

L.gem 綠景(中國)地產投資有限公司

LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

香港聯交所股份代號: 95 HKSE Stock Code: 95

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

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Develop a Brand New Smart City

A-N-N-U-A-L
R-E-P-O-R-T
年——報
2020 Annual Report

聚 力 灣 區 大 舊 改 打 造 智 慧 新 城 區

Contents

目——錄

Corporate Information	2	公司資料
Chairman's Statement	4	主席報告
Management Discussion and Analysis	7	管理層討論與分析
Biographical Details of Directors and Senior Management	23	董事及高級管理人員之履歷
Directors' Report	27	董事會報告
Corporate Governance Report	42	企業管治報告
Independent Auditor's Report	54	獨立核數師報告
Consolidated Statement of Profit or Loss	62	綜合損益表
Consolidated Statement of Profit or Loss and Other Comprehensive Income	63	綜合損益及其他全面收益表
Consolidated Statement of Financial Position	64	綜合財務狀況報表
Consolidated Statement of Changes in Equity	66	綜合權益變動表
Consolidated Statement of Cash Flows	67	綜合現金流量表
Notes to the Consolidated Financial Statements	70	綜合財務報表附註
Financial Summary	228	財務概要
List of Principal Properties	229	主要物業



Corporate Information

公司資料

Directors

Executive Directors

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

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

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

Executive Committee

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

Audit Committee

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

Nomination Committee

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

Remuneration Committee

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

Authorised Representatives

Mr. TANG Shouchun
Mr. SIU Chi Hung

Company Secretary

Mr. CHAN Kin Man

Auditor

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

Registered Office

Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

董事

執行董事

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

非執行董事

李麗紅女士

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

執行委員會

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

審核委員會

胡競英女士(*主席*)
王敬先生
莫凡先生

提名委員會

黃敬舒女士(*主席*)
王敬先生
莫凡先生

薪酬委員會

胡競英女士(*主席*)
黃敬舒女士
莫凡先生

授權代表

唐壽春先生
蕭志雄先生

公司秘書

陳健民先生

核數師

德勤•關黃陳方會計師行
註冊公眾利益實體核數師

註冊辦事處

Windard 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

Unit 2501, NEO,
123 Hoi Bun Road
Kwun Tong,
Kowloon, Hong Kong

PRC Offices

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

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

Legal Advisers (in alphabetical order)

Appleby Hunter Bailhache
Deacons
Global Law Office
Sidley Austin

Principal Bankers (in alphabetical order)

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

Principal Share Registrar and Transfer Office

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Branch Share Registrar and Transfer Office in Hong Kong

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

Securities Code

Stock

HKEx: 95
Board Lot: 2,000 shares

Bond

US\$470,000,000 12% Senior Notes due 2023 (ISIN: XS2098347821)

Website

www.lvgem-china.com

總辦事處及香港主要營業地點

香港九龍
觀塘
海濱道123號
綠景NEO大廈2501室

國內辦事處

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

中國蘇州市
新區獅山路88號
金河國際中心26層
郵編：215011

法律顧問 (按英文字母排列次序)

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

主要往來銀行 (按英文字母排列次序)

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

主要股份過戶登記處

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

證券代號

股份

香港聯交所：95
交易單位：2,000股

債券

470,000,000美元於二零二三年到期的12%優先票據
(國際證券編號：XS2098347821)

公司網址

www.lvgem-china.com

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the “Directors” or the “Board”) of LVGEM (China) Real Estate Investment Company Limited (the “Company” or “LVGEM (China)”), I would like to report to all shareholders the consolidated business performance of the Company and its subsidiaries (collectively known as the “Group”) for the year ended 31 December 2020.

In 2020, the COVID-19 pandemic has spread across the globe and caused an unprecedented impact on the global economy. With the committed efforts of medical research institutions of various countries, the vaccines have been developed and successively put into use, leading to clearer signs of economic recovery. Compared with other countries in the world, the PRC was among the fastest countries to effectively control the pandemic within the country in the first quarter of 2020. Following the full resumption of work and production in the second quarter, social, economic and production activities of the PRC resumed normal gradually. The construction and sales of the real estate industry of the PRC also saw rapid recovery and showed strong resilience. Steady and healthy market growth was maintained in general.

“No speculation on residential properties” and “accelerating urban renewal” were the keynote of the two main industry policies during the year. To promote steady and healthy growth of the real estate market, prohibition of illegal money inflow into the real estate sector was introduced by China Banking and Insurance Regulatory Commission and the rules of the “new eight regulations” regarding adjustment and control of the real estate industry in Shenzhen were promulgated. The industry has resumed its rational, diverse and gradually improving regulatory system, which will promote sound and long-term development of the industry. Against the backdrop of urbanisation, urban renewal, as supported and promoted by the government, has become the essential path of industry development. Leveraging 30 years of presence in Shenzhen with a focus on urban renewal in the Greater Bay Area, the Group has seen unlimited opportunities in the industry.

LVGEM (China) has focused on the development of key districts in core cities of the Greater Bay Area for more than three decades. Started as a construction company, LVGEM (China) has established as a pioneer in the urban renewal field by upholding the strategic vision of dual-core business layout and leveraging the two-way expansion model for acquiring land reserve resources, accumulating asset advantage of extra high value in the Greater Bay Area for years. With technological and industry development, the Group has introduced the strategy of “focusing on urban renewal in the Greater Bay Area and developing a brand new smart city”, with a view to driving long-term development of the Company on an ongoing basis by developing the smart city benchmark in large-scale urban renewal projects, thereby creating new value for cities and generating fruitful results for investors.

各位股東：

本人謹代表綠景(中國)地產投資有限公司(「本公司」或「綠景(中國)」)董事會(「董事」或「董事會」)向所有股東們匯報本公司及其附屬公司(統稱「本集團」)截至二零二零年十二月三十一日止年度的綜合業務表現。

二零二零年，新型冠狀病毒肆虐全球，給環球經濟帶來前所未有的衝擊。在各國醫學科研機構的攻堅下，疫苗陸續面世並投入使用，經濟復甦曙光漸晰。環顧全球各國，中國於二零二零年一季度率先有效控制國內疫情，二季度隨著中國全面復工復產，社會經濟生產活動逐步回歸正常，中國房地產行業的施工與銷售也迅速修復進度，呈現出強大的韌勁，整體市場保持平穩健康的增長。

「房住不炒」與「加快城市更新」是年內兩大打政策基調。為了促進房地產市場平穩健康發展，從中國銀保監會的嚴禁資金違規投向房地產領域，到深圳市房地產調控「新八條」細則，行業回歸理性、多元化及逐步完善的保障體系，將推動行業健康的長足發展。而在城市化的時代背景下，城市更新成為了行業發展的必由之路，也得到了政府的支持和推動。對於扎根深圳三十年、專注大灣區城市更新的本集團來說，行業機遇無可限量。

綠景中國深耕大灣區核心城市核心區域逾三十餘年，以建築業為起點，以雙核佈局的戰略思想、雙向擴張的土儲資源獲得方式，以城市更新領域先行者之姿，多年來在大灣區積累了極高價值的資產優勢。在行業和科技發展下，集團提出「聚力灣區大舊改，打造智慧新城區」的戰略，通過在大型城市更新項目內打造智慧城區標桿，以持續推動公司長期發展，為城市創造全新價值，為投資者提供豐碩回報。

Chairman's Statement

主席報告

Real estate development and sales segment is the most important among the three main business segments of the Group. The progress of project development and contracted sales of prime locations in core cities such as Shenzhen and Zhuhai achieved satisfactory results during the year. In 2020, LVGEM Amazing Plaza in Shenzhen and the southern part of LVGEM Joyful Town in Zhuhai were completed and delivered. D1 zone of LVGEM International Garden in Huazhou was completed and delivered ahead of schedule, while LVGEM Mansion 1898 in Suzhou was accepted and launched for sale ahead of schedule. New projects under construction included the Dongqiao Project in Zhuhai, the northern part of LVGEM Joyful Town in Zhuhai, G1 zone of LVGEM International Garden in Huazhou and others. In terms of sales, LVGEM Amazing Plaza in Shenzhen, LVGEM Joyful Town in Zhuhai and LVGEM International Garden in Huazhou recorded leading sales by region for the year.

For the promotion of urban renewal projects, the Group continued to push forward the urban renewal projects in, among others, Shenzhen, Zhuhai, Hong Kong and Dongguan during the year. The Dongqiao Urban Renewal Project in Zhuhai was the first to commence construction. Shenzhen Baishizhou Urban Renewal Project, Liguang Urban Renewal Project and Phase II of LVGEM Mangrove Bay No. 1 were all in the final signing phase before construction with steady progress. Among which, Shenzhen Baishizhou Urban Renewal Project achieved great breakthrough, including the acquisition of 80% of equity interest in the project through capital injection of controlling shareholders and 100% of signing rate of phase 1, which accelerated the progress of becoming the operating entity for construction, thus the value of quality land reserve of the Group located in prime location of Nanshan District, Shenzhen City will be maximised. Moreover, other projects located in key districts in core cities of the Greater Bay Area progressed as scheduled, which laid the foundation for the continued and ample provision of quality land reserve.

The Group maintained the “two-pronged” model of “residence + business” for the commercial property investment and operations segment during the year. Following the completion and delivery of urban renewal projects, the area of the commercial properties of the Group steadily increased. During the year, the Group held over 25 quality commercial property projects, as represented by projects under our two commercial brands, namely “NEO” and “Zoll”. The total gross floor area was approximately 799,888 square meters and the occupancy rate remained higher than the industry level, contributing stable rental income and growth in asset value for the Group. As at 31 December 2020, the revenue from commercial property investment and operations of the Group amounted to approximately RMB620.2 million, representing an increase of approximately 0.2% year-on-year against the adverse market condition.

For the comprehensive services segment, the Group was dedicated to offering excellent property management services and hotel operation services to customers and tenants of the Group's residential and commercial properties, which contributed approximately RMB292.0 million to the Group's revenue during the year. The comprehensive property management services provided by the Group included security services, property maintenance and management of ancillary facilities, property brokerage business, online platform and e-shops for lifestyle services, which comprised a total gross floor area of approximately 2.97 million square meters. In respect of hotel operations, the LVGEM Hotel actively explored new direction of marketing under the critical economic environment. It was positioned as a smart business hotel and aimed to focus on the development of both room quality and catering service, which made it the first among competing hotels in the same zone with an average occupancy rate of approximately 61%.

本集團三大業務之首的房地產開發與銷售業務，位於深圳、珠海等核心城市核心地段的項目開發進度與合同銷售，在本年度內均取得令人滿意的成績。二零二零年，深圳綠景美景廣場竣工交付、珠海綠景喜悅薈南區竣工交付、化州綠景國際花城D1區提前竣工交付、蘇州綠景公館1898提前驗收開盤；新開工項目包括珠海東橋項目、珠海綠景喜悅薈北區、化州綠景國際花城G1區等。銷售方面，深圳綠景美景廣場、珠海綠景喜悅薈、化州綠景國際花城均成為年度區域銷售領先項目。

城市更新項目推進方面，年內集團繼續深化推進深圳、珠海、香港及東莞等地的城市更新項目，珠海東橋城市更新項目率先動工，深圳白石洲城市更新項目、黎光城市更新項目和紅樹灣壹號二期項目均處於開工前最後簽約階段，並穩步向前推進。其中，深圳白石洲城市更新項目更是取得重大突破，包括通過控股股東注資取得項目股權至80%，一期簽約率達到100%，為快速取得實施主體，實現動工創造了條件，集團於深圳市南山區黃金地段的優質土儲即將迎來價值釋放。此外，其他大灣區核心城市核心地段的項目如期推進，也為土地儲備繼續保持優質和豐裕夯實了基礎。

集團的商業物業投資與經營業務，年內繼續秉持「住宅+商業」雙輪驅動模式，隨著城市更新項目的竣工交付，商業物業面積穩健增長。年內，集團持有超過25個以「NEO」和「佐聆」兩大商業品牌為代表的優質商業物業項目，總建築面積約為799,888平方米，出租率續高於行業水平，為本集團貢獻穩定的租金收入和資產增值。於二零二零年十二月三十一日止，集團來自商業物業投資與經營的收益約為人民幣620.2百萬元，逆市按年升約0.2%。

本集團的綜合服務業務，致力於為住宅及商業物業的客戶及租戶提供優質的物業管理服務和酒店運營服務，於本年度內為集團帶來收益約人民幣292.0百萬元。集團提供的全面物業管理服務，包括保安服務、物業維護、管理配套設施、房屋經紀業務及生活服務線上平台等綜合服務，服務的總建築面積約為297萬平方米。酒店運營方面，在嚴峻的經濟環境下，綠景酒店積極探索營銷新方向，定位智能化商務酒店，嘗試客房、餐飲並駕齊驅的策略，在同片區競爭酒店中位居第一，客房平均出租率約為61%。

Chairman's Statement

主席報告

In terms of financing, the Group continued to improve its financial structure actively during the year and adapted itself to the national regulatory requirements of “three red lines” for real estate enterprises. Both the liabilities to assets ratio after excluding receipts in advance and net gearing ratio have reached the target levels to allow sufficient fund for sustainable development of the Group.

Looking forward to 2021, the Group is expected to achieve substantial business growth. A number of urban renewal projects in Shenzhen represented by the Baishizhou Urban Renewal Project will enter the stage of large-scale development, while projects under construction and sale and property operating activities will be accelerated in full swing. Following the implementation of the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (《粵港澳大灣區發展規劃綱要》)”, “Opinions for Supporting the Development of Shenzhen as the Pilot Modelling Zone under the Socialism with Chinese Characteristics (《關於支持深圳建設中國特色社會主義先行示範區的意見》)” and a series of policies regarding the “three old” transformation supported by Shenzhen, it is expected that such favourable policies would lay the groundwork for historic opportunities to the Group. Looking ahead, the Group will seize the tremendous opportunities arising from the development of the Greater Bay Area and capitalise on favourable policies and benefits of population inflow, with a view to developing the smart city benchmark and striving to establish the Company as a new smart city developer and operator that is dedicated to the construction of the Guangdong-Hong Kong-Macao Greater Bay Area with its own ample land reserve resources, thereby bringing better life experience to the residents, infusing vitality to urban renewal and development as well as delivering long-term and sustainable returns to shareholders, investors and society. On behalf of the Board, I hereby express my sincere gratitude to all shareholders, investors, customers, partners and employees of the Group for their unwavering support. Adhering to the corporate mission of “continuously enhancing the value of cities”, the Group will make sustained efforts towards the vision and goal of “being the most respected city value-creator in the PRC”!

HUANG Jingshu
Chairman

Hong Kong, 30 March 2021

財務融資方面，本集團於本年度內持續積極優化財務結構，適應國家對房地產企業「三條紅線」監管要求，剔除預收款後的資產負債率和淨負債率均已達標，為集團的可持續發展做好資金的準備。

展望二零二一年，預期集團將進入大發展時期，以白石洲項目為代表的深圳多個城市更新項目將進入大開發階段，在建、在售項目及物業經營活動將全面提速。隨著《粵港澳大灣區發展規劃綱要》、《關於支持深圳建設中國特色社會主義先行示範區的意見》及深圳支持三舊改造一系列政策落地實施，預期該等利好政策將有助本集團獲得歷史性機遇。展望未來，集團將緊抓大灣區發展帶來的巨大機遇，利用利好政策及人口流入紅利，配合自身豐富土地資源儲備，打造出具有標杆意義的智慧城區，努力將公司締造成為助力粵港澳大灣區建設的智慧新城開發運營商，為居民帶來更好的生活體驗，為城市的更新與發展增添活力，為股東、投資者及社會帶來長遠可持續性的回報。在此，本人僅代表董事會向一直以來支持集團的所有股東、投資者、客戶、合作夥伴及員工表示衷心感謝，集團將以「持續提升城市價值」作為企業使命，朝著「做中國最受尊敬的城市價值創造者」的願景目標奮勇前進！

主席
黃敬舒

香港，二零二零年三月三十日

Management Discussion and Analysis

管理層討論與分析

Industry Review

In 2020, the global economy was under profound and lasting influence due to the COVID-19 pandemic. With strong and decisive measures for prevention and control of the pandemic, the PRC has taken the lead in fully returning to work. According to the data of the National Bureau of Statistics, the PRC realised a GDP of RMB101.6 trillion in 2020, representing a growth of 2.3% year-on-year. This was the first time that the PRC realised a GDP of over RMB100 trillion, which enabled it to become the only major economy in the world with positive economic growth.

With the impact of the pandemic, activities of the real estate industry in China were temporarily suspended at the beginning of the year. A lot of real estate enterprises promptly launched or upgraded their online marketing systems. Since the pandemic was basically under control in the second quarter and prevention and control of the pandemic has been effective, every industry resumed work and production and economic and production activities resumed normal operation. The real estate industry therefore accelerated the launch of new property projects, which led to fast recovery of sales since the second quarter. Under the loose monetary policy, the growth rate of investment in the real estate industry started to turn positive in the second quarter. According to the data of the National Bureau of Statistics, the investment in real estate development in the PRC amounted to RMB14,144.3 billion in 2020, representing a year-on-year increase of 7.0%. Among which, the investment in residential projects amounted to RMB10,444.6 billion, representing a year-on-year increase of 7.6%. During the year, both the sales area and amount of commodity housing saw another historical high at 1,760.86 million square meters and RMB17,361.3 billion, representing an accumulated year-on-year growth of 2.6% and 8.7%, respectively.

With the pent-up demand for housing and relaxed financing and capital requirement after the pandemic, the sales of commodity housing recorded rapid growth, while market segregation between first and second-tier core cities and some third and fourth-tier cities continued to intensify. Under the keynote of “no speculation on residential properties”, a new round of adjustment and control from the financing side commenced in the fourth quarter, which has made stabilising market investment and sales expectations the key direction of the industry.

With the support from favorable policies such as the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” and “Opinions for Supporting the Development of Shenzhen as the Pilot Modelling Zone under the Socialism with Chinese Characteristics (《關於支持深圳建設中國特色社會主義先行示範區的意見》)”, the real estate industry in Shenzhen remained on a growing trend during the year and once showed signs of overheating. To effectively curb speculation of properties and maintain the sound and healthy development of the real estate market, Shenzhen promulgated the “new eight measures” on adjustment and control successively starting from 15 July, with a view to steering the real estate industry in Shenzhen back to rational and stable growth. Meanwhile, urban renewal, which has become the main source of property supply in Shenzhen, also gained milestone policy support during the year. On 30 December, the Urban Renewal Ordinance of Shenzhen Special Economic Zone was passed by way of poll at the second meeting of the 46th meeting of the 6th Municipal Standing Committee of the National People's Congress, pursuant to which, old residential areas can be acquired if both contracted area and number of people signing contracts reach 95%. The new measure has been effective since 1 March 2021. It is expected that the measure will greatly facilitate the solving of deep-rooted problems in urban renewal, so as to promote quality development of urban renewal.

行業回顧

二零二零年，在新型冠狀病毒疫情的衝擊下，全球經濟受到沉重且深遠的影響，中國在果斷有力的疫情防控措施下，率先全面復工。國家統計局數據顯示，二零二零年中國實現國內生產總值(GDP)人民幣101.6萬億元，首次超越一百萬億大關，同比增長2.3%，成為全球唯一實現經濟正增長的主要經濟體。

受疫情影響，中國房地產行業在年初一度停擺，眾多房企迅即開拓或升級線上營銷系統，隨著疫情在二季度基本受控，疫情防控進入常態化，各行各業復工復產，各項經濟生產活動重回正軌，房地產行業紛紛加快推盤節奏，銷售自二季度快速復甦。在寬貨幣政策下，房地產投資增速於二季度開始轉正。國家統計局數據顯示，二零二零年，全國房地產開發投資人民幣141,443億元，同比增長7.0%，其中，住宅投資人民幣104,446億元，同比增長7.6%。年內，商品房銷售面積和銷售金額均再創歷史新高，分別達176,086萬平方米和人民幣173,613億元，累計同比上漲2.6%和8.7%。

受疫後購房需求的釋放以及貸款資金層面的寬鬆影響，商品房銷售規模快速增長，一二線核心城市與部分三四線城市的市場分化繼續加劇；在「房住不炒」的主基調下，四季度自融資端開啓新一輪調控，穩定市場投資及銷售預期成為行業主旋律。

受《粵港澳大灣區發展規劃綱要》、《關於支持深圳建設中國特色社會主義先行示範區的意見》政策的支持，年內深圳房地產行業保持上行態勢，並一度出現過熱現象，為遏止投機炒房現象、使房地產市場平穩健康發展，深圳市於七月十五日發佈「新八條」始陸續出臺調控細則，引導深圳房地產行業回歸理性及穩健增長態勢。同時，已經挑起深圳樓市供應大樑的城市更新，年內也有了里程碑式的更新政策支持。十二月三十日，《深圳經濟特區城市更新條例》經市六屆人大常委會第四十六次會議第二次會議表決通過，規定舊住宅區簽約面積與簽約人數雙95%後可徵收，並將自二零二一年三月一日起生效，預計對破解城市更新深層障礙、推動城市更新高品質發展，將起到極大的促進作用。

Management Discussion and Analysis

管理層討論與分析

Results

For the year ended 31 December 2020, the Group achieved total revenue of approximately RMB5,424.8 million (2019: RMB6,902.4 million), representing a decrease of approximately 21.4% year-on-year. Gross profit was approximately RMB2,665.7 million (2019: RMB4,430.4 million), representing a decrease of approximately 39.8% year-on-year. Gross profit margin remained at 49.1%, which is a high level in the industry (2019: 64.2%).

Profit for the year was approximately RMB3,451.1 million (2019: RMB1,750.0 million), representing a growth of approximately 97.2% year-on-year. Profit attributable to owners of the Company was approximately RMB3,453.4 million (2019: RMB1,750.0 million), representing a growth of approximately 97.3% year-on-year. Basic earnings per share was RMB68.03 cents (2019: RMB35.12 cents), representing a growth of approximately 93.7% year-on-year.

The Directors do not recommend the payment of any dividend for the year ended 31 December 2020.

The Group's key financial indicators for the year ended 31 December 2020 were as follows:

		2020 二零二零年 (RMB million) (人民幣百萬元)	2019 二零一九年 (RMB million) (人民幣百萬元)	Change 變動
Revenue	收益	5,424.8	6,902.4	-21.4%
Gross profit	毛利	2,665.7	4,430.4	-39.8%
Profit attributable to owners of the Company	本公司股東應佔盈利	3,453.4	1,749.9	+97.3%
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	68.03	35.12	+93.7%
Gross profit margin (%)	毛利率(%)	49.1	64.2	-15.1 percentage points 百分點
		As at 31 December 2020	As at 31 December 2019	
		於二零二零年十二月 三十一日	於二零一九年十二月 三十一日	
Bank balances and cash (including restricted bank deposits) (RMB million)	銀行結餘及現金(包括受限制銀行 存款)(人民幣百萬元)	9,409.7	8,347.0	
Average finance costs (%)*	平均融資成本(%)*	7.1	6.3	
Liabilities to assets ratio (%)	資產負債比率(%)	62.5	73.3	
Rate of equity return (%)	資本回報率(%)	14.0	13.5	

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

業績

截至二零二零年十二月三十一日止年度，本集團實現總收益約為人民幣5,424.8百萬元(二零一九年：人民幣6,902.4百萬元)，同比下調約21.4%。毛利約為人民幣2,665.7百萬元(二零一九年：人民幣4,430.4百萬元)，同比下跌約39.8%。毛利率維持在行業高水平的49.1%(二零一九年：64.2%)。

年內，盈利約為人民幣3,451.1百萬元(二零一九年：人民幣1,750.0百萬元)，同比增長約97.2%。本公司股東應佔盈利約為人民幣3,453.4百萬元(二零一九年：人民幣1,750.0百萬元)，同比增長約97.3%。每股基本盈利為人民幣68.03分(二零一九年：人民幣35.12分)，同比增長約93.7%。

董事會不建議就截至二零二零年十二月三十一日止年度派發任何股息。

以下是本集團截至二零二零年十二月三十一日止年度之主要財務指標：

		2020 二零二零年 (RMB million) (人民幣百萬元)	2019 二零一九年 (RMB million) (人民幣百萬元)	Change 變動
Revenue	收益	5,424.8	6,902.4	-21.4%
Gross profit	毛利	2,665.7	4,430.4	-39.8%
Profit attributable to owners of the Company	本公司股東應佔盈利	3,453.4	1,749.9	+97.3%
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	68.03	35.12	+93.7%
Gross profit margin (%)	毛利率(%)	49.1	64.2	-15.1 percentage points 百分點
		As at 31 December 2020	As at 31 December 2019	
		於二零二零年十二月 三十一日	於二零一九年十二月 三十一日	
Bank balances and cash (including restricted bank deposits) (RMB million)	銀行結餘及現金(包括受限制銀行 存款)(人民幣百萬元)	9,409.7	8,347.0	
Average finance costs (%)*	平均融資成本(%)*	7.1	6.3	
Liabilities to assets ratio (%)	資產負債比率(%)	62.5	73.3	
Rate of equity return (%)	資本回報率(%)	14.0	13.5	

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

Management Discussion and Analysis

管理層討論與分析

Business Review

In 2020, the real estate market realised steady growth backed by various adjustment and control measures. The Greater Bay Area has gained more and more strategic importance in the economic development of the PRC. With over 30 years of experience in the development of the Greater Bay Area, the Group established its business layout by adhering to the “dual-core” strategy of “Focusing on Core Cities and Cities’ Core Areas” and the “two-pronged” strategy of “residence + business”. The Group identified land resources of low cost but high value through urban renewal to develop its real estate projects and commercial projects that were deployed mainly in the core cities and core districts of the Greater Bay Area such as Shenzhen, Zhuhai and Hong Kong.

The Group has gained recognition and awards from the market and the industry in terms of development of urban renewal projects and operation of commercial properties. During the year, the Group was ranked as the “Top 10 Shenzhen Real Estate Development Enterprises in terms of Comprehensive Strength” for the 10th consecutive year and “Top 10 of the 11th Shenzhen Real Estate Enterprises with High Credit (2020) (第十一屆(2020年度)深圳地產資信10強)”. For operation of commercial properties, the Group was awarded the “2020 Excellent Management Team of the PRC Shopping Mall Industry (中購聯中國購物中心行業2020年度優秀管理團隊)” and the honorary title of “Enterprise with Excellent Contract Performance and Credit Standing (守合同重信用企業榮譽)” of Guangdong Province for two consecutive years, while the LVGEM Hotel was granted the Excellent Award of the Most Influential Hotel at the 40th anniversary of Shenzhen Special Economic Zone.

Leveraging on its years of experience in urban renewal and acquisition of land reserve resources with high value, the Group has established itself as a pioneer in urban renewal. During the year, the Group continued to push forward the urban renewal projects in, among others, Shenzhen, Zhuhai, Hong Kong and Dongguan and achieved significant results. In January 2020, the Group attained the qualification for the Guanlan Liguang Land Development Project in Lunghua District, Shenzhen City, and initiated the contracting process in June. In August 2020, 55% of equity interest in the Shenzhen Baishizhou Urban Renewal Project, the so-called “Grand Urban Renewal Project in Shenzhen”, was injected into the Group following the injection of 25% of equity interest on 28 October 2019. As at the date of this announcement, the Group has a total of 80% of equity interest in the project. Moreover, the Dongqiao Project in Zhuhai also commenced construction during the year.

The Group is renowned for its high-quality land reserve resources. In order to eliminate the uncertainties in the preliminary stage of urban renewal projects, the Group’s unique way for acquisition of land reserve resources was to acquire projects mainly by the collaboration with controlling shareholder, which in turn would allow better profit sharing with shareholders and investors. The controlling shareholder was mainly responsible for primary development such as negotiations with the suburban people and resource integration. Project injection into the listed company was only being made until the uncertainties were eliminated and a more mature stage of the project was attained. As at 31 December 2020, the Group has land reserves of approximately 6.48 million square meters, approximately 80% of which are located in major cities in the Greater Bay Area such as Shenzhen, Hong Kong, Zhuhai and Dongguan. Moreover, the scale of land reserves in which the controlling shareholders have control was approximately 6.80 million square meters, including projects in Nanxi, Zhuhai and Zhang Mu Tou, Dongguan, all of which are located at core locations in Guangdong-Hong Kong-Macao Greater Bay Area. The Group has ample and valuable land reserves which will be able to satisfy the Company’s needs for steady expansion and long-term development.

