報告準則第16號租賃的影響(續)

本集團作為承租人

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號租賃的原則獲分類為「經營租賃」的租賃確認租賃負債(低值資產租賃及剩餘租期為十二個月或以下的租賃除外)。該等負債按剩餘租賃款項的現值計量，並以承租人截至二零一九年一月一日的增量借款率貼現。適用於二零一九年一月一日的租賃負債之承租人增量借款率為2.9%-15.0%。

本集團確認使用權資產及按租賃負債金額計量使用權資產，並以任何預付或應計租賃款項作出調整。

本集團作為出租人

本集團出租若干物業。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相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

3.1 Impact on adoption of HKFRS 16 Leases (Continued)

The following table summarises the impact of transition to HKFRS 16 at 1 January 2019. Line items that were not affected by the adjustments have not been included.

		Notes	Carrying amount previously reported at 31 December 2018 先前於二零一八年十二月三十一日呈報的賬面值 RMB'000 人民幣千元	Impact on adoption of HKFRS 16 採納香港財務報告準則第16號的影響 RMB'000 人民幣千元	Carrying amount as restated at 1 January 2019 於二零一九年一月一日重列的賬面值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	(a)	1,308,271	(31,143)	1,277,128
Right-of-use assets	使用權資產	(a)-(c)	-	388,630	388,630
Prepaid lease payments	預付租賃款項	(c)	310,353	(310,353)	-
Lease liabilities	租賃負債	(a), (b)	-	(71,700)	(71,700)
Obligations under finance lease	融資租賃承擔	(a)	(24,566)	24,566	-

Notes:

- (a) The obligations under finance leases of approximately RMB24,566,000 previously separately presented as obligations under finance leases at 31 December 2018 are now included within lease liabilities under HKFRS 16. The carrying amount of the related assets under finance leases amounting to approximately RMB31,143,000 is reclassified to right-of-use assets;
- (b) As at 1 January 2019, right-of-use assets in respect of lease arrangement for buildings were measured at an amount equal to the lease liability of approximately RMB47,134,000; and
- (c) Prepaid lease payments of approximately RMB310,353,000 which represent the prepayment of rentals for land use rights in the PRC were adjusted to right-of-use assets.

附註：

- (a) 先前於二零一八年十二月三十一日單獨呈列為融資租賃承擔的融資租賃承擔約人民幣24,566,000元現根據香港財務報告準則第16號計入租賃負債。融資租賃項下相關資產的賬面值約人民幣31,143,000元獲重新分類為使用權資產；
- (b) 於二零一九年一月一日，與樓宇租賃安排有關的使用權資產按租賃負債金額約人民幣47,134,000元計量；及
- (c) 預付租賃款項約人民幣310,353,000元，乃中國土地使用權的預付租金獲調整至使用權資產。

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本年度強制性生效之新訂及經修訂香港財務報告準則（續）

3.1 採納香港財務報告準則第16號租賃的影響（續）

下表概述於二零一九年一月一日過渡至香港財務報告準則第16號的影響。下表並無列出未受有關調整影響的項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

3.1 Impact on adoption of HKFRS 16 Leases (Continued)

Differences between operating lease commitments as at 31 December 2018, the date immediately preceding the date of initial application, discounted using the incremental borrowing rate, and the lease liabilities recognised as at 1 January 2019 are as follow:

		RMB'000 人民幣千元
Operating lease commitment disclosed as at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	56,354
Less: Short-term leases and other leases with remaining lease term ended on or before 31 December 2019	減：短期租賃及餘下租期於二零一九年十二月三十一日或之前屆滿的其他租賃	(4,650)
		51,704
Less: Discounted using the incremental borrowing rate at 1 January 2019	減：於二零一九年一月一日使用增量借款率貼現	(4,570)
Add: Finance lease liabilities recognised under HKAS 17 as at 31 December 2018	加：於二零一八年十二月三十一日香港會計準則17號項下之融資租賃負債	24,566
		71,700
Analysed as	分析為	
– Non-current portion	– 非即期部分	41,046
– Current portion	– 即期部分	30,654
		71,700

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制性生效之新訂及經修訂香港財務報告準則(續)

3.1 採納香港財務報告準則第16號租賃的影響(續)

於緊接首次應用日期前當日二零一八年十二月三十一日採用增量借貸利率貼現的經營租賃承擔與於二零一九年一月一日確認的租賃負債之間的差額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

3.1 Impact on adoption of HKFRS 16 Leases (Continued)

On the date of initial application of HKFRS 16, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on assessments on whether leases are onerous by applying HKAS 37 immediately before the date of initial application as an alternative to performing an impairment review;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

3.2 Impacts and changes in accounting policies of application of other new and amendments to HKFRSs

Amendments to HKAS 28 Long-term Interests in Associates and Joint Ventures

The amendments clarify that the entity applies HKFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied that form part of the net investment in the investee. Furthermore, in applying HKFRS 9 to long-term interests, the entity does not take into account adjustments to their carrying amount required by HKAS 28 Investments in Associates and Joint Ventures ("HKAS 28") (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with HKAS 28).

As at 31 December 2019, no amounts due from associates are considered as long-term interests that, in substance form part of the Group's net investments in the relevant associates. The application has had no impact as the Group's existing accounting policies are consistent with the requirements clarified by the amendments.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制性生效之新訂及經修訂香港財務報告準則(續)

3.1 採納香港財務報告準則第16號租賃的影響(續)

於首次應用香港財務報告準則第16號之日，本集團已使用準則所允許的以下可行權宜方法：

- 於具有合理地相似特徵的租賃組合採用單一折扣率；
- 依賴緊接首次應用日期前應用香港會計準則第37號關於租賃是否虧損的評估作為進行減值檢討的替代方法；
- 對於二零一九年一月一日剩餘租期少於12個月的經營租賃的會計處理為短期租賃；
- 撇除於首次應用日期計量使用權資產的初始直接成本；及
- 當合約包含延長或終止租賃的選擇時，使用事後分析結果確定租期。

3.2 應用其他新訂及經修訂香港財務報告準則的會計政策影響及變動

香港會計準則第28號(修訂本)於聯營公司及合營企業之長期權益

該等修訂釐清實體將香港財務報告準則第9號(包括其減值規定)應用在構成被投資方的淨投資中權益法不適用的聯營公司或合營企業之長期權益。此外，將香港財務報告準則第9號應用於長期權益時，實體無須考慮香港會計準則第28號於聯營公司及合營企業之投資(「香港會計準則第28號」)規定之賬面值調整(即根據香港會計準則第28號被投資方虧損的分配或減值評估而引致的長期權益賬面值調整)。

於二零一九年十二月三十一日，概無應收聯營公司款項被視作實際上構成本集團於有關聯營公司淨投資一部分的長期權益。鑒於本集團的現行會計政策符合修訂本釐清的要求，應用有關修訂本概不造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs issued but not yet effective

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

HKFRS 17	Insurance Contracts ²
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest rate Benchmark Reform ¹
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting ¹

¹ Effective for annual periods beginning on or after 1 January 2020.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

Except as described below, the Directors of the Company anticipate that the application of other new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 ²
香港財務報告準則第3號(修訂本)	業務的定義 ⁴
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營或合營企業之間的資產出售或注資 ³
香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革 ¹
二零一八年財務報告之概念框架	經修訂財務報告之概念框架 ¹

¹ 於二零二零年一月一日或之後開始之年度期間生效。

² 於二零二一年一月一日或之後開始之年度期間生效。

³ 於待定日期或之後開始之年度期間生效。

⁴ 適用於收購日期為二零二零年一月一日或之後開始的首個年度期間開始當日或之後進行的業務合併及資產收購。

除下文所述外，本公司董事預期應用其他新及經修訂香港財務報告準則將不會對本集團的業績及財務狀況產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs issued but not yet effective (Continued)

Amendments to HKFRS 3 Definition of a Business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2020, with early application permitted.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第3號(修訂本)業務定義

修訂本闡明，雖然業務通常具有產出，但對於一個活動和資產的經合併組合而言，不需要產出才合資格成為業務。要被視為業務，經收購的一系列活動和資產必須至少包括有助於創造產出能力的一項投入和一項實質性過程。

修訂本提供更多指引，有助於確定是否已具備實質性過程。

修訂引入可選的集中度測試，以簡化對經收購的一系列活動和資產是否業務的評估。根據可選的集中度測試，如果總資產實質上所有公允價值都集中在單個可識別資產或一組類似資產中，則該經收購活動與資產組合並非一項業務。

修訂預期適用於收購日期為二零二零年一月一日或之後開始的首個年度報告期或之後的所有業務合併和資產收購，並允許提前採用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

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

4. 重大會計政策

綜合財務報表是按照香港會計師公會所頒佈之香港財務報告準則編製。此外，本綜合財務報表包含聯交所證券上市規則（「上市規則」）及香港公司條例規定的適用披露。

如下文所載的會計政策所解釋，於各報告期末，綜合財務報表乃按照歷史成本法而編製，惟投資物業及若干金融工具除外，其按照公平值計量。

歷史成本一般以交換貨品及服務付出之代價之公平值為基準。

公平值為市場參與者於計量日期根據現行市況（即退出價格）在主要（或最有利）市場的有序交易中出售資產所收取或轉讓負債所支付的價格，無論該價格是否可直接觀察或採用其他估值技術估算。公平值計量詳情載於下文所載會計政策說明。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司以及由本公司及其附屬公司控制之實體之財務報表。

本集團在下列情況下被視為取得控制權：(i) 可對投資對象行使權力；(ii) 因參與投資對象業務而承擔浮動回報風險或有權獲得浮動回報；及(iii) 有能力對投資對象行使其權力以影響本集團回報金額。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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

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

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

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

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

Changes in the Group's interests in existing subsidiaries

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

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

4. 重大會計政策(續)

綜合賬目基準(續)

附屬公司之綜合入賬於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。具體而言，報告期間內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日起計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司當日為止。

損益及其他全面收益之各個項目歸屬於本公司擁有人及非控股股東權益。附屬公司之全面收益總額歸屬於本公司股東及非控股股東權益，即使此舉會導致非控股股東權益產生虧絀結餘亦不例外。

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

與本集團成員公司之間的交易有關的所有集團內資產及負債、權益、收入、開支及現金流量於綜合賬目時悉數抵銷。

附屬公司的非控股股東權益與本集團的權益分開呈列，即於清盤後賦予其持有人按比例分佔有關附屬公司的淨資產的現時所有權權益。

本集團於現有附屬公司的權益變動

並無導致本集團失去對附屬公司的控制權的本集團於附屬公司權益變動乃按權益交易入賬。本集團相關權益組成部分及非控股股東權益的賬面值已經調整，以反映其在附屬公司之有關權益變動(包括根據本集團及非控股股東權益的按比例權益重新歸屬於本集團及非控股股東權益的有關儲備)。

經調整之非控股股東權益之金額與所支付或收取代價之公平值的任何差額直接在權益中確認並歸屬本公司股東。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

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

Business combinations

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

4. 重大會計政策(續)

綜合賬目基準(續)

本集團於現有附屬公司的權益變動(續)

一間附屬公司的資產及負債及非控股股東權益(如有)於本集團失去該附屬公司之控制權時取消確認。收益或虧損於損益內確認，並按(i)已收取代價公平值及任何保留權益公平值之總額與(ii)資產(包括商譽)之賬面值與本公司股東應佔附屬公司之負債之差額計算。所有過往於其他全面收益確認有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一類權益)。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據香港財務報告準則第9號金融工具，於其後入賬時被列作初步確認之公平值或(如適用)於初步確認時於聯營公司或合營企業之投資成本。

業務合併

業務合併採用收購法入賬。於業務合併轉撥之代價按公平值計量，並以本集團轉撥之資產、本集團對被收購公司前擁有人產生之負債及本集團就交換被收購公司之控制權所發行之股本權益於收購日期公平值之總和計算。與收購相關成本通常於產生時在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

- deferred tax assets or liabilities arising from the assets acquired and liabilities assumed in the business combination are recognised and measured in accordance with HKAS 12 *Income Taxes*;
- assets or liabilities related to the acquiree's employee benefit arrangements are recognised and measured in accordance with HKAS 19 *Employee Benefits*;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of the acquiree's share-based payment transactions with the share-based payment transactions of the Group are measured in accordance with HKFRS 2 *Share-based Payment at the acquisition date* (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are measured at the present value of the remaining lease payments as if the acquired lease was a new lease at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are measured at an amount equal to the lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at the acquisition date. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a gain on bargain purchase, or recognised as a contribution from shareholder and included in deemed contribution reserve in equity if it is transacted with the shareholder of the Company.

4. 重大會計政策(續)

綜合賬目基準(續)

於收購日期，已購入之可識別資產及承擔之負債按其公平值予以確認，惟以下情況除外：

- 因已收購資產及業務合併已承擔負債而產生的遞延稅項資產或負債，根據香港會計準則第12號*所得稅*確認及計量；
- 有關被收購方僱員福利安排之資產或負債根據香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方以股份為基礎之付款交易有關或以本集團以股份為基礎之付款交易取代被收購方以股份為基礎之付款交易的有關負債或權益工具，乃於收購日期按香港財務報告準則第2號*以股份為基礎之付款*計量(參閱下文會計政策)；及
- 根據香港財務報告準則第5號*持作出售非流動資產及已終止經營業務*分類為持作出售之資產(或出售組別)乃根據該準則計量；及
- 租賃負債按剩餘租賃付款額的現值計量，猶如租賃在收購日期為新簽訂，惟以下情況除外：(a)租賃期在收購日期起計12個月內結束；或(b)相關資產屬低價值。使用權資產按租賃負債的等同金額計量，並進行調整以反映與市場條款相比租賃的有利或不利條款。

商譽乃以所轉讓代價、於被收購方中任何非控股股東權益所佔金額及收購方過往持有被收購方股權之公平值(如有)之總和，扣除於收購日期收購之可識別資產及承擔的負債之淨值後所超出之差額計量。倘經重估後，所收購之可識別資產與所承擔的負債於收購日期之淨額超出轉讓代價、任何非控股股東權益於被收購方中所佔金額以及收購方以往持有之被收購方權益之公平值(如有)之總和，則差額即時於損益中確認為議價購買收益，或倘該差額為與本公司股東的交易，則確認為股東之注資及於權益中計入視作注資儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

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

Acquisition of a subsidiary not constituting a business

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

4. 重大會計政策(續)

綜合賬目基準(續)

屬現時所有權權益且於清盤時賦予其持有人按比例分佔有關附屬公司淨資產的非控股股東權益，初步按非控股股東權益應佔被收購方可識別資產淨值的已確認金額比例或按公平值計量。計量基準視乎每項交易而作出選擇。

於業務合併乃分階段完成時，本集團先前持有之被收購方權益乃按於收購日期(即本集團獲得控制權之日期)之公平值重新計量，而所產生之收益或虧損(如有)乃於損益或其他全面收益(如適用)內確認。於收購日期前已於其他全面收益確認之於被收購方之權益所產生之金額(倘本集團已直接出售過往持有的股權)需要按相同基準確認。

收購並非構成業務之附屬公司

當本集團收購並不構成業務的資產及負債組別，則本集團識別及確認所收購個別可識別資產及所承擔負債，方式為首先將購買價按各自的公平值分配至金融資產及金融負債。購買價餘款繼而分配至其他可識別資產及負債，基準為按其於購買日期的相對公平值。該交易不會產生商譽或議價購買收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

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

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

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

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

4. 重大會計政策(續)

商譽

因收購一項業務而產生之商譽乃按於收購業務當日(參見上述會計政策)確定的成本減任何累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期將自合併協同效益獲益之本集團各現金產生單位(或現金產生單位組別)，其代表基於內部管理目的所監察之商譽最低水平且不會大於一個經營分部。

獲分配商譽的一個現金產生單位(或現金產生單位組別)將每年或更頻繁地於有跡象顯示單位可能出現減值時進行測試。就於一個報告期間內收購產生的商譽而言，所獲分配商譽之現金產生單位(或現金產生單位組別)會於報告期末前進行減值測試。倘可收回價值少於其賬面值，則首先分配減值虧損，以調低分配至該單位的任何商譽賬面值，其後根據單位(或現金產生單位組別)內各資產的賬面值按比例分配至單位其他資產。

就出售相關現金產生單位或現金產生單位組別內的任何現金產生單位而言，商譽應佔金額將計入出售時釐定之損益金額。當本集團於現金產生單位(或現金產生單位組別內的現金產生單位)內出售一項業務，已出售商譽金額按已出售業務(或現金產生單位)的相對價值基準計量，而現金產生單位(或現金產生單位組別)部分則會保留。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates and joint ventures

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

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

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

4. 重大會計政策(續)

聯營公司及合營企業權益

聯營公司為本集團對其具有重大影響力之實體。重大影響力為可參與投資對象之財務及營運政策之權力，惟對該等政策並無控制權或共同控制權。

合營企業為一項各訂約方對安排有共同控制權的聯合安排，並擁有聯合安排的淨資產的權利。共同控制權為以合約方式協定共同控制一項安排的控制權，並僅於決定規定共同擁有控制權的訂約方一致同意的相關活動時存在。

聯營公司及合營企業之業績及資產與負債以權益會計法計入綜合財務報表。就權益會計法目的所採用之聯營公司或合營企業的財務資料乃採用與本集團就相若情況下的相似交易及事件採用的會計政策相一致者編製。根據權益法，於一間聯營公司或合營企業之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該聯營公司或合營企業之損益及其他全面收益而作出調整。除非聯營公司或合營企業資產淨值的變動(除損益及其他全面收益以外)導致本集團持有的所有權權益出現變動，否則有關變動並不入賬。當本集團應佔一間聯營公司或合營企業之虧損超出本集團於該聯營公司或合營企業之權益(包括實質上成為本集團於該聯營公司或合營企業投資淨額一部分之任何長期權益)時，本集團終止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司或合營企業支付款項之情況下，方會進一步確認虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates and joint ventures (Continued)

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

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

4. 重大會計政策(續)

聯營公司及合營企業權益(續)

自投資對象成為一間聯營公司或合營企業之日起，於一間聯營公司或合營企業之投資便會採用權益法入賬。於收購一間聯營公司或合營企業之投資時，投資成本超過本集團分佔該投資對象可識別資產及負債公平淨值之任何部分乃確認為商譽，並計入投資之賬面值。倘本集團所佔可識別資產及負債於重新評估後之公平淨值高於收購成本，則於收購投資期間即時在損益內確認。

本集團評估是否存在客觀證據顯示於一間聯營公司或合營企業的權益可能存在任何減值。倘存在任何客觀證據，則投資的全數賬面值(包括商譽)乃根據香港會計準則第36號資產減值作為單一資產進行減值測試，方式為將其可收回金額(在用價值及公平值減出售成本的較高者)與其賬面值進行比較。任何已確認的減值虧損均組成投資賬面值的一部分。該減值虧損的任何撥回乃根據香港會計準則第36號資產減值以該投資的可收回金額其後增加者為限予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates and joint ventures (Continued)

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 the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9 *Financial Instruments*, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal of the relevant associate or joint venture.

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

4. 重大會計政策(續)

聯營公司及合營企業權益(續)

倘本集團對聯營公司失去重大影響力或對合營企業失去共同控制權，其入賬列作出售被投資方的全部權益，所產生的收益或虧損於損益中確認。倘本集團保留於前聯營公司或合營企業之權益且該保留權益為香港財務報告準則第9號金融工具範圍內之金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為於初步確認時之公平值。聯營公司或合營企業賬面值與任何保留權益的公平值及出售聯營公司或合營企業相關權益所得款項之間的差額，乃計入釐定出售聯營公司或合營企業的收益或虧損。此外，本集團會將先前在其他全面收益就該聯營公司或合營企業確認之所有金額入賬，基準與該聯營公司或合營企業直接出售相關資產或負債所需基準相同。因此，倘該聯營公司或合營企業先前已於其他全面收益確認的收益或虧損將於出售相關資產或負債時重新分類至損益，本集團將於出售有關聯營公司或合營企業後將收益或虧損由權益重新分類至損益(作為重新分類調整)。

當集團實體與本集團之一間聯營公司或合營企業進行交易時，則與該聯營公司或合營企業交易所產生之溢利及虧損僅於該聯營公司或合營企業之權益與本集團無關時，方於本集團之綜合財務報表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

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

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

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

4. 重大會計政策(續)

確認收益

確認描述向客戶轉讓承諾貨品或服務之收入時，金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，本集團確認收益所使用的五步法載列如下：

- 步驟一：識別與客戶訂立之合約
- 步驟二：識別合約中之履約責任
- 步驟三：釐定交易價
- 步驟四：將交易價分配至合約中的履約責任
- 步驟五：當(或於)實體完成履約責任時確認收入

本集團當(或於)履約責任獲完成時確認收入，即當有關特別履約責任的貨品或服務「控制權」轉讓予客戶時。

履約責任指一項特定貨品或服務(或若干貨品或服務)或一系列大致相同的特定貨品或服務。

控制權隨著時間予以轉讓而收益則參考相關履約責任獲完成進度予以確認，惟須符合以下條件之一：

- 客戶同時接收並消耗本集團於履約時提供的福利；
- 當本集團履約時，本集團的履約增設或提高客戶控制的資產；或
- 本集團的履約不會增設對本集團有其他用途的資產以及本集團可強制執行對迄今已完成履約支付的權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

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

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

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

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

The Group recognises revenue from the following major sources:

- Assembling and sales of solar photovoltaic products;
- Provision of processing services for solar photovoltaic products;
- Manufacturing and sales of printing products;
- Sales of petrochemical and other related products;
- Manufacturing and sales of hydraulic machinery;
- Department store business;
- Hotel business;
- Sales of properties;

4. 重大會計政策(續)

確認收益(續)

否則，收益於客戶獲得特定貨品或服務的控制權時的某個時間點予以確認。

收益按客戶合約指定的代價計量，不包括代表第三方收回的金額、折扣及銷售相關稅項。

合約資產及合約負債

合約資產指本集團就換取本集團已向客戶轉移的貨品或服務而收取代價的權利(尚未成為無條件)。其按照香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團履約向客戶轉移貨品或服務而已向客戶收取代價(或已到期代價金額)。

就與客戶訂立的單一合約而言，將呈列合約資產淨值或合約負債淨額。就多份合約而言，非相關合約的合約資產及合約負債並非按淨額基準呈列。

本集團自下列主要來源確認收益：

- 組裝及銷售太陽能光伏產品；
- 提供太陽能光伏產品加工服務；
- 製造及銷售印刷產品；
- 銷售石化及其他相關產品；
- 製造及銷售液壓機器；
- 百貨公司業務；
- 酒店業務；
- 銷售物業；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Assembling and sales of solar photovoltaic products, and sales of petrochemical and other related products

The Group assembles and sells solar photovoltaic products, and trades petrochemical and other related products mainly to customers in the PRC.

Revenue from sales of solar photovoltaic products is recognised when control of the goods has transferred, being the time when the goods have been shipped/delivered to the customer's specific location ("Delivery").

Revenue from sales of petrochemical and other related products is recognised when control of the goods has transferred, being the time when the customer draws out the petrochemical and other related products from the Group's warehouse or storage location ("Draw Out").

Following Delivery or Draw Out, the customer has full discretion over the manner of distribution and price to sell the goods and has the full responsibility on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 60 days upon Delivery or Draw Out.

For the trading of petrochemical and other related products business, the Group requires certain customers to provide upfront deposits range from 10% to 20% of total contract sum. When the Group receives a deposit before the petrochemical and other related products are delivered to the customer, this will give rise to contract liabilities at the start of a contract and setoff with the total contract sum upon the sales transaction is completed.

4. 重大會計政策(續)

確認收益(續)

裝配及銷售太陽能光伏產品以及銷售石化及其他相關產品

本集團主要向中國客戶裝配及出售太陽能光伏產品以及買賣石化及其他相關產品。

銷售太陽能光伏產品的收益於貨品的控制權轉移時(即貨品已裝運/交付至客戶指定地點之時,「交貨」)確認。

銷售石化及其他相關產品的收益於貨品控制權轉移時(即客戶從本集團倉庫或存儲地點抽取石化及其他相關產品之時,「抽油」)確認。

於交貨或抽油後,客戶可全權酌情決定發貨方式及貨品售價,並承擔銷售貨品的全部責任以及商品報廢及損失的風險。一般信貸期為交貨或抽油後30至60日。

就買賣石化及其他相關產品業務而言,本集團要求若干客戶提供介乎總合約金額10%至20%的前期按金。倘本集團於石化及其他相關產品交付予客戶前收到按金,將導致於合約開始時產生合約負債,及於銷售交易完成後與總合約金額抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Manufacturing and sales of printing products

The Group manufactures and sells printing products to customers in the PRC, US, Hong Kong and other overseas countries.

For contracts entered into with customers on sales of printing products, the relevant printing products specified in the contracts are based on customer's specifications with no alternative use. Taking into consideration of the relevant contract terms, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of the relevant printing products to customers.

Revenue from sales of printing products is therefore recognised at a point in time when the completed printing products is shipped/delivered to customers, being at the point that the customer obtains the control of the printing products and the Group has present right to payment and collection of the consideration is probable.

The normal credit term is 30 to 90 days in accordance with the invoice date.

The Group requires certain customers to provide upfront deposits ranging from 10% to 20% of total contract sum. When the Group receives a deposit before the manufacturing process commences, this will give rise to contract liabilities at the start of a contract and setoff with the total contract sum upon the sales transaction is completed.

4. 重大會計政策(續)

確認收益(續)

製造及銷售印刷品

本集團於中國、美國、香港及其他海外國家製造及向客戶銷售印刷品。

就銷售印刷品與客戶訂立的合約而言，合約中規定的相關印刷品乃基於客戶的規格，並無其他替代用途。經考慮相關合約條款後，本集團總括認為，在轉移相關印刷品予客戶前，本集團並無收取付款的可強制執行權利。

因此，銷售印刷品的收益於印刷成品裝運／交付至客戶的時間點（即客戶取得印刷品控制權而本集團擁有收取付款之現時權利及可能收取代價的時間點）確認。

一般信貸期根據發票日期為30至90日。

本集團要求若干客戶提供介乎總合約金額10%至20%的前期按金。倘本集團於製造程序開始前收到按金，將導致於合約開始時產生合約負債，及於銷售交易完成後與總合約金額抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Provision of processing services for solar photovoltaic products

These contracts entered into with customers for assembling solar photovoltaic products, raw materials are provided directly by the customers to carry out assembling services by Group (i.e. processing services) for completion of the productions. The relevant photovoltaic products specified in the contracts are based on customer's specifications with no alternative use. Taking into consideration of the relevant contract terms, the Group concluded that the Group does not have an enforceable right to payment prior to the completion of assembling services and delivered to customers. The normal credit term is 30 days in accordance with the invoice date.

Revenue from the provision of processing services for solar photovoltaic products is therefore recognised at a point in time when the completed solar photovoltaic products is delivered to customers, being at the point that the customer obtains the control of the solar photovoltaic products and the Group has present right to payment and collection of the consideration is probable.

Manufacturing and sales of hydraulic machinery

The Group manufactures and sells hydraulic machinery to customers in the PRC.

Revenue from sales of hydraulic machinery is recognised at a point in time when the completed hydraulic machinery is shipped/delivered to customers, being at the point that the customer obtains the control of the hydraulic machinery and the Group has present right to payment and collection of the consideration is probable.

The normal credit term is 90 days in accordance with the invoice date.

4. 重大會計政策(續)

確認收益(續)

提供太陽能光伏產品的加工服務

就組裝太陽能光伏產品與客戶訂立的該等合約而言，客戶直接提供原材料並由本集團進行完成生產的組裝服務(即加工服務)。合約中規定的相關光伏產品乃基於客戶的規格，並無其他替代用途。經考慮相關合約條款後，本集團總括認為，在完成組裝服務及交付予客戶前，本集團並無收取付款的可強制執行權利。一般信貸期根據發票日期為30日。

因此，提供太陽能光伏產品加工服務的收益於已完成的太陽能光伏產品交付予客戶的時間點(即客戶取得太陽能光伏產品控制權而本集團擁有收取付款之現時權利及可能收取代價的時間點)確認。

液力機器的製造及銷售

本集團製造及向中國客戶銷售液力機器。

銷售液力機器的收益於已完成的液力機器裝運/交付至客戶的時間點(即客戶取得液力機器控制權而本集團擁有收取付款的現時權利及可能收取代價的時間點)確認。

一般信貸期根據發票日期為90日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Hotel business

Revenue from hotel operations is recognised when the accommodation and related services are provided and is usually settled in cash, by credit cards or other means of electronic payment.

Department store business

Revenue from sale of goods is recognised at point of sale when the customer takes possession of and accepts the product and is usually settled in cash, by credit cards or other means of electronic payment.

Property management services

For property management services contracts, the Group recognises revenue equal to the right to invoice amount when it corresponds directly with the value to the customer of the Group's performance to date, on a monthly basis. The Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts. The majority of the property management service contracts do not have a fixed term. Customers usually prepay the property management fee at the beginning of each month.

Sales of properties

For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on customer's specifications with no alternative use.

Taking into consideration of the relevant contract terms, the legal environment and relevant legal precedent, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of the relevant properties to customers. Revenue from sales of residential properties is therefore recognised at a point in time when the completed property is delivered to customers, being at the point that the customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable.

4. 重大會計政策(續)

確認收益(續)

酒店業務

酒店營運的收益於提供住宿及相關服務時確認，且一般以現金、信用卡或其他電子付款方式結付。

百貨公司業務

產品銷售的收益於客戶持有及接收產品的時間點確認，且一般以現金、信用卡或其他電子付款方式結付。

物業管理服務

就物業管理服務合約而言，本集團於按月基準的收益與本集團迄今為止對客戶的履約價值直接相符時，確認相等於有權收取的發票金額的收益。本集團選擇不披露就該等類型合約餘下的履約責任的可行權宜方法。大部分物業管理服務合約並無固定年期。客戶通常於每月初預付物業管理費用。

銷售物業

就銷售物業與客戶訂立的合約而言，合約中規定的相關物業乃基於客戶的規格，並無其他替代用途。

經考慮相關合約條款、法律環境及相關法律先例後，本集團總括認為，在轉讓相關物業予客戶前，本集團並無收取付款的可強制執行權利。因此，銷售住宅物業的收益於已竣工物業交付予客戶的時間點(即客戶獲得已竣工物業的控制權而本集團擁有收取付款之現時權利及可能收取代價的時間點)確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Sales of properties (Continued)

The Group receives 30% to 50% of the contract value from customers when they sign the sales and purchase agreement. For the customers who use mortgage loans provided by the banks, the remaining portion of the total contract value will be paid to the Group from the banks once the customers meet the requirements of the banks. The payment is generally made by the bank before the delivery of property to the buyer. Such advance payment schemes result in contract liabilities being recognised throughout the property construction period while construction work of properties is still ongoing.

The Group considers the advance payment schemes contain significant financing component and accordingly the amount of consideration is adjusted for the effects of the time value of money taking into consideration the credit characteristics of the Group. As this accrual increases the amount of the contract liabilities during the period of construction, it increases the amount of revenue recognised when control of the completed property is transferred to the customer.

Existence of significant financing component

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

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

4. 重大會計政策(續)

確認收益(續)

銷售物業(續)

於簽訂買賣協議時，本集團自客戶收取合約價值的30%至50%。就使用銀行提供的按揭貸款的客戶而言，總合約價值的餘下部分將於客戶符合銀行的要求時即時向本集團支付。款項通常於物業交付予買家前由銀行支付。有關預付計劃導致於物業的建築工程仍在進行時，合約負債於物業建築整個期間確認。

本集團認為預付計劃包含重大融資組成部分及據此就金錢的時間價值影響調整代價金額，當中計及本集團的信貸特點。由於該應計費用增加於建築期間的合約負債金額，故其增加於竣工物業控制權轉讓予客戶時確認的收益金額。

存在重大融資組成部分

於釐定交易價格時，如協定的付款時間(不論以暗示或明示方式)為客戶或本集團帶來轉移貨品或服務的重大融資利益，則本集團會就金錢時間值的影響而調整已承諾的代價金額。在該等情況下，合約包含重大融資組成部分。無論融資承諾是在合約中明確規定，還是合約訂約方協定的付款條款所暗示，都可能存在重大融資組成部分。

就相關貨品或服務的付款與轉移期間少於一年的合約而言，本集團應用不調整任何重大融資組成部分的交易價格的可行權宜方法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Existence of significant financing component (Continued)

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

Incremental costs of obtaining a contract

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

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

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

4. 重大會計政策(續)

確認收益(續)

存在重大融資組成部分(續)

就於轉移本集團已就重大融資組成部分而調整已承諾之代價金額之相關貨品或服務前自客戶收取之預付款項而言，本集團應用將於本集團與客戶之間於合約開始之獨立融資交易中反映之貼現率。於收取預付款項至轉移相關貨品及服務期間的相關利息開支按相同基準入賬列作其他借貸成本。

取得合約的增加成本

取得合約的增加成本是本集團為獲得與客戶簽訂的合約而產生的成本，倘未取得合約，則該等成本不會產生。

倘本集團預期可收回該等成本(如銷售佣金)，則會將該等成本確認為資產。以此方式確認的資產其後會與向客戶轉移與資產相關的貨品或服務同步於損益內扣除。

倘該等成本可另行在一年內悉數於損益攤銷，則本集團會採用可行權宜方法支付所有取得合約的增加成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing

Accounting Policy applicable on or after 1 January 2019

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.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

4. 重大會計政策(續)

租賃

於二零一九年一月一日或以後適用的會計政策

租賃的定義

根據香港財務報告準則第16號，倘合約為換取代價而授予在一段期間內已識別資產之使用控制權，則該合約為租賃或包含租賃。

本集團作為承租人

本集團於創設合約時評估合約是否為租賃或包含租賃。本集團確認使用權資產及就其為承租人的所有租賃安排的相關租賃負債，惟短期租賃(定義為租期為12個月或以下的租賃)及低價值資產租賃。就該等租賃而言，本集團於租賃期內按直線基準將租賃付款確認為營運開支，除非另有系統基準更能代表耗用租賃資產所產生經濟利益的時間模式則作別論。

租賃負債

於開始日期，本集團按未於該日支付的租賃付款的現值計量租賃負債。租賃付款使用租賃中的內含利率進行貼現。倘上述利率不能隨時確定，則本集團會採用增量借款利率。

計入租賃負債計量的租賃付款包括固定租賃付款(包括實質固定付款)，減去任何應收租賃優惠。

租賃負債在綜合財務狀況表中單獨呈列。

租賃負債其後透過調增賬面值以反映租賃負債的利息(使用實際利率法)及透過調減賬面值以反映作出的租賃付款的方式計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Accounting Policy applicable on or after 1 January 2019 (Continued)

The Group as lessee (Continued)

Lease liabilities (Continued)

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, provision is recognised and measured under HKAS 37 *Provision, Contingent Liabilities and Contingent Assets*. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

4. 重大會計政策(續)

租賃(續)

於二零一九年一月一日或以後適用的會計政策(續)

本集團作為承租人(續)

租賃負債(續)

倘出現以下情況，則租賃負債予以重新計量(並就相關使用權資產作出相應調整)：

- 租期有所變動或行使購買選擇權的評估發生變化，在該情況下，租賃負債透過使用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因指數或利率變動或有擔保剩餘價值下預期付款變動而出現變動，在該情況下，租賃負債透過使用初始貼現率貼現經修訂租賃付款重新計量(除非租賃付款由於浮動利率改變而有所變動，在此情況下則使用經修訂貼現率)。
- 租賃合約已修改且租賃修改不作為一項單獨租賃入賬，在該情況下，租賃負債透過使用經修訂貼現率貼現經修訂租賃付款而重新計量。

使用權資產

使用權資產包括相應租賃負債、於開始日期或之前作出的租賃付款及任何初始直接成本的初步計量，減已收取的租賃優惠。當本集團產生拆除及移除租賃資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態的成本責任時，將根據香港會計準則第37號撥備、或然負債及或然資產確認及計量撥備。成本計入相關使用權資產中，除非該等成本乃因生產存貨而產生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Accounting Policy applicable on or after 1 January 2019 (Continued)

Right-of-use assets (Continued)

Except for the right-of-use assets classified as investment properties and measured under fair value model, right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets that do not meet the definition of investment property as a separate line in the consolidated statement of financial position. The right-of-use assets that meet the definition of investment property are presented within "investment properties".

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

4. 重大會計政策(續)

租賃(續)

於二零一九年一月一日或以後適用的會計政策(續)

使用權資產(續)

除分類為投資物業及按公平值模型計量之使用權資產外，使用權資產其後按成本減累計折舊及減值虧損計量，並於租賃期與相關資產可使用年期之較短期間內折舊。折舊於租賃開始日期開始。

本集團於綜合財務狀況表內將不符合投資物業定義之使用權資產獨立呈列。符合投資物業定義之使用權資產則於「投資物業」內呈列。

本集團應用香港會計準則第36號釐定使用權資產是否出現減值，並入賬任何已識別減值虧損。

租賃修訂

倘出現以下情況，本集團會將租賃修訂作為獨立租賃入賬：

- 該修訂透過增加一項或多項相關資產之使用權擴大租賃範圍；及
- 租賃代價之調升金額相當於範圍擴大之對應獨立價格，並就該獨立價格作出任何適當調整以反映特定合約情況。

就未入賬為一項單獨租賃的租賃修改而言，本集團透過使用修訂生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期，重新計量租賃負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Accounting Policy applicable on or after 1 January 2019 (Continued)

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When a contract includes both lease and non-lease components, the Group applies HKFRS 15 to allocate the consideration under the contract to each component.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Accounting policy applicable prior to 1 January 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

4. 重大會計政策(續)

租賃(續)

於二零一九年一月一日或以後適用的會計政策(續)

本集團作為出租人

本集團就其部分投資物業作為出租人訂立租賃協議。本集團為出租人的租賃分類為融資或經營租賃。倘租賃條款將絕大部分所有權風險及回報轉移至承租人，則有關合約分類為融資租賃。所有其他租賃分類為經營租賃。

當合約同時包含租賃及非租賃組成部分時，本集團會應用香港財務報告準則第15號，將按合約將代價分配至各組成部分。

經營租賃的租金收入於相關租期內以直線法確認。於協商及安排經營租賃時產生的初期直接成本計入所出租資產的賬面值，並於租期內按直線法確認。

應收融資租賃承租人款項按本集團租賃淨投資額確認為應收賬款。融資租賃收入分配至會計期間，以反映本集團有關租賃的未完成投資淨額的固定期間回報率。

於二零一九年一月一日前適用的會計政策

凡租賃條款將所有權的絕大部分風險及回報轉移至承租人的租賃，均分類為融資租賃。所有其他租賃則分類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Accounting policy applicable prior to 1 January 2019 (Continued)

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

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

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

4. 重大會計政策(續)

租賃(續)

於二零一九年一月一日前適用的會計政策 (續)

本集團作為出租人

應收融資租賃承租人款項按本集團租賃淨投資額確認為應收賬款。融資租賃收入分配至會計期間，以反映本集團有關租賃的未完成投資淨額的固定期間回報率。

經營租賃之租金收入乃按有關租期以直線法於損益中確認。協商及安排所產生之初步直接成本乃加至租賃資產之賬面值。除了投資物業根據公平值模式計量外，有關成本按租期以直線法確認為一項支出。

自本集團日常業務過程中產生的租金收入呈列為收益。

本集團作為承租人

根據融資租賃持有的資產於租賃開始時按其公平值或最低租賃付款的現值(以較低者為準)確認為本集團資產。向出租人支付的相關負債於綜合財務狀況表入賬為融資租賃承擔。

租賃付款乃於財務開支及租賃承擔之扣除值之間分配，以得出負債餘額之固定利率。財務開支隨即於損益確認，除非其直接源自合資格資產，在該情況下，則根據本集團借貸成本之一般政策撥充資本(見下文會計政策)。

經營租賃付款(包括根據經營租賃持有的收購土地成本)於租賃期按直線法確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Accounting policy applicable prior to 1 January 2019 (Continued)

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as 'prepaid lease payments' in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Upon application of HKFRS 16 on 1 January 2019, investment properties include leased properties recognised by the Group as right-of-use asset and leased out under operating lease.

4. 重大會計政策(續)

租賃(續)

於二零一九年一月一日前適用的會計政策 (續)

租賃土地及樓宇

當本集團為物業權益(包括租賃土地及樓宇部分)付款,本集團需要根據對各部分之所有權附帶之絕大部分風險與回報是否全部轉移至本集團進行的評估,對劃分為融資或經營租賃之每個部分分類作出評估,除非明確知道兩個部分均屬經營租賃,在此情況下整個物業被入賬列作經營租賃。具體而言,整項代價(包括任何一次性前期付款)於初始確認時,需按租賃土地部分及樓宇部分之租賃權益的相對公平值比例分配至租賃土地及樓宇部分。

倘租金能夠可靠地分配,則經營租賃的租賃土地權益應在綜合財務狀況表中列為「預付租賃款項」,並按直線法基準在租賃期間攤銷,惟分類及計入公平值模式下之投資物業者除外。當租賃付款不能在租賃土地及樓宇部分間可靠地分配時,整個物業一般按猶如租賃土地於融資租賃項下般分類。

投資物業

投資物業指持有以賺取租金及/或作資本增值之物業(包括作該等用途之在建物業)。

於二零一九年一月一日應用香港財務報告準則第16號後,投資物業包括本集團確認為使用權資產的已租賃物業及根據經營租賃出租的物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

Owned investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the year in which they arise.

Construction cost incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property held by the Group as a right-of-use asset is measured initially at cost in accordance with HKFRS 16. Subsequent to initial recognition, it is measured at fair value, which is the right-of-use asset, but not the underlying property.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

The Group shall transfer a property from investment property to property under development when it commences related development with a view to sale. For a transfer from investment property that is carried at fair value to property under development, related property under development shall be recognised at fair value at the transfer date.

Property, plant and equipment

Property, plant and equipment, other than construction-in-progress (as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

4. 重大會計政策(續)

投資物業(續)

自置投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按其公平值計量。投資物業公平值變動產生之收益及虧損計入產生年度之損益內。

在建投資物業產生之建築成本資本化為在建投資物業之賬面值。

根據香港財務報告準則第16號，本集團持作使用權資產的投資物業初始以成本計量。於首次確認後，其作為使用權資產(而非相關物業)按公平值計量。

在投資物業於出售後或永久退用時及當預期日後出售不會產生任何經濟利益時取消確認。取消確認物業產生之任何收益或虧損(按出售所得款項淨額與資產賬面值兩者之差額計算)於取消確認物業之期間計入損益。

本集團於其開始以出售為目的的有關開發時，將一個物業由投資物業轉移至發展中物業。就以公平值列賬的投資物業轉移至發展中物業而言，有關發展中物業將於轉移日期按公平值確認。

物業、廠房及設備

物業、廠房及設備(在建工程(如下所述)除外)，按成本減後續累計折舊及後續累計減值虧損(如有)於綜合財務狀況表列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Ownership interests in leasehold land and buildings

For payments of ownership interest of properties which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements, except for those that are classified and accounted for as investment properties.

Construction-in-progress for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of property, plant and equipment, other than construction-in-progress less their residual values, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Prior to the adoption of HKFRS 16, assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

If a property held for sale becomes an item of property, plant and equipment when there is a change in use, the carrying amount of the property at the date of transfer is the deemed cost for subsequent accounting for that property as an item of property, plant and equipment.

4. 重大會計政策(續)

物業、廠房及設備(續)

租賃土地及樓宇的所有權權益

倘付款無法於租賃土地及樓宇之間可靠分配，則就物業(包括租賃土地及樓宇部分)所有權權益付款而言，整項物業乃呈列為本集團的物業、廠房及設備(該等分類及入賬為投資物業之物業除外)。

用於生產、供應或行政用途的在建工程按成本減任何已確認減值虧損列賬。成本包括專業費用及根據本集團會計政策為合資格資產而資本化之借貸成本。該等物業完工後並可隨時作擬定用途時分類至物業、廠房及設備之合適類別。根據與其他物業資產依據之相同基準，該等資產可隨時作擬定用途時開始折舊。

折舊乃以直線法於物業、廠房及設備(在建工程除外)的估計可使用年內撇銷其成本減其剩餘價值而確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，以使任何估計變動可按預期基準列賬。

於採納香港財務報告準則第16號前，根據融資租賃持有的資產按其預期可使用年期在與自有資產相同的基準上折舊。然而，當在租賃期結束時無法合理確定所有權，則資產在租賃期及可使用壽命的較短期間內折舊。

物業、廠房及設備項目於出售後或於預期繼續使用該資產不會帶來任何日後經濟利益時終止確認。因出售或物業、廠房及設備項目報廢而產生的任何收益或虧損(按銷售所得款項與資產賬面值的差額釐定)於損益中確認。

倘持作出售物業因改變用途而成為物業、廠房及設備項目，該物業於轉讓日期的賬面值為該物業其後入賬作為物業、廠房及設備項目時的認定成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible assets and right-of-use assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of tangible assets and right-of-use assets are estimated individually, or when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

4. 重大會計政策(續)

有形資產及使用權資產減值(商譽除外)

本集團於各報告期末審閱其有形資產及使用權資產的賬面值，以釐定是否有跡象顯示該等資產蒙受減值虧損。倘出現任何有關跡象，則估計有關資產的可收回金額以確定減值虧損的程度(如有)。

有形資產及使用權資產的可收回金額屬個別估計，或倘不可能個別估計可收回金額，則本集團估計該資產所屬現金產生單位的可收回金額。倘可識別分配基準的合理及一致性，則企業資產亦分配至個別現金產生單位，或其以其他方式分配至可識別合理及一致分配基準的最小組別現金產生單位。

可收回金額乃公平值減出售成本與使用價值兩者的較高者。於評估使用價值時，採用反映有關金錢時間價值的現時市場評估及未調整未來現金流量估計的資產(或現金產生單位)特定風險的稅前貼現率將估計未來現金流量貼現至其現值。

倘估計資產(或現金產生單位)的可收回金額少於其賬面值，則資產(或現金產生單位)賬面值減至其可收回金額。減值虧損立即於損益中確認。

倘減值虧損隨後撥回，則該資產(或現金產生單位)的賬面值會增加至其可收回金額的經修訂估計值；惟增加後的賬面值不得超過該資產(或現金產生單位)於過往期間未確認減值虧損時本應確定的賬面值。減值虧損的撥回立即於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Properties held for sale

Completed properties and properties under development for sale in the ordinary course of business are included in current assets and stated at the lower of cost and net realisable value. Costs comprise the acquisition costs, the related land cost, development expenditure incurred and where appropriate borrowing costs capitalised in accordance with the Group's accounting policy and other direct costs attributable to such properties and allocated to each unit in each phase based on sellable floor area, using weighted average method. Net realisable value represents the estimated selling price for properties held-for-sale less all estimated costs of completion and the costs necessary to make the sale.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

From 1 January 2019, any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 重大會計政策(續)

存貨

存貨乃按成本與可變現淨值兩者中的較低者列賬。存貨成本按加權平均法釐定。可變現淨值乃指存貨之估計售價減所有完成估計成本及進行銷售所需成本。

持作出售物業

日常業務過程中的已竣工物業、發展中待售物業計入流動資產，按成本及可變現淨值兩者中較低者列賬。成本包括收購成本、相關土地成本、已產生之開發支出及(如適用)根據本集團會計政策的已資本化借貸成本及有關物業應佔其他直接成本，並運用加權平均法基於可銷售樓面面積分配至各階段的各單位。可變現淨值為持作出售物業的估計售價減所有估計竣工成本及對進行銷售屬必要的成本。

借款成本

借款成本直接來自收購、建造或生產合資格資產，而該等資產需要頗長時間始能使其達到擬定用途或可供出售，則借款成本於該等資產大致上達到其擬定用途或可供出售時計入該等資產之成本。

自二零一九年一月一日起，於相關資產已準備好達致其擬定用途或可供出售後仍有任何特定借款尚未償還，該借款將成為實體在計算一般借款資本化比率時借入資金的一部分。

倘合格資產的特定借款於支付其支出前暫作投資之用，其投資收入須於合資格撥充資本的借款成本內扣除。

所有其他借款成本均於其產生期間內於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

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

Exchange difference arising on the settlement of monetary items, and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, (i) the assets and liabilities of the Group's foreign operations are translated into HK\$; and (ii) the assets and liabilities of the Group denominated or translated in HK\$ are then translated into the presentation currency of the Group (i.e. RMB), using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the shareholders of the Company are reclassified to profit or loss.