業務回顧

二零二零年，房地產市場在各項調控下穩健增長，大灣區在中國經濟發展的戰略地位愈加重要。本集團扎根大灣區三十餘年，以「深耕核心城市，聚焦城市核心」的「雙核戰略」以及「住宅+商業」「雙輪驅動」戰略進行業務佈局，通過城市更新方式鎖定低成本的高價值土地資源，開發主要佈局在深圳、珠海和香港等大灣區核心城市核心區域的房地產項目及商業項目。

集團在城市更新項目開發與商業物業運營方面，均獲得市場和業界的認可和嘉獎。年內，集團連續十年蟬聯「深圳市房地產開發行業綜合實力」十強榜單、「第十一屆(2020年度)深圳地產資信10強」，商業物業運營方面，集團榮獲「中購聯中國購物中心行業2020年度優秀管理團隊」，綠景酒店榮獲深圳經濟特區成立40周年最具影響力酒店「卓越獎」，連續兩年榮獲廣東省「守合同重信用企業榮譽」。

多年的城市更新行業經驗與高價值土儲資源獲得方式，為本集團於城市更新領域奠定了先行者的行業領先地位。年內，本集團繼續深化推進深圳、珠海、香港、東莞等地的城市更新項目，取得矚目進展。二零二零年一月，本集團獲得深圳市龍華區觀瀾黎光土地開發項目資格，六月啓動簽約。二零二零年八月，被稱為「深圳舊改航母」的深圳白石洲城市更新項目，繼二零一九年十月二十八日注入25%項目股權後，再次注入55%項目股權至本集團，至此，本集團擁有項目股權合共80%。此外，珠海東橋項目亦於年內動工。

本集團以高質量的土儲資源著稱，獨特的土儲獲得方式主要是通過與控股股東聯動方式獲取項目，消除城市更新項目前期的不確定性，更好地與股東、投資者分享收益。控股股東主要負責一級開發的工作，比如跟村民的洽談、資源的整合，待項目到達比較成熟、不確定性消除的階段後，才會被注入到上市公司。於二零二零年十二月三十一日，集團擁有土地儲備約648萬平方米，其中約80%位於大灣區內的深圳、香港、珠海及東莞等重點城市。此外，控股股東所擁有的土儲資源規模約680萬平方米，包括珠海南溪及東莞樟木頭項目，亦全部位於粵港澳大灣區核心位置。集團充足的高價值土地儲備，可以滿足公司穩健擴張與長期發展的需要。

Management Discussion and Analysis

管理層討論與分析

While pushing forward urban renewal projects, the Group adhered to the “two-pronged” model of “residence + business” to build a solid moat to secure its cash flow and safety margins with stable and sufficient rental income and growth in asset value. The Group held and operated commercial properties located in the core areas of core cities of the Greater Bay Area represented by NEO Urban Commercial complex and Zoll Shopping Centre. Following completion and delivery of urban renewal projects, the Group gradually expanded the area of the commercial properties. With further urbanisation and accelerated integrated development in the Greater Bay Area, the value growth in core commercial properties is expected to bring long-term and significant benefits to the Group.

Upholding the historical mission of urban renewal to “promote urban upgrade and redevelopment”, the Group, as an industry pioneer, continued to lead market development of the industry by adhering to the strategy of “focus on urban renewal in the Greater Bay Area, develop a brand new smart city”. Following the strategic cooperation agreement in relation to the joint development of smart urban regions entered into with Huawei on 23 July 2018, the Group continued to strengthen cooperation with third-party enterprises during the year by implementing the “technology + property” strategy for urban renewal with the integration of smart technology, with a view to developing the smart city benchmark, thereby developing itself into an industry leader. On 15 March 2020, the Group established strategic partnerships regarding building smart cities with China Unicom and Shenzhen Jingyue Technology (深圳景悅科技) on the basis of the Baishizhou Urban Renewal Project in Nanshan District, Shenzhen. On 18 December 2020, the smart community of the LVGEM Joyful Town was launched as the first Huawei smart community in Zhuhai. Leveraging its own strong capabilities, the LVGEM Joyful Town was granted the “2020 Smart Community Modelling Project Award (2020智慧社區示範項目獎)” at the 11th China Internet of Things Industry and Smart City Development Annual Conference, after outperforming other branded projects in various comprehensive weighted evaluation. On 28 December 2020, the Group built Wanda Plaza in G1 zone of LVGEM International Garden in Huazhou in joint efforts with Wanda Group. Looking forward, the Group will make use of its own strengths in strategic layout and resources to accelerate the continued growth of the Group by pushing forward the development of smart cities and creation of city value.

Real Estate Development and Sales

Being the core business of the Group, the real estate development and sales projects of the Group are mainly located in the core areas of core cities of the Greater Bay Area. As at 31 December 2020, the real estate development and sales of the Group generated revenue of approximately RMB4,512.6 million (2019: RMB5,962.4 million), representing a decrease of approximately 24.3% year-on-year, which was primarily attributable to the suspended launch of Block A of LVGEM Mangrove Bay No. 1 in consideration of profit maximisation. Total contracted sales amounted to approximately RMB4,479.0 million for the year. During the year under review, the quality real estate projects of the Group received overwhelming market response once again. Benefitting from the good product strength and brand influence, the projects, including LVGEM Amazing Plaza in Shenzhen, LVGEM Joyful Town in Zhuhai and LVGEM International Garden in Huazhou, received overwhelming subscriptions and market response with good sales results.

在推進城市更新項目的同時，集團堅持「住宅+商業」雙輪驅動模式，以穩健充足的租金收入和資產增值，為集團的現金流和安全邊際鑄造穩固的護城河。本集團持有和經營位於大灣區核心城市核心區域的商業物業，以NEO都市商務綜合體和佐陞購物中心為代表，隨著城市更新項目的竣工交付，逐步開拓商業物業面積。隨著城市化進程與大灣區的加速融合發展，核心商業物業的價值增長預計將為本集團帶來長足的裨益。

配合城市更新行業「促進城市升級改造」的歷史使命，作為行業先鋒的本集團以「聚力灣區大舊改，打造智慧新城區」戰略，繼續帶領行業走在市場的前端。繼二零一八年七月二十三日，本集團與華為訂立有關共同建設智慧城區戰略合作協議，年內，本集團繼續加強與第三方企業的合作，結合智慧科技，將「科技+地產」戰略落實到城市更新項目中，打造智慧城區標桿，成為行業領軍者。二零二零年三月十五日，本集團與中國聯通及深圳景悅科技以深圳市南山區白石洲城市更新項目為基礎建立智慧城區領域戰略合作。二零二零年十二月十八日，綠景喜悅薈智慧社區上線，這是珠海首個華為智慧社區。綠景喜悅薈亦在「第十一屆中國物聯網產業與智慧城市發展年會」上，經過多項綜合權重評比，依託自身強大實力，在眾多品牌項目中脫穎而出，榮獲「2020智慧社區示範項目獎」。二零二零年十二月二十八日，本集團與萬達集團在化州綠景國際花城G1區聯手打造萬達廣場。未來，本集團將繼續憑借自身的布局優勢和資源優勢，加快推進本集團打造智慧城區、創造城市價值的升級步伐。

房地產開發與銷售

作為本集團的核心主營業務，本集團的房地產開發與銷售項目主要布局在大灣區內核心城市的核心區域。於二零二零年十二月三十一日，本集團房地產開發與銷售所產生的收益約為人民幣4,512.6百萬元（二零一九年：人民幣5,962.4百萬元），同比下調約24.3%，主要由於集團出於項目效益最大化考慮，暫不推售紅樹灣壹號A棟。年內，總合同銷售金額約為人民幣4,479.0百萬元。回顧年內，本集團的優質房地產項目再次受到市場的熱捧。憑藉良好的產品實力和品牌影響力，深圳綠景美景廣場、珠海綠景喜悅薈、化州綠景國際花城等項目認購反應熱烈，銷售情況良好。

Management Discussion and Analysis

管理層討論與分析

During the year, the Group continued to push forward urban renewal projects with high potential, including LVGEM Liguang Project in Shenzhen, Baishizhou Project in Shenzhen, Phase II of Shenzhen LVGEM Mangrove Bay No. 1 and Zhuhai Dongqiao Urban Renewal Project. In the future, the Group will continue to focus on the development in the Greater Bay Area and strive for excellence in developing new benchmark smart cities by implementing the “technology + property” strategy, in order to empower and add values to cities and develop an upgraded and excellent residential and living community with unique and quality design, thereby driving the continued steady growth of cost-effectiveness and business scale of the Group.

As one of the pioneers in Shenzhen's urban redevelopment sector, the Group have prepared and planned for Baishizhou Urban Renewal Project for years. Baishizhou Urban Renewal Project, the so-called “Grand Urban Renewal Project” in the industry in Shenzhen, is located in Shennan Avenue, Nanshan District, Shenzhen City and in proximity to Science Park and the sub-district of Overseas Chinese Town, which is a prestigious geographical location. With an area of approximately 3.58 million square meters, the project is a mega-large complex development project in the core areas of Shenzhen as a fast-growing city with scarce land resources. Its development is in 4 phases according to the project plan. The entire project development is scheduled to complete in the coming 8 to 10 years. On 28 October 2019 and 25 August 2020, the Group indirectly acquired approximately 80% equity interests in total in Baishizhou Urban Renewal Project. Phase I of the project was 100% contracted and it is expected that the Group will complete the confirmation of the operating entity of Phase I and commence its construction within 2021. The commencement of construction and sales of the project will be a huge growth driver for the Group.

LVGEM Mangrove Bay No. 1 is the most iconic urban renewal project of the Group in recent years. The project comprises three quality residential buildings and a high-quality complex of Grade A offices, hotels and apartments. The project is located in the southeast corner of the intersection of Shazui Road and Jindi Road in the central business district of Futian District, Shenzhen. Having convenient access to public transport and strategically located in the proximity to Futian Port, Huanggang Port, Beijing-Hong Kong-Macao Expressway and Metro Lines 3, 4 and 7, the project occupies a site area of 24,424 square meters and a planned total gross floor area of 305,450 square meters, among which, the residential portion has a gross floor area of approximately 119,400 square meters. The project was launched for sale for the first time in October 2018 and had several further launch with hot sale in 2019, contributing contracted sales of RMB248 million and recognised sales revenue of RMB625 million in 2020.

LVGEM Amazing Plaza is another urban upgrade and redevelopment project of the Group in Shenzhen City, which is strategically located in the sub-district of Overseas Chinese Town with rich scenic resources. As an integrated modelling zone for new mixed-use industrial towns, this project will be mainly used for industrial research and development, as well as dormitory and commercial purposes. The project is located at the north of Qiaoxiang Road, south of Beihuan Road, east of the intersection of Qiaoxiang Road and Beihuan Road as well as west of Qiaochengfang in Shenzhen. The project occupies a site area of 10,862 square meters and a total gross floor area of 97,214 square meters. The project was launched for the first time in September 2019. The brand-new show-flats were further launched with hot sale in April 2020 and the first batch of flats was occupied in June 2020. The project contributed contracted sales of approximately RMB1,962 million and recognised sales revenue of approximately RMB1,729 million during the year.

年內，本集團持續推進極具潛力的城市更新項目，包括：深圳綠景黎光項目、深圳白石洲項目、深圳綠景紅樹灣壹號二期及珠海東橋城市更新項目。未來，集團將繼續聚力大灣區，精益求精，以「科技+地產」打造標杆型的智慧新城，為城市賦能、增值，以匠心質量建構更美好的精品住宅和生活社區，從而推動集團效益和規模的持續穩定增長。

集團作為深圳城市更新先鋒之一，籌措多年的白石洲城市更新項目被深圳業界稱為「舊改航母」。項目位於深圳市南山區深南大道，毗鄰科技園及華僑城片區，地理位置優越。項目計容面積約358萬平方米，是土地稀缺、發展迅猛的深圳市核心區超大型的綜合體開發項目。項目計劃分四期開發，在未來八至十年完成整體項目的開發。二零一九年十月二十八日及二零二零年八月二十五日，集團間接收購白石洲城市更新項目合共約80%股權。項目一期已完成100%簽約，預計將在二零二一年內完成一期實施主體的確認並動工。項目的動工與銷售將為集團帶來巨大的增長動力。

綠景紅樹灣壹號是本集團近年最具代表性的城市更新項目，包括三座優質住宅樓宇及一座甲級辦公室、酒店和公寓的優質綜合體。項目位於深圳市福田區中心商業區，沙嘴路和金地一路交匯處東南側，交通便利，臨近福田、皇崗雙口岸、京港澳高速公路、地鐵3、4、7號線，地理位置優越。項目佔地面積為24,424平方米，規劃總建築面積為305,450平方米，其中住宅部份建築面積約為119,400平方米。項目於二零一八年十月首次開賣，二零一九年多次加推熱銷，二零二零年貢獻合約銷售人民幣248百萬元，確認銷售人民幣625百萬元。

綠景美景廣場為本集團於深圳市的另一個升級改造項目，位於華僑城片區，具有優越的地理位置和豐富的景觀資源，是一個以產業研發、宿舍和商業為主的多元綜合新型產城融合示範區。項目位於深圳市僑香路以北，北環大道以南，僑香路與北環大道交口以東，僑城坊以西，佔地10,862平方米，總建築面積為97,214平方米。項目於二零一九年九月首次開盤，二零二零年四月開放全新樣板房，並加推熱銷，二零二零年六月首批單位入伙。項目於年內貢獻合約銷售約人民幣1,962百萬元，確認銷售約人民幣1,729百萬元。

Management Discussion and Analysis

管理層討論與分析

LVGEM Liguang Project is a residential, commercial and industrial high-end industrial park complex. The project is located in Liguang Village, Guanlan Town, Lunghua District, Shenzhen City and adjacent to the Mid Valley Clubhouse of the Mission Hills Golf Club, and possesses a prestigious scenic view of the natural environment. This project occupies a site area of 85,333 square meters and a total gross floor area of 382,139 square meters. Taking into consideration the surrounding environment and the living needs of the community, the project plan includes the development of a special commercial district at the west side of the region, as well as the Liguang Ecological Park at the east side which is covered with grassland. In January 2020, the Group and Liguang Company (黎光股份公司) entered into the Cooperation Agreement regarding the Guanlan Liguang Land Development Project in Lunghua District, Shenzhen City (《深圳市龍華區觀瀾黎光土地開發項目合作協定書》) for the redevelopment project of old villages in Liguang and the land consolidation project in Liguang in joint efforts. The project is currently at the contracting stage ahead of construction.

Zhuhai Dongqiao Urban Renewal Project is a strategic project of urban renewal in Zhuhai City for this round and among the first batch of projects that have officially commenced construction. Located in the sub-district of Nanwan, Zhuhai City, the project is in a well-established area where traditional luxury residences and street-level commercial region are located. It is positioned as the No. 1 bay-area cultural and arts community in Zhuhai, comprising high-end residences, featured hotels, street-level cultural regions and other industrial functions. The project occupies a total site area of approximately 207,550 square meters with a planned total gross floor area of approximately 764,920 square meters, which is intended to be developed into Dongqiao Smart City and District adopting an IOC (integrated operation and control centre) to real-time manage and control all the dynamic situations of the entire district. The development involves 27 construction projects of up to level 3 standard, comprising a total of 106 applied scenarios. It will provide overall solutions and services for multi-scenario and multi-dimensional, safe and intelligent urban management under the Dongqiao Project. On 12 July 2019, the Group has officially become the operating entity of the renewal project for the old village in Dongqiao and obtained all necessary administrative approvals. This project marks an important milestone of the Group in terms of the urban renewal development and operation in Zhuhai. On 12 January 2020, the groundbreaking ceremony for the commencement of construction of the project was held in Dongqiao Village, Zhuhai. The project is currently under construction and is expected to be launched in the second half of 2021.

LVGEM Joyful Town Project is located in the former Dongda Kaiwei Science Park, which is west of Mingzhu Station of the urban railway on Mingzhu North Road in Xiangzhou District, Zhuhai City. With a total gross floor area of 445,292 square meters, the project is positioned to comprise an international Grade A office building, apartment (hotel-serviced offices), residential and commercial complex. The project was launched for sale for the first time in September 2019. The online sales department was established in early February 2020, while several rounds of re-launch were held during the year with hot sale. The concentrated delivery of the southern part of the project was completed in December. For the year ended 31 December 2020, contracted sales of the project amounted to RMB1,106 million.

綠景黎光項目為集住宅、商業及工業於一體的綜合性高端產業園項目。項目位於深圳市龍華區觀瀾鎮黎光村，毗鄰近觀瀾湖高爾夫球會黎光會所，擁有優越的自然生態環境。項目佔地面積85,333平方米，總建築面積382,139平方米。項目規劃將結合社區周邊環境和居住需求，在社區西面規劃一條特色商業街，東面的大片綠地則規劃為黎光生態公園。二零二零年一月，集團與黎光股份公司簽訂《深圳市龍華區觀瀾黎光土地開發項目合作協定書》，合作開發黎光舊村改造項目和黎光土地整備利益統籌項目，項目目前處於開工前簽約階段。

珠海東橋城市更新項目是珠海市本輪城市更新的重點項目，也是第一批正式開工的項目。項目位於珠海市南灣片區，處於傳統豪宅和商業街區，地段成熟，定位為珠海首席灣區文化藝術社區，包含高端住宅、特色酒店、文化街區等多重業態。項目總佔地面積約207,550平方米，規劃總建築面積約764,920平方米，擬打造成東橋智慧城區，以IOC(綜合運營管控中心)實時掌控東橋全域動態，構建多達3級、27項工程、共計106個應用場景，為東橋項目提供多場景、多維度、安全、智慧的城區管理整體解決方案與服務。二零一九年七月十二日，本集團正式成為東橋城中舊村更新項目實施主體，並已取得所有必要行政批覆，是本集團在珠海城市更新開發運營的重要里程碑。二零二零年一月十二日，該項目在珠海東橋村內舉行了奠基開工儀式，目前該項目在建中，預期在二零二一年下半年入市。

綠景喜悅薈項目所在地原為東大凱威科技園，位於珠海市香洲區明珠北路城軌明珠站西側，建設總建築面積為445,292平方米。項目定位為國際甲級寫字樓、公寓(酒店式辦公)、住宅、商業。項目於二零一九年九月首次開賣，二零二零年二月初啟動線上售樓部，年內多次加推熱銷，十二月項目南區完成集中交付。截至二零二零年十二月三十一日止年度，該項目合同銷售為人民幣1,106百萬元。

Management Discussion and Analysis

管理層討論與分析

LVGEM International Garden is located in Huazhou, Maoming, Guangdong Province. Situated in a well-developed core district's residential area with rich natural resources, it is in proximity to the Juzhou Park and embraced by Xihu of 232 mu. It is well-served by public transport network and is only an approximately 20-minute drive from Yuexi International Airport. The project occupies a site area of approximately 835,800 square meters and a planned total gross floor area of approximately 2,248,298 square meters. Leveraging on the advantages such as excellent geographical location, ecological environment, established brand reputation and ancillary educational facilities, phase 4 of Lakeview Mansion in B4 zone of LVGEM International Garden Bolin Mansion was launched in the market in June 2020 for the first time, while Blocks 10 and 12 in D2 zone, A units of Block 17 in B4 zone and B units of Block 17 in B4 zone were re-launched for several rounds subsequently. For the year ended 31 December 2020, the total contracted sales of LVGEM International Garden amounted to RMB1,062 million and recognised sales revenue was approximately RMB885 million. The gross floor area pending development of the project remained approximately 1.075 million square meters and it is estimated that the project will be launched at a value of approximately RMB1 billion annually in the future.

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

Commercial Property Investment and Operations

The "two-pronged" business model of "residential + commercial" is an integral part of the Group's development pattern. During the year, the Group holds over 25 quality commercial property projects comprising a total gross floor area of approximately 799,888 square meters, mainly represented by two commercial brands, namely "NEO" and "Zoll", including Shenzhen NEO Urban Commercial Complex, Hong Kong LVGEM NEO, LVGEM Zoll Chanson Shopping Mall, LVGEM 1866 Zoll Shopping Mall, LVGEM Zoll Hongwan Shopping Mall, LVGEM Zoll Mangrove Bay No.1 Shopping Mall, LVGEM Zoll International Garden Shopping Mall, LVGEM Zoll Jinhua Shopping Mall, LVGEM Zoll Yuexi Shopping Mall, Dongguan LVGEM Zoll Shopping Mall and other shops and investment properties. The Group's commercial property development projects are mainly independent commercial projects as well as complex projects that comprise commercial features. Among them, the ancillary services of commercial properties under complex projects significantly increase the overall value of individual residential projects among the real estate development business.

For the year ended 31 December 2020, the Group's revenue from the commercial properties investments and operation was approximately RMB620.2 million (2019: RMB618.7 million), representing an increase of approximately 0.2% year-on-year.

綠景國際花城位於廣東省茂名化州市，位處成熟的市中心住宅區，自然資源充裕，毗鄰橘洲公園，坐擁232畝西湖，設有完善的公共交通網絡，距離粵西國際機場僅需約20分鐘車程。該項目佔地面積約835,800平方米，規劃總建築面積約2,248,298平方米。憑藉優越的區位、生態及良好的品牌口碑、配套教育設施等優勢，綠景國際花城博林公館B4區湖景公館4期於二零二零年六月首次推出市場，其後項目D2區10棟、12棟，B4區17棟A單元、B4區17棟B單元多次加推。截至二零二零年十二月三十一日止年度，綠景國際花城的總銷售合同人民幣1,062百萬元，確認銷售收入約人民幣885百萬元。項目待開發建築面積尚餘約107.5萬平方米，未來每年項目計劃推出貨值約人民幣10億元。

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

商業物業投資與經營

「住宅+商業」雙輪驅動是本集團發展模式的重要組成部分。年內，本集團持有超過25個優質的商業物業項目，總建築面積約為799,888平方米。主要以「NEO」和「佐鈴」兩大商業品牌代表，包括：深圳NEO都市商務綜合體、香港綠景NEO大廈、綠景佐鈴香頌購物中心、綠景1866佐鈴薈、綠景佐鈴虹灣購物中心、綠景佐鈴紅樹灣壹號購物中心、綠景佐鈴國際花城購物中心、綠景佐鈴錦華購物中心、綠景佐鈴越溪購物中心、東莞綠景佐鈴購物中心以及其他商舖及投資性物業。本集團商業地產發展類型主要為獨立商業項目及包含商業的綜合體項目，其中綜合體項目中商業地產的配套，可大大提升房地產開發業務的單項項目的住宅項目綜合價值。

截至二零二零年十二月三十一日止年度，本集團來自商業物業投資與經營的收益約為人民幣620.2百萬元(二零一九年：人民幣618.7百萬元)，同比增長約0.2%。

Management Discussion and Analysis

管理層討論與分析

NEO Urban Commercial Complex is elected as “one of the ten major landmarks of Shenzhen”. It is strategically located in the western region of central Futian District of the core central business district in Shenzhen. It is a key urban and commercial landmark in Shenzhen. It has easy access to public transport locating at the intersection of four Metro Lines 1, 7, 9 and 11. NEO Urban Commercial Complex has a total gross floor area of approximately 252,539 square meters and a total lettable area of approximately 121,236 square meters. The high-quality corporate tenants of Grade A office building comprise offices and branches of various Fortune Global 500 companies, banks, telecommunication corporations and other state-owned enterprises. During the year, the industry adjustment of 7,200 square meters of the podium of Tower A was completed and 100% of which was contracted for delivery. For the year ended 31 December 2020, the average occupancy rate of NEO Urban Commercial Complex was about 87% (2019: 83%).

Hong Kong LVGEM NEO Project is located in “Kowloon East CBD 2”, the new central business district in Hong Kong, occupying a site area of approximately 4,500 square meters and a planned total gross floor area of approximately 55,390 square meters. As a new smart city operator proactively developing the business layout over the Greater Bay Area, the Group acquired 8 Bay East, the full seaview Grade-A commercial building located in 123 Hoi Bun Road, Kwun Tong for HK\$9 billion at the end of 2017, and renaming it as the “NEO”. It is positioned as a financial and technological centre which integrates health, green, humanity and scenarios. In July 2019, the handover of Hong Kong LVGEM NEO was completed and the operation officially commenced on 8 November 2019. The project received overwhelming responses since it was launched for leasing. As at 31 December 2020, the occupancy rate of the property was over 50%. Anchor tenants include insurance groups, financial or innovation and technological enterprises and a virtual bank, thereby aligning with its positioning as a “full seaview smart financial centre in Kowloon East”. Highlighted by the strategic significance of the project to tapping into Hong Kong property market by the Group, the project will facilitate consolidation of the leading position of LVGEM (China) in the commercial property market as well as its market position and brand influence in the Greater Bay Area.

Zoll Shopping Mall is a famous fashion and comprehensive shopping centre. As of 31 December 2020, the Group owns and operates LVGEM Zoll Chanson Shopping Mall, LVGEM 1866 Zoll Shopping Mall, LVGEM Zoll Hongwan Shopping Mall, LVGEM Zoll International Garden Shopping Mall, LVGEM Zoll Jinhua Shopping Mall and LVGEM Zoll Yuexi Shopping Mall. For the year ended 31 December 2020, the overall occupancy rate was about 93% (2019: 97%). B4 zone of LVGEM Zoll International Garden Shopping Mall launched its opening during the year as scheduled, while Dongguan LVGEM Zoll Shopping Mall is currently available for leasing.

深圳**NEO都市商務綜合體**被評為「深圳市十大地標建築之一」，位於深圳核心商業中心區地段的福田中心區西區之戰略位置，是深圳市主要城市和商業地標。項目地處地鐵1、7、9及11四條地鐵線的樞紐站，交通十分便利。NEO都市商務綜合體總建築面積約為252,539平方米及總可出租面積約為121,236平方米。甲級辦公樓之優質企業租戶，包括多家財富全球500強公司之辦事處及分支機構、銀行、電信公司及其他國營企業。年內，A棟裙樓完成7,200平方米業態調整，100%簽約交付。截至二零二零年十二月三十一日止年度，NEO都市商務綜合體的平均出租率約為87%（二零一九年：83%）。

香港**綠景NEO項目**位於香港新核心商業區「九龍東CBD 2」，佔地面積約4,500平方米，規劃總建築面積約55,390平方米。作為積極布局大灣區的智慧新城運營商，本集團於2017年底以90億港元收購位於觀塘海濱道123號的全幢臨海甲級商廈8 Bay East，並命名為「綠景NEO大廈」，定位為健康、綠色、人文及場景於一體金融科技中心。二零一九年七月，香港綠景NEO大廈完成交接；二零一九年十一月八日正式運營。自啟動招租以來市場反應熱烈，於二零二零年十二月三十一日，物業出租率已超過五成，主要入駐企業包括保險集團、金融、創科企業、虛擬銀行，與項目「九龍東全海景智慧金融中心」定位相得益彰。該項目對於本集團進軍香港物業市場具有戰略意義，有助綠景（中國）鞏固其商業物業領域的領先地位，以及在大灣區的市場地位及品牌影響力。

佐陞購物中心是著名生活時尚及綜合式購物中心。本集團截至二零二零年十二月三十一日擁有及營運綠景佐陞香頌購物中心、綠景1866佐陞薈、綠景佐陞虹灣購物中心、綠景佐陞國際花城購物中心、綠景佐陞錦華購物中心、綠景佐陞越溪購物中心。於二零二零年十二月三十一日止年度之綜合出租率約為93%（二零一九年：97%）。綠景佐陞國際花城購物中心B4區已按計劃於年內開業，東莞綠景佐陞購物中心正火熱招商中。

Management Discussion and Analysis

管理層討論與分析

Comprehensive Services

The Group provided comprehensive services to customers and tenants of its residential and commercial properties, including property management services, hotel operations and others. For the year ended 31 December 2020, the comprehensive services of the Group generated revenue of approximately RMB292.0 million (2019: RMB321.3 million), mainly attributed to the significant decrease of revenue from hotel operations in the first to third quarters of the year due to the pandemic. The situation basically returned to normal in the fourth quarter.

The Group provided comprehensive property management services for most of its property development projects, including security services, property maintenance and management of ancillary facilities, property brokerage business, online platform and e-shops for lifestyle services, which comprised a total gross floor area of approximately 2.97 million square meters during the year (2019: 2.42 million square meters). Shenzhen LVGEM Property Management Co., Ltd. obtained the ISO9001:2008 certification for its quality system of property management services and the Level A property management qualification. As the property management services and value-added services become more mature, it is expected that the property management company will contribute sustainable revenue growth for the Group in the future.

In respect of hotel operations, the Group operates and manages two hotels in Shenzhen and the United States. These hotels are the LVGEM Hotel which is located in the central business district of Futian District, Shenzhen, and the Vanlee Hotel in Covina, California, the United States which was acquired in 2017. With the effect of suspension and reduction in business trips due to the COVID-19 pandemic, the average occupancy rate of LVGEM Hotel was approximately 61% as at 31 December 2020 (2019: 75%).

In the post-pandemic era, the living style and lifestyle of people as well as urban development will experience dramatic changes driven by technological advancement. The real estate industry in the PRC saw rapid development in the last 20 years, during which, the delivery of property construction changed from simple manual management to automatic management, and subsequently smart management. At present, the architectural forms such as smart community, smart park and smart city featured people-oriented service, smart operation and refined management have become the best scenarios for testing the application of advanced technologies, such as artificial intelligence, big data, cloud computing, 5G communication technology, platform structuring and digital technology. In particular, urban renewal projects of super large scale have problems like long development cycle, large range of necessary technologies, high capacity and density and heavy traffic volume. A single-pronged approach is not sufficient to tackle these key problems and a two-pronged approach of “space + technology” is essential.

綜合服務

本集團向其住宅及商業物業的客戶及租戶提供綜合服務，包括物業管理服務、酒店運營及其他。截至二零二零年十二月三十一日止年度，本集團綜合服務產生的收益約為人民幣292.0百萬元（二零一九年：人民幣321.3百萬元），主要由於酒店運營收益於本年度一至三季度受疫情影響而大幅減少，至四季度已基本回復正常。

本集團為其大多數房地產開發項目提供全面物業管理服務，包括保安服務、物業維護、管理配套設施、房屋經紀業務及生活服務線上平台等綜合服務，年內服務的總建築面積約為297萬平方米（二零一九年：242萬平方米）。深圳市綠景物業管理有限公司取得物業管理服務ISO9001:2008質量體系認證和一級物業管理資質。隨著物業管理服務及增值服務的逐漸成熟，未來物業管理公司將會為集團產生持續遞增的收益。

酒店運營方面，本集團在深圳和美國營運和管理兩家酒店，包括位於深圳福田區中心商業區的綠景酒店，以及二零一七年收購的美國加利福尼亞州Covina的Vanlee酒店。受新型冠狀病毒疫情停業及商務旅行減少的影响，綠景酒店截至二零二零年十二月三十一日平均入住率約為61%（二零一九年：75%）。

後疫情時代，在科技力量的推動下，人們的居住方式、生活方式以及城市發展都將發生翻天覆地的變化。過去二十年，是中國房地產業高速發展的時期。期間，地產建築交付形態經歷了從簡單人工管理、自動化管理到智慧化管理的變遷。如今，追求人性化服務、智慧化運營、精細化管理的智慧社區、智慧園區、智慧城區等建築形態，已然成為人工智慧、大數據、雲計算、5G通訊技術、平台架構、數位技術等先進技術應用的最佳試驗場。尤其是超大體量的城市更新項目，存在著開發週期長、技術跨度大、容量高、密度高、交通壓力大等問題。單一手段不可能解決這些痛點問題，必須「空間+技術」雙管齊下。

Management Discussion and Analysis

管理層討論與分析

Driven by technological innovation and based on information network, smart city is able to address the demand of high-quality development and provides services like digital transformation, smart upgrade and integrated innovation, thereby offering huge room for integration in three aspects, namely information infrastructure (represented by 5G communication technology, big data centre, artificial intelligence, industrial internet, Internet of Things, satellite internet, cloud computing, block chain and other sectors), integrated infrastructure and innovative infrastructure. The development strategy of smart city features the use of the new generation of information technology to build a digital city system mirroring the real city, with an aim to achieve interconnection and intercommunication of data through the full spatial perception of the real space, analysis and decision-making. The system will therefore be able to actively provide customised and people-oriented services, thereby achieving revenue growth through digital operation methods. LVGEM Smart City will start with smart security system to provide contactless solutions for living in the city. In particular, the city will be covered by digital HD cameras without blind spot to achieve connection of systems such as videos, fire safety, boundary patrolling, pedestrian gates, aerial monitoring and gate entry. Integrated smart analysis will be carried out through facial monitoring, regulated connection, scenario analysis, pedestrian flow statistics, regional security, lost and found and people assembly, which will eventually be applied with facial recognition and AI technology to achieve contactless access of the community, unit, elevator and flat. Leveraging the large-scale LVGEM Baishizhou Urban Renewal Project as the carrier, the Group will achieve smart management of the whole chain of people, vehicle and freight yard with intelligent technology to solve the management problems of property personnel and vehicles and create a new operation and management model of logistics for super large urban complex located in prime location of core cities, thereby providing logistics service of better quality for residents, tenants, officers, hotel customers and staff in the city.

Financing

Facing the challenging macro environment, the Group adopted diverse domestic and overseas financing means in their highest and best use during the year and actively prepared for the refinancing schemes to secure sufficient capital for the Group's development. The Group has completed the refinancing of its US dollar bonds and public bonds successively during the year: in February and March 2020, the Group launched and completed the complex and well-structured US dollar bond exchange and issuance scheme to replace the US\$50 million private bond due in June 2020 and the US\$400 million public bond due in August 2020; and in August 2020, the Group completed the renewal of domestic corporate bond. Meanwhile, the Group also actively managed the terms of the convertible bonds in issue: in June 2020, the Group entered into a supplemental agreement with the bondholder of the guaranteed convertible bonds due in 2023 with a principal amount of US\$100 million and an interest rate of 4.00% per annum to extend the put option date to 17 May 2022 or a later date (originally on 17 May 2020); in November 2020, the Group entered into a deed of extension with the bondholder of the convertible bonds due in 2020 with a principal amount of US\$70 million and an interest rate of 5.50% per annum to further extend the maturity to 18 May 2022; and in December 2020, the Group entered into a supplemental agreement with the bondholder of the guaranteed convertible bonds due in 2023 with a principal amount of US\$50 million and an interest rate of 5.00% per annum to extend the put option date to 31 January 2022 or a later date (originally on 28 September 2020).

智慧城區以技術創新為驅動，以資訊網路為基礎，面向高品質發展要求，提供數位轉型、智慧升級、融合創新等服務，在5G通訊技術、大數據中心、人工智慧、工業互聯網、物聯網、衛星互聯網、雲計算、區塊鏈等領域為代表的資訊基礎設施，融合基礎設施和創新基礎設施三個方面存在巨大的融合空間。智慧城區發展戰略，主張利用新一代資訊技術，建立與實體城區互為鏡像的虛擬城區系統，對實體空間全面感知、類比分析和決策回饋，實現資料的互聯互通，系統能夠主動提供極致的個性化、人性化服務體驗，並通過數位化運營手段獲取增值收益。綠景智慧城區將以智慧安防系統作為鋪墊，為城區生活提供無接觸解決方案。具體來說，就是通過城區無死角數位高清攝像頭覆蓋，視頻、消防、周界巡邏、人行通道閘、高空監測、門禁等系統間的聯動整合，人臉布控、規則聯動、場景分析、人流統計、區域防範、物品遺留、人員集聚進行一體化智慧分析，最終應用人臉識別、AI技術實現入社區、入單元、入電梯、入戶全過程無接觸通行。集團將以綠景白石洲大型城市更新項目為載體，通過智慧化的科技手段實現人、車、貨場全鏈條智慧化管理，解決物業人員與車輛管理難點，創新核心城市中央地段超大城市綜合體物流運營管理新模式，為城區的住戶、商戶、辦公人員、酒店客戶、員工等群體提供更優質的物流服務。

財務融資

年內，在備受挑戰的宏觀環境下，集團充分利用境內及境外多元化融資渠道，積極籌備再融資方案以保障集團發展資金順暢。本集團於年內先後完成美元債和公募債的再融資工作：於二零二零年二月和三月推出及完成結構複雜縝密的美元債交換及新發方案，置換於二零二零年六月到期的5,000萬美元私募債和八月到期的4億美元公募債；及於二零二零年八月，集團完成境內小公募的存續。同時，本集團亦積極管理已發行的可換股債券的條款：於二零二零年六月，集團與二零二三年到期、本金美金100百萬元、年利率為4.00%之有擔保可換股債券的債券持有人簽署補充協議，延長其認沽期權日期至二零二二年五月十七日或之後(原二零二零年五月十七日)；於二零二零年十一月，集團與二零二零年到期、本金美金7,000萬元、年利率為5.50%之可換股債券的債券持有人訂立延長契約，進一步延長其到期日至二零二二年五月十八日；及於二零二零年十二月，集團與二零二三年到期、本金美金5,000萬元、年利率為5.00%之有擔保可換股債券的債券持有人簽署補充協議，延長其認沽期權日期至二零二二年一月三十一日或之後(原二零二零年九月二十八日)。

Management Discussion and Analysis

管理層討論與分析

During the year, the Group actively improved its financial structure and adapted itself to the national regulatory requirements of “three red lines” for real estate enterprises. The liabilities to assets ratio after excluding receipts in advance and net gearing ratio was 61.8% and 76.2%, respectively, which were within the target levels. The Group will continue to further explore financing channels, consolidate its financial strengths, enrich its cash flow and improve its operational efficiency through domestic and overseas financing, while making use of domestic and overseas financing platforms flexibly and improving the efficiency in the use of funds, thereby further supporting the rapid business expansion and development and achieving stable growth in operating results.

Future Prospect

In 2020, the COVID-19 pandemic has spread across the globe and caused great impact on the global economy. The PRC has adopted strong prevention and control measures to contain the spread of the COVID-19 pandemic, leading to rapid economic recovery and gradual resumption of normal order. From a macro perspective, the PRC has adopted active, flexible and loose monetary policy, leading to rapid recovery of the real estate market. Following the implementation of specific measures under the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” (《粵港澳大灣區發展規劃綱要》), especially the promulgation of favourable policies regarding the promotion of urban renewal projects, the Group, focusing on its development in the key areas of core cities of the Greater Bay Area, has been provided with great historical opportunity. As a pioneer in the field of urban renewal, the Group has focused on the development of key areas in core cities of the Greater Bay Area for years. It is expected that the Group will continue to benefit from the national strategic planning and continued promotion of the development of the Greater Bay Area.

Looking forward to 2021, the Group will continue to adopt a prudent approach by closely monitoring the changes in the macro environment and adjusting its specific business development strategies. Adhering to the strategic guideline of “focusing on urban renewal in the Greater Bay Area and developing a brand new smart city”, the Group will focus on its development in the key areas of core cities of the Greater Bay Area. In terms of facilitating the urban renewal projects in the Greater Bay Area, the Group will continue to follow the national strategic plans, with a focus on facilitating various large-scale urban renewal projects held by the Group and its controlling shareholder, commencing the construction of various large-scale urban renewal projects in Shenzhen and releasing the value of quality land resources. While putting committed efforts in urban renewal, the Group will use its best endeavors in establishing an outstanding business operation model, aiming to create higher brand value for the Group, bring better life experience to the residents, infuse vitality to the city’s renewal and development and deliver substantial returns to the investors.

By continued research on the projects introduced by the controlling shareholder in the future which include the planning of industrial parks and centralised commercial clusters, the Group intends to develop a business model integrating industries and cities, continue to develop quality projects in the key areas of core cities, develop industrial properties (industrial park operation and industrial investment) and operate smart commercial cities. With the unique positioning and brand-new perspective, the Group will develop “unique properties, resources-linked properties and smart properties”. The Group will also facilitate the collaboration with Huawei Company, China Unicom and other intelligent technology companies in full efforts, and strive to develop the smart city benchmark by integrating with the Baishizhou urban construction platform.

年內，本集團積極改善財務結構，適應國家對房地產企業「三條紅線」監管要求，剔除預收款後的資產負債率及淨負債率分別達到61.8%和76.2%，處於達標範圍內。本集團將繼續透過境內外財務融資，進一步探索融資渠道、加強本集團的財政實力，充實集團的現金流量，提高公司的運營效率；靈活運用境內外融資平台，改善資金運用效益、從而進一步支持集團業務的快速開拓與發展，實現業績的穩定增長。

未來展望

二零二零年，新型冠狀病毒疫情全球蔓延，全球經濟遭到重大打擊。在國家採取有力防控措施遏制了新冠病毒的傳播後，國內的經濟快速復甦並逐步回歸常態。宏觀上，國家採取積極靈活的寬貨幣政策，房地產市場迅速回暖。隨著推動《粵港澳大灣區發展規劃綱要》的具體措施落地，特別是有關城市更新項目推進的鼓勵措施的出台，對於堅定佈局大灣區核心城市核心區域的集團而言，是一次巨大的歷史性機遇。集團作為城市更新領域的先鋒，多年來一直深耕大灣區核心城市核心區域，預期將持續受惠國家級戰略規劃及大灣區建設的持續推進。

二零二一年，集團將繼續審時度勢，密切關注宏觀環境的變化，調整具體業務發展策略；堅守以「聚力灣區大舊改，打造智慧新城區」為戰略引領，堅定佈局大灣區核心城市核心區域。在推動大灣區城市更新項目方面，將繼續順應國家戰略規劃，重點推進本集團及控股股東手上的多個大型城市更新項目，實現深圳多個大型城市更新項目的動工，開啓優質土地資源的價值釋放。集團要在做精城市更新的同時，努力打造優秀的運營業務模式，為集團創造更高的品牌價值，為居民帶來更好的生活體驗，為城市的更新與發展增添活力，為投資者帶來豐厚收益。

集團也將繼續研究在未來控股股東注入的含有產業園規劃和集中式商業群的項目，打造產城融合商業模式，持續於核心城市核心區域進行優質項目佈局，發展產業地產（產業園經營與產業投資）及經營智慧商業城，以獨特的定位和全新的視角打造「特色地產、資源地產、智慧地產」。集團將全面推動與華為公司和中國聯通等智慧科技公司的合作，結合白石洲城區建設平台，傾力打造智慧城區標杆。

Management Discussion and Analysis

管理層討論與分析

Looking ahead, the Greater Bay Area will definitely become an important driver for national economic development. The Group will seize the tremendous opportunities arising from the development of the Greater Bay Area, striving to develop the Company into a new smart city developer and operator that is dedicated to the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. Upholding the spirit of remaining creative and motivated and adhering to the corporate mission of “continuously enhancing the value of cities”, the Group will make sustained efforts towards the vision and goal of “being the most respected city value-creator in the PRC” in 2021.

As COVID-19 is largely under control in the PRC by the second quarter of 2020, it is expected that the pandemic will not have material impact on our business operations and financial performance in 2021. However, as most countries around the globe are still largely affected by the pandemic, the Group's future financial performance might be subject to risks caused by the global economic environment.

Financial Review

Revenue

The Group's revenue mainly comprised of revenue from sales of properties held for sale, leasing of investment properties and comprehensive services. The Group's revenue for the year ended 31 December 2020 was approximately RMB5,424.8 million (2019: RMB6,902.4 million), representing a decrease of approximately 21.4% as compared to the last year, which was mainly due to the decrease in revenue from sales of properties held for sale.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	Increase/ (decrease) 增加 / (減少) RMB'000 人民幣千元	% 百分比
Real estate development and sales	房地產開發及銷售	4,512,643	5,962,446	(1,449,803)	-24.3
Commercial property investment and operations	商業物業投資與經營	620,167	618,674	1,493	+0.2
Comprehensive services	綜合服務	292,017	321,328	(29,311)	-9.1
Total	總計	5,424,827	6,902,448	(1,477,621)	-21.4

For the year ended 31 December 2020, the revenue from sales of properties held for sale was approximately RMB4,512.6 million (2019: RMB5,962.4 million), representing a decrease of approximately 24.3% as compared to the last year, which was primarily due to the suspended launch of Block A of LVGEM Mangrove Bay No. 1 in consideration of profit maximisation. As a result of this change in sales plan, there was a reduction in sales volumes of residential units in the current year. The Group's total gross floor area of properties held for sale sold during the year ended 31 December 2020 was approximately 231,100 square meters (2019: approximately 271,500 square meters).

Revenue from leasing of investment properties for the year ended 31 December 2020 was approximately RMB620.2 million (2019: RMB618.7 million). The Group's commercial properties are all located in core areas. The properties are mainly operated under the brands of “Zoll” and “NEO”. Disregarding the occupancy rate of Hong Kong LVGEM NEO, which commenced operation in second half of 2019, the occupancy rate of other investment properties during the year ended 31 December 2020 maintained at a high level at 91% (2019: 91%). The occupancy rate of Hong Kong LVGEM NEO as at 31 December 2020 was over 50%.

展望未來，大灣區勢必成為帶動國家經濟發展的重要引擎，本集團將緊抓大灣區發展帶來的巨大機遇，努力將公司締造成為助力粵港澳大灣區建設的智慧新城開發運營商。二零二一年，公司將保持開拓創新、銳意進取的精神，以「持續提升城市價值」作為企業使命，朝著「做中國最受尊敬的城市價值創造者」的願景目標奮勇前進。

由於在二零二零年第二季新型冠狀病毒於中國已大致受控，預期疫情將不會對我們於二零二一年的業務營運及財務表現造成重大影響。然而，由於全球大部分國家仍受疫情嚴重影響，本集團日後的財務表現或會受全球經濟環境所導致的風險所規限。

財務回顧

收益

本集團的收益主要包括來自出售待售物業、租賃投資物業及綜合服務的收益。截至二零二零年十二月三十一日止年度，本集團的收益約為人民幣5,424.8百萬元（二零一九年：人民幣6,902.4百萬元），較去年減少約21.4%，主要由於來自出售待售物業的收益減少所致。

截至二零二零年十二月三十一日止年度，來自出售待售物業的收益約為人民幣4,512.6百萬元（二零一九年：人民幣5,962.4百萬元），較去年減少約24.3%，主要由於為利益最大化考慮而暫不推售綠景紅樹灣壹號A座所致。由於銷售計劃的變動，本年度的住宅單位的銷量有所減少。本集團於截至二零二零年十二月三十一日止年度內已售的待售物業總建築面積約為231,100平方米（二零一九年：約271,500平方米）。

截至二零二零年十二月三十一日止年度，來自租賃投資物業的收益約為人民幣620.2百萬元（二零一九年：人民幣618.7百萬元）。本集團的商業物業均處於核心地段，有關物業主要以「佐陞」和「NEO」品牌營運。倘不計及於二零一九年下半年投入營運的香港綠景NEO大廈的出租率，截至二零二零年十二月三十一日止年度，其他投資物業的出租率為91%（二零一九年：91%），維持於較高水平。於二零二零年十二月三十一日，香港綠景NEO大廈的出租率超過50%。

Management Discussion and Analysis

管理層討論與分析

The Group provides comprehensive services to customers and tenants of its residential and commercial properties. These comprehensive services include property management services, hotel operations, renovations and others. For the year ended 31 December 2020, comprehensive services of the Group generated revenue of approximately RMB292.0 million (2019: RMB321.3 million).

Gross Profit and Gross Profit Margin

For the year ended 31 December 2020, the Group's integrated gross profit was approximately RMB2,665.7 million (2019: RMB4,430.4 million), representing a decrease of approximately 39.8% as compared to the last year, and the integrated gross profit margin for the year ended 31 December 2020 was 49.1% (2019: 64.2%). The fluctuation of gross profit margin was mainly caused by the revenue recognised under different project portfolio. In 2019, approximately 75.3% of the revenue was derived from LVGEM Mangrove Bay No.1, with a higher gross profit margin over 70% while only approximately 13.9% of the revenue in 2020 was derived from LVGEM Mangrove Bay No.1. The income from sales of LVGEM Joyful Town and LVGEM Amazing Plaza accounted for approximately 26.0% and 38.3% of the revenue in 2020 respectively.

Gain on deemed disposal of an associate

For the year ended 31 December 2020, when the Group obtained the control of Baishizhou Urban Renewal Project through the subscription of new shares in Affluent Trade, Victor Success and Multiple Ally, the Group revaluated its 25% equity interests (acquired in 2019) in Baishizhou Urban Renewal Project at fair value and recognised a gain of approximately RMB3,893.6 million.

Selling Expenses

For the year ended 31 December 2020, selling expenses of the Group amounted to approximately RMB127.2 million (2019: RMB134.1 million), representing a decrease of approximately 5.1% as compared to the last year. The selling expenses mainly included advertising expenses and sales commissions for LVGEM Amazing Plaza and LVGEM Joyful Town.

Administrative Expenses

For the year ended 31 December 2020, administrative expenses of the Group amounted to approximately RMB474.5 million (2019: RMB461.5 million), representing an increase of approximately 2.8% as compared to the last year. The increase was mainly attributable to the depreciation expenses incurred for new office in Hong Kong LVGEM NEO.

Fair Value Changes on Investment Properties

The valuation on the Group's investment properties as at 31 December 2020 was conducted by an independent property valuer which resulted in a fair value loss on investment properties of approximately RMB239.3 million for the year ended 31 December 2020 (2019: fair value gain of approximately RMB696.4 million).

本集團向其住宅及商業物業的客戶及租戶提供綜合服務。該等綜合服務包括物業管理服務、酒店運營、舊改及其他。截至二零二零年十二月三十一日止年度，本集團綜合服務產生的收益約為人民幣292.0百萬元(二零一九年：人民幣321.3百萬元)。

毛利及毛利率

截至二零二零年十二月三十一日止年度，本集團的綜合毛利約為人民幣2,665.7百萬元(二零一九年：人民幣4,430.4百萬元)，較去年減少約39.8%；而截至二零二零年十二月三十一日止年度，綜合毛利率為49.1%(二零一九年：64.2%)。毛利率的波動主要是由於受不同項目組合確認之收益所致。於二零一九年，約75.3%的收益來自毛利率較高(超過70%)的綠景紅樹灣壹號，而於二零二零年僅有約13.9%的收益來自綠景紅樹灣壹號。來自出售綠景喜悅薈及綠景美景廣場的收入分別佔二零二零年的收益約26.0%及38.3%。

視作出售一間聯營公司的收益

截至二零二零年十二月三十一日止年度，在本集團透過認購富業、勝成及眾集的新股份取得對白石洲城市更新項目的控制權時，本集團按公允價值重新評估其於白石洲城市更新項目的25%股權(於二零一九年收購)，並確認收益約人民幣3,893.6百萬元。

銷售開支

截至二零二零年十二月三十一日止年度，本集團的銷售開支約為人民幣127.2百萬元(二零一九年：人民幣134.1百萬元)，較去年減少約5.1%。銷售開支主要包括綠景美景廣場及綠景喜悅薈的推廣開支及銷售佣金。

行政開支

截至二零二零年十二月三十一日止年度，本集團的行政開支約為人民幣474.5百萬元(二零一九年：人民幣461.5百萬元)，較去年增加約2.8%，增加主要由於就香港綠景NEO大廈新辦公室所招致的折舊開支所致。

投資物業的公允價值變動

於二零二零年十二月三十一日，本集團的投資物業經由獨立物業估值師進行估值，並因此得出截至二零二零年十二月三十一日止年度投資物業公允價值虧損約人民幣239.3百萬元(二零一九年：公允價值收益約人民幣696.4百萬元)。

Management Discussion and Analysis

管理層討論與分析

Finance Costs

For the year ended 31 December 2020, finance costs of the Group amounted to approximately RMB1,533.1 million (2019: RMB1,256.2 million), representing an increase of approximately 22.0% as compared to the last year.

The increase in finance costs was mainly due to the increase of the Group's total interest-bearing loans to RMB30,650.5 million as at 31 December 2020 from RMB25,976.5 million as at 31 December 2019. The Group's average finance cost of interest-bearing loans was 7.1% for the year ended 31 December 2020 (2019: 6.3%).

Income Tax Expense

For the year ended 31 December 2020, income tax expense of the Group amounted to approximately RMB865.0 million (2019: RMB1,617.2 million). The Group's income tax expense included payments and provisions made for EIT and LAT during the year. The decrease of income tax expense during the year was mainly attributable to the decrease in LAT provision due to the decrease in sales volumes in the current year.

Operating Results

For the year ended 31 December 2020, the profit attributable to owners of the Company was approximately RMB3,453.4 million (2019: RMB1,750.0 million), representing an increase of approximately 97.3% as compared to the last year.

Liquidity, Financial Resources and Gearing

Bank balances and cash as at 31 December 2020 amounted to approximately RMB9,409.7 million (including restricted bank deposits) (2019: RMB8,347.0 million).

The Group had total borrowings of approximately RMB30,650.5 million as at 31 December 2020 (2019: RMB25,976.5 million). Borrowings classified as current liabilities were approximately RMB10,136.9 million (2019: RMB10,826.7 million) and the Group's net gearing ratio as at 31 December 2020 was approximately 76.2% (2019: 135.3%), which was based on net debt (total interest-bearing loans net of bank balances and cash (including restricted bank deposits)) over total equity.

Current, Total and Net Assets

As at 31 December 2020, the Group had current assets of approximately RMB48,369.2 million (2019: RMB22,276.5 million) and current liabilities of approximately RMB15,903.1 million (2019: RMB17,760.7 million), which represented an increase in net current assets from approximately RMB4,515.9 million as at 31 December 2019 to approximately RMB32,466.1 million as at 31 December 2020. The increase in net current assets as at 31 December 2020 was mainly attributable to (i) the increase in properties under development for sale upon injection of Baishizhou Urban Renewal Project, and (ii) the reclassification of the outstanding convertible bonds from current liabilities to non-current liabilities upon the effective of certain supplemental agreements and/or supplemental trust deeds in the current year.

融資成本

截至二零二零年十二月三十一日止年度，本集團的融資成本約為人民幣1,533.1百萬元(二零一九年：人民幣1,256.2百萬元)，較去年增長約22.0%。

融資成本增加乃主要由於本集團有息貸款總額從二零一九年十二月三十一日的人民幣25,976.5百萬元增加至二零二零年十二月三十一日的人民幣30,650.5百萬元所致。本集團截至二零二零年十二月三十一日止年度的有息貸款平均融資成本為7.1%(二零一九年：6.3%)。

所得稅開支

截至二零二零年十二月三十一日止年度，本集團所得稅開支約為人民幣865.0百萬元(二零一九年：人民幣1,617.2百萬元)。本集團所得稅開支包括年內就企業所得稅及土地增值稅所作出的付款及撥備。年內所得稅開支減少乃主要由於因本年度銷量下降而減少土地增值稅撥備所致。

經營業績

截至二零二零年十二月三十一日止年度，本公司股東應佔盈利約為人民幣3,453.4百萬元(二零一九年：人民幣1,750.0百萬元)，較去年增加約97.3%。

流動資金、財務資源及資本負債比率

於二零二零年十二月三十一日，銀行結餘及現金約為人民幣9,409.7百萬元(包括受限制銀行存款)(二零一九年：人民幣8,347.0百萬元)。

於二零二零年十二月三十一日，本集團的總借貸約為人民幣30,650.5百萬元(二零一九年：人民幣25,976.5百萬元)。分類為流動負債的借貸約為人民幣10,136.9百萬元(二零一九年：人民幣10,826.7百萬元)，而本集團於二零二零年十二月三十一日的淨負債比率(按淨負債(有息貸款總額減銀行結餘及現金(包括受限制銀行存款))除以總權益計算)約為76.2%(二零一九年：135.3%)。

流動資產、總資產及資產淨值

於二零二零年十二月三十一日，本集團擁有流動資產約人民幣48,369.2百萬元(二零一九年：人民幣22,276.5百萬元)及流動負債約人民幣15,903.1百萬元(二零一九年：人民幣17,760.7百萬元)，流動資產淨值由二零一九年十二月三十一日約人民幣4,515.9百萬元增加至二零二零年十二月三十一日約人民幣32,466.1百萬元。於二零二零年十二月三十一日的流動資產淨值增加，乃主要由於(i)發展中待售物業於注入白石洲城市更新項目後有所增加；及(ii)於若干補充協議及/或補充信託契據於本年度生效後將尚未行使的可換股債券從流動負債重新分類至非流動負債所致。

Management Discussion and Analysis

管理層討論與分析

As at 31 December 2020, the Group recorded total assets of approximately RMB74,267.0 million (2019: RMB48,736.3 million) and total liabilities of approximately RMB46,381.4 million (2019: RMB35,701.5 million), representing a liabilities to assets ratio of approximately 62.5% (2019: 73.3%). Net assets of the Group were approximately RMB27,885.6 million as at 31 December 2020 (2019: RMB13,034.8 million).

For the year ended 31 December 2020, the Group was able to utilise its internal resources and debt and equity financing to meet the funding requirements for the development of real estate projects.

Charge on Assets

For the year ended 31 December 2020, loans of approximately RMB15,731.6 million (2019: RMB18,642.0 million) were secured by properties under development for sale, properties held for sale, investment properties, properties, plant and equipment and pledged deposits of the Group respectively in the total amount of approximately RMB22,114.8 million (2019: RMB26,344.1 million).

Contingent Liabilities

For the year ended 31 December 2020, the Group had financial guarantee contracts relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB2,128.8 million (2019: RMB2,132.4 million). Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks.

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

As at 31 December 2020, the Group issued financial guarantee to certain banks with a total amount of RMB289,200,000.

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

Exposure to Fluctuations in Exchange Rates and Related Hedges

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

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

於二零二零年十二月三十一日，本集團錄得總資產約人民幣74,267.0百萬元(二零一九年：人民幣48,736.3百萬元)及總負債約人民幣46,381.4百萬元(二零一九年：人民幣35,701.5百萬元)，資產負債比率約為62.5%(二零一九年：73.3%)。本集團於二零二零年十二月三十一日的資產淨值約為人民幣27,885.6百萬元(二零一九年：人民幣13,034.8百萬元)。

截至二零二零年十二月三十一日止年度，本集團能夠利用其內部資源及債務及股權融資滿足房地產項目開發的資金需求。

資產抵押

截至二零二零年十二月三十一日止年度，貸款約人民幣15,731.6百萬元(二零一九年：人民幣18,642.0百萬元)分別以總額約人民幣22,114.8百萬元(二零一九年：人民幣26,344.1百萬元)之本集團發展中待售物業、待售物業、投資物業、物業、廠房及設備及抵押存款作抵押。

或然負債

截至二零二零年十二月三十一日止年度，本集團就若干買方的按揭融資提供擔保的財務擔保合約約為人民幣2,128.8百萬元(二零一九年：人民幣2,132.4百萬元)。根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方欠付銀行的任何應計利息及罰金。

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

於二零二零年十二月三十一日，本集團向若干銀行發出合共人民幣289,200,000元的財務擔保。

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

匯率波動風險及有關對沖

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

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

Management Discussion and Analysis

管理層討論與分析

Treasury Policies and Capital Structure

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

Employees

As at 31 December 2020, the Group had a staff roster of 2,097 (2019: 1,821), of which 2,065 (2019: 1,794) employees were based in the Mainland China and 32 (2019: 27) employees were based in Hong Kong. The remuneration of employees was in line with the market trends and commensurate to the levels of remuneration in the industry. Remuneration of the Group's employees includes basic salaries, bonuses, retirement scheme and long-term incentives such as share options within an approved scheme.