4. 重大會計政策(續)

外幣

為編製各個別集團實體的財務報表，倘交易之貨幣與該實體之功能貨幣不同(外幣)，則各按交易當日的現行匯率確認。於報告期末，以外幣計值的貨幣項目均按結算日當日的匯率重新換算。按公平值以外幣計值的非貨幣項目則按釐定公平值當日的匯率重新換算。根據歷史成本計量得出以外幣計值的非貨幣項目則毋須重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額會於產生期間於損益中確認。

就呈列綜合財務報表而言，(i)本集團海外業務的資產及負債換算為港元；及(ii)本集團以港元計值或換算為港元的資產及負債其後採用各報告期末之現行匯率換算為本集團之呈列貨幣(即人民幣)。收支項目乃按期內的平均匯率換算，除非匯率於該期間大幅波動，在此情況下，則使用於交易日期的匯率換算。自此產生的匯兌差額(如有)於其他全面收益確認並於匯兌儲備項下之權益累計(如適用則歸屬於非控股股東權益)。

當出售海外業務(即出售本集團於海外業務之全部權益、涉及失去對包括海外業務之附屬公司之控制權的出售，或出售包括海外業務之聯合安排之部分權益或聯營公司之部分權益，而當中之保留權益成為金融資產)，本公司股東應佔該業務涉及之於權益累計之所有匯兌差額重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of joint arrangements or associates that do not result in the Group losing joint control or significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

4. 重大會計政策(續)

外幣(續)

此外，就部分出售附屬公司而並未導致本集團失去該附屬公司控制權而言，按比例分佔的累計匯兌差額應重新歸屬於非控股股東權益，且不會於損益中確認。就所有其他部分出售(例如，部分出售聯合安排或聯營公司並未導致本集團失去共同控制權或重大影響力)而言，按比例分佔的累計匯兌差額會重新分類至損益。

透過收購海外業務所收購之可識別資產及所承擔之負債的商譽及公平值調整，乃作為海外業務之資產及負債處理，並按於各報告期末之現行匯率進行換算。所產生之匯兌差額於其他全面收益中確認。

金融工具

於集團實體成為該工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況報表中確認。

金融資產及金融負債初始按公平值計量(根據香港財務報告準則第15號首次計量的客戶合約產生的貿易應收款項除外)。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)直接應佔的交易成本於初始確認時(倘適用)加入金融資產或金融負債的公平值，或從中扣除。收購按公平值計入損益之金融資產或金融負債而直接應佔之交易成本，即時在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are subsequently measured at amortised cost, FVTOCI, and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

4. 重大會計政策(續)

金融工具(續)

金融資產

所有以正常方式購入或出售之金融資產均按買賣日期基準確認及終止確認。以正常方式購入或出售指須於市場規定或慣例所訂時限內交付資產之購入或出售金融資產。

所有已確認之金融資產(視乎金融資產的分類而定)其後全面按攤銷成本或公平值計量。金融資產其後按攤銷成本、按公平值計入其他全面收益及按公平計入損益計量。

於初始確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。

按攤銷成本計量之金融資產(債務工具)

符合以下條件之金融資產其後由本集團按攤銷成本計量：

- 以收取合約現金流量為目的而持有金融資產的業務模式下持有的金融資產；及
- 金融資產的合約條款於指定日期產生的現金流量僅為支付本金及未償還本金的利息。

按攤銷成本計量之金融資產其後使用實際利率法計量，且或會受減值影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at amortised cost (debt instruments) (Continued)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instruments and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

按攤銷成本計量之金融資產(債務工具) (續)

(i) 攤銷成本及實際利率法

實際利率法乃計算債務工具之攤銷成本及分配有關期間利息收入之方法。

就購買或辦理之信貸減值金融資產(即於初始確認時已出現信貸減值之資產)以外的金融資產而言,實際利率乃按債務工具之預期年期或(倘適用)較短期間,準確貼現估計未來現金收入(包括構成實際利率、交易成本及其他溢價或折讓不可或缺部分之一切已付或已收費及貼息)(不包括預期信貸虧損)至債務工具於初始確認時之賬面總值之利率。就購買或辦理的信貸減值金融資產而言,信貸調整實際利率是以將估計未來現金流量(包括預期信貸虧損)貼現至初始確認時債務工具的攤銷成本的方式計算。

金融資產的攤銷成本指金融資產於初始確認時計量的金額減去本金還款,加上初始金額與到期金額間的任何差額使用實際利率法計算的累計攤銷(就任何虧損撥備作出調整)。金融資產的賬面總值指金融資產就任何虧損撥備作出調整前的攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at amortised cost (debt instruments) (Continued)

(i) Amortised cost and effective interest method (Continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "revenue" and "other income" line items (notes 6 and 9).

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

按攤銷成本計量之金融資產(債務工具) (續)

(i) 攤銷成本及實際利率法(續)

就其後按攤銷成本計量及按公平值計入其他全面收益的債務工具而言，利息收入採用實際利率法確認。就購買或辦理的信貸減值金融資產以外的金融資產而言，利息收入透過對金融資產的賬面總值使用實際利率計算，惟其後已成為信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，利息收入乃透過對金融資產之攤銷成本應用實際利率確認。於其後報告期間，倘出現信貸減值的金融工具的信貸風險好轉，使金融資產不再出現信貸減值，則利息收入以對金融資產賬面總值應用實際利率方式確認。

就購買或辦理的信貸減值金融資產而言，本集團通過對金融資產自初始確認以來的攤銷成本應用信貸調整實際利率確認利息收入。即使其後金融資產的信貸風險好轉，以致金融資產不再出現信貸減值，計算亦不會用回總值基準。

利息收入於損益中確認，並計入「收益」及「其他收入」(附註6及9)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTOCI (debt instruments)

(i) Amortised cost and effective interest method

The Group classifies and measures subsequently its debt instruments at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's debt instruments classified as at FVTOCI includes investments in listed and unlisted bond investments. Fair value is determined in the manner described in note 23. Debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入其他全面收益之金融資產 (債務工具)

(i) 攤銷成本及實際利率法

倘符合以下兩個條件，本集團將其後按公平值計入其他全面收益分類及計量債務工具：

- 目的是收取合約現金流量及出售金融資產的業務模式內持有的金融資產；及
- 金融資產之合約條款於指定日期產生現金流量僅為支付尚未償還本金及本金之利息。

本集團分類為按公平值計入其他全面收益的債務工具包括於已上市及未上市債券投資之投資。公平值按附註23所述之方式釐定。債務工具初始按公平值加交易成本計量。因使用實際利率法計算的匯兌收益及虧損、減值收益或虧損及利息收入導致的債務工具賬面值的其後變動於損益中確認。於損益中確認的金額與倘該等債務工具按攤餘成本計量時原應於損益中確認的金額相同。該等債務工具賬面值的所有其他變動於其他全面收益中確認並於投資重估儲備累計。當取消確認該等債務工具時，先前於其他全面收益確認的累計收益或虧損重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in note 23.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產

不符合條件按攤銷成本計量或按公平值計入其他全面收益的金融資產乃按公平值計入損益計量，具體而言：

- 權益工具投資分類為按公平值計入損益，除非本集團於初始確認時指定並非持作交易或業務合併所產生或然代價的權益投資按公平值計入其他全面收益。
- 不符合攤銷成本條件或按公平值計入其他全面收益條件的債務工具分類為按公平值計入損益。此外，符合攤銷成本條件或按公平值計入其他全面收益條件的債務工具於初始確認時可被指定為按公平值計入損益，前提是此指定可消除或顯著減少因按不同基準計量資產或負債或確認其收益及虧損而產生的計量或確認不一致。本集團尚未指定任何債務工具為按公平值計入損益。

按公平值計入損益之金融資產按於各報告期末的公平值計量，而任何公平值收益或虧損均於損益中確認，以不屬指定對沖關係部分為限。於損益中確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息，並計入「其他收益及虧損」項目。公平值按附註23所述方式釐定。

在以下情況下，金融資產為持作買賣：

- 主要就於短期內出售之目的收購；或
- 在初始確認時為由本集團共同管理之已識別金融工具投資組合的一部分，並且最近有可短期獲利之實際趨勢；或
- 為衍生工具，惟屬財務擔保合約或指定有效對沖工具的衍生工具則除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI as well as financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses 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, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless when there has a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

本集團就按攤銷成本計量或按公平值計入其他全面收益的債務工具投資以及財務擔保合約確認預期信貸虧損的虧損撥備。於各報告日期對預期信貸虧損金額進行更新，以反映自各相關金融工具自初步確認以來的信貸風險變動。

本集團往往就貿易應收賬款確認全期預期信貸虧損。此等金融資產的預期信貸虧損乃根據本集團過往信貸虧損經驗使用撥備矩陣進行估計，並根據債務人特定因素、一般經濟狀況及對當前及報告日期的條件預測方向的評估，包括金錢時間值(倘適用)而作出調整。

就所有其他金融工具而言，本集團計量的虧損撥備相等於12個月預期信貸虧損，除非信貸風險自初始確認後大幅增加，則本集團確認全期預期信貸虧損。對應否確認全期預期信貸虧損的評估，乃根據自初始確認後發生違約可能性或風險是否大幅增加而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

信貸風險顯著上升

於評估自初始確認以來的金融工具信貸風險是否顯著上升時，本集團將於報告日期金融工具發生的違約風險與初始確認日期金融工具發生的違約風險進行比較。在進行該評估時，本集團會考慮合理可靠的定量及定性資料，包括過往經驗及無需付出額外成本或精力而可得之前瞻性資料。

尤其是，評估信貸風險是否顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標(例如信貸息差、債務人的信貸違約掉期價大幅增加)顯著惡化；
- 商業、金融或經濟情況的目前或預期不利變動，預期將導致債務人償還債務的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 同一債務人其他金融工具之信貸風險顯著上升；及
- 債務人的監管、經濟或技術環境出現實際或預期重大不利變動，導致債務人償還債務的能力顯著下降。

不論上述評估結果如何，本集團預先假設合約付款逾期超過30日後金融資產之信貸風險自初始確認以來顯著上升，除非本集團有合理可靠的資料顯示其他情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'low risk'. Low risk means that the counterparty has a low risk of default and there is no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

信貸風險顯著上升(續)

儘管以上所述，倘一項金融工具於報告日期被釐定為具有低信貸風險，則本集團假設該項金融工具的信貸風險自初始確認以來並無顯著上升。在下列情況下，一項金融工具被釐定為具有低信貸風險：(i)金融工具之違約風險低；(ii)借款人近期具充分履行合約現金流量責任的能力；及(iii)長遠經濟及業務狀況的不利變動或會(但非必然)降低借款人履行其合約現金流量責任的能力。倘一項金融資產的外部信貸風險評級為國際通用界定的「投資評級」，或倘並無外部評級，該資產之內部評級為「低風險」，則本集團認為該金融資產具有低信貸風險。低風險指交易對手方違約風險較低且並無逾期款項。

就財務擔保合約而言，本集團成為不可撤銷承諾一方的日期被視為就評估金融工具減值之初始確認日期。於評估信貸風險自財務擔保合約初始確認起是否有顯著上升時，本集團會考慮指定債務人將違約的風險變動。

本集團定期監察用以確定信貸風險曾否顯著上升的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著上升。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

違約定義

本集團認為以下事項構成內部信貸風險管理違約事件，此乃由於過往經驗顯示符合以下任何一項標準的應收款項通常無法收回：

- 債務人違反財務契約時；或
- 內部建立或自外部取得的資料顯示，債務人不大可能支付全額款項予債權人(包括本集團)(並未考慮本集團所持有的任何抵押品)。

本集團認為，倘金融資產逾期超過90天時，則發生違約，除非本集團有合理可靠的資料證明較寬鬆的違約標準屬更合適則作別論。

信貸減值的金融資產

當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件之可觀察數據：

- 發行人或借款人出現重大財政困難；
- 違約(例如拖賬或逾期事件)；
- 借款人的放款人因與借款人出現財務困難有關之經濟或合約理由而給予借款人在其他情況下放款人不予考慮之優惠條件；
- 借款人有可能破產或進行其他財務重組；或
- 由於財務困難致使金融資產的活躍市場消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information regarding specific exposures that is reasonable, supportable and available without undue cost or effort. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

撇銷政策

倘有資料顯示交易債務人陷入嚴重財務困難且無實際展望可收回(如交易對手方已進行清盤或進入破產程序,或(如屬貿易應收款項)該款項已逾期超過兩年)(以較早發生者為準),本集團則撇銷金融資產。經考慮法律意見(如適用)後,已撇銷之金融資產仍可能受制於本集團收回程序下之強制執行活動。任何收回均在損益中確認。

計量及確認預期信貸虧損

計量預期信貸虧損乃指違約概率、違約虧損率程度(即倘違約所蒙受虧損的程度)及違約風險的函數。評估違約概率及違約虧損率程度根據歷史數據按合理、可支持及毋須不必要成本或努力即可獲得的有關特定風險的前瞻性資料作調整。關於違約風險,對於金融資產而言,乃指資產於報告日期的賬面總值。就財務擔保合約而言,承受風險包括於報告日期已提取之金額,連同任何預期將於未來違約日期(根據歷史趨勢、本集團對債務人之特定未來融資需求之理解,以及其他相關前瞻性資料釐定)前提取之額外金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of expected credit losses (Continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 Leases (on or after 1 January 2019) or HKAS 17 Leases (prior to 1 January 2019).

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

計量及確認預期信貸虧損(續)

就金融資產而言，預期信貸虧損乃估計為本集團根據合約應收所有合約現金流量與本集團預期將收回的所有現金流量之間的差額，並按最初實際利率貼現。就租賃應收款項而言，用於釐定預期信貸虧損的現金流量與根據香港財務報告準則第16號租賃(於二零一九年一月一日或之後)或香港會計準則第17號租賃(於二零一九年一月一日之前)用於計量租賃應收款項的現金流量一致。

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款的情況下付款。因此，預期虧損撥備乃補償持有人就所產生信貸虧損的預期款項，減任何本集團預期從該持有人、債務人或任何其他方所收取的任何金額。

倘本集團已計量一項金融工具的虧損撥備金額相等於前一個報告期間的全期預期信貸虧損的金額，但在當前報告日期確定未能符合全期預期信貸虧損的條件，則本集團按在當前報告日期相等於12個月預期信貸虧損的金額計量虧損撥備(使用簡化法的資產除外)。

本集團於損益中確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面值進行相應調整，除按公平值計入其他全面收益計量的債務工具投資外(其虧損撥備於其他全面收益中確認及於投資重估儲備累計)，概無減少於綜合財務狀況表之金融資產賬面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4. 重大會計政策(續)

金融工具(續)

金融資產(續)

終止確認金融資產

僅當從資產收取現金流量之合約權利屆滿時，或本集團將金融資產及該項資產所有權之絕大部分風險及回報轉讓至另一方，本集團方會終止確認該項金融資產。倘本集團並無轉移或保留所有權之絕大部分風險及回報並繼續控制該已轉移資產，本集團就其可能須支付的金額確認於資產及相關負債中的保留權益。倘本集團保留已轉移金融資產所有權之絕大部分風險及回報，則本集團繼續確認該項金融資產，亦就已收所得款項確認一項有抵押借貸。

於終止確認按已攤銷成本計量的金融資產時，該資產賬面值與已收及應收代價總額間之差額於損益中確認。此外，於取消確認按公平值計入其他全面收益的債務工具投資時，先前於投資重估儲備累計之累計收益或虧損重新分類至損益。相反，終止確認本集團選擇在初始確認時按公平值計入其他全面收益的權益工具投資時，先前於投資重估儲備內累計的累計收益或虧損不會重新分類至損益，而是轉撥至保留盈利。

金融負債及權益工具

分類為債務或權益

集團實體發行之債務及權益工具根據所訂立合約安排之內容及金融負債與權益工具之定義分類為金融負債或權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4. 重大會計政策(續)

金融工具(續)

金融負債及權益工具(續)

權益工具

權益工具指證明於實體資產經扣除其所有負債後之剩餘權益之任何合約。集團實體發行之權益工具乃按已收所得款項扣除直接發行成本確認。

本公司本身之股本工具之購回乃直接於權益內確認及扣除。並無於損益中確認購買、出售、發行或註銷本公司本身之股本工具之收益或虧損。

金融負債

所有金融負債其後採用實際利率法按攤銷成本或按公平值計入損益計量。

於轉移並不符合資格作取消確認之金融資產或於應用持續參與方法時產生之金融負債以及本集團所發行之財務擔保合約均根據下文所載之指定會計政策計量。

其後按攤銷成本計量之金融負債

並非(1)業務合併收購方之或然代價，(2)持作買賣，或(3)指定為按公平值計入損益之金融負債其後使用實際利率法按攤銷成本計量。

實際利率法為計算金融負債攤銷成本及於有關期間內分配利息開支之方法。實際利率為確實於金融負債預期年期或(倘適用)較短期間貼現估計未來現金付款(包括所有組成實際利率、交易成本及其他溢價或折讓完整部分之費用及貼息)至金融負債攤銷成本之利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Convertible bonds

Convertible bonds that contain both the liability and equity components

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

4. 重大會計政策(續)

金融工具(續)

財務擔保合約

財務擔保合約乃規定發行人向持有人支付指定金額，以補償持有人由於指定債務人未能根據債務工具條款於到期時付款而蒙受的損失。

集團實體發行之財務擔保合約初步按其公平值計量，倘非指定為按公平值計入損益列賬及並非來自轉撥金融資產，則其後以下列各項之較高者計量：

- 根據香港財務報告準則第9號釐定之虧損撥備金額；及
- 初始確認之金額減(如適用)擔保期內確認之累計攤銷。

終止確認金融負債

本集團僅於其責任已被解除、註銷或屆滿時方會終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價(包括任何已轉移非現金資產或已承擔負債)之差額乃於損益內確認。

可換股債券

可換股債券包括負債及權益部分

本集團所發行之可換股債券包括負債及換股權兩個部分，於初步確認時根據所訂立合約安排內容以及金融負債及權益工具的定義，獨立分類為相關項目。倘換股權會以固定金額現金或其他金融資產換取固定數目之本公司本身權益工具的方式結算，則分類為權益工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Convertible bonds (Continued)

Convertible bonds that contain both the liability and equity components (Continued)

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included in equity (convertible bonds equity reserve). The value of any derivative features embedded in the convertible bonds other than the equity component is included in the liability component.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the conversion option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds equity reserve will be released to the retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Convertible bonds that contain both the liability component and conversion option derivative

Convertible bonds issued by the Group that contain both liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative. At the date of issue, both the liability and conversion option components are recognised at fair value.

4. 重大會計政策(續)

金融工具(續)

可換股債券(續)

可換股債券包括負債及權益部分(續)

於初步確認時，負債部分的公平值按類似不可轉換債務的現行市場利率釐定。發行可換股債券的所得款項總額與撥往負債部分的公平值之間的差額(指持有人將債券轉換為權益的換股權)列入權益(可換股債券權益儲備)。嵌入可換股債券之任何衍生特點之價值(權益部分除外)計入負債部分。

隨後期間，可換股債券的負債部分以實際利率法按攤銷成本列賬。權益部分(指可將負債部分轉換為本公司普通股的換股權)將保留於可換股債券權益儲備內，直至換股權獲行使為止(於此情況下，可換股債券權益儲備的結餘將轉撥至股份溢價)。倘換股權於到期日尚未獲行使，可換股債券權益儲備的結餘將發放至保留盈利。換股權獲轉換或到期時不會於損益中確認任何收益或虧損。

與發行可換股債券有關之交易成本按所得款項總額分配比例分配至負債及權益部分。與權益部分有關之交易成本直接於權益扣除。與負債部分有關之交易成本計入負債部分之賬面值，並於可換股債券期限內按實際利率法攤銷。

可換股債券包括負債部分及換股權衍生工具

本集團發行之可換股債券(包括負債及換股權部分)乃於初步確認時單獨分類至相關項目。倘換股權將由固定金額之現金或其他金融資產交換本公司本身固定數目之權益工具以外之方式結算，則為換股權衍生工具。於發行日期，負債及換股權部分按公平值確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Convertible bonds (Continued)

Convertible bonds that contain both the liability component and conversion option derivative (Continued)

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The conversion option derivative together with other embedded derivatives is measured at fair value with changes in fair value recognised in profit or loss. In subsequent periods, the conversion option derivative together with other embedded derivatives is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities of the Group are offset and the net amount presented in the consolidated statement of financial position when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

4. 重大會計政策(續)

金融工具(續)

可換股債券(續)

可換股債券包括負債部分及換股權衍生工具(續)

在其後期間，可換股債券之負債部分乃以實際利率法按攤銷成本列賬。換股期權衍生工具連同其他嵌入式衍生工具按公平值計量，而公平值之變動乃於損益中確認。在其後期間，換股權衍生工具連同其他嵌入式衍生工具按公平值計量，而公平值之變動乃於損益中確認。

與發行可換股貸款票據有關之交易成本乃按其相對公平值之分配比例分配至負債及衍生部分。與衍生部分有關之交易成本即時自損益扣除。與負債部分有關之交易成本計入負債部分之賬面值，並採用實際利率法於可換股貸款票據期間攤銷。

抵銷金融工具

當且僅當有合法可強制執行權利以抵銷已確認的金額且擬以淨額基準結算，或變現資產與清償負債的行為同時發生時，本集團的金融資產與負債抵銷，其淨額於綜合財務狀況表呈列。

撥備

當本集團因過往事件而須承擔現時責任(法律或推定)，且本集團可能須了結該責任，並可就該責任金額作出可靠估計，則撥備將予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting condition is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payment reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share capital and share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to retained profits (accumulated losses).

Equity instruments issued to purchase goods or services

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

4. 重大會計政策(續)

撥備(續)

於計及有關責任的風險及不明朗因素後，確認為撥備的金額為了結報告期間末的現時責任所需代價的最佳估計。倘使用估計用以了結現時責任的現金流量計量撥備，則該撥備賬面值為該等現金流量現值(如金錢時間值的影響屬重大)。

以股份為基礎付款

股權結算以股份為基礎付款交易

向僱員授出的購股權

對僱員之股權結算以股份為基礎付款以該股權工具於授出日期之公平值計量。

於授出日期釐定之股權結算以股份為基礎付款公平值(不計及所有非市場歸屬條件)，於歸屬期間以直線法按照本集團估計最終歸屬之權益工具支銷，並相應增加權益(以股份為基礎付款儲備)。於各報告期末，本集團根據所有相關非市場歸屬條件的評估修訂其對預期歸屬的權益工具數目之估計。修訂原先估計的影響(如有)於損益中確認，令累計開支反映經修訂之估計並於以股份為基礎付款儲備作出相應調整。就在授出日期立即歸屬之購股權而言，授出之購股權之公平值立即於損益中支銷。

當購股權獲行使時，先前於以股份為基礎之付款儲備中確認之金額將轉撥至股本及股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未獲行使，則先前於以股份為基礎付款儲備中確認之金額將撥入保留溢利(累計虧損)。

就購買貨品或服務而發行股權工具

與訂約方(僱員除外)之以股權結算的股份基礎付款交易，以所收取貨品或服務之公平值計量，倘本集團不能可靠地估計該公平值，則按本集團已授出股權工具的公平值計量，並於該實體獲取貨品或交易對手提供服務之日期計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from loss before tax as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 重大會計政策(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項按年／期內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報之除稅前虧損不同，原因為應課稅溢利並不包括於其他年度的應課稅或可扣減的收入或開支項目及其亦不包括無須課稅或不可扣稅之項目。本集團的即期稅項負債乃按於報告期間末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額予以確認。遞延稅項負債一般就所有應課稅暫時差額作出確認。遞延稅項資產一般就應課稅溢利可能用作抵銷所有可扣減暫時差額時予以確認。若初次確認一項交易(業務合併除外)的其他資產及負債而產生暫時差額，而該差額不會影響應課稅溢利或會計溢利，則不會確認遞延稅項資產及負債。

與附屬公司及聯營公司之投資以及於合營企業的權益有關之應課稅暫時差額確認為遞延稅項負債，惟本集團能夠控制暫時差額的回撥及暫時差額很大機會於可預見將來不會撥回除外。從與該等投資及權益相關的可扣除暫時差額產生的遞延稅項資產僅於達至充足應課稅溢利以用作抵銷暫時差額利益並預期可於可預見將來撥回時方可確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either (i) the same taxable entity; or (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

4. 重大會計政策(續)

稅項(續)

遞延稅項資產的賬面值於各報告期間末均會予以審閱，並削減至不可能再有足夠應課稅溢利用作收回全部或部分資產為止。

遞延稅項資產及負債乃按償還負債或變現資產期間的預期適用稅率計算，以報告期間末前已實施或實質上已實施的稅率(及稅法)為基準。

遞延稅項負債及資產的計量反映了符合本集團預期在報告期間末內收回或結算資產及負債之賬面值的做法的稅務後果。

就計量按公平值模型計量之投資物業遞延稅項負債或遞延稅項資產而言，乃假設該等物業之賬面值可透過銷售全部收回，除非該假設被駁回。倘該投資物業可折舊，且其業務模型目標乃隨時間(而非透過出售)消耗投資物業內的絕大部分經濟利益時，該假設會被駁回。

倘有可依法執行權利動用即期稅項資產以抵銷即期稅項負債，而遞延稅項與由同一稅務機構就以下實體徵收之所得稅有關：(i)同一應稅實體；或(ii)不同應稅實體，但在預期將結算或收回大額遞延稅項負債或資產的各未來期間，擬以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債，則可以抵銷遞延稅項資產與負債。

就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項而言，本集團首先釐定使用權資產或租賃負債是否應佔稅項扣減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

4. 重大會計政策(續)

稅項(續)

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團會對使用權資產及租賃負債分開應用香港會計準則第12號所得稅之規定。由於應用初始確認豁免，故有關使用權資產及租賃負債之暫時差異不會於初始確認時及租賃年期內確認。

即期及遞延稅項於損益賬中確認，惟涉及在其他全面收益中或直接在權益中確認的項目除外，在此情況下，即期及遞延稅項亦分別在其他全面收益中或直接在權益中確認。就因對業務合併進行初始會計處理而產生之即期稅項或遞延稅項而言，稅務影響乃計入業務合併之會計處理內。

政府補助金

在合理地保證本集團會遵守政府補助金的附帶條件以及將會得到補助後，政府補助金方會予以確認。

政府補助金乃就本集團確認的有關支出(預期補助可予抵銷成本的支出)期間按系統化的基準於損益中確認。具體而言，以要求本集團購買、建造或收購非流動資產為主要條件的政府補助金乃於綜合財務狀況報表確認為遞延收入，並於相關資產的可用年期內基於系統合理基準轉撥至損益中。

政府補助金是抵銷已產生的支出或虧損或旨在給予本集團的即時財務支援(而無未來有關成本)的應收款項，於應收有關補助金的期間在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

Payments to the stated-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Fair value measurement

When measuring fair value except for the Group's share-based payment transactions, leasing transactions, net realisable value of properties held for sale and inventories, and value in use of property, plant and equipment for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

4. 重大會計政策(續)

退休福利成本

向國家管理退休福利計劃及強制公積金計劃支付之款項於僱員提供服務而享有供款時確認為開支。

短期僱員福利

短期僱員福利於僱員提供服務時預期支付的福利的未貼現金額確認。所有短期僱員福利均被確認為費用，除非香港財務報告準則另有要求或允許在資產成本中納入利益。

在扣除已支付的金額後，員工應計福利(如工資及薪酬、年假及病假)確認為負債。

公平值計量

在計量公平值時(本集團之以股份支付交易、租賃交易及用於減值評估的持作出售物業及存貨可變現淨值以及物業、廠房及設備之使用價值除外)，本集團考慮該等市場參與者於計量日對資產或負債定價時所考慮之資產或負債之特點。

就非金融資產作公平值計量時，會計及市場參與者以最有效及最佳用途應用該項資產，或向另一名可按最有效及最佳用途應用該項資產之市場參與者出售該資產可取得之經濟利益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. 重大會計政策(續)

公平值計量(續)

本集團所用適用於有關情況，且有充足數據可供計量公平值、盡量運用有關可觀察輸入數據及盡量避免使用不可觀察輸入數據的估值法。具體而言，本集團根據輸入數據之特色將公平值計量分類為三個級別如下：

第一級 — 按相同資產或負債於活躍市場之報價(未經調整)計量。

第二級 — 按所有對公平值計量而言屬重大的最低級別的直接或間接可觀察輸入數據得出之估值法計量。

第三級 — 按所有對公平值計量而言屬重大的最低級別的不可觀察輸入數據得出之估值法計量。

於報告期末，本集團透過審閱資產及負債各自之公平值計量，釐定按公平值計量之資產及負債之公平值層級之間是否存在經常性轉移。

5. 關鍵會計判斷及估計

於應用附註4所述本集團之會計政策時，董事須就未能於其他來源明確得悉之資產與負債賬面值作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗及其他視為相關之因素作出。實際結果可能有別於該等估計。

估計及相關假設會按持續基準審閱。倘會計估計之修訂僅對修訂估計期間產生影響，則有關修訂會於該期間確認，或倘修訂影響當前及未來期間，則於作出修訂之期間及未來期間均予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Critical judgements in applying accounting policies

The following are the critical judgement, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Going concern and liquidity

The assessment of the going concern assumptions involves making judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. Please refer to note 2 in relation to the going concern assumptions adopted by the directors of the Company.

(b) Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the Directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in measuring the Group's deferred taxation on investment properties, the Directors have determined that the Group has a business model for its investment properties whose objective is to hold all its investment properties so as to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Accordingly, deferred taxation in relation to the Group's investment properties have been measured based on the tax consequences of recovering the carrying amounts entirely through use.

5. 關鍵會計判斷及估計(續)

運用會計政策之重要判斷

以下為董事在運用本集團之會計政策過程中作出之重要判斷(不包括涉及估計者(見下文))，該等判斷對綜合財務報表內確認之數額具有最為重大之影響。

(a) 持續經營及流動資金

對持續經營假設的評估，涉及本公司董事於特定時間就本質上不確定之事件或狀況之未來結果作出判斷。有關本公司董事採納的持續經營假設，請參閱附註2。

(b) 投資物業遞延稅項

就計量按公平值模型計量之投資物業遞延稅項負債或遞延稅項資產而言，董事已審閱本集團之投資物業組合，並認為本集團投資物業之持有業務模型為隨時間消耗投資物業內的絕大部分經濟利益之模型。因此，計量本集團之投資物業遞延稅項時，董事已釐定本集團就其投資物業訂有業務模型，而其目的並非透過出售享有投資物業的經濟利益，而是持有其全部投資物業，以享有持有期間所產生的絕大部分經濟利益。因此，與本集團投資物業有關的遞延稅項已按透過使用全數收回賬面金額的稅務後果計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Investment properties

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of investment properties. Note 17 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties. The carrying amount of investment properties as at 31 December 2019 was RMB4,863,150,000 (31 December 2018: RMB5,814,375,000) as set out in note 17.

(b) Estimated net realisable value on properties held for sale

In determining whether allowances should be made to the Group's properties held for sale, the Group takes into consideration the current market environment and the estimated net realisable value (i.e. the actual or estimated selling price less estimated costs to complete the development based on existing asset structure and material price lists and the estimated costs necessary to make the sales). An allowance is made if the estimated net realisable value is less than the carrying amount. If the actual net realisable value on properties held for sale is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, material allowances for impairment losses may result if the net realisable value is less than the carrying amount.

The carrying amount of properties held for sale as at 31 December 2019 was RMB7,440,044,000 (31 December 2018: RMB5,736,201,000) as set out in note 24.

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源

下文載列有關未來的主要假設以及報告期間未估計不確定性的其他主要來源，其或會引致重大風險，以致需對下一財政年度之資產及負債賬面值作出重大調整。

(a) 投資物業

本集團採用估值法(包括並非基於可觀察市場數據的輸入值)，以估算投資物業的公平值。附註17提供有關釐定投資物業的公平值所採用的估值法、輸入數據及主要假設的詳細資料。如附註17所載，於二零一九年十二月三十一日，投資物業之賬面值為人民幣4,863,150,000元(二零一八年十二月三十一日：人民幣5,814,375,000元)。

(b) 持作出售的物業之估計可變現淨值

於釐定是否應對本集團持作出售之物業作出撥備時，本集團會考慮當前市場環境及估計可變現淨值(即實際或估計售價減去估計完成根據現有資產結構及材料價格表所進行之開發成本及銷售必需的估計成本)。倘估計可變現淨值低於賬面值，則會作出撥備。倘持作出售之物業之實際可變現淨值因市況變化及/或預算發展成本大幅變動而少於預期，則或會導致重大減值虧損撥備(倘可變現淨值低於賬面值)。

如附註24所載，於二零一九年十二月三十一日，持作出售之物業之賬面值為人民幣7,440,044,000元(二零一八年十二月三十一日：人民幣5,736,201,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty (Continued)

(c) Allowance for inventories

The management of the Group reviews the ageing of the inventories at the end of the reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer saleable in the market. The identification of obsolete inventories requires the use of estimation of the net realisable value of items of inventories and judgements on the conditions of items of inventories. Where the expected net realisable value is lower than the cost of certain items, a write-down of inventories may arise. As at 31 December 2019, the carrying amounts of inventories were RMB233,948,000 (2018: RMB261,118,000) net of accumulated allowance for inventories of approximately RMB9,517,000 (31 December 2018: RMB16,132,000). Write-down of inventories of RMB9,004,000 (period from 1 April 2018 to 31 December 2018: RMB7,528,000) was recognised for the year ended 31 December 2019.

(d) Impairment of trade receivables

Except for debtors with significant outstanding balances or credit-impaired which individually assessed for ECL, the Group uses provision matrix to calculate ECL for trade receivables. The Group uses debtors' ageing to assess the impairment for its customers which grouped by different segment in relation to its operations because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The provision rates that applied are based on historical default rates from respective segments taking into consideration forward-looking information that is reasonable, supportable and available without undue costs or effort.

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源(續)

(c) 存貨撥備

本集團管理層於報告期末檢討存貨賬齡，並就已確定不再適合在市場銷售的陳舊及滯銷存貨項目作出撥備。確定陳舊存貨須估計存貨項目的可變現淨值，並判斷存貨項目的狀況。倘預期若干項目的可變現淨值低於其成本，則可能產生存貨撇減。於二零一九年十二月三十一日，存貨的賬面值為人民幣233,948,000元(二零一八年：人民幣261,118,000元)，扣除存貨累計撥備約人民幣9,517,000元(二零一八年十二月三十一日：人民幣16,132,000元)。截至二零一九年十二月三十一日止年度，確認存貨撇減人民幣9,004,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣7,528,000元)。

(d) 貿易應收款項減值

除具有重大未償還結餘或已發生信貸減值的應收賬款個別評估為預期信貸虧損外，本集團使用撥備矩陣計算貿易應收款項的預期信貸虧損。本集團使用債務人賬齡來評估按不同業務分部分組的客戶的減值，原因為該等客戶包括大量小客戶，其根據合約條款具有代表客戶支付所有到期款項能力的共同風險特徵。所採用的撥備率乃基於各分部的歷史違約率，並考慮合理、可支持及毋須不必要成本或努力即可獲得的前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty (Continued)

(d) Impairment of trade receivables (Continued)

At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. Different default rates are applied to the customers in different businesses. In addition, receivables with significant balances and credit impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in notes 47 and 27, respectively.

(e) Estimated useful lives and impairment assessment of plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation based on historical experience. The Group assesses annually the useful lives of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

The Group determines whether the property, plant and equipment are impaired whenever there is indication of impairment presented. The impairment loss for property, plant and equipment are recognised for the amounts by which the carrying values exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property, plant and equipment have been determined based on higher of value-in-use calculations and fair value less costs of disposal. These calculations require the use of estimates such as future revenue and discount rates. As at 31 December 2019, the carrying values of property, plant and equipment were RMB2,027,984,000 (2018: RMB1,308,271,000).

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源(續)

(d) 貿易應收款項(續)

於各報告日期，可觀察的歷史違約率會重新評估，並考慮前瞻性資料的變動。不同違約率使用於不同業務的客戶。此外，具有重大結餘及信貸減值的應收款項將個別評估預期信貸虧損。

預期信貸虧損撥備對估計變動尤為敏感。有關預期信貸虧損及本集團貿易應收款項的資料分別於附註47及27披露。

(e) 廠房及設備的估計可使用年期及減值評估

物業、廠房及設備按直線法基準在其估計可使用年期內折舊。釐定可使用年期涉及管理層基於過往經驗的估計。本集團每年評估物業、廠房及設備的可使用年期，倘預期與原先估計出現差異，則有關差異或會影響該年度的折舊，而該估計將於未來期間變動。

當有跡象顯示可能減值時，本集團釐定物業、廠房及設備有否減值。物業、廠房及設備的減值虧損乃根據本集團會計政策就賬面值超出其可收回金額的金額確認。物業、廠房及設備的可收回金額根據使用價值計算方法及公平值減出售成本中的較高者釐定。該等計算須使用估計，如未來收益及貼現率。於二零一九年十二月三十一日，物業、廠房及設備的賬面值為人民幣2,027,984,000元(二零一八年：人民幣1,308,271,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. REVENUE

(i) Disaggregation of revenue from contracts with customers

		For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度						
		Printing	Trading and logistics	Property development and investments	Solar photovoltaic	Financial services	Other	Total
		印刷	貿易及物流	物業開發及投資	太陽能光伏	金融服務	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Type of goods and services	貨品及服務類型							
Sales of:	銷售：							
- solar photovoltaic products	- 太陽能光伏產品	-	-	-	92,243	-	-	92,243
- printing products	- 印刷品	670,189	-	-	-	-	-	670,189
- petrochemical and other related products	- 石化及其他相關產品	-	2,203,718	-	-	-	-	2,203,718
- properties	- 物業	-	-	655,966	-	-	-	655,966
- hydraulic machinery	- 液力機械	-	-	-	-	-	20,933	20,933
Processing services	加工服務							
- solar photovoltaic products	- 太陽能光伏產品	-	-	-	420	-	-	420
Property management services	物業管理服務	-	-	4,758	-	-	-	4,758
Others	其他	-	-	-	-	-	27,514	27,514
Total revenue from contracts with customers	客戶合約總收益	670,189	2,203,718	660,724	92,663	-	48,447	3,675,741
Finance lease income	融資租賃收入	-	-	-	-	127	-	127
Interest income from provision of finance	提供融資之利息收入	-	-	-	-	2,064	-	2,064
Rental income from property investments	物業投資之租金收入	-	-	9,615	-	-	-	9,615
Dividend from securities investments	證券投資之股息	-	-	-	-	5,374	-	5,374
Others	其他	-	-	6,685	-	-	-	6,685
Total revenue	總收益	670,189	2,203,718	677,024	92,663	7,565	48,447	3,699,606
Geographical markets	地區市場							
The PRC	中國	196,613	2,198,836	660,724	92,663	-	48,447	3,197,283
The United States of America ("US")	美國	277,831	-	-	-	-	-	277,831
Hong Kong	香港	50,054	515	-	-	-	-	50,569
European countries	歐洲國家	79,498	224	-	-	-	-	79,722
Other countries	其他國家	66,193	4,143	-	-	-	-	70,336
Total	總計	670,189	2,203,718	660,724	92,663	-	48,447	3,675,741

6. 收益

(i) 客戶合約收益分類

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. REVENUE (Continued)

(i) Disaggregation of revenue from contracts with customers (Continued)

		For the period from 1 April 2018 to 31 December 2018 二零一八年四月一日至二零一八年十二月三十一日期間					
		Printing	Trading and logistics 貿易及物流	Property development and investments 物業開發及投資	Solar photovoltaic 太陽能光伏	Financial services 金融服務	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Type of goods and services	貨品及服務類型						
Sales of:	銷售：						
- solar photovoltaic products	- 太陽能光伏產品	-	-	-	51,548	-	51,548
- printing products	- 印刷品	551,540	-	-	-	-	551,540
- petrochemical and other related products	- 石化及其他相關產品	-	1,910,464	-	-	-	1,910,464
- properties	- 物業	-	-	77,222	-	-	77,222
Processing services	加工服務						
- solar photovoltaic products	- 太陽能光伏產品	-	-	-	18,393	-	18,393
Total revenue from contracts with customers	客戶合約總收益	551,540	1,910,464	77,222	69,941	-	2,609,167
Finance lease income	融資租賃收入	-	-	-	-	953	953
Interest income from provision of finance	提供融資之利息收入	-	-	-	-	6,590	6,590
Rental income from property investments	物業投資之租金收入	-	-	22,139	-	-	22,139
Dividend from securities investments	證券投資之股息	-	-	-	-	5,081	5,081
Others	其他	-	-	5,555	-	-	5,555
Total revenue	總收益	551,540	1,910,464	104,916	69,941	12,624	2,649,485
Geographical markets	地區市場						
The PRC	中國	163,629	1,907,159	77,222	69,941	-	2,217,951
The United States of America ("US")	美國	225,257	-	-	-	-	225,257
Hong Kong	香港	42,336	1,558	-	-	-	43,894
European countries	歐洲國家	71,788	1,424	-	-	-	73,212
Other countries	其他國家	48,530	323	-	-	-	48,853
Total	總計	551,540	1,910,464	77,222	69,941	-	2,609,167

Revenue from property management services is recognised over time, and the progress measured using the output method. The property management service fees are billed to the tenants monthly. All other revenue of the Group from contracts with customers are recognised at point in time.

物業管理服務的收益隨時間確認，並以輸出法計量進度。每月向租戶收取物業管理服務費用。本集團所有其他客戶合約收益均於某個時間點確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. REVENUE (Continued)

(ii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations for sales of properties (unsatisfied or partially unsatisfied) as at 31 December and the expected timing of recognising revenue are as follows:

Within one year	一年內
More than one year but not more than two years	一年以上但不超過兩年
More than two years	兩年以上

Except for the above, all of the Group's other remaining performance obligations for contracts with customers are for original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6. 收益(續)

(ii) 分配至客戶合約的餘下履約責任的交易價格

於十二月三十一日分配至銷售物業餘下履約責任(未履行或部分未履行)的交易價格及確認收益的預期時間如下:

Sales of properties	
銷售物業	
31.12.2019	31.12.2018
二零一九年	二零一八年
十二月三十一日	十二月三十一日
RMB'000	RMB'000
人民幣千元	人民幣千元
1,312,897	138,985
130,098	833,341
-	1,784
1,442,995	974,110

除上述者外，所有本集團客戶合約的其他餘下履約責任的原預期期限為一年或以內。如香港財務報告準則第15號所允許，分配至該等未履行合約的交易價格並未披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS

The Group manages its businesses by divisions, which are organised by different business lines. Information reported to the Group's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment is prepared on this basis. The Group has identified the following five reportable segments under HKFRS 8 Operating Segments as follows:

- Printing: Sales and manufacturing of high quality multi-colour packaging products, carton boxes, books, brochures and other paper products
- Trading and logistics: Trading, logistics and supply chain management
- Property development and investments: Property development and investments, property management services
- Solar photovoltaic: Sales and manufacturing of and provision of processing services on solar photovoltaic products
- Financial services: Comprised of provision of finance through money lending services; provision of finance through finance lease; provision of securities brokerage services and investment activities in equity securities, funds, bonds and asset management services and other related services

In addition to the operating segments described above, each of which constitutes a reportable segment, the Group has other operating segments which include provision of hotel services, department store business and sales and manufacturing of hydraulic machinery in the PRC, which are the new businesses for the year ended 31 December 2019. None of these segments meets any of quantitative thresholds for determining reportable segments. Accordingly, all of the above operating segments are grouped as "All other segments".

7. 分部資料

本集團透過各分部管理其業務，該等分部由不同業務線組織而成。就向本集團之執行董事(即首席經營決策者(「首席經營決策者」))匯報有關資源分配及表現評估的資料乃按此基準編製。本集團已根據香港財務報告準則第8號經營分部識別以下五個可報告的分部：

- 印刷：銷售及製造高質彩色包裝產品、瓦通盒、圖書、小冊子及其他紙製品
- 貿易及物流：貿易、物流及供應鏈管理
- 物業開發及投資：物業開發及投資、物業管理服務
- 太陽能光伏：銷售及製造太陽能光伏產品及提供其加工服務
- 金融服務：由透過放款服務提供融資；透過融資租賃提供融資；提供證券經紀服務及於股本證券、基金、債券的投資活動及資產管理服務及其他相關服務組成

除上述列示的構成可報告分部的各經營分部，本集團還擁有其他經營分部，包括於中國提供酒店服務、百貨公司業務以及銷售及製造液力機器，其為截至二零一九年十二月三十一日止年度之新增業務。該等分部概不符合任何用以釐定可報告分部的之量化準則。因此，全部上述經營分部分類為「全部其他分部」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 December 2019

7. 經營分部(續)

分部收益及業績

以下為按可報告分部呈列之本集團收益及業績分析：

截至二零一九年十二月三十一日止年度

	Printing	Trading and logistics	Property development and investments 物業開發及投資	Solar photovoltaic	Financial services	Reportable segments' total 可報告分部總計	All other segments 全部其他分部	Total 總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment revenue	分部收益							
Revenue from external customers	670,189	2,203,718	677,024	92,663	7,565	3,651,159	48,447	3,699,606
Segment profit (loss)	分部溢利(虧損)							
	6,492	(32,370)	154,309	(44,006)	1,701	86,126	(25,263)	60,863
Unallocated amounts	未分配金額							
Change in fair value of convertible bonds – derivative component								12,498
Corporate administrative expense								(65,785)
Corporate other income								133
Finance costs								(572,252)
Gain on disposal of subsidiaries								11
Other gains and losses								652
Share of profit from an associates								813
Share of loss from joint venture								(216)
Group's loss before tax	本集團之除稅前虧損							
								(563,283)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment revenue and results (Continued)

For the period from 1 April 2018 to 31 December 2018

7. 經營分部(續)

分部收益及業績(續)

二零一八年四月一日至二零一八年十二月三十一日期間

		Printing	Trading and logistics	Property development and investments 物業開發及投資	Solar photovoltaic	Financial services	Reportable segments' total 可報告分部總計	All other segments 其他分部	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment revenue	分部收益								
Revenue from external customers	來自外部客戶的收益	551,540	1,910,464	104,916	69,941	12,624	2,649,485	-	2,649,485
Segment profit (loss)	分部溢利(虧損)	914	(12,380)	102,564	(187,358)	(357)	(96,617)	(32,672)	(129,289)
Unallocated amounts	未分配金額								
Change in fair value of convertible bonds – derivative component	可換股債券之公平值變動 – 衍生部分								118,374
Corporate administrative expenses	企業行政費用								(142,582)
Corporate other income	企業其他收入								3,451
Finance costs	財務費用								(444,252)
Gain on disposal of subsidiaries	出售附屬公司收益								20
Loss on disposal of associates	出售聯營公司虧損								(8,637)
Other gains and losses	其他收益及虧損								(24)
Reversal of impairment for financial guarantee contracts	撥回財務擔保合約減值								261,713
Share of loss from associates	分佔聯營公司虧損								(8,371)
Group's loss before tax	本集團之除稅前虧損								(349,597)

The accounting policies of the operating segments and the same as the Group's accounting policies described in note 4.

Segment results represent the profit or loss of each operating segment without allocation of gains or losses arising from change in fair value of convertible bonds – derivative component, corporate administrative expenses, corporate other income, finance costs, loss on disposal of associates, gain on disposal of subsidiaries, unallocated other gains and losses, reversal of impairment for financial guarantee contracts, share of profits (loss) from associates and share of loss from joint venture. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營分部之會計政策與本集團於附註4所述會計政策一致。

分部業績代表各經營分部之損益，當中並未分配來自可換股債券 – 衍生部分之公平值變動產生之收益或虧損、企業行政費用、企業其他收入、財務費用、出售聯營公司虧損、出售附屬公司收益、未分配其他收益及虧損、財務擔保合約減值撥回、分佔聯營公司之收益(虧損)及分佔合營企業之虧損。分部業績之計量乃向首席經營決策者呈報以用於資源分配及績效評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment revenue and results (Continued)

Other segment information

For the year ended 31 December 2019

7. 經營分部(續)

分部收益及業績(續)

其他分部資料

截至二零一九年十二月三十一日止年度

	Printing	Trading and logistics	Property development and investments	Solar photovoltaic	Financial services	Reportable segments' total	All other segments	Unallocated	Total
	印刷	貿易及物流	物業開發及投資	太陽能光伏	金融服務	可報告分部總計	其他分部	未經分配	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Amounts included in the measure of segment profit or loss or segment assets:									
Depreciation of property, plant and equipment for the year	30,654	8,270	17,552	22,815	440	79,731	5,208	2,071	87,010
Depreciation of right of use assets for the year	10,231	10,620	1,511	711	-	23,073	3,280	18,270	44,623
Additions to non-current assets during the year	143,661	320,096	742,984	37,624	472	1,244,837	226,379	4,311	1,475,527
Additions to non-current assets through acquisition of subsidiaries during the year	-	-	65	-	-	65	337,696	-	337,761
Impairment loss of									
- trade receivables	9,350	-	2,739	10,184	-	22,273	4,769	-	27,042
- other receivables	-	-	11,712	-	-	11,712	-	-	11,712
Written off of other receivables	-	530	7,859	-	-	8,389	-	5	8,394
Loss on disposal of property, plant and equipment	901	852	-	-	-	1,753	-	-	1,753
Gain on disposal of a right of use asset	(127)	-	-	-	-	(127)	-	-	(127)
Change in fair value of investment properties	-	-	(237,945)	-	-	(237,945)	-	-	(237,945)
Change in fair value of financial assets at FVTPL	-	540	-	-	(9,159)	(8,619)	-	-	(8,619)
(Gain)/Loss on disposal of debt instruments at FVTOCI	-	(1,499)	-	-	3,313	1,814	-	-	1,814
Interest income on bank deposits and pledged bank deposits	(178)	(595)	(357)	(24)	(4,172)	(5,326)	(17)	(304)	(5,647)
Interest income from finance lease receivables	-	-	-	-	(127)	(127)	-	-	(127)
Interest income from loan receivables	-	-	-	-	(2,064)	(2,064)	-	-	(2,064)
Write-down of inventories	9,004	-	-	-	-	9,004	-	-	9,004

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment revenue and results (Continued)

Other segment information (Continued)

For the period from 1 April 2018 to 31 December 2018

7. 經營分部(續)

分部收益及業績(續)

其他分部資料(續)

二零一八年四月一日至二零一八年十二月三十一日期間

	Printing	Trading and logistics	Property development and investments	Solar photovoltaic	Financial services	Reportable segments' total	All other segments	Unallocated	Total
	印刷	貿易及物流	物業開發及投資	太陽能光伏	金融服務	可報告分部總計	其他分部	未經分配	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Amounts included in the measure of segment profit or loss or segment assets:	已計入分部損益或分部資產之計量之金額:								
Depreciation and amortisation for the period	期內折舊及攤銷								
	26,940	7,987	6,878	44,914	342	87,061	-	4,833	91,894
Additions to non-current assets during the period	期內添置非流動資產								
	84,262	90,605	176,259	295,354	32	646,512	-	862	647,374
Additions to non-current assets through acquisition of subsidiaries during the period	期內透過收購附屬公司添置非流動資產								
	62,394	-	118,911	199,128	-	380,433	-	-	380,433
Impairment loss of	以下各項之減值虧損								
- trade receivables	- 貿易應收款項								
	9,069	-	-	10,303	-	19,372	-	-	19,372
- other receivables	- 其他應收款項								
	-	917	7,468	-	126	8,511	-	1,239	9,750
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損								
	(541)	-	201	-	-	(340)	-	96	(244)
Change in fair value of investment properties	投資物業之公平值變動								
	-	-	(192,015)	-	-	(192,015)	-	-	(192,015)
Change in fair value of financial assets at FVTPL	按公平值計入損益之金融資產之公平值變動								
	-	-	-	-	9,476	9,476	-	-	9,476
Loss on disposal of debt instruments at FVTOCI	出售按公平值計入其他全面收益之債務工具虧損								
	-	-	-	-	2,560	2,560	-	-	2,560
Interest income on bank deposits and pledged bank deposits	銀行存款及銀行抵押存款之利息收入								
	(81)	(705)	(2,968)	(1,337)	(170)	(5,261)	-	(78)	(5,339)
Interest income from finance lease receivables	來自融資租賃應收款項之利息收入								
	-	-	-	-	(953)	(953)	-	-	(953)
Interest income from loan receivables	來自應收貸款之利息收入								
	-	-	-	-	(6,590)	(6,590)	-	-	(6,590)
Impairment loss in respect of property, plant and equipment	有關物業、廠房及設備之減值虧損								
	-	-	-	68,699	-	68,699	-	-	68,699
Write-down of inventories	存貨撇減								
	-	-	-	7,528	-	7,528	-	-	7,528
Impairment loss of properties held for sale (included in cost of sales and services)	持作出售物業之減值虧損(於銷售及服務成本中入賬)								
	-	-	29,050	-	-	29,050	-	-	29,050
Impairment loss of deposits for machineries modification and enhancement	機器改裝及提升之按金減值虧損								
	-	-	-	25,000	-	25,000	-	-	25,000
Impairment loss of goodwill	商譽減值虧損								
	-	-	-	5,846	-	5,846	-	-	5,846

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment assets and liabilities

7. 經營分部(續)

分部資產及負債

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Segment assets	分部資產		
Printing	印刷	680,086	603,543
Trading and logistics	貿易及物流	828,502	558,060
Property development and investments	物業開發及投資	13,555,014	12,361,690
Solar photovoltaic	太陽能光伏	653,298	1,182,627
Financial services	金融服務	176,196	390,673
		15,893,096	15,096,593
All other segments	全部其他分部	1,405,320	9,431
Unallocated assets	未分配資產	357,079	656,511
		17,655,495	15,762,535
Consolidated total assets	綜合總資產	17,655,495	15,762,535

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment assets and liabilities (Continued)

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Segment liabilities	分部負債		
Printing	印刷	788,226	727,987
Trading and logistics	貿易及物流	708,751	631,828
Property development and investments	物業開發及投資	9,615,837	4,705,876
Solar photovoltaic	太陽能光伏	211,724	944,393
Financial services	金融服務	67,486	136,294
		11,392,024	7,146,378
All other segments	全部其他分部	1,252,568	3,188
Unallocated liabilities	未分配負債	2,289,679	5,982,249
Consolidated total liabilities	綜合總負債	14,934,271	13,131,815

7. 經營分部(續)

分部資產及負債(續)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than corporate assets and interests in associates and interests in joint ventures; and
- all liabilities are allocated to operating segments other than corporate liabilities.