財資政策及資本結構

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

僱員

於二零二零年十二月三十一日，本集團僱有2,097名(二零一九年：1,821名)員工，其中2,065名(二零一九年：1,794名)員工長駐中國內地，於香港則僱有32名(二零一九年：27名)員工。僱員的薪酬與市場趨勢一致，並與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅、退休計劃及長期獎勵，如認可的計劃內的購股權。

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Executive Directors

Ms. HUANG Jingshu, aged 33, is an Executive Director and Chairman of the Company and is responsible for the overall business development of the Company. From August 2012 to July 2013, Ms. HUANG served in the Guangzhou branch of Deloitte Touche Tohmatsu (Special General Partnership) and her last position was analyst of Corporate Risk Management Service Division, where she was primarily responsible for providing professional services to clients. Since November 2010, Ms. HUANG started serving in Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) and her position was the vice general manager of the investment management department and was responsible for corporate development and planning matters. Ms. HUANG obtained her Bachelor of Arts with Honours degree in Accounting and Finance from University of Exeter in the United Kingdom in July 2010, and her Master of Science degree in Accounting and Finance in November 2011. Ms. HUANG was appointed as an executive director and the chairman of the Company on 15 May 2014 and 5 June 2014 respectively. Ms. HUANG is the daughter of Mr. WONG Hong King, the controlling shareholder of the Company and the sister of Mr. HUANG Hao Yuan, an executive director of the Company.

Mr. TANG Shouchun, aged 58, is an Executive Director and Chief Executive Officer of the Company and is responsible for overall corporate investment and finance matters of the Company. Mr. TANG was appointed as vice president of Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in October 2015 and operations director of the Company in February 2016. Prior to joining Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司), Mr. TANG has been the deputy general manager of Yue Xiu Enterprises (Holdings) Limited and executive director of Yuexiu Property Company Limited (a company listed on the Stock Exchange). Mr. TANG studied business administration in Nanjing Agricultural University in his early years and obtained a doctor degree. After graduating, he has been vice professor in university, senior management in Guangdong and Guangzhou large state-owned enterprises (including Hong Kong listed companies) and was responsible for finance, capital operation, legal, audit, strategic and operation management matters. Mr. TANG is a vice professor, senior accountant, senior economist and registered asset appraiser in China. Mr. TANG was appointed as an executive director and chief executive officer of the Company on 31 March 2016.

Mr. YE Xingan, aged 57, is an Executive Director of the Company and is responsible for the overall project development and management and business branding management of the Company. He joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in March 2007 and served as the executive vice president and was responsible for its overall operation management. Prior to joining the Company, from March 1993 to August 2002, Mr. YE served various positions in 萬科企業股份有限公司 (China Vanke Co., Ltd.*), a company primarily engaged in real estate development. From August 2002 to March 2005, Mr. YE served as a director and general manager of Chengdu Xinyi Investment Industry Co., Ltd. (成都心怡投資實業有限公司) and was primarily responsible for overall management. From March 2005 to March 2007, Mr. YE served as a director and general manager of Shenzhen Xinyi Real Estate Investment Development Co., Ltd. (深圳市心怡房地產投資發展有限公司) and was primarily responsible for its overall management. Mr. YE obtained his associate degree in accounting from Jiangxi College of Finance and Economics (江西財經學院, now known as Jiangxi University of Finance and Economics (江西財經大學)) in the PRC in June 1986, and he studied courses of master's degree in business administration at International Business Administration School of University of International Business and Economics (對外經濟貿易大學國際工商管理學院) in the PRC from September 2000 to September 2001. Mr. YE was appointed as an executive director of the Company on 15 May 2014.

執行董事

黃敬舒女士，現年33歲，本公司執行董事兼主席，負責本公司之整體業務發展。於二零一二年八月至二零一三年七月，黃女士任職於德勤•關黃陳方會計師行廣州分行(特殊普通合伙)，其最後職位為企業風險管理服務部分分析師，主要負責向客戶提供專業服務。自二零一零年十一月起，黃女士開始就職於深圳市綠景企業管理集團有限公司及其職位為投資管理部副總經理，負責企業發展及策劃事宜。黃女士於二零一零年七月取得英國University of Exeter會計及財務學榮譽學士學位，並於二零一一年十一月於同一間大學取得會計及財務學理學碩士學位。於二零一四年五月十五日及二零一四年六月五日，黃女士分別獲委任為本公司執行董事及主席。黃女士為本公司控股股東黃康境先生之女兒及本公司執行董事黃浩源先生之胞姊。

唐壽春先生，現年58歲，本公司執行董事兼行政總裁，負責本公司之整體企業投資事務。唐先生於二零一五年十月就任綠景企業管理集團有限公司副總裁，於二零一六年二月就任本公司運營總監。加入綠景企業管理集團有限公司之前曾任越秀企業集團副總經理、越秀地產公司(一間於聯交所上市的公司)執行董事。唐先生早年就讀於南京農業大學企業管理專業，並取得博士學位。畢業後，彼先後擔任大學副教授、廣東及廣州大型國企(包括香港上市公司)高級管理人員，主管過財務、資本運營、法務、審計、戰略及運營管理等工作。唐先生擁有副教授、高級會計師、高級經濟師、中國註冊資產評估師等專業資格。唐先生於二零一六年三月三十一日獲委任為本公司執行董事兼行政總裁。

葉興安先生，現年57歲，本公司執行董事，負責本公司之整體項目發展及管理以及企業品牌管理。葉先生於二零零七年三月加入深圳市綠景企業管理集團有限公司，擔任常務副總裁，負責其整體營運管理。於加入本公司前，於一九九三年三月至二零零二年八月，葉先生於萬科企業股份有限公司(一間主要從事房地產開發之公司)擔任多個職位。於二零零二年八月至二零零五年三月，葉先生擔任成都心怡投資實業有限公司董事兼總經理，主要負責整體管理。於二零零五年三月至二零零七年三月，葉先生擔任深圳市心怡房地產投資發展有限公司董事兼總經理，主要負責整體管理。葉先生於一九八六年六月取得中國江西財經學院(現稱江西財經大學)會計學學士學位，及於二零零零年九月至二零零一年九月在中國對外經濟貿易大學國際工商管理學院修讀工商管理碩士學位課程。於二零一四年五月十五日，葉先生獲委任為本公司執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Mr. HUANG Hao Yuan, aged 30, is an Executive Director of the Company and is responsible for investment property operation and management of the Company. Mr. HUANG joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in 2014, and served as the deputy general manager of the Investment and Development Centre and was responsible for formulating its strategic development and investment plans, as well as responsible for project execution and the evaluation of potential projects. From August 2016 to February 2017, Mr. HUANG served as a senior investment manager of 博商資產管理有限公司 (Boshuang Assets Management Co., Ltd.*) and was responsible for project development and evaluation and monitoring of investments. Mr. HUANG possesses 7 years' working experience in the real estate industry in China. Mr. HUANG was appointed as an executive director of the Company on 21 February 2017. Mr. HUANG is the son of Mr. WONG Hong King, the controlling shareholder of the Company and the younger brother of Ms. HUANG Jingshu, an executive director and chairman of the Company.

Mr. SIU Chi Hung, aged 50, is an Executive Director of the Company and is responsible for corporate investment, treasury and financing, investor relationship and compliance management of the Company. Mr. SIU joined KPMG (Hong Kong) in 1994 and became a partner in 2008. He was the Head of Real Estate of KPMG (China) and the Head of Capital Markets development, Southern China of KPMG (China) before his retirement in June 2018. Mr. SIU currently also serves as an independent non-executive director of Roiserv Lifestyle Services Co., Ltd. (stock code 2146), China Gas Industry Investment Holdings Co. Ltd. (stock code 1940) and Dongjiang Environmental Company Limited (東江環保股份有限公司) (stock code 895), all companies listed on the Hong Kong Stock Exchange. Mr. SIU obtained his bachelor's degree in Business Administration from the Chinese University of Hong Kong in 1994. Mr. SIU is a non-practising member of the Hong Kong Institute of Certified Public Accountants, a member of the American Institute of Certified Public Accountants and a member of the Hong Kong Independent Non-Executive Director Association. Mr. SIU also obtained an independent director qualification certificate of listed company from the Shenzhen Stock Exchange in February 2021. Mr. SIU was appointed as an executive director of the Company on 20 September 2019.

Non-Executive Director

Ms. LI Lihong, aged 48, is a Non-Executive Director of the Company. Ms. LI has over 25 years of experience in the banking and financial industry. She is currently the chief risk officer of the Real Estate Finance Division of Ping An Bank Co., Ltd. (平安銀行股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code of 000001) and is responsible for the risk management of the real estate finance department. From March 2015 to November 2016, Ms. LI served as the general manager of Ping An Caizhi Investment Management Company (平安財智投資管理有限公司). She joined the Guangzhou branch of Ping An Bank Co., Ltd. (平安銀行股份有限公司) in January 2009 and held various management positions until March 2015, the last position she held in such branch was the investment officer. From July 2003 to January 2009, Ms. LI also served as the branch general manager of the Corporate Finance Department and general manager assistant of the Risk Management Department in the Guangzhou branch of China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange with stock codes of 600016 and 01988 respectively). In addition, Ms. LI also served as the deputy director of the Guangzhou Tianhe branch of the Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange with stock codes of 601398 and 1398 respectively) from July 1995 to June 2013. Ms. LI graduated from Nankai University and obtained her master's degree in business administration in senior management. Ms. LI was appointed as a non-executive director of the Company on 29 March 2018.

黃浩源先生，現年30歲，本公司執行董事，負責本公司之投資性物業運營及管理。黃先生於二零一四年加入深圳市綠景企業管理集團有限公司，擔任投資發展中心之副總經理，負責制定戰略發展和投資計劃、項目執行及潛在項目的評估。於二零一六年八月至二零一七年二月，黃先生於博商資產管理有限公司擔任高級投資經理，負責項目開發、評估及監控投資。黃先生具有七年於中國房地產行業之工作經驗。於二零一七年二月二十一日，黃先生獲委任為本公司執行董事。黃先生為本公司控股股東黃康境先生之兒子及本公司執行董事兼主席黃敬舒女士之胞弟。

蕭志雄先生，現年50歲，本公司執行董事，負責本公司之企業投資、資金和融資、投資者關係和合規管理。蕭先生於一九九四年加入畢馬威會計師事務所(香港)，並於二零零八年成為合夥人。他於二零一八年六月退休前擔任畢馬威中國房地產業主管理合夥人及畢馬威中國(華南區)資本市場發展主管合夥人。蕭先生目前亦擔任均於香港交易所上市的公司榮萬家生活服務股份有限公司(股份代號：2146)、China Gas Industry Investment Holdings Co. Ltd. (股份代號：1940)及東江環保股份有限公司(股份代號：895)的獨立非執行董事。蕭先生於一九九四年取得中文大學工商管理學學士學位。蕭先生為香港會計師公會非執業會計師，美國註冊會計師協會會員及香港獨立非執行董事協會會員。蕭先生於二零二一年二月亦獲得深圳證券交易所上市公司獨立董事資格證書。於二零一九年九月二十日，蕭先生獲委任為本公司執行董事。

非執行董事

李麗紅女士，現年48歲，本公司非執行董事。李女士在銀行和金融行業擁有超過二十五年經驗。李女士現時為平安銀行股份有限公司(一間於深圳證券交易所上市之公司(股份代號：000001))地產金融事業部風險總監，負責地產金融事業部的風險管理工作。於二零一五年三月至二零一六年十一月，李女士擔任平安財智投資管理有限公司總經理。李女士於二零零九年一月加入平安銀行股份有限公司廣州分行，並擔任多個職位，直至二零一五年三月，彼於該分行最後擔任之職位為投資總監。李女士亦於二零零三年七月至二零零九年一月於中國民生銀行股份有限公司(一間於上海證券交易所及香港交易所上市之公司(股份代號分別為600016及01988))廣州分行擔任支行公司業務部總經理及分行風險管理部總經理助理。另外，李女士亦曾於一九九五年七月至二零一三年六月在中國工商銀行股份有限公司(一間於上海證券交易所及香港交易所上市之公司(股份代號分別為601398及1398))廣州天河支行擔任辦事處副主任及計財科副科長。李女士畢業於南開大學並取得高級管理人員工商管理碩士學位。於二零一八年三月二十九日，李女士獲委任為本公司非執行董事。

* For identification purposes only 僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Independent Non-Executive Directors

Mr. WANG Jing, aged 53, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Mr. WANG currently serves as a vice president of 京東集團 and an independent director of Dark Horse Venture (Beijing) Technology Co. Ltd (創業黑馬(北京)科技股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 300688). From January 2017 to September 2018, he served as a chairman of the board of directors (chained supermarket of retail industry) of Beijing Ueater Technology Co. Ltd (北京優集客科技有限公司). Mr. WANG served as an independent director of Better-Life Commercial Chain Share Co., Ltd. (步步高商業連鎖股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 002251) from May 2014 to May 2017. Mr. WANG also served as a chief strategy officer of 京東集團 (7FRESH Business Unit) from October 2018 to April 2019. Mr. WANG obtained his Bachelor of Engineering Degree from Heilongjiang Business School (黑龍江商學院) in the PRC in July 1990, and his master's degree in business administration from University of International Business and Economics (對外經濟貿易大學) in the PRC in July 1997. Mr. WANG was appointed as an independent non-executive director of the Company on 15 May 2014.

Ms. HU Gin Ing, aged 62, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Ms. HU has over 26 years of experience in accounting and finance. Ms. HU was appointed as an independent director of Acer Synergy Tech Corp. (智聯服務股份有限公司) and Vigor Kobo Company Limited, all of which companies listed on the Taipei Exchange with a code of 6751 and 2733, on 15 October 2019 and 28 June 2019 respectively. Ms. HU is now the vice chairman of the board of BenLife Management Limited* (合富潤生企業管理諮詢(上海)有限公司) since February 2018. From May 2014 to June 2017, Ms. HU has served as the global chief finance officer of Acer Incorporated (宏碁股份有限公司), a company listed on the Taiwan Stock Exchange with stock code of 2353. From December 2013 to April 2019 and March 2011 to June 2020, Ms. HU has served as an independent non-executive director of Carnival Group International Holdings Limited (嘉年華國際控股有限公司) and Enterprise Development Holdings Limited (企展控股有限公司), both companies are listed on the Hong Kong Stock Exchange with stock code of 996 and 1808 respectively. From July 2017 to June 2020, Ms. HU has served as the chairman of the board of directors of Benepet Co., Ltd. (益龍生醫股份有限公司). From January 2005 to July 2020, Ms. HU has served as the director of NHL CPA Ltd., Hong Kong. Ms. HU serves as an independent non-executive director of Superactive Group Company Limited (先機企業集團有限公司) (formerly known as United Pacific Industries Limited (聯太工業有限公司)) since November 2013, a company listed on the Hong Kong Stock Exchange with stock code of 176. Ms. HU obtained her Bachelor of Arts degree from National Taiwan University in June 1981, her Master of Science degree of science from Barry University in the United States of America in May 1988 and her Master of Business Administration degree from Florida International University in the United States of America in August 1990. Ms. HU is a member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Ms. HU was appointed as an independent non-executive director of the Company on 15 May 2014.

獨立非執行董事

王敬先生，現年53歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。王先生現時為京東集團副總裁及擔任創業黑馬(北京)科技股份有限公司(一間於深圳證券交易所上市之公司(股份代號：300688))獨立董事。於二零一七年一月至二零一八年九月，王先生擔任北京優集客科技有限公司(零售行業之連鎖超市)董事長。王先生於二零一四年五月至二零一七年五月擔任步步高商業連鎖股份有限公司(一間於深圳證券交易所上市之公司(股份代號：002251))獨立董事。王先生亦於二零一八年十月至二零一九年四月擔任京東集團(7FRESH業務部)首席戰略官。王先生於一九九零年七月取得中國黑龍江商學院工程學士學位，並於一九九七年七月取得中國對外經濟貿易大學工商管理碩士學位。於二零一四年五月十五日，王先生獲委任為本公司獨立非執行董事。

胡競英女士，現年62歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。胡女士在會計及財務方面積逾二十六年經驗。胡女士分別於二零一九年十月十五日及於二零一九年六月二十八日起獲委任為智聯服務股份有限公司(股票代號：6751)及維格餅家股份有限公司(股票代號：2733)(均於台灣證券櫃臺買賣中心之公司)獨立董事。胡女士自二零一八年二月起擔任合富潤生企業管理諮詢(上海)有限公司之副董事長。於二零一四年五月至二零一七年六月，胡女士擔任宏碁股份有限公司(一間於台灣證券交易所上市之公司(股份代號：2353))全球財務長。於二零一三年十二月至二零一九年四月及於二零一一年三月至二零二零年六月，胡女士分別擔任嘉年華國際控股有限公司(股份代號：996)及企展控股有限公司(股份代號：1808)(兩間均於香港交易所上市之公司)之獨立非執行董事。於二零一七年七月至二零二零年六月，胡女士擔任益龍生醫股份有限公司之董事長。於二零零五年一月至二零二零年七月，胡女士擔任香港匯俊會計師事務所有限公司之董事。於二零一三年十一月起擔任先機企業集團有限公司(前稱「聯太工業有限公司」)(一間於香港交易所上市之公司(股份代號：176))獨立非執行董事。胡女士於一九八一年六月取得國立台灣大學文學士學位，於一九八八年五月取得美國Barry University科學碩士學位及於一九九零年八月取得美國Florida International University工商管理碩士學位。胡女士為香港會計師公會之會員及美國會計師公會之會員。於二零一四年五月十五日，胡女士獲委任為本公司獨立非執行董事

* For identification purposes only 僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Mr. MO Fan, aged 38, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Mr. MO has over 14 years of experience in financing. Mr. MO currently serves as a Chief Financial Officer of the joint venture company of Vanke Service and Cushman & Wakefield. Mr. MO obtained his Bachelor of Business Administration degree and a Bachelor of Communication Engineering degree from Zhejiang University in the PRC in June 2005 respectively, and his Master of Science degree in Banking and Finance from Loughborough University in the United Kingdom in December 2006. Mr. MO was appointed as an independent non-executive director of the Company on 8 April 2019.

Senior Management

Ms. HU Yong, aged 58, is the vice president of the Group and is responsible for its financing. Prior to joining the Group in January 2005, from July 2003 to December 2004, Ms. HU served as the assistant to general manager in China Jiantou Commerce & Trading Co., Ltd. (中建投商貿有限公司) and was responsible for finance duties. From January 1987 to January 2001, she served in various positions in Shenzhen Petrochemical Chemical Co., Ltd. (深圳石化化工有限公司), including deputy general manager from July 1996 to January 2001. She was responsible for financial and accounting matters. Ms. HU obtained her associate degree in accounting from Shenzhen University (深圳大學) in July 1989, and studied strategic financing management courses in the Research Institute of Tsinghua University in Shenzhen (深圳清華大學研究院) in the PRC in April 2008.

Mr. REN Hongbing, aged 53, is the vice president of the Group and is responsible for the project construction and development. Mr. REN joined the Group in March 2001. He had served various positions including the vice general manager and general manager of Zhuhai LVGEM Real Estate Development Co., Ltd. (珠海綠景房地產開發有限公司) and was responsible for project development. Prior to joining the Group, Mr. REN served as various positions in Shenzhen Huatai Enterprises Company (深圳華泰企業公司) and was responsible for technology and engineering matters. Mr. REN obtained his bachelor's degree in industrial and civil buildings (工業與民用建築) from Yangzhou Construction Engineering Institute (揚州建築工程學校) in the PRC in July 1988, and his Master of Business Administration degree from University of Wales in January 2012.

莫凡先生，現年38歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。莫先生於財務融資方面擁有超過十四年經驗。莫先生現時為萬科物業與戴德梁行合資公司首席財務官。莫先生於二零零五年六月分別取得中國浙江大學工商管理學學士及通信工程學學士學位，並於二零零六年十二月取得英國Loughborough University銀行與金融學碩士學位。於二零一九年四月八日，莫先生獲委任為本公司獨立非執行董事。

高級管理人員

呼勇女士，現年58歲，本集團之副總裁，負責財務融資。於二零零五年一月加入本集團前，於二零零三年七月至二零零四年十二月，呼女士擔任中建投商貿有限公司助理總經理，負責財務職責。於一九八七年一月至二零零一年一月，彼擔任深圳石化化工有限公司若干職位，包括於一九九六年七月至二零零一年一月擔任副總經理，負責財務及會計事項。呼女士於一九八九年七月取得深圳大學會計學畢業證書，並於二零零八年四月修讀中國深圳清華大學研究院策略融資管理課程。

任紅兵先生，現年53歲，本集團之副總裁，負責項目建設發展。任先生於二零零一年三月加入本集團。曾先後擔任珠海綠景房地產開發有限公司副總經理及總經理等多個職位，負責項目開發。於加入本集團前，任先生於深圳華泰企業公司擔任多個職位，負責技術及工程事宜。任先生於一九八八年七月取得中國揚州建築工程學校工業與民用建築學士學位，並於二零一二年一月取得英國威爾士大學工商管理碩士學位。

The directors of the Company (the "Directors") are pleased to present their report together with the audited consolidated financial statements for the year ended 31 December 2020.

A review of the business of the Group during the year under review and a discussion on the Group's future business development, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2020 are provided in the section headed "Chairman's Statement" on pages 4 to 6 and the section headed "Management Discussion and Analysis" on pages 7 to 22 of this annual report.

An analysis of the Group's performance during the year ended 31 December 2020 using financial performance indicators is provided in the section headed "Management Discussion and Analysis" on pages 7 to 22 of this annual report.

Principal Activities

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

Compliance with Laws and Regulations

As at 31 December 2020 and up to the date of this annual report, the Board was not aware of any non-compliance with the relevant laws and regulations that had a significant impact on the businesses and operations of the Group.

Environmental Policies and Performance

The Group recognises environmental protection is of vital importance 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.

"Environmental, Social and Governance Report" will be published in July 2021. For details, please refer to the Company's website.

Results and Dividend

The results of the Group for the year ended 31 December 2020 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 62 to 227.

The Board does not recommended the payment of any final dividend for the year ended 31 December 2020.

Convertible Bonds and Share Capital

Details of the movements in the Company's convertible bonds and share capital during the year ended 31 December 2020 are set out in notes 34 and 37 to the consolidated financial statements.

Reserves

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

本公司董事(「董事」)欣然提呈其年報連同截至二零二零年十二月三十一日止年度之經審核綜合財務報表。

本集團於回顧年內之業務回顧及本集團日後業務發展、可能風險及不確定性因素(本集團於截至二零二零年十二月三十一日止年度可能受影響之重要事件)載於本年報第4至6頁「主席報告」一節及第7至22頁「管理層討論與分析」一節。

於截至二零二零年十二月三十一日止年度，本集團之表現按財務表現指標之分析載於本年報第7至22頁「管理層討論與分析」一節。

主要業務

本集團主要從事物業發展及物業投資業務。

遵守法律法規

於二零二零年十二月三十一日及直至本年報日期，董事會並不知悉任何對本集團業務及營運產生重大影響之不遵守相關法律及法規之情況。

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。為將對環境之影響降至最低，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」將於二零二一年七月發佈。詳情請參閱本公司網站。

業績及股息

本集團截至二零二零年十二月三十一日止年度的業績以及本集團於該日的業務狀況載於第62至227頁的綜合財務報表。

董事會不建議就截至二零二零年十二月三十一日止年度派發任何末期股息。

可換股債券及股本

本公司於截至二零二零年十二月三十一日止年度內之可換股債券及股本的變動詳情載於財務報表附註34及37。

儲備

本集團之儲備於年內之變動情況載於綜合權益變動表。

Directors' Report

董事會報告

Distributable Reserves

Pursuant to the applicable statutory provisions of the Cayman Islands, the Company's reserves available for distribution as at 31 December 2020, amounted to approximately RMB363.7 million (2019: RMB283.1 million).

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

Principal Properties

Details of the principal properties for investment purposes and properties under development for sale are set out on pages 229 to 236.

Pre-Emptive Rights

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

Tax Relief

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

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 228.

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

During the year, the Company issued an aggregate of 46,444,364 ordinary shares (including the issue of 8,808,000 shares by the Company pursuant to the exercise of share options under the share option scheme of the Company). Details are as follows:

- (a) on 14 January 2020, the Company received a conversion notice for the conversion of aggregate 13,636,364 convertible preference shares in the capital of the Company into 13,636,364 ordinary shares of the Company; and
- (b) on 4 August 2020, the Company received a conversion notice for the conversion of aggregate 24,000,000 convertible preference shares in the capital of the Company into 24,000,000 ordinary shares of the Company.

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

可供分派儲備

根據開曼群島適用之法定條例，於二零二零年十二月三十一日，本公司之可供分派儲備約人民幣363.7百萬元（二零一九年：人民幣283.1百萬元）。

物業、廠房及設備

本集團之物業、廠房及設備的變動詳情載於綜合財務報表附註15。

主要物業

作投資用途的主要物業及發展中待售物業之詳情載於第229至236頁。

優先購買權

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

稅務減免

本公司並不知悉股東因彼等持有本公司股份而獲任何稅務減免。

財務概要

本集團過去五個財政年度之業績以及資產及負債概要載於第228頁。

購回、出售或贖回本公司上市證券

年內，本公司發行合共46,444,364股普通股（包括本公司根據本公司購股權計劃下的購股權獲行使而發行之8,808,000股股份）。詳情如下：

- (a) 於二零二零年一月十四日，本公司接獲換股通知，將本公司股本中之合共13,636,364股可換股優先股兌換為本公司之13,636,364股普通股；及
- (b) 於二零二零年八月四日，本公司接獲換股通知，將本公司股本中之合共24,000,000股可換股優先股兌換為本公司之24,000,000股普通股。

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

Based on the financial and liquidity position of the Group (with details set out in the paragraphs headed "Liquidity, Financial Resources and Gearing" of this report), to the best knowledge of the Company, the Company expects that it will be able to meet its redemption obligations under the outstanding convertible securities issued by it.

Directors

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

Executive Directors

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

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

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

In accordance with the Company's articles of association, Ms. HUANG Jingshu, Mr. TANG Shouchun and Mr. YE Xingan will retire by rotation. All the above Directors being eligible for re-election, will offer themselves for re-election at the forthcoming annual general meeting.

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

根據本集團財務及流動資金狀況(詳情載於本報告「流動資金、財務資源及資本負債比率」各段)，據本公司所知，本公司預期將有能力履行其已發行惟尚未行使之可換股證券項下之贖回義務。

董事

在年內及截至本報告日期止之本公司董事如下：

執行董事

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

非執行董事

李麗紅女士

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

根據本公司之組織章程細則，黃敬舒女士、唐壽春先生及葉興安先生將輪席告退。所有上述董事符合重選資格並願意於應屆股東週年大會上重選連任。

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

Directors' Report

董事會報告

Biographical Details of Directors and Senior Management

Biographical details of the Directors and senior management are set out on pages 23 to 26.

Directors' Service Agreements

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

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

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

Directors' and Controlling Shareholders' Interests in Contracts

Save as disclosed in the section headed "Connected Transactions" in this report and in note 49 to the consolidated financial statements, none of the Directors and controlling shareholders of the Company had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

Remuneration of the Directors and the Five Highest Paid Individuals

Details of the remuneration of the Directors and the five highest paid individuals are set out in note 11 to the consolidated financial statements.

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

董事及高級管理人員之履歷

董事及高級管理人員之履歷詳情載於第23至26頁。

董事服務合約

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

非執行董事及各獨立非執行董事已與本公司訂立委任函，任期為兩年，於委任函內註明其中一方可向另一方根據委任函條款終止其委任函。

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

董事及控股股東的合約權益

除本年報內「關聯交易」一節及綜合財務報表附註49所披露者外，概無董事及本公司控股股東於本公司或其任何附屬公司在年內所訂立並與本集團業務有關之任何重要合約中，直接或間接擁有重大權益。

董事薪酬及五名最高薪酬人士

董事薪酬及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註11。

董事及高級管理人員薪酬乃經參考其職務、責任及表現，以及本集團業績釐定。

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

As at 31 December 2020, the Directors and the chief executive of the Company had the following interests in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules.

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

Name of Director	Long position/ Short position	Capacity	Number of shares held	Number of underlying shares (under equity derivatives of the Company) held 所持相關股份數目 (於本公司股本 衍生工具下)	Aggregate interests	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比
董事姓名	好倉／淡倉	身份	所持股份數目		權益總額	
Ms. HUANG Jingshu 黃敬舒女士	Long Position 好倉	Beneficiary of a trust 信託的受益人	2,400,000,000 (Note 1) (附註1)	-	2,400,000,000	47.09%
	Long Position 好倉	Interests of spouse 配偶權益	-	810,000,000 (Note 2) (附註2)	810,000,000	15.89%
	Long Position 好倉	Personal interest 個人權益	-	4,500,000 (Note 3) (附註3)	4,500,000	0.09%
Mr. TANG Shouchun 唐壽春先生	Long Position 好倉	Personal interest 個人權益	-	10,000,000 (Note 3) (附註3)	10,000,000	0.20%
Mr. YE Xingan 葉興安先生	Long Position 好倉	Personal interest 個人權益	-	10,000,000 (Note 3) (附註3)	10,000,000	0.20%
Mr. HUANG Hao Yuan 黃浩源先生	Long Position 好倉	Beneficiary of a trust 信託的受益人	2,400,000,000 (Note 1) (附註1)	-	2,400,000,000	47.09%
	Long Position 好倉	Personal interest 個人權益	-	4,500,000 (Note 3) (附註3)	4,500,000	0.09%
Mr. WANG Jing 王敬先生	Long Position 好倉	Personal interest 個人權益	-	3,000,000 (Note 3) (附註3)	3,000,000	0.06%
Ms. HU Gin Ing 胡競英女士	Long Position 好倉	Personal interest 個人權益	-	3,000,000 (Note 3) (附註3)	3,000,000	0.06%

Notes:

- Ms. HUANG Jingshu and Mr. HUANG Hao Yuan are deemed to be interested in 2,400,000,000 shares in the Company by virtue of them being beneficiaries of the family trust of Mr. WONG Hong King for the purpose of Part XV of the SFO.
- Ms. HUANG Jingshu is deemed to be interested in 810,000,000 convertible preference shares held by Mr. Xu Jun Jia, her spouse, for the purpose of Part XV of the SFO.
- Share options were granted on 28 June 2016. Details of share options granted to the Directors of the Company are set out in part (B) of this section.

附註：

- 由於黃敬舒女士及黃浩源先生為黃康境先生之家族信託的受益人，故按證券及期貨條例第XV部而言，彼等被視為在本公司擁有2,400,000,000股股份之權益。
- 就證券及期貨條例第XV部而言，黃敬舒女士被視為於其配偶許峻嘉先生所持有之該810,000,000股可換股優先股中擁有權益。
- 購股權乃於二零一六年六月二十八日授出。授予本公司董事之購股權詳情乃載於本節(B)項下。

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益

於二零二零年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條所置存的登記冊所示，董事及本公司主要行政人員於本公司之股份、相關股份及債券中擁有下文所列的權益，或根據上市規則所載董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益。

(A) 於本公司股份的權益及相關股份之權益

Directors' Report

董事會報告

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

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

Save as disclosed above, as at 31 December 2020, none of the Company's Directors, chief executive of the Company and their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO.

(B) Long position in underlying shares – share options

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

Name of Director	Date of grant dd/mm/yyyy	Exercisable period dd/mm/yyyy	Number of share options 購股權數目				Balance at 31 December 2020	Exercise price per share HK\$
			Balance at 1 January 2020	Granted during the year	Exercised during the year	Lapsed during the year		
			於二零二零年 一月一日 之結餘	於年內授出	於年內行使	於年內失效	於二零二零年 十二月三十一日 之結餘	每股行使價 港元
Ms. HUANG Jingshu 黃敬舒女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	4,500,000	-	-	-	4,500,000	1.846 (Note 2) (附註2)
Mr. TANG Shouchun 唐壽春先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	10,000,000	-	-	-	10,000,000	1.846 (Note 2) (附註2)
Mr. YE Xingan 葉興安先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	10,000,000	-	-	-	10,000,000	1.846 (Note 2) (附註2)
Mr. HUANG Hao Yuan 黃浩源先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	4,500,000	-	-	-	4,500,000	1.846 (Note 2) (附註2)
Mr. WANG Jing 王敬先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	3,000,000	-	-	-	3,000,000	1.846 (Note 2) (附註2)
Ms. HU Gin Ing 胡競英女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 1) (附註1)	3,000,000	-	-	-	3,000,000	1.846 (Note 2) (附註2)

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(A) 於本公司股份的權益及相關股份之權益(續)

除上文披露者外，於二零二零年十二月三十一日，本公司之董事、本公司主要行政人員及彼等之聯繫人概無於本公司或其任何相聯法團之股份、相關股份或債券擁有任何權益或淡倉，而需按證券及期貨條例第352條予以記錄。

(B) 相關股份之好倉—購股權

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

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

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

Notes:

- The share options are exercisable in the following manner for a period of 10 years from the date of grant:
 - 30% of the share options shall exercise on the date of the grant and up to 27 June 2026;
 - 30% of the share options shall exercise upon the expiry of one year from 28 June 2016 and up to 27 June 2026; and
 - 40% of the share options shall exercise upon the expiry of two years from 28 June 2016 and up to 27 June 2026.
- Details of the fair value of the options granted in 2016 are set out in note 41 to the consolidated financial statements.

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(B) 相關股份之好倉 – 購股權(續)

附註：

- 購股權可於授出日期起計十年期間按下列方式行使：
 - 購股權之30%由授出日期起至二零二六年六月二十七日止；
 - 購股權之30%由二零一六年六月二十八日起計一年屆滿起，至二零二六年六月二十七日止；及
 - 購股權之40%由二零一六年六月二十八日起計兩年屆滿起，至二零二六年六月二十七日止。
- 於二零一六年授出的購股權的公允價值詳情請載於綜合財務報表附註41。

Directors' Report

董事會報告

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

So far as known to the Company, as at 31 December 2020, shareholders (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long position in ordinary shares

Name of Shareholder	Capacity	Number of shares held	Number of underlying shares held	Aggregate Interests	Approximate percentage of the issued share capital of the Company	Notes
股東姓名	身份	所持股份的數目	所持相關股份的數目	權益總額	佔本公司已發行股本之概約百分比	附註
China LVGEM Property Holdings Limited ("China LVGEM") 中國綠景地產控股有限公司 (「中國綠景」)	Beneficial owner 實益擁有人	1,078,336,583	–	1,078,336,583	21.16%	1
Go Great International Limited ("Go Great") 高鴻國際有限公司(「高鴻」)	Interests of controlled corporation 受控法團權益	1,185,479,094	–	1,185,479,094	23.26%	1
Mr. WONG Hong King ("Mr. WONG") 黃康境先生(「黃先生」)	Interests of controlled corporation 受控法團權益	1,185,479,094	–	1,185,479,094	23.26%	1
	Founder of a trust 信託的成立人	2,400,000,000	–	2,400,000,000	47.09%	2
Kinson Group Limited	Beneficial owner 實益擁有人	2,400,000,000	–	2,400,000,000	47.09%	2
Evergreen Holdings Limited	Interests of controlled corporation 受控法團權益	2,400,000,000	–	2,400,000,000	47.09%	2
Cantrust (Far East) Limited	Interests of controlled corporation 受控法團權益	2,400,000,000	–	2,400,000,000	47.09%	2
Toplist Investments Limited	Beneficial owner 實益擁有人	300,000,000	–	300,000,000	5.89%	N/A 不適用
Wkland Investments V Limited	Beneficial owner 實益擁有人	300,000,000	–	300,000,000	5.89%	3
China Vanke Co., Ltd.* 萬科企業股份有限公司	Interests of controlled corporation 受控法團權益	300,000,000	–	300,000,000	5.89%	3
Chance Talent Management Limited	Beneficial owner 實益擁有人	15,600,000	309,889,785	325,489,785	6.39%	4
China Construction Bank Corporation 中國建設銀行股份有限公司	Interests of controlled corporation 受控法團權益	15,600,000	309,889,785	325,489,785	6.39%	4
Central Huijin Investment Ltd. 中央匯金投資有限責任公司	Interests of controlled corporation 受控法團權益	15,600,000	309,889,785	325,489,785	6.39%	4

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益

於二零二零年十二月三十一日，就本公司所知，股東(董事或本公司主要行政人員除外)於本公司的股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部知會本公司之權益或淡倉；或根據證券及期貨條例第336條須予存置的登記冊所示，詳情如下：

普通股股份之好倉

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

Long position in ordinary shares (Cont'd)

Notes:

- China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 1,078,336,583 shares held by China LVGEM.
- Kinson Group Limited is owned as to 100% by Evergreen Holdings Limited, and Evergreen Holdings Limited is owned as to 100% by Cantrust (Far East) Limited, acting as the trustee for the family trust of Mr. WONG.
- Wkland Investments V Limited is owned as to 100% by 萬科企業股份有限公司 (China Vanke Co., Ltd.*). Accordingly, 萬科企業股份有限公司 (China Vanke Co., Ltd.*) is deemed to be interested in the 300,000,000 shares held by Wkland Investments V Limited.
- Chance Talent is owned as to 100% by China Construction Bank Corporation, and China Construction Bank Corporation is owned as to 57.11% by Central Huijin Investment Ltd.. Accordingly, Central Huijin Investment Ltd. is deemed to be interested in the 325,489,785 shares held by Chance Talent.

Long position in convertible preference shares

Name of Shareholder	Capacity	Number of convertible preference shares held	Approximate percentage of the issued convertible preference share capital of the Company	Notes
股東姓名	身份	所持可換股優先股份數目	已發行可換股優先股本之概約百分比	附註
China LVGEM 中國綠景	Beneficial owner 實益擁有人	2,066,967,094	60.71%	1
Go Great 高鴻	Interests of controlled corporation 受控法團權益	2,066,967,094	60.71%	1
Mr. WONG 黃先生	Interests of controlled corporation 受控法團權益	2,066,967,094	60.71%	1
All Group Wise International (Holdings) Limited 盛智國際(控股)有限公司	Beneficial owner 實益擁有人	810,000,000	23.79%	2
Mr. Xu Jun Jia 許峻嘉先生	Interests of controlled corporation 受控法團權益	810,000,000	23.79%	2
Proud Pine Limited 傲松有限公司	Beneficial owner 實益擁有人	284,000,000	8.34%	N/A 不適用
Poly Platinum Enterprises Limited	Person having a security interest in shares 持有股份的保證權益的人	1,070,830,000	31.45%	3
Greater Bay Area Homeland Investments Limited 大灣區共同家園投資有限公司	Interests of controlled corporation 受控法團權益	1,070,830,000	31.45%	3

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益(續)

普通股股份之好倉(續)

附註：

- 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等1,078,336,583股股份擁有權益。
- Evergreen Holdings Limited擁有Kinson Group Limited 100%之權益，而Cantrust (Far East) Limited作為黃先生之家族信託的受託人擁有Evergreen Holdings Limited 100%之權益。
- 萬科企業股份有限公司擁有Wkland Investments V Limited之100%權益。因此，萬科企業股份有限公司被視為於Wkland Investments V Limited所持有之該等300,000,000股股份擁有權益。
- 中國建設銀行股份有限公司擁有Chance Talent 100%之權益，而中央匯金投資有限責任公司擁有中國建設銀行股份有限公司57.11%之權益。因此，中央匯金投資有限責任公司被視為於Chance Talent所持有之該等325,489,785股股份擁有權益。

可換股優先股股份之好倉

Directors' Report

董事會報告

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

Long position in convertible preference shares (Cont'd)

Notes:

1. China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 2,066,967,094 convertible preference shares held by China LVGEM.
2. All Group Wise International (Holdings) Limited is owned as to 100% by Mr. Xu Jun Jia. Accordingly, Mr. Xu Jun Jia is deemed to be interested in the 810,000,000 convertible preference shares held by All Group Wise International (Holdings) Limited.
3. Poly Platinum Enterprises Limited is indirect owned as to 100% by Greater Bay Area Homeland Investments Limited. Accordingly, Greater Bay Area Homeland Investments Limited is deemed to be interested in the 1,070,830,000 convertible preference shares held by Poly Platinum Enterprises Limited.

Employee and Remuneration Policies

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

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

For details of the Company's key relationships with employees, please refer to "Employees" paragraph under the section headed "Management Discussion and Analysis" on page 22 of this annual report.

Retirement Schemes

The Group participates in several defined contribution retirement plans which cover the Group's eligible employees in China, and a mandatory provident fund scheme for the employees in Hong Kong. Particulars of these retirement plans are set out in note 42 to the consolidated financial statements.

主要股東於本公司的股份及相關股份中擁有的權益(續)

可換股優先股股份之好倉(續)

附註:

1. 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等2,066,967,094股可換股優先股股份擁有權益。
2. 許峻嘉先生擁有盛智國際(控股)有限公司100%之權益。因此，許峻嘉先生被視為於盛智國際(控股)有限公司所持有之該等810,000,000股可換股優先股股份擁有權益。
3. 大灣區共同家園投資有限公司間接擁有Poly Platinum Enterprises Limited 100%之權益。因此，大灣區共同家園投資有限公司被視為於Poly Platinum Enterprises Limited所持有之該等1,070,830,000股可換股優先股股份擁有權益。

僱員及薪酬政策

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

此外，購股權可根據本公司購股權計劃之條款及條件授予合資格的僱員。

有關本公司與僱員之主要關係之詳情，請參閱本年報第22頁「管理層討論與分析」一節下「僱員」一段。

退休計劃

本集團為本集團之合資格中國員工參與多種定額供款退休計劃及為香港員工參與強制性公積金計劃，該等退休計劃之詳情載於綜合財務報表附註42。

Share Options

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

Details of the Company's share option scheme and the movements in the share options are set out in note 41 to the consolidated financial statements.

Management Contracts

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

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this report, no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any of the Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the year ended 31 December 2020.

Major Suppliers and Customers

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

Purchases	
– the largest supplier	32%
– five largest suppliers combined	76%
Sales	
– the largest customer	17%
– five largest customers combined	21%

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

購股權

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

有關本公司之購股權計劃及購股權變動的詳情載於綜合財務報表附註41。

管理合約

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

董事認購股份或債權證之權利

除本年報另行所披露者外，截至二零二零年十二月三十一日止年度，概無向任何董事或彼等各自之配偶或未滿18歲子女授出藉收購本公司股份或債權證而獲益之權利，或彼等概無行使有關權利；或本公司及其任何附屬公司亦無訂立任何安排，致使董事或彼等各自的配偶或未滿18歲子女於任何其他法人團體收購有關權利。

主要供應商及客戶

本集團主要供應商及客戶所佔採購及銷售百分率如下：

採購額	
– 最大供應商	32%
– 五大供應商合併計算	76%
銷售額	
– 最大客戶	17%
– 五大客戶合併計算	21%

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

Directors' Report

董事會報告

Connected Transactions

For the year ended 31 December 2020, the Group has entered into the following connected transaction, certain details of which were disclosed in compliance with the requirements of the Listing Rules.

Subscription of New Shares in Affluent Trade Investments Limited, Victor Success Investments Limited and Multiple Ally Limited

On 25 August 2020, Greater Bay Area Intelligent City Limited (the "Subscriber"), a direct wholly-owned subsidiary of the Company, entered into a subscription agreement (the "Subscription Agreement") with Affluent Trade Investments Limited, Victor Success Investments Limited and Multiple Ally Limited (the "Target Companies") to subscribe for new ordinary shares in each of the Target Companies at the consideration of RMB1,200,000, RMB1,380,000 and RMB1,490,000 respectively (the "Subscription"). The Subscription was completed 25 August 2020.

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

Continuing Connected Transaction

Security Services Agreement

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

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

關連交易

截至二零二零年十二月三十一日止年度，本集團進行下列之關連交易，其若干詳情已遵守上市規則的規定披露。

認購富業投資有限公司、勝成投資有限公司及眾集有限公司之新股份

於二零二零年八月二十五日，本公司之直接全資附屬公司大灣區智慧城市有限公司(「認購人」)分別與富業投資有限公司、勝成投資有限公司及眾集有限公司(「目標公司」)訂立認購協議(「認購協議」)，分別以代價人民幣1,200,000元、人民幣1,380,000元及人民幣1,490,000元認購各目標公司的新普通股(「認購事項」)。認購事項於二零二零年八月二十五日完成。

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

持續關連交易

保安服務協議

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

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

* For identification purposes only 僅供識別

Connected Transactions (Cont'd)

Continuing Connected Transaction (Cont'd)

Security Services Agreement (Cont'd)

For the year ended 31 December 2020, no fees were charged by Forsafe for the provision of the Services under the Security Services Agreement, which was within the annual cap of RMB30 million for the same period.

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

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

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

Related Party Transactions

Details of the related party transactions undertaken by the Group in the normal course of business are set out in note 49 to the consolidated financial statements. Those related party transactions, which constituted connected transactions not being exempt from annual reporting requirement under the Listing Rules, are set out in the section headed "Connected Transactions" above, and the Company has complied with the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules.

關連交易(續)

持續關連交易(續)

保安服務協議(續)

截至二零二零年十二月三十一日止年度，賦安並無就安保服務協議項下提供的服務收取費用，屬於同期年度上限人民幣30百萬元的範圍內。

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

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

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

關聯方交易

本公司於日常業務過程中進行的關聯方交易詳情載於綜合財務報表附註49。構成不獲豁免上市規則下年度申報規定的關連交易的關聯方交易載於上文「關連交易」一節，而本公司已符合上市規則第14A章的相關披露規定。

Directors' Report

董事會報告

Directors' Interest in Competing Business

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

Environmental, Social and Governance Report

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

Corporate Governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 42 to 53 of this report.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public during the year ended 31 December 2020 and up to the date of this report.

Changes in Directors' Information

Changes in directors' information since the date of the 2020 interim report of the Company and up to the date of this report which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

Mr. SIU Chi Hung was appointed as an independent non-executive director of Roiserv Lifestyle Services Co., Ltd. (stock code 2146) in April 2020, China Gas Industry Investment Holdings Co. Ltd. (stock code 1940) in June 2020 and Dongjiang Environmental Company Limited (東江環保股份有限公司) (stock code 895) in December 2020, all companies listed on the Hong Kong Stock Exchange, respectively.

Mr. SIU obtained an independent director qualification certificate of listed company from the Shenzhen Stock Exchange in February 2021.

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

董事於競爭業務之權益

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

環境、社會及管治報告

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

企業管治

本公司所採納的主要企業管治常規的報告，載於本報告第42至53頁。

足夠的公眾持股量

根據本公司可從公開途徑取得的資料及就董事所知，於截至二零二零年十二月三十一日止年度及截至本報告日期，本公司之全部已發行股份之公眾持股量為不少於25%。

董事資料變動

自本公司二零二零年中期報告日期起至本報告日期止，根據上市規則第13.51B(1)條規定須予披露的董事資料變動如下：

蕭志雄先生分別於二零二零年四月、二零二零年六月及二零二零年十二月獲委任為榮萬家生活服務股份有限公司(股份代號：2146)、China Gas Industry Investment Holdings Co. Ltd. (股份代號：1940)及東江環保股份有限公司(股份代號：895)(所有公司均於香港聯交所上市)的獨立非執行董事。

蕭先生於二零二一年二月獲得深圳證券交易所上市公司獨立董事資格證書。

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

* For identification purposes only 僅供識別

Auditor

The consolidated financial statements of the Group for the year ended 31 December 2020 have been audited by Messrs. Deloitte Touche Tohmatsu (“Deloitte”) who will retire and, being eligible, offer themselves for re-appointment. Save as aforesaid, there was no change in auditor of the Company in any of the preceding three years.

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

On behalf of the Board

HUANG Jingshu
Chairman

Hong Kong, 30 March 2021

核數師

本集團截至二零二零年十二月三十一日止年度之綜合財務報表已由德勤•關黃陳方會計師行(「德勤」)審核，而德勤將告退任，惟符合資格並願意應聘連任。除上述者外，於過往三年內本公司核數師概無變動。

本公司將於應屆股東週年大會上提呈決議案以續聘德勤為本公司核數師。

承董事會命

主席
黃敬舒

香港，二零二一年三月三十日

Corporate Governance Report

企業管治報告

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

Corporate Governance Practices

Throughout the year ended 31 December 2020, the Group complied with all the code provisions of Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

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

Board of Directors

Board Composition

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

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

Executive Directors

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

Non-Executive Director

Ms. LI Lihong

Independent Non-Executive Directors

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

Further details of the current Directors are set out on pages 23 to 26 under the section headed “Biographical Details of Directors and Senior Management” of this report.

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

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

企業管治常規

截至二零二零年十二月三十一日止年度，本集團一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之《企業管治守則》（「守則」）所載之所有守則條文規定。

董事會將繼續監察及審核本集團之企業管治常規，以確保符合守則之規定。

董事會

董事會之組成

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

於本報告日期之董事會成員為：

執行董事

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

非執行董事

李麗紅女士

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

有關現任董事之進一步詳情載於本年報內第23至26頁「董事及高級管理人員之履歷」一節中。

獨立非執行董事之數目已符合上市規則規定。

Board of Directors (Cont'd)

Board Composition (Cont'd)

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

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

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

Attendance Record at Board Meetings

For the year ended 31 December 2020, five full Board meetings were held, two of which were the regular ones held at approximately semi-annually intervals, to review the business of the Group and approve the financial results of the Group.

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

Executive Directors

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

執行董事

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

Non-Executive Director

Ms. LI Lihong

非執行董事

李麗紅女士

Independent Non-Executive Directors

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

獨立非執行董事

王敬先生
胡競英女士
莫凡先生

Meetings attended/ Number of Meetings held 出席會議次數/舉行會議次數
5/5
5/5
5/5
5/5
5/5
0/5
2/5
5/5
5/5

董事會(續)

董事會之組成(續)

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

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

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

董事會會議出席記錄

截至二零二零年十二月三十一日止年度，本集團共召開五次董事會會議，其中兩次為大約每半年定期舉行一次之董事會會議，以審議本集團之業務及批准本集團之財務業績。

董事會之會議中個別成員之出席情況載列如下：

Corporate Governance Report

企業管治報告

Board of Directors (Cont'd)

Attendance Record at Board Meetings (Cont'd)

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

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

Directors' Insurance

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

Directors' Professional Development

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

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

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The obligation to follow the Listing Rules is set out in the terms of the service agreements of each executive Director and the letters of appointment of each independent non-executive Director. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 December 2020.

Board Committees

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

董事會(續)

董事會會議出席記錄(續)

除上述會議外，需要董事會批准之事項亦以書面決議案方式傳閱予所有董事會成員。

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

董事保險

本公司已就董事可能面對之法律行動安排適當的董事及主要職員責任保險。

董事專業發展

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

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

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)，作為其董事進行證券交易之操守守則。各執行董事之服務合約條文及各獨立非執行董事之委任信件中已載有遵守上市規則之責任。經本公司向全體董事作出特定查詢後，全體董事確認，彼等於截至二零二零年十二月三十一日止年度一直遵守標準守則所規定標準。

董事委員會

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

Board Committees (Cont'd)

Audit Committee

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

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

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

Ms. HU Gin Ing, who possess a professional accounting qualification and relevant accounting experience, is the Chairman of the Audit Committee. No member of the Audit Committee is a member of the former or existing auditor of the Company.

The primary duties of the Audit Committee are to review and approve the financial reporting process, risk management and internal control systems of the Group. During the year, the Audit Committee has reviewed the Group's interim results for the six months ended 30 June 2020. The Group's final results for the year ended 31 December 2020 have been reviewed by the members of the Audit Committee before submission to the Board for approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems.

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

Name of members

成員名稱

Mr. WANG Jing	王敬先生
Ms. HU Gin Ing	胡競英女士
Mr. MO Fan	莫凡先生

Nomination Committee

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

董事委員會(續)

審核委員會

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

審核委員會成員只包括獨立非執行董事。於本年報日期的審核委員會成員如下：

胡競英女士(主席)
王敬先生
莫凡先生

胡競英女士，彼具有專業會計資格及相關會計經驗，乃審核委員會主席。概無任何審核委員會之成員乃本公司之前任或現任核數師。

審核委員會的主要職務為檢討及批准本集團的財務申報程序、風險管理及內部監控制度。於年內，審核委員會已審閱本集團截至二零二零年六月三十日止六個月的中期業績。本集團截至二零二零年十二月三十一日止年度之期終業績於提呈董事會批准前已獲審核委員會審閱。審核委員會認為是次業績之籌備乃遵守適用之會計準則及要求以及已作出適當的披露。審核委員會亦審閱風險管理及內部監控制度之成效。

於年內審核委員會共舉行三次會議。每位成員之出席情況載列如下：

Meetings attended/Number of Meetings held

出席會議次數/舉行會議次數

1/3
3/3
3/3

提名委員會

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

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Nomination Committee (Cont'd)

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

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

The primary duty of the Nomination Committee is making recommendations to the Board on appointment and removal of directors and management of Board succession. No director was appointed or removed during the year. In reviewing and assessing the Board composition, the Nomination Committee had considered the various aspects set out in the board diversity policy. It had also reviewed and assessed the independence of the independent non-executive Directors.

The Nomination Committee resolved that all the existing Directors should be recommended to be retained by the Company. In accordance with the Company's articles of association, Ms. HUANG Jingshu, Mr. TANG Shouchun and Mr. YE Xingan retire by rotation. All the above Directors being eligible for re-election, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

One meeting of the Nomination Committee was held during the year. The attendance of each member is set out as follows:

Name of members

成員名稱

Ms. HUANG Jingshu
Mr. WANG Jing
Mr. MO Fan

黃敬舒女士
王敬先生
莫凡先生

Meetings attended/Number of Meetings held

出席會議次數/舉行會議次數

1/1
0/1
1/1

Nomination Policy

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

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

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

董事委員會(續)

提名委員會(續)

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

黃敬舒女士(主席)
王敬先生
莫凡先生

提名委員會的主要職務為就委任董事及罷免董事以及管理董事會繼任事宜向董事會提出建議。於年內並無委任或罷免董事。在審查和評估董事會組成，提名委員會已考慮載於董事會成員多元化政策的各個方面。其委員亦同時審查和評估獨立非執行董事之獨立性。

提名委員會決議推薦所有現任董事在本公司留任。根據本公司之組織章程細則，黃敬舒女士、唐壽春先生及葉興安先生將輪席告退。所有上述董事符合重選資格並願意於應屆本公司之股東週年大會上重選連任。

於年內提名委員會共召開一次會議。每位成員之出席情況載列如下：

提名政策

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

下列因素將用作提名委員會評估建議候選人適合性的參考：

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

Board Committees (Cont'd)

Nomination Committee (Cont'd)

Nomination Policy (Cont'd)

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

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

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

Board Diversity Policy

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

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

Remuneration Committee

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

董事委員會(續)

提名委員會(續)

提名政策(續)

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

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

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

董事會成員多元化政策

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

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

薪酬委員會

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

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Remuneration Committee (Cont'd)

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

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

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

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

All of the five highest paid individuals during the year ended 31 December 2020 were Directors. Details of the remuneration of the Directors for the year ended 31 December 2020 are set out in note 11 to the consolidated financial statements.

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

Name of members

成員名稱

Ms. HU Gin Ing
Ms. HUANG Jingshu
Mr. MO Fan

胡競英女士
黃敬舒女士
莫凡先生

Meeting attended/Number of Meeting held

出席會議次數／舉行會議次數

1/1
1/1
1/1

董事委員會(續)

薪酬委員會(續)

於本年報日期的薪酬委員會成員如下：

胡競英女士(主席)
黃敬舒女士
莫凡先生

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

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

截至二零二零年十二月三十一日止年度，五名最高薪酬人士皆為董事。截至二零二零年十二月三十一日止年度董事薪酬的詳情載於綜合財務報表附註11。

於年內薪酬委員會共舉行一次會議。每位成員之出席情況載列如下：

Board Committees (Cont'd)

Executive Committee

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

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

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

Name of members

成員名稱

Ms. HUANG Jingshu (Chairman)	黃敬舒女士 (主席)
Mr. TANG Shouchun	唐壽春先生
Mr. YE Xingan	葉興安先生
Mr. HUANG Hao Yuan	黃浩源先生
Mr. SIU Chi Hung	蕭志雄先生

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

Risk Management and Internal Controls

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

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

董事委員會(續)

執行委員會

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

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

於年內本集團共舉行二十三次執行委員會會議。每位成員之出席情況載列如下：

Meetings attended/Number of Meetings held

出席會議次數／舉行會議次數

23/23
21/23
21/23
23/23
21/23

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

風險管理及內部監控

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

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

Corporate Governance Report

企業管治報告

Risk Management and Internal Controls (Cont'd)

The Audit Committee has conducted review on the effectiveness of the risk management and internal control system during the year under review and the Company considers them effective and adequate.

The Company's internal audit department independently reviews the effectiveness of the internal controls and risk management, including financial, operational and compliance controls, in the key activities of the Company's business. The head of the Company's internal audit department reports to the Audit Committee, and submits reports for its review in accordance with the approved review and audit mechanisms. The internal audit department submits a detailed report at least once a year to the Board for its review and monitors the effectiveness of the system of internal control and risk management of the Group. In case any material internal control defect is discovered, the Board would require reports on the cause of and proposed solution for remedying the defect be submitted by the internal control department and follow up with the defect until it is resolved.