為監察分部表現及於分部之間分配資源：

- 除企業資產及於聯營公司之權益以及於合營企業之權益外，所有資產獲分配至經營分部；及
- 除企業負債外，所有負債獲分配至經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

7. OPERATING SEGMENTS (Continued)

Segment revenue and results

Geographical information

The Group's operations are mainly located in Hong Kong, the PRC and the US.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the location of the operations of relevant group entities. The following table sets out information about the geographical location of revenue from external customers and non-current assets:

		Revenue from external customers		Non-current assets*	
		來自外部 客戶之收益		非流動資產*	
		1.1.2019 to 31.12.2019	1.4.2018 to 31.12.2018	31.12.2019	31.12.2018
		二零一九年 一月一日 至二零一九年 十二月三十一日	二零一八年 四月一日 至二零一八年 十二月三十一日	二零一九年 十二月三十一日	二零一八年 十二月三十一日
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
The PRC	中國	3,213,710	2,246,246	8,248,263	7,584,309
The US	美國	277,831	225,257	143	157
Hong Kong	香港	58,007	50,833	34,492	15,720
European countries	歐洲國家	79,722	73,212	-	-
Other countries	其他國家	70,336	53,937	-	-
		3,699,606	2,649,485	8,282,898	7,600,186

* Non-current assets exclude financial instruments and deferred tax assets.

Information about major customers

The Group's customer base is diversified and none of the customers whom have transactions with the Group exceeded 10% of the Group's revenue during the current year and prior period.

7. 經營分部(續)

分部收益及業績

地區資料

本集團的經營主要分佈在香港、中國和美國。

本集團來自外部客戶之收益資料乃基於客戶的地點呈列。有關本集團非流動資產的資料乃基於有關集團實體的經營位置呈列。下表載列來自外部客戶之收益及非流動資產的地理位置資料：

* 非流動資產不包括金融工具及遞延稅項資產。

有關主要客戶的資料

本集團擁有多元化的客戶基礎，於本年度及過往期間，概無客戶與本集團的交易超過本集團收益的10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		1.1.2019 to 31.12.2019	1.4.2018 to 31.12.2018
		二零一九年 一月一日 至二零一九年 十二月三十一日	二零一八年 四月一日 至二零一八年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Change in fair value of financial assets at FVTPL	按公平值計入損益之 金融資產之公平值變動	8,619	(9,476)
Exchange loss, net	匯兌虧損淨額	(2,794)	(297)
(Loss) gain on disposal of property, plant and equipment	出售物業、廠房及 設備之(虧損)收益	(1,753)	244
Loss on disposal of debt instruments at FVTOCI	出售按公平值計入其他全面 收益之債務工具之虧損	(1,814)	(2,560)
Gain on bargain purchase (note 48(a))	議價購買收益(附註48(a))	5,791	-
Impairment of deposits for machineries modification and enhancement (note 22)	機器改裝及提升之 按金之減值(附註22)	-	(25,000)
Loss on disposal of club membership (note 19)	出售會所會籍虧損(附註19)	-	(63)
		8,049	(37,152)

9. OTHER INCOME

9. 其他收入

		1.1.2019 to 31.12.2019	1.4.2018 to 31.12.2018
		二零一九年 一月一日 至二零一九年 十二月三十一日	二零一八年 四月一日 至二零一八年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income on bank deposits and pledged bank deposits	銀行存款及銀行抵押存款之 利息收入	5,647	5,339
Gain on disposal of a right-of-use asset	出售使用權資產之收益	127	-
Others	其他	10,803	17,955
		16,577	23,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

10. FINANCE COSTS

10. 財務費用

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Interest on bank borrowings and other borrowings	銀行借款及其他借款利息	421,158	377,687
Interest on obligations under finance leases	融資租賃承擔之利息	-	419
Interest on lease liabilities	租賃負債利息	6,160	-
Interest on significant financing component arising from pre-sales of properties	來自預售物業之重大融資組成部分之利息	90,853	29,931
Imputed interest arising on interest-free borrowings from immediate holding company	來自直接控股公司之免息借款之估算利息	146,680	38,388
Imputed interest arising on obligations under financing arrangements	融資安排承擔產生之估算利息	45,002	109,291
Effective interest expenses on convertible bonds (note 36)	可換股債券之實際利息支出(附註36)	66,844	95,379
Effective interest expenses on corporate bonds	公司債券之實際利息支出	16,590	23,590
Other finance charges	其他財務費用	401	23,427
		793,688	698,112
Less: interest expenses capitalised into investment properties under construction/properties under development for sales (note)	減：資本化為在建投資物業／發展中待售物業之利息開支(附註)	(221,436)	(253,860)
		572,252	444,252

Note: The borrowing costs of general borrowings have been capitalised at a rate of 10% (31 December 2018: 10%) per annum to expenses on the qualifying assets.

附註：一般借款之借款成本按年利率10%(二零一八年十二月三十一日：10%)資本化為合資格資產的開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. INCOME TAX EXPENSE

11. 所得稅開支

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	6,295	124
PRC enterprise income tax	中國企業所得稅	2,103	2,042
PRC land appreciation tax	中國土地增值稅	10,098	-
Other jurisdictions	其他司法權區	1	-
		18,497	2,166
(Over) under provision in prior periods:	過往期間(超額撥備) 撥備不足：		
Hong Kong Profits Tax	香港利得稅	(114)	(323)
PRC enterprise income tax	中國企業所得稅	628	(2,118)
		514	(2,441)
Deferred tax (note 40)	遞延稅項(附註40)	51,461	46,789
		70,472	46,514

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. For the year ended 31 December 2019, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%. For the period from 1 April 2018 to 31 December 2018, Hong Kong profits tax was calculated at a flat rate of 16.5% of the estimated assessable profits.

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日經簽署成為法律並於翌日刊憲。根據利得稅兩級制，合資格公司首2百萬港元的溢利將按8.25%徵稅，而超過2百萬港元的溢利將按16.5%徵稅。截至二零一九年十二月三十一日止年度，集團合資格實體的香港利得稅乃根據利得稅兩級制計算。香港其他集團實體的溢利倘不符合利得稅兩級制的要求，則繼續按劃一稅率16.5%徵稅。於二零一八年四月一日至二零一八年十二月三十一日期間，香港利得稅按估計應課稅溢利劃一稅率16.5%計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. INCOME TAX EXPENSE (Continued)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the current year and prior period.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Land appreciation tax in the PRC is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including cost of land use rights, borrowing costs and all property development expenditures.

11. 所得稅開支(續)

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於本年度及過往期間的稅率為25%。

其他司法權區稅項按相關司法權區之現行稅率計算。

中國的土地增值稅乃就本集團開發的待售物業按土地價值增值30%至60%的累進稅率徵收，根據適用法規，該稅率是根據物業銷售收入減去可扣除支出(包括土地使用權成本、借款成本和所有物業開發支出)計算。

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Loss before tax	除稅前虧損	(563,283)	(349,597)
Notional tax on profit before tax, calculated at the rates applicable to profits in the jurisdictions concerned	除稅前溢利之名義稅項，按適用於有關司法權區溢利的稅率計算	(108,409)	(94,457)
Tax effect of expenses not deductible for tax purposes	就稅收目的而言，不可扣減開支之稅項影響	40,225	88,905
Tax effect of income not taxable for tax purposes	就稅收目的而言，毋需課稅收入之稅項影響	(6,530)	(63,560)
Tax effect of deductible temporary differences not recognised	未確認之可扣減暫時差異之稅項影響	10,241	103
Tax effect of tax losses not recognised	未確認之稅項虧損之稅項影響	126,673	119,504
Utilisation of tax losses previously not recognised	動用以往未確認之稅項虧損	(2,340)	(1,540)
Under (over) provision in respect of prior periods	過往期間撥備不足(超額撥備)	514	(2,441)
PRC land appreciation tax	中國土地增值稅	10,098	-
Income tax expense	所得稅開支	70,472	46,514

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

12. LOSS FOR THE YEAR/PERIOD

12. 年度／期內虧損

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Loss for the year/period is arrived after charging (crediting):	年度／期間虧損乃經扣除 (計入)以下各項後達致：		
Directors' remuneration (note 13)	董事酬金(附註13)	14,680	11,037
Staff cost, excluding Directors' remuneration:	員工成本，不包括董事酬金：		
Salaries, wages and other benefits	薪金、工資及其他福利	257,364	203,858
Retirement benefit scheme contributions	退休福利計劃供款	36,072	24,460
Total staff costs	總員工成本	308,116	239,355
Rental income from investment properties:	投資物業之租金收入：		
Gross rental income from investment properties	投資物業之總租金收入	(9,615)	(22,139)
Less: direct operating expenses incurred for investment properties that generated rental income during the year/period	減：年／期內賺取租金收入之投資物業之直接經營開支	710	1,834
		(8,905)	(20,305)
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	5,588
Auditor's remuneration	核數師酬金		
- Audit services	- 審核服務	5,056	6,367
- Non-audit services	- 非審核服務	192	272
Cost of inventories recognised as an expense	確認為開支的存貨成本	2,798,954	2,466,174
Cost of properties recognised as an expenses	確認為開支的物業成本	572,106	94,430
Impairment of properties held for sales (included in cost of sales and services)	持作出售物業之減值 (於銷售及服務成本中入賬)	-	29,050
Write-down of inventories (included in cost of sales and services)	存貨撇減 (於銷售及服務成本中入賬)	9,004	7,528
Written off of other receivables (included in administrative expenses)	其他應收款項撇銷 (於行政開支中入賬)	8,394	-
Depreciation for property, plant and equipment	物業、廠房及設備折舊	87,010	86,306
Depreciation for right-of-use assets	使用權資產折舊	44,623	-
Operating lease rental on land and buildings	土地及建築物之經營租賃租金	-	19,510
Research and development expenses	研發開支	3,715	5,614

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors and Chief Executive

The emoluments paid or payable to each of the Directors and the Chief Executive were as follows:

For the year ended 31 December 2019

	Fee	Salary and other allowances	Discretionary bonus (Note a) (附註a)	Retirement benefit scheme contributions (退休福利計劃供款)	Total
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Executive Directors 執行董事					
Mr. Meng (Chairman) 孟先生(主席)	-	6,818	-	-	6,818
Ms. Zhang Ye (Chief Executive) 張擘女士(行政總裁)	-	2,081	-	75	2,156
Mr. Guo Song (Deputy Chief Executive) (Note b) 郭頌先生(副行政總裁) (附註b)	-	1,815	321	-	2,136
Mr. He Shufen (Note c) 何樹芬先生(附註c)	-	747	-	68	815
Mr. Zeng Hongbo (Note d) 曾紅波先生(附註d)	-	1,776	-	16	1,792
Independent Non-executive Directors 獨立非執行董事					
Mr. Zheng Bailin 鄭柏林先生	321	-	-	-	321
Mr. Shen Ruolei 沈若雷先生	321	-	-	-	321
Mr. Pun Chi Ping 潘治平先生	321	-	-	-	321
	963	13,237	321	159	14,680

13. 董事、主要行政人員及僱員之薪酬

董事及主要行政人員

下列為已付或應付各董事及主要行政人員之薪酬：

截至二零一九年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors and Chief Executive (Continued)

For the period from 1 April 2018 to 31 December 2018

	Fee	Salary and other allowances	Discretionary bonus (Note a)	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive Directors</i>					
Mr. Meng (Chairman)	-	5,618	-	-	5,618
Ms. Zhang Ye (Chief Executive)	-	1,406	-	12	1,418
Mr. Guo Song (Deputy Chief Executive) (Note b)	-	1,325	-	-	1,325
Mr. He Shufen (Note c)	-	1,100	-	98	1,198
Mr. Zeng Hongbo (Note d)	-	777	-	8	785
<i>Independent Non-executive Directors</i>					
Mr. Zheng Bailin	231	-	-	-	231
Mr. Shen Ruolei	231	-	-	-	231
Mr. Pun Chi Ping	231	-	-	-	231
	693	10,226	-	118	11,037

Neither the Chief Executive nor any of the Directors waived any emoluments during the current year and prior period.

During the current year and prior period, no emoluments were paid by the Group to any of the Directors as an inducement to join or upon joining the Group as compensation for loss of office.

Notes:

- (a) The discretionary bonus is determined by reference to the individual performance of the Directors and performance of the Group as a whole.
- (b) Resigned on 27 February 2020.
- (c) Retired on 28 June 2019.
- (d) On 1 July 2018, Mr. Zeng Hongbo is appointed as an executive director and chief risk officer of the Company and resigned on 14 April 2020.

13. 董事、主要行政人員及僱員之薪酬(續)

董事及主要行政人員(續)

二零一八年四月一日至二零一八年十二月三十一日期間

	袍金	薪金及其他津貼	酌情花紅	退休福利計劃供款	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>Executive Directors</i>					
孟先生(主席)	-	5,618	-	-	5,618
張擘女士(行政總裁)	-	1,406	-	12	1,418
郭頌先生(副行政總裁) (附註b)	-	1,325	-	-	1,325
何樹芬先生(附註c)	-	1,100	-	98	1,198
曾紅波先生(附註d)	-	777	-	8	785
<i>Independent Non-executive Directors</i>					
鄭柏林先生	231	-	-	-	231
沈若雷先生	231	-	-	-	231
潘治平先生	231	-	-	-	231
	693	10,226	-	118	11,037

於本年度及過往期間，並無主要行政人員或任何董事放棄任何薪酬。

於本年度及過往期間，本集團概無支付任何薪酬予任何董事，作為加入本集團或加入本集團時的獎金或作為離職補償。

附註：

- (a) 酌情花紅乃參考個別董事及本集團總體表現而釐定。
- (b) 於二零二零年二月二十七日辭任。
- (c) 於二零一九年六月二十八日退任。
- (d) 於二零一八年七月一日，曾紅波先生獲委任為執行董事兼本公司首席風控官，並於二零二零年四月十四日辭任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors and Chief Executive (Continued)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as Directors.

Employees

Of the five individuals with the highest emoluments in the Group, there were four (period from 1 April 2018 to 31 December 2018: five) directors whose emoluments are included in the disclosures above. The emoluments of the one non-directors individual are disclosed for the current year. The emoluments of Mr. Zeng Hongbo of RMB418,000 prior to his appointment as director of the Company for the period from 1 April 2018 to 31 December 2018 were as follows:

13. 董事、主要行政人員及僱員之薪酬(續)

董事及主要行政人員(續)

上述執行董事之薪酬與彼等為管理本公司及本集團的事務而提供之服務有關。

上述獨立非執行董事之薪酬與彼等作為董事提供之服務有關。

僱員

本集團五名最高薪酬人士中，包括四名(二零一八年四月一日至二零一八年十二月三十一日止期間；五名)董事，彼等的薪酬於上文披露。本年度一名非董事人士之薪酬已予以披露。曾紅波先生自二零一八年四月一日至二零一八年十二月三十一日期間，在獲委任為本公司董事前的薪酬為人民幣418,000元，詳情如下：

	1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Salaries and other allowances	1,631	414
Retirement benefit scheme contributions	16	4
	1,647	418

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to shareholders of the Company is based on the following data:

14. 每股虧損

本公司股東應佔每股基本及攤薄虧損乃根據以下數據計算所得：

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Loss	虧損		
Loss for the purposes of basic and diluted loss per share (loss for the year/period attributable to shareholders of the Company)	用於計算每股基本及攤薄虧損之虧損(本公司股東應佔年度/期間虧損)	(644,710)	(388,926)
		31.12.2019 二零一九年 十二月三十一日	31.12.2018 二零一八年 十二月三十一日
Number of shares	股份數目		
Weighted average number of shares for the purposes of basic and diluted loss per share	用於計算每股基本及攤薄虧損之股份加權平均數	60,891,859	60,669,200

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds since their assumed conversion would have anti-dilutive impact for the current year and prior period.

每股攤薄虧損之計量方法並無假設轉換本公司尚未轉換之可換股債券，原因為該等債券之假設轉換將對本年度及過往期間有反攤薄影響。

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares for the current year and prior period.

每股攤薄虧損之計量方法並無假設行使本公司購股權，原因為該等購股權之行使價於本年度及過往期間較股份之平均市價高。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Plant and machinery	Furniture and fixtures	Computer and office equipment	Motor vehicles	Construction-in-progress	Total
		建築物 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	傢具及 固定裝置 RMB'000 人民幣千元	電腦及 辦公室設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
COST	成本							
At 1 April 2018	於二零一八年四月一日	756,862	738,283	37,660	63,409	35,998	43,537	1,675,749
Additions	添置	39,570	108,945	121	2,192	7,113	210,454	368,395
Acquisition of subsidiaries (note 48(a))	收購附屬公司(附註48(a))	-	-	175	29	108	185,197	185,509
Reclassification	重新分類	21,785	-	-	-	-	(21,785)	-
Disposals	出售	-	(7,915)	(209)	(244)	(497)	-	(8,865)
Disposal of subsidiaries (note 48(b))	出售附屬公司(附註48(b))	-	-	-	(21)	-	-	(21)
Exchange adjustment	匯兌調整	1,843	11,907	635	1,942	591	-	16,918
At 31 December 2018	於二零一八年十二月三十一日	820,060	851,220	38,382	67,307	43,313	417,403	2,237,685
Impact on initial adoption of HKFRS 16 (note 3.1)	初始採納香港財務報告準則第16號之影響(附註3.1)	-	(32,379)	-	-	-	-	(32,379)
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	820,060	818,841	38,382	67,307	43,313	417,403	2,205,306
Additions	添置	162,696	19,699	7,479	6,796	1,509	257,045	455,224
Acquisition of subsidiaries (note 48(a))	收購附屬公司(附註48(a))	81,630	7,366	218	1,504	235	72,439	163,392
Reclassification from properties held for sale	自持作出售物業重新分類	-	-	-	-	-	220,500	220,500
Disposals	出售	(1,745)	(7,163)	(291)	(472)	(4,880)	-	(14,551)
Disposal of subsidiaries (note 48(b))	出售附屬公司(附註48(b))	-	-	-	(1)	-	(1,189)	(1,190)
Exchange adjustment	匯兌調整	4,317	7,567	267	1,001	225	1,328	14,705
At 31 December 2019	於二零一九年十二月三十一日	1,066,958	846,310	46,055	76,135	40,402	967,526	3,043,386
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值							
At 1 April 2018	於二零一八年四月一日	186,101	477,862	27,644	50,739	14,381	7,866	764,593
Provided for the period	期內撥備	36,791	36,852	3,168	4,353	5,142	-	86,306
Disposals	出售	-	(5,606)	(42)	(98)	(240)	-	(5,986)
Impairment loss recognised in profit or loss	於損益確認之減值虧損	17,285	51,414	-	-	-	-	68,699
Derecognition upon disposals of subsidiaries (note 48(b))	於出售附屬公司時終止確認(附註48(b))	-	-	-	(19)	-	-	(19)
Exchange adjustment	匯兌調整	1,822	11,457	576	1,375	591	-	15,821
At 31 December 2018	於二零一八年十二月三十一日	241,999	571,979	31,346	56,350	19,874	7,866	929,414
Impact on initial adoption of HKFRS 16 (note 3.1)	初始採納香港財務報告準則第16號之影響(附註3.1)	-	(1,236)	-	-	-	-	(1,236)
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	241,999	570,743	31,346	56,350	19,874	7,866	928,178
Provided for the year	年內撥備	34,340	34,665	5,177	5,304	7,524	-	87,010
Disposals	出售	(1,745)	(6,202)	(101)	(436)	(1,253)	-	(9,737)
Exchange adjustment	匯兌調整	2,723	6,013	237	821	157	-	9,951
At 31 December 2019	於二零一九年十二月三十一日	277,317	605,219	36,659	62,039	26,302	7,866	1,015,402
CARRYING VALUES	賬面值							
At 31 December 2019	於二零一九年十二月三十一日	789,641	241,091	9,396	14,096	14,100	959,660	2,027,984
At 31 December 2018	於二零一八年十二月三十一日	578,061	279,241	7,036	10,957	23,439	409,537	1,308,271

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated over their estimated useful lives and after taking into account of their estimated residual value, on a straight-line basis, over the following period:

Buildings	20–50 years
Plant and machinery	10–15 years
Furniture and fixtures	5–10 years
Computer and office equipment	5–6 years
Motor vehicles	5–6 years

As at 31 December 2019 and 2018, all of the buildings are situated in the PRC and held under medium term leases.

During the period from 1 April 2018 to 31 December 2018, the Directors conducted a review of the Group's property, plant and equipment and determined that a number of assets are impaired, due to the suspension of a solar product manufacturing plant and the proposed relocation of certain solar photovoltaic production facilities to other factories in the PRC. The recoverable amount of the property is subject to impairment as at 31 December 2018 and was based on a valuation using the depreciated replacement cost approach carried out by an independent qualified valuer, LCH (Asia-Pacific) Surveyors Limited (the "LCH"). The recoverable amount of the machinery and equipment are expected to be minimal with reference to the second-hand market and residual value. Accordingly, impairment losses of RMB68,699,000 had been recognised in profit or loss. At 31 December 2019 the directors reassessed the recoverable amount of the property with reference to valuation carried out neither additional impairment loss nor reversal of impairment loss has been recognised for the year ended 31 December 2019. The recoverable amount of the machinery and equipment remains minimal as at 31 December 2019.

During the year ended 31 December 2019, the directors of the Company conducted a review of the Group's other property, plant and equipment based on the higher of their value in use and fair value less costs of disposal. No impairment loss was recognised based on the results of the review.

15. 物業、廠房及設備(續)

上述物業、廠房及設備項目乃經考慮估計剩餘價值後於其估計可使用年期內以直線法按以下期間折舊：

建築物	20至50年
廠房及機器	10至15年
傢具及固定裝置	5至10年
電腦及辦公室設備	5至6年
汽車	5至6年

於二零一九年及二零一八年十二月三十一日，所有建築物均位於中國並以中期租賃持有。

於二零一八年四月一日至二零一八年十二月三十一日期間，董事對本集團的物業、廠房及設備進行審閱，並釐定若干資產已減值，原因為暫停一個太陽能產品製造廠房及建議將若干太陽能光伏生產設施遷往中國其他工廠。於二零一八年十二月三十一日，物業之可收回金額須進行減值並按獨立合資格估值師利駿行測量師有限公司(「利駿行」)基於使用折舊重置成本法進行估值。經參考第二手市場及剩餘價值，預計機器及設備之可收回金額甚微。因此，已於損益確認減值虧損人民幣68,699,000元。於二零一九年十二月三十一日，董事參照所進行的估值重新評估該物業的可收回金額，於截至二零一九年十二月三十一日止年度並無確認額外減值虧損或減值虧損撥回。於二零一九年十二月三十一日，機器及設備的可收回金額維持甚微。

截至二零一九年十二月三十一日止年度，本公司董事根據在用價值及公平值的較高者減出售成本，就本集團其他物業、廠房及設備進行審閱。根據審閱結果並無確認減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the year ended 31 December 2019, certain properties classified as held for sale with a carrying amount of RMB220,500,000 were reclassified to property, plant and equipment as a result of finalisation of development plan where these properties will become hotels and entertainment park to be operated by the Group itself.

Property, plant and equipment with a total carrying amount of RMB707,938,000 (31 December 2018: RMB452,237,000) has been pledged to secure bill payables and borrowings of the Group as at 31 December 2019 (note 52).

As at 31 December 2018, the carrying value of plant and machinery includes an amount of RMB31,143,000 in respect of assets held under finance leases (note 33).

16. PREPAID LEASE PAYMENTS

Analysed for reporting purpose:

- Current assets
- Non-current assets

為申報目的之分析：

- 流動資產
- 非流動資產

31.12.2018
二零一八年
十二月三十一日
RMB'000
人民幣千元

8,106
302,247

310,353

At 31 December 2018, prepaid lease payments amounting to RMB224,965,000 had been pledged to secure bill payables and borrowings of the Group (note 52).

Upon adoption of HKFRS 16 on 1 January 2019, the carrying amount of prepaid lease payments of RMB310,353,000 was reclassified to right-of-use assets.

15. 物業、廠房及設備(續)

截至二零一九年十二月三十一日止年度，賬面值為人民幣220,500,000元的若干已分類為持作出售物業被重新分類至物業、廠房及設備，原因為發展計劃已最終確定，該等物業將會成為將由本集團自身營運的酒店及主題樂園。

物業、廠房及設備之總賬面值達人民幣707,938,000元(二零一八年十二月三十一日：人民幣452,237,000元)，於二零一九年十二月三十一日已作為本集團獲取應付票據及借款之抵押(附註52)。

於二零一八年十二月三十一日，廠房及機器的賬面值包括根據融資租賃持有的資產人民幣31,143,000元(附註33)。

16. 預付租賃款項

於二零一八年十二月三十一日，預付租賃款項金額為人民幣224,965,000元，已作為本集團獲取應付票據及借款之抵押(附註52)。

於二零一九年一月一日採納香港財務報告準則第16號後，預付租賃款項的賬面值人民幣310,353,000元重新分類為使用權資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES

17. 投資物業

		Completed investment properties 已竣工 投資物業 RMB'000 人民幣千元	Investment properties under construction 在建 投資物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 April 2018	於二零一八年四月一日	402,320	5,022,460	5,424,780
Additions	添置	–	90,751	90,751
Disposals	出售	(11,771)	–	(11,771)
Additions through acquisition of subsidiaries (note 48(a))	透過收購附屬公司添置 (附註48(a))	118,600	–	118,600
Change in fair value of investment properties	投資物業之公平值變動	7,651	184,364	192,015
At 31 December 2018	於二零一八年 十二月三十一日	516,800	5,297,575	5,814,375
Additions	添置	–	523,614	523,614
Disposal	出售	(119,350)	–	(119,350)
Change in fair value of investment properties	投資物業之公平值變動	(450)	238,395	237,945
Reclassification to properties held for sale	重新分類至持作出售物業	–	(1,593,434)	(1,593,434)
At 31 December 2019	於二零一九年 十二月三十一日	397,000	4,466,150	4,863,150

All of these investment properties are under medium-term leases in the PRC.

所有該等投資物業乃於中國以中期租賃持有。

The Group commenced the property development of a parcel of land of which a portion of it is expected to be held for sale. Accordingly, it results in a transfer from investment properties to properties held for sale. On the date of reclassification, the fair value of the investment properties of approximately RMB1,593,434,000 (2018: nil) at the date of transfer becomes the deemed cost for subsequent accounting of the properties held for sale.

本集團開始一幅土地的物業發展，而土地的一部份預期將持作出售。因而導致由投資物業轉撥至持作出售物業。於重新分類當日，投資物業之公平值約人民幣1,593,434,000元(二零一八年：無)於轉撥當日被視為其後按持作出售物業入賬之成本。

The fair values of the Group's investment properties as at 31 December 2019 and 2018, and as at the date of reclassification, have been arrived at on the basis of valuations carried out on the date by LCH. The valuer is a firm of independent qualified valuers not connected with the Group and have the appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

本集團投資物業於二零一九年及二零一八年十二月三十一日及於重新分類日期之公平值乃基於利駿行於該日期進行的估值得出。該估值師為與本集團概無關連之獨立合資格估值師，並具備相應資格，且對相關地點之同類物業有近期估值經驗。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Investment properties are measured at fair values for financial reporting purpose. In estimating the fair value of an investment property, the Group uses market observable data to the extent it is available. The Group engages independent qualified professional valuers to perform the valuation. The management of the Group works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of investment properties.

In estimating the fair value of these investment properties, the highest and best use of the properties is their current use.

As at 31 December 2019, the Group's completed investment properties carried at fair value of RMB317,300,000 (31 December 2018: RMB398,200,000) and investment properties under construction at fair value of RMB4,466,150,000 (31 December 2018: RMB5,297,575,000) have been pledged to secure bill payables and borrowings of the Group (note 52).

As at 31 December 2019, completed investment properties at fair value of RMB25,800,000 (31 December 2018: RMB122,610,000) were arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions. As at 31 December 2019, completed investment properties at fair value of RMB371,200,000 (31 December 2018: RMB394,190,000) were arrived at based on either the income approach or market comparison approach, where for leased area the average monthly rent of all lettable units of the properties are assessed and discounted at the market yield expected by investors for these type of properties. The average monthly rentals are assessed by reference to a long term rental agreement entered with a tenant for all lettable units of the properties. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in a land and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties.

For vacant area, the fair value were arrived at by reference to mark as evidence of transaction prices for similar properties in the same locations and conditions.

17. 投資物業(續)

出於財務報告目的，投資物業按公平值計量。在估計投資物業的公平值時，本集團採用市場可觀察的可用數據。本集團聘請獨立合資格專業估值師進行估值。本集團管理層與估值師密切合作，並為該模型建立合適的估值法及輸入數據。本集團採用的估值法包括並非基於可觀察市場數據的輸入數據，以估計投資物業的公平值。

在估計該等投資物業公平值時，物業的最高及最佳用途為其現時用途。

於二零一九年十二月三十一日，本集團之已竣工投資物業乃按公平值人民幣317,300,000元(二零一八年十二月三十一日：人民幣398,200,000元)列賬，而在建投資物業的公平值為人民幣4,466,150,000元(二零一八年十二月三十一日：人民幣5,297,575,000元)，已用作本集團獲取應付票據及貸款之抵押(附註52)。

於二零一九年十二月三十一日，已竣工之投資物業之公平值人民幣25,800,000元(二零一八年十二月三十一日：人民幣122,610,000元)乃參考於同一地點及狀況的相若物業之交易價格的市場證據而達致。於二零一九年十二月三十一日，已竣工之投資物業之公平值人民幣371,200,000元(二零一八年十二月三十一日：人民幣394,190,000元)按收入法或市場比較法(視乎租賃地區)達致，而該等物業的所有可供租用單位的平均每月租金乃由投資者就該等類型物業預期的市場收益率作評估及貼現。平均每月租金乃就該等物業所有可供租用單位經參考與承租人訂立的長期租賃協議後評估。貼現率乃經參考自分析一幅土地的相若商業物業的銷售交易產生的收益率後釐定，並經調整以計及物業投資者的市場期望，以反映與本集團的投資物業相關的特定因素。

至於空置地點，公平值乃參考標記為相同地點及條件的相若物業之交易價格證據而達致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

As at 31 December 2019, investment properties under construction with aggregate fair values of RMB2,076,000,000 (31 December 2018: RMB1,936,675,000) were arrived at based on the residual approach, where the gross development values are determined by reference to market evidence of transaction prices for similar properties in the same locations and conditions. The valuations have further taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date, the remainder of the cost and fees expected to be incurred for completing the development and developer's profit margin.

For the remaining investment properties under construction with a fair value of RMB2,390,150,000 (31 December 2018: RMB3,360,900,000) as at 31 December 2019, the management reviewed the construction status of the buildings and structures of the subject investment properties and considered that no market sales comparable was readily available for such preliminary stage of construction. Therefore, the fair value was arrived at by reference to the market value for the existing use of the land, plus the current costs of construction, less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

17. 投資物業(續)

於二零一九年十二月三十一日，總公平值為人民幣2,076,000,000元(二零一八年十二月三十一日：人民幣1,936,675,000元)的在建投資物業按剩餘法達致，而總開發價值乃經參考於同一地點及狀況的相若物業之交易價格的市場證據。有關估值已進一步考慮於估值日期與建築階段相關的應計建築成本及專業費用、預期就完成發展項目將予產生的其餘成本及費用以及發展商溢利率。

於二零一九年十二月三十一日，其餘在建投資物業之公平值為人民幣2,390,150,000元(二零一八年十二月三十一日：人民幣3,360,900,000元)，管理層已審閱建築物的施工情況及有關投資物業的結構，並認為於相關初步施工階段並無可提供的市場銷售可供比較資料。因此，該公平值乃參考土地現有用途的市值，加上現有建築成本並減去物質損耗及所有相關形式的報廢及優化而達致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2019 and 2018 are as follows:

17. 投資物業(續)

於二零一九年及二零一八年十二月三十一日的本集團投資物業及公平值層級資料的詳情如下：

		Level 3	Fair value as at 31 December 2019 於二零一九年 十二月三十一日 之公平值 RMB'000 人民幣千元
Commercial units located in the PRC	位於中國之商業單位	4,785,350	4,785,350
Residential units located in the PRC	位於中國之住宅單位	77,800	77,800
		4,863,150	4,863,150

		Level 3	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公平值 RMB'000 人民幣千元
Commercial units located in the PRC	位於中國之商業單位	5,736,575	5,736,575
Residential units located in the PRC	位於中國之住宅單位	77,800	77,800
		5,814,375	5,814,375

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement

The following tables give information about how the fair values of these investment properties as at 31 December 2019 and 2018 are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

	Fair value		Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	31 December 2019	31 December 2018	Level 3			
	二零一九年十二月三十一日	二零一八年十二月三十一日	第三級	市場法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
	RMB'000	RMB'000				
	人民幣千元	人民幣千元				
Investment properties under construction located at Minhang District, Shanghai, the PRC 位於中國上海市閔行區之在建投資物業	2,390,150	3,360,900	Level 3 第三級	Market approach 市場法	Market unit sale rate per square meter of the land, after taking into account usage life, the location and size factors, at RMB22,200 (31 December 2018: RMB21,400) per square meter 每平方米之土地市場單位售價，經考慮使用年期、位置及面積因素，為每平方米人民幣22,200元（二零一八年十二月三十一日：人民幣21,400元）。	A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa 市場單位售價大幅增加將導致公平值大幅增加，反之亦然

17. 投資物業(續)

經常性公平值計量

下表所示為如何釐定該等投資物業於二零一九年及二零一八年十二月三十一日的公平值(特別是所採用的估值法及輸入數據)的資料，以及根據公平值計量輸入數據的可觀察程度對公平值計量進行分類的公平值層級(第一至三級)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value	Fair value hierarchy	Valuation technique
	公平值	公平值層級	估值法
31 December 2019	31 December 2018		
二零一九年十二月三十一日	二零一八年十二月三十一日		
RMB'000	RMB'000		
人民幣千元	人民幣千元		

Investment properties under construction located at the south-eastern side of the junction of Titan Road and Zhongshan Road, Shahekou District, Dalian City, Liaoning Province, the PRC
位於中國遼寧省大連市沙河口區體壇路與中山路交界東南側之在建投資物業

2,076,000

1,936,675

Level 3
第三級

Residual approach
剩餘法

17. 投資物業(續)

經常性公平值計量(續)

Significant unobservable inputs
重大不可觀察輸入數據

Relationship of significant unobservable inputs to fair value
重大不可觀察輸入數據與公平值之關係

Market unit sale rate at RMB17,800-25,500 (31 December 2018: RMB16,400-19,000) per square meter
每平方米市場單位售價人民幣17,800元至25,500元(二零一八年十二月三十一日：人民幣16,400元至19,000元)

A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa
市場單位售價大幅增加將導致公平值大幅增加，反之亦然

Estimated cost to complete amounted to approximately RMB681,711,000 (31 December 2018: RMB543,059,000)
估計竣工成本約為人民幣681,711,000元(二零一八年十二月三十一日：人民幣543,059,000元)

A significant increase in the cost to complete would result in a significant decrease in fair value, and vice versa
竣工成本大幅增加將導致公平值大幅減少，反之亦然

Expected developer's profit margin at 15% (31 December 2018: 20%)
發展商預期溢利率為15%(二零一八年十二月三十一日：20%)

A slight increase in the expected profit would result in a significant decrease in fair value, and vice versa
預期溢利輕微上升將導致公平值大幅下跌，反之亦然

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value	Fair value hierarchy	Valuation technique
	公平值	公平值層級	估值法
31 December 2019	31 December 2018		
二零一九年十二月三十一日	二零一八年十二月三十一日		
RMB'000	RMB'000		
人民幣千元	人民幣千元		

17. 投資物業(續)

經常性公平值計量(續)

	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
Investment properties located at No. 4, Sanba Square, Zhongshan District, Dalian City, Liaoning Province, the PRC 位於中國遼寧省大連市中山區三八廣場4號之投資物業	Average monthly rent at RMB66 per square meter (31 December 2018: RMB64 per square value, meter) based on existing rental contract. 根據現有租約，每月平均租金為每平方米人民幣66元 (二零一八年十二月三十一日：每平方米價值人民幣64元)。 Market yield at 3%-5% (31 December 2018: 3%-6%). 市場回報率為3%至5% (二零一八年十二月三十一日：3%至6%)。	A significant increase in the monthly rent would result in a significant increase in fair value and vice versa 每月租金大幅增加將導致公平值大幅增加，反之亦然 A slight decrease in the market yield would result in a significant increase in fair value, and vice versa 市場回報率輕微下跌將導致公平值大幅增加，反之亦然

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value	
	公平值	公平值層級	估值法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係	
	31 December 2019	31 December 2018				
	二零一九年十二月三十一日	二零一八年十二月三十一日				
	RMB'000	RMB'000				
	人民幣千元	人民幣千元				
Commercial units located at Jincan Garden, Xiong Yue Town, Yingkou City, Liaoning province, the PRC 位於中國遼寧省營口市熊岳鎮金燦花園之商業單位	9,000	8,400	Level 3 第三級	Income approach/market comparison approach 收入法/市場比較法	<p>Income approach: Average monthly rent at RMB8 (31 December 2018: RMB8) per square meter based in existing rental contract 收入法：每月平均租金：根據現有租約為每平方米人民幣8元(二零一八年十二月三十一日：人民幣8元)</p> <p>Market yield: 5.7%-6.7% (31 December 2018: 6.5%-8.6%) 市場回報率：5.7%至6.7% (二零一八年十二月三十一日：6.5%至8.6%)</p> <p>Market comparison method: Market unit sale rate: RMB4,100-6,600 (31 December 2018: RMB4,500-5,840) per square meter 市場比較法：市場單位售價：每平方米人民幣4,100元至6,600元(二零一八年十二月三十一日：人民幣4,500元至5,840元)</p>	<p>A significant increase in the monthly rent would result in a significant increase in fair value and vice versa 每月租金大幅增加將導致公平值大幅增加，反之亦然</p> <p>A slight decrease in the market yield would result in a significant increase in fair value, and vice versa 市場回報率輕微下跌將導致公平值大幅增加，反之亦然</p> <p>A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa 市場單位售價大幅增加將導致公平值大幅增加，反之亦然</p>

17. 投資物業(續)

經常性公平值計量(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value		Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	31 December 2019	31 December 2018	Level 3	Income approach/market comparison approach	Income approach: Average monthly rent at RMB156 (31 December 2018: RMB152) per square meter based on existing value, rental contract	重大不可觀察輸入數據
	公平值	公平值	公平值層級	估值法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
	31 December 2019	31 December 2018	第三級	收入法/市場比較法	收入法：每月平均租金根據現有租約價值為人民幣156元(二零一八年十二月三十一日：人民幣152元)	每月租金大幅增加將導致公平值大幅增加，反之亦然
	二零一九年十二月三十一日	二零一八年十二月三十一日			Market yield rate at 5.7%- 8.2% (31 December 2018: 6.5%-8.6%)	A slight decrease in the market yield would result in a significant increase in fair value, and vice versa
	RMB'000	RMB'000			市場回報率：5.7%至8.2% (二零一八年十二月三十一日：6.5%至8.6%)	市場回報率輕微下跌將導致公平值大幅增加，反之亦然
	人民幣千元	人民幣千元			Market comparison method: Market unit sale rate at RMB4,100- 6,600 (31 December 2018: RMB4,500-5,850) per square meter	A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa
					市場比較法：市場單位售價為每平方米人民幣4,100元至6,600元(二零一八年十二月三十一日：人民幣4,500元至5,850元)	市場單位售價大幅增加將導致公平值大幅增加，反之亦然
Commercial units located at the middle of Kunlun Street, Bayuguan District, Liaoning province, the PRC	44,900	45,500	Level 3	Income approach/market comparison approach	Income approach: Average monthly rent at RMB156 (31 December 2018: RMB152) per square meter based on existing value, rental contract	A significant increase in the monthly rent would result in a significant increase in fair value and vice versa
位於中國遼寧省鯨魚圈區昆侖大街中段之商業單位					收入法：每平方米每月平均租金根據現有租約價值為人民幣156元(二零一八年十二月三十一日：人民幣152元)	每月租金大幅增加將導致公平值大幅增加，反之亦然
					Market yield rate at 5.7%- 8.2% (31 December 2018: 6.5%-8.6%)	A slight decrease in the market yield would result in a significant increase in fair value, and vice versa
					市場回報率：5.7%至8.2% (二零一八年十二月三十一日：6.5%至8.6%)	市場回報率輕微下跌將導致公平值大幅增加，反之亦然
					Market comparison method: Market unit sale rate at RMB4,100- 6,600 (31 December 2018: RMB4,500-5,850) per square meter	A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa
					市場比較法：市場單位售價為每平方米人民幣4,100元至6,600元(二零一八年十二月三十一日：人民幣4,500元至5,850元)	市場單位售價大幅增加將導致公平值大幅增加，反之亦然

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value	
	公平值	公平值層級	估值法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係	
	31 December 2019	31 December 2018				
	二零一九年十二月三十一日	二零一八年十二月三十一日				
	RMB'000	RMB'000				
	人民幣千元	人民幣千元				
Office units and commercial units located at Liangxi District, Wuxi City, Jiangsu Province, the PRC 位於中國江蘇省無錫市梁溪區之辦公室單位及商業單位	25,800	118,600	Level 3 第三級	Market comparison approach 市場比較法	Market unit sale rate at RMB24,300 (31 December 2018: RMB24,000) per square meter 每平方米市場單位售價為人民幣24,300元(二零一八年十二月三十一日：人民幣24,000元)	A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa 市場單位售價大幅增加將導致公平值大幅增加，反之亦然
Residential units located in Shenzhen City, Guangdong Province, the PRC 位於中國廣東省深圳市之住宅單位	77,800	77,800	Level 3 第三級	Income approach/Market comparison approach (31 December 2018: Market comparison approach) 收入法/市場比較法 (二零一八年十二月三十一日：市場比較法)	Income approach: Average monthly rent at RMB103 per square meter (31 December 2018: N/A) 收入法：每月平均租金每平方米人民幣103元(二零一八年十二月三十一日：不適用) Market yield rate at 3.9% (31 December 2018: N/A) 市場回報率為3.9%(二零一八年十二月三十一日：不適用)	A significant increase in the monthly rent would result in a significant increase in fair value, and vice versa 每月租金大幅增加將導致公平值大幅增加，反之亦然 A slight decrease in the market yield would result in a significant increase in fair value, and vice versa 市場回報率輕微下跌將導致公平值大幅增加，反之亦然
				Market comparison approach: Market unit sale rate from RMB44,400 to RMB 45,700 (31 December 2018: RMB44,500) per square meter 市場比較法：市場單位售價為每平方米人民幣44,400元至人民幣45,700元 (二零一八年十二月三十一日：人民幣44,500元)	A significant increase in the market unit sale rate would result in a significant increase in fair value, and vice versa 市場單位售價大幅增加將導致公平值大幅增加，反之亦然	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

17. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

	Fair value		Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	公平值	31 December 2019	公平值層級	估值法	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
		31 December 2018				
		二零一八年				
		十二月三十一日				
	RMB'000	RMB'000				
	人民幣千元	人民幣千元				
Commercial units located at Jinfeng Guesthouse, Sanjiazi Community, Bayuguan District, Liaoning province, the PRC 位於中國遼寧省鞍魚圈區三家子社區金峰賓館之商業單位	-	16,400	(31 December 2018: Level 3) (二零一八年十二月三十一日：第三級)	(31 December 2018: Income approach) (二零一八年十二月三十一日：收入法)	Average monthly rent at (31 December 2018: RMB67) per square meter based on existing value, rental contract 根據現有租約價值，每月平均租金為(二零一八年十二月三十一日：每平方米人民幣67元)	A significant increase in the monthly rent would result in a significant increase in fair value and vice versa 每月租金大幅增加將導致公平值大幅增加，反之亦然
					Market yield at (31 December 2018: 6.5%-8.6%) 市場回報率為(二零一八年十二月三十一日：6.5%至8.6%)	A slight decrease in the market yield would result in a significant increase in fair value, and vice versa 市場回報率輕微下跌將導致公平值大幅增加，反之亦然
	4,863,150	5,814,375				

All the market unit sale rate and rental adopted above have been determined after taking into account the location, size factor, layout and floor.

There was no transfer among the three levels of the fair value hierarchy during the current year and prior period.

上述所採納的所有市場單位售價及租金均在計及位置、面積因素、間隔及樓面後釐定。

於本年度及過往期間，三個公平值層級之間並無轉換。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. GOODWILL

18. 商譽

RMB'000
人民幣千元

COST	成本	
At 1 April 2018, 31 December 2018 and 1 January 2019 and 31 December 2019	於二零一八年四月一日、 二零一八年十二月三十一日及 二零一九年一月一日及 二零一九年十二月三十一日	13,933
IMPAIRMENT	減值	
At 1 April 2018	於二零一八年四月一日	-
Impairment loss recognised during the period	期內確認之減值虧損	5,846
At 31 December 2018 and 1 January 2019 and 31 December 2019	於二零一八年十二月三十一日及 二零一九年一月一日及 二零一九年十二月三十一日	5,846
CARRYING VALUE	賬面值	
At 31 December 2019	於二零一九年十二月三十一日	8,087
At 31 December 2018	於二零一八年十二月三十一日	8,087

For the purpose of impairment testing, goodwill have been allocated to two individual cash generating units ("CGUs"), comprising solar photovoltaic business and financial services business. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31 December 2019 and 2018 allocated to this unit are as follows:

就減值測試而言，商譽已分配至兩個個別現金產生單位（「現金產生單位」），包括太陽能光伏業務及金融服務業務。於二零一九年及二零一八年十二月三十一日，商譽之賬面值（扣除累計減值虧損）分配至下列單位：

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Financial services	金融服務	8,087	8,087
		8,087	8,087

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. GOODWILL (Continued)

For the period from 1 April 2018 to 31 December 2018, the closure of a solar photovoltaic manufacturing factory and proposed relocation of production facilities resulted in a net loss for the operating segment. Accordingly, the Directors have consequently determined impairment of goodwill directly related to Solar photovoltaic amounting to RMB5,846,000 and recognised in the profit or loss for the period from 1 April 2018 to 31 December 2018.

During the year ended 31 December 2019, the Directors determine that there is no impairment of its CGU of financial services business.

18. 商譽(續)

於二零一八年四月一日至二零一八年十二月三十一日期間，一個太陽能光伏製造工廠終止營運及建議遷移生產設施導致經營分部錄得虧損淨額。因此，董事就此確定與太陽能光伏直接相關的商譽減值人民幣5,846,000元並於二零一八年四月一日至二零一八年十二月三十一日期間的損益中確認。

截至二零一九年十二月三十一日止年度，董事釐定其金融服務業務的現金產生單位概無減值。

19. CLUB MEMBERSHIP

	年／期初結餘	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Balance at the beginning of year/period		1,701
Disposal	出售	(1,701)
Balance at the end of year/period	年／期末結餘	-

The club membership with indefinite useful lives is stated at cost less impairment loss and is tested for impairment annually whenever there is an indication of impairment.

During the period from 1 April 2018 to 31 December 2018, the club membership had been disposed of at a consideration of RMB1,638,000. The loss on disposal of club membership amounting to RMB63,000 had been recognised in profit or loss.