For the year of 2020, no significant risk or critical internal control issues have been identified.

The Company has procedures and internal controls for the handling and dissemination of inside information. The Group strictly prohibits unauthorised use of inside information. The Group strives to identify inside information and any information which may potentially constitute inside information at the earliest practicable opportunity, which is then assessed and handed to the Board for decision on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules and the SFO will be disclosed in accordance with all applicable requirements in due course. Inside information would be kept strictly confidential until disclosure of such inside information is made.

Dividend Policy

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

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

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

風險管理及內部監控(續)

審核委員會已審閱回顧年內風險管理及內部監控制度之成效，而本公司認為其屬有效且充分。

本公司之內部審計部門獨立檢討內部控制及風險管理(包括財務、營運及合規監控)於本公司主要業務活動之成效。本公司之內部審計部門主管向審核委員會匯報，並根據經批准之審閱及審核機制呈交報告以供審閱。內部審計部門至少每年一次向董事會提交一份詳細報告，以供其審閱及監察本集團內部控制及風險管理系統之成效。倘發現任何重大內部控制缺陷，董事會將要求內部控制部門提交報告，說明缺陷成因及補救缺陷之建議解決方案，並跟進有關缺陷直至解決為止。

於二零二零年，概無發現重大風險或嚴重內部控制問題。

本公司已就處理及發佈內幕消息制定程序及內部控制措施。本集團嚴禁在未經授權之情況下使用內幕消息。本集團致力於切實可行情況下把握最快時機識別內幕消息及任何可能構成內幕消息之信息，並於其後評估及提呈董事會決定是否需要披露。根據上市規則以及證券及期貨條例須予披露之內幕消息及其他信息將按照所有適用規定於適當時候披露。直至作出有關內幕消息之披露前，內幕消息將保持絕對保密。

股息政策

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

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

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

Shareholders' Rights

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

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

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

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

2. Right to put forward proposals at general meetings

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

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

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

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

股東權利

1. 召開股東特別大會(「股東特別大會」)

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

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

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

2. 於股東大會提出議案之權利

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

3. 提名一名人士競選董事之權利

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

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

Corporate Governance Report

企業管治報告

Shareholders' Rights (Cont'd)

4. Right to put enquiry to the Board

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

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

Communication with Shareholders

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

The Company held the annual general meeting on 10 June 2020.

Details of Directors' attendance record of general meetings during the year ended 31 December 2020 are as follows:

股東權利(續)

4. 向董事會作出查詢之權利

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

有關程序詳情可於本公司網站刊載的文件「股東權利」中查閱。

與股東的溝通

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

本公司於二零二零年六月十日舉行股東週年大會。

截至二零二零年十二月三十一日止年度內，董事出席股東大會的詳情如下：

		Annual General Meeting 股東週年大會
		Meeting attended/Number of Meeting held 出席會議次數/舉行會議次數
Executive Directors	執行董事	
Ms. HUANG Jingshu (Chairman)	黃敬舒女士(主席)	1/1
Mr. TANG Shouchun (Chief Executive Officer)	唐壽春先生(行政總裁)	1/1
Mr. YE Xingan	葉興安先生	1/1
Mr. HUANG Hao Yuan	黃浩源先生	1/1
Mr. SIU Chi Hung	蕭志雄先生	1/1
Non-Executive Director	非執行董事	
Ms. Li Lihong	李麗紅女士	0/1
Independent Non-Executive Directors	獨立非執行董事	
Mr. WANG Jing	王敬先生	1/1
Ms. HU Gin Ing	胡競英女士	0/1
Mr. MO Fan	莫凡先生	1/1

Investor Relationship and Communication

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

Constitutional Documents

During the year ended 31 December 2020, there were no changes to the constitutional documents of the Company.

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

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

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

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

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of results and cash flows for that year. In preparing the consolidated financial statements for the year ended 31 December 2020, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretations; made adjustments and estimates that are prudent and reasonable; and have prepared the consolidated financial statements on the going concern basis. The Directors also ensure the timely publication of the consolidated financial statements of the Group.

Auditor's Remuneration

The fee in respect of audit and non-audit services provided to the Group by independent auditor for the year ended 31 December 2020 amounted to RMB2,990,000 (2019: RMB2,490,000) and RMB5,689,000 (2019: RMB806,000) respectively.

與投資者的關係及溝通

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

組織章程文件

截至二零二零年十二月三十一日止年度，本公司組織章程文件概無任何變動。

本公司之組織章程大綱及細則載於本公司網站及聯交所網站。

董事及核數師就綜合財務報表承擔之責任

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

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

董事確認，其職責為就每個財政年度編製可真實而公平地反映本集團業務狀況及該年度之業績及現金流量之綜合財務報表。編製截至二零二零年十二月三十一日止年度之綜合財務報表時，對已挑選及貫徹應用合適之會計政策，採納適當的香港財務報告準則、香港會計準則及註釋、審慎及合理地作出調整及估計，並以持續營運基準準備綜合財務報表。董事亦確保準時刊發本集團之綜合財務報表。

核數師酬金

截至二零二零年十二月三十一日止年度，獨立核數師對本集團提供的核數和非核數服務所收取之費用分別為人民幣2,990,000元(二零一九年：人民幣2,490,000元)及人民幣5,689,000元(二零一九年：人民幣806,000元)。

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

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

OPINION

We have audited the consolidated financial statements of LVGEM (China) Real Estate Investment Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 62 to 227, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, 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 (“HKASAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致
綠景(中國)地產投資有限公司股東
(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第62至227頁綠景(中國)地產投資有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零二零年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈之《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映了貴集團於二零二零年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及其綜合現金流量，並已遵守香港《公司條例》之披露規定而妥善編製。

意見的基礎

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

關鍵審核事項

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

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Valuation of investment properties

We identified the valuation of investment properties as a key audit matter as they represented approximately 31% of the Group's total assets, combined with the judgements and estimation associated with determining the fair value.

As disclosed in note 14 to the consolidated financial statements, the fair value of completed investment properties and investment properties under development amounted to approximately RMB22,726,094,000 and RMB441,065,000 as at 31 December 2020 and an decrease in fair value recognised in profit or loss amounted to approximately RMB452,500,000 and an increase in fair value recognised in profit or loss RMB213,178,000 in aggregate for the year then ended. The completed investment properties were located in the People's Republic of China (the "Mainland China"), Hong Kong and the Kingdom of Cambodia ("Cambodia").

As set out in note 4 to the consolidated financial statements, the Group's investment properties were stated at fair value based on the valuation performed by an independent qualified professional valuer ("Valuer"). As disclosed in note 14 to the consolidated financial statements, the fair value of investment properties have been arrived at using income capitalisation approach, direct comparison approach and residual approach, which were dependent on certain key inputs and assumptions in respect of prevailing market conditions such as capitalisation rate and monthly market rent for income capitalisation approach, selling price per square meters for direct comparison approach and gross development value and developers' profit margin for residual approach.

How our audit addressed the key audit matter

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

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

關鍵審核事項(續)

關鍵審核事項

投資物業之估值

我們將投資物業之估值以及與釐定公允價值有關之判斷及估計確定為一項關鍵審核事項，此乃由於投資物業之公允價值佔 貴集團總資產約31%。

誠如綜合財務報表附註14所披露，已完成投資物業及在建投資物業於二零二零年十二月三十一日的公允價值約為人民幣22,726,094,000元及人民幣441,065,000元，而截至該日止年度於損益確認之公允價值跌幅合共約人民幣452,500,000元及於損益確認之公允價值增幅合共為人民幣213,178,000元。已完成投資物業位於中華人民共和國(「中國內地」)、香港及柬埔寨王國(「柬埔寨」)。

誠如綜合財務報表附註4所載，貴集團之投資物業乃基於獨立合資格專業估值師(「估值師」)進行的估值按公允價值列賬。誠如綜合財務報表附註14所披露，投資物業的公允價值採用收入資本計算法、直接比較法及殘值法釐定，有關方法乃依賴有關當前市況之若干關鍵輸入數據及假設，包括收入資本計算法的資本化比率及市場月租、直接比較法的每平方米銷售價格，以及殘值法的總開發價值及開發商利潤率。

我們的審計如何處理關鍵審計事項

我們就投資物業估值進行之程序包括：

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

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Acquisition of Intelligent City Development Limited and its subsidiaries

We identified the acquisition of Intelligent City Development Limited (“ICDL”) and its subsidiaries as a key audit matter as the accounting process for the acquisition involved the management’s estimation and judgements in determining the fair value of assets acquired and liabilities assumed.

The Group acquired additional 55% equity interest in ICDL and its subsidiaries, an associate of the Group prior to the acquisition, by the way of share subscription in Affluent Trade Investments Limited, Victor Success Investments Limited and Multiple Ally Limited, at total consideration of RMB4,070,000. The Group effectively hold 80% equity interest of ICDL and its subsidiaries after the acquisition and the acquisition is regarded as acquisition of a group of assets and liabilities that do not constitute a business. The Group identified and recognised the individual identifiable assets acquired and liabilities assumed at the relevant fair value at acquisition date.

The fair value of individual identifiable assets acquired and liabilities assumed for the acquisition was determined by the management of the Group, with support from the Valuer. Specifically, direct comparison approach is used for the valuation of properties under development for sale, which is the most significant asset acquired by the Group. The inputs of this approach consists of recent land transaction price, estimated costs in obtaining the land, developer’s profit margin and risk discount factor considering the estimated progress rates by area and time of housing demolition, relocation and resettlement.

Details of the acquisition are set out in note 39 (a) to the consolidated financial statements.

How our audit addressed the key audit matter

Our procedures in relation to the acquisition of ICDL and its subsidiaries included:

- Reviewing the related share subscription agreements, understanding of the relevant contractual terms, and analysis of the impact of accounting treatments;
- Obtaining and inspecting the valuation assessments prepared by the Valuer engaged by the Group and on which the management’s assessment of the fair values of the assets acquired and liabilities assumed was based;
- Assessing the independence, professional competence, objectivity and capabilities of the Valuer;
- With the assistance of our internal valuation specialists, discussing with the Valuer and challenging the completeness and appropriateness of the identification of assets acquired and liabilities assumed and the valuation methodologies adopted in assessing the fair values of the recognised assets and liabilities; and
- Discussing with the management for key assumptions and critical judgements used in the valuation and assessing the reasonableness of the valuation methodologies adopted by the Valuer and key assumptions and critical judgements determined by the management of the Group by corroborating with our understanding of the business of ICDL and its subsidiaries and inspecting the underlying agreements and other supporting documents related to this urban renewal development project.

關鍵審核事項(續)

關鍵審核事項

收購智慧城市發展有限公司及其附屬公司

由於收購事項的會計程序涉及管理層於釐定所收購資產及所承擔負債的公允價值時作出的估計及判斷，我們將收購智慧城市發展有限公司(「智慧城市」)及其附屬公司確定為一項關鍵審核事項。

貴集團以總代價人民幣4,070,000元透過認購富業投資有限公司、勝成投資有限公司及眾集有限公司的股份收購智慧城市及其附屬公司(於收購事項前為 貴集團之聯營公司)額外55%股權。於收購事項後，貴集團實際持有智慧城市及其附屬公司之80%股權，而收購事項被視為收購一組並不構成業務之資產及負債。貴集團按於收購日期之相關公允價值識別及確認所收購之個別可識別資產及所承擔之負債。

收購事項所收購個別可識別資產及所承擔負債之公允價值乃由 貴集團管理層在估值師的支持下釐定。具體而言，貴集團採用直接比較法進行發展中待售物業之估值，而發展中待售物業乃 貴集團所收購之最重大資產。此方法之輸入數據包括經計及房屋拆遷、動遷及重置範圍及時間之估計進展率之近期土地交易價、獲取土地之估計成本、開發商利潤率及風險貼現因素。

收購事項詳情載於綜合財務報表附註39(a)。

我們的審計如何處理關鍵審計事項

我們就收購智慧城市及其附屬公司進行之程序包括：

- 審閱相關股份認購協議、瞭解相關合約條款及分析會計處理方法之影響；
- 獲取及檢查由 貴集團委聘之估值師所編製之估值評估，而管理層以此為依據評估所收購資產及所承擔負債之公允價值；
- 評估估值師之獨立性、專業資歷、客觀性及能力；
- 在我們的內部估值專家協助下，與估值師討論，並質疑所收購資產及所承擔負債的識別及就評估已確認資產及負債的公允價值所採用的估值方法的完整性及恰當性；及
- 與管理層討論估值所採用之主要假設及重要判斷，並透過以我們對智慧城市及其附屬公司業務之理解佐證及檢查相關協議及有關該城市更新開發項目之其他支持文件，評估估值師所採用的估值方法及 貴集團管理層所釐定之主要假設及重要判斷是否合理。

KEY AUDIT MATTERS (Cont'd)

Key audit matter

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

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

The Group had properties under development for sale of approximately RMB32,132,185,000 and properties held for sale of approximately RMB4,844,053,000 (collectively referred to as “Properties for Sale”) as at 31 December 2020, which are situated in the Mainland China, Hong Kong and Cambodia.

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

How our audit addressed the key audit matter

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

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

關鍵審核事項(續)

關鍵審核事項

待售物業及發展中待售物業之可變現淨值評估

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

於二零二零年十二月三十一日，貴集團之發展中待售物業及待售物業(統稱「該等待售物業」)分別約為人民幣32,132,185,000元及約人民幣4,844,053,000元，而有關物業位於中國內地、香港及柬埔寨。

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

我們的審計如何處理關鍵審核事項

我們就該等待售物業可變現淨值之評估進行之程序包括：

- 進行敏感度分析，以識別主要輸入數據變動的影響，如估計未來售價對該等待售物業可變現淨值之影響；
- 根據我們對中國內地、香港及柬埔寨物業市場的認識，透過將得出可變現淨值之未來售價與鄰近或相關地區之類似物業的交易價進行比較，或與於報告期末後在相同項目或相關鄰近地區出售之物業的實際售價進行比較，抽樣評估管理層估計之該等待售物業可變現淨值是否恰當；及
- 透過將同類單位的建設成本及與已簽署的合約或分包商的報價進行比較，按抽樣基準質疑貴集團對建設成本的預測。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Revenue recognised from sales of properties

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

As disclosed in “Revenue from Contracts with Customers” paragraph under note 3 to the consolidated financial statements, revenue from sales of properties is recognised when the completed property is transferred to customers, being at the point that customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable. The Group has recognised revenue of RMB4,512,643,000 from its real estate development and sales segment for the year ended 31 December 2020, which is disclosed in note 5 to the consolidated financial statements.

How our audit addressed the key audit matter

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

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

關鍵審核事項(續)

關鍵審核事項

物業銷售確認之收入

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

誠如綜合財務報表附註3「來自客戶合約的收益」一段所披露，物業銷售之收入於竣工物業轉移至客戶時（即該客戶獲得竣工物業的控制權時）確認，且貴集團現時很有可能有權支付及收取代價。截至二零二零年十二月三十一日止年度，貴集團的房地產發展及銷售分類確認收入人民幣4,512,643,000元，有關詳情披露於綜合財務報表附註5。

我們的審計如何處理關鍵審計事項

我們就物業銷售確認收入進行之程序包括：

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

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

其他資料

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

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

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

董事及管治層就綜合財務報表須承擔的責任

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

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

該等管治層負責監督 貴集團的財務報告流程。

核數師就審核綜合財務報表須承擔的責任

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

Independent Auditor's Report

獨立核數師報告

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

核數師就審核綜合財務報表須承擔的責任 (續)

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

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計法的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。或倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

Independent Auditor's Report

獨立核數師報告

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

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

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

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

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
30 March 2021

核數師就審核綜合財務報表須承擔的責任 (續)

我們亦向管治層作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜以及為消除威脅而採取的行動或已採用的防範措施(如適用)。

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

出具獨立核數師報告的審計項目的項目合夥人為袁永恒。

德勤•關黃陳方會計師行
執業會計師

香港
二零二一年三月三十日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		NOTES 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收益	5	5,424,827	6,902,448
Cost of sales	銷售成本		(2,759,122)	(2,472,093)
Gross profit	毛利		2,665,705	4,430,355
Other income	其他收入	6	148,901	123,476
Other gains and losses	其他收益及虧損	7	(111,454)	(11,184)
Gain on deemed disposal of an associate	視作出售一間聯營公司的收益	39 (a)	3,893,561	–
Selling expenses	銷售開支		(127,165)	(134,059)
Administrative expenses	行政開支		(474,547)	(461,498)
Fair value changes on investment properties	投資物業的公允價值變動	14	(239,322)	696,378
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	34 (b)	93,506	(20,170)
Finance costs	融資成本	8	(1,533,101)	(1,256,165)
Share of results of a joint venture	應佔一間合營公司業績		(2)	(2)
Profit before tax	除稅前盈利	9	4,316,082	3,367,131
Income tax expense	所得稅開支	10	(865,007)	(1,617,168)
Profit for the year	年度盈利		3,451,075	1,749,963
Profit (loss) for the year attributable to:	以下人士應佔年度盈利(虧損):			
Owners of the Company	本公司股東		3,453,380	1,749,884
Non-controlling interests	非控股權益		(2,305)	79
			3,451,075	1,749,963
			RMB cents	RMB cents
			人民幣分	人民幣分
Earnings per share attributable to the owners of the Company during the year	年內本公司股東應佔每股盈利			
– Basic	– 基本	13	68.03	35.12
– Diluted	– 攤薄		38.47	20.73

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

綜合損益及其他全面收益表

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit for the year	年度盈利	3,451,075	1,749,963
Other comprehensive income (expense)	其他全面收益(開支)		
Item that may be subsequently reclassified to profit or loss:	隨後或會重新分類至損益之項目：		
Exchange differences arising on translation	匯兌產生的換算差額	169,268	(31,311)
Item that will not be reclassified to profit or loss:	不會重新分類至損益之項目：		
Fair value changes on investments in equity instruments at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	(65,929)	37,732
Other comprehensive income for the year	年度其他全面收益	103,339	6,421
Total comprehensive income for the year	年度全面收益總額	3,554,414	1,756,384
Total comprehensive income (expense) attributable to:	以下人士應佔全面收益(開支)總額：		
Owners of the Company	本公司股東	3,560,599	1,756,905
Non-controlling interests	非控股權益	(6,185)	(521)
		3,554,414	1,756,384

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2020
於二零二零年十二月三十一日

			2020	2019
		NOTES	二零二零年	二零一九年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Investment properties	投資物業	14	23,167,159	23,567,529
Property, plant and equipment	物業、廠房及設備	15	931,581	996,014
Goodwill	商譽	16	231,602	231,602
Interest in a joint venture	於合營公司的權益	17	6,056	6,058
Interest in an associate	於聯營公司的權益	18	-	-
Amount due from a joint venture	應收一間合營公司款項	17	522,318	522,318
Equity instruments at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	19	501,261	541,125
Deferred tax assets	遞延稅項資產	20	537,869	565,713
Deposit paid	已付按金	21	-	29,410
			25,897,846	26,459,769
Current assets	流動資產			
Properties under development for sale	發展中待售物業	22	32,132,185	8,165,855
Properties held for sale	待售物業	23	4,844,053	2,467,237
Other inventories	其他存貨	24	674	738
Accounts receivable	應收賬款	25	68,105	31,212
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	26	1,862,033	3,230,928
Tax recoverable	可收回稅款	26	52,452	33,562
Restricted bank deposits	受限制銀行存款	27	3,979,537	2,804,061
Bank balances and cash	銀行結餘及現金	28	5,430,113	5,542,921
			48,369,152	22,276,514
Current liabilities	流動負債			
Accounts payable	應付賬款	29	1,262,086	1,111,831
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	30	762,404	673,358
Contract liabilities	合同負債	31	1,348,932	2,505,265
Lease liabilities	租賃負債	32	17,239	22,674
Tax liabilities	稅項負債		2,375,586	2,398,675
Borrowings	借貸	33	8,007,353	4,306,274
Senior notes and bond	優先票據及債券	35	2,129,522	5,027,123
Debt component of convertible bonds	可換股債券債務部分	34(a)	-	1,493,257
Derivative component of convertible bonds	可換股債券衍生工具部分	34(b)	-	222,207
			15,903,122	17,760,664
Net current assets	流動資產淨值		32,466,030	4,515,850
Total assets less current liabilities	總資產減流動負債		58,363,876	30,975,619

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2020
於二零二零年十二月三十一日

		NOTES 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借貸	33	15,857,136	15,149,805
Senior notes and bond	優先票據及債券	35	3,236,529	–
Debt component of convertible bonds	可換股債券債務部分	34(a)	1,419,974	–
Derivative component of convertible bonds	可換股債券衍生工具部分	34(b)	111,612	–
Lease liabilities	租賃負債	32	85,134	95,380
Deferred tax liabilities	遞延稅項負債	20	2,818,217	2,695,601
Other non-current liabilities	其他非流動負債	36	6,949,651	–
			30,478,253	17,940,786
Net assets	資產淨值		27,885,623	13,034,833
Capital and reserves	股本及儲備			
Share capital	股本	37	42,458	42,060
Reserves	儲備	38	24,681,258	12,885,799
Equity attributable to owners of the Company	本公司股東應佔權益		24,723,716	12,927,859
Non-controlling interests	非控股權益		3,161,907	106,974
Total equity	權益總額		27,885,623	13,034,833

The consolidated financial statements on pages 62 to 227 were approved and authorised for issue by the board of directors on 30 March 2021 and are signed on its behalf by:

第62至227頁之綜合財務報表已獲董事會於二零二一年三月三十日批准及授權刊發，並由以下董事代表簽署：

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

SIU Chi Hung
蕭志雄
EXECUTIVE DIRECTOR
執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company											
		本公司股東應佔權益											
		Share capital	Share premium	Convertible preference shares	Other reserves	Exchange reserve	Investment revaluation reserve	Share option reserve	Statutory reserve	Retained profits	Sub-total	Non-controlling interests	Total equity
		股本	股份溢價	可換股優先股	其他儲備	匯兌儲備	投資重估儲備	購股權儲備	法定儲備	保留盈利	小計	非控股權益	權益總額
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance as at 1 January 2019	於二零一九年一月一日的結餘	41,141	6,882,609	6,246,161	(11,637,887)	59,400	110,661	222,970	221,376	9,251,542	11,397,973	107,495	11,505,468
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	1,749,884	1,749,884	79	1,749,963
Fair value changes on investments in equity instrument at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	-	-	-	-	-	37,732	-	-	-	37,732	-	37,732
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	(30,711)	-	-	-	-	(30,711)	(600)	(31,311)
Total comprehensive (expense) income for the year	年度全面(開支)收益總額	-	-	-	-	(30,711)	37,732	-	-	1,749,884	1,756,905	(521)	1,756,384
Conversion of convertible preference shares (note 38)	兌換可換股優先股(附註38)	880	180,376	(181,256)	-	-	-	-	-	-	-	-	-
Lapse of share options	購股權失效	-	-	-	-	-	-	(8,582)	-	8,582	-	-	-
Exercise of share options	行使購股權	39	10,819	-	-	-	-	(3,670)	-	-	7,188	-	7,188
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	-	-	92,249	(92,249)	-	-	-
Dividend declared and made (note 12)	已宣派及派付的股息(附註12)	-	-	-	-	-	-	-	-	(234,207)	(234,207)	-	(234,207)
Balance as at 31 December 2019	於二零一九年十二月三十一日的結餘	42,060	7,073,804	6,064,905	(11,637,887)	28,689	148,393	210,718	313,625	10,683,552	12,927,859	106,974	13,034,833
Balance as at 1 January 2020	於二零二零年一月一日的結餘	42,060	7,073,804	6,064,905	(11,637,887)	28,689	148,393	210,718	313,625	10,683,552	12,927,859	106,974	13,034,833
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	3,453,380	3,453,380	(2,305)	3,451,075
Fair value changes on investments in equity instrument at fair value through other comprehensive income, net of tax	按公允價值計入其他全面收益之股本工具投資之公允價值變動(扣除稅項)	-	-	-	-	-	(65,929)	-	-	-	(65,929)	-	(65,929)
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	173,148	-	-	-	-	173,148	(3,880)	169,268
Total comprehensive income (expense) for the year	年度全面收益(開支)總額	-	-	-	-	173,148	(65,929)	-	-	3,453,380	3,560,599	(6,185)	3,554,414
Conversion of convertible preference shares (note 38)	兌換可換股優先股(附註38)	319	65,385	(65,704)	-	-	-	-	-	-	-	-	-
Exercise of share options	行使購股權	79	22,006	-	-	-	-	(7,511)	-	-	14,574	-	14,574
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	-	-	53,691	(53,691)	-	-	-
Acquisition of an additional interest in a subsidiary	增加收購於一間附屬公司的權益	-	-	-	6,961	-	-	-	-	-	6,961	(36,371)	(29,410)
Acquisition of subsidiaries (note 39 (a))	收購附屬公司(附註39(a))	-	-	-	8,496,395	-	-	-	-	-	8,496,395	3,097,489	11,593,884
Dividend declared and made (note 12)	已宣派及派付的股息(附註12)	-	-	-	-	-	-	-	-	(282,672)	(282,672)	-	(282,672)
Balance as at 31 December 2020	於二零二零年十二月三十一日的結餘	42,458	7,161,195	5,999,201	(3,134,531)	201,837	82,464	203,207	367,316	13,800,569	24,723,716	3,161,907	27,885,623

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before tax	除稅前盈利	4,316,082	3,367,131
Adjustments for:	調整項目：		
Depreciation	折舊	66,915	37,399
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	9	925
Gain on disposal of a subsidiary	出售附屬公司的收益	-	(33,300)
Gain on deemed disposal of an associate	視作出售一間聯營公司的收益	(3,893,561)	-
Fair value changes on investment properties	投資物業的公允價值變動	239,322	(696,378)
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	(93,506)	20,170
Share of results of a joint venture	應佔一間合營公司業績	2	2
Impairment loss recognised (reversal) of accounts receivable, net	應收賬款減值虧損確認(撥回)淨額	40,617	(59)
Interest income	利息收入	(113,884)	(93,570)
Investment income	投資收入	-	(418)
Dividend income	股息收入	(22,800)	(19,745)
Finance costs	融資成本	1,533,101	1,256,165
Loss on non-substantial modification of financial liabilities at amortised cost	按攤銷成本列賬之金融負債之非重大變更虧損	1,810	57,287
Loss on early redemption of financial liabilities at amortised cost	提前贖回按攤銷成本列賬之金融負債之虧損	-	1,099
Loss on substantial modification of convertible bonds	可換股債券之重大變更虧損	20,105	-
Loss on non-substantial modification of senior notes	優先票據之非重大變更虧損	129,571	-
Exchange difference	匯兌差額	(391,684)	66,761
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	1,832,099	3,963,469
Increase in properties under development for sale and properties held for sale	發展中待售物業及待售物業增加	(459,088)	(347,813)
Decrease (increase) in other inventories	其他存貨減少(增加)	64	(109)
Increase in accounts receivable	應收賬款增加	(74,877)	(19,034)
(Increase) decrease in deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項(增加)減少	(352,031)	72,165
Decrease in accounts payable	應付賬款減少	(22,214)	(272,234)
(Decrease) increase in contract liabilities	合同負債(減少)增加	(1,156,333)	236,977
Increase (decrease) in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項增加(減少)	1,426,554	(1,636,266)
Cash from operations	經營活動所得的現金	1,194,174	1,997,155
Income taxes paid	已付所得稅	(687,207)	(857,022)
Net cash from operating activities	經營活動所得現金淨額	506,967	1,140,133

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	NOTES 附註		
Investing activities	投資活動		
Placement of restricted bank deposits	存放受限制銀行存款	(4,699,212)	(2,922,449)
Net cash inflow arising from acquisition of assets and liabilities through acquisition of a subsidiary	來自透過收購一間附屬公司收購資產及負債的現金流入淨額		
	39	114,618	298,970
Additional costs of investment properties	投資物業的額外成本	(99,301)	(177,920)
Advances to related parties	向關聯方支付墊款	(2,445,358)	(1,701,251)
Placement of short-term time deposits with original maturity beyond three months but within one year	存放原定於三個月以上但一年內到期的短期存款		
		(227,047)	(447,605)
Purchase of financial assets at fair value through profit or loss	購置按公允價值計入損益之金融資產	-	(21,873)
Purchase of property, plant and equipment	購置物業、廠房及設備	(15,688)	(52,201)
Purchases of debt instruments at fair value through other comprehensive income	購置按公允價值計入其他全面收益之債務工具	-	(225,064)
Withdrawal of restricted bank deposits	提取受限制銀行存款	4,446,661	4,037,303
Repayment from related parties	關聯方還款	1,317,717	988,723
Repayment from a non-controlling interest	非控股權益還款		
		(1,447)	1,629
Withdrawal of short-term deposits with original maturity beyond three months but within one year	提取原定於三個月以上但一年內到期的短期存款		
		74,175	442,133
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允價值計入損益之金融資產所得款項	-	32,850
Interest received	已收利息	99,722	65,216
Dividend income received	已收股息收入	22,800	19,745
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		
		143	48
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	-	25,056
Proceeds from disposal of debt instruments at fair value through other comprehensive income	出售按公允價值計入其他全面收益之債務工具所得款項		
	40	-	245,064
Net cash (used in) from investing activities	投資活動(所用)所得現金淨額	(1,412,217)	608,374

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	NOTES 附註		
Financing activities	融資活動		
Repayments of borrowings	償還借貸	(4,245,956)	(8,301,256)
Repayments of bonds	償還債券	(690,855)	(486,474)
Interest paid	已付利息	(1,776,137)	(1,709,740)
Dividend paid	已付股息	(282,672)	(234,207)
Repayment of lease liabilities	償還租賃負債	(15,681)	(13,669)
Repayment of convertible bonds	償還可換股債券	(134,589)	-
Repayment of senior notes	償還優先票據	(1,189,991)	-
Deposit paid for acquisition of additional interests in a subsidiary	增加收購於一間附屬公司的權益的已付按金	-	(29,410)
Proceeds from issue of bonds	發行債券所得款項	690,855	-
Proceeds from new borrowings	新造借貸所得款項	6,603,124	10,863,647
Proceeds from issue of senior notes	發行優先票據所得款項	1,683,724	-
Issue of new shares upon exercise of share options	行使購股權以發行新股	14,574	7,118
Net cash from financing activities	融資活動所得的現金淨額	656,396	96,009
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(248,854)	1,844,516
Effect of foreign exchange rate changes	外匯匯率變動的影響	(16,825)	18,891
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	5,095,316	3,231,909
Cash and cash equivalents at end of the year	年末現金及現金等價物	4,829,637	5,095,316
Represented by:	指：		
Cash and cash equivalents	現金及現金等價物	4,829,637	5,095,316
Add: Fixed deposits with original maturity date more than three months but within one year	加：原到期日為多於三個月但少於一年的定期存款	600,476	447,605
Bank balances and cash	銀行結餘及現金	5,430,113	5,542,921

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

1. GENERAL

LVGEM (China) Real Estate Investment Company Limited (the “Company”) was incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the Company’s registered office and principal place of business in Hong Kong are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit 2501, NEO, 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong respectively. Its ultimate controlling party is Mr. WONG Hong King (“Mr. Wong”), the father of Ms. HUANG Jingshu, the Chairman of the Company, and Mr. HUANG Hao Yuan, an Executive Director of the Company.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 51.