19. 會所會籍

具有不定使用年期之會所會籍以成本減去減值虧損呈列，並於出現減值跡象時按年進行減值測試。

於二零一八年四月一日至二零一八年十二月三十一日期間，會所會籍已按代價人民幣1,638,000元出售。出售會所會籍之虧損人民幣63,000元已於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

20. INTERESTS IN AN ASSOCIATE

20. 於一間聯營公司之權益

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Cost of investment in an associate	投資一間聯營公司之成本	18,000	18,000
Share of post-acquisition profits and other comprehensive income	分佔收購後溢利及其他全面收入	11,213	10,400
Total	總計	29,213	28,400

Details of the Group's associate at the end of the reporting period are as follows:

本集團聯營公司於報告期間末之詳情如下：

Name of entity 實體名稱	Country of establishment 成立所在國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持所有權權益之百分比		Proportion of voting rights held by the Group 本集團所持表決權之百分比		Principal activity 主營業務
			31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
			Liaoning BF Exchange Financial Assets Exchange Co., Limited 遼寧北方金融資產交易中心有限公司	PRC 中國	PRC 中國	20%	

Note:

On 30 November 2018, the Group had entered into a share repurchase agreement with Candice Group Limited ("Candice Group"), pursuant to the agreement, Candice Group had agreed to repurchase the remaining equity interests held by the Group in full at a consideration of HK\$532,000 (equivalent to RMB465,000) and subject to the condition that Candice Group settled the outstanding amount owing to the Group of approximately HK\$7,392,000 (equivalent to RMB 6,484,000).

Upon the completion of the above transaction on 7 December 2018, loss on disposal of RMB8,637,000 had been recognised in profit or loss and the corresponding interest in the associate of RMB9,102,000 was derecognised.

附註：

於二零一八年十一月三十日，本集團與華強科技集團有限公司（「華強科技集團」）訂立股份購回協議，根據協議，華強科技集團同意購回由本集團所持有的餘下全部股權，代價為532,000港元（相當於人民幣465,000元），須待華強科技集團結清結欠本集團的未償還款項約7,392,000港元（相當於人民幣6,484,000元）後方可落實。

於二零一八年十二月七日完成上述交易後，出售虧損人民幣8,637,000元已於損益確認，並取消確認於聯營公司之相應權益人民幣9,102,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

21. INTERESTS IN JOINT VENTURES

21. 於合營企業之權益

	31.12.2019	31.12.2018
	二零一九年	二零一八年
	十二月三十一日	十二月三十一日
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Cost of investments in joint ventures	–	6,100
投資合營企業之成本	–	6,100

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

本集團各合營企業於報告期間末之詳情如下：

Name of entity 實體名稱	Country of establishment 成立所在國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持所有權權益之百分比		Proportion of voting rights held by the Group 本集團所持表決權之百分比		Principal activity 主營業務
			31 December 2019 二零一九年十二月三十一日	31 December 2018 二零一八年十二月三十一日	31 December 2019 二零一九年十二月三十一日	31 December 2018 二零一八年十二月三十一日	
Nanjing Bao Heng Real Estate Development Co., Ltd. (Note a) 南京保恒房地產開發有限公司(附註a)	PRC 中國	PRC 中國	51%	51%	50%	50%	Inactive 暫無業務
Huajun Automobile (Jiangsu) Co., Ltd. (Note b) 華君汽車(江蘇)有限公司(附註b)	PRC 中國	PRC 中國	Note b 附註b	49%	Note b 附註b	50%	Inactive 暫無業務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

21. INTERESTS IN JOINT VENTURES (Continued) 21. 於合營企業之權益(續)

Notes:

- (a) On 26 April 2018, Bao Hua Properties (China) Co., Ltd., a wholly owned subsidiary of the Company, entered into a strategic cooperation framework agreement (the "Strategic Agreement") with Hengda Real Estate Group (Nanjing) Property Company Limited, an independent third party, in relation to the formation and capital contribution of Nanjing Bao Heng Real Estate Development Co., Ltd. ("Nanjing Bao Heng"). Pursuant to certain terms and conditions stated in the Strategic Agreement, the relevant activities of Nanjing Bao Heng require unanimous approval from all joint venture partners. Nanjing Bao Heng is jointly controlled by the Group and another joint venture partner and, as such, it is accounted for as a joint venture of the Group.

As the joint venture has not started business during the current year and prior period, there is no share of profits/loss recognised to profit or loss for the year ended 31 December 2019 (period from 1 April 2018 to 31 December 2018: Nil).

- (b) On 13 August 2018, Huajun Zhihui Energy Co., Ltd., a wholly owned subsidiary of the Company, entered into a joint venture agreement (the "JV Agreement") and contribution agreement with an independent third party in relation to the formation and capital contribution of Huajun Automobile (Jiangsu) Co., Ltd. (formerly known as Hua Xin Development (Jiangsu) Co., Ltd.) ("Huajun Automobile"). Pursuant to certain terms and conditions stated in the JV Agreement, the relevant activities of Huajun Automobile require unanimous approval from all joint venture partners. Huajun Automobile was jointly controlled by the Group and another joint venture partner and, as such, it was accounted for as a joint venture of the Group.

During the period from 1 January 2019 to 20 May 2019, share of loss from joint venture of RMB216,000 (period from 1 April 2018 to 31 December 2018: Nil) is recognised to profit or loss.

On 21 May 2019, the Group further acquired the remaining 51% interest in Huajun Automobile and Huajun Automobile became a wholly-owned subsidiary of the group. Please refer to note 48(a) for details.

附註：

- (a) 於二零一八年四月二十六日，本公司的全資附屬公司保華地產(中國)有限公司與獨立第三方恒大地產集團(南京)置業有限公司訂立戰略合作框架協議(「戰略協議」)，內容有關南京保恒房地產開發有限公司(「南京保恒」)的成立及注資。根據戰略協議所列的若干條款及條件，南京保恒的相關活動須經過所有合營企業夥伴的一致批准。南京保恒由本集團及另一合營企業夥伴共同控制，因此，其入賬列作本集團的合營企業。

由於合營企業於本年度及過往期間並未開始業務，於截至二零一九年十二月三十一日止年度並無於損益確認應佔溢利／虧損(於二零一八年四月一日至二零一八年十二月三十一日期間：無)。

- (b) 於二零一八年八月十三日，本公司的全資附屬公司華君智慧能源有限公司與獨立第三方訂立合營企業協議(「合營企業協議」)及出資協議，內容有關華君汽車(江蘇)有限公司(前稱為華鑫企業發展(江蘇)有限公司)(「華君汽車」)的成立及注資。根據合營企業協議所列的若干條款及條件，華君汽車的相關活動須經過所有合營企業夥伴的一致批准。華君汽車由本集團及另一合營企業夥伴共同控制，因此，其入賬列作本集團的合營企業。

於二零一九年一月一日至二零一九年五月二十日期間，分佔合營企業虧損為人民幣216,000元(於二零一八年四月一日至二零一八年十二月三十一日期間：無)於損益中確認。

於二零一九年五月二十一日，本集團進一步收購華君汽車餘下51%的權益，而華君汽車成為本集團全資附屬公司。詳情請參閱附註48(a)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

22. DEPOSITS FOR PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, INVESTMENT PROPERTIES AND LEASEHOLD LAND FOR DEVELOPMENT FOR SALE

22. 購買物業、廠房及設備、使用權資產、投資物業及開發作銷售之租賃土地之按金

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Deposits for purchases or modification of: 購買或改裝以下各項之按金：			
– Plant and machineries	– 廠房及機器	61,863	29,520
– Investment properties	– 投資物業	527,270	–
– Right-of-use assets/leasehold land	– 使用權資產／租賃土地	60,754	120,500
Total	總計	649,887	150,020
Analysis as: 分析如下：			
Non-current	非即期	649,887	100,020
Current	即期	–	50,000
Total	總計	649,887	150,020

As at 31 December 2019, the carrying amount of deposits for purchases or modification of plant and machineries, investment property and leasehold land includes:

於二零一九年十二月三十一日，購買或改裝廠房及機器、投資物業及租賃土地之按金的賬面值包括：

- | | |
|--|--|
| <p>(a) Deposits totalling of RMB23,423,000 (31 December 2018: RMB7,630,000) for purchases of the machineries and other equipment, which will be used in its printing business in the PRC.</p> | <p>(a) 購買將用於其於中國的印刷業務的機器及其他設備之按金合共人民幣23,423,000元(二零一八年十二月三十一日：人民幣7,630,000元)。</p> |
| <p>(b) Deposits totalling of RMB22,708,000 (31 December 2018: RMB21,890,000) for purchases or modification of several production lines and the relevant equipment, which will be used in its manufacturing of solar photovoltaic business.</p> | <p>(b) 購買或改裝將用於其太陽光伏製造業務的若干生產線及相關設備之按金合共人民幣22,708,000元(二零一八年十二月三十一日：人民幣21,890,000元)。</p> |
| <p>(c) Deposits totalling of RMB 27,742,000 (31 December 2018: Nil) for a leasehold land and construction of plant, which will be used in its automobile business in the PRC.</p> | <p>(c) 一幅租賃土地及將用於在中國的汽車業務的廠房的建築之按金合共人民幣27,742,000元(二零一八年十二月三十一日：無)。</p> |
| <p>(d) Deposits totalling of RMB319,270,000 (31 December 2018: Nil) for a leasehold land which will be developed into business services, commercial and logistic centre for lease to generate rental income in the PRC.</p> | <p>(d) 用於一幅將發展作可租賃的商務服務、商業及物流中心以於中國產生租金收入的租賃土地之按金合共人民幣319,270,000元(二零一八年十二月三十一日：無)。</p> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

22. DEPOSITS FOR PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, INVESTMENT PROPERTIES AND LEASEHOLD LAND FOR DEVELOPMENT FOR SALE (Continued)

- (e) Deposits totalling of RMB208,000,000 (31 December 2018: Nil) for the Dong Yin Building as an investment property of the Group, details which are set out in the Company's announcement dated 31 August 2018.
- (f) Deposits totalling of RMB48,744,000 (31 December 2018: Nil) for purchases of a leasehold land, which will be used in its manufacturing of solar photovoltaic business.
- (g) As at 31 December 2018, deposits totalling of RMB70,500,000 (31 December 2019: Nil) for purchases of an hotel located at Hangzhou City, Zhejiang Province, the PRC.
- (h) As at 31 December 2018, deposits totalling of RMB50,000,000 (31 December 2019: Nil) for purchases of a leasehold land located at Yingkou City, Liaoning Province, the PRC, for development for sale.

During the period from 1 April 2018 to 31 December 2018, the Group entered into machineries modification agreement with a vendor, an independent third party residence in the PRC, to enhance the productivity of certain machineries used in its solar photovoltaic business. Deposits of RMB25,000,000 was paid accordingly.

After the modification has been completed, the management considered that the vendor fails to increase the productivity of the machineries in accordance with the agreement.

Subsequent to the nine months period ended 31 December 2018, the vendor is found in severe financial difficulties. Therefore, the Directors considered that such deposit is not recoverable and an impairment of RMB25,000,000 was recognised in profit or loss for the period from 1 April 2018 to 31 December 2018 (year ended 31 December 2019: Nil).

22. 購買物業、廠房及設備、使用權資產、投資物業及開發作銷售之租賃土地之按金(續)

- (e) 用於開發東銀大廈成為本集團一項投資物業之按金合共人民幣208,000,000元(二零一八年十二月三十一日：無)，有關詳情已載於本公司日期為二零一八年八月三十一日之公告。
- (f) 用作購買一塊租賃土地並用於其製造太陽能光伏產品業務之按金合共人民幣48,744,000元(二零一八年十二月三十一日：無)。
- (g) 於二零一八年十二月三十一日，購買位於中國浙江省杭州市的酒店之按金合共人民幣70,500,000元(二零一九年十二月三十一日：無)。
- (h) 於二零一八年十二月三十一日，購買位於中國遼寧省營口市開發作銷售的租賃土地之按金合共人民幣50,000,000元(二零一九年十二月三十一日：無)。

於二零一八年四月一日至二零一八年十二月三十一日期間，本集團與位於中國的獨立第三方賣家訂立機器改裝協議，以改進其太陽光伏業務所用的若干機器的產能。據此已付按金人民幣25,000,000元。

改裝完成後，管理層認為賣方未能根據協議提升機器的產能。

其後截至二零一八年十二月三十一日止九個月期間，賣方出現嚴重財務困難。因此，董事認為相關按金無法收回，並於二零一八年四月一日至二零一八年十二月三十一日期間損益確認減值人民幣25,000,000元(截至二零一九年十二月三十一日止年度：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

23. 按公平值計入損益之金融資產／按公平值計入其他全面收益之債務工具

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Listed equity securities, at fair value (note a)	上市股權證券，按公平值計 (附註a)	10,024	13,509
Listed fund investments, at fair value (note b)	上市基金投資，按公平值計 (附註b)	3,864	4,916
Unlisted fund investment, at fair value (note c)	非上市基金投資，按公平值計 (附註c)	35,815	45,373
Listed bond investments, at fair value (note d)	上市債券投資，按公平值計 (附註d)	19,482	29,274
Unlisted bond investments, at fair value (note d)	非上市債券投資，按公平值計 (附註d)	7,280	19,757
Unlisted investments in China Huacai, at fair value (note e)	於中國華財的非上市投資， 按公平值計(附註e)	-	154,470
Total	總計	76,465	267,299

Classified as:

分類為：

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Financial assets mandatorily measured at FVTPL	強制按公平值計入損益計量之 金融資產	49,703	218,268
Debt instruments at FVTOCI	按公平值計入其他全面收益之 債務工具	26,762	49,031
Total	總計	76,465	267,299

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Analysed as:

23. 按公平值計入損益之金融資產／按公平值計入其他全面收益之債務工具(續)

分析為：

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Financial assets mandatorily measured at FVTPL	強制按公平值計入損益計量之金融資產		
Listed in Hong Kong	於香港上市	8,624	12,688
Listed in overseas	於海外上市	5,264	5,737
Unlisted in overseas	於海外未上市	35,815	199,843
		49,703	218,268
Current	即期	13,888	173,580
Non-current	非即期	35,815	44,688
Total	總計	49,703	218,268
		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具		
Listed in overseas	於海外上市	19,482	29,274
Unlisted in overseas	於海外未上市	7,280	19,757
		26,762	49,031
Non-current	非即期	26,762	49,031

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Notes:

- (a) The basis of fair value measurement of listed equity securities was quoted price of equity interest listed on the respective stock exchange markets. The fair value was measured at Level 1 fair value measurement (as defined in note 47(c)).
- (b) The basis of fair value measurement of listed fund investments was based on the reference prices provided by counterparty financial institutions. The fair value was measured at Level 2 fair value measurement (as defined in note 47(c)).
- (c) The basis of fair value measurement of unlisted fund investments consisted of quotation provided by third parties which imply the use non-observable market information as significant inputs. The fair value was measured at Level 3 fair value measurement (as defined in note 47(c)).
- (d) During the year ended 31 December 2019, the Group has disposed bond investments at consideration of approximately RMB23,208,000 (period from 1 April 2018 to 31 December 2018: RMB17,830,000) and the cumulative fair value loss of RMB1,814,000 (period from 1 April 2018 to 31 December 2018: RMB2,560,000) is reclassified from investment revaluation reserve to profit or loss.

As at 31 December 2019, the effective interest rate of these listed/unlisted bond investments is ranging from 6.6% to 9.2% (31 December 2018: 7.9% to 13.9%) per annum. The fair value of listed bond investments was measured at Level 1 fair value measurement (as defined in note 47(c)). The basis of fair value measurement of unlisted bond is based on the reference prices provided by counterparty financial institutions. The fair value was measured at Level 2 fair value measurement (as defined in note 47(c)).

- (e) Prior to 1 April 2017, the Group subscribed for shares of China Huacai Finance Equity Investment Fund SP ("China Huacai"), a private investment fund incorporated in the Cayman Islands and managed by a financial institution listed on the Stock Exchange at total cost of HK\$156,883,000 (equivalent to approximately RMB131,146,000). The investment objective of China Huacai was to achieve capital appreciation through investing in funds, securities, bonds, ownership interest and private equity investments offered publicly or privately and in relation to energy and environmental protection. At 1 April 2017 and 31 March 2018, the major underlying assets of China Huacai was a prepayment for acquisition of power stations from Hareon Solar Technology Co., Limited ("Hareon Solar") amounted to US\$58,051,000 (equivalent to approximately RMB401,692,000) (the "Prepayment").

As at 31 March 2018, the net assets of China Huacai attributable to the Group represented approximately 33% of the total net asset value of China Huacai. Pursuant to the offering memorandum of China Huacai, the Directors considered that the Group has no significant influence over China Huacai because the shares subscribed by the Group did not confer the right to the Group to appoint either directors or investment manager of China Huacai.

23. 按公平值計入損益之金融資產／按公平值計入其他全面收益之債務工具(續)

附註：

- (a) 上市股權的公平值計量以股權於各自上市之股票交易市場的報價為基礎。公平值乃按第一級公平值計量方法(定義見附註47(c))計量。
- (b) 上市基金投資的公平值計量以對手方金融機構提供的參考價格為基礎。公平值乃按第二級公平值計量方法(定義見附註47(c))計量。
- (c) 非上市基金投資的公平值計量基礎包括第三方提供的報價，其意味使用非可觀察市場資料作為重大輸入數據。公平值乃按第三級公平值計量方法(定義見附註47(c))計量。
- (d) 截至二零一九年十二月三十一日止年度，本集團以代價約人民幣23,208,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣17,830,000元)出售債券投資，而累計公平值虧損人民幣1,814,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣2,560,000元)自投資重估儲備重新分類至損益。

於二零一九年十二月三十一日，該等上市／非上市基金投資的實際年利率介乎6.6%至9.2%(二零一八年十二月三十一日：7.9%至13.9%)。上市債券投資的公平值乃按第一級公平值計量方法(定義見附註47(c))計量。非上市債券投資的公平值以對手方金融機構提供的參考價格為基礎。公平值乃按第二級公平值計量方法(定義見附註47(c))計量。

- (e) 於二零一七年四月一日前，本集團認購中國華財金融股權投資基金(「中國華財」)，一項於開曼群島註冊成立並由一間於聯交所上市之金融機構管理之私募基金)的股份，總成本為156,883,000港元(相當於約人民幣131,146,000元)。中國華財之投資目標為透過投資於能源及環保領域的公募或私募基金、證券、債券、所有權權益及私人股權投資實現資本增值。於二零一七年四月一日及二零一八年三月三十一日，中國華財之主要相關資產為向海潤光伏科技股份有限公司(「海潤光伏」)收購發電廠之預付款項58,051,000美元(相當於約人民幣401,692,000元)(「預付款項」)。

於二零一八年三月三十一日，本集團應佔中國華財資產淨值佔中國華財總資產淨值約33%。根據中國華財之發售章程，董事認為，由於本集團認購之股份不賦予本集團任命基金董事或投資經理之權利，故本集團對中國華財並無重大影響力。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Notes: (Continued)

(e) (Continued)

During the year ended 31 March 2018, Hareon Solar was unable to transfer the power stations to China Huacai or refund the Prepayment in accordance to the investment agreement. In view of this, the Directors considered that the fair value of the available-for-sale investments in the unlisted fund investment had significantly decreased and the fair value loss of RMB133,877,000 was recognised in investment revaluation reserve, subject to impairment consideration.

As at 31 March 2018, the Directors reviewed the financial position of Hareon Solar and determined to provide a full impairment of RMB133,877,000 in respect of its investment in China Huacai. As a result, the cumulative fair value loss previously recognised in the investment revaluation reserve was reclassified to profit or loss.

Further on 28 April 2018, Hareon Solar published its annual report for the year ended 31 December 2017, for which a disclaimer of opinion was issued by the statutory auditor. As disclosed in the annual report of Hareon Solar, Hareon Solar's current liabilities exceeded its current assets by approximately RMB1,529,855,000 and incurred a net loss of approximately RMB4,477,199,000 for the year ended 31 December 2017. As at 31 December 2018, the listing status of Hareon Solar had also been suspended by the Shanghai Stock Exchange.

In December 2018, China Huacai has entered into an agreement to transfer the Prepayment to Mr. Meng, who is the controlling shareholder of the Company and the limited partner of China Huacai at the same date. This transaction is deemed as to be a shareholder's contribution to China Huacai because Mr. Meng is the limited partner of China Huacai and there is no indicator as of 31 December 2018 that the recoverability of the Prepayment has been improved. The Directors considered that the fair value changes of the unlisted fund investment should also be recognised as an equity transaction. For the period from 1 April 2018 to 31 December 2018, the change in fair value of RMB154,470,000 has been recognised as a deemed contribution by controlling shareholder in deemed contribution reserve.

On 7 March 2019, the Group has received a sum of RMB154,470,000 from the redemption of all the investments in China Huacai.

23. 按公平值計入損益之金融資產／按公平值計入其他全面收益之債務工具(續)

附註：(續)

(e) (續)

於截至二零一八年三月三十一日止年度，根據投資協議，海潤光伏無法轉讓發電廠予中國華財或退還預付款項。有鑒於此，董事認為，非上市基金投資中可供出售投資之公平值大幅下降，公平值虧損人民幣133,877,000元乃於投資重估儲備內確認，惟有待作出減值考慮。

於二零一八年三月三十一日，董事檢討海潤光伏之財務狀況，並決定就其於中國華財之投資悉數提供減值人民幣133,877,000元。因此，之前於投資重估儲備內確認之累計公平值虧損獲重新分類至損益。

此外，於二零一八年四月二十八日，海潤光伏公佈其截至二零一七年十二月三十一日止年度之年報，當中載有法定核數師發出的保留意見。誠如海潤光伏之年報所披露，截至二零一七年十二月三十一日止年度，海潤光伏之流動負債超過其流動資產約人民幣1,529,855,000元，並產生虧損淨額約人民幣4,477,199,000元。於二零一八年十二月三十一日，海潤光伏之上市地位亦遭上海證券交易所暫停。

於二零一八年十二月，中國華財已訂立協議，將預付款項轉讓予孟先生，孟先生於同日為本公司的控股股東以及中國華財的有限合夥人。此交易被視為股東向中國華財的注資，原因是孟先生為中國華財的有限合夥人，而截至二零一八年十二月三十一日，並無跡象表明預付款項的可回收性有所改善。董事認為非上市基金投資的公平值變動亦須確認為股權交易。於二零一八年四月一日至二零一八年十二月三十一日期間，公平值變動人民幣154,470,000元已於視作注資儲備中確認為視作控股股東的注資。

於二零一九年三月七日，本集團已自贖回所有於中國華財的投資取得人民幣154,470,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

24. PROPERTIES HELD FOR SALE

24. 持作出售的物業

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Completed properties held for sale	持作出售的已竣工物業	1,826,555	1,381,870
Properties under development for sale	發展中待售物業	5,613,489	4,354,331
		7,440,044	5,736,201
Properties to be realised after one year	將於一年後變現之物業	3,247,491	88,203

All of the above properties held for sale are to be sold as part of the normal operating cycle of the Group thus they are classified as current assets.

所有上述持作出售的物業將於本集團一般經營週期內出售，因此，其已分類為流動資產。

As at 31 December 2019 and 2018, all of the above land and properties are situated in the PRC under medium or long-term leases.

於二零一九年及二零一八年十二月三十一日，所有上述土地及物業位於中國及根據中期或長期租約持有。

For the period from 1 April 2018 to 31 December 2018, the Group had written down the value of RMB29,050,000 (year ended 31 December 2019: nil) in respect of certain properties held for sales because the carrying amount of such properties is lower than its net realisable value.

於二零一八年四月一日至二零一八年十二月三十一日期間，本集團將就若干持作出售的物業撇減人民幣29,050,000元(截至二零一九年十二月三十一日止年度：無)乃由於該等物業之賬面值低於可變現淨值。

As at 31 December 2019, properties held for sale with a total carrying amount of RMB5,507,010,000 (31 December 2018: RMB2,056,694,000) have been pledged to secure bill payables and borrowings of the Group (note 52).

於二零一九年十二月三十一日，賬面總值為人民幣5,507,010,000元(二零一八年十二月三十一日：人民幣2,056,694,000元)之持作出售物業已抵押，以為本集團之應付票據及借款作擔保(附註52)。

25. INVENTORIES

25. 存貨

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Raw materials	原材料	53,687	42,567
Work in progress	在製品	13,927	15,127
Finished goods	製成品	166,334	203,424
		233,948	261,118

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

26. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

Land	土地
Buildings	樓宇
Plant and machinery	廠房及機器

(i) 使用權資產

31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	1.1.2019 二零一九年 一月一日 RMB'000 人民幣千元
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558,172	310,353
26,927	47,134
35,586	31,143
620,685	388,630

At 31 December 2019, right-of-use assets of RMB558,172,000 (1 January 2019: RMB310,353,000) represents land use rights located in the PRC. At 31 December 2019, right-of-use assets in respect of land use rights amounting to RMB254,455,000 (1 January 2019: RMB224,965,000) had been pledged to secure bill payables and borrowings of the Group (note 52).

Apart from the land use rights located in the PRC, the Group has lease arrangements for buildings and plant and machinery. The lease terms generally range from one to four years.

Additions to the right-of-use assets (other than those arising from acquisition of subsidiaries) for the year ended 31 December 2019 amounted to RMB90,326,000, RMB6,501,000 and RMB7,558,000, represented new land, new leases of buildings and new leases of plant and machinery respectively.

During the year ended 31 December 2019, the Group has disposed a land use right at consideration of RMB2,203,000 and recognised a gain on disposal of a right-of-use asset of RMB127,000.

於二零一九年十二月三十一日，使用權資產人民幣558,172,000元（二零一九年一月一日：人民幣310,353,000元）指位於中國的土地使用權。於二零一九年十二月三十一日，土地使用權涉及的使用權資產人民幣254,455,000元（二零一九年一月一日：人民幣224,965,000元）以本集團之應付票據及借款作擔保（附註52）。

除位於中國的土地使用權外，本集團已就樓宇以及廠房及機器訂立租賃安排。租期通常介乎一至四年。

截至二零一九年十二月三十一日止年度金額為人民幣90,326,000元、人民幣6,501,000元及人民幣7,558,000元的新增使用權資產（收購附屬公司所產生者除外）分別指新土地、新樓宇租賃同新廠房及機器租賃。

截至二零一九年十二月三十一日止年度，本集團以代價人民幣2,203,000元出售土地使用權並確認出售使用權資產的收益人民幣127,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

26. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(ii) Lease liabilities

		31.12.2019	1.1.2019
		二零一九年	二零一九年
		十二月三十一日	一月一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Non-current	非即期	14,923	41,046
Current	即期	30,570	30,654
		45,493	71,700
		31.12.2019	
		二零一九年	
		十二月三十一日	
		RMB'000	
		人民幣千元	
Amounts payable under lease liabilities	租賃負債項下應付款項		
Within one year	一年內		30,570
In more than one year but not more than two years	一年以上但不超過兩年		10,230
In more than two years but not more than five years	兩年以上但不超過五年		4,693
			45,493
Less: Amounts due for settlement within 12 months (shown under current liabilities)	減：流動負債項下所示12個月內到期償還款項		(30,570)
Amounts due for settlement after 12 months	12個月後到期償還款項		14,923

As at 31 December 2019, the lease liabilities in respect of leased plant and machinery under hire purchase agreements amounted to RMB25,614,000 was secured by the lessor's title to the leased assets (1 January 2019: RMB31,143,000).

During the year ended 31 December 2019, the Group entered into a number of new lease agreements in respect of renting properties and recognised lease liability of RMB6,501,000.

於二零一九年十二月三十一日，根據租購協議租賃廠房及機器有關的租賃負債人民幣25,614,000元已由出租人對租賃資產的所有權(二零一九年一月一日：人民幣31,143,000元)作抵押。

截至二零一九年十二月三十一日止年度，本集團就租用物業訂立多項新租賃協議並確認租賃負債人民幣6,501,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

26. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(iii) Amounts recognised in profit or loss

Depreciation expense on right-of-use assets
– Land
– Buildings
– Plant and machinery

26. 使用權資產及租賃負債(續)

(iii) 於損益確認之款項

使用權資產折舊支出	
– 土地	14,800
– 樓宇	26,709
– 廠房及機械	3,114

1.1.2019 to
31.12.2019
二零一九年
一月一日至
二零一九年
十二月三十一日
RMB'000
人民幣千元

44,623

Interest expense on lease liabilities
Expense relating to short-term leases

租賃負債利息支出
短期租賃相關支出

6,160
2,571

(iv) Others

During the year ended 31 December 2019, the total cash outflow for leases amount to RMB85,839,000.

(iv) 其他

截至二零一九年十二月三十一日止年度，租賃之現金流出總額為人民幣85,839,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

27. 貿易及其他應收款項及預付款項

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Trade receivables (note a)	貿易應收款項(附註a)		
– goods and services	– 貨物及服務	292,288	224,967
Less: allowance for credit losses	減：信貸虧損撥備	(49,589)	(22,459)
		242,699	202,508
Deposits and other receivables (note b)	按金及其他應收款項(附註b)		
Less: allowance for credit losses	減：信貸虧損撥備	500,494 (21,462)	338,181 (9,750)
		479,032	328,431
Prepayments (note c)	預付款項(附註c)	297,512	329,607
Total	總計	1,019,243	860,546
Analysis as:	分析為：		
– Current	– 即期	935,351	827,860
– Non-current	– 非即期	83,892	32,686
Total	總計	1,019,243	860,546

The Group allows credit term to selected customers on a case-by-case basis depending on the business relationship with and creditworthiness of the respective customers.

本集團按個別情況並視乎與各客戶的業務關係及其信譽度，向特定客戶授出信貸期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS (Continued)

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date which approximates the respective revenue recognition date, at the end of the reporting period.

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
0 – 30 days	0至30日	167,523	131,893
31 – 90 days	31至90日	35,914	34,506
91 – 180 days	91至180日	17,917	8,182
Over 180 days	超過180日	21,345	27,927
		242,699	202,508

As at 31 December 2019, total bills received amounting to RMB22,322,000 (31 December 2018: RMB62,501,000) are held by the Group for future settlement of trade receivables, of which certain bills were further endorsed by the Group. The Group continues to recognise their full carrying amounts at the end of the reporting period and details are disclosed in note a. All bills received by the Group are with a maturity period of less than one year.

Other than the bills received, the Group did not hold any collateral over these balances.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is set out in note 47(b).

Details of impairment assessment of trade and other receivables as at 31 December 2019 and 2018 are set out in note 47.

27. 貿易及其他應收款項及預付款項(續)

以下是在報告期末，按發票日期(與各營業額確認日期相若)呈列的貿易應收款項賬齡、信貸虧損撥備之淨值分析。

於二零一九年十二月三十一日，應收票據總額為人民幣22,322,000元(二零一八年十二月三十一日：人民幣62,501,000元)由本集團持有，用作日後結付貿易應收款項，其中若干票據已由本集團進一步貼現/背書。本集團於報告期末繼續確認其賬面總值，詳情披露於附註a。本集團所收取全部票據之期限均少於一年。

除應收票據外，本集團並未就此等結餘持有任何抵押品。

於釐定貿易應收款項的可收回性時，本集團考慮從信貸初始授出日期直至報告期末貿易應收款項信貸質素之任何變動。信貸集中風險載於附註47(b)。

於二零一九年及二零一八年十二月三十一日，貿易及其他應收款項之減值評估之詳情載於附註47。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS (Continued)

Notes:

(a) Transfers of financial assets

As at 31 December 2019, the total bills receivables include discounted bills with full recourse amounting to nil (31 December 2018: RMB349,000) and bills endorsed to suppliers and other creditors on a full recourse basis that are not yet due amounting to RMB12,292,000 (31 December 2018: RMB37,552,000). As the Group has not transferred the significant risks and rewards relating to these bills, it continues to recognise the full carrying amount of the assets in the consolidated financial statements. The associated borrowings and trade and other payables are secured over the discounted bills and endorsed bills received which were not yet due at the end of the reporting period and are recognised as current liabilities in the consolidated statement of financial position.

At 31 December 2019

		Discounted bills with full recourse	Bills received endorsed with full recourse	Total
		附帶全面追索權之已貼現票據 RMB'000 人民幣千元	附帶全面追索權之已背書已收票據 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產之賬面值	-	12,292	12,292
Carrying amount of associated liabilities	相關負債之賬面值	-	(12,292)	(12,292)
Net position	淨狀況	-	-	-

At 31 December 2018

		Discounted bills with full recourse	Bills received endorsed with full recourse	Total
		附帶全面追索權之已貼現票據 RMB'000 人民幣千元	附帶全面追索權之已背書已收票據 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產之賬面值	349	37,552	37,901
Carrying amount of associated liabilities	相關負債之賬面值	(349)	(37,552)	(37,901)
Net position	淨狀況	-	-	-

27. 貿易及其他應收款項及預付款項(續)

附註：

(a) 轉讓金融資產

於二零一九年十二月三十一日，應收票據總額包括附帶全面追索權之已貼現票據人民幣零元(二零一八年十二月三十一日：人民幣349,000元)及附帶全面追索權之已背書予供應商且尚未到期之票據人民幣12,292,000元(二零一八年十二月三十一日：人民幣37,552,000元)。由於本集團尚未轉移有關該等票據之重大風險及回報，故其繼續於綜合財務報表中確認資產之全部賬面值。相關借款及貿易及其他應付款項乃為已貼現票據提供擔保，而於報告期間尚未到期之已背書應收票據於綜合財務狀況表內確認為流動負債。

於二零一九年十二月三十一日

		Discounted bills with full recourse	Bills received endorsed with full recourse	Total
		附帶全面追索權之已貼現票據 RMB'000 人民幣千元	附帶全面追索權之已背書已收票據 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產之賬面值	-	12,292	12,292
Carrying amount of associated liabilities	相關負債之賬面值	-	(12,292)	(12,292)
Net position	淨狀況	-	-	-

於二零一八年十二月三十一日

		Discounted bills with full recourse	Bills received endorsed with full recourse	Total
		附帶全面追索權之已貼現票據 RMB'000 人民幣千元	附帶全面追索權之已背書已收票據 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產之賬面值	349	37,552	37,901
Carrying amount of associated liabilities	相關負債之賬面值	(349)	(37,552)	(37,901)
Net position	淨狀況	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS (Continued)

Notes: (Continued)

(b) Detailed analysis for deposits and other receivables is as follows:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Deposits paid to	已付按金：		
– PRC real estate bureau for pre-sold properties	– 中國房地產主管部門 (涉及預售物業)	4,625	14,227
– Rental deposits paid	– 已付租賃按金	7,731	7,905
– Acquisition of additional interest of a subsidiary (note i)	– 收購附屬公司額外權益 (附註i)	46,000	–
– Others	– 其他	14,799	13,070
Other receivables from:	其他應收款項：		
– Receivables from a former associate (note ii)	– 應收前聯營公司款項(附註ii)	2,000	16,400
– Receivables from a related company (note iii)	– 應收關聯公司款項(附註iii)	–	9,413
– Receivables from disposal of an investment property	– 出售投資物業之應收款項	11,537	11,771
– Others (note iv)	– 其他(附註iv)	156,115	85,637
Other taxes receivables (note v)	其他應收稅款(附註v)	236,225	170,008
		479,032	328,431

Notes:

(i) On 23 May 2019, Baohua Properties (China) Limited, an indirect wholly-owned subsidiary of the Company, entered into an acquisition agreement with the vendor, to acquire 30% equity interests in Wuxi Huize Real Estate Co., Ltd, a 70% indirectly owned subsidiary of the Company, for the consideration of approximately RMB154,191,000.

As at 31 December 2019, deposit amounting to RMB46,000,000 was paid by the Group and will be applied to satisfy part of the consideration. The amount is classified as a non-current asset.

(ii) The amount was unsecured, interest-free and had no fixed term of repayment.

(iii) The amount was unsecured, interest-free and had no fixed term of repayment. As the related company, Huaren Real Estate, became a subsidiary of the Group during the year, the amount was eliminated on consolidation as at 31 December 2019.

(iv) The amount mainly represented receivables from other debtors arising from daily operations.

(v) The amount mainly represented value-added tax arising from the Group's property development and investment business. As at 31 December 2019, other tax receivables amounting to RMB37,892,000 (31 December 2018: RMB32,686,000) is expected to realise after one year and accordingly classified as non-current assets.

Details of impairment assessment of deposits and other receivables as at 31 December 2019 and 2018 are set out in note 47(b).

27. 貿易及其他應收款項及預付款項(續)

附註：(續)

(b) 按金及其他應收款項之詳細分析如下：

	31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
已付按金：		
– 中國房地產主管部門 (涉及預售物業)	4,625	14,227
– 已付租賃按金	7,731	7,905
– 收購附屬公司額外權益 (附註i)	46,000	–
– 其他	14,799	13,070
其他應收款項：		
– 應收前聯營公司款項(附註ii)	2,000	16,400
– 應收關聯公司款項(附註iii)	–	9,413
– 出售投資物業之應收款項	11,537	11,771
– 其他(附註iv)	156,115	85,637
其他應收稅款(附註v)	236,225	170,008
	479,032	328,431

附註：

(i) 於二零一九年五月二十三日，本公司間接全資附屬公司保華地產(中國)有限公司與賣方訂立購買協議，以代價約人民幣154,191,000元收購本公司間接擁有70%權益的附屬公司無錫市惠遠置業有限公司30%股權。

於二零一九年十二月三十一日，本集團支付金額為人民幣46,000,000元按金，將用於償付部分代價。該金額分類作一項非流動資產。

(ii) 該金額為無抵押、免息且並無固定還款期。

(iii) 該金額為無抵押、免息且並無固定還款期。由於相關公司華仁置業於年內成為本集團附屬公司，該金額於二零一九年十二月三十一日綜合入賬時抵銷。

(iv) 有關金額主要為日常務中產生的應收其他債務人款項。

(v) 有關金額主要為本集團物業發展及投資業務之增值稅。於二零一九年十二月三十一日，其他應收稅款人民幣37,892,000元(二零一八年十二月三十一日：人民幣32,686,000元)預計於一年後變現並相應分類為非流動資產。

於二零一九年及二零一八年十二月三十一日，按金及其他應收款項之減值評估之詳情載於附註47(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS (Continued)

Notes: (Continued)

(c) Detailed analysis for prepayments is as follow:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Prepayments to suppliers, in respect of:	就以下項目向供應商支付的預付款項：		
– solar photovoltaic business	– 太陽能光伏業務	358	13,569
– printing	– 印刷	–	3,482
– petrochemical and other related products	– 石化及其他相關產品	175,197	44,779
– property development	– 發展物業	23,670	18,829
– others	– 其他	–	13,863
Deemed prepayments to subcontractors for properties held for sale (note)	就持作出售物業視作向分包商支付的預付款項(附註)	36,877	210,135
Other prepayments	其他預付款項	61,410	24,950
		297,512	329,607

Note: On 29 March 2018, the Group has entered into an equity transfer agreement with a third party (the "Purchaser"), pursuant to which the Group has agreed to transfer the entire equity interest in Yingkou Kunlun Real Estate Company Limited ("Yingkou Kunlun Real Estate") to the Purchaser at a consideration of RMB240,000,000. The disposal was completed on 29 March 2018. As the Purchaser is also a subcontractor of the Group, the consideration is deemed as a prepayment to the Purchaser to set off against the equivalent value of future construction cost payables on a property project. During the year ended 31 December 2019, approximately RMB173,258,000 (period from 1 April 2018 to 31 December 2018: RMB29,865,000) was set off against the construction cost payables to the subcontractors.

27. 貿易及其他應收款項及預付款項(續)

附註：(續)

(c) 預付款項之詳細分析如下：

	31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
預付款項		
– 太陽能光伏業務	358	13,569
– 印刷	–	3,482
– 石化及其他相關產品	175,197	44,779
– 發展物業	23,670	18,829
– 其他	–	13,863
就持作出售物業視作向分包商支付的預付款項(附註)	36,877	210,135
其他預付款項	61,410	24,950
	297,512	329,607

附註：於二零一八年三月二十九日，本集團已與第三方(「買方」)訂立股權轉讓協議，據此，本集團同意轉讓營口昆侖房地產有限公司(「營口昆侖房地產」)全部股權予買方，代價為人民幣240,000,000元。出售於二零一八年三月二十九日完成。由於買方亦為本集團之分包商，該代價被視為向買方支付的預付款項，以抵銷未來相等價值的一個物業項目應付的建築成本。截至二零一九年十二月三十一日止年度，約人民幣173,258,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣29,865,000元)抵銷應付分包商的建築成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

28. LOAN RECEIVABLES AND INTEREST RECEIVABLES

28. 應收貸款及應收利息

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Loan receivables	應收貸款	14,464	11,403
Interest receivables	應收利息	540	784
		15,004	12,187

The Group's loan receivables, which arise from the money lending business of providing personal loans and corporate loans in Hong Kong and the PRC, are denominated in HK\$ and RMB.

Certain loan receivables are secured by collaterals provided by customers, bearing interest ranging from 8% to 15% (31 December 2018: 8% to 12%) per annum and repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the loan receivables and interest receivables mentioned above.

Details of impairment assessment of loan receivables and interest receivables as at 31 December 2019 and 2018 are set out in note 47(b).

本集團之應收貸款由於香港及中國提供個人貸款及公司貸款之放貸業務而產生，均以港元和人民幣計值。

若干應收貸款以客戶提供的抵押品作為抵押，按介乎8%至15%（二零一八年十二月三十一日：8%至12%）年利率計息並須於與客戶議定的固定期限內償還。於各報告日期所面臨的最大信貸風險為上文所述應收貸款及應收利息的賬面值。

有關於二零一九年及二零一八年十二月三十一日的應收貸款及應收利息的減值評估詳情載於附註47(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

29. BANK BALANCES AND CASH/PLEDGED BANK DEPOSITS/RESTRICTED BANK BALANCE

As at 31 December 2019, bank balances comprised of time deposits with maturity less than three months and carry fixed interest rate of 2.6% (31 December 2018: 0.3% to 1.4%) per annum. The remaining bank balances carry interest at prevailing market rates which range from 0.3% to 2.5% (31 December 2018: 0% to 2.5%) per annum.

Pledged bank deposits represent deposits pledged to banks to secure bill payables and borrowings to the Group. The deposits are carrying fixed interest rate range from 0.35% to 1.95% (31 December 2018: 1.9% to 2.2%) per annum. The pledged bank deposits will be released upon the repayment of relevant bill payables and borrowings.

Restricted bank balances represented (i) bank balances that are frozen due to ongoing court cases; and (ii) performance deposits for construction projects. Out of the balances, approximately RMB54,513,000 was frozen from the default of a bank borrowing. Details of which are set out in note 32(d).

Details of impairment assessment of bank balances and pledged bank deposits as at 31 December 2019 and 2018 are set out in note 47(b).

29. 銀行結餘及現金／銀行抵押存款／受限制銀行結餘

於二零一九年十二月三十一日，銀行結餘包括於三個月內到期及按2.6%（二零一八年十二月三十一日：0.3%至1.4%）固定年利率計息之定期存款。餘下銀行結餘按介乎0.3%至2.5%（二零一八年十二月三十一日：0%至2.5%）的現行市場年利率計息。

銀行抵押存款指作為本集團之應付票據及借款之抵押而向銀行抵押之存款。該等存款按介乎0.35%至1.95%（二零一八年十二月三十一日：1.9%至2.2%）的固定年利率計息。銀行抵押存款將於相關應付票據及借款償還後解除。

受限制銀行結餘指(i)由於進行中的法院案件而被凍結的銀行結餘；及(ii)建築項目的履約保證金。結餘中約人民幣54,513,000元因一項銀行借款違約而被凍結。有關詳情載於附註32(d)。

有關於二零一九年及二零一八年十二月三十一日的銀行結餘及銀行抵押存款的減值評估詳情載於附註47(b)。

30. TRADE AND OTHER PAYABLES, AND OTHER LIABILITIES

30. 貿易及其他應付款項及其他負債

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Trade payables	貿易應付款項	287,232	184,806
Construction payables	建築應付款項	99,284	447,268
		386,516	632,074
Accrued construction cost	應計建築成本	403,623	213,658
Deposits received (note a)	已收按金(附註a)	50,726	50,653
Other payables (note b)	其他應付款項(附註b)	194,829	133,636
Other payables to non-controlling shareholders of a former subsidiary of the Company (note c)	應付本公司前附屬公司非控股股東之其他款項(附註c)	-	119,989
Other accruals	其他應計費用	112,317	148,388
		1,148,011	1,298,398

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

30. TRADE AND OTHER PAYABLES, AND OTHER LIABILITIES (Continued)

The following is an aged analysis of trade payables and construction payables based on the invoice date at the end of the reporting period.

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30日	134,688	105,938
31 – 90 days	31至90日	33,045	44,033
Over 90 days	超過90日	218,783	482,103
		386,516	632,074

The average credit period on purchase and construction cost is arranging from 30 to 90 days. The Group has financial risk management policies in place to monitor that all trade payables are settled within the credit timeframe.

As at 31 December 2019, the bills amounted to RMB12,292,000 (31 December 2018: RMB37,552,000) endorsed to the suppliers for which the maturity dates have not yet been due continue to be recognised as trade payables.

Notes:

(a) Detailed analysis for deposits received is as follow:

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Rental deposit received	已收取租賃按金	726	653
Deposit received for a joint property development project (Note)	已收取共同物業開發項目之按金(附註)	50,000	50,000
		50,726	50,653

30. 貿易及其他應付款項及其他負債(續)

於報告期末，貿易應付款項及建築應付款項按發票日期之賬齡分析如下。

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30日	134,688	105,938
31 – 90 days	31至90日	33,045	44,033
Over 90 days	超過90日	218,783	482,103
		386,516	632,074

採購及建築成本的平均信貸期介乎30至90日。本集團設有財務風險管理政策，以監察所有貿易應付款項於信貸期內結清。

於二零一九年十二月三十一日，已背書予供應商且尚未到期之票據人民幣12,292,000元(二零一八年十二月三十一日：人民幣37,552,000元)將繼續確認為貿易應付款項。

附註：

(a) 已收取按金之詳細分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

30. TRADE AND OTHER PAYABLES, AND OTHER LIABILITIES (Continued)

Notes: (Continued)

(a) Detailed analysis for deposits received is as follow: (Continued)

Note: On 20 June 2017, the Group has entered into a cooperation agreement (the "Cooperation Agreement") with an independent third party, a private company incorporated in the PRC, to establish a joint venture company for the purpose of developing a leasehold land currently wholly owned by the Group, located in Dongguan City, Guangdong, the PRC as residential properties (the "Project").

During the period from 1 April 2018 to 31 December 2018, the Directors noticed that the Project shall be abandoned because it is unlikely that the Cooperation Agreement can be continued due to the failure to comply with certain urban renewal policies in Guangdong, the PRC. However, the proposed termination on the Cooperation Agreement was rejected by the counterparty, which further raised a civil prosecution against the Group for legal claim resulted from termination.

As at 31 December 2019 and 2018, the deposit represents the first instalments received from the counterparty in advance for the Project. In the meantime, the Directors have also, based on legal advice, made a provision of RMB80,000,000 (2018: RMB80,000,000) in respect of this legal claim and included in other accruals.

(b) Detailed analysis for other payables is as follow:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Other tax payables	其他應付稅項	14,137	17,856
Others	其他	180,692	115,780
		194,829	133,636

(c) On 30 March 2016, the Group disposed of its 80% equity interest in Yingkou Wanhe Industrial Co., Ltd. ("Yingkou Wanhe") and its subsidiary at a cash consideration of RMB480,000,000 and received RMB600,000,000 from the buyer. The payables of RMB119,989,000 represented cash consideration received on behalf of a 20% non-controlling shareholder of Yingkou Wanhe, which are unsecured, non-interest bearing and repayable on demand. The amount was fully settled by the Group during the year.

30. 貿易及其他應付款項及其他負債(續)

附註：(續)

(a) 已收取按金之詳細分析如下：(續)

附註：於二零一七年六月二十日，本集團與一名獨立第三方(一間於中國註冊成立的私人公司)訂立合作協議(「合作協議」)，以成立合營企業公司，用於開發目前由本集團全資擁有之位於中國廣東東莞市之租賃土地作住宅物業(「該項目」)。

於二零一八年四月一日至二零一八年十二月三十一日期間，董事注意到該項目須放棄，原因為合作協議很可能因為未能遵守中國廣東若干城市更新政策而無法繼續。然而，交易對手方拒絕接受合作協議的建議終止，就因該終止引發的法律申索對本集團進一步提出民事訴訟。

於二零一九年及二零一八年十二月三十一日，按金指就該項目自交易對手方提前收取之首期付款。同時，董事亦基於法律意見就該法律申索作出撥備人民幣80,000,000元(二零一八年：人民幣80,000,000元)並於其他應計費用入賬。

(b) 其他應付款項之詳細分析如下：

	31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Other tax payables	14,137	17,856
Others	180,692	115,780
	194,829	133,636

(c) 於二零一六年三月三十日，本集團出售營口萬合實業有限公司(「營口萬合」)及其附屬公司80%的股權，現金代價為人民幣480,000,000元，並自買方收取人民幣600,000,000元。應付款項人民幣119,989,000元指代表持有營口萬合20%股權之非控股股東收取的現金代價，為無擔保、不計息及須按的要求償還。本集團於年內已悉數結付該款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

31. BILL PAYABLES

Bills are issued to the creditors, either by the Group or by the banks, in Hong Kong and the PRC with maturity up to one year.

An ageing analysis of the relevant bill payables based on the issuance date of the bills at the end of the reporting period is as follows:

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30日	376,612	565,091
31 – 60 days	31至60日	–	–
61 – 90 days	61至90日	20,000	2,527
Over 90 days	超過90日	333,357	9,046
		729,969	576,664

All bill payables are secured by the assets as disclosed in note 52.

As at 31 December 2018, bill payables include commercial bills issued by the Group totalling of RMB450,000,000 (31 December 2019: Nil) to a private company controlling by Mr. Meng (note 53) as a repayment of the amount due to the immediate holding company.