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

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

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

In addition, the Group has early applied the Amendment to HKFRS 16 *Covid-19-Related Rent Concessions*.

Except as described below, the application of the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and on the disclosures set out in these consolidated financial statements.

1. 一般資料

綠景(中國)地產投資有限公司(「本公司」)為一家於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司註冊辦事處及香港主要營業地點之地址分別為 Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands及香港九龍觀塘海濱道123號綠景NEO大廈2501室。其最終控制方為黃康境先生(「黃先生」)，彼乃本公司主席黃敬舒女士及本公司執行董事黃浩源先生之父親。

本公司為一間投資控股公司。其主要附屬公司的業務載於附註51。

綜合財務報表以人民幣(「人民幣」)呈列，人民幣亦為本公司的功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之經修訂香港財務報告準則

於本年度，本集團首次應用由香港會計師公會(「香港會計師公會」)頒佈並於二零二零年一月一日或之後開始之年度期間強制生效之香港財務報告準則之概念框架指引之修訂及下列經修訂香港財務報告準則，以編製綜合財務報表：

香港會計準則第1號及香港會計準則第8號(修訂本)	重大性之定義
香港財務報告準則第3號(修訂本)	業務之定義
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

此外，本集團已提早應用香港財務報告準則第16號(修訂本) *新型冠狀病毒相關租金寬免*。

除下文所述者外，於本年度應用香港財務報告準則之概念框架指引之修訂及該等經修訂香港財務報告準則對本集團於本年度及以往年度的財務狀況及表現及載於該等綜合財務報表之披露並無重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)*(Cont’d)***2.1 Impacts on application of Amendments to HKAS 1 and HKAS 8 Definition of Material**

The Group has applied the Amendments to HKAS 1 and HKAS 8 for the first time in the current year. The amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current year had no impact on the consolidated financial statements.

2.2 Impacts on application of Amendments to HKFRS 3 Definition of a Business

The Group has applied the amendments for the first time in the current year. 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.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

In addition, 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 gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. The election on whether to apply the optional concentration test is available on transaction-by-transaction basis.

The application of the amendments had no impact on the consolidated financial statements in the current year as similar conclusion would have been reached without applying the optional concentration test.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）**2.1 應用香港會計準則第1號及香港會計準則第8號（修訂本）重大性之定義之影響**

本集團已於本年度首次應用香港會計準則第1號及香港會計準則第8號（修訂本）。該等修訂本對重大性提供新定義，指出「倘遺漏、錯誤陳述或隱瞞資料可合理地預期會對一般用途財務報表之主要使用者基於該等財務報表（提供特定報告實體之財務資料）作出之決策造成影響，則有關資料屬重大」。該等修訂本亦釐清，就財務報表整體而言，重大性取決於資料之性質或重要程度（單獨或連同其他資料）。

於本年度應用該等修訂本並不會對綜合財務報表造成任何影響。

2.2 應用香港財務報告準則第3號（修訂本）業務之定義之影響

本集團已於本年度首次應用該等修訂本。該等修訂本澄清，儘管業務通常具有產出，但一組經整合之活動及資產毋須產出亦符合資格構成業務。所收購之一組活動及資產至少須包括一項投入及一項實質過程並共同顯著促進創造產出之能力，方會被視作業務。

該等修訂本刪除市場參與者是否有能力取代任何缺失的投入或過程及持續製造產出之評估。該等修訂本亦引入額外指引，有助釐定是否已獲得實質過程。

此外，該等修訂本引入一項選擇性集中度測試，允許對所收購之一組活動及資產是否為一項業務進行簡化評估。根據選擇性集中度測試，倘所收購之總資產之絕大部分公允價值均集中於單一可識別資產或一組類似資產中，則所收購之一組活動及資產並非一項業務。經評估的總資產不包括現金及現金等價物、遞延稅項資產及遞延稅項負債之影響所產生之商譽。可按個別交易基準選擇是否應用該選擇性集中度測試。

應用該等修訂本並不會對本年度之綜合財務報表造成任何影響，因為若不採用選擇性集中度測試亦會達致相若之結論。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

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

(Cont’d)

New and amendments to HKFRSs in issue but not yet effective

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 and the related Amendments ¹
Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 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	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 ²

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

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

⁴ Effective for annual periods beginning on or after 1 January 2021.

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

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約及相關修訂本 ¹
香港財務報告準則第3號 (修訂本)	概念框架指引 ²
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號 (修訂本)	利率基準改革 – 第二階段 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)	投資者與其聯營公司或合營公司之間的資產出售或注資 ³
香港會計準則第1號 (修訂本)	負債分類為流動或非流動以及香港詮釋第5號 (二零二零年)之相關修訂本 ¹
香港會計準則第16號 (修訂本)	物業、廠房及設備 – 擬定用途前之所得款項 ²
香港會計準則第37號 (修訂本)	虧損合約 – 履行合約之成本 ²
香港財務報告準則 (修訂本)	香港財務報告準則二零一八年至二零二零年之年度改進 ²

¹ 於二零二三年一月一日或以後開始的年度期間生效。

² 於二零二二年一月一日或以後開始的年度期間生效。

³ 於釐定日期或以後開始的年度期間生效。

⁴ 於二零二一年一月一日或以後開始的年度期間生效。

除下文所述之經修訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則於可預見未來將不會對綜合財務報表產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

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

(Cont’d)

Amendments to HKFRS 3 Reference to the Conceptual Framework

The amendments:

- update a reference in HKFRS 3 *Business Combinations* so that it refers to the *Conceptual Framework for Financial Reporting 2018* issued in June 2018 (the “Conceptual Framework”) instead of *Framework for the Preparation and Presentation of Financial Statements* (replaced by the *Conceptual Framework for Financial Reporting 2010* issued in October 2010);
- add a requirement that, for transactions and other events within the scope of HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or HK(IFRIC)-Int 21 *Levies*, an acquirer applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination; and
- add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:
 - (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and
 - (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and
- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港財務報告準則第3號(修訂本)概念框架指引

該等修訂本：

- 更新香港財務報告準則第3號對業務合併的提述，致使其為對於二零一八年六月頒佈的二零一八年財務報告概念框架(「概念框架」)的提述，而非編製及呈列財務報表框架的提述(由於二零一零年十月頒佈的二零一零年財務報告概念框架所取代)；
- 添加一項規定，就香港會計準則第37號撥備、或然負債及或然資產或香港(國際財務報告詮釋委員會)詮釋第21號徵費範圍內的其他事件而言，收購方應用香港會計準則第37號或香港(國際財務報告詮釋委員會)詮釋第21號而非概念框架以識別其於業務合併中所承擔的負債；及
- 添加一項明確聲明，即收購方不會確認於一項業務合併中所收購的或有資產。

預期應用該等修訂本不會對本集團的財務狀況及表現造成重大影響。

香港會計準則第1號(修訂本)負債分類為流動或非流動及香港詮釋第5號(二零二零年)之相關修訂本

該等修訂本為評估從報告日期起延遲至少十二個月結算的權利提供澄清及額外指引，以將負債分類為流動或非流動，其中：

- 指定將負債分類為流動或非流動應基於報告期末已存在的權利。具體而言，該等修訂本澄清：
 - (i) 分類不應受到管理層有意或預期在12個月內清償負債所影響；及
 - (ii) 倘權利以遵守契諾為條件，則即使貸款人於較後日期才測試遵守情況，倘於報告期末滿足條件，該權利亦屬存在；及
- 澄清倘負債之條款可由交易對手選擇通過轉讓實體自身之股本工具進行結算，則僅當該實體應用香港會計準則第32號金融工具：呈列將選擇權單獨確認為股本工具時，該等條款方不會影響其分類為流動或非流動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

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

(Cont’d)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)

(Cont’d)

In addition, Hong Kong Interpretation 5 was revised as a consequence of the Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

Based on the Group’s outstanding liabilities as at 31 December 2020, including convertible instruments in which the conversion options are classified as equity instruments, and the related terms and conditions stipulated in the agreements between the Group and the relevant convertible instrument holders, the application of the amendments will not result in reclassification of the Group’s liabilities.

Amendments to HKFRSs Annual Improvements to HKFRSs 2018-2020

The annual improvements make amendments to the following standards.

HKFRS 9 Financial Instruments

The amendment clarifies that for the purpose of assessing whether modification of terms of original financial liability constitutes substantial modification under the “10 per cent” test, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on the other’s behalf.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 16 Leases

The amendment to Illustrative Example 13 accompanying HKFRS 16 removes from the example the illustration of reimbursement relating to leasehold improvements by the lessor in order to remove any potential confusion.

2. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港會計準則第1號(修訂本)負債分類為流動或非流動及香港詮釋第5號(二零二零年)之相關修訂本(續)

此外，由於香港會計準則第1號(修訂本)導致香港詮釋第5號進行有所修訂，以使相應的措詞保持一致而結論不變。

根據本集團於二零二零年十二月三十一日之未償還負債(包括其中換股權分類為股本工具之可換股工具以及本集團與相關可轉換工具持有人訂立之協議中所訂明的相關條款及條件)，應用該等修訂本將不會導致本集團之負債需重新分類。

香港財務報告準則(修訂本)香港財務報告準則二零一八年至二零二零年之年度改進

年度改進對以下準則進行了修訂。

香港財務報告準則第9號金融工具

該修訂本澄清，為評估在「10%」測試下對原始金融負債條款的變更是否構成重大變更，借款人僅包括在借款人與貸款人之間已支付或收取的費用，其中包括由借款人或貸款人代表對方支付或收取的費用。

預期應用該等修訂本不會對本集團的財務狀況及表現造成重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號隨附的說明性示例第13號(修訂本)從示例中刪除出租人為租賃物業裝修作出相關補償的說明，以消除任何潛在的混淆情況。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策

3.1 綜合財務報表之編製基準

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則而編製。就編製綜合財務報表而言，當可合理預期該等資料會影響主要使用者之決策，該等資料則被視為屬重大。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例的適用披露規定。

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

歷史成本一般按換取貨品及服務所付出代價之公允價值計量。

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.1 Basis of preparation of consolidated financial statements (Cont'd)

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

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

3.2 Significant accounting policies

Basis of consolidation

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.1 綜合財務報表之編製基準(續)

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

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

3.2 主要會計政策

綜合基準

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

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

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Basis of consolidation (Cont'd)

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

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

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

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

Changes in the Group's interests in existing subsidiaries

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

綜合基準(續)

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

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

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

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

本集團於現有附屬公司的權益變動

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

非控股權益的調整數額與已付或已收代價公允價值之間的任何差額直接於權益內確認，並歸屬於本公司股東。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Basis of consolidation (Cont'd)

Changes in the Group's interests in existing subsidiaries (Cont'd)

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

Business combinations or asset acquisitions

Optional concentration test

Effective from 1 January 2020, the Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

綜合基準(續)

本集團於現有附屬公司的權益變動(續)

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

業務合併或資產收購

可選集中性測試

自二零二零年一月一日起，本集團可以選擇按個別交易基準應用選擇性集中度測試，其允許對所收購的一組活動及資產是否並非一項業務進行簡化評估。倘所收購之總資產之絕大部分公允價值均集中於單一可識別資產或一組類似可識別資產中，則符合集中度測試的要求。經評估的總資產不包括現金及現金等價物、遞延稅項資產及因遞延稅項負債影響而產生之商譽。若符合集中度測試的要求，則確定該組活動及資產並非業務而毋需再作進一步評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Business combinations or asset acquisitions (Cont'd)

Asset acquisitions

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 properties under development for sale and 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.

When an asset acquisition 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.

Business combinations

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

Except for certain recognition exemptions, the identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the *Framework for the Preparation and Presentation of Financial Statements (replaced by the Conceptual Framework for Financial Reporting issued in October 2010)*.

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

業務合併或資產收購(續)

資產收購

當本集團收購一組並不構成業務之資產及負債時，本集團透過首先向發展中待售物業分配收購價，以識別及確認所收購個別可識別資產及所承擔負債，而收購價餘下的結餘其後按其於購買日期之相對公允價值為基準分配至其他可識別資產及負債。有關交易並不會產生商譽或議價收購收益。

於資產收購乃分階段完成時，本集團先前持有之被收購方股權乃按於收購日期(即本集團獲得控制權之日期)之公允價值重新計量，而所產生之收益或虧損(如有)乃於損益內或其他全面收益(按適用者)確認。

業務合併

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

除若干確認豁免外，所收購之可識別資產及所承擔之負債必須符合編製及呈列財務報表之框架(被於二零一零年十月頒佈的財務報告概念框架所取代)下資產及負債之定義。

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

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認並計量；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Business combinations or asset acquisitions (Cont'd)

Business combinations (Cont'd)

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

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

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.

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

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

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Business combinations or asset acquisitions (Cont'd)

Business combinations (Cont'd)

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

業務合併或資產收購(續)

業務合併(續)

倘本集團於業務合併中轉讓之代價包括或然代價安排，則該或然代價按其收購日期公允價值計量並計入作為業務合併之轉讓代價其中一部份。合乎計量期間調整資格之或然代價之公允價值變動乃作追溯調整。計量期間調整乃於「計量期間」(計量期間自收購日期起計不可超過一年)因取得有關於收購日期已存在事實及情況之額外資料而作出之調整。

不合乎計量期間調整資格之或然代價，其後之入賬方式取決於該或然代價作何種分類。分類為權益之或然代價於其後之報告日期不會重新計量，其日後結算於權益內入賬。分類為資產或負債之或然代價於其後之報告日期按公允價值重新計量，而相應收益或虧損則於損益中確認。

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Goodwill

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

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

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group 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.

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

商譽

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

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

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

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

本集團就因收購聯營公司及合營公司產生之商譽的政策如下文所述。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Investments 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 statements of associates and 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/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.

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.

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

投資聯營公司及合營公司

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

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

聯營公司及合營公司的業績、資產及負債按權益會計法計入此綜合財務報表中。聯營公司及合營公司用作權益會計處理之財務報表乃採用與本集團於類似情況下就同類交易及事件所採用者一致之會計政策編製。按照權益法，於聯營公司或合營公司之投資乃按成本於綜合財務狀況報表中首次確認，並於其後就確認本集團應佔聯營公司或合營公司之損益及其他全面收益而作出調整。聯營公司/合營公司之資產淨值變動(損益及其他全面收益除外)不會列賬，惟有關變動導致本集團持有之所有權權益有所變動則另作別論。倘本集團所佔於聯營公司或合營公司之虧損超越本集團於聯營公司或合營公司應佔權益(包括任何實際上構成本集團於聯營公司或合營公司投資淨值其中部分之長遠權益)，本集團應不再確認應佔的進一步虧損。確認額外虧損只限於集團須受所負之合法或推定責任下或代聯營公司或合營公司支付之款項。

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Investments in associates and joint ventures (Cont'd)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

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

Revenue from contracts with customers

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

投資聯營公司及合營公司(續)

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

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

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

來自客戶合約的收益

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Revenue from contracts with customers (Cont'd)

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.

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

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

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

來自客戶合約的收益(續)

倘符合以下其中一項條件，則控制權為隨時間轉移，而收益則參考完全履行相關履約責任的進展情況隨時間確認：

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

否則，收益於客戶獲得明確商品或服務控制權時確認。

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

與同一合約有關之合約資產及合約負債以淨額基準入賬及呈列。

隨時間確認收益：計量完全履行履約責任的進展情況

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Revenue from contracts with customers (Cont'd)

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.

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.

Leases

Definition of a lease

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

來自客戶合約的收益(續)

存在重大融資部分

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

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

就於轉移本集團已就重大融資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折現率。於預付款項期間收取相關利息開支，且轉移相關貨品及服務按相同基準入賬列作其他借貸成本。

租賃

租賃的定義

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

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Leases (Cont'd)

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

Short-term leases

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

Right-of-use assets

The cost of right-of-use asset includes:

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

租賃(續)

本集團作為承租人

將代價分配至合約各組成部分

就包含租賃組成部分以及一項或以上額外租賃或非租賃組成部分之合約而言，本集團根據租賃組成部分之相對單獨價格及非租賃組成部分之合計單獨價格基準將合約代價分配至各項租賃組成部分，包括收購一項物業(包括租賃土地及非租賃樓宇組成部分)的擁有權權益之合約，除非未能作出可靠分配。

短期租賃

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

使用權資產

使用權資產的成本包括：

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

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

使用權資產按其估計可使用年期及租期的較短者以直線法折舊。

符合投資物業定義的使用權資產則於「投資物業」內呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Leases (Cont'd)

The Group as a lessee (Cont'd)

Refundable rental deposits

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

Lease liabilities

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

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

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

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

可退還租金按金

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

租賃負債

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

租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠。

於開始日期後，租賃負債按利息增長及租賃付款進行調整。

本集團於以下情況重新計量租賃負債(並就相關使用權資產作相應調整):

- 租期改變或有關行使購買權之評估改變，於此情況下，相關租賃負債透過使用重新評估日期之經修訂貼現率貼現經修訂租賃付款重新計量。
- 根據擔保餘值計算的預期付款額改變而導致租賃付款出現變動，於此情況下，相關租賃負債按初始貼現率貼現經修訂租賃付款重新計量。

本集團在綜合財務狀況表中將租賃負債作為單獨的項目呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Leases (Cont'd)

The Group as a lessor

Classification and measurement of leases

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

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

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

Allocation of consideration to components of a contract

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

Refundable rental deposits

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

Sublease

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

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

租賃(續)

本集團作為出租人

租賃之分類及計量

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

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

於本集團日常業務過程中產生之租金收入乃呈列為收益。

將代價分配至合約各組成部分

當合約包括租賃及非租賃部份時，本集團應用香港財務報告準則第15號來自客戶合約的收益(「香港財務報告準則第15號」)將合約的代價分配至租賃及非租賃部分。非租賃部分因彼等的相對單獨售價而與租賃部分分開呈列。

可退還租賃按金

已收可退還租金按金根據香港財務報告準則第9號入賬並初步按公允價值計量。於初步確認時對公允價值的調整被視為來自承租人的額外租賃付款。

分租

當本集團為中間出租人時，本集團將主租賃及分租作為兩份獨立合約入賬。分租乃參考來自主租賃的使用權資產(而非相關資產)分類為融資或經營租賃。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Leases (Cont'd)

The Group as a lessor (Cont'd)

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of 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 on 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 differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the foreign operation.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses 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 date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

租賃(續)

本集團作為出租人(續)

租賃修訂

不屬於原始條款及條件的租賃合約的代價變動作為租賃變更入賬，包括透過免租或減租所提供的租賃優惠。

本集團將經營租賃修訂自修訂生效日期起作為新租賃入賬，並將有關原定租賃的任何預付或應計租賃付款視為新租賃的租賃付款的一部分。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易按交易日期之現行匯率予以確認。於報告期末，以外幣列值之貨幣項目按有關日期現行之匯率予以重新換算。按公允價值列賬並以外幣列值之非貨幣項目按公允價值釐定當日之現行匯率重新換算。按歷史成本計量以外幣列值之非貨幣項目不予重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間在損益內確認，惟應收或應付海外業務而結算並無計劃亦不可能發生(因此構成海外業務投資淨額之一部分)之貨幣項目之匯兌差額外，該等匯兌差額初步於其他綜合收益內確認，並於出售海外業務時自權益重新分類至損益。

就呈報綜合財務報表而言，本集團業務之資產及負債乃按各報告期末之現行匯率換算為本集團之呈報貨幣(即人民幣)。收入及開支項目則按期內之平均匯率換算，除非匯率於該期間內出現大幅波動則另作別論，於該情況，則採用交易當日之匯率。所產生的匯兌差額(如有)乃於其他全面收益確認及於匯兌儲備項下之權益累計(於適當時撥作非控股權益)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Foreign currencies (Cont'd)

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or 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 owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. For properties under development for which revenue is recognised over time, the Group ceases to capitalise borrowing costs as soon as the properties are ready for the Group's intended sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. 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.

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

外幣(續)

出售海外業務時(即出售本集團於海外業務的全部權益、或出售涉及失去包括海外業務的附屬公司的控制權、或出售一項包括海外業務且其留存權益成為金融資產之聯合安排或聯營公司之部份權益),本公司擁有人就該等業務應佔的所有累計的匯兌差額乃重新分類至損益。

此外,就部分出售不導致本集團失去附屬公司之控制權而言,累計匯兌差額分佔部分重新歸類至非控股權益且不會於損益內予以確認。

借貸成本

與收購、興建或生產合資格資產(須用一段較長時間達致其擬定用途或出售的資產)直接有關之借貸成本會計入該等資產之成本,直至資產大致上達致其擬定用途或出售時為止。就隨時間確認收益的發展中物業而言,本集團於物業可用於本集團之擬定銷售用途時,會盡快暫停將借貸成本撥作資本。

任何於相關資產可用於其擬定用途或作銷售後仍為尚未支付之特定借貸會計入用作計算一般借貸資本化比率之一般借貸。在特定借貸撥作合資格資產開支前之暫時投資所賺取之投資收入,自合資格資本化之借貸成本扣除。

所有其他借貸成本均於其產生期間於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income 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. Such grants are presented under "other income".

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

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.

3. 綜合財務報表之編製基準及主要會計政策(續)

3.2 主要會計政策(續)

政府補貼

政府補貼於合理確定本集團將會符合政府補貼附帶的條件及將會獲得補貼時，方會確認入賬。

作為彌補已產生開支或虧損，或向本集團提供並無未來相關成本的即時財務援助而應收之有關收入之政府補貼，在成為應收款項期間內於損益中確認。該等補貼於「其他收入」項下呈列。

僱員福利

退休福利成本

界定供款退休福利計劃的付款乃於僱員提供服務並因而享有供款權利時確認為開支。

離職福利

離職福利之負債於本集團實體不能再撤回提供之離職福利及確認任何相關重組成本時(以較早者為準)確認。

短期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除任何已付金額後確認為負債。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**3.2 Significant accounting policies (Cont'd)***Share-based payments**Equity-settled share-based payments transactions**Share options granted to employees*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity 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 conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

When shares granted are vested, the amount previously recognised in share option reserve will be transferred to share premium.

Shares/Share options granted to non-employees

Equity-settled share-based payments 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. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

3. 綜合財務報表編製基礎及主要會計政策(續)**3.2 主要會計政策(續)***以股份支付的款項**以股權結算以股份支付之付款交易**授予僱員之購股權*

向僱員和其他提供類似服務人士以股權結算以股份支付之付款按照股本工具於授出日期的公平值計量。

以股權結算以股份支付之付款按授出日期釐定的公平值(並無計及所有非市場歸屬條件)乃根據本集團對最終將歸屬的股本工具之估計,於歸屬期內以直線法支銷,而相應增加計入權益(購股權儲備)。於各報告期末,本集團根據所有相關非市場歸屬條件的評估修訂預期歸屬股本工具的估計數目。修訂原有估計的影響(如有)於損益內確認,令累計開支反映經修訂的估計,並相應調整至購股權儲備。

當購股權獲行使時,先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使,先前於購股權儲備中確認之款項將轉撥至保留溢利。

於已授出股份歸屬時,先前於購股權儲備中確認之款項將轉撥至股份溢價。

授予非僱員之股份/購股權

與僱員以外人士進行之以股權結算以股份支付之付款交易按照所收取貨品或服務的公平值計量,惟如該公平值無法予以可靠地估計除外,在此情況下則按所授出股本工具之公平值於實體取得貨品或對手方提供服務之日計量。所收取貨品或服務之公平值乃確認為開支(除非有關貨品或服務合資格確認為資產)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/(loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

稅項

所得稅開支乃指即期應付稅項及遞延稅項的總額。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利與除稅前溢利／(虧損)有所不同，此乃由於在其他年度應課稅或可減免之收入或開支項目以及毋須課稅或不可減免的項目。本集團的即期稅項負債乃使用於報告期末已頒佈或實質頒佈的稅率計算。

遞延稅項於綜合財務報表內資產及負債賬面值與用作計算應課稅溢利的相應稅基的暫時差額確認。遞延稅項負債一般會就所有應課稅的暫時差額確認，而遞延稅項資產一般乃按可能出現可動用以減免的暫時差額的應課稅溢利時確認所有扣減暫時差額。若於一項交易中，因業務合併以外原因初步確認資產及負債而引致不影響應課稅溢利及會計溢利的暫時差額，則不會確認該等遞延稅項資產及負債。此外，若暫時差額是源自商譽之初始確認，則不確認遞延稅項負債。

遞延稅項負債乃按因於附屬公司及聯營公司的投資以及於合營公司的權益有關的應課稅暫時差額而確認，惟若本集團能控制暫時差額的撥回及暫時差額於可見將來可能不會撥回的情況則除外。與該等投資及權益相關的可扣減暫時差額產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用暫時差額且預期將於可見將來撥回時方始確認。

遞延稅項資產的賬面值於各報告期末作審閱，並在不再可能有足夠應課稅溢利收回全部或部分資產時作扣減。

遞延稅項資產及負債乃按預期於償還負債或資產變現期間適用的稅率計量，所根據的稅率(及稅法)乃於報告期末已頒佈或實質上已頒佈者。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Taxation (Cont'd)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax 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, except for freehold land, which is always presumed to be recovered entirely through sale.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

稅項(續)

遞延稅項負債及資產的計量反映本集團於報告期末預期將要收回或償還其資產及負債的賬面值的稅務後果。

就計量遞延稅項而言，利用公平值模型計量的投資物業之賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於本集團的業務模式(其業務目標是隨時間而非透過銷售(永久業權土地除外，其一直假設將通過銷售全數收回)消耗投資物業所包含的絕大部分經濟利益)內持有時，有關假設會被推翻。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團對整項租賃交易應用香港會計準則第12號*所得稅*之規定。與使用權資產及租賃負債相關的暫時性差額會按淨額基準評估。使用權資產折舊超出租賃負債本金部分的租賃付款的金額會產生可扣減暫時性差額淨額。

當即期稅項資產與即期稅項負債可依法相互抵銷，且是與同一稅務機關向同一稅務實體所徵收的所得稅有關時，遞延稅項資產及負債可相互抵銷。

即期及遞延稅項於損益賬確認，惟倘彼等與其他全面收入確認或直接於權益確認的項目有關。在該情況下，即期及遞延稅項亦分別於其他全面收入確認或直接於權益確認。

物業、廠房及設備

物業、廠房及設備為為用於生產或供應貨物或服務或作行政用途持有的有形資產(下文所述之永久業權土地及在建物業除外)。物業、廠房及設備於綜合財務狀況報表以成本減其後累計折舊及其後累計減值虧損(如有)列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Property, plant and equipment (Cont'd)

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Construction in progress in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

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

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

物業、廠房及設備(續)

永久業權土地並不計提折舊，並按成本減其後累計減值虧損計量。

興建中的在建工程(作生產、供應或行政用途)按成本減任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式經營所需的位置及條件而直接產生的任何成本，以及就合資格資產而言，根據本集團的會計政策撥作資本的借貸成本。該等資產按其他物業資產的相同基準，在可作擬定用途時開始折舊。

資產(永久業權土地及在建工程除外)會以直線法在其估計使用年內撇銷其成本減去殘值後確認折舊。估計使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

物業、廠房及設備項目將於出售時或預期繼續使用有關資產亦不會帶來任何未來經濟利益時終止確認。出售或棄用某個物業、廠房及設備項目所產生任何收益或虧損，按有關資產的出售所得款項與其賬面值差額計算，並在損益內確認。

倘本集團就含有租賃土地及樓宇成分的物業的擁有權益付款時，則全部代價於租賃土地及樓宇成分之間按初始確認時的相對公允價值的比例分配。當代價無法在相關租賃土地之非租賃樓宇成分及不可分割權益之間可靠分配時，整項物業被分類為物業、廠房及設備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Investment properties

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

Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under development comprises development expenditure including professional charge directly attributable to the development and borrowing costs, and these costs are capitalised as part of the carrying amount of the investment properties under development.