31. 應付票據

票據由本集團或香港及中國的銀行發行予債權人，且於一年內到期。

以下為有關應付票據按於報告期間末票據發出日期之賬齡分析：

以資產抵押之所有應付票據已於附註52披露。

於二零一八年十二月三十一日，應付票據包括本集團向由孟先生控制之一間私人公司發出之總金額為人民幣450,000,000元（二零一九年十二月三十一日：無）之商業票據（附註53），以償還應付直接控股公司款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. BORROWINGS

32. 借款

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Bank borrowings	銀行借款	3,879,270	2,699,046
Other borrowings from financial institutions	來自金融機構之其他借款	5,997,000	1,440,000
Other borrowings arising from discounted bills receivables	因貼現應收票據產生之其他借款	-	362,140
Other borrowings from non-controlling shareholders	來自非控股股東之其他借款	296,147	296,147
		10,172,417	4,797,333
Secured	有抵押	9,772,820	3,818,697
Unsecured	無抵押	399,597	978,636
		10,172,417	4,797,333
Carrying amount repayable based on repayment schedule:	根據還款期應付賬面值：		
Within one year	一年內	4,266,637	3,619,333
More than one year but not more than two years	一年以上但不超過兩年	4,781,960	1,072,000
More than two years but not more than five years	兩年以上但不超過五年	1,123,820	106,000
		10,172,417	4,797,333
Less: carrying amount repayable within one year and do not contain a repayable on demand clause	減：一年內還款及並無附有按要 求還款條款之賬面值	(4,266,637)	(3,571,255)
Less: carrying amount repayable within one year and contain a repayable on demand clause	減：一年內還款及附有按要 求還款條款之賬面值	-	(48,078)
Amounts shown under current liabilities	流動負債項下所示金額	(4,266,637)	(3,619,333)
Amounts shown under non-current liabilities	非流動負債項下所示金額	5,905,780	1,178,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. BORROWINGS (Continued)

The exposure of the Group's borrowings and the contractual maturity dates (or reset dates) are as follows:

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Variable-rate borrowings:	浮動利率借款：		
Within one year	一年內	328,147	50,426
In more than one year but not more than two years	一年以上但不超過兩年	-	32,000
		328,147	82,426
Fixed-rate borrowings:	固定利率借款：		
Within one year	一年內	3,938,490	3,568,907
In more than one year but not more than two years	一年以上但不超過兩年	4,781,960	1,040,000
In more than two years but not more than five years	兩年以上但不超過五年	1,123,820	106,000
		9,844,270	4,714,907

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Effective interest rate:	實際利率：		
- Fixed-rate borrowings	- 固定利率借款	4.4% - 12.0%	3.3% - 12.0%
- Variable-rate borrowings	- 浮動利率借款	1.5% - 3.0%	1.5% - 3.0%

32. 借款(續)

本集團借款及合約到期日(或重訂日期)之風險如下：

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Variable-rate borrowings:	浮動利率借款：		
Within one year	一年內	328,147	50,426
In more than one year but not more than two years	一年以上但不超過兩年	-	32,000
		328,147	82,426
Fixed-rate borrowings:	固定利率借款：		
Within one year	一年內	3,938,490	3,568,907
In more than one year but not more than two years	一年以上但不超過兩年	4,781,960	1,040,000
In more than two years but not more than five years	兩年以上但不超過五年	1,123,820	106,000
		9,844,270	4,714,907

本集團借款之實際利率(亦等同合約利率)範圍如下：

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Effective interest rate:	實際利率：		
- Fixed-rate borrowings	- 固定利率借款	4.4% - 12.0%	3.3% - 12.0%
- Variable-rate borrowings	- 浮動利率借款	1.5% - 3.0%	1.5% - 3.0%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. BORROWINGS (Continued)

- (a) As at 31 December 2019, the weighted average effective interest rate on the borrowings is 9.6% (31 December 2018: 7.7%) per annum.
- (b) As at 31 December 2019 and 2018, certain banking facilities and loans granted to the Group are secured by the Group's assets. Details of the pledged assets are disclosed in note 52. Details of the Group's management of liquidity risk are set out in note 47(b).
- (c) In respect of a bank borrowing with an outstanding principal amount of RMB157,000,000 as at 31 December 2019, the Group breached the repayment terms of which approximately RMB182,682,000 was in default since November 2019. The relevant bank borrowing is an entrusted loan entrusted by Shanghai LinYi Investment Partnership (Limited Partnership)* ("Shanghai Linyi") made available to Bao Hua Properties (Jiangsu) Co., Ltd.* ("Baohua Jiangsu"), a 80% owned subsidiary of the Group. On 25 December 2019, Shanghai Linyi issued a legal letter to Baohua Jiangsu to demand for the outstanding principal, interest and penalty interest of approximately RMB182,682,000, RMB3,040,000 and RMB9,317,000 respectively. On 31 December 2019, Baohua Jiangsu made partial repayment of the principal of approximately RMB25,682,000. On 7 January 2020, Shanghai Linyi filed a claim to Shanghai Financial Court* against Baohua Jiangsu, Huajun Properties (Yangzhou) Co., Ltd.* (formerly known as Yangzhou Bao Hua Properties Limited*) (Huajun Properties Yangzhou), the Company and Mr. Meng for the outstanding principal of RMB157,000,000 plus unpaid interest (including penalty interest) of approximately RMB12,539,000 and additional interest since 1 January 2020 at a daily rate of 0.1% of the outstanding principal.

As at 31 December 2019, the entire outstanding bank borrowing of RMB157,000,000 was classified as current liabilities and outstanding interest and penalty interest of approximately RMB12,539,000 was included under other payables.

The hearing for the claim is scheduled to be held on 18 August 2020. The Directors of the Company had commenced negotiation of the repayment terms of the loan with Shanghai Linyi. Up to the date of these consolidated financial statements, those negotiations are still in progress and had not been concluded.

32. 借款(續)

- (a) 於二零一九年十二月三十一日，借款之加權平均實際利率為9.6%(二零一八年十二月三十一日：7.7%)。
- (b) 於二零一九年及二零一八年十二月三十一日，本集團獲授的若干銀行信貸及貸款乃以本集團資產作抵押。有關抵押資產之詳情於附註52披露。有關本集團管理流動資金風險之詳情載於附註47(b)。
- (c) 就二零一九年十二月三十一日的尚未償還本金額為人民幣157,000,000元的銀行借款而言，本集團違反償還條款，其中自二零一九年十一月起拖欠約人民幣182,682,000元。相關銀行借款屬由上海廩溢投資合夥企業(有限合夥)(「上海廩溢」)委託予本集團擁有80%權益的附屬公司保華地產(江蘇)有限公司(「保華江蘇」)的委託貸款。於二零一九年十二月二十五日，上海廩溢向保華江蘇發出律師信要求償還本金額、利息及罰息分別約人民幣182,682,000元、人民幣3,040,000元及人民幣9,317,000元。於二零一九年十二月三十一日，保華江蘇償還部分本金約人民幣25,682,000元。於二零二零年一月七日，上海廩溢就保華江蘇、華君地產(揚州)有限公司(前稱揚州保華置業有限公司)(華君地產揚州)、本公司及孟先生的尚未償還本金人民幣157,000,000元，另加未付利息(包括罰息)約人民幣12,539,000元及自二零二零年一月一日起按尚未償還本金的每日利率0.1%計息的額外利息向上海金融法院提起訴訟。

於二零一九年十二月三十一日，尚未償還的銀行借款人民幣157,000,000元悉數分類至流動負債，而尚未償還的利息及罰息約人民幣12,539,000元則計入其他應付款項。

申索聆訊預定將於二零二零年八月十八日召開。本公司董事已開始與上海廩溢磋商貸款的償還條款。直至該等綜合財務報表日期，有關磋商仍在進行，尚未結束。

* English name for reference only.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. BORROWINGS (Continued)

- (d) In respect of a bank borrowing with an outstanding principal amount of approximately RMB153,000,000 as at 31 December 2019, the Group breached the repayment terms of which approximately RMB155,782,000 was in default since May 2019. On 2 July 2019, Ningbo Bank Company Limited Wuxi Branch* ("Ningbo Bank") filed a claim to Jiangsu Wuxi Intermediate People's Court* ("Jiangsu Court") against Wuxi Huize Real Estate Co., Ltd.* ("Wuxi Huize") and another subsidiary of the Company (the "Subsidiaries") to demand for the repayment of outstanding principal, accrued interest and penalty interest of approximately RMB155,782,000, RMB1,426,000 and RMB1,534,000 respectively. An order was granted by the Jiangsu Court to freeze and preserve certain bank balances or equivalents asset of RMB190,000,000 owned by the Subsidiaries (released on 17 July 2019 except for a restricted bank balance of approximately RMB54,513,000). The hearing for the claim was held on 20 August 2019 and a judgement was handed down by Jiangsu Court on 30 August 2019 in favour of Ningbo Bank. Wuxi Huize had to repay the outstanding principal and interest 10 days from the judgement day and bear the legal fees of approximately RMB833,000. Wuxi Huize then filed an appeal to Jiangsu Court against the judgement.

On 21 July 2019, Wuxi Huize filed a claim to Jiangsu Court against Ningbo Bank in which it was alleged that the Ningbo Bank has made excessive preservation of assets held by the Subsidiaries exceeded the court order amount of RMB190,000,000, and causing economic losses for Wuxi Huize. Wuxi Huize requested Ningbo Bank for compensation of approximately RMB3,545,000. The hearing for the claim was held on 5 November 2019 and a judgement was handed down by Jiangsu Court on 2 January 2020 to reject the claim by Wuxi Huize and Wuxi Huize had to bear the legal fee of approximately RMB35,000. Wuxi Huize then filed an appeal against the decision.

On 18 March 2020, a settlement agreement was entered into among the Subsidiaries, Ningbo Bank, shareholders of Wuxi Huize and another guarantor of the bank borrowing regarding the subsequent settlement arrangement of the bank borrowing. Pursuant to the settlement agreement, Wuxi Huize shall repay the outstanding principal and interest by 31 August 2020 with partial repayment of not less than RMB100 million and RMB15 million by 31 May 2020 and 30 June 2020 respectively.

32. 借款(續)

- (d) 就二零一九年十二月三十一日的尚未償還本金額為約人民幣153,000,000元的銀行借款而言，本集團違反償還條款，其中自二零一九年五月起拖欠約人民幣155,782,000元。於二零一九年七月二日，寧波銀行股份有限公司無錫分行(「寧波銀行」)向江蘇無錫市中級人民法院(「江蘇法院」)提出針對無錫惠澤置業有限公司(「無錫惠澤」)及本公司其他附屬公司(「附屬公司」)的申索，要求償還尚未償還本金、應計利息及罰息分別約人民幣155,782,000元、人民幣1,426,000元及人民幣1,534,000元。江蘇法院已頒令凍結及保存附屬公司擁有的若干銀行結餘或等值資產人民幣190,000,000元(於二零一九年七月十七日解除，惟受限制銀行結餘約人民幣54,513,000元除外)。申索聆訊於二零一九年八月二十日舉行且江蘇法院於二零一九年八月三十日發出寧波銀行勝訴的裁決。無錫惠澤須自裁決日期起計十日償還尚未償還本金及利息並承擔法律費用約人民幣833,000元。無錫惠澤繼而針對該裁決向江蘇法院提出上訴。

於二零一九年七月二十一日，無錫惠澤向江蘇法院提出針對寧波銀行的申索，指控寧波銀行過量保存附屬公司持有的資產，超出法院指令的人民幣190,000,000元，導致無錫惠澤出現經濟虧損。無錫惠澤要求寧波銀行賠償約人民幣3,545,000元。申索聆訊將於二零一九年十一月五日舉行且江蘇法院於二零二零年一月二日發出裁決，拒絕無錫惠澤的申索且無錫惠澤須承擔法律費用約人民幣35,000元。無錫惠澤繼而針對該判決提出上訴。

於二零二零年三月十八日，附屬公司、寧波銀行、無錫惠澤股東及有關銀行借款的後續清償安排的另一名承授人訂立清償協議。根據清償協議，無錫惠澤須於二零二零年八月三十一日前償還尚未償還本金及利息，且分別須於二零二零年五月三十一日及二零二零年六月三十日前部分償還不少於人民幣100百萬元及人民幣15百萬元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. BORROWINGS (Continued)

(d) (Continued)

In November 2019 and December 2019, the Group partially settled principal and interest of approximately RMB2,782,000 and RMB4,490,000 respectively. At 31 December 2019, the entire outstanding bank borrowing of RMB153,000,000 was classified as current liabilities and outstanding interest and penalty interest of approximately RMB7,320,000 was included under other payables.

(e) Subsequent to the end of the reporting period, in respect of a borrowing with an outstanding principal of RMB1,440,000,000 as at 31 December 2019, the Group breached the repayment terms of which RMB240,000,000 was in default since 27 March 2020. Pursuant to the terms of the loan agreement, the counterparty had a discretionary right to demand immediate full repayment of the outstanding principal of RMB1,440,000,000 together with any unpaid interest. The directors of the Company had commenced negotiation of the repayment terms of the loan with the counterparty since then. On 28 April 2020, the Group has obtained a written consent from the counterparty to extend the repayment date of the principals of RMB240,000,000, RMB240,000,000 and RMB960,000,000 from March 2020, June 2020 and September 2020 respectively to March 2022, June 2022 and September 2022 respectively. Supplemental agreement to such loan is to be arranged between the Group and the lender in due course.

32. 借款(續)

(d) (續)

於二零一九年十一月及二零一九年十二月，本集團結付部分本金及利息分別為約人民幣2,782,000元及人民幣4,490,000元。於二零一九年十二月三十一日，全部尚未償還銀行借款為人民幣153,000,000元已分類為流動負債及未償還利息及罰息，且約人民幣7,320,000元已計入其他應付款項。

(e) 於報告期結束之後，就二零一九年十二月三十一日的尚未償還本金為人民幣1,440,000,000元的借款而言，本集團違反償還條款，其中自二零二零年三月二十七日起拖欠人民幣240,000,000元。根據貸款協議之條款，對手方擁有酌情權要求立即悉數償還尚未償還之本金人民幣1,440,000,000元（連同任何未付利息）。本公司董事自該日起已與對手方就貸款的償還條款進行磋商。於二零二零年四月二十八日，本集團已取得對手方的書面同意將本金人民幣240,000,000元、人民幣240,000,000元及人民幣960,000,000元的償還日期分別由二零二零年三月、二零二零年六月及二零二零年九月延至二零二二年三月、二零二二年六月及二零二二年九月。本集團與貸方將在適當時候安排簽訂有關貸款的補充性協議。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

33. OBLIGATIONS UNDER FINANCE LEASES

33. 融資租賃承擔

31.12.2018
二零一八年
十二月三十一日
RMB'000
人民幣千元

Analysed for reporting purposes as:	就申報目的分析為：	
– Current liabilities	– 流動負債	6,847
– Non-current liabilities	– 非流動負債	17,719
		24,566

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. These liabilities have been aggregated with the brought forward balances relating to leases previously classified as finance leases and disclosed in note 26. Comparative information as at 31 December 2018 has not been restated and relates solely to leases previously classified as finance leases. Further details on the impact of the transition to HKFRS 16 are set out in note 3.1.

本集團已採用修訂追溯法初步應用香港財務報告準則第16號並於二零一九年一月一日調整期初結餘，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相關的租賃負債。該等負債已與有關過往分類為融資租賃的租賃結轉結餘合併計算並於附註26披露。於二零一八年十二月三十一日的比較資料並無重列，僅與過往分類為融資租賃的租賃有關。有關過渡至香港財務報告準則第16號的影響的進一步詳情載於附註3.1。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

33. OBLIGATIONS UNDER FINANCE LEASES (Continued)

33. 融資租賃承擔(續)

		Minimum lease payments 最低 租賃付款 31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	Present value of minimum lease payments 最低租賃 付款之現值 31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Amounts payable under finance leases	融資租賃應付款項		
Within one year	一年內	7,725	6,847
In more than one year but not more than two years	一年以上但不超過兩年	7,725	7,121
In more than two years but not more than five years	兩年以上但不超過五年	10,990	10,598
		26,440	24,566
Less: Future finance charges	減：未來融資支出	(1,874)	N/A不適用
Present value of lease obligations	租賃承擔之現值	24,566	24,566
Less: Amounts due within one year shown under current liabilities	減：流動負債項下所示於一年內到期之金額		(6,847)
Amounts due after one year shown as non-current liabilities	列示為非流動負債的一年後到期之金額		17,719

As at 31 December 2018, the Group had leased certain plant and machinery under finance leases. The average lease term was four years. The average effective borrowing rate for current year was 2.26% per annum. Interest rate was fixed and ranged from 1.84% to 2.50% per annum on the contract date.

於二零一八年十二月三十一日，本集團根據融資租賃租賃若干廠房及機器。平均租賃期為四年。於本年度，平均實際借款年利率為2.26%。於合約日期，固定年利率介乎1.84%至2.50%。

As at 31 December 2018, all finance lease obligations were denominated in HK\$.

於二零一八年十二月三十一日，所有融資租賃承擔以港元計值。

As at 31 December 2018, the Group's obligations under finance leases were secured by the lessors' charge over the leased assets.

於二零一八年十二月三十一日，本集團之融資租賃承擔由出租人對租賃資產的押記作抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

34. CONTRACT LIABILITIES

34. 合約負債

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Sales of	銷售		
– properties (note a)	– 物業(附註a)	1,364,264	895,595
– petrochemical and other related products (note b)	– 石化及其他相關產品(附註b)	148,871	67,478
– printing products (note c)	– 印刷品(附註c)	–	2,999
– others	– 其他	421	6,989
		1,513,556	973,061

Notes:

- (a) All contract liabilities arise from the Group's property development business are within the Group's normal operating cycle. During the year, the Group has recognised revenue of RMB446,424,000 (period from 1 April 2018 to 31 December 2018: RMB40,256,000) that was included in the contract liabilities balance at the beginning of the period.

The Group receives 30% to 50% of the contract value as advances from customers when they sign the sale and purchase agreement for sale of properties, while the remaining portion of the total contract value will be paid to the Group from the banks once the customers meet the requirements of the banks for applying mortgage loans. The amount is generally made by the bank before the delivery of property to the buyer. The advance payment schemes result in contract liabilities being recognised throughout the property construction period until the customer obtains control of the completed property.

In addition, the Group considers the advance payment schemes contain significant financing component and accordingly the amount of consideration is adjusted for the effects of the time value of money taking into consideration the credit characteristics of the relevant group entities. As this accrual increases the amount of the contract liability during the period of construction, it increases the amount of revenue recognised when control of the completed property is transferred to the customer.

附註：

- (a) 所有合約負債均產生自本集團之物業發展業務，其乃於本集團之正常營運週期內。於年內，本集團確認收益人民幣446,424,000元（二零一八年四月一日至二零一八年十二月三十一日期間：人民幣40,256,000元），計入期初之合約負債結餘。

於就銷售物業與客戶簽訂買賣協議時，本集團自客戶收取合約價值的30%至50%作為預付款，而總合約價值的餘下部分將於客戶滿足銀行申請按揭貸款的條件時由銀行即時向本集團支付。款項通常於物業交付予買家前由銀行支付。預先付款計劃導致於物業建築整個期間確認合約負債，直至客戶獲得對已竣工物業的控制權。

此外，本集團認為預付計劃含有重大融資組成部分及據此就金錢的時間價值影響調整代價金額，當中計及相關集團實體的信貸特點。由於該應計費用增加於建築期間的合約負債金額，其增加於已竣工物業控制權轉讓予客戶時確認的收益金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

34. CONTRACT LIABILITIES (Continued)

Notes: (Continued)

(a) (Continued)

As at 31 December 2019 and 2018, the expected timing of recognising contract liabilities as revenue are as follows:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	1,252,537	130,036
More than one year but not more than two years	一年以上但不超過兩年	111,727	764,099
More than two years	兩年以上	-	1,460
		1,364,264	895,595

(b) When the Group receives a deposit before the customer draws out the petrochemical and other related products from the Group's warehouse or storage location, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a 10% to 20% deposit in advance for each sale order. During the year, the Group has recognised revenue from sales of petrochemical and other related products amounting to RMB67,478,000 (period from 1 April 2018 to 31 December 2018: RMB144,099,000) that was included in the contract liabilities balance at the beginning of the period. All contract liabilities attributable to sales of petrochemical and other related products as at 31 December 2019 and 2018 are expected to be recognised as revenue within one year.

(c) When the Group receives a deposit before the manufacturing activity of printing products commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a 10% to 20% deposit on acceptance of manufacturing orders. During the year, the Group has recognised revenue from sales of printing products amounting to RMB2,999,000 (period from 1 April 2018 to 31 December 2018: RMB53,574,000) that was included in the contract liabilities balance at the beginning of the period. All contract liabilities attributable to the sales of printing products as at 31 December 2019 and 2018 are expected to be recognised as revenue within one year.

34. 合約負債(續)

附註：(續)

(a) (續)

於二零一九年及二零一八年十二月三十一日，確認合約負債為收益之預期時間如下：

	31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	1,252,537	130,036
More than one year but not more than two years	111,727	764,099
More than two years	-	1,460
	1,364,264	895,595

(b) 倘本集團於客戶從本集團倉庫或存儲地點抽取石化及其他相關產品前收取按金，將導致於合約開始時產生合約負債，直至相關合約確認之收益超過按金金額。本集團一般就每份銷售訂單提前收取10%至20%的按金。於年內，本集團確認銷售石化及其他相關產品之收益人民幣67,478,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣144,099,000元)，計入期初合約負債結餘。於二零一九年及二零一八年十二月三十一日銷售石化及其他相關產品應佔之所有合約負債預計將於一年內確認為收益。

(c) 倘本集團於印刷品之製造活動開始前收到按金，將導致於合約開始時產生合約負債，直至相關合約確認之收益超過按金金額。本集團一般於接受製造訂單時收取10%至20%的按金。於年內，本集團確認銷售印刷品之收益人民幣2,999,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣53,574,000元)，計入期初合約負債結餘。於二零一九年及二零一八年十二月三十一日銷售印刷品應佔之所有合約負債預計將於一年內確認為收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

35. CORPORATE BONDS

The corporate bonds are interest bearing at the rate of 6% to 6.5% (2018: 6% to 6.5%) per annum, payable semi-annually or annually in arrear and repayable as follow:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	3,612	214,840
More than one year but not more than two years	一年以上但不超過兩年	-	3,383
More than two years but not more than five years	兩年以上但不超過五年	3,516	4,972
More than five years	五年以上	73,405	67,754
		80,533	290,949
Analysed for reporting purpose:	已分析作報告用途：		
- Current liabilities	- 流動負債	3,612	214,840
- Non-current liabilities	- 非流動負債	76,921	76,109
		80,533	290,949

The effective interest rate of the corporate bonds for the year ended 31 December 2019 is ranged from 9.1% to 12.6% (period from 1 April 2018 to 31 December 2018: 8.2% to 12.6%) per annum.

35. 公司債券

計息公司債券的年利率為6%至6.5%（二零一八年：6%至6.5%），每半年或每年支付一次，償還方式如下：

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	3,612	214,840
More than one year but not more than two years	一年以上但不超過兩年	-	3,383
More than two years but not more than five years	兩年以上但不超過五年	3,516	4,972
More than five years	五年以上	73,405	67,754
		80,533	290,949
Analysed for reporting purpose:	已分析作報告用途：		
- Current liabilities	- 流動負債	3,612	214,840
- Non-current liabilities	- 非流動負債	76,921	76,109
		80,533	290,949

截至二零一九年十二月三十一日止年度，公司債券的實際年利率介乎9.1%至12.6%（自二零一八年四月一日至二零一八年十二月三十一日期間：8.2%至12.6%）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

36. CONVERTIBLE BONDS

Details of the convertible bonds issued by the Group and outstanding as at 31 December 2019 and 2018 are as follows:

Date of issue	Principal amount	Bondholder	Coupon rate	Maturity date	Conversion price	Maximum number of shares of the Company to be converted
發行日期	本金額	債券持有人	票息率	到期日	轉換價	本公司可轉換股份的最大數目
28 June 2019	二零一九年六月二十八日 HK\$205,200,000 (2018: nil)* 205,200,000港元 (二零一八年：無)*	China Huajun Group Limited 中國華君集團有限公司	1.50%	27 June 2024 二零二四年六月二十七日	HK\$38 38港元	5,400,000
27 June 2019	二零一九年六月二十七日 HK\$1,000,000,000 (2018: nil)* 1,000,000,000港元 (二零一八年：無)*	China Huajun Group Limited 中國華君集團有限公司	1.50%	26 June 2024 二零二四年六月二十六日	HK\$38 38港元	26,315,789
24 January 2018	二零一八年一月二十四日 HK\$76,000,000 (2018: HK\$66,000,000)** (Note) 76,000,000港元(二零一八年： 66,000,000港元)** (附註)	Pu Shi International Investment Limited 璞石國際投資有限公司	10.00%	23 January 2021 二零二一年一月二十三日	HK\$34 34港元	1,941,176
24 January 2018	二零一八年一月二十四日 Nil (2018: HK\$10,000,000)* 無(二零一八年：10,000,000港元)#	蔡華 蔡華	10.00%	23 January 2021 二零二一年一月二十三日	HK\$34 34港元	294,117
24 January 2018	二零一八年一月二十四日 HK\$130,000,000 (2018: HK\$130,000,000)** 130,000,000港元(二零一八年： 130,000,000港元)**	Wonderland International Financial Holdings Limited 華德國際金融控股有限公司	10.00%	23 January 2021 二零二一年一月二十三日	HK\$34 34港元	3,823,529
24 January 2018	二零一八年一月二十四日 HK\$12,000,000 (2018: HK\$12,000,000)** (Note) 12,000,000港元(二零一八年： 12,000,000港元)** (附註)	Wisebrain Holdings Limited Wisebrain Holdings Limited	10.00%	23 January 2021 二零二一年一月二十三日	HK\$34 34港元	352,941
24 January 2018	二零一八年一月二十四日 Nil (2018: HK\$30,000,000)* 無(二零一八年：30,000,000港元)#	Power Ace Investment Ltd Power Ace Investment Ltd	10.00%	23 January 2021 二零二一年一月二十三日	HK\$34 34港元	882,353

Note: Convertible bonds with principal amount of HK\$10,000,000 held by 蔡華 was transferred to Pu Shi International Investment Limited during the year ended 31 December 2019.

* Outstanding as at 31 December 2019.

Outstanding as at 31 December 2018.

36. 可換股債券

本集團於二零一九年及二零一八年十二月三十一日已發行惟尚未行使的可換股債券詳情如下：

附註：蔡華所持有本金額為10,000,000港元的可換股債券於截至二零一九年十二月三十一日止年度轉讓予璞石國際投資有限公司。

* 截至二零一九年十二月三十一日尚未行使。

截至二零一八年十二月三十一日尚未行使。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

36. CONVERTIBLE BONDS (Continued)

Convertible bonds issued on 24 January 2018 ("2018 Convertible Bonds") entitle the holders to convert into ordinary shares of the Company at any time between the date of issue of the convertible bonds and the maturity date at the relevant conversion price (subject to anti-dilutive adjustments). The conversion shares will be allocated and issued upon exercise of the conversion rights. If the convertible bonds have not been converted during the conversion period up to the maturity date, the convertible bonds will be redeemed on the maturity date at par together with the accrued interest. Interests are being paid every six calendar months until the maturity date.

The 2018 Convertible Bonds contain two components, liability component and conversion right with settlement option accounted for as an embedded derivative. The effective interest rate of the liability component of these convertible bonds is approximate 13.17% per annum. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

On 27 and 28 June 2019, the Company completed the issue of convertible bonds to CHG and Nanjing Huajun Real Estate Co. Ltd. ("Nanjing Huajun") with aggregate principal amounts of HK\$1,000,000,000 (equivalent to approximately RMB877,192,000) and HK\$205,200,000 (equivalent to approximately RMB180,000,000) respectively ("2019 Convertible Bonds"). On 28 June 2019, Nanjing Huajun has transferred the convertible bonds with principal amount of HK\$205,200,000 to CHG. The convertible bonds entitle the holders to convert into ordinary shares of the Company at any time between the date of issue of the convertible bonds and the maturity date at the relevant conversion price (subject to anti-dilutive adjustments). The conversion shares will be allocated and issued upon exercise of the conversion rights. If the convertible bonds have not been converted during the conversion period up to the maturity date, the convertible bonds will be redeemed on the maturity date at par together with the accrued interest. Interests are being paid annually until the maturity date. The Company also has the right, at its option, to redeem the whole or any part of the outstanding principal amount of the 2019 Convertible Bonds held by such bondholder, as determined by the Company, by notice, at a redemption price equal to the par value before the maturity date.

36. 可換股債券(續)

於二零一八年一月二十四日發行的可換股債券(「二零一八年可換股債券」)賦予持有人權利可於可換股債券的發行日期起至到期日止的任何時間以有關轉換價將債券轉換成本公司普通股(受反攤薄調整限制)。轉換股份將因行使轉換權而獲配發及發行。如可換股債券在轉換期內直至到期日均未轉換，則可換股債券將於到期日連同應計利息按面值贖回。每六個曆月支付一次利息，直至到期日止。

二零一八年可換股債券包含兩個部分，即負債部分及轉換權與以嵌入式衍生工具入賬的結算選擇權。該等可換股債券負債部分的實際年利率為約13.17%。換股權衍生工具乃按公平值計量，而公平值變動則於損益內確認。

於二零一九年六月二十七及二十八日，本公司完成向中國華君集團和南京華君置業有限公司(「南京華君」)發行可換股債券，本金總額分別為1,000,000,000港元(相當於約人民幣877,192,000元)及205,200,000港元(相當於約人民幣180,000,000元)(「二零一九年可換股債券」)。於二零一九年六月二十八日，南京華君向中國華君集團轉讓本金額為205,200,000港元的可換股債券。可換股債券賦予持有人權利可於可換股債券發行日期起至到期日止的任何時間以有關轉換價將債券轉換成本公司普通股(受反攤薄調整限制)。轉換股份將因行使轉換權而獲分配及發行。如可換股債券在轉換期內直至到期日均未轉換，則可換股債券將於到期日連同應計利息按面值贖回。本公司每年支付一次利息，直至到期日止。本公司亦有權選擇發出通知贖回由債券持有人持有的全部或任何部分二零一九年可換股債券中尚未償還的本金額(由本公司釐定)，贖回價相等於到期日之前之面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

36. CONVERTIBLE BONDS (Continued)

Since the redemption amount is face value before or on the maturity date, which is equal to the amortised cost of the host debt instrument at the redemption date, the Company considered that the economic characteristics of the redemption features are closely related to the host contract. The value of the redemption option embedded in the 2019 Convertible Bonds other than the equity component amounting to HK\$23,876,000 is included in the liability component. As at the dates of issue, the two tranches of 2019 Convertible Bonds were bifurcated into liability and equity components amounting to RMB515,574,000 and RMB541,618,000 respectively. The equity element is presented in equity under "Convertible bonds equity reserve" at initial recognition. The effective interest rate of the liability components of the two tranches of convertible bonds are 16.42% and 17.30% per annum respectively.

The movements of the liability and derivative components of the convertible bonds for the current year and prior period were set out in below:

36. 可換股債券(續)

由於贖回款項為於或到期日前的面值，其相等於主債務工具於贖回日期的攤銷成本，本公司認為贖回機制的經濟特徵與主合約有密切的關係。金額為23,876,000港元的嵌入二零一九年可換股債券的贖回權價值(權益部分除外)計入負債部分。於發行日期，兩批二零一九年可換股債券分別拆為人民幣515,574,000元及人民幣541,618,000元的負債及權益部分。權益部分於初始確認時於「可換股債券權益儲備」呈列為權益。兩批可換股債券之負債部分的實際年利率分別為16.42%及17.30%。

本年度及過往期間可換股債券之負債及衍生部分之變動載列如下：

		Liability component 負債部分 RMB'000 人民幣千元	Derivative component 衍生部分 RMB'000 人民幣千元	Total 總計
At 1 April 2018	於二零一八年四月一日	721,580	127,628	849,208
Redemption of convertible bonds	贖回可換股債券	(550,923)	-	(550,923)
Interest charged	已收利息	95,379	-	95,379
Interest paid	已付利息	(70,899)	-	(70,899)
Change in fair value	公平值變動	-	(118,374)	(118,374)
Exchange realignment	匯兌調整	32,361	7,880	40,241
At 31 December 2018 and 1 January 2019	於二零一八年 十二月三十一日及 二零一九年一月一日	227,498	17,134	244,632
Redemption of convertible bonds	贖回可換股債券	(26,814)	-	(26,814)
Issued during the year	於年內發行	515,574	-	515,574
Transaction costs incurred	已產生之交易成本	(536)	-	(536)
Interest charged	已收利息	66,844	-	66,844
Interest paid	已付利息	(20,754)	-	(20,754)
Change in fair value	公平值變動	-	(12,498)	(12,498)
Exchange realignment	匯兌調整	15,161	306	15,467
At 31 December 2019	於二零一九年 十二月三十一日	776,973	4,942	781,915

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

36. CONVERTIBLE BONDS (Continued)

For the year ended 31 December 2019, transactions costs totalling RMB536,000 (period from 1 April 2018 to 31 December 2018: Nil) has been incurred for the issuance of convertible bonds.

The fair value of conversion option derivatives are measured at Level 3 fair value measurement (as defined in note 47(c)).

36. 可換股債券(續)

截至二零一九年十二月三十一日止年度，已就發行可換股債券產生合共人民幣536,000元(自二零一八年四月一日至二零一八年十二月三十一日期間：無)之交易成本。

換股權衍生工具之公平值乃按照第三級公平值計量法(定義見附註47(c))計量。

	Fair value		Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	公平值		公平值層級	估值法	重要不可觀察之輸入數據	重要不可觀察之輸入數據與公平值之關係
	31.12.2019	31.12.2018				
	二零一九年	二零一八年				
	十二月三十一日	十二月三十一日				
	RMB'000	RMB'000				
	人民幣千元	人民幣千元				
Conversion option derivatives 換股權衍生工具	4,942	17,134	Level 3 第三級	Binomial model 二項式	Volatility of 74% (2018: 73%) 波幅74% (二零一八年： 73%)	The higher the volatility, the higher the fair value 波幅越高，公平值越高

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. FINANCIAL GUARANTEE CONTRACTS

37. 財務擔保合約

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At beginning of the reporting year/period	於報告年／期初	228,382	496,793
Addition through acquisition of a subsidiary (note 48)	透過收購附屬公司添置(附註48)	-	23,303
Financial guarantee provision recognised	已確認之財務擔保撥備	3,022	228,382
Reversal of impairment	減值撥回	(231,404)	(520,096)
At the end of the reporting year/period	於報告年／期末	-	228,382
Reversal of (provision on) financial guarantee contracts recognised comprised of:			已確認財務擔保合約撥回(撥備)包括：
		1.1.2019 to	1.4.2018 to
		31.12.2019	31.12.2018
		二零一九年	二零一八年
		一月一日至	四月一日至
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Reversal of impairment in relation to:	有關以下各項之減值撥回：		
- Guarantee I (note (a))	- 擔保一(附註(a))	-	447,810
- Guarantee II (note (a))	- 擔保二(附註(a))	-	48,983
- Guarantees in favour of Yingkou Coastal Bank (note (b))	- 以營口沿海銀行為受益人之擔保(附註(b))	231,404	-
- Guarantee from the newly acquired subsidiary (note (c))	- 來自新收購附屬公司之擔保(附註(c))	-	23,303
		231,404	520,096
Financial guarantee provision recognised on:	於以下項目確認財務擔保撥備：		
- Guarantees in favour of Yingkou Coastal Bank (note (b))	- 以營口沿海銀行為受益人之擔保(附註(b))	-	(34,478)
Recognised in deemed contribution reserve	於視作注資儲備確認	231,404	485,618
		(231,404)	(223,905)
Recognised in profit or loss	於損益確認	-	261,713

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. FINANCIAL GUARANTEE CONTRACTS (Continued)

Notes:

(a) Guarantee I and Guarantee II

On 19 October 2016, the Group entered into a financial guarantee in favour of Jiangsu branch office of China Cinda Asset Management Co., Ltd. ("China Cinda"), pursuant to which the Group agreed to provide a financial guarantee in respect of obligations and liabilities of Hareon Solar and Jiangyin Hareon Solar Energy Electrical Power Co., Ltd. (collectively referring to as "Hareon Companies") under restructuring documents in the amount of approximately RMB383,361,000 (the "Guarantee I"). On the same date, Mr. Meng also entered into a personal guarantee in favour of China Cinda to provide financial guarantee for the same obligations and liabilities.

In order to protect the interest of the Group against any loss which might be suffered by the Group under the Guarantee I, Hareon Solar entered into a counter indemnity in favour of the Group pursuant to which Hareon Companies agreed to, among other matters, indemnify the Group for its liabilities and loss which may arise from the Guarantee I.

The Group had recognised a financial guarantee liability at fair value of RMB44,281,000 at the date of providing the Guarantee I.

On 4 May 2016, the Group had provided a financial guarantee in favour of a bank of RMB22,990,000 to secure a banking facility granted to a subsidiary of Hareon Solar ("Guarantee II"). Subsequently on 19 January 2017, the Group further increased the maximum guaranteed amount to RMB77,000,000.

As at 31 March 2018, the Directors were of the opinion that the financial condition of the Hareon Companies had significantly deteriorated with certain of their debts are default in payment. The Directors considered that it is probable the creditors will demand the Group to settle the outstanding principal and interest of the subject debts under the financial guarantees provided by the Group.

On 26 June 2018, three statutory demands were served on the Company by China Cinda to demand the Company to settle the outstanding debts totalling of RMB278,153,000 pursuant to the Guarantee I.

As at 31 March 2018, the Group had recognised financial guarantees provision of RMB496,793,000 which was the Directors' best estimation on the probable cash outflow on the obligations of these financial guarantee contracts.

On 23 July 2018, Hareon Companies announced that Huajun Commercial Factoring Co., Ltd. ("Huajun Commercial"), a company directly controlled by Mr. Meng, has fully repaid the statutory demands of RMB278,153,000 on behalf of Hareon Companies to China Cinda.

37. 財務擔保合約(續)

附註：

(a) 擔保一及擔保二

於二零一六年十月十九日，本集團以中國信達資產管理股份有限公司（「中國信達」）江蘇分公司為受益人訂立一份融資擔保，據此，本集團同意根據重組文件以約人民幣383,361,000元為海潤光伏及江陰海潤太陽能電力有限公司（統稱為「海潤公司」）的責任和負債提供財務擔保（「擔保一」）。同日，孟先生亦以中國信達為受益人訂立一份個人擔保，以就相同的責任和負債提供財務擔保。

為保障本集團的利益，免因擔保一而讓本集團遭受任何損失，海潤光伏以本集團為受益人訂立一份反向彌償，據此，海潤公司同意（其中包括）彌償本集團因擔保一而可能產生的負債及損失。

本集團於提供擔保一日期已按公平值人民幣44,281,000元確認財務擔保負債。

於二零一六年五月四日，本集團提供一項以銀行為受益人的人民幣22,990,000元的財務擔保，以為海潤光伏的附屬公司獲授的一項銀行融資提供擔保（「擔保二」）。隨後於二零一七年一月十九日，本集團進一步提高最高保證金至人民幣77,000,000元。

於二零一八年三月三十一日，董事認為海潤公司的財政狀況嚴重惡化，亦拖欠彼等若干債務。董事認為債權人很有可能會要求本集團償付本集團提供的財務擔保的有關債務中尚未償還的本金及利息。

於二零一八年六月二十六日，中國信達根據擔保一，向本公司送達三項法定要求償債書，要求本公司償付欠債合共人民幣278,153,000元。

於二零一八年三月三十一日，本集團已確認財務擔保撥備人民幣496,793,000元，為董事就財務擔保合約責任的潛在現金流出的最佳估計。

於二零一八年七月二十三日，海潤公司宣布，由孟先生直接控制的公司華君商業保理有限公司（「華君商業」）已代表海潤公司向中國信達全數償還人民幣278,153,000元的法定賠償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. FINANCIAL GUARANTEE CONTRACTS (Continued)

Notes: (Continued)

(a) Guarantee I and Guarantee II (Continued)

On 26 October 2018, Hareon Companies announced that Huajun Commercial further paid RMB150,000,000 on behalf of Hareon Companies to China Cinda for full settlement of the amounts due by Hareon Companies to China Cinda. On the same date, China Cinda provided a written confirmation to the Group agreed that the liabilities under Guarantee I are discharged.

Consequently, the Directors considered that the financial guarantee contracts liabilities to Guarantee I should be fully reversed on the basis specified below:

According to the relevant laws specified in the financial guarantee contracts, unless otherwise specified, joint guarantors to a financial guarantee contract shall be jointly and severally liable to the guaranteed amount, and if the debtor defaults on the payment, each joint guarantor may request the other joint guarantor to equally share the settlement of the guaranteed amount. A reversal of impairment for financial guarantee contracts to profit or loss amounting to RMB223,905,000 represents the provision of guarantee liable by joint guarantor, Mr. Meng. For the portion that the Group is liable, as the amount has been settled by an entity controlled by Mr. Meng, settlement of the financial guarantee contract of RMB223,905,000 is accounted for as an equity transaction with shareholder as contribution.

In respect of Guarantee II, the financial guarantee contract was released upon the outstanding bank loan was settled by the subsidiary of Hareon Solar in the form of auction of selling its land. The auction was completed 5 December 2018, and the Group was no longer liable of the Guarantee II, consequently, the Directors considered that the financial guarantee contracts liabilities relating to Guarantee II which amount to RMB48,983,000 should be fully reversed to profit or loss.

37. 財務擔保合約(續)

附註：(續)

(a) 擔保一及擔保二(續)

於二零一八年十月二十六日，海潤公司宣布，華君商業進一步代表海潤公司向中國信達支付了人民幣150,000,000元，以全額清付海潤公司應付中國信達的款項。同日，中國信達向本集團提供書面確認書，同意擔保一項下的負債已解除。

因此，董事認為，擔保一之財務擔保合約負債將按下述基準悉數撥回：

根據財務擔保合約訂明之相關法例，除非另有訂明，財務擔保合約之共同擔保人須共同及個別承擔保證金額，及倘債權人拖欠款項，各共同擔保人可要求其他共同擔保人共同攤分結付保證金額。於損益撥回財務擔保合約減值人民幣223,905,000元，指共同擔保人孟先生承擔之擔保撥備。就本集團承擔之部分而言，由於孟先生控制之實體已結付該款項，結付財務擔保合約款項人民幣223,905,000元作為與股東之股權交易入賬為注資。

就擔保二而言，財務擔保合約於海潤光伏之附屬公司以拍賣出售其土地的方式結付尚欠銀行貸款後解除。拍賣於二零一八年十二月五日完成，且本集團不再承擔擔保二之責任，因此，董事認為，擔保二有關之財務擔保合約負債人民幣48,983,000元應悉數撥回至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. FINANCIAL GUARANTEE CONTRACTS (Continued)

Notes: (Continued)

(b) Guarantees in favour of Yingkou Coastal Bank

As at 31 December 2018, a bank loan drawn from the banking facilities associated with the financial guarantees which is previously provided by the Group in favour of Yingkou Coastal Bank to secure the facilities granted to an independent third party, is outstanding and now past due, and accordingly being in default, pursuant to the terms of the guarantees, the Group is obligated to compensate the holder for loss suffered when no repayment of the loan happens. As a result, the Group reassessed the financial guarantee liabilities and recognised the impairment loss in aggregate of RMB34,478,000 in profit or loss.

The Group had provided guarantees to several related parties for credit facilities in aggregate sum of RMB2,978 million in favour of Yingkou Coastal Bank. Among the guaranteed facilities, aggregate amount of RMB2,778 million are drawn by those related parties and remitted to the Group, with details set out in note 42. The Directors were of the opinion that the remaining guaranteed facilities amounted to RMB199,996,000 drawn by those related parties are virtually certain to default given the financial position of those related parties. Accordingly, the remaining amounts which included fair value adjustment amounted to RMB193,904,000 are recognised as financial guarantee liabilities at 31 December 2018.

On 29 March 2019, Huajun Holdings Group Limited, a company controlled by Mr. Meng and his spouse replaced the Group to be the guarantor of these financial guarantees, therefore, all guarantees in favour of Yingkou Coastal Bank provided by the Group are released, and the Group was no longer liable to the guarantee. Consequently, the Directors considered that the financial guarantee contracts liabilities in favour of Yingkou Coastal Bank which amount to RMB231,404,000 should be fully accounted for as deemed contribution from shareholder.

(c) Guarantees from the newly acquired subsidiary (note 48)

During the nine months period ended 31 December 2018, Yuzhu (as defined in note 48), a newly acquired subsidiary with details set out in note 48, has previously entered into a financial guarantee contract with financial guarantee liabilities of RMB23,303,000 recognised at date of acquisition. Subsequently, the financial guarantee contract was released upon the outstanding bank loan being settled by the borrower before 31 December 2018 and the Group was no longer liable to the guarantee, consequently, the Directors considered that the financial guarantee contracts liabilities relating to Guarantee II which amount to RMB23,303,000 should be fully reversed to profit or loss in the nine months period ended 31 December 2018.

37. 財務擔保合約(續)

附註：(續)

(b) 以營口沿海銀行為受益人訂立之擔保

於二零一八年十二月三十一日，一項由與早前由本集團就授予獨立第三方的融資以營口沿海銀行為受益人提供的財務擔保有關的銀行融資所提取的銀行貸款經已到期，而由於違約，根據擔保條款，本集團有義務賠償持有人因未償還貸款而造成的損失。因此，本集團重新評估財務擔保負債，並於損益中確認減值虧損合共人民幣34,478,000元。

本集團已以營口沿海銀行為受益人為信貸融資總額為人民幣2,978百萬元向數個關聯方提供擔保。在擔保的融資中，該等關聯方共提取人民幣2,778百萬元並彙入本集團，詳情載於附註42。鑑於該等關聯方的財務狀況，董事認為，由該等關聯方提取剩餘的擔保融資人民幣199,996,000元實際上肯定將違約。因此，於二零一八年十二月三十一日，包括公平值調整在內的餘額人民幣193,904,000元被確認為財務擔保負債。

於二零一九年三月二十九日，華君控股集團有限公司(一間由孟先生及其配偶控制的公司)取代本集團成為該等財務擔保之擔保人，故本集團以營口沿海銀行為受益人提供之所有擔保獲解除，且本集團不再承擔該擔保的責任。因此，董事認為，以營口沿海銀行為受益人訂立之財務擔保合約負債人民幣231,404,000元應全數入賬為視作股東之注資。

(c) 來自新收購附屬公司之擔保(附註48)

截至二零一八年十二月三十一日止九個月期間，新收購之附屬公司玉珠(定義見附註48)(詳情載於附註48)過往訂立財務擔保合約，並於收購日期確認財務擔保負債人民幣23,303,000元。其後，財務擔保合約於借款人於二零一八年十二月三十一日前已結清結欠銀行貸款後解除，且本集團不再承擔該擔保的責任，因此，董事認為，有關擔保之財務擔保合約負債人民幣23,303,000元應悉數撥回截至二零一八年十二月三十一日止九個月期間的損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. DEFERRED CONSIDERATION

On 16 July 2018, the Group entered into a sale and purchase agreement with an independent third party to acquire the entire equity interest of Yingkou Economic Technology Development Zone Shangfang Real Estate Limited ("Shangfang") at a consideration of RMB135,000,000, comprised of cash consideration of RMB40,000,000 plus non-cash consideration represented by certain specified property units to be developed at an equivalent value of RMB95,000,000 at the date of contract. As the property units will be transferred to the vendor upon its completion, the outstanding consideration has been recognised as a deferred consideration and measured based on the Directors' best estimation of the consideration required with reference to an independent professional valuation to settle the present obligation as at 31 December 2019. Details of the acquisition are disclosed in note 48.

39. DEFERRED INCOME

As at 31 December 2019, the Group received government subsidy totalling RMB103,491,000 (31 December 2018: RMB21,660,000) towards the cost of construction of its automobile and solar photovoltaic production line. The amount has been treated as deferred income and will be recognised in profit or loss on the same basis as depreciation for the related plant and equipment upon the construction work has been completed.

As at 31 December 2019 and 2018, such government subsidy is not amortised because the related plant and equipment are still under construction.

38. 遞延代價

於二零一八年七月十六日，本集團與獨立第三方訂立買賣協議，以收購營口經濟技術開發區上方房地產有限公司(「上方」)全部股權，代價為人民幣135,000,000元，包括現金代價人民幣40,000,000元及非現金代價，指於合約日期將予開發之價值人民幣95,000,000元之若干特定物業單位。由於完成後，物業單位將轉讓予賣方，未償還代價已確認為遞延代價及根據董事於二零一九年十二月三十一日清償現時責任所需代價的最佳估計(經參考獨立專業估值)計量。收購詳情披露於附註48。

39. 遞延收入

於二零一九年十二月三十一日，本集團就其汽車及太陽能光伏生產線建造成本收取政府補貼合共人民幣103,491,000元(二零一八年十二月三十一日：人民幣21,660,000元)。建造工程完成後，該金額作為遞延收入並將按與就相關廠房及設備進行折舊之相同基準於損益確認。

於二零一九年及二零一八年十二月三十一日，該等政府補貼並無攤銷，乃由於相關廠房及設備仍處於建設中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

40. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產	(17,221)	(10,957)
Deferred tax liabilities	遞延稅項負債	141,415	76,524
		124,194	65,567

40. 遞延稅項

以下為遞延稅項結餘之分析，以作財務報告用途：

The following are the major components of deferred tax liabilities (assets) recognised and movements thereon during the current year and prior period:

以下為已確認之遞延稅項負債(資產)之主要組成部分以及其於本年度及過往期間之變動：

		Accelerated (decelerated) tax depreciation 加速(減速) 稅項折舊 RMB'000 人民幣千元	Revaluation of properties 物業重新估值 RMB'000 人民幣千元	Impairment and others 減值及其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 April 2018	於二零一八年四月一日	(2,110)	24,089	(3,221)	18,758
Exchange adjustments	匯兌調整	(12)	-	32	20
(Credited) charged to profit or loss	(計入)扣除自損益	(2,161)	47,998	952	46,789
At 31 December 2018 and 1 January 2019	於二零一八年 十二月三十一日及 二零一九年一月一日	(4,283)	72,087	(2,237)	65,567
Exchange adjustments	匯兌調整	(93)	-	51	(42)
(Credited) charged to profit or loss	(計入)扣除自損益	(3,648)	55,401	(292)	51,461
Acquisition of subsidiary (note 48(a))	收購附屬公司(附註48(a))	7,208	-	-	7,208
At 31 December 2019	於二零一九年 十二月三十一日	(816)	127,488	(2,478)	124,194

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

40. DEFERRED TAXATION (Continued)

At 31 December 2019, the Group does not recognise deferred tax assets in respect of tax losses of approximately RMB1,310,995,000 (31 December 2018: RMB794,813,000) as it was uncertain that future taxable profits against which the tax losses could be utilised would be available in the relevant tax jurisdiction. Tax losses of approximately RMB371,602,000 (31 December 2018: RMB315,198,000) do not expire under current tax legislation and approximately RMB939,393,000 (31 December 2018: RMB479,615,000) would expire within five years from the year of origination.

At 31 December 2019, the Group has deductible temporary differences of RMB161,478,000 (31 December 2018: RMB114,709,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

At 31 December 2019, temporary differences relating to the undistributed profits of the PRC subsidiaries amounted to approximately RMB556,488,000 (31 December 2018: RMB495,058,000). Deferred tax liabilities of approximately RMB27,825,000 (31 December 2018: RMB24,753,000) representing the tax payable upon the distribution of such retained profits have not been recognised as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

40. 遞延稅項(續)

於二零一九年十二月三十一日，由於不能確定可供動用抵扣有關稅務司法權區稅項虧損的未來應課稅溢利，本集團並未就稅項虧損約人民幣1,310,995,000元(二零一八年十二月三十一日：人民幣794,813,000元)確認遞延稅項資產。根據現行稅法，稅項虧損約人民幣371,602,000元(二零一八年十二月三十一日：人民幣315,198,000元)並未屆滿，而約人民幣939,393,000元(二零一八年十二月三十一日：人民幣479,615,000元)將從初始年度起之五年內屆滿。

於二零一九年十二月三十一日，本集團的可扣減暫時差額為人民幣161,478,000元(二零一八年十二月三十一日：人民幣114,709,000元)。概無確認與可扣減暫時差額有關的遞延稅項資產，原因為不太可能擁有應課稅溢利用作抵銷所有可扣減暫時差額。

於二零一九年十二月三十一日，與中國附屬公司之未分配溢利有關之暫時差異金額約為人民幣556,488,000元(二零一八年十二月三十一日：人民幣495,058,000元)。由於本公司控制該等附屬公司的股息政策，遞延稅項負債約人民幣27,825,000元(二零一八年十二月三十一日：人民幣24,753,000元)指分派有關保留溢利時尚未確認之應付稅項，且已釐定溢利很可能不會於可見未來分派。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

41. AMOUNT DUE TO IMMEDIATE HOLDING COMPANY

The Group has the following balances with immediate holding company:

The carrying amount of RMB16,655,000 (2018: RMB1,706,956,000) as at 31 December 2019 represented amount due to the immediate holding company, CHG, with aggregate gross amount of RMB16,962,000 (2018: RMB1,872,931,000). As at 31 December 2019 and 2018, the amounts are unsecured, non-interest bearing and agreed not to be repayable until 31 May 2021. The Directors assessed the fair value of the fund advances, taken into account an effective interest rate of 9.6% (2018: 6.4%) per annum, and recognised an initial fair value adjustment of RMB307,000 (2018: RMB186,346,000) to the outstanding amount.

During the year ended 31 December 2019, the outstanding amount has been early repaid and the Group has reversed deemed contribution of RMB78,735,000 (1 April 2018 to 31 December 2018: RMB32,795,000) recognised in prior years. In addition, a fair value adjustment at approximately RMB3,070,000 has been made in connection with the obligation under financing arrangement upon its reclassification to amount due to immediate holding company.

41. 應付直接控股公司之款項

本集團與直接控股公司有以下結餘：

於二零一九年十二月三十一日的賬面值人民幣16,655,000元(二零一八年：人民幣1,706,956,000元)指應付直接控股公司中國華君集團之總額為人民幣16,962,000元(二零一八年：人民幣1,872,931,000元)的款項。於二零一九年及二零一八年十二月三十一日，款項為無抵押、不計息且協定於二零二一年五月三十一日前無須償還。董事已計及實際年利率9.6%(二零一八年：6.4%)後評估預收資金的公平值，並就結欠金額確認人民幣307,000元(二零一八年：人民幣186,346,000元)之初始公平值調整。

截至二零一九年十二月三十一日止年度，未償還金額已提前償還及本集團已於過往年度撥回人民幣78,735,000元(二零一八年四月一日至二零一八年十二月三十一日：人民幣32,795,000元)的視作注資。此外，本公司已於融資安排承擔重新分類為應付直接控股公司款項時就融資安排承擔作出公平值調整約人民幣3,070,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

41. AMOUNT DUE TO IMMEDIATE HOLDING COMPANY (Continued)

During the nine months period ended 31 December 2018, the Group borrowed RMB2,559,718,000 from CHG, among which RMB214,300,000 received from the designated third parties and RMB2,345,418,000 received from CHG and its subsidiaries. For the nine months period ended 31 December 2018, the Group had already repaid RMB1,180,812,000, among which RMB610,000,000 repaid to the designated third parties and RMB570,812,000 repaid to CHG and its subsidiaries.

Besides, during the nine months period ended 31 December 2018, there are debts amounting to RMB76,787,000 transferred to CHG by signing agreements on the restructure of debt. No restructure of debt conducted during the year ended 31 December 2019.

41. 應付直接控股公司之款項(續)

截至二零一八年十二月三十一日止九個月期間，本集團自中國華君集團借入人民幣2,559,718,000元，其中人民幣214,300,000元自指定第三方收取及人民幣2,345,418,000元自中國華君集團及其附屬公司收取。截至二零一八年十二月三十一日止九個月期間，本集團已償還人民幣1,180,812,000元，其中人民幣610,000,000元償還予指定第三方及人民幣570,812,000元償還予中國華君集團及其附屬公司。

此外，截至二零一八年十二月三十一日止九個月期間，人民幣76,787,000元之債務通過簽署債務重組協議轉讓予中國華君集團。截至二零一九年十二月三十一日止年度，概無進行任何債務重組。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

42. OBLIGATIONS UNDER FINANCING ARRANGEMENTS

On 17 May 2018, Huajun Properties Yangzhou Limited ("Huajun Properties Yangzhou") (formerly known as Yangzhou Bao Hua Properties Limited), a wholly owned subsidiary of the Company, provided guarantees of RMB778 million in favour of Yingkou Coastal Bank Co., Ltd ("Yingkou Coastal Bank") (as defined in note 53(c)) for credit facilities in aggregate sum of RMB778,078,000 granted to two related companies of the Group which Mr. Meng has significant influence therein. Through utilising the credit facilities granted and a series of bills financing arrangements, an aggregate sum of RMB1,111,540,000 bills were issued by these related companies and net cash proceeds of RMB700,000,000, after deducting the discounting charge of RMB78,078,000 and security deposits of RMB333,462,000 placed by these related companies in Yingkou Coastal Bank, was generated by these related parties by discounting the bills to unrelated parties and the net cash proceeds was transferred back to the Group to supplement the Group's working capital.

On 6 June 2018, Bao Hua Properties Management (Yingkou) Limited ("B&H Properties Yingkou") (formerly known as Bao Hua Properties Management (China) Limited), a wholly owned subsidiary of the Company, provided guarantees of RMB2,200,000,000 in favour of Yingkou Coastal Bank for credit facilities in aggregate sum of RMB2,200,000,000 granted to four related companies of the Group which Mr. Meng has significant influence therein. Through utilising the credit facilities granted and a series of bills financing arrangements, an aggregate sum of RMB3,132,400,000 bills were issued by these related companies (including three former subsidiaries of the Group that the Group completed the disposal of on 5 June 2018) (see note 48(b)) and net cash proceeds of RMB2,000,004,000, after deducting the discounting charge of RMB192,676,000 and security deposits of RMB939,720,000 placed by these related companies in Yingkou Coastal Bank, was generated by these related parties by discounting the bills to unrelated parties, of which RMB1,594,665,000 were transferred to the seller of Wuxi Project (as defined in note 48(a)) for settlement of acquisition consideration on behalf of the Group and the remaining RMB405,339,000 was transferred back to the Group to supplement the Group's working capital.

42. 融資安排承擔

於二零一八年五月十七日，本公司之全資附屬公司華君地產(揚州)有限公司(前稱揚州保華置業有限公司(「華君地產揚州」)(定義見附註53(c))就本集團兩間關連公司(孟先生於其有重大影響力)獲授之合共人民幣778,078,000元的信貸融資以營口沿海銀行股份有限公司(「營口沿海銀行」)作為受益人提供人民幣778百萬元的擔保。透過動用授出的信貸融資及一系列票據融資安排，該等關連公司已發行合共人民幣1,111,540,000元的票據，且該等關連公司透過向非關聯方貼現票據產生現金所得款項淨額人民幣700,000,000元(經扣除貼現費用人民幣78,078,000元及該等關連公司於營口沿海銀行存放的保證金人民幣333,462,000元)，而現金所得款項淨額已轉回予本集團以補充本集團的營運資金。

於二零一八年六月六日，本公司之全資附屬公司保華置業管理(營口)有限公司(前稱保華置業管理(中國)有限公司)(「保華置業營口」)就向本集團四間關連公司(孟先生於其有重大影響力)獲授之合共人民幣2,200,000,000元的信貸融資以營口沿海銀行為受益人提供人民幣2,200,000,000元的擔保。透過動用授出的信貸融資及一系列票據融資安排，該等關連公司(包括本集團於二零一八年六月五日完成出售之本集團三間前附屬公司)(見附註48(b))已發行合共人民幣3,132,400,000元的票據，且該等關連公司透過向非關聯方貼現票據產生現金所得款項淨額人民幣2,000,004,000元(經扣除貼現費用人民幣192,676,000元及該等關連公司於營口沿海銀行存放的保證金人民幣939,720,000元)，其中人民幣1,594,665,000元已轉撥予無錫項目(定義見附註48(a))之賣方，以代表本集團結付收購代價，而餘下人民幣405,339,000元已轉回予本集團，以補充本集團之營運資金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

42. OBLIGATIONS UNDER FINANCING ARRANGEMENTS (Continued)

The Directors considered that the arrangements are in substance financing from the immediate holding company under the loan facilities with the immediate holding company and therefore recognised the advances through the above financing arrangements (including the amount paid by related parties to settle the consideration of Wuxi Project) as amount due to immediate holding company.

The Group has agreed in writing with these related parties and immediate holding company that in case these related parties fail to settle their obligations with Yingkou Coastal Bank and the Group needs to repay to the bank under these financing arrangements, the Group's corresponding amount due to immediate holding company will be reduced by the amount of repayment made by the Group to the bank (if any). During the period from 1 April 2018 to 31 December 2018, the aggregate gross proceeds received by the Group under the financing arrangement is RMB2,778,082,000 (as at 31 December 2018, the net proceeds received is carried at amortised cost of RMB2,693,469,000 at an effective interest rate of 6.4% per annum). The financial liabilities are classified as current as the corresponding bills issued through these financial arrangements will be matured within one year at end of the reporting period.

Details of the remaining financial guarantee obligations under these financing arrangements are detailed in note 37(b).

On 29 March 2019, Huajun Holdings Group Limited, a company wholly owned by Mr. Meng and his spouse, replaced Huajun Properties Yangzhou and B&H Properties Yingkou to be the guarantor of these financial guarantees and the above-mentioned guarantee obligations of Huajun Properties Yangzhou and B&H Properties Yingkou, as confirmed by Yingkou Coastal Bank, were released. Upon the release of these financial guarantees, the obligations under financing arrangements were reclassified as amount due to immediate holding company. In accordance with the loan facilities between the Group and the immediate holding company, the immediate holding company will not demand for repayment of the amount due to immediate holding company before May 2021. Therefore, the amount due to immediate holding company under these financing arrangements was reclassified as non-current liabilities on 29 March 2019.

42. 融資安排承擔(續)

董事認為，有關安排實際上為根據與直接控股公司的貸款融資自直接控股公司取得融資，因此，確認透過上述融資安排取得的款項(包括關聯方就結付無錫項目的代價的已付款項)為應付直接控股公司款項。

本集團已與該等關聯方及直接控股公司書面協定，倘該等關聯方無法結付彼等對營口沿海銀行的責任而本集團須根據該等融資安排向銀行還款，本集團的相應應付直接控股公司款項將扣減本集團向銀行作出的還款(如有)。於二零一八年四月一日至二零一八年十二月三十一日期間，本集團根據融資安排收取的所得款項總額合共為人民幣2,778,082,000元(於二零一八年十二月三十一日，所收取的所得款項淨額按攤銷成本人民幣2,693,469,000元按實際年利率6.4%列賬)。財務負債分類為即期，原因為透過該等財務安排發行的相應票據將於報告期後一年內到期。

該等融資安排下餘下財務擔保責任之詳情於附註37(b)詳述。

於二零一九年三月二十九日，華君控股集團有限公司(一間由孟先生及其配偶全資擁有的公司)取代華君地產揚州及保華置業營口作為該等財務擔保的擔保人，而據營口沿海銀行確認，華君地產揚州及保華置業營口的上述擔保責任已解除。該等財務擔保獲解除後，融資安排項下的債務重新分類為應付直接控股公司的款項，根據本集團與直接控股公司之間的貸款融資，直接控股公司將不會於二零二一年五月前要求償還應付直接控股公司款項。因此，根據該等融資安排，應付直接控股公司之款項於二零一九年三月二十九日重新分類為非流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

43. SHARE CAPITAL

43. 股本

	Number of shares		Share capital	
	股份數目		股本	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	二零一九年	二零一八年	二零一九年	二零一八年
	十二月三十一日	十二月三十一日	十二月三十一日	十二月三十一日
	'000	'000	HK\$'000	HK\$'000
	千股	千股	千港元	千港元
Ordinary shares				
Authorised:				
Ordinary shares of HK\$1.00 each				
At the beginning and end of the reporting year/period				
普通股				
法定：				
每股面值1.00港元之普通股				
於報告年／期初及末				
	400,000	400,000	400,000	400,000
	'000	'000	RMB'000	RMB'000
	千股	千股	人民幣千元	人民幣千元
Issued and fully paid:				
At the beginning of the reporting year/period				
Issue of shares (note 48(a))				
已發行及繳足：				
於報告年／期初				
股份發行(附註48(a))				
	60,669	60,669	55,203	55,203
	874	-	780	-
At the end of the reporting year/period				
	61,543	60,669	55,983	55,203

On 30 September 2019, the Company issued and allotted a total of 873,875 ordinary shares in the Company to the Vendor A, which defined in note 48(a), for acquisition of subsidiaries. Details of the acquisition are set in note 48(a). These shares rank pari passu in all respects with other shares in issue.

於二零一九年九月三十日，本公司向賣方A發行及配發本公司合共873,875股普通股以收購附屬公司，定義見附註48(a)。收購詳情載於附註48(a)。該等股份在各方面與其他已發行股份享有同等權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. RETIREMENT BENEFIT SCHEME CONTRIBUTIONS

Defined contribution plan

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs (maximum of RMB1,339 per month for each employee) to the MPF Scheme, which contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute specified percentage of payroll costs to the retirement benefit plan to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense of RMB36,231,000 (for the period from 1 April 2018 to 31 December 2018: RMB24,578,000) represents contributions paid or payable to these plans by the Group at rates specified in the rules of the plans during the year ended 31 December 2019.

44. 退休福利計劃供款

界定供款計劃

本集團為所有香港合資格僱員參與強制性公積金計劃(「強積金計劃」)。該計劃之資產受託人控制之基金持有，與本集團之資產分開持有。本集團向強積金計劃支付相關工資成本的5%(每名僱員最高為每月人民幣1,339元)，與僱員的供款相同。

本集團中國附屬公司之僱員乃中國政府營運之國家管理退休福利計劃之成員。附屬公司需要向退休福利計劃繳納工資成本的指定百分比作為福利基金。本集團於退休福利計劃下的唯一義務為作出指定供款。

總開支人民幣36,231,000元(二零一八年四月一日至二零一八年十二月三十一日期間：人民幣24,578,000元)指二零一九年十二月三十一日止年度，本集團按計劃的規則訂明的費率向該等計劃支付或應付的供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

45. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior period.

The capital structure of the Group consists of debts, which includes bill payables, lease liabilities, bank borrowings, other borrowings, amount due to immediate holding company, corporate bonds, convertible bonds and equity attributable to shareholders of the Company, comprising of share capital and reserves.

Gearing ratio

The Directors actively and regularly reviews the capital structure of the Group. The Directors consider the cost of capital and the risk associated with each class of capital.

The gearing ratio at the end of the reporting period was as follows:

45. 資本管理

本集團管理其資本以確保本集團內各實體可持續經營，同時通過優化及平衡債務及股權將股東之回報提升至最高。自過往期間起，本集團之整體策略維持不變。

本集團之資本架構包括債務，其中包括應付票據、租賃負債、銀行借款、其他借款、應付直接控股公司之款項、公司債券、可換股債券及本公司股東應佔權益，包括股本及儲備。

資產負債比率

董事積極及定期檢討本集團資本架構。董事考慮資本成本及每級資本相關風險。

於報告期間末之資產負債比率如下：

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Total assets	總資產	17,655,495	15,762,535
Total liabilities	總負債	(14,934,271)	(13,131,815)
Net assets	淨資產	2,721,224	2,630,720
Total liabilities to assets ratio	總資產負債比率	84.6%	83.3%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

46. SHARE-BASED PAYMENTS TRANSACTIONS

The Company adopted a share option scheme (the "Scheme") on 28 September 2007 and refreshed the Scheme mandate limit to 10% of the shares of the Company in issue as at 3 November 2015. The purpose of the Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to Executive or Non-Executive Directors including Independent Non-Executive Directors or any employees (whether full-time or part-time) of each member of the Group and for such other purposes as the Board of Directors may approve from time to time.

Upon expiry of the existing Scheme on 28 September 2017, no further options will be granted thereunder, but in all other respects, subject to the provisions under Chapter 17 of the Listing Rules, the existing Scheme shall remain in full force and effect, and the options granted thereunder may continue to be exercisable in accordance with the terms of issue thereof.

At 31 December 2019, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 2,421,906 (31 December 2018: 2,703,132) representing 3.9% (31 December 2018: 4.5%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Option granted must be taken up within 28 days of the date of grant, upon payment of HK\$100 per option granted. There is no minimum period for which a share option must be held before the share option being exercised unless otherwise determined by the Board of Directors. The exercise price is determined by the Directors, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

46. 以股份為基礎的付款交易

本公司於二零零七年九月二十八日採納一項購股權計劃(「該計劃」)，並於二零一五年十一月三日更新該計劃的授權限額至本公司已發行股份的10%。該計劃之目的在於為本公司提供一個靈活的方法，以便向執行或非執行董事(包括獨立非執行董事)或本集團各成員公司的任何僱員(不論全職或兼職)提供獎勵、報酬、酬金、補償及／或福利，以及達致董事會可能不時審批的該等其他目的。

現有計劃於二零一七年九月二十八日屆滿後，將不會根據購股權計劃授出更多購股權，惟於所有其他方面，受上市規則第17章的條文所限，現有計劃仍具有十足效力及有效，而購股權計劃下已授出的購股權根據計劃下的發行條款仍可行使。

於二零一九年十二月三十一日，根據該計劃已授出惟尚未行使的購股權所涉及之股份數目為2,421,906股(二零一八年十二月三十一日：2,703,132股)，相當於本公司於該日已發行股份的3.9%(二零一八年十二月三十一日：4.5%)。在未經本公司股東事先批准的情況下，本公司在該計劃下可能授出的購股權所涉及之股份總數在任何時間均不得超過本公司已發行股份的10%。在未經本公司股東事先批准的情況下，就向任何人士授出及可能授出的購股權而已發行及將予發行的股份數目在任何時間均不得超過本公司已發行股份的1%。

獲授之購股權須於授出日期起28日內接受，並就每項獲授的購股權支付100港元。除非董事會另行釐定，否則購股權在獲行使前並無最低持有期限的規定。行使價乃由董事釐定，惟將不得低於下列所述之較高者：(i)在授出日期本公司股份之收市價；(ii)緊接授出日期前五個營業日股份之平均收市價；及(iii)本公司之股份面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

46. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The Company completed the Share Consolidation on 5 March 2018. The disclosure of the number of options outstanding and exercise price of the options have been adjusted retrospectively at the date of grant.

Details of specific categories of options are as follows:

Grantee 承授人	Number of option 購股權數目	Date of grant 授出日期	Vesting conditions 歸屬條件	Exercisable period 行使期	Exercisable period 行使價
Employees 僱員	1,096,200	7 February 2017 二零一七年 二月七日	Nil 無	7 February 2017 to 6 February 2027 二零一七年二月七日至 二零二七年二月六日	HK\$78 78港元
Directors 董事	938,355	7 February 2017 二零一七年 二月七日	Nil 無	7 February 2017 to 6 February 2027 二零一七年二月七日至 二零二七年二月六日	HK\$78 78港元
Executive* 行政人員*	387,351	16 March 2017 二零一七年 三月十六日	Nil 無	16 March 2017 to 6 February 2027 二零一七年三月十六日至 二零二七年二月六日	HK\$78 78港元

* The executive option was solely granted to Mr. Meng, the chairman of the Board of Directors and an executive director of the Company.

46. 以股份為基礎的付款交易(續)

本公司於二零一八年三月五日完成股份合併。於授出日期，所披露之尚未行使購股權數目及購股權之行使價已作追溯調整。

購股權具體類別的詳情如下：

* 行政人員購股權僅授予本公司董事會主席兼執行董事孟先生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

46. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The movement of share options to the executive directors and employees under the Scheme during the current year and prior period are presented as follows:

For the year ended 31 December 2019

Grantee		Outstanding at 1 January 2019 於二零一九年 一月一日 尚未行使	Reclassification	Number of share options 購股權數目			Outstanding at 31 December 2019 於二零一九年 十二月三十一日 尚未行使
				Granted during the year 年內 已授出	Exercised during the year 年內 已行使	Lapsed during the year 年內失效	
Directors & Executive	董事及行政人員	1,325,706	-	-	-	-	1,325,706
Employees	僱員	1,377,426	-	-	-	(281,226)	1,096,200
		2,703,132	-	-	-	(281,226)	2,421,906

46. 以股份為基礎的付款交易(續)

於本年度及過往期間根據該計劃授予執行董事及僱員之購股權變動呈列如下：

截至二零一九年十二月三十一日止年度

For the period from 1 April 2018 to 31 December 2018

Grantee		Outstanding at 1 April 2018 於二零一八年 四月一日 尚未行使	Reclassification (Note)	Number of share options 購股權數目			Outstanding at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
				Granted during the period 期內 已授出	Exercised during the period 期內 已行使	Lapsed during the period 期內失效	
Directors & Executive	董事及行政人員	1,164,957	548,100	-	-	(387,351)	1,325,706
Employees	僱員	2,473,626	(548,100)	-	-	(548,100)	1,377,426
		3,638,583	-	-	-	(935,451)	2,703,132

於二零一八年四月一日至二零一八年十二月三十一日期間

Note: Share options of 274,050 granted to each of Ms. Zhang Ye and Mr. Zeng Hongbo on 7 February 2017 (prior to their appointments as Directors of the Company) were reclassified for presentation purpose.

附註：於二零一七年二月七日（於張擘女士及曾紅波先生獲委任為本公司董事前）授予張擘女士及曾紅波先生各自之274,050份購股權為呈列目的已重新分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

46. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The number and weighted average exercise prices of share options are as follows:

46. 以股份為基礎的付款交易(續)

購股權數目及加權平均行使價如下：

		31.12.2019		31.12.2018	
		二零一九年十二月三十一日		二零一八年十二月三十一日	
		Weighted average exercise price 加權平均行使價 RMB'000 人民幣千元	Number of share options 購股權數目 RMB'000 人民幣千元	Weighted average exercise price 加權平均行使價 RMB'000 人民幣千元	Number of share options 購股權數目 RMB'000 人民幣千元
Outstanding at the beginning of the reporting period	於報告期初尚未行使	78	2,703,132	78	3,638,583
Lapsed during the year/period (note)	於年/期內失效(附註)	78	(281,226)	78	(935,451)
Outstanding at the end of the reporting period	於報告期末尚未行使	78	2,421,906	78	2,703,132
Exercisable at the end of the reporting period	於報告期末可供行使	78	2,421,906	78	2,703,132

Note: The relevant grant date fair value of share options lapsed amounting to approximately RMB4,740,000 (31 December 2018: RMB8,386,000) have been transferred from share-based payment reserve to accumulated losses upon the share options lapsed.

附註：已失效購股權之相關授出日期之公平值為約人民幣4,740,000元(二零一八年十二月三十一日：人民幣8,386,000元)，已於購股權失效後由股份為基礎之付款儲備轉撥至累計虧損。

The options outstanding at 31 December 2019 had an weighted average exercise price of HK\$78 (31 December 2018: HK\$78) and a weighted average remaining contractual life of 7.1 years (31 December 2018: 8.1 years).

於二零一九年十二月三十一日尚未行使購股權的行使價為78港元(二零一八年十二月三十一日：78港元)，而加權平均剩餘合約年期則為7.1年(二零一八年十二月三十一日：8.1年)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

47. 金融工具

a. 金融工具之類型

		31.12.2019	31.12.2018
		二零一九年	二零一八年
		十二月三十一日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益之金融資產	49,703	218,268
Debt instruments at FVTOCI	按公平值計入其他全面收益之 債務工具	26,762	49,031
Financial assets at amortised cost	按攤銷成本計量之金融工具	1,099,989	1,352,793
		1,176,454	1,620,092
Financial liabilities	金融負債		
Amortised cost	按攤銷成本	12,812,241	8,749,410
Lease liabilities/obligations under finance leases	租賃負債／融資租賃承擔	45,493	24,566
Obligations under financing arrangements	融資安排承擔	-	2,693,469
Financial guarantee contracts	財務擔保合約	-	228,382
		12,857,734	11,695,827
Derivatives	衍生工具		
Convertible option derivatives	換股權衍生工具	4,942	17,134

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, debt instruments at FVTOCI, loan receivables and interest receivables, trade and other receivables, pledged bank deposits, restricted bank balance, bank balances and cash, trade and other payables, bill payables, amount due to immediate holding company, borrowings, obligations under financing arrangements, financial guarantee contracts, lease liabilities, corporate bonds and convertible bonds. Details of these financial instruments are disclosed in respective notes in the consolidated financial statements. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The Group is exposed to foreign currency risk on loan receivables, listed bond investment, held for trading investments, bank balances and cash, pledged bank deposits, trade and other receivables, trade and other payables and bill payables that are denominated in currencies other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily United States dollars ("USD" or "US\$"), Euros ("EUR") and RMB. The functional currency of the group entities to which such risks relate is HK\$.

47. 金融工具(續)

b. 金融風險管理之目標及政策

本集團主要金融工具包括按公平值計入損益之金融資產、按公平值計入其他全面收益之債務工具、應收貸款及應收利息、貿易及其他應收款項、銀行抵押存款、受限制銀行結餘、銀行結餘及現金、貿易及其他應付款項、應付票據、應付直接控股公司之款項、借款、融資安排承擔、財務擔保合約、租賃負債、公司債券及可換股債券。該等金融工具之詳情於綜合財務報表之相關附註內披露。與以上金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。如何減輕此等風險之政策載於下文。管理層管理並監察此等風險敞口，確保及時有效地實施適當措施。

貨幣風險

以有關業務之功能貨幣計值之應收貸款、上市債券投資、持作買賣之投資、銀行結餘及現金、銀行抵押存款、貿易及其他應收款項、貿易及其他應付款項以及應付票據。引致這種風險之貨幣主要為美元(「美元」)、歐元(「歐元」)及人民幣。與該等風險有關之集團實體的功能貨幣為港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Currency risk (Continued)

Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

利率風險(續)

貨幣風險敞口

下表詳細載列本集團於報告期末因並非以相關經營實體之功能貨幣計值之已確認資產或負債而承擔之貨幣風險。

		Exposure to foreign currencies 承擔貨幣風險					
		31.12.2019 二零一九年十二月三十一日			31.12.2018 二零一八年十二月三十一日		
		RMB 人民幣	EUR 歐元	USD 美元	RMB 人民幣	EUR 歐元	USD 美元
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具	-	-	26,762	-	-	-
Financial assets at FVTPL	按公平值計入損益之金融資產	-	-	39,697	-	151	86,835
Bank balances and cash	銀行結餘及現金	37,254	1,829	29,659	15,158	2,228	44,756
Pledged bank deposits	銀行抵押存款	-	-	6,796	-	-	18,249
Trade and other receivables	貿易及其他應收款項	10,320	324	22,225	9,484	497	47,026
Prepayment and deposits	預付款項及按金	21	32	14,192	-	290	15,028
Trade and other payables	貿易及其他應付款項	(30)	(16)	(1,131)	(30)	(65)	(5,649)
Bill payables	應付票據	-	-	-	-	-	(17,618)

Sensitivity analysis

At 31 December 2019, it is estimated that a general appreciation/depreciation of 5% (31 December 2018: 5%) in the exchange rate of EUR and RMB against HK\$, assuming all other risk variables remained constant, would have decreased/increased the Group's loss for the year of RMB2,293,000 for RMB and RMB106,000 for EUR (31 December 2018: loss for the period of RMB1,027,000 for RMB and RMB129,000 for EUR). No sensitivity analysis is presented for foreign currency fluctuation between US\$ against HK\$ because Hong Kong dollars is pegged to US\$ and assumed that the rate would not be materially affected by any changes in movement in value of the HK\$ against other currencies.

敏感度分析

於二零一九年十二月三十一日，假設所有其他風險變量維持不變，估計歐元與人民幣兌港元的匯率整體升值／貶值5%（二零一八年十二月三十一日：5%），本集團的年內虧損將減少／增加人民幣2,293,000元（對人民幣而言）及將增加／減少人民幣106,000元（對歐元而言）（二零一八年十二月三十一日：期內虧損將減少／增加人民幣1,027,000元（對人民幣而言）及將增加／減少人民幣129,000元（對歐元而言））。由於港元與美元掛鈎，並假設港元兌其他貨幣的任何價值變動不會對有關匯率構成重大影響，故並無就美元兌港元之間的匯率波動作出敏感度分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to listed and unlisted bond investments, loan receivables, pledged bank deposits, restricted bank balance, bank balances, corporate bonds, convertible bonds (liability component), borrowings, lease liabilities and obligations under finance leases. The Group currently does not have any instruments to hedge against the fair value interest rate risk.

The Group is also exposed to cash flow interest rate risk arising primarily from interest bearing borrowings and bank balances at variable rate at the end of the reporting period. The Group's interest rate profile is monitored by management. As at 31 December 2019 and 2018, variable interest rate profile includes bank balances and bank borrowings. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Hong Kong Inter-Bank Offered Rate arising from the Group's Hong Kong dollar denominated borrowings.

Sensitivity analysis

At 31 December 2019, it is estimated that a general increase/decrease of 100 (31 December 2018: 100) basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss for the year by approximately RMB1,080,000 (31 December 2018: loss for the period by approximately RMB862,000).

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

利率風險

本集團面臨有關上市及非上市債券投資、應收貸款、銀行抵押存款、受限制銀行結餘、銀行結餘、公司債券、可換股債券(負債部分)、借款、租賃負債及融資租賃承擔之公平值利率風險。本集團現時概無任何工具對沖公平值利率風險。

於報告期末，本集團亦面臨現金流量利率風險，主要源自以浮動利率計息的借款及銀行結餘。本集團利率概況由管理層監察。於二零一九年及二零一八年十二月三十一日，浮動利率概況包括銀行結餘及銀行借款。本集團的現金流量利率風險主要源於銀行結餘之利率及本集團之港元借款產生之香港銀行同業拆息波動。

敏感度分析

於二零一九年十二月三十一日，在所有其他變量保持不變的情況下，估計利率每整體增加/減少100個(二零一八年十二月三十一日：100個)基點，本集團的年內虧損便會增加/減少約人民幣1,080,000元(二零一八年十二月三十一日：期內虧損約人民幣862,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision

As at 31 December 2018, other than financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group as disclosed in note 37, with total carrying amount of RMB228,382,000 (31 December 2019: Nil). The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets except that the credit risks associated with loan receivables are mitigated because they are secured over certain collaterals of the borrowers. There is no significant change in the quality of that collateral as a result of deterioration or changes in the collateral policies of the entity during both reporting periods.

Debt instruments at FVTOCI

The Group makes investment decision by balancing the risk and return of the investment portfolio. The Directors consider that the credit risk exposure to the Group is limited as the gross investment amount in debt securities is not significant.

Trade receivables

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by large customer. Limits and scoring attributed to large customers are reviewed once a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade receivable balances individually or based on provision matrix. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備

於二零一八年十二月三十一日，除賬面值最能夠反映最高信貸風險之金融資產外，將導致本集團因本集團提供附註37所披露之財務擔保金額產生之財務虧損之本集團最高信貸風險之總賬面值為人民幣228,382,000元(二零一九年十二月三十一日：無)。本集團並無持有任何抵押品或其他信貸增強措施以為其金融資產相關信貸風險提供保障，惟應收貸款相關之信貸風險減少，原因為彼等以借方之若干抵押品作抵押。於兩個報告期間內，並無因實體抵押政策轉差或變化導致有關抵押品質素出現重大變化。

按公平值計入其他全面收益之債務工具

本集團通過權衡投資組合之風險及回報作出投資決定。董事認為，由於債務證券之總投資金額並不重大，故本集團面臨之信貸風險有限。

貿易應收款項

為減低信貸風險，本集團之管理層已指派一支團隊負責釐定信貸限額及信貸審批。於接納任何新客戶前，本集團利用內部信貸評分系統評估潛在客戶之信貸質素及按大客戶制定信貸限額。本集團會每年審閱給予大客戶之限額及評分。本集團亦設有其他監察程序，確保採取跟進行動收回逾期債項。此外，本集團根據預期信貸虧損模式，個別地或基於撥備矩陣就貿易應收款項結餘進行減值評估。就此，董事認為本集團之信貸風險已大幅降低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

Other receivables

The Group has applied ECL model on other receivables in which the impairment assessment for those receivables with gross carrying amount of RMB143,531,000 (31 December 2018: RMB68,185,000) that are either listed or multinational companies with good financial position and without recent default history are based on 12m ECL while the remaining balances with increase in credit risk are assessed based on lifetime ECL (not credit impaired).

Loan receivables and interest receivables, pledged bank deposits, restricted bank balance, and bank balances

The Group performs impairment assessment under ECL model on loan receivables and interest receivables, pledged bank deposits, restricted bank balance, and bank balances based on 12m ECL as there has not been significantly increase in credit risk.

The credit risk on loan receivables and interest receivables are limited because all loan receivables are secured over certain collaterals of the borrowers.

The credit risks on pledged bank deposits and bank balances are limited because the counterparties are banks with high credit ratings assigned by international or national credit-rating agencies.

Based on the Group's internal credit rating, no material impairment loss allowance is recognised for loan receivables and interest receivables, pledged bank deposits and bank balances.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

其他應收款項

本集團已就其他應收款項採用預期信貸虧損模式，財務狀況良好且近期無違約記錄的上市或跨國公司的總面值為人民幣143,531,000元(二零一八年十二月三十一日：人民幣68,185,000元)的該等應收款項減值評估基於12個月預期信貸虧損減值，而餘下信貸風險增加之結餘基於全期預期信貸虧損(無信貸減值)評估。

應收貸款及應收利息、銀行抵押存款、受限制銀行結餘及銀行結餘

本集團按預期信貸虧損模式基於12個月預期信貸虧損就應收貸款及應收利息、銀行抵押存款、受限制銀行結餘及銀行結餘進行減值評估，原因為信貸風險未大幅增加。

由於所有應收貸款以借方的若干抵押品作抵押，故應收貸款及應收利息之信貸風險有限。

由於對手方為由國際或國家信用評級機構評為高信用等級的銀行，銀行抵押存款及銀行結餘之信貸風險有限。

基於本集團的內部信貸評級，並無就應收貸款及應收利息、銀行抵押存款及銀行結餘確認重大減值虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

Financial guarantee contracts

For financial guarantee contracts, the maximum amount that the Group has guaranteed under the respective contracts was RMB453,498,000 as at 31 December 2019 (31 December 2018: RMB234,473,000). The credit risks on financial guarantee contracts is considered to be either default or virtually certain to default given the financial position of those counterparties. Accordingly, the loss allowance is measured at lifetime ECL and details of the financial guarantee contracts are set out in note 37.

The Group is exposed to concentration of credit risk on:

- Loan receivables which are provided to individual third parties with no history of default; and
- Liquid funds which are deposited with several banks with high credit rating.

The Group's concentration of credit risk by geographical locations is in the PRC which accounted for 89% (31 December 2018: 85%) of the total trade receivables as at 31 December 2019.

Other than above, the Group does not have any other significant concentration of credit risk.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

財務擔保合約

就財務擔保合約而言，於二零一九年十二月三十一日，本集團根據相應合約已擔保之最高金額為人民幣453,498,000(二零一八年十二月三十一日：人民幣234,473,000元)。鑑於該等對手方之財務狀況，財務擔保合約之信貸風險被視作違約或幾乎已確定違約。因此，虧損撥備按全期預期信貸虧損計量，而財務擔保合約之詳情載於附註37。

本集團就以下各項面臨信貸集中風險：

- 提供予並無拖欠歷史的個別第三方的應收貸款；及
- 於信貸評級良好的多間銀行存放之流動資金。

本集團按地理位置劃分的信貸風險集中於中國，佔二零一九年十二月三十一日貿易應收款項總額的89%(二零一八年十二月三十一日：85%)。

除上文所述外，本集團並無任何其他重大信貸集中風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

The table below is the internal credit policy of the Group:

Internal credit rating	Description	Trade receivables	Other financial assets/other items
內部信貸評級	描述	貿易應收款項	其他金融資產/ 其他項目
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手具有低違約風險且並無任何逾期款項	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值	12-month ECL 12個月預期信貸虧損
High risk 高風險	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 內部制定資料或外來資源顯示信貸風險自初始確認以來大幅增加	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信貸減值
Doubtful 存疑	There is evidence indicating the asset is credit-impaired 有證據顯示資產為信貸減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 信貸減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人處於嚴重財務困難，而本集團並無實際收回可能	Amount is written off 撇銷款項	Amount is written off 撇銷款項

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

下表為本集團的內部信貸政策：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and financial guarantee contracts which are subject to ECL assessment:

	Notes 附註	External credit rating 外部信貸評級	Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amounts 賬面總值	
					31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Debt instruments at FVTOCI 按公平值計入其他全面收益之債務工具						
Listed bond investments 上市債券投資	23	B2 - B+	N/A 不適用	12-month ECL 12個月預期信貸虧損	19,482	29,274
Unlisted bond investments 未上市債券投資	23	B2 - B+	N/A 不適用	12-month ECL 12個月預期信貸虧損	7,280	19,757
Financial assets at amortised cost 按攤銷成本計量之金融資產						
Trade receivables 貿易應收款項	27	N/A 不適用	(Note 2) (附註 2) Low risk 低風險	Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣)	191,952	111,777
			High risk 高風險	Lifetime ECL (individually assessed, not credit-impaired) 全期預期信貸虧損 (個別評估, 無信貸減值)	38,948	99,894
			Doubtful 存疑	Lifetime ECL (individually assessed, not credit impaired) 全期預期信貸虧損 (個別評估, 無信貸減值)	48,092	-
				Lifetime ECL (credit impaired) 全期預期信貸虧損(信貸減值)	13,296	13,296
Loan receivables and interest receivable 應收貸款及應收利息	28	N/A 不適用	Low risk 低風險	12-month ECL 12個月預期信貸虧損	15,004	12,187
Other receivables 其他應收款項	27	N/A 不適用	Low risk 低風險	12-month ECL 12個月預期信貸虧損	143,531	68,185
			High risk 高風險	Lifetime ECL (not credit impaired) 全期預期信貸虧損(無信貸減值)	74,738	99,988
Pledged bank deposits 銀行抵押存款	29	Baa2 - A1	N/A 不適用	12-month ECL 12個月預期信貸虧損	313,265	285,634
Restricted bank balance 受限制銀行結餘	29	AAA	N/A 不適用	12-month ECL 12個月預期信貸虧損	69,109	-
Bank balances and cash 銀行結餘及現金	29	Baa2 - A1	N/A 不適用	12-month ECL 12個月預期信貸虧損	270,836	701,946
Other item 其他項目						
Financial guarantee contracts (Note 1) 財務擔保合約(附註1)	37	N/A 不適用	High risk 高風險	Lifetime ECL 全期預期信貸虧損	453,498	234,473

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

下表載列須進行預期信貸虧損評估的本集團金融資產及財務擔保合約的信貸風險：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

Notes:

- (1) For financial guarantee contracts, the gross carrying amount represents the maximum amount the Group has guaranteed under the respective contracts.
- (2) For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the expected credit losses on these items by using a provision matrix, grouped by past due status.

As part of the Group's credit risk management, the Group uses debtors' ageing to measure ECL allowance for its customers which grouped by different segment in relation to its operations because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 December 2019 within lifetime ECL (not credit impaired). Trade receivables with significant outstanding balances and with gross carrying amounts of RMB87,040,000 (31 December 2018: RMB99,894,000) as at 31 December 2019 were assessed individually. As part of these debtors with gross amounts of RMB38,948,000 (31 December 2018: RMB99,894,000) with significant balances are either listed or multinational companies with good financial position and without recent default history, they are all classified as low risk and loss rate of 1% is applied. For the remaining debtors with gross amounts of RMB48,092,000 with significant balances are long outstanding balances and classified as high risk, average loss rate of 48% is applies.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

附註:

- (1) 就財務擔保合約而言，總賬面值為本集團根據相應合約已擔保之最高金額。
- (2) 就貿易應收款項而言，本集團應用香港財務報告準則第9號簡化方法按全期預期信貸虧損計量虧損撥備。除有重大未償還結餘及信貸減值的欠債人外，本集團使用按內部信貸評級分組的撥備矩陣釐定該等項目的預期信貸虧損。

作為本集團信貸風險管理的一環，本集團透過欠債人的賬齡計量與營運有關的按不同分部劃分的客戶的預期信貸虧損撥備，乃由於該等客戶包括大量有共同風險特徵的小型客戶，而該風險特徵代表客戶根據合約條款悉數支付到期款項的能力。下表提供於全期預期信貸虧損(無信貸減值)之貿易應收款項(於二零一九年十二月三十一日按撥備矩陣評估)信貸風險之資料。對於二零一九年十二月三十一日大量未償還結餘及賬面總值人民幣87,040,000元(二零一八年十二月三十一日：人民幣99,894,000元)之貿易應收款項進行個別評估。由於擁有大量結餘(總額為人民幣38,948,000元(二零一八年十二月三十一日：人民幣99,894,000元))的部份欠債人均為財務狀況良好及近期概無違約記錄的上市公司或跨國公司，該等欠債人均被分類為低風險及應用1%之虧損利率。就餘下擁有大量結餘的該等應收賬款(總額為人民幣48,092,000元)的賬期較長且分類為高風險，應用48%之平均虧損利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

Gross carrying amount of trade receivables assessed using provision matrix:

As at 31 December 2019

		Average loss rate 平均 虧損率	Gross trade receivables 貿易應收 款項總額 RMB'000 人民幣千元	ECL 預期 信貸虧損 RMB'000 人民幣千元	Net trade receivables 貿易應 收款項淨值 RMB'000 人民幣千元
Current (not past due)	即期(未逾期)	3%	71,940	2,158	69,782
1-30 days past due	逾期1至30天	5%	71,150	3,203	67,947
31-90 days past due	逾期31至90天	8%	36,198	2,924	33,274
91-180 days past due	逾期91至180天	11%	12,664	1,431	11,233
More than 180 days past due	逾期超過180天	N/A不適用	-	-	-
			191,952	9,716	182,236

As at 31 December 2018

		Average loss rate 平均 虧損率	Gross trade receivables 貿易應收 款項總額 RMB'000 人民幣千元	ECL 預期 信貸虧損 RMB'000 人民幣千元	Net trade receivables 貿易應 收款項淨值 RMB'000 人民幣千元
Current (not past due)	即期(未逾期)	3%	34,966	975	33,991
1-30 days past due	逾期1至30天	4%	39,218	1,680	37,538
31-90 days past due	逾期31至90天	8%	25,286	2,069	23,217
91-180 days past due	逾期91至180天	12%	10,500	1,303	9,197
More than 180 days past due	逾期超過180天	15%	1,807	272	1,535
			111,777	6,299	105,478

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

使用撥備矩陣評估之貿易應收款項之賬面總值：

於二零一九年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the trade receivables and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific trade receivable is updated.

As at 31 December 2019, the Group provided RMB3,417,000 (31 December 2018: RMB6,299,000) impairment loss for trade receivables, based on the provision matrix. Impairment loss of RMB23,625,000 (31 December 2018: RMB2,770,000) and nil (31 December 2018: RMB10,303,000) were recognised in profit or loss on individually assessed and credit-impaired respectively.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

估計虧損率乃基於貿易應收款項預期可使用年期內觀察所得之歷史違約率，並按照毋需付出過多成本或努力即可獲得的前瞻性資料作出調整。此分組由管理層定期檢討，確保有關特定貿易應收款項的相關資料已更新。

於二零一九年十二月三十一日，本集團根據撥備矩陣向貿易應收款項計提人民幣3,417,000元(二零一八年十二月三十一日：人民幣6,299,000元)的減值虧損。金額分別為人民幣23,625,000元(二零一八年十二月三十一日：人民幣2,770,000元)及零(二零一八年十二月三十一日：人民幣10,303,000元)的減值虧損乃按個別評估於損益中確認，並分別作信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		全期預期 信貸虧損 (無信貸減值)	全期預期 信貸虧損 (信貸減值)	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
As at 1 April 2018	於二零一八年四月一日	-	2,993	2,993
Impairment losses recognised during the period	期內已確認減值虧損			
- impairment losses recognised	— 已確認減值虧損	9,069	10,303	19,372
Exchange adjustments	匯兌調整	94	-	94
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	9,163	13,296	22,459
Impairment losses recognised during the current year	於本年度已確認減值虧損			
- impairment losses recognised	— 已確認減值虧損	27,042	-	27,042
Exchange adjustments	匯兌調整	88	-	88
As at 31 December 2019	於二零一九年十二月三十一日	36,293	13,296	49,589

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

下表顯示根據簡化方法有關貿易應收賬款已確認全期預期信貸虧損變動。

估計虧損率乃基於欠債人預期可使用年期內觀察所得之歷史違約率，並按照毋需付出過多成本或努力即可獲得的前瞻性資料作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment provision (Continued)

The following table shows the movement in lifetime ECL and 12-month ECL that have been recognised for other receivables.

		12-month ECL	Lifetime ECL (not credit- impaired)	Total
		12個月預期 信貸虧損 RMB'000 人民幣千元	全期預期信貸 虧損(無信貸減值) RMB'000 人民幣千元	總計 RMB'000 人民幣千元
As at 1 April 2018	於二零一八年四月一日	-	-	-
Impairment losses recognised during the period	期內已確認減值虧損			
– impairment losses recognised	– 已確認減值虧損	1,309	8,441	9,750
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	1,309	8,441	9,750
Impairment losses recognised during the current year	本年度已確認減值虧損			
– impairment losses recognised	– 已確認減值虧損	3,573	8,139	11,712
As at 31 December 2019	於二零一九年十二月三十一日	4,882	16,580	21,462

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險及減值撥備(續)

下表顯示有關其他應收款項已確認全期預期信貸虧損及12個月預期信貸虧損變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Other price risk

The Group is exposed to equity price risk through its investments in listed equity securities at FVTPL, listed fund investments and listed bond investments. The management manages this exposure by maintaining a portfolio of investments with different risks. Majority of the Group's equity investments are listed on the Stock Exchange and are valued at quoted market prices as at the reporting date. Majority of the Group's bond investments are listed on various bond markets and are valued at quoted market prices as at the reporting date.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risks at the reporting date.

If the prices of the respective equity and debt instruments had been 1% (31 December 2018: 1%) higher/lower:

- the Group's loss after tax for the year ended 31 December 2019 would have decreased/increased by RMB497,000 (31 December 2018: decreased/increased by RMB2,183,000) as a result of the changes in fair value of held for trading investments; and
- investment valuation reserve would have increased/decreased by RMB268,000 (31 December 2018: RMB490,000) for the Group as a result of the changes in fair value of listed bond investments.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk primarily by obtaining funding from immediate holding company and Yingkou Coastal Bank and other measures as set out in note 2.

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

其他價格風險

本集團就其按公平值計入損益之上市股權證券、上市基金投資及上市債券投資的投資而承受股本價格風險。本集團大部分股本投資於聯交所上市，並於報告日期按所報市價估值。本集團大部份債券投資於多個債券市場上市，並於報告日期按所報市價估值。

敏感度分析

以下敏感度分析乃按本集團於報告日期承受之價格風險予以釐定。

若有關股本及債務工具之價格上升/下跌1%(二零一八年十二月三十一日:1%)則:

- 本集團截至二零一九年十二月三十一日止年度的除稅後虧損將因持作買賣之投資之公平值變動而減少/增加人民幣497,000元(二零一八年十二月三十一日:除稅後虧損減少/增加人民幣2,183,000元);及
- 本集團的投資估值儲備將因上市債券投資之公平值變動而增加/減少人民幣268,000元(二零一八年十二月三十一日:人民幣490,000元)。

流動資金風險

流動資金風險最終由董事會負責管理，其已就本集團的短期、中期及長期資金管理以及流動資金管理規定，建立一個恰當的流動資金管理框架。本集團主要透過向直接控股公司及營口沿海銀行以及其他方法取得資金，從而管理流動資金風險，如附註2所載。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

At 31 December 2019

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險(續)

流動資金風險表

下列各表詳細說明本集團非衍生金融負債的剩餘合約到期情況。該等表格乃按照本集團可能被要求還款的最早日期，基於金融負債的未貼現現金流量而編製。其他非衍生金融負債的到期日乃基於約定的還款日期。

該等表格包括利息和本金現金流量。若利息流量乃按浮動利率計算，則未貼現金額乃以報告期末的利率計算而來。

於二零一九年十二月三十一日

		Contractual undiscounted cash outflow 合約性未貼現現金流出				Carrying amount as at 31.12.2019 於二零一九年 十二月 三十一日 賬面值	
		On demand or within 1 year	1 – 2 year	2 – 5 years	> 5 years	Total undiscounted cash flow	
		按要求 或一年內 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	五年後 RMB'000 人民幣千元	總未貼現 現金流量 RMB'000 人民幣千元	RMB'000 人民幣千元
Trade and others payables	貿易及其他應付款項	1,035,694	-	-	-	1,035,694	1,035,694
Bill payables	應付票據	729,969	-	-	-	729,969	729,969
Amount due to immediate holding company	應付直接控股公司款項	16,962	-	-	-	16,962	16,655
Corporate bonds	公司債券	8,495	11,228	13,030	83,438	116,191	80,533
Convertible bonds – liability component	可換股債券 – 負債部分	35,605	252,323	1,099,539	-	1,387,467	776,973
Borrowings	借款	5,018,879	5,365,107	1,153,832	-	11,537,818	10,172,417
Lease liabilities	租賃負債	34,747	10,798	4,857	-	50,402	45,493
Financial guarantee contracts	財務擔保合約	453,498	-	-	-	453,498	-
Total	合計	7,333,849	5,639,456	2,271,258	83,438	15,328,001	12,857,734

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity risk tables (Continued)

At 31 December 2018

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險(續)

流動資金風險表(續)

於二零一八年十二月三十一日

		Contractual undiscounted cash outflow 合約性未貼現現金流出				Total undiscounted cash flow	Carrying amount as at 31.12.2018 於二零一八年 十二月 三十一日 賬面值 RMB'000 人民幣千元
		On demand or within 1 year	1 – 2 year	2 – 5 years	> 5 years		
	按要求 或一年內 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	五年後 RMB'000 人民幣千元	總未貼現 現金流量 RMB'000 人民幣千元		
Trade and others payables	貿易及其他應付款項	1,150,010	-	-	-	1,150,010	1,150,010
Bill payables	應付票據	576,664	-	-	-	576,664	576,664
Amount due to immediate holding company	應付直接控股公司款項	-	1,872,931	-	-	1,872,931	1,706,956
Corporate bonds	公司債券	234,665	11,366	13,343	89,559	348,933	290,949
Convertible bonds – liability component	可換股債券 – 負債部分	21,754	21,754	263,714	-	307,222	227,498
Borrowings	借款	3,636,500	1,482,654	121,303	-	5,240,457	4,797,333
Obligations under finance leases	融資租賃承擔	7,725	7,725	10,990	-	26,440	24,566
Obligations under financing arrangements	融資安排承擔	2,778,082	-	-	-	2,778,082	2,693,469
Financial guarantee contracts	財務擔保合約	234,473	-	-	-	234,473	228,382
Total	合計	8,639,873	3,396,430	409,350	89,559	12,535,212	11,695,827

Bank borrowings with a repayment on demand clause are included in the “on demand or within 1 year” time band in the above maturity analysis. As at 31 December 2018, the aggregate carrying amounts of these bank borrowings amounted to RMB48,078,000 (31 December 2019: Nil). Taking into account the Group’s financial position, the Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The Directors believe that these bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

附帶按要求還款條款的銀行借款納入上述到期分析表中「按要求或一年內」一欄。於二零一八年十二月三十一日，該等銀行借款賬面值總額達人民幣48,078,000元(二零一九年十二月三十一日：無)。經考慮本集團之財務狀況，董事認為銀行不大可能行使其酌情權而要求立即還款。董事相信此等銀行借款將會按貸款協議之計劃還款日期償清。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity risk tables (Continued)

The following table details the Group's aggregate principal and interest cash outflows for bank borrowings repayable on demand without taking into account the repayment on demand clause. To the extent that interest flows are floating rate, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

	Weighted average 加權平均 實際利率 %	Contractual undiscounted cash outflow 合約未貼現現金流出				Total undiscounted cash flow 總未貼現 現金流量 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
		On demand or within 1 year 按要求 或一年內 RMB'000 人民幣千元	1 – 2 years 一年至兩年 RMB'000 人民幣千元	2 – 5 years 兩年至五年 RMB'000 人民幣千元	> 5 years 五年後 RMB'000 人民幣千元		
Secured bank borrowings with repayable on demand clause:	附帶按 要求還款 條款的 已抵押 銀行借 款：						
As at 31 December 2019	於二零一 九年十二 月三十一 日	-	-	-	-	-	-
As at 31 December 2018	於二零一 八年十二 月三十一 日	3.6	48,101	-	-	48,101	48,078

The amounts above include certain variable interest rate instruments for non-derivative financial liabilities is subject to change if change in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率變動有別於在報告期末所釐定的估計利率，則上述金額(包括若干以浮動利率計息的非衍生金融負債工具)將會變動。

47. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險(續)

流動資金風險表(續)

下表詳細說明須按要償還的本集團銀行借款的本金總額及利息現金流出，惟未計及附帶按要還款條款者。若利息流量乃按浮動利率計算，則未貼現金額乃以報告期末末的加權平均利率計算所得。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs are inputs that are not based on observable market data (unobservable inputs).

Details of the recurring fair value measurement of the relevant assets are set out in note 23 of these consolidated financial statements. During the current year and prior period, there were no transfers between Level 1 and Level 2, nor transfers into Level 3.

Except for convertible bonds-liabilities component which have a fair value of RMB766,390,000 (31 December 2018: RMB264,791,000), the Directors consider that the carrying amounts of the other financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their respective fair values at the end of the reporting period, determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

47. 金融工具(續)

c. 公平值計量

公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)。
- 第二級輸入數據為就資產或負債直接(即價格)或間接(即由價格引伸而來)可觀察之輸入數據(第一級內包括之報價除外)。
- 第三級輸入數據為並非基於可觀察市場數據之輸入數據(不可觀察輸入數據)。

有關資產的經常性公平值計量詳情載於本綜合財務報表附註23。於本年度及過往期間，第一級和第二級之間並無轉移，亦無轉入至第三級的情況。

除公平值為人民幣766,390,000元(二零一八年十二月三十一日：人民幣264,791,000元)的可換股債券－負債部分外，董事認為，於報告期末，於綜合財務狀況表內按攤銷成本入賬之金融資產及金融負債的賬面值與其各自的公平值相若，根據普遍接受之定價模式基於貼現現金流量分析釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the current year and prior period, the Group continued to actively seek for investment opportunities through acquisitions and has completed several acquisitions of subsidiaries. Meanwhile, the Group also disposed of several subsidiaries to concentrate on its core businesses and realise the Group's property assets through disposal of subsidiaries. The following tables summarised these transactions:

(a) Acquisitions

For the year ended 31 December 2019

Name of subsidiary acquired	Vendor	Percentage of interest acquired	Principal activity	Fair value of purchase consideration	Date of completion	Nature of acquisition
收購之附屬公司名稱	賣方	收購之股權百分比	主營業務	購買代價公平值	完成日期	收購性質
Huaren Real Estate (Huai'an) Co., Ltd (formerly known as Baohua Properties (Huai'an) Limited) ("Huaren Real Estate")* 華仁置業(淮安)有限公司 (前稱為保華地產(淮安)有限公司)(「華仁置業」)	An entity controlled by Mr. Meng 孟先生控制之實體	100%	Property development 物業開發	RMB180,000,000 人民幣180,000,000元	28 June 2019 二零一九年六月二十八日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Huajun Automobile* 華君汽車	An independent third party 一名獨立第三方	51%	Inactive 暫無業務	RMB1 人民幣1元	21 May 2019 二零一九年五月二十一日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Dalian Hydraulic Machinery Co., Limited ("Dalian Hydraulic") 大連液力機械有限公司 (「大連液力」)	An entity controlled by Mr. Meng 孟先生控制之實體 An independent third party 一名獨立第三方	77.47% 22.53%	Manufacture and maintenance of hydraulic machinery and electrical engineering construction 生產及維修液力機械及電子工程建設	RMB36,000,000 人民幣36,000,000元	30 September 2019 二零一九年九月三十日	Acquisition of business 業務收購

48. 收購及出售附屬公司

於本年度及過往期間，本集團繼續通過收購事項積極尋求投資機會，並已完成收購若干附屬公司。同時，本集團亦出售若干附屬公司以專注於核心業務，並透過出售附屬公司變現本集團的物業資產。下表為該等交易之概要：

(a) 收購

截至二零一九年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

In view that the construction of the property development of the subsidiary is substantially completed and it did not include all the inputs and associated processes necessary to manage and produce outputs, the acquisition is accounted for as an acquisition of assets.

* The entity has not yet commenced any business activities and therefore it does not constitute a business combination.

Assets acquired and liabilities in acquisition of assets through acquisition of subsidiaries assumed at the date of acquisition

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

鑒於該附屬公司的物業開發的建築已大致完成，其並不包括所有輸入以及管理及生產輸出所需的工序，故該收購以收購資產入賬。

* 該實體尚未開始任何業務，因此並不構成一項業務合併。

透過收購附屬公司收購資產於收購日期收購之資產及承擔之負債

		Huaren Real Estate 華仁置業 RMB'000 人民幣千元	Huajun Automobile 華君汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	65	–	65
Properties held for sale	持作出售之物業	240,368	–	240,368
Deposits and other receivables	按金及其他應收款項	40,075	12,320	52,395
Bank balances and cash	銀行結餘及現金	8,789	64	8,853
Amounts due to fellow subsidiaries	應付同系附屬公司款項	(160,000)	–	(160,000)
Trade and other payables	貿易及其他應付款項	(109,297)	(6,500)	(115,797)
		20,000	5,884	25,884
Interests of joint venture	合營企業權益	–	(5,884)	(5,884)
Assignment of debt	債權轉讓	160,000	–	160,000
		180,000	–	180,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

Fair value of consideration transferred in acquisition of assets through acquisition of subsidiaries

	Huaren Real Estate 華仁置業 RMB'000 人民幣千元	Huajun Automobile 華君汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Issue of convertible bonds 發行可換股債券	180,000	-	180,000

Net cash inflow on acquisition of assets through acquisition of subsidiaries for the year ended 31 December 2019

	Huaren Real Estate 華仁置業 RMB'000 人民幣千元	Huajun Automobile 華君汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash consideration paid 已付現金代價	-	-	-
Less: Bank balances and cash acquired 減：已收購之銀行結餘及現金	8,789	64	8,853
	8,789	64	8,853

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

透過收購附屬公司收購資產之轉讓代價之公平值

截至二零一九年十二月三十一日止年度透過收購附屬公司收購資產之現金流入淨額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

Acquisition of Dalian Hydraulic

On 6 December 2018, Huajun Industrial Park Management (China) Limited, an indirect wholly owned subsidiary of the Company, entered into the subscription agreement with Liaoning Huajun Equipment Manufacturing Co., Limited (the "Vendor A"), a company ultimately wholly owned by Mr. Meng and his spouse, and Mr. Cong Liming (the "Vendor B"), an independent third party, for acquisition of 77.47% and 22.53% of the entire issued share capital respectively in Dalian Hydraulic for a cash consideration of RMB27,889,000 to the vendor A and 873,875 new shares issued by the Company to the Vendor B. This acquisition has been accounted for using the acquisition method. Dalian Hydraulic was acquired so as to develop the Group's hydraulic business. The acquisition was completed on 30 September 2019.

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

收購大連液力

於二零一八年十二月六日，華君產業園管理(中國)有限公司(本公司之間接全資附屬公司)與遼寧華君裝備製造有限公司(「賣方A」，一間由孟先生及其配偶最終全資擁有的公司)及叢黎明先生(「賣方B」，一名獨立第三方)訂立認購協議，以現金代價人民幣27,889,000元分別向賣方A及向賣方B收購大連液力的全部已發行股本的77.47%及22.53%以及由本公司發行的873,875股新股份。該項收購已採用收購法入賬。收購大連液力以發展本集團液力業務。該收購已於二零一九年九月三十日完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

Acquisition of Dalian Hydraulic (Continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

收購大連液力(續)

於收購日期之已收購資產及已確認負債如下：

		Fair value 公平值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	163,327
Right-of-use assets	使用權資產	174,369
Inventories	存貨	25,640
Deposits and other receivables	按金及其他應收款項	398,979
Bank balances and cash	銀行結餘及現金	9,410
Trade and other payables	貿易及其他應付款項	(286,522)
Bill payables	應付票據	(307,600)
Tax payables	應付稅項	(904)
Borrowings	借款	(109,500)
Deferred tax liabilities	遞延稅項負債	(7,208)
		59,991
Cash consideration paid	已付現金代價	27,889
Issuance of shares	發行股份	6,398
		34,287
Consideration transferred	已轉讓代價	34,287
Less: net assets acquired	減：已收購淨資產	(59,991)
		(25,704)
Deemed contribution from controlling shareholder	視作控股股東注資	19,913
Gain on bargain purchase recognised in other gain and losses	於其他收益及虧損確認議價購買收益	(5,791)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

Acquisition of Dalian Hydraulic (Continued)

Net cash outflow on acquisition of Dalian Hydraulic

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

收購大連液力(續)

收購大連液力之現金流出淨額

		RMB'000 人民幣千元
Cash consideration paid	已付現金代價	(27,889)
Add: Bank balances and cash acquired	加：已收購之銀行結餘及現金	9,410
		(18,479)

Acquisition-related costs amounting to RMB433,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

The fair value of trade and other receivables at the date of acquisition amounted to RMB398,979,000. The gross contractual amounts of those trade and other receivables acquired amounted to RMB398,979,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to RMB nil.

Included in the loss for the year is RMB335,000 attributable to the additional business generated by Dalian Hydraulic. Revenue for the year includes RMB20,933,000 generated from Dalian Hydraulic.

收購相關成本人民幣433,000元已自己轉讓代價中扣除，並已確認為本年度的開支，乃載入綜合損益及其他全面收益表內之行政開支。

貿易及其他應收款項於收購日期之公平值為人民幣398,979,000元。於收購日期，該等貿易及其他應收款項之總合約金額為人民幣398,979,000元。於收購日期對預期無法收回之合約現金流量之最佳估計為人民幣零元。

大連液力所產生的額外業務應佔的人民幣335,000元計入年內虧損。年內收益包括自大連液力產生的人民幣20,933,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the year ended 31 December 2019 (Continued)

Acquisition of Dalian Hydraulic (Continued)

Net cash outflow on acquisition of Dalian Hydraulic (Continued)

Had the acquisition been completed on 1 January 2019, total revenue of the Group for the year would have been RMB3,759,283,000, and loss for the year would have been RMB637,961,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2019, nor is it intended to be a projection of future results.

In determining the "pro-forma" revenue and profit of the Group had Dalian Hydraulic been acquired at the beginning of the current year, the directors of the Company have:

- calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and
- determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

48. 收購及出售附屬公司(續)

(a) 收購(續)

截至二零一九年十二月三十一日止年度(續)

收購大連液力(續)

收購大連液力之現金流出淨額(續)

倘收購於二零一九年一月一日完成，本集團年內之總收益將為人民幣3,759,283,000元，及年內虧損將為人民幣637,961,000元。備考資料僅供說明，並不一定表示收購如已於二零一九年一月一日完成而本集團將會達成之實際收益及經營業績，亦無意作為未來業績之預測。

倘已於本年度初收購大連液力，於釐定本集團之「備考」收益及溢利時，本公司董事已：

- 基於就業務合併進行初步會計處理時所產生之公平值(而非於收購前財務報表確認之賬面值)，計算所收購廠房及設備之折舊；及
- 基於本集團於業務合併後之資金水平、信貸評級及債務／權益狀況釐定借款成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the period from 1 April 2018 to 31 December 2018

Name of subsidiary acquired	Vendor	Percentage of interest acquired 收購之權益百分比	Principal activity 主營業務	Fair value of purchase consideration 購買代價公平值	Date of completion 完成日期	Nature of acquisition 收購性質
Huajun Wuxi [#] 華君無錫 [#]	Two independent third parties 兩名獨立第三方	100%	Property development 物業開發	RMB1,354,645,000 人民幣 1,354,645,000元	6 July 2018 二零一八年七月六日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Wuxi Huiyuan Real Estate Co., Ltd. ("Wuxi Huiyuan") [#] 無錫市惠遠置業有限公司 (「無錫惠遠」) [#]	An independent third party 一名獨立第三方	100%	Property development 物業開發	RMB355,950,000 人民幣 355,950,000元	6 July 2018 二零一八年七月六日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Wuxi Huize [#] 無錫惠澤 [#]	Two independent third parties 兩名獨立第三方	55%	Property development 物業開發	RMB448,070,000 人民幣 448,070,000元	6 July 2018 二零一八年七月六日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Yingkou Yuzhu Science And Technology Development Limited ("Yuzhu") 營口玉珠科技發展有限公司(「玉珠」)	An independent third party 一名獨立第三方	100%	Production of photovoltaic products 生產光伏產品	RMB1 人民幣1元	1 August 2018 二零一八年八月一日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Huajun Power (Yingkou) Co., Ltd. ("Huajun Power") 華君電力(營口)有限公司 (「華君電力」)	An independent third party 一名獨立第三方	100%	Production of photovoltaic products 生產光伏產品	RMB8,060,000 人民幣8,060,000元	1 August 2018 二零一八年八月一日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產

48. 收購及出售附屬公司(續)

(a) 收購(續)

於二零一八年四月一日至二零一八年十二月三十一日期間

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the period from 1 April 2018 to 31 December 2018
(Continued)

Name of subsidiary acquired	Vendor	Percentage of interest acquired	Principal activity	Fair value of purchase consideration	Date of completion	Nature of acquisition
收購之附屬公司名稱	賣方	收購之權益百分比	主營業務	購買代價公平值	完成日期	收購性質
Shangfang 上方	Two independent third parties 兩名獨立第三方	100%	Property development 物業開發	RMB135,000,000 人民幣 135,000,000元	10 August 2018 二零一八年八月十日	Acquisition of assets through acquisition of subsidiary 透過收購附屬公司收購資產
Liaoning Wanhua Property Service Co., Ltd. ("Wanhua") 遼寧萬華物業服務有限公司 (「萬華」)	An entity controlled by Mr. Meng 孟先生控制之實體	100%	Property management 物業管理	Nil* 無*	12 September 2018 二零一八年九月十二日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產
Yingkou Yi Hua Green Packaging Printing Co., Ltd. ("Yi Hua") 營口益華綠色包裝印務有限公司 (「益華」)	An entity controlled by Mr. Meng 孟先生控制之實體	100%	Printing 印刷	RMB30,000,000 人民幣30,000,000元	9 November 2018 二零一八年十一月九日	Acquisition of assets through acquisition of a subsidiary 透過收購附屬公司收購資產

* These acquisitions have no purchase consideration because the assets acquired are equal to the liabilities assumed in the respective companies.

The operations of these subsidiaries, including the development of properties, are in suspension phases regardless of the pre-sales of properties and certain development are conducted in earlier periods, there are no such resources that enable these subsidiaries to continue as business prior to the acquisitions. The management considered that in view of that business can only be resumed upon the fund injection and resources provided by the Group subsequent to the acquisitions, accordingly, the acquisitions do not constitute a business.

All the above acquisitions do not constitute a business because they do not include an input and process applied to those inputs, which together are or will be used to create output.

48. 收購及出售附屬公司(續)

(a) 收購(續)

於二零一八年四月一日至二零一八年十二月三十一日期間(續)

* 由於各公司收購之資產等於所承擔之負債，該等收購並無購買代價。

不論預售物業還是於較早期進行的若干開發，該等附屬公司的業務(包括物業開發)處於暫停階段，並無有關資源可讓該等附屬公司於收購前繼續業務，管理層認為，鑒於業務僅可於本集團於收購後注資及提供資源後恢復，因此，收購不構成一項業務。

由於收購並不包括輸入數據及應用於該等輸入數據的程序(其共同用於或將用於創建輸出)，故上述所有收購不構成一項業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the period from 1 April 2018 to 31 December 2018
(Continued)

Assets acquired and liabilities assumed at the date of acquisition

		Wuxi Project 無錫項目 RMB'000 人民幣千元	Yuzhu 玉珠 RMB'000 人民幣千元	Huajun Power 華君電力 RMB'000 人民幣千元	Shangfang 上方 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	306	132,108	1,084	5	52,006	185,509
Prepaid lease payment	預付租賃款項	-	45,708	20,228	-	10,388	76,324
Investment properties	投資物業	118,600	-	-	-	-	118,600
Properties held for sale	持作出售之物業	2,783,257	-	-	147,400	-	2,930,657
Deposits and other receivables	按金及其他應收款項	103,176	55,011	30,234	-	7,452	195,873
Pledged bank deposits	銀行抵押存款	-	-	33,728	-	-	33,728
Bank balances and cash	銀行結餘及現金	28,238	26	3	4	15	28,286
Construction and other payables	建築及其他應付款項	(499,359)	(103,550)	(77,217)	(12,409)	(39,861)	(732,396)
Financial guarantee contracts	財務擔保合約	-	(23,303)	-	-	-	(23,303)
Amounts due to fellow subsidiaries	應付同系附屬公司款項	(1,512,900)	-	-	-	(20,000)	(1,532,900)
Contract liabilities	合約負債	(263,703)	-	-	-	-	(263,703)
Bank borrowings	銀行借款	(223,000)	(106,000)	-	-	-	(329,000)
		534,615	-	8,060	135,000	10,000	687,675
Non-controlling interests (net liabilities)	非控股權益(扣除負債)	111,150	-	-	-	-	111,150
Assignment of debt	債權轉讓	1,512,900	-	-	-	20,000	1,532,900
		2,158,665	-	8,060	135,000	30,000	2,331,725

Note: Acquisitions of Huajun Wuxi, Wuxi Huiyuan and Wuxi Huize are collectively referred as "Wuxi Project" because the subsidiaries are inter-linked with each other and the acquisitions are completed on same date. Therefore, the Directors considered that these acquisitions as a series of transactions and the financial impacts on acquisitions should be considered together.

48. 收購及出售附屬公司(續)

(a) 收購(續)

於二零一八年四月一日至二零一八年十二月三十一日期間(續)

於收購日收購之資產及承擔之負債

附註：收購華君無錫、無錫惠遠及無錫惠澤統稱為「無錫項目」，原因為該等附屬公司互相關聯且收購於同日完成。因此，董事將該等收購視為一系列交易及應共同考慮對收購的財務影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(a) Acquisitions (Continued)

For the period from 1 April 2018 to 31 December 2018
(Continued)

Fair value of consideration transferred

		Wuxi Project 無錫項目 RMB'000 人民幣千元	Yuzhu 玉珠 RMB'000 人民幣千元	Huajun Power 華君電力 RMB'000 人民幣千元	Shangfang 上方 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash	現金	564,000	-	8,060	40,000	30,000	642,060
Obligations under financing arrangement (note a)	融資安排承擔(附註a)	1,594,665	-	-	-	-	1,594,665
Deferred consideration (note b)	遞延代價(附註b)	-	-	-	95,000	-	95,000
Total	總計	2,158,665	-	8,060	135,000	30,000	2,331,725

Notes:

- (a) The amount represents the funds drawn from Yingkou Costal Bank by certain business partners of Mr. Meng on behalf of the Group whereas the Group has entered into respective financial guarantee contracts with these business partners and acts as a guarantor over these borrowings (note 42).
- (b) The deferred consideration represents certain specified property units at an equivalent value of RMB95,000,000 at the date of contract. The property units will be transferred to the vendor upon its completion (note 38).

Net cash inflow (outflow) on acquisitions of subsidiaries for the period from 1 April 2018 to 31 December 2018

		Wuxi Project 無錫項目 RMB'000 人民幣千元	Yuzhu 玉珠 RMB'000 人民幣千元	Huajun Power 華君電力 RMB'000 人民幣千元	Shangfang 上方 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash consideration paid at 31 December 2018	於二零一八年十二月三十一日之已付現金代價	(564,000)	-	(8,060)	(40,000)	(30,000)	(642,060)
Less: Bank balances and cash acquired	減：已收購之銀行結餘及現金	28,238	26	3	4	15	28,286
Less: Deposits paid in prior period	減：已於過往期間支付之按金	564,000	-	-	-	-	564,000
		28,238	26	(8,057)	(39,996)	(29,985)	(49,774)

48. 收購及出售附屬公司(續)

(a) 收購(續)

於二零一八年四月一日至二零一八年十二月三十一日期間(續)

已轉讓代價之公平值

附註：

- (a) 金額指孟先生的若干業務夥伴代表本集團自營口沿海銀行提取的資金，而本集團已與該等業務夥伴訂立相關財務擔保合約及作為該等借款的擔保人(附註42)。
- (b) 遞延代價指於合約日期價值人民幣95,000,000元的若干特定物業單位。物業單位將於其完成後轉讓予賣方(附註38)。

於二零一八年四月一日至二零一八年十二月三十一日期間收購附屬公司之現金流入(流出)淨額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(b) Disposals

For the year ended 31 December 2019

Name of subsidiary disposed of 出售之附屬公司名稱	Buyer 買方	Percentage of interest disposed of 出售之股權百分比	Principal activity 主營業務	Disposal proceeds 出售所得款項	Date of completion 完成日期
Huajun Technology (Yingkou) Company Limited ("Huajun Technology (Yingkou)") 華君技術(營口)有限公司 (「華君技術(營口)」)	An entity controlled by Mr. Meng 孟先生控制之實體	100%	Inactive 暫無業務	Nil 無	31 August 2019 二零一九年八月三十一日
Huajun Real Estate (Dalian) Company Limited ("Huajun Real Estate (Dalian)") 華君置業(大連)有限公司 (「華君置業(大連)」)	An entity controlled by Mr. Meng 孟先生控制之實體	100%	Inactive 暫無業務	RMB1 人民幣1元	31 August 2019 二零一九年八月三十一日
Huajun Hotel (Gaizhou) Company Limited ("Huajun Hotel (Gaizhou)") 華君酒店(蓋州)有限公司 (「華君酒店(蓋州)」)	An independent third party 一名獨立第三方	100%	Inactive 暫無業務	Nil 無	4 September 2019 二零一九年九月四日

Analysis of assets and liabilities over which control was lost

失去控制權之資產及負債分析

		Huajun Technology (Yingkou) 華君技術(營口) RMB'000 人民幣千元	Huajun Real Estate (Dalian) 華君置業(大連) RMB'000 人民幣千元	Huajun Hotel (Gaizhou) 華君酒店(蓋州) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,189	1	-	1,190
Deposits and other receivables	按金及其他應收款項	226	-	-	226
Amount due from immediate holding company (Note)	應收直接控股公司款項(附註)	-	451,473	-	451,473
Bank balances and cash	銀行結餘及現金	3	12	4	19
Other payables	其他應付款項	(1,727)	-	(15)	(1,742)
Borrowings	借款	-	(453,498)	-	(453,498)
		(309)	(2,012)	(11)	(2,332)

Note: The balance was unsecured, interest-free and had no fixed term of repayment.

附註：該結餘為無抵押、免息且並無固定還款期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(b) Disposals (Continued)

For the year ended 31 December 2019 (Continued)

Gain on disposal of subsidiaries

		Huajun Technology (Yingkou) 華君技術 (營口) RMB'000 人民幣千元	Huajun Real Estate (Dalian) 華君置業 (大連) RMB'000 人民幣千元	Huajun Hotel (Gaizhou) 華君酒店 (蓋州) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Consideration	代價	-	-	-	-
Net liabilities disposed of	已出售負債淨額	(309)	(2,012)	(11)	(2,332)
		(309)	(2,012)	(11)	(2,332)
Deemed shareholder contribution	視為股東注資	309	2,012	-	2,321
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	(11)	(11)

Net cash outflow on disposal of subsidiaries for the year ended 31 December 2019

截至二零一九年十二月三十一日止年度，出售附屬公司之淨現金流出

		Huajun Technology (Yingkou) 華君技術 (營口) RMB'000 人民幣千元	Huajun Real Estate (Dalian) 華君置業 (大連) RMB'000 人民幣千元	Huajun Hotel (Gaizhou) 華君酒店 (蓋州) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash consideration received at 31 December 2019	已於二零一九年十二月三十一日收取之現金代價	-	-	-	-
Less: Bank balances and cash disposal of	減：出售之銀行結餘及現金	(3)	(12)	(4)	(19)
		(3)	(12)	(4)	(19)

48. 收購及出售附屬公司(續)

(b) 出售(續)

截至二零一九年十二月三十一日止年度(續)

出售附屬公司之收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(b) Disposals (Continued)

For the period from 1 April 2018 to 31 December 2018

Name of subsidiary disposed of	Buyer	Percentage of interest disposed of	Principal activity	Disposal proceeds	Date of completion
出售之附屬公司名稱	買方	出售之股權百分比	主營業務	出售所得款項	完成日期
Dalian Huashunjie Logistics Co., Ltd. ("Dalian Huashunjie") 大連華順捷物流有限公司(「大連華順捷」)	Parties significantly influenced by Mr Meng 受孟先生重大影響的各方	100%	Inactive 暫無業務	Nil 無	5 June 2018 二零一八年六月五日
Dalian Huataian Logistics Co., Ltd. ("Dalian Huataian") 大連華泰安物流有限公司(「大連華泰安」)	Parties significantly influenced by Mr Meng 受孟先生重大影響的各方	100%	Inactive 暫無業務	Nil 無	5 June 2018 二零一八年六月五日
Dalian Huashunxin Logistics Co., Ltd. ("Dalian Huashunxin") 大連華順鑫物流有限公司(「大連華順鑫」)	Parties significantly influenced by Mr Meng 受孟先生重大影響的各方	100%	Inactive 暫無業務	Nil 無	5 June 2018 二零一八年六月五日
Huajun Supply Chain Management Limited 華君供應鏈管理有限公司	An independent third party 一名獨立第三方	100%	Inactive 暫無業務	HK\$22,000 22,000港元	30 June 2018 二零一八年六月三十日
Huajun Media Company Limited 華君文化傳媒有限公司	An independent third party 一名獨立第三方	100%	Inactive 暫無業務	HK\$100 100港元	31 July 2018 二零一八年七月三十一日
Baohua Properties Shenyang Co., Ltd. ("BH Property Shenyang") 保華地產瀋陽有限公司(「保華地產瀋陽」)	An entity controlled by Mr. Meng 孟先生控制的實體	100%	Inactive 暫無業務	RMB1 人民幣1元	6 August 2018 二零一八年八月六日

48. 收購及出售附屬公司(續)

(b) 出售(續)

於二零一八年四月一日至二零一八年十二月三十一日期間

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

48. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

(b) Disposals (Continued)

For the period from 1 April 2018 to 31 December 2018
(Continued)

Analysis of assets and liabilities over which control was lost

		BH Property Shenyang 保華地產瀋陽 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	2	–	2
Inventories	存貨	8	–	8
Deposits and other receivables	按金及其他應收款項	4,876	–	4,876
Bank balances and cash	銀行結餘及現金	715	–	715
Other payables	其他應付款項	(5,601)	–	(5,601)
		–	–	–

Gain on disposal of subsidiaries

For the above transactions, the Group has received cash consideration of approximately HK\$22,000 (equivalent to approximately RMB20,000) which also represents the gain on disposal of subsidiaries for the period from 1 April 2018 to 31 December 2018.

Net cash (outflow) inflow on disposal of subsidiaries for the period from 1 April 2018 to 31 December 2018

48. 收購及出售附屬公司(續)

(b) 出售(續)

於二零一八年四月一日至二零一八年十二月三十一日期間(續)

失去控制權之資產及負債分析

		BH Property Shenyang 保華地產瀋陽 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	2	–	2
Inventories	存貨	8	–	8
Deposits and other receivables	按金及其他應收款項	4,876	–	4,876
Bank balances and cash	銀行結餘及現金	715	–	715
Other payables	其他應付款項	(5,601)	–	(5,601)
		–	–	–

出售附屬公司之收益

就上述交易而言，本集團已收取現金代價約22,000港元(相當於約人民幣20,000元)，該款項亦為二零一八年四月一日至二零一八年十二月三十一日期間出售附屬公司的收益。

於二零一八年四月一日至二零一八年十二月三十一日期間，出售附屬公司之淨現金(流出)流入

		BH Property Shenyang 保華地產瀋陽 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash consideration received at 31 December 2018	於二零一八年十二月三十一日已收取之現金代價	–	20	20
Less: Bank balances and cash disposal of	減：出售之銀行結餘及現金	(715)	–	(715)
		(715)	20	(695)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

49. CHANGE IN OWNERSHIP INTEREST IN A SUBSIDIARY

For the year ended 31 December 2019

The Group was the major shareholder of an overseas fund. On 2 May 2019, a third-party investor, being the non-controlling shareholder of several series of a fund redeemed his entire interests in the fund at the redemption amount of approximately RMB8,946,000. As a result of the redemption, the Group then become the sole shareholder of the fund and RMB5,681,000 was adjusted out of non-controlling interests.

For the period from 1 April 2018 to 31 December 2018

On 12 June 2018, Bao Hua Properties (China) Co., Ltd. ("BH Properties China"), a wholly owned subsidiary of the Company, entered into an equity transfer agreement (the "Agreement") with Yixing Zhongtang Real Estate Co., Ltd. ("Yixing Zhongtang") to acquire its 15% of equity interest at nil consideration and the debts due by Wuxi Huize to Yixing Zhongtang at a consideration of RMB76,500,000.

The transaction contemplated under the Agreement constituted a change in ownership interests in Wuxi Huize.

On 20 November 2018, the transfer of shares has been completed and the equity interest of Wuxi Huize held by the Group has been increased from 55% to 70%.

The change in ownership interest in Wuxi Huize as a result of the transfer of equity interests has been accounted for as an equity transaction. As the net liabilities assumed of Wuxi Huize at the date of transaction is RMB248,108,000, the Group had recognised a transfer of RMB37,216,000 from non-controlling interests to accumulated losses during the current year.

49. 於一間附屬公司之所有權權益變動

截至二零一九年十二月三十一日止年度

本集團為海外基金的主要股東。於二零一九年五月二日，第三方投資者(即數項系列基金的非控股股東)贖回其於基金的全部權益，贖回款項約人民幣8,946,000元。由於贖回，本集團繼而成為基金的唯一股東且人民幣5,681,000元非控股股東權益獲調整。

於二零一八年四月一日至二零一八年十二月三十一日期間

於二零一八年六月十二日，本公司之全資附屬公司保華地產(中國)有限公司(「保華地產中國」)與宜興中堂置業有限公司(「宜興中堂」)訂立股權轉讓協議，以零代價收購無錫惠澤之15%股權及以人民幣76,500,000元之代價收購無錫惠澤結欠宜興中堂之債務。

該協議項下擬進行之交易構成無錫惠澤之所有權權益變動。

於二零一八年十一月二十日，股份轉讓已完成，而本集團持有無錫惠澤之股權由55%增至70%。

無錫惠澤之所有權權益變動由於股權轉讓而被視作一項權益交易。由於於交易日期無錫惠澤之假設淨負債為人民幣248,108,000元，故本集團已於本年度確認由非控股權益轉撥人民幣37,216,000元至累計虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

50. LEASE COMMITMENTS

The Group as lessee

		31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	29,587
In the second to fifth year inclusive	於第二年至第五年 (包括首尾兩年)	26,767
		56,354

As at 31 December 2018, operating lease payments represent rentals payable by the Group for certain of its premises. Leases are negotiated for an average term between 1 to 5 years.

The Group is the lessee in respect of a number of land use rights, buildings and plant and machinery which the leases 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 3.1). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the consolidated statement of financial position in accordance with the policies set out in note 4, and the details regarding the Group's future lease payments are disclosed in note 26.

50. 租賃承擔

本集團作為承租人

於二零一八年十二月三十一日，經營租賃款項指本集團就其若干物業應付的租金。租賃的平均年期商定為一至五年。

本集團為先前根據香港會計準則第17號分類為經營租賃的眾多土地使用權、樓宇以及廠房及機器的承租人。本集團已採用修訂追溯法初步應用香港財務報告準則第16號。根據該方法，本集團調整於二零一九年一月一日的期初結餘，以確認有關該等租賃的租賃負債(參閱附註3.1)。自二零一九年一月一日起，未來租賃款項乃根據附註4所載的政策於綜合財務狀況表內確認為租賃負債，而有關本集團未來租賃款項的詳情則於附註26披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

50. LEASE COMMITMENTS (Continued)

The Group as lessor

The Group leases out investment property under operating leases. The leases typically run for an initial period of 1 to 20 years. Lease payments are usually increased every one to five years to reflect market rentals. None of the leases includes variable lease payments.

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:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Within 1 year	一年內	16,539
After 1 year but within 2 years	一年後但於兩年內	15,360
After 2 years but within 3 years	兩年後但於三年內	14,819
After 3 years but within 4 years	三年後但於四年內	13,874
After 4 years but within 5 years	四年後但於五年內	12,568
After 5 years	五年後	146,858
		220,018

As at 31 December 2018, the Group had contracted with tenants for the following future minimum lease payments:

		31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	20,101
In the second to fifth year inclusive	於第二年至第五年 (包括首尾兩年)	67,374
After five years	五年後	151,927
		239,402

As at 31 December 2018, all leased properties held have committed tenants for the next 1 to 20 years.

50. 租賃承擔(續)

本集團作為出租人

本集團根據經營租賃出租投資物業。該等租賃通常初步為期一至二十年。租賃款項通常每一至五年增加一次，以反映市場租金。租賃概不包括可變租賃款項。

本集團於未來期間根據於報告日期已有的不可撤銷經營租賃應收的未貼現租賃款項如下：

於二零一八年十二月三十一日，本集團已與租戶訂立未來應收的最低租賃款項的合約：

於二零一八年十二月三十一日，所有持有之租賃物業於未來一年至二十年擁有承諾租戶。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

51. CAPITAL AND OTHER COMMITMENTS

51. 資本及其他承擔

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Capital expenditure in respect of the property development projects contracted for but not provided in the consolidated financial statements	就已簽約但未於綜合財務報表內計提撥備之物業發展項目之資本開支	1,969,075	1,775,568
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided for in the consolidated financial statements	就收購物業、廠房及設備已簽約但未於綜合財務報表內計提撥備之資本開支	450,596	352,306
Acquisition of assets through acquisition of subsidiaries contracted for (note (a))	透過收購已訂約附屬公司收購資產(附註(a))	-	504,700
		2,419,671	2,632,574

Notes:

- (a) Included in the amount of RMB504,700,000 were capital commitments with following details:

On 5 December 2018, the Group entered into an agreement with the independent third parties for the acquisitions of (i) the entire equity interest in the Jurong Simaite Intelligent Science and Technology Co., Ltd. ("Jurong Simaite") and the aggregate loan owed by Jurong Simaite at the consideration of RMB137,200,000 and (ii) the entire equity interest in the Jiangsu Xietong Solar Technology Co., Ltd. ("Jiangsu Xietong") and the aggregate loan owed by Jiangsu Xietong at the consideration of RMB367,500,000.

The completion of the above acquisitions was both subject to various conditions to be fulfilled on or before 31 March 2019. As at 31 March 2019, certain conditions for the completion of both acquisitions have not been fully fulfilled, the agreements have been lapsed on 1 April 2019. The Group has not paid any sum to the vendors.

附註：

- (a) 人民幣504,700,000元計入資本承擔，詳情如下：

於二零一八年十二月五日，本集團與獨立第三方就收購(i)句容思麥特智慧科技有限公司(「句容思麥特」)全部股權及句容思麥特欠付之貸款總額訂立協議，代價為人民幣137,200,000元；及(ii)江蘇協通光伏科技有限公司(「江蘇協通」)全部股權及江蘇協通欠付之貸款總額訂立協議，代價為人民幣367,500,000元。

上述收購事項之完成受限於多項須於二零一九年三月三十一日或之前達成之條件。於二零一九年三月三十一日，完成上述兩項收購事項之若干條件尚未全面達成，故有關協議已於二零一九年四月一日失效。本集團並無向賣方支付任何金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

52. PLEDGE OF ASSETS

At the end of the reporting period, carrying values of Group's assets pledged to secure bill payables, borrowings, lease liabilities and obligations under finance leases of the Group are as follows:

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	707,938	452,237
Right-of-use asset/Prepaid lease payments	使用權資產/預付租賃款項	254,455	224,965
Investment properties	投資物業	4,783,450	5,695,775
Properties held for sale	持作出售物業	5,507,010	2,056,694
Inventories	存貨	10,001	-
Pledged bank deposits	銀行抵押存款	313,265	285,634
Restricted bank balances	受限制銀行結餘	69,109	-

In addition to above pledged assets, the Group also pledged certain subsidiaries' equity interest to secure bank borrowings of RMB457,000,000 (31 December 2018: RMB584,000,000) and borrowings from a financial institution of RMB1,440,000,000 (31 December 2018: RMB1,440,000,000) as at 31 December 2019.

於報告期末，本集團用以為本集團之應付票據、借款、租賃負債及融資租賃承擔擔保之抵押資產之賬面值如下：

於二零一九年十二月三十一日，除上述抵押資產外，本集團亦抵押若干附屬公司之股權以為人民幣457,000,000元(二零一八年十二月三十一日：人民幣584,000,000元)之銀行借款及自一間金融機構取得人民幣1,440,000,000元(二零一八年十二月三十一日：人民幣1,440,000,000元)之借款擔保。

53. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

The remuneration of Directors and other members of key management personnel during the year/period were as follows:

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Short-term benefits	短期福利	16,152	12,202
Post-employment benefits	離職後福利	175	133
		16,327	12,335

53. 關聯方交易

(a) 關鍵管理人員酬金

年/期內董事及其他關鍵管理人員之酬金如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

53. RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with companies controlled/ significantly influenced by Mr. Meng

Other than as disclosed elsewhere in these consolidated financial statements, the transactions with companies controlled/significantly influenced by Mr. Meng for the year ended 31 December 2019 are as follows:

- (1) On 18 September 2018, Baohua Properties (China) Limited (保華地產(中國)有限公司), an indirect wholly-owned subsidiary of the Company, as purchaser entered into the agreement with Nanjing Huajun Real Estate Co., Ltd. (南京華君置業有限公司) ("Nanjing Huajun") as vendor, pursuant to which the Nanjing Huajun conditionally agreed to sell, and the purchaser conditionally agreed to purchase, the entire equity interest and the debt in Huaren Real Estate (Huai'an) Co., Ltd (華仁置業(淮安)有限公司) (formerly known as Baohua Properties (Huai'an) Limited (保華地產(淮安)有限公司)) ("Huaren Real Estate") at the consideration of RMB180.0 million, comprising of RMB20.00 million being the consideration for the equity interest and RMB160.0 million being the consideration for the debt in Huaren Real Estate. The acquisition has completed on 28 June 2019 and the convertible bonds in the amount of HK\$205,200,000 were issued.
- (2) On 26 October 2018, the Company entered into a conditional subscription agreement with CHG, pursuant to which the Company agreed to issue and CHG agreed to subscribe the convertible bond in the principal amount of HK\$1,000,000,000 at the issue price of 100% of the principal amount of the convertible bond. On 27 June 2019, all conditions of the convertible bonds were fulfilled and the convertible bonds were issued to CHG.
- (3) On 6 December 2018, Huajun Industrial Park Management (China) Limited* (華君產業園管理(中國)有限公司), an indirect wholly owned subsidiary of the Company, entered into the agreement with Liaoning Huajun Equipment Manufacturing Co., Limited* (遼寧華君裝備製造有限公司), a company indirectly wholly owned by Mr. Meng and his spouse and Mr. Cong Liming to purchase the entire equity interest in Dalian Hydraulic Machinery Co., Limited* (大連液力機械有限公司) at the consideration of RMB36,000,000, to be settled by cash and issue of 873,875 consideration shares of the Company. The acquisition has completed on 30 September 2019 and 873,875 consideration shares were issued to Mr. Cong Liming.

53. 關聯方交易(續)

(b) 與孟先生控制／擁有重大影響力的公司之交易

除本綜合財務報表其他地方所披露外，截至二零一九年十二月三十一日止年度，與孟先生控制／擁有重大影響力的公司之交易如下：

- (1) 於二零一八年九月十八日，本公司間接全資附屬公司保華地產(中國)有限公司(作為買方)與南京華君置業有限公司(「南京華君」)(作為賣方)訂立協議，據此，南京華君有條件同意出售及買方有條件同意購買華仁置業(淮安)有限公司(前稱保華地產(淮安)有限公司)(「華仁置業」)全部股權及債務，代價為人民幣180.0百萬元(包括人民幣20.00百萬元作為股權代價及人民幣160.0百萬元作為華仁置業債務之代價)。收購事項已於二零一九年六月二十八日完成，並已發行205,200,000港元之可換股債券。
- (2) 於二零一八年十月二十六日，本公司與中國華君集團訂立有條件認購協議，據此，本公司同意發行及中國華君集團同意認購本金額為1,000,000,000港元之可換股債券，按可換股債券本金額100%之發行價發行。於二零一九年六月二十七日，達成所有可換股債券之條款，並已向中國華君集團發行可換股債券。
- (3) 於二零一八年十二月六日，本公司間接全資附屬公司華君產業園管理(中國)有限公司與遼寧華君裝備製造有限公司(由孟先生及其配偶間接全資擁有之公司)及叢黎明先生訂立協議，以購買大連液力機械有限公司全部股權，代價為人民幣36,000,000元，其乃以現金及發行本公司873,875股代價股份結付。收購事項已於二零一九年九月三十日完成，873,875股代價股份已發行予叢黎明先生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

53. RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with companies controlled/ significantly influenced by Mr. Meng (Continued)

The transactions with companies controlled/significantly influenced by Mr. Meng for the period from 1 April 2018 and 31 December 2018 are as follows:

- (1) During the period from 1 April 2018 to 31 December 2018, Dalian Huashunjie, Dalian Huataian, Dalian Huashunxin, and BH Properties Shenyang Co., Ltd. are disposed of to an entity significantly influenced by Mr. Meng therein. As all of these subsidiaries are dormant with no net assets value, the Directors considered that these disposals do not have material financial impacts to the Group (note 48).
- (2) In December 2018, a company controlled by Mr. Meng has entered into an agreement with China Huacai to take up a prepayment due from Hareon Solar. As a result, carrying value of the investment in China Huacai has been increased to RMB154,470,000 and the change in fair value of RMB154,470,000 has been recognised as a deemed contribution by controlling shareholder in deemed contribution reserve (note 23(e)).
- (3) During the period from 1 April 2018 to 31 December 2018, the Group has issued commercial bills totalling of RMB450,000,000 to a private company controlling by Mr. Meng (note 31).

Provision of credit facility

As at 31 December 2019, China Huajun Group Limited has provided a interest-free credit facility of RMB7,000,000,000 (31 December 2018: RMB7,000,000,000) to the Group, of which RMB6,983,038,000 (31 December 2018: RMB2,348,987,000) were unused by the Group.

53. 關聯方交易(續)

(b) 與孟先生控制／擁有重大影響力的 的公司之交易(續)

於二零一八年四月一日至二零一八年十二月三十一日期間，與孟先生控制／擁有重大影響力的公司之交易如下：

- (1) 於二零一八年四月一日至二零一八年十二月三十一日期間，大連華順捷、大連華泰安、大連華順鑫及保華地產瀋陽有限公司已出售予一間受孟先生重大影響之實體。由於全部該等附屬公司並無經營業務且無資產淨值，董事認為該等出售事項對本集團並無重大財務影響(附註48)。
- (2) 於二零一八年十二月，一間由孟先生控制的公司與中國華財訂立協議，以承擔應收海潤光伏之預付款項。因此，於中國華財之投資賬面值已增至人民幣154,470,000元，而人民幣154,470,000元之公平值變動已於視作注資儲備確認為視作控股股東注資(附註23(e))。
- (3) 於二零一八年四月一日至二零一八年十二月三十一日期間，本集團已發行合共人民幣450,000,000元之商業票據予一間由孟先生控制之私人公司(附註31)。

提供信貸融資

於二零一九年十二月三十一日，中國華君集團有限公司已為本集團提供人民幣7,000,000,000元(二零一八年十二月三十一日：人民幣7,000,000,000元)的免息信貸融資，當中本集團尚未動用人民幣6,983,038,000元(二零一八年十二月三十一日：人民幣2,348,987,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

53. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with Yingkou Coastal Bank

As at 31 December 2019, Mr. Meng owns 13.9% (31 December 2018: 13.9%) equity interest in Yingkou Coastal Bank and has been a director of the Yingkou Coastal Bank since 4 January 2018, bank balances deposited in and borrowings obtained from Yingkou Coastal Bank as at 31 December 2019 and 2018 constituted balances with related party.

Balances with Yingkou Coastal Bank

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Bank balances	銀行結餘	28,862	330,581
Endorsed bills received	已背書已收票據	-	7,900
Pledged bank deposits	銀行抵押存款	312,189	211,300
Bill payables	應付票據	(729,969)	(553,000)
Bank borrowings	銀行借款	(3,101,130)	(1,903,620)

Transactions with Yingkou Coastal Bank

		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Interest income	利息收入	4,297	2,103
Interest expense	利息開支	(259,738)	(114,457)
Bank charges	銀行費用	(254)	(331)

Banking facilities provided by Yingkou Coastal Bank

As at 31 December 2019, Yingkou Coastal Bank has granted banking facilities of RMB4,301,230,000 (31 December 2018: RMB3,103,620,000) to the Group, excluding bills payables of RMB729,969,000 (2018: RMB553,000,000) utilised by the Group, RMB1,200,000,000 (31 December 2018: RMB1,200,000,000) is unused by the Group.

53. 關聯方交易(續)

(c) 與營口沿海銀行之交易

於二零一九年十二月三十一日，孟先生擁有於營口沿海銀行13.9%之股權(二零一八年十二月三十一日：13.9%)，並自二零一八年一月四日起為營口沿海銀行之董事，於二零一九年及二零一八年十二月三十一日於營口沿海銀行存放之銀行結餘及自其獲取之借款構成關聯方交易。

於營口沿海銀行存放之銀行結餘

	31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Bank balances	28,862	330,581
Endorsed bills received	-	7,900
Pledged bank deposits	312,189	211,300
Bill payables	(729,969)	(553,000)
Bank borrowings	(3,101,130)	(1,903,620)

與營口沿海銀行之交易

	1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Interest income	4,297	2,103
Interest expense	(259,738)	(114,457)
Bank charges	(254)	(331)

營口沿海銀行提供之銀行融資

於二零一九年十二月三十一日，營口沿海銀行已向本集團授出銀行融資人民幣4,301,230,000元(二零一八年十二月三十一日：人民幣3,103,620,000元)，不包括本集團已動用人民幣729,969,000元(二零一八年：人民幣553,000,000元)應付票據，本集團尚未動用人民幣1,200,000,000元(二零一八年十二月三十一日：人民幣1,200,000,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

53. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with Yingkou Coastal Bank (Continued)

Financial guarantees contracts entered in favour of Yingkou Coastal Bank

As at 31 December 2018, the Group has recognised financial guarantee liabilities of RMB228,382,000 which arisen from respective financial guarantee contracts entered by the Group in favour of Yingkou Coastal Bank with details as set out in note 37(b).

During the year ended 31 December 2019, all the above guarantees in favour of Yingkou Coastal Bank provided by the Group are released.

During the year ended 31 December 2019, the Group provided corporate guarantees of approximately RMB453,498,000 in favour of Yingkou Coastal Bank to secure two bank loans granted to Huajun Real Estate (Dalian), a former subsidiary before it was disposed on 31 August 2019. The corporate guarantees were not released after the disposal. The two bank loans under the banking facilities guaranteed by the Group have been repaid on 27 March 2020 and 1 April 2020 and accordingly, the guarantees have been released. The Group has not recognised any financial guarantee contract in respect of these guarantees as their fair values are considered to be minimal by the directors of the Company.

(d) Transactions with a listed company in the PRC and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company

On 6 April 2016, Mr. Meng became the chairman of Hareon Solar, the shares of which was listed on the Shanghai Stock Exchange. Subsequently, Mr. Wu Jiwei ("Mr. Wu"), the former director who resigned on 30 March 2018, also became a director of Hareon Solar. In the meantime, certain companies controlled by business partners of Mr. Meng have conducted sales and purchase activities with the Group and Hareon Solar. In the opinions of the Directors, all of these companies are considered to be related parties of the Group under HKFRSs. The transactions with these companies from 6 April 2016 onwards constituted related party transactions.

On 19 July 2017 and 14 September 2017, Mr. Meng and Mr. Wu resigned as chairman and a director of Hareon Solar, respectively. Therefore, Hareon Solar was no longer considered as a related party from 14 September 2017 onwards. However, the Directors considered that Mr. Meng still had significant influence over the companies controlled by his business partners, which should be considered as related parties of the Company.

53. 關聯方交易(續)

(c) 與營口沿海銀行之交易(續)

以營口沿海銀行為受益人訂立之財務擔保合約

於二零一八年十二月三十一日，本集團已確認由本集團以營口沿海銀行為受益人訂立之相應財務擔保合約產生之財務擔保負債人民幣228,382,000元，詳情載於附註37(b)。

截至二零一九年十二月三十一日止年度，所有由本集團提供之以營口沿海銀行為受益人之上述擔保已獲解除。

截至二零一九年十二月三十一日止年度，本集團以營口沿海銀行為受益人提供公司擔保約人民幣453,498,000元，於二零一九年八月三十一日出售一間前附屬公司華君置業(大連)擔保授予其的兩項銀行貸款。公司擔保於出售後並未解除。由本集團根據銀行融資擔保的兩項銀行貸款已分別於二零二零年三月二十七日及二零二零年四月一日償還，因此，該等擔保已獲解除。本集團並無就該等擔保確認任何財務擔保合約，原因為其公平值被本公司董事視為甚微。

(d) 與一間於中國之上市公司及由本公司控股股東孟先生的業務夥伴控制的公司之交易

於二零一六年四月六日，孟先生成為海潤光伏的主席，該公司股份於上海證券交易所上市。其後，於二零一八年三月三十日辭任的前主席吳繼偉先生「吳先生」亦成為海潤光伏之董事。同時，若干由孟先生的業務夥伴控制的公司已與本集團及海潤光伏進行銷售及採購業務。董事認為，全部該等公司根據香港財務報告準則均被視為本集團的關聯方。自二零一六年四月六日起與該等公司的交易構成關聯方交易。

於二零一七年七月十九日及二零一七年九月十四日，孟先生及吳先生分別辭任海潤光伏主席及董事職位。因此，海潤光伏自二零一七年九月十四日起不再被視為一名關聯方。然而，董事認為孟先生仍對其業務夥伴控制的公司具有重大影響力，因而應被視為本公司的關聯方。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

53. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with a listed company in the PRC and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company (Continued)

The balances with these related companies as at 31 December 2019 and 2018 are disclosed as follows:

Nature of balance	結餘性質	Name of related party	關聯方名稱	31.12.2019	31.12.2018
				二零一九年	二零一八年
				十二月三十一日	十二月三十一日
				Notes	
				附註	
				RMB'000	RMB'000
				人民幣千元	人民幣千元
Prepayments	預付款項	Yingkou TianBao NewLife Supermarket Co., Ltd	營口天寶新生活超市有限公司	(i)	50

Notes:

- (i) This balance represented advance payments for purchasing of office supplies products as agreed by both parties.

Financial guarantees provided to Hareon Solar

Guarantee I and Guarantee II of the Group were provided to Hareon Companies and a subsidiary of Hareon Solar, respectively. Details are disclosed in note 37.

- (e) During the period from 1 April 2018 to 31 December 2018, the Group had entered into certain financial guarantee contracts in favour of some business partners of Mr. Meng with Yingkou Coastal Bank. For details, please refer to note 42.

- (f) During the the year ended 31 December 2019, several business partners of Mr. Meng provided financing to the Group through entrusted loan arrangement with a financial institution. As at 31 December 2019, loans of RMB4,247,000,000 were drawn down by the Group. The loans were secured by the Company's properties held for sale with carrying value of RMB1,654,057,000 as at 31 December 2019.

53. 關聯方交易(續)

- (d) 與一間於中國之上市公司及由本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

於二零一九年及二零一八年十二月三十一日與該等關聯公司的結餘披露如下：

	31.12.2019	31.12.2018
	二零一九年	二零一八年
	十二月三十一日	十二月三十一日
Notes	RMB'000	RMB'000
附註	人民幣千元	人民幣千元
(i)	-	50

附註：

- (i) 此結餘代表雙方就購買辦公室用品協定的預付款項。

為海潤光伏提供財務擔保

本集團已分別向海潤公司及海潤光伏的一間附屬公司提供擔保一及擔保二。詳情披露於附註37。

- (e) 於二零一八年四月一日至二零一八年十二月三十一日期間，本集團已與孟先生的若干業務夥伴為受益人與營口沿海銀行訂立若干財務擔保合約。有關詳情，請參閱附註42。

- (f) 截至二零一九年十二月三十一日止年度，孟先生的多名業務合夥人透過與金融機構的委託貸款安排向本集團提供融資。於二零一九年十二月三十一日，本集團已提取人民幣4,247,000,000元的貸款。該等貸款乃以於二零一九年十二月三十一日之賬面值為人民幣1,654,057,000元的本公司持作出售物業作抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

54. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

54. 融資活動產生之負債之對賬

下表詳細展示本集團融資活動產生之負債之變動，包括現金及非現金變動。融資活動產生之負債屬於現金流量曾經或未來現金流量將在本集團綜合現金流量表內分類為融資活動現金流量之負債。

		Borrowing	Lease liabilities	Amount due to immediate holding company	Corporate bonds	Convertible bonds	Bill payables	Obligations under financing arrangements	Interest payable	Total
		借款	租賃負債	應付直接控股公司款項	公司債券	可換股債券	應付票據	融資安排承擔	應付利息	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019, as original stated	於二零一九年一月一日，原先呈列	4,797,333	-	1,706,956	290,949	244,632	576,664	2,693,469	18,843	10,328,846
Adoption of HKFRS16	採納香港財務報告準則第16號	-	71,700	-	-	-	-	-	-	71,700
At 1 January 2019, restated	於二零一九年一月一日，經重列	4,797,333	71,700	1,706,956	290,949	244,632	576,664	2,693,469	18,843	10,400,546
Cash inflow (outflow):	現金流入(流出):									
Proceeds from borrowings	借款所得款項	7,812,648	-	-	-	-	-	-	-	7,812,648
Repayment of borrowings	償還借款	(2,094,425)	-	-	-	-	-	-	-	(2,094,425)
Interest paid	已付利息	(421,559)	(6,160)	-	(12,583)	(20,754)	-	-	19,860	(441,196)
Redemption of convertible bonds	贖回可換股債券	-	-	-	-	(26,814)	-	-	-	(26,814)
Proceeds from issue of convertible bonds	發行可換股債券所得款項	-	-	-	-	877,192	-	-	-	877,192
Redemption of corporate bonds	償還公司債券	-	-	-	(216,830)	-	-	-	-	(216,830)
Payment of the cost of issue of convertible bonds	支付可換股債券之發行成本	-	-	-	-	(536)	-	-	-	(536)
Advance from immediate holding company	來自直接控股公司之預付	-	-	3,559,347	-	-	-	-	-	3,559,347
Repayment to immediate holding company	償還直接控股公司之款項	-	-	(8,701,454)	-	-	-	-	-	(8,701,454)
Repayment of lease liabilities	償還租賃負債	-	(32,708)	-	-	-	-	-	-	(32,708)
Non-cash transactions:	非現金交易:									
New lease liabilities	新增租賃負債	-	6,501	-	-	-	-	-	-	6,501
Recognition of deemed contribution	確認視作注資	-	-	(3,377)	-	-	-	-	-	(3,377)
Reversal of deemed contribution	撥回視作注資	-	-	78,735	-	-	-	-	-	78,735
Net foreign exchange gain	外匯收益淨額	859	-	-	2,407	15,467	-	-	-	18,733
Finance costs	財務費用	421,559	6,160	146,680	16,590	66,844	-	41,980	-	699,813
Property held for sale transferred to the Group	轉撥至本集團之持作出售物業	-	-	42,846	-	-	-	-	-	42,846
Reclassification	重新分類	-	-	2,735,449	-	-	-	(2,735,449)	-	-
Change in fair value of convertible bonds - derivative component	可換股債券之公平值變動 - 衍生部分	-	-	-	-	(12,498)	-	-	-	(12,498)
Charged to convertible bonds equity reserve	於可換股債券權益儲備內支銷之交易	-	-	-	-	(541,618)	-	-	-	(541,618)
Decrease in bills payables	應付票據減少	-	-	-	-	-	(154,295)	-	-	(154,295)
Disposal of subsidiaries	出售附屬公司	(453,498)	-	451,473	-	-	-	-	-	(2,025)
Acquisition of subsidiaries	收購附屬公司	109,500	-	-	-	180,000	307,600	-	-	597,100
At 31 December 2019	於二零一九年十二月三十一日	10,172,417	45,493	16,655	80,533	781,915	729,969	-	38,703	11,865,685

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

54. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

54. 融資活動產生之負債之對賬(續)

		Borrowing	Obligations under finance leases	Amount due to immediate holding company	Corporate bonds	Convertible bonds	Bill payables	Obligations under financing arrangements	Total
		借款	融資租賃承擔	應付直接控股公司款項	公司債券	可換股債券	應付票據	融資安排承擔	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 April 2018	於二零一八年四月一日	4,594,053	-	520,000	256,265	849,208	358,346	-	6,577,872
Cash inflow (outflow):	現金流入(流出):								
Proceeds from borrowings	借款所得款項	2,136,256	-	-	-	-	-	-	2,136,256
Repayment of borrowings	償還借款	(2,282,020)	-	-	-	-	-	-	(2,282,020)
Proceeds from financing arrangements	融資安排所得款項	-	-	-	-	-	-	1,183,417	1,183,417
Net cash inflow for acquisition of subsidiaries	收購附屬公司之現金流入淨額	-	-	-	-	-	-	1,594,665	1,594,665
Advance from bill payables	來自應付票據之預付	-	-	-	-	-	721,870	-	721,870
Repayment of bill payables	償還應付票據	-	-	-	-	-	(523,552)	-	(523,552)
Interest paid	已付利息	(401,114)	-	-	(9,137)	(70,899)	-	-	(481,150)
Redemption of convertible bonds	贖回可換股債券	-	-	-	-	(550,923)	-	-	(550,923)
Repayment to immediate holding company	償還予直接控股公司	-	-	(1,180,812)	-	-	-	-	(1,180,812)
Advance from immediate holding company	來自直接控股公司之預付	-	-	2,559,718	-	-	-	-	2,559,718
Repayment of obligations under finance lease	償還融資租賃承擔	-	(2,226)	-	-	-	-	-	(2,226)
Non-cash transactions:	非現金交易:								
Recognised of deemed contribution	確認視作注資	-	-	(186,346)	-	-	-	-	(186,346)
Reversal of deemed contribution	撥回視作注資	-	-	32,795	-	-	-	-	32,795
Net foreign exchange gain	外匯收益淨額	20,044	-	-	20,231	40,241	-	-	80,516
New finance leases	新融資租賃	-	26,373	-	-	-	-	-	26,373
Finance costs	財務費用	401,114	419	38,388	23,590	95,379	-	109,291	668,181
Change in fair value of convertible bonds – derivative component	可換股債券之公平值變動—衍生部分	-	-	-	-	(118,374)	-	-	(118,374)
Acquisition of subsidiaries	收購附屬公司	329,000	-	-	-	-	20,000	-	349,000
Discounting effect on financing arrangements	對融資安排之貼現影響	-	-	-	-	-	-	(193,904)	(193,904)
Debt restructuring	債務重組	-	-	(76,787)	-	-	-	-	(76,787)
At 31 December 2018	於二零一八年十二月三十一日	4,797,333	24,566	1,706,956	290,949	244,632	576,664	2,693,469	10,334,569

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries as at 31 December 2019 and 2018 are disclosed as follows:

55. 本公司主要附屬公司之詳情

本公司主要附屬公司於二零一九年及二零一八年十二月三十一日之詳情披露於下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Baohua Jiangsu (note b) 保華江蘇(附註b)	PRC 中國	PRC 中國	RMB100,000,000 人民幣100,000,000元	80%	80%	Property development 物業開發
Bao Hua Properties Development (Shanghai) Co., Ltd. (note b) 保華房地產開發(上海)有限公司(附註b)	PRC 中國	PRC 中國	RMB200,000,000 人民幣200,000,000元	100%	100%	Property development and investment 物業開發及投資
Bao Hua Properties (Dalian) Co., Ltd. (note b) 保華地產(大連)有限公司(附註b)	PRC 中國	PRC 中國	RMB21,000,000 人民幣21,000,000元	100%	100%	Investment holding 投資控股
Bao Hua Properties (Yingkou) Real Estate Co., Ltd. (note b) 保華地產(營口)置業有限公司(附註b)	PRC 中國	PRC 中國	RMB20,000,000 人民幣20,000,000元	100%	100%	Property development 物業開發
B&H Properties Yingkou (note a) 保華置業營口(附註a)	PRC 中國	PRC 中國	RMB100,000,000 人民幣100,000,000元	100%	100%	Property investment and investment holding 物業投資及投資控股
Chenzhou Sonic Manufacturing Company Limited (note a) 郴州信力制品有限公司(附註a)	PRC 中國	PRC 中國	US\$1,000,000 1,000,000美元	100%	100%	Provision of subcontracting services to a fellow subsidiary for paper and packaging products 為一間同系附屬公司提供紙品及包裝產品的分包服務
Dalian Hydraulic (note b) 大連液力(附註b)	PRC 中國	PRC 中國	RMB39,200,000 人民幣39,200,000元	100%	N/A 不適用	Manufacture and maintenance of hydraulic machinery 生產及維修液力機器

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

55. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Dalian Taiyuan Properties Development Co., Ltd. (note b) 大連泰元房地產開發有限公司(附註b)	PRC 中國	PRC 中國	RMB186,300,000 人民幣186,300,000元	100%	100%	Property development and investment 物業開發及投資
Dongguan New Island Printing Company Limited (note a) 東莞新洲印刷有限公司(附註a)	PRC 中國	PRC 中國	HK\$162,000,000 162,000,000港元	100%	100%	Production and distribution of paper products 生產及分銷紙製品
Huajun Automobile Group Limited. (note b) 華君汽車集團有限公司(附註b)	PRC 中國	PRC 中國	RMB89,778,441 人民幣89,778,441元	100%	100%	Manufacturing of automobile and related product 製造汽車及相關產品
Huajun Capital Limited 華君資本有限公司	Hong Kong 香港	Hong Kong 香港	HK\$50,000,000 50,000,000港元	100%	100%	Securities investments 證券投資
Huajun Credit Services Limited 華君信貸服務有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Money lending 放債
Huajun Energy Group Limited 華君能源集團有限公司	Hong Kong 香港	Hong Kong 香港	HK\$150,000,000 150,000,000港元	100%	100%	Investment holding, trading and logistics 投資控股、貿易及物流
Huajun Energy (Shanghai) Co., Ltd. (formerly known as Shanghai Huajun Chemical Ltd.) (note b) 華君能源(上海)有限公司(前稱上海華君化工有限公司)(附註b)	PRC 中國	PRC 中國	RMB100,000,000 人民幣100,000,000元	100%	100%	Investment holding, trading and logistics, new energy development and consultation 投資控股、貿易及物流、新能源開發及諮詢
Huajun Equity Investment Fund Management (Shenzhen) Limited (note a) 華君股權投資基金管理(深圳)有限公司(附註a)	PRC 中國	PRC 中國	RMB30,000,000 人民幣30,000,000元	100%	100%	Fund management 基金管理
Huajun Financial Group Limited 華君金融集團有限公司	Cayman Islands 開曼群島	Hong Kong 香港	US\$10,000 10,000美元	100%	100%	Investment holding and securities investments 投資控股及證券投資

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

55. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Huajun Management Limited 華君管理有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100%	100%	Provision of management services to group companies 為集團公司提供管理服務
Huajun Power (Jiangsu) Limited (formerly known as Changzhou Hongrun Solar Technology Company Limited) 華君電力(江蘇)有限公司(前稱常州市宏潤光伏科技有限公司)	PRC 中國	PRC 中國	RMB100,000,000 人民幣100,000,000元	100%	100%	Production and sale of photovoltaics products, monocrystalline silicon, solar stent and related products 生產及銷售光伏產品、單晶硅及太陽能支架以及相關產品
Huajun Power Technology (Jiangsu) Limited 華君電力科技(江蘇)有限公司	PRC 中國	PRC 中國	RMB200,000,000 人民幣200,000,000元	100%	100%	Production and sale of photovoltaics products, monocrystalline silicon, solar stent and related products 生產及銷售光伏產品、單晶硅、太陽能支架及相關產品
Huajun Properties (Changzhou) Company Limited (formerly known as Huajun Real Estate (Changzhou) Company Limited) (note b) 華君地產(常州)有限公司(前稱華君置業(常州)有限公司)(附註b)	PRC 中國	PRC 中國	US\$99,000,000 99,000,000美元	100%	100%	Property development and investment 物業開發及投資
Huajun Properties (Liaoning) Co., Ltd (formerly known as Yingkou Economic Technology Development Zone Shangfang Real Estate Limited) (note b) 華君地產(遼寧)有限公司(前稱營口經濟技術開發區上方房地產有限公司)(附註b)	PRC 中國	PRC 中國	RMB8,000,000 人民幣8,000,000元	100%	100%	Property development 物業開發

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

55. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Huajun Properties (Wuxi) Co., Ltd. (formerly known as Bao Hua Real Estate (Wuxi) Co., Ltd.) ("Huajun Wuxi") (note b) 華君地產(無錫)有限公司(前稱保華地產(無錫)有限公司)(「華君無錫」) (附註b)	PRC 中國	PRC 中國	RMB10,000,000 人民幣10,000,000元	100%	100%	Property development 物業開發
Huajun Real Estate (Dalian) Company Limited (formerly known as Dalian Haitong Properties Development Co., Ltd.) (note b) 華君置業(大連)有限公司(前稱大連海通房地產開發有限公司)(附註b)	PRC 中國	PRC 中國	RMB600,000,000 人民幣600,000,000元	100%	100%	Property development and investment 物業開發及投資
Huajun Real Estate (Yingkou) Co., Ltd. (formerly known as Yingkou Xiang Feng Properties Company Limited) (note b) 華君地產(營口)有限公司(前稱營口翔峰置業有限公司)(附註b)	PRC 中國	PRC 中國	RMB50,000,000 人民幣50,000,000元	100%	100%	Property development 物業開發
Huaren Real Estate (note b) 華仁置業(附註b)	PRC 中國	PRC 中國	RMB20,000,000 人民幣20,000,000元	100%	N/A 不適用	Property development 物業開發
Jiangsu Zhong Xiang Energy Co., Ltd. (note b) 江蘇中翔能源有限公司(附註b)	PRC 中國	PRC 中國	RMB150,000,000 人民幣150,000,000元	100%	100%	Manufacturing and sales of solar control equipment, monocrystalline silicon wafers, polycrystalline silicon, solar cells, coated glass, rare metals, solar modules and silicon materials and related products 製造及銷售太陽能控制設備、單晶硅片、多晶硅、太陽能電池、鍍膜玻璃、稀有金屬、太陽能模組及硅材料以及相關產品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

55. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Liaoning Bao Hua Properties Development Co., Ltd. (note b) 遼寧保華房地產開發有限公司(附註b)	PRC 中國	PRC 中國	RMB42,000,000 人民幣42,000,000元	100%	100%	Property development 物業開發
New Island Management Services Limited 新洲管理服務有限公司	Hong Kong 香港	Hong Kong 香港	US\$1,000,000 1,000,000美元	100%	100%	Investment holding 投資控股
New Island Packaging Technology (Jiangsu) Company Limited (note a) 新洲包裝科技(江蘇)有限公司(附註a)	PRC 中國	PRC 中國	US\$40,000,000 40,000,000美元	100%	100%	Production and distribution of paper products 生產及分銷紙製品
New Island Printing Company Limited 新洲印刷有限公司	Hong Kong 香港	Hong Kong 香港	HK\$200 ordinary shares and HK\$1,000,000 non-voting deferred shares 200港元的普通股及1,000,000港元無投票權遞延股份	100%	100%	Investment holding and distribution of paper products 投資控股及分銷紙製品
New Island Printing (Liaoning) Limited (note a) 新洲印刷(遼寧)有限公司(附註a)	PRC 中國	PRC 中國	RMB30,000,000 人民幣30,000,000元	100%	100%	Production and distribution of paper products 生產及分銷紙製品
New Island (Shanghai) Paper Products Co. Ltd (note a) 新洲(上海)紙品有限公司(附註a)	PRC 中國	PRC 中國	US\$2,500,000 2,500,000美元	100%	100%	Production and distribution of paper products 生產及分銷紙製品
NITNS LLC	USA 美國	USA 美國	100 ordinary shares of US\$1 each 100股每股1美元的普通股	51%	51%	Provision of marketing services 提供市場推廣服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

55. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Principal place of business 主要營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股份/註冊資本	Effective equity interest held by the Company 本公司實際持有股權		Principal activities 主營業務
				31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	
Shanghai Huajun Rubber Technology Co., Ltd (note b) 上海華君橡膠科技有限公司(附註b)	PRC 中國	PRC 中國	RMB30,000,000 人民幣30,000,000元	60%	60%	Trading of rubber and products 橡膠及化工產品貿易
Shanghai New Island Packaging Printing Co Ltd (note a) 上海新洲包裝印刷有限公司(附註a)	PRC 中國	PRC 中國	US\$5,700,000 5,700,000美元	100%	100%	Production and distribution of paper products 生產及分銷紙製品
Shenzhen Huajun Financial Leasing Limited ("Huajun Leasing") (note c) 深圳市華君融資租賃有限公司 (「華君租賃」)(附註c)	PRC 中國	PRC 中國	US\$50,000,000 50,000,000美元	70%	70%	Provision of financial leasing and associated services 提供融資租賃及相關服務
United Securities Limited 團結證券有限公司	Hong Kong 香港	Hong Kong 香港	HK\$29,500,000 29,500,000港元	100%	100%	Providing securities brokerage services 提供證券經紀服務
Wuxi Huiyuan (note b) 無錫惠遠(附註b)	PRC 中國	PRC 中國	RMB180,000,000 人民幣180,000,000元	100%	100%	Property development 物業開發
Wuxi Huize (note b) 無錫惠澤(附註b)	PRC 中國	PRC 中國	RMB100,000,000 人民幣100,000,000元	70%	70%	Property development 物業開發
Yingkou Yi Hua Green Packaging Printing Company Limited (note b) 營口益華綠色包裝印務有限公司 (附註b)	PRC 中國	PRC 中國	RMB10,000,000 人民幣10,000,000元	100%	100%	Production and distribution of paper products 生產及分銷紙製品

Note: For those subsidiaries established in the PRC, their classification of establishment is as follows:

- (a) wholly foreign owned enterprise
- (b) domestic invested company
- (c) sino-foreign enterprise

附註：該等附屬公司於中國成立，其成立的分類如下：

- (a) 外商獨資企業
- (b) 內資公司
- (c) 中外合資企業

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year/period.

The table below shows details of Huajun Leasing and Wuxi Huize, the non-wholly owned subsidiaries of the Group at 31 December 2019 and 2018 that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests	(Loss) profit allocated to non-controlling interests	Balance of non-controlling interests
附屬公司名稱	註冊成立地點及主要營業地點	非控股股東權益持有之所有權及投票權比例	分配予非控股股東權益之(虧損)溢利 RMB'000 人民幣千元	非控股股東權益結餘 RMB'000 人民幣千元
31 December 2019				
二零一九年十二月三十一日				
Huajun Leasing	PRC	30%	(1,454)	108,739
華君租賃	中國			
Wuxi Huize	PRC	30%	13,256	(61,617)
無錫惠澤	中國			
31 December 2018				
二零一八年十二月三十一日				
Huajun Leasing	PRC	30%	(1,276)	110,193
華君租賃	中國			
Wuxi Huize	PRC	30%	(940)	(74,873)
無錫惠澤	中國			

55. 本公司主要附屬公司之詳情(續)

上表所列之本集團附屬公司為董事認為對本集團之業績或資產有重大影響之附屬公司。董事認為，將其他附屬公司之詳情列出將過於冗長。

概無附屬公司於年／期末發行任何債務證券。

下表列示於二零一九年及二零一八年十二月三十一日本集團擁有重大非控股股東權益之非全資附屬公司華君租賃及無錫惠澤之詳情：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Summarised consolidated financial information prepared in accordance with Hong Kong Financial Reporting Standards before intragroup eliminations in respect of the subsidiaries that have material non-controlling interests are set out below.

55. 本公司主要附屬公司之詳情(續)

有關擁有重大非控股股東權益之附屬公司根據香港財務報告標準編制之集團內部對銷前之綜合財務報表概要載列如下。

		Huajun Leasing 華君租賃	
		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Non-current assets	非流動資產	20,979	21,050
Current assets	流動資產	243,779	279,945
Current liabilities	流動負債	(48,714)	(80,106)

		Huajun Leasing 華君租賃	
		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	1.4.2018 to 31.12.2018 二零一八年 四月一日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Revenue	收益	127	953
(Loss) profit and total comprehensive (expense) income	(虧損)溢利及全面(支出)收益	(4,847)	373
Loss allocated to non-controlling interests	分配予非控股股東權益之虧損	(1,454)	(1,276)
Cash flows (used in) from operating activities	經營活動(使用)產生之現金流量	(35,930)	16,744
Cash flows used in investing activities	投資活動使用之現金流量	(13)	-
Cash flows from (used in) financing activities	融資活動產生(使用)之現金流量	34,802	(26,825)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

55. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued) 55. 本公司主要附屬公司之詳情(續)

		Wuxi Huize 無錫惠澤	
		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Non-current assets	非流動資產	54	121
Current assets	流動資產	730,308	1,098,149
Current liabilities	流動負債	(939,596)	(1,347,691)

		Wuxi Huize 無錫惠澤	
		1.1.2019 to 31.12.2019 二零一九年 一月一日 至二零一九年 十二月三十一日 RMB'000 人民幣千元	6.7.2018 to 31.12.2018 二零一八年 七月六日 至二零一八年 十二月三十一日 RMB'000 人民幣千元
Revenue	收益	403,858	17,592
Profit (loss) and total comprehensive income (expense)	溢利(虧損)及全面收益(開支)總額	44,187	(2,421)
Profit (loss) allocated to non-controlling interests	分配予非控股股東權益之溢利(虧損)	13,256	(940)
Cash flows from (used in) operating activities	經營活動產生(使用)之現金流量	389,972	(79,715)
Cash flows used in investing activities	投資活動使用之現金流量	(69,117)	(17)
Cash flows (used in) from financing activities	融資活動(使用)產生之現金流量	(333,733)	74,866

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

56. 本公司之財務狀況表

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31.12.2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Interests in subsidiaries	於附屬公司之權益	1,730,394	1,589,550
Amounts due from subsidiaries (Note)	應收附屬公司之款項(附註)	7,015,846	7,759,766
		8,746,240	9,349,316
CURRENT ASSETS	流動資產		
Amounts due from subsidiaries (Note)	應收附屬公司之款項(附註)	2,019,822	1,165,082
Deposits and prepayments	按金及預付款項	21,026	20,415
Bank balances and cash	銀行結餘及現金	27,055	191,886
		2,067,903	1,377,383
CURRENT LIABILITIES	流動負債		
Other payables	其他應付款項	11,844	18,395
Amounts due to subsidiaries	應付附屬公司之款項	7,210,361	2,991,778
Obligations under financing arrangements	融資安排承擔	-	2,693,469
Corporate bonds	公司債券	3,612	214,840
		7,225,817	5,918,482
NET CURRENT LIABILITIES	淨流動負債	(5,157,914)	(4,541,099)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	3,588,326	4,808,217
NON-CURRENT LIABILITIES	非流動負債		
Amount due to immediate holding company	應付直接控股公司之款項	16,655	1,706,956
Corporate bonds	公司債券	76,921	76,109
Convertible bonds – liability component	可換股債券 – 負債部份	776,973	227,498
Convertible bonds – derivative component	可換股債券 – 衍生部份	4,942	17,134
Financial guarantee contracts	財務擔保合約	-	193,904
		875,491	2,221,601
NET ASSETS	淨資產	2,712,835	2,586,616
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	55,983	55,203
Reserves	儲備	2,656,852	2,531,413
TOTAL EQUITY	權益總額	2,712,835	2,586,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note: ECL for amounts due from subsidiaries and bank balances are assessed and impairment loss of approximately RMB1,058,630,000 (2018: RMB700,000,000) is made on the amounts due from subsidiaries based on the Company's internal and/or external credit rating.

Movement in reserves

		Share premium	Contributed surplus	Share-based payment reserve	Exchange reserve	Deemed contribution reserve	Convertible bonds-equity conversion reserve	Accumulated losses	Total
		股份溢價	實繳盈餘	以股份為基礎之付款儲備	匯兌儲備	視作注資儲備	可換股債券-權益轉換儲備	累計虧損	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 April 2018	於二零一八年四月一日	2,551,848	69,589	50,989	(153,940)	180,970	-	(9,628)	2,689,828
Loss for the period	期內虧損	-	-	-	-	-	-	(499,612)	(499,612)
Other comprehensive income	其他全面收益	-	-	-	187,646	-	-	-	187,646
Total comprehensive income (expense) for the period	期內全面收益(開支)總額	-	-	-	187,646	-	-	(499,612)	(311,966)
Expiry of share options	購股權逾期	-	-	(8,386)	-	-	-	8,386	-
Deemed contribution from immediate holding company of the Company	視作本公司直接控股公司之注資	-	-	-	-	186,346	-	-	186,346
Reversal of deemed contribution from the controlling company	撥回視作控股公司之注資	-	-	-	-	(32,795)	-	-	(32,795)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	2,551,848	69,589	42,603	33,706	334,521	-	(500,854)	2,531,413
Loss for the year	年內虧損	-	-	-	-	-	-	(610,302)	(610,302)
Other comprehensive income	其他全面收益	-	-	-	32,459	-	-	-	32,459
Total comprehensive income (expenses) for the year	年內全面收益(開支)總額	-	-	-	32,459	-	-	(610,302)	(577,843)
Lapsed of share options	購股權失效	-	-	(3,842)	-	-	-	3,842	-
Issue of convertible bonds	發行可換股債券	-	-	-	-	-	541,618	-	541,618
Acquisition of a wholly owned subsidiary	收購全資附屬公司	5,618	-	-	-	-	-	-	5,618
Deemed contribution from immediate holding company of the Company	視作本公司直接控股公司之注資	-	-	-	-	3,377	-	-	3,377
Reversal of deemed contribution from the controlling company	撥回視作控股公司之注資	-	-	-	-	(78,735)	-	-	(78,735)
Deemed contribution from reversal of provision of financial guarantee	視作財務擔保撥備撥回之注資	-	-	-	-	231,404	-	-	231,404
At 31 December 2019	於二零一九年十二月三十一日	2,557,466	69,589	38,761	66,165	490,567	541,618	(1,107,314)	2,656,852

56. 本公司之財務狀況表(續)

附註：應收附屬公司之款項及銀行結餘之預期信貸虧損已予評估，並基於本公司之內部及／或外部信貸評級對應收附屬公司之款項作出約人民幣1,058,630,000元(二零一八年：人民幣700,000,000元)之減值虧損。

儲備變動

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

57. CONTINGENT LIABILITIES

As at 31 December 2019, the Group has several outstanding legal proceedings with construction contractors, customers, suppliers and joint venture partner that against the Group in the PRC in relation to the Group's property development and investment, printing and solar photovoltaic segment. Apart from disclosed below, the directors consider that all other legal proceedings would not have significant financial impact to the Group as the corresponding claims against the Group are either not significant or not probable to have a material financial impact to the Group, based on the advice of the legal counsel.

As disclosed in note 30(a), the Cooperation Agreement that entered between the Group and the independent third party is not likely to be proceeded due to the failure to comply with certain urban renewal policies in Guangdong Province, the PRC and the relating project shall be terminated. Accordingly, the counterparty has raised a civil prosecution to Guangdong High Court* against the Group regarding the breach of the Cooperation Agreement. The hearing was held on 29 March 2019 and a judgement was handed down by Guangdong High Court on 29 September 2019, requesting the Group to refund the deposit received of RMB50,000,000 (note 30(a)) and pay for damages of RMB80,000,000 to the counterparty. The Group filed an appeal to the Guangdong High Court and the hearing is scheduled on 8 May 2020. The Group has provided the provision of RMB80,000,000 (note 30(a)) based on the initial judgement handed down by Guangdong High Court.

57. 或然負債

於二零一九年十二月三十一日，本集團涉及數項由建築承建商、客戶、供應商及合營企業夥伴就本集團之物業開發及投資、印刷及太陽能光伏分部於中國向本集團提出之尚未裁決之法律訴訟。除下文所披露者外，董事認為，所有其他法律訴訟均不會對本集團造成重大財務影響，因為根據法律顧問之意見，向本集團提出之相應申索並不重大，亦不太可能對本集團造成重大財務影響。

誠如附註30(a)所披露，本集團與獨立第三方所訂立的合作協議很可能因為未能遵守中國廣東省若干城市更新政策而無法繼續，而有關項目須予終止。因此，對手方就違反合作協議向廣東省高級人民法院對本集團提出民事訴訟。聆訊於二零一九年三月二十九日召開，而廣東省高級人民法院於二零一九年九月二十九日宣佈判決，要求本集團向對手方退回已收取按金人民幣50,000,000元(附註30(a))及支付損害賠償人民幣80,000,000元。本集團向廣東省高級人民法院提出上訴，而聆訊預定於二零二零年五月八日召開。本集團已就廣東省高級人民法院的初步判決計提撥備人民幣80,000,000元(附註30(a))

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

58. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended 31 December 2019, the Group entered into new arrangements in respect of office premises. Right-of-use assets and lease liabilities of RMB6,501,000 were recognised at the commencement of the leases.
- (b) As disclosed in note 42, on 29 March 2019, Huajun Holdings Group Limited, a company wholly owned by Mr. Meng and his spouse, replaced Huajun Properties Yangzhou and B&H Properties Yingkou to be the guarantor of the financing arrangement and therefore the entire outstanding balance of approximately RMB2,735,448,000 were reclassified from obligations under financing arrangement to amount due to immediate holding company.
- (c) As disclosed in note 48(a), on 28 June 2019, the Group acquired the entire capital interest of Huaren Real Estate at a consideration of RMB190,000,000 settled by the issue of a convertible bond to China Huajun Group Limited.

59. EVENTS AFTER THE REPORTING PERIOD

- (a) On 22 January 2020, the Company entered into a conditional subscription agreement with CHG, the substantial shareholder of the Company, pursuant to which the Company conditionally agreed to issue and CHG conditionally agreed to subscribe the convertible bond in the principal amount of HK\$1,000,000,000 at the issue price, which is 100% of the principal amount of the convertible bond. The said subscription is subject to the independent shareholders' approval and the convertible bond has not been issued as at the date of these consolidated financial statements.

58. 主要非現金交易

- (a) 截至二零一九年十二月三十一日止年度，本集團就辦公室物業訂立新安排。人民幣6,501,000元之使用權資產及租賃負債於租賃開始時確認。
- (b) 誠如附註42所披露，於二零一九年三月二十九日，華君控股集團有限公司（一間由孟先生及其配偶全資擁有的公司）取代華君地產揚州及保華置業營口作為融資安排的擔保人及因此，根據融資安排，所有未償還結餘約人民幣2,735,448,000元自承擔重新分類至應付直接控股公司之款項。
- (c) 誠如附註48(a)所披露，於二零一九年六月二十八日，本集團收購華仁置業全部股權，代價為人民幣190,000,000元，透過向中國華君集團有限公司發行可換股債券結算。

59. 報告期後事項

- (a) 於二零二零年一月二十二日，本公司與中國華君集團（本公司重大股東）訂立有條件認購協議，據此，本公司有條件同意發行，而中國華君集團同意以發行價認購本金額為1,000,000,000港元之可換股債券，相等於可換股債券本金額的100%。上述認購須取得獨立股東批准，於本綜合財務報表日期，可換股債券尚未發行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

59. EVENTS AFTER THE REPORTING PERIOD (Continued)

- (b) On 30 March 2020, Baohua Properties (China) Limited* ("Baohua Properties China") (an indirect wholly-owned subsidiary of the Company), and Changzhou Shiao New Energy Co., Ltd* ("Changzhou Shiao") (a limited liability company established in the PRC and an independent third party of the Company) entered into a sale and purchase agreement, pursuant to which Baohua Properties China agreed to sell and Changzhou Shiao agreed to acquire the sale shares and sale loan owed by Huaren Real Estate (Huai'an) Co., Ltd. for a total consideration of RMB252,110,000, comprising of RMB20,000,000 being the consideration for the Sale Shares and RMB232,110,000 being the consideration for the Sale Loan. As certain conditions of the sale and purchase agreement have not been fulfilled, the said disposal has not been completed as at the date of these consolidated financial statements.
- (c) The Group has breached the repayment terms of a borrowings with outstanding principal of RMB1,440,000,000 of which RMB240,000,000 was in default since 27 March 2020. Further details of the breach is disclosed in note 32(e) to these consolidated financial statement.
- (d) Subsequent to the end of the reporting period, the outbreak of COVID-19 in January 2020 has caused disruptions to many industries. These disruptions have inevitably posed a significant threat to the global economy in 2020. Despite the challenges, governments and international organizations have implemented a series of measures to contain the pandemic. The time duration and scope of these disruptions cannot be accurately assessed at this point in time. Given the dynamic nature of these circumstances, the financial impact will be reflected in the Group's subsequent financial statements. The Group will closely monitor the development of the pandemic and assess its impact on its operations.

60. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation of the financial statements.

Convertible bonds – liability component and convertible bonds – derivative component of RMB227,498,000 and RMB17,134,000 respectively which had previously been recorded under "Convertible bonds" in the consolidated statement of financial statements as at 31 December 2018, was shown separately in the consolidated statement of financial statements as at 31 December 2019.

59. 報告期後事項(續)

- (b) 於二零二零年三月三十日，保華地產(中國)有限公司(本公司的間接全資附屬公司)(「保華地產中國」)與常州世傲新能源有限公司(「常州世傲」)(一間於中國成立的有限公司及本公司的獨立第三方)訂立買賣協議。據此，保華地產中國同意出售及常州世傲同意收購華仁置業(淮安)有限公司的待售股份及所欠的待售貸款，總代價為人民幣252,110,000元，包括人民幣20,000,000元作為待售股份的代價及人民幣232,110,000元作為待售貸款的代價。由於買賣協議的若干條件尚未達成，於本綜合財務報表日期，上述出售事項尚未完成。
- (c) 本集團違反未償還本金人民幣1,440,000,000元的借款的償還條款，其中自二零二零年三月二十七日以來已拖欠人民幣240,000,000元。有關違反的進一步詳情於綜合財務報表附註32(e)披露。
- (d) 在報告期後，二零二零年一月爆發的COVID-19對多個行業造成衝擊。該等衝擊不可避免地對二零二零年的全球經濟構成了重大威脅。儘管面臨挑戰，各國政府和國際組織已採取了一系列措施遏制該流行病。目前無法準確評估這些衝擊的持續時間和範圍。鑑於該等情況的動態性質，財務影響將反映在本集團的後續財務報表中。本集團將密切監察該流行病的發展，並評估其對業務的影響。

60. 比較數字

若干比較數字經已重新分類以配合本年度財務報表之呈列方式。

先前已計入二零一八年十二月三十一日的綜合財務報表之「可換股債券」內的可換股債券－負債部分及可換股債券－衍生部分，分別人民幣227,498,000元及人民幣17,134,000元已於二零一九年十二月三十一日的綜合財務報表分開呈列。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 March			Period ended 31 December	Year ended 31 December
		截至三月三十一日止年度			截至十二月 三十一日止 期間	截至十二月 三十一日止 年度
		2016	2017	2018	2018	2019
		二零一六年	二零一七年	二零一八年	二零一八年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益	1,374,919	3,313,992	3,921,601	2,649,485	3,699,606
Profit (loss) before tax	除稅前溢利(虧損)	26,223	134,548	(925,030)	(349,597)	(563,283)
Income tax expense	所得稅開支	(50,712)	(91,147)	(3,425)	(46,514)	(70,472)
Profit (loss) for the year/period from continuing operation	持續經營業務之年度/期間 溢利(虧損)	(24,489)	43,401	(928,455)	(396,111)	(633,755)
Attributable to:	應佔：					
Shareholders of the Company	本公司股東	27,090	22,717	(931,079)	(388,926)	(644,710)
Non-controlling interests	非控股股東權益	(51,579)	20,684	2,624	(7,185)	10,955
		(24,489)	43,401	(928,455)	(396,111)	(633,755)

FIVE YEARS FINANCIAL SUMMARY

五年財務概要



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		As at 31 March 於三月三十一日			As at 31 December 於十二月三十一日	
		2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Total assets	總資產	5,266,919	11,672,189	11,764,556	15,762,535	17,655,495
Total liabilities	總負債	(2,291,593)	(8,146,342)	(9,083,035)	(13,131,815)	(14,934,271)
		2,975,326	3,525,847	2,681,521	2,630,720	2,721,224
Share capital	股本	51,787	55,203	55,203	55,203	55,983
Reserves	儲備	2,812,443	3,336,717	2,481,599	2,513,008	2,597,448
Equity attributable to shareholders of the Company	本公司股東應佔權益	2,864,230	3,391,920	2,536,802	2,568,211	2,653,431
Non-controlling interests	非控股股東權益	111,096	133,927	144,719	62,509	67,793
Total equity	總權益	2,975,326	3,525,847	2,681,521	2,630,720	2,721,224

SUMMARY OF PROPERTIES

物業概要

Particulars of the Group's major investment properties, properties held for sale and properties under development as at 31 December 2019 are as follows:

本集團於二零一九年十二月三十一日之主要投資物業、持作出售的物業及發展中物業之詳情如下：

INVESTMENT PROPERTIES

投資物業

Location 地點	Purpose 用途	Approximate gross floor areas 概約樓面 建築面積 (sq.meter) (平方米)	Group's interest 本集團 所佔權益	Land lease duration 土地 租賃期間
1. Commercial Units at Jincan Garden, Xiong Yue Town, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市熊岳鎮金燦花園之商業單位	Commercial 商業	2,072	100%	Medium 中期
2. Medical Building, the middle of Kunlun Street, Bayuquan District, Liaoning Province, the PRC 中國遼寧省鮫魚圈區昆侖大街中段醫藥大廈	Commercial 商業	5,686	100%	Medium 中期
3. Commercial units at No. 4 Sanba Square, Zhongshan District, Dalian City, Liaoning Province, the PRC 中國遼寧省大連市中山區三八廣場4號之商業單位	Commercial 商業	41,945	100%	Medium 中期
4. Annexe to Shun Hing Square, Shennan East Road, Luohu District, Shenzhen City, the PRC 中國深圳市羅湖區深南東路信興廣場附樓	Residential 住宅	1,759	100%	Medium 中期
5. Commercial units located at Liangxi District, Wuxi City, Jiangsu Province, the PRC 中國江蘇省無錫市梁溪區之商業單位	Commercial 商業	1,061	100%	Medium 中期

SUMMARY OF PROPERTIES

物業概要



PROPERTIES HELD FOR SALE

持作出售的物業

Location 地點	Purpose 用途	Approximate gross floor areas 概約樓面 建築面積 (sq.meter) (平方米)	Group's interest 本集團 所佔權益	Land lease duration 土地 租賃期間
South-eastern side of Wang'ershan Avenue Bayuquan District, Yingkou City, Lianing Province, the PRC 中國遼寧省營口市鮫魚圈區望兒山大街東南邊	Residential 住宅	36,524	100%	Long 長期
Residential Units located at Liangxi District, Wuxi City, Jiangsu Province, the PRC 位於中國江蘇省無錫市梁溪區之住宅單位	Residential 住宅	8,334	100%	Long 長期
The south of Moon Lake Park and the west of Liaodongwan Avenue, Bayuquan District, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市鮫魚圈區月湖海岸南部和遼東灣大街西部	Residential/ Commercial 住宅/商業	119,644	100%	Medium – Commercial 中期 – 商業 Long – Residential 長期 – 住宅

SUMMARY OF PROPERTIES

物業概要

PROPERTIES UNDER DEVELOPMENT FOR SALE 發展中待售物業

Location 地點	Purpose 用途	Site areas 地盤面積 (sq.meter) (平方米)	Approximate gross floor areas 概約樓面 建築面積 (sq.meter) (平方米)	Stage of completion 完成階段	Expected completion 預期落成	Group's Interest 本集團所佔權益	Land lease duration 土地租賃期間
Intersection of Dongyuan Road and Jianmin Road, Gaoyou City, Jiangsu Province, the PRC 中國江蘇省高郵市東園路與健民路交匯處	Residential/ Commercial 住宅/商業	180,616	507,172	Superstructure in progress 上層建築仍在進行	Phase I-S (2020) Phase I-N (2022) Phase II (2023) 第一期-S(二零二零年) 第一期-N(二零二二年) 第二期(二零二三年)	80%	Medium - Commercial 中期-商業 Long - Residential 長期-住宅
A Parcel of Vacant Land located at the junction of Luma Road and Changle Road, Binhu District, Wuxi City, Jiangsu Province, the PRC 位於中國江蘇省無錫市濱湖區陸馬路及常樂路交界之一幅空地	Residential/ Commercial 住宅/商業	163,232	366,035	Phase I - Final stage Phase II - Foundation in progress 第一期-最後階段 第二期-地基工程 仍在進行	Phase I (2020) Phase II (2022) 第一期(二零二零年) 第二期(二零二二年)	100%	Medium - Commercial 中期-商業 Long - Residential 長期-住宅
Residential units located at No. 99 Changshan Road, Jiangyin City, Jiangsu Province, the PRC 位於中國江蘇省江陰市長山道99號之住宅單位	Residential/ Commercial 住宅/商業	109,019	298,120	Final stage 最後階段	Phase I, II, III (completed) Phase IV (2022) 第一、二、三期(落成) 第四期(二零二零年)	70%	Medium - Commercial 中期-商業 Long - Residential 長期-住宅
A parcel of developing land located at the east of Pingan Avenue and south of Haiyun Road, Bayuquan District, Yingkou City, Liaoning Province, the PRC 115007 中國遼寧省營口市鐵嶺區平安大街東、海嶺路南之開發中土地 郵編：115007	Residential/ Commercial 住宅/商業	38,120	119,798	Superstructure in progress 上層建築仍在進行	2020 二零二零年	100%	Medium - Commercial 中期-商業 Long - Residential 長期-住宅

INVESTMENT PROPERTIES UNDER DEVELOPMENT 發展中投資物業

Location 地點	Purpose 用途	Site areas 地盤面積 (sq.meter) (平方米)	Approximate gross floor areas 概約樓面 建築面積 (sq.meter) (平方米)	Stage of completion 完成階段	Expected completion 預期落成	Group's Interest 本集團所佔權益	Land lease duration 土地租賃期間
Investment properties under construction at Xinzhuang Town, Minhang District, Shanghai, the PRC 中國上海市閘行區莘莊鎮之在建投資物業	Office/Commercial 辦公室/商業	39,825	185,075	Superstructure in progress 上層建築仍在進行	2021 二零二一年	100%	Medium 中期
Investment properties under construction located at the south-eastern side of the junction of Titan Road and Zhongshan Road, Shahekou District, Dalian City, Liaoning Province, the PRC 中國遼寧省大連市沙河口區體壇路與中山路交界東南側之在建投資物業	Office/Commercial 辦公室/商業	10,857	146,270	Main structure completed and under interior decoration 建築主體完成 及內部裝修	2020 二零二零年	100%	Medium 中期