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 disposal. A leased property which is recognised as a right-of-use asset is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Impairment on property, plant and equipment other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of property, plant and equipment 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 property, plant and equipment are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

投資物業

投資物業指為賺取租金及／或資本增值而持有的物業(包括作該等用途的在建物業)。

投資物業亦計入確認為使用權資產的租賃物業，且由本集團根據經營租賃進行分租。

投資物業按成本值(包括任何直接應佔費用)進行初始計量。於初次確認後，投資物業乃按公允價值計量，並就撇除任何預付或應計經營租賃收入而作出調整。

投資物業公允價值變動所產生之盈虧於產生期間計入損益。

就發展中投資物業產生之建築成本包括開發直接相關專業費用及借貸成本等發展開支，該等成本資本化為發展中投資物業賬面值的一部分。

投資物業於出售時或於投資物業永久不可使用且預期其出售不會產生任何未來經濟利益時予以撇除確認。倘本集團(作為中間出租人)將分租分類為融資租賃，確認為使用權資產的租賃物業則會被終止確認。撇除確認該物業所產生之任何收益或虧損(計算為出售所得款項淨額與該資產賬面值間之差額)於該物業被撇除確認之當期計入損益。

除商譽外物業、廠房及設備減值

本集團會於報告期末審閱物業、廠房及設備之賬面值，以確定有否任何跡象顯示該等資產已出現減值虧損。倘有任何該等跡象存在，須估計相關資產可收回金額以釐定減值虧損程度(如有)。

物業、廠房及設備之可收回金額乃按個別基準進行估計。倘無法按個別基準估計可回收金額，本集團會估計該資產所屬現金產生單位的可回收金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Impairment on property, plant and equipment other than goodwill (Cont'd)

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

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

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

除商譽外物業、廠房及設備減值(續)

在進行現金產生單位之減值測試時，於可確立合理一致的分配基準時，公司資產會分配至相關現金產生單位，否則有關資產會分配至可確立合理一致分配基準的現金產生單位最小組別。可回收金額按公司資產所屬現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值作比較。

可收回金額乃公允價值扣除出售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量將使用稅前貼現率貼現至其現值，以反映目前貨幣時間值之市場評估及未調整未來現金流估計之資產(或現金產生單位)之特定風險。

倘資產(或現金產生單位)可收回金額估計低於其賬面值，則該資產(或現金產生單位)賬面值將扣減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值(如適用)，然後根據該單位或該組現金產生單位內各項資產的賬面值按比例分配至其他資產。資產的賬面值不會被減少至低於其公允價值減出售成本(如可計量)、其使用價值(如可釐定)及零之最高者。以其他方式分配至資產的減值虧損金額按比例分配至該單位或現金產生單位組別的其他資產。減值虧損應即時於損益內確認。

倘若減值虧損其後撥回，則該資產(或現金產生單位或一組現金產生單位)之賬面值會增加至修訂後之估計可收回款額，惟所增加之賬面值數額不得超過倘以往年度該資產(或現金產生單位或一組現金產生單位)未有確認減值虧損之賬面值。減值虧損撥回會即時於損益賬內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Properties under development/properties held for sale

Properties under development for sale which are intended to be sold upon completion of development and properties held for sale are classified as current assets. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets, properties under development for sale/properties held for sale are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis including allocation of the related development expenditure incurred and where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less estimated cost to completion and costs necessary to make the sales.

Properties under development for sale are transferred to properties held for sale upon completion.

Transfer from properties under development/properties held for sale to investment properties carried at fair value

The Group transfers a property from properties under development/properties held for sale to investment property when there is a change in use to hold the property to earn rentals or/and for capital appreciation rather than for sale in the ordinary course of business. Any difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

Other inventories

Other inventories comprising consumable stores for own consumption which are recognised at cost, and subsequently at the lower of cost and net realisable value. Cost of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

發展中物業／待售物業

擬於開發完成後出售的發展中待售物業及待售物業被分類為流動資產。除租賃土地部分按照使用權資產之會計政策以成本模式計量外，發展中待售物業／待售物業均以成本及可變現淨值兩者之較低者入賬。成本按特定識別基準釐定，包括分配所產生之有關開發成本及(倘適用)撥作資本的借貸成本。可變現淨值指物業估計售價減完成之估計成本及進行銷售之估計必要成本。

發展中待售物業於完成後轉撥至待售物業。

從發展中物業／待售物業轉撥至以公允價值列賬的投資物業

當持有物業的目的發生改變至賺取租金或/及實現資本增值，而非於日常業務過程中出售時，本集團將物業從發展中物業／待售物業轉撥至投資物業。於轉撥日期之物業公允價值與其先前賬面值之間的任何差異於損益確認。

其他存貨

其他存貨包括供本身消耗的消耗品庫存材料，乃按成本確認，而隨後以成本及可變現淨值兩者之較低者確認。存貨成本乃以加權平均法釐定。可變現淨值指存貨的估計售價減所有估計完成成本及進行銷售之估計必要成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("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.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

撥備

倘本集團因過去事件而承擔現有責任(法定或推定)，而本集團很可能須履行該責任，並可就該責任之金額作出可靠估計時，則會確認撥備。

確認為撥備之金額為於報告期結束時履行現時責任所需代價之最佳估計，而估計乃經考慮圍繞責任之風險及不確定性而作出。倘撥備以估計履行現有責任之現金流量計量時，其賬面值為該等現金流量之現值(倘貨幣時間值之影響屬重大)。

金融工具

倘集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。所有常規購買或出售金融資產均按交易日基準確認及終止確認。常規購買或出售的方式乃購買或銷售金融資產，並要求於市場上按規則或慣例設定之時間框架內交付資產。

財務資產及財務負債初步按公允價值計量，惟來自與客戶訂立合約的貿易應收款項初始按香港財務報告準則第15號計量。與收購或發行直接相關之財務資產及財務負債(按公允價值計入損益(「按公允價值計入損益」)的金融資產或金融負債除外)，於初步確認時加入財務資產或財務負債(如適用)的公允價值，或自財務資產或財務負債(如適用)的公允價值中扣除。與收購按公允價值計入損益的金融資產或金融負債直接相關之交易成本會即時於損益內確認。

實際利率法為計算金融資產或金融負債攤銷成本及於有關期間分配利息收入及利息開支之方法。實際利率為可準確將金融資產或金融負債在預計年期或較短期間內(如適用)產生之估計未來現金收入及付款(包括構成實際利率不可或缺部分之已付或已收之一切費用及點數、交易成本及其他溢價或折價)折算為初步確認時之賬面淨值之利率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產

金融資產之分類及其後計量

符合以下條件的金融資產其後按攤銷成本計量：

- 目的為收取合約現金流的業務模式下持有的金融資產；及
- 合約條款引述於特定日期產生僅為支付本金及未償還本金利息的現金流量。

符合以下條件的金融資產其後按公允價值計入其他全面收益(「按公允價值計入其他全面收益」)之方式計量：

- 目的為出售及收取合約現金流量的業務模式下持有的金融資產；及
- 合約條款引述於特定日期產生僅為支付本金及未償還本金利息的現金流量。

所有其他金融資產其後按公允價值計入損益計量，倘該股權投資並非持作買賣或收購方應用香港財務報告準則第3號業務合併於業務合併中確認或然代價，於初始確認金融資產時本集團可作不可撤回之選擇於其他全面收益內呈列股權投資其後的公允價值變動除外。

在下列情況下，金融資產為持作買賣：

- 主要為於短期內出售而收購；或
- 初步確認屬於本集團合併管理之可識別金融工具組合之一部份，並具有最近實際短期獲利模式；或
- 並未被指定且可有效作為對沖工具之衍生工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will continue to be held in the investment revaluation reserve.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income line item in profit or loss.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

此外，本集團可不可撤回地指定須按攤銷成本計量或按公允價值計入其他全面收益之金融資產以按公允價值計入損益之方式計量，前提為有關指定可消除或大幅減少會計錯配。

(i) 攤銷成本及利息收入

金融資產之利息收入使用實際利率法確認及其後按攤銷成本計量，債務工具／應收款項其後以按公允價值計入其他全面收益之方式計量。利息收入乃通過對金融資產之賬面總值應用實際利率計算得出，惟其後成為信貸減值之金融資產除外(見下文)。就其後成為信貸減值之金融資產而言，利息收入透過對下一報告期間金融資產之攤銷成本應用實際利率予以確認。倘信貸減值金融工具之信貸風險有所改善，以致金融資產不再出現信貸減值，則利息收入透過於資產被釐定為不再出現信貸減值後之報告期間開始時，對金融資產賬面總值應用實際利率予以確認。

(ii) 指定為按公允價值計入其他全面收益之股本工具

按公允價值計入其他全面收益之股本工具投資其後按公允價值計量，其公允價值變動產生之收益及虧損於其他全面收益中確認，並於投資重估儲備項下累計；且毋須進行減值評估。累計收益或虧損不會於出售股權投資後重新分類至損益，且將繼續於投資重估儲備內持有。

當本集團收取股息的權利獲確立時，來自該等股本工具投資的股息於損益內確認，除非股息明確顯示收回部分投資成本。股息計入損益的其他收入項目中。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item.

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including accounts receivable, deposits paid, other receivables, amounts due from a joint venture, restricted bank deposits and bank balances) and other items (lease receivables and financial guarantee contracts) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for account receivables without significant financing component.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

(iii) 按公允價值計入損益之金融資產

不符合按攤銷成本或按公允價值計入其他全面收益計量或指定為按公允價值計入其他全面收益計量之標準之金融資產乃按公允價值計入損益計量。

按公允價值計入損益之金融資產於各報告期末按公允價值計量，而任何公允價值收益或虧損均於損益內確認。於損益內確認之收益或虧損淨額包括就金融資產賺取之任何股息或利息，且計入「其他收益及虧損」項目中。

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目

本集團根據預期信貸虧損(「預期信貸虧損」)模式對金融資產(包括應收賬款、已付按金、其他應收款項、應收一間合營公司款項、受限制銀行存款及銀行結餘)及根據香港財務報告準則第9號須進行減值評估的其他項目(租賃應收款項及財務擔保合約)進行減值評估。預期信貸虧損金額於各報告日期予以更新，以反映信貸風險自初始確認以來的變動。

存續期預期信貸虧損指於相關工具預計年內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內可能發生的違約事件預計產生的該部分存續期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特定因素、整體經濟環境及報告日期當前情況及預測未來情況的評估作出調整。

本集團一直就並無重大融資組成部分的應收賬款確認存續期預期信貸虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

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 impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a loan commitment, the Group considers changes in the risk of a default occurring on the loan to which a loan commitment relates; for financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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;

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

對於所有其他工具而言，本集團按12個月預期信貸虧損等額計量虧損撥備，除非信貸風險自初始確認以來顯著上升，本集團確認存續期預期信貸虧損。評估是否應確認存續期預期信貸虧損的依據，是自初始確認以來發生違約的可能性或風險顯著上升。

就財務擔保合約而言，本集團成為不可撤銷承擔的一方當日將被視為減值評估的初始確認日期。於評估自初始確認某款貸款承擔以來信貸風險是否顯著上升時，本集團考慮與貸款承擔有關的貸款發生違約的風險變動。就財務擔保合約而言，本集團考慮指定債務人將違約的風險變動。

(i) 信貸風險顯著上升

評估信貸風險自初始確認以來是否顯著上升時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及精力獲取的前瞻性資料。

具體而言，評估信貸風險是否顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸測評的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約掉期價格顯著上升；

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(i) Significant increase in credit risk (Cont'd)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

(i) 信貸風險顯著上升(續)

- 商業、金融或經濟情況當前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預計的重大不利變動，導致債務人履行債務責任的能力顯著下降。

不論上述評估結果如何，本集團均假設合約付款逾期超過30日後信貸風險自初始確認以來顯著上升，除非本集團有合理及具支持性的資料說明其他情況。

儘管存在上述情況，倘債務工具於報告日期展示為具有低信貸風險，本集團假設債務工具的信貸風險自初始確認起並無顯著上升。倘i)其違約風險偏低，ii)借方有強大能力於短期滿足其合約現金流量責任，及iii)較長期的經濟及業務狀況存在不利變動，惟將未必削弱借方達成其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。當債務工具的內部或外部信貸評級為「投資級別」（按照全球理解的釋義），則本集團會視該債務工具的信貸風險偏低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

(i) Significant increase in credit risk (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

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 impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a loan commitment, the Group considers changes in the risk of a default occurring on the loan to which a loan commitment relates; for financial guarantee contracts, 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.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when 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).

Irrespective of the above, 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.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

(i) 信貸風險顯著上升(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

就財務擔保合約而言，本集團成為不可撤銷承擔的一方當日將被視為減值評估的初始確認日期。於評估自初始確認貸款承擔以來信貸風險是否顯著上升時，本集團考慮與貸款承擔有關的貸款發生違約的風險變動。就財務擔保合約而言，本集團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增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

(ii) 違約定義

就內部信貸風險管理而言，倘從內部產生或從外部來源獲得的資料顯示債務人不大可能向其債權人(包括本集團)支付全數款項(不計及本集團持有的任何抵押品)時，則本集團認為發生違約事件。

儘管存在上文所述，本集團認為，倘該金融資產逾期超過90天，則已發生違約事件，除非本集團有合理及可佐證的資料顯示更寬鬆的違約標準會更為合適。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(iii) 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:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

(iii) 信貸減值金融資產

倘發生一項或多項對金融資產估計未來現金流量有不利影響的事件，則金融資產出現信貸減值。金融資產信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人出現嚴重財務困難；
- (b) 違反合約，如違約或逾期事件；
- (c) 借款人的放款人因與借款人出現財務困難有關的經濟或合約理由而給予借款人在一般情況下放款人不予考慮的優惠條件；或
- (d) 借款人可能破產或進行其他財務重組。

(iv) 撇銷政策

倘有資料顯示交易對手處於重大財政困難時，且並無實際收回可能(例如交易對手已被清盤或已進入破產程序)，或就應收賬款而言，有關金額逾期超過兩年(以較早發生者為準)，本集團會撇銷金融資產。在考慮法律意見(如適當)後，已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事件。任何其後收回均會於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

For financial guarantee contracts, 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. Accordingly, the ECL is the present value of 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.

Lifetime ECL for certain accounts receivable are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約可能性、違約損失率(即出現違約時的損失幅度)及違約風險的函數。違約可能性及違約損失率的評估乃按照歷史數據及前瞻性資料進行。預期信貸虧損的估計反映無偏頗及概率加權之金額，乃按發生相應違約風險之權重釐定。

一般而言，預期信貸虧損為根據合約到期支付予本集團的所有合約現金流量與本集團預期收取的現金流量之間的差異，並按於初始確認時釐定的實際利率折現。就租賃應收款項而言，用於釐定預期信貸虧損的現金流量與按照香港財務報告準則第16號計量租賃應收款項時使用的現金流量一致。

就財務擔保合約而言，本集團僅在債務人違反擔保工具條款情況下方須作出付款。因此，預期信貸虧損為償付持有人所產生信貸虧損之預期付款現值減去本集團預期從持有人、債務人或任何其他方收取之任何金額。

經計及逾期資料及相關信貸資料(如前瞻性宏觀經濟資料)，若干應收賬款之存續期預期信貸虧損按整體基準予以考慮

就整體評估而言，本集團於制定分組時考慮以下特徵：

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸評級。

管理層定期檢討分組，以確保各組的組成繼續具有類似的信貸風險特徵。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(v) Measurement and recognition of ECL (Cont'd)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of accounts receivable where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the investment revaluation reserve without reducing the carrying amount of these debt instruments. Such amount represents the changes in the investment revaluation reserve in relation to accumulated loss allowance.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號須進行減值評估的其他項目(續)

(v) 預期信貸虧損的計量及確認(續)

利息收入按金融資產之賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入按金融資產之攤銷成本計算。

除財務擔保合約外，本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟應收賬款除外，其相應調整乃透過虧損撥備賬確認。就按公允價值計入其他全面收益計量的債務工具投資而言，虧損撥備於其他全面收益確認，並在不減少該等債務工具賬面值的情況下於投資重估儲備內累計。有關金額代表與累計虧損撥備有關的投資重估儲備的變動。

終止確認金融資產

僅於從資產收取現金流量之合約權利已到期，或其已轉讓金融資產並將資產擁有權之絕大部份風險及回報轉移至另一實體，則本集團終止確認金融資產。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價總和間之差額於損益確認。

於終止確認本集團於初始確認時選擇以按公允價值計入其他全面收益之方式計量的股本工具投資時，先前於投資重估儲備中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。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities including including accounts payables, other payables, borrowings, debt component of convertible bonds and senior notes and bond are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融負債及股本

分類為債務或股本

債務及股本工具乃根據合約安排之內容以及金融負債和股本工具之定義被分類為金融負債或股本。

股本工具

股本工具為證明於扣除所有負債後實體之資產剩餘權益之任何合約。由本公司發行之股本工具按已收取所得款項減直接發行成本後確認。

金融負債

所有金融負債其後均使用實際利率法按攤銷成本或以按公允價值計入損益的方式計量。

按攤銷成本列賬之金融負債

金融負債包括使用實際利率法，其後按攤銷成本計量之應付賬款、其他應付款項、借貸、可換股債券、優先票據及債券之債務部分。

財務擔保合約

財務擔保合約為發行人須因指定債務人未能根據債務工具之條款支付到期款項致使持有人蒙受損失時，向持有人償付指定款項之合約。財務擔保合約負債初步按其公允價值計量。其後按下列各項之較高者計量：

- 根據香港財務報告準則第9號釐定之虧損撥備金額；及
- 初次確認之金額減去於擔保期內確認之累計攤銷(如適用)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Convertible bonds contain debt and derivative components

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible loan notes is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible loan notes using the effective interest method.

Derecognition/modification of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Group accounts for an exchange with a lender of a financial liability with substantially different terms as an extinguishment of the original financial liability and the recognition of a new financial liability. A substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the Group) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

含有債務及衍生工具部分之可換股債券

倘兌換股權將透過以固定金額之現金或另一項金融資產換取固定數目之本集團實體之股本工具以外的方式結算，則分類為兌換股權衍生工具。

於發行日期，債務部分及衍生工具部分均按公允價值確認。於往後期間，可換股貸款票據的債務部分乃採用實際利率法按攤銷成本入賬。衍生工具部分乃按公允價值計量，而公允價值的變動則於損益中確認。

與發行可換股貸款票據有關的交易成本乃按彼等相關公允價值的比例分配至債務及衍生工具部分。與衍生工具部分有關的交易成本即時於損益中扣除。與債務部分有關的交易成本計入債務部分的賬面值，並採用實際利率法在可換股貸款票據的年期攤銷。

金融負債之終止確認/變更

僅在本集團的義務已經履行、解除或到期時，本集團才終止確認金融負債。終止確認的金融負債的賬面值與已付及應付的代價之間的差額會在損益中確認。

本集團將與貸款人就具有重大差異條款之金融負債進行的交換，作為原金融負債清償及確認新金融負債入賬。現有金融負債條款或其任何部分之重大修訂(不論是否歸因於本集團出現財政困難)，均作為清償原金融負債及確認新金融負債入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Derecognition/modification of financial liabilities (Cont'd)

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 percent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

When the contractual terms of a convertible instrument are modified, such as extending the tenure, change in exercise price of the underlying options, change in option date of underlying options, the revised terms would result in a substantial modification from the original terms, after taking into account all relevant facts and circumstances including qualitative factors, such modification is accounted for as derecognition of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of financial liability derecognised and the fair value of consideration paid or payable, including any liabilities assumed and derivative components recognised, is recognised in profit or loss.

For the purposes of applying the 10 percent test on the modification of a convertible instrument, the Group considers that the terms are substantially different if the higher of (i) the fair value of the share settlement at the date of modification; and (ii) the discounted present value of the cash flows of the host contract under the new terms, is at least 10 per cent different from the sum of the discounted present value of the remaining cash flows of the original financial liability and the fair value of the derivative component under the original terms.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

金融負債之終止確認/變更(續)

當金融負債的合約條款被修改，經計及所有相關事實及情況(包括定性因素)後，本集團會評估經修訂條款相比原定條款是否出現重大變更。倘定性評估並無定論，本集團認為，倘根據新條款的現金流量經貼現現值(包括使用原實際利率貼現之任何已付費用減任何已收費用)與原金融負債剩餘現金流量經貼現現值相差至少10%，則有關條款具有重大差異。因此，有關條款的修訂作為清償入賬，而所產生的任何成本或費用被確認為清償時損益的一部分。當有關差異少於10%時，該項交換或修改被視為非重大變更。

就不會導致終止確認的金融負債的非重大變更而言，相關金融負債的賬面值將會按照經修改合約現金流量的現值計算，並按照金融負債的原實際利率貼現。已產生的交易成本或費用將調整為經修改金融負債的賬面值，並在剩餘年內攤銷。對金融負債賬面值的任何調整均於修改日期在損益內確認。

當可換股工具的合約條款被修改(如延長使用期、更改相關購股權行使價、更改相關購股權的購股權日期)，致使經修訂條款相比原定條款出現重大變更，經計及所有相關事實及情況(包括定性因素)後，有關修訂按終止確認原金融負債及確認新金融負債入賬。終止確認的金融負債的賬面值與已付或應付代價(包括所承擔的任何負債及所確認的衍生工具部分)的公允價值之間的差額於損益中確認。

就可換股工具的修訂應用10%測試而言，本集團認為，倘(i)於修訂當日股份償付之公允價值；及(ii)新條款項下主合約的現金流量經貼現現值(以較高者為準)與原金融負債剩餘現金流量經貼現現值與根據原條款的衍生工具部分的公允價值之總數相差至少10%，則有關條款具有重大差異。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Significant accounting policies (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity (Cont'd)

Senior notes and bond

Senior notes and bond issued by the Group that contains both liability, early redemption option and interest rate adjustments (which is closely related to the host contract) is not separated into host contract and embedded derivative on initial recognition. At the date of issue, the senior notes and bond are recognised at fair value.

In subsequent periods, the liability components of the senior notes and bond are carried at amortised cost using effective interest method. The early redemption option of senior notes is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that related to the issue of the senior notes and bond are included in the carrying amount of the senior notes and bond and amortised over the period of the senior notes and bond using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 綜合財務報表編製基礎及主要會計政策(續)

3.2 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

優先票據及債券

本集團發行包含負債、提前贖回權及利率調整(與主合約有密切關係者)之優先票據及債券在初步確認時並無分類作主合約及嵌入式衍生工具。於發行日期,優先票據及債券按公允價值確認。

於後續期間,優先票據及債券之負債部分乃使用實際利率法按攤銷成本列賬。優先票據之提前贖回權按照公允價值計量,並於損益內確認公允價值變動。

與發行優先票據及債券相關之交易成本乃計入優先票據及債券之賬面值,並按優先票據及債券之期限採用實際利率法攤銷。

衍生金融工具

衍生工具最初於衍生工具合約訂立當日按其公允價值確認,並其後於報告期末按公允價值重新計量。由此產生之收益或虧損於損益內確認。

4. 重要會計判斷及主要估計不確定性來源

於應用附註3所載之本集團會計政策時,本公司董事須就從其他來源並非顯而易見之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及認為屬相關之其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響修訂估計之期間,則有關修訂會在該期間確認;倘若有關修訂既影響當期,亦影響未來期間,則有關修訂會在修訂期間及未來期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors of the Company have determined that certain of the Group's investment properties as at 31 December 2020 amounting to RMB14,135,880,000 (2019: RMB13,529,300,000) situated in the People's Republic of China (excludes Hong Kong, Macau and Taiwan) (the "Mainland China") are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. The presumption that the carrying amounts of certain of the Group's investment properties situated in the Mainland China are recovered entirely through sale has been rebutted and the deferred tax on the changes in fair value of these investment properties is recognised according to the relevant tax rules. For remaining investment properties amounting to RMB9,031,279,000 (2019: RMB10,038,229,000), the presumption that the carrying amounts of these investment properties measured using fair value model were recovered entirely through sales was not rebutted and no deferred tax on the changes in fair value of these investment properties is recognised.

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.

Income tax

The Group is subject to income tax in various jurisdictions. Significant judgement and estimation is required in determining the amount of the provision of tax and the timing of payment of the related taxation. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in periods in which such determinations are made.

4. 重要會計判斷及主要估計不確定性來源(續)

應用會計政策的重要判斷

以下乃本公司董事於應用本集團會計政策過程中所作對綜合財務報表確認之數額構成最重大影響之重要判斷，惟涉及估計者(見下文)除外。

投資物業遞延稅項

就計量由使用公允價值模型計量的投資物業所產生的遞延稅項負債或遞延稅項資產而言，本公司董事決定本集團於二零二零年十二月三十一日金額為人民幣14,135,880,000元(二零一九年：人民幣13,529,300,000元)的若干位於中華人民共和國(不包括香港、澳門及台灣)(「中國內地」)的投資物業乃根據旨在假以時日而非透過出售消耗投資物業所包含的絕大部分經濟利益的業務模式持有。本集團若干位於中國內地的投資物業賬面值可因出售而完全收回的假設已被駁回，而就該等投資物業的公允價值變動而產生的遞延稅項乃根據相關稅項規定確認。餘下投資物業為人民幣9,031,279,000元(二零一九年：人民幣10,038,229,000元)，就該等投資物業而言，該等使用公允價值模式計量的投資物業賬面值可透過銷售全面收回的推定未被駁回，且並無確認就該等投資物業的公允價值變動而產生的遞延稅項。

主要估計不確定性來源

以下為於報告期末可能構成重大風險以致對下一財政年度之資產與負債之賬面值作出重大調整之未來相關主要假設及其他主要估計不確定性來源。

所得稅

本集團須繳納不同司法權區的所得稅。釐定稅項撥備的金額及支付相關稅項的時間須作出重大判斷及估計。當最終稅項結果不同於最初記錄的金額時，有關差額將對作出該等釐定期間的所得稅及遞延稅項撥備產生影響。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income tax (Cont'd)

The Group is subject to land appreciation tax ("LAT") in the Mainland China. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the Mainland China, and the Group has not finalised certain LAT calculation and payments with local tax authorities in the Mainland China. Accordingly, significant judgement is required in determining the amount on the appreciation of land value and its related LAT. The Group recognised LAT based on the management's best estimates according to the understanding of the tax rules, which are determined by the appreciation of land value. The amount of the land appreciation is determined with reference to estimated proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures.

During the year, the Group incurred LAT of RMB387,411,000, including under provision of RMB1,419,000 in prior year (2019: RMB1,015,843,000, including over provision of RMB7,778,000 in prior year) which was charged to the consolidated statement of profit or loss as income tax expense. The directors of the Company considered the amount charged to the consolidated statement of profit or loss to be adequate as this is calculated according to the method which is in compliance with the existing rules and interpretation of LAT.

As at 31 December 2020, a deferred tax asset of RMB65,658,000 (2019: RMB131,314,000) in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised in respect of tax losses of RMB623,795,000 (2019: RMB92,844,000) as it is not probable that taxable profit will be available due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are more than expected, additional recognition of deferred tax assets may arise, which would be recognised in the consolidated statement of profit or loss for the period in which it takes place.

Valuation of investment properties

Investment properties with the aggregate carrying amount as at 31 December 2020 of RMB23,167,159,000 (2019: RMB23,567,529,000) are stated at fair value based on the valuation performed by an independent qualified professional valuer. The fair value of the investment properties was determined by reference to valuations conducted on these properties by an independent firm of property valuer using property valuation techniques which involve certain assumptions. Changes in assumptions may result in changes in the fair value of the Group's investment properties which are reported in the consolidated statement of profit or loss and affect the carrying amount of these properties included in the consolidated statement of financial position.

Information about valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties are disclosed in note 14.

4. 重要會計判斷及主要估計不確定性來源(續)

主要估計不確定性來源(續)

所得稅(續)

本集團在中國內地須繳付土地增值稅(「土地增值稅」)。然而，中國內地城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而本集團尚未與中國內地任何地方稅務局落實其若干土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層按其對稅務規則的理解作出的最佳估計，即按土地增值額確認土地增值稅。土地增值金額參考物業銷售減預計可扣稅開支之預計所得款項而釐定，有關可扣稅開支包括土地使用權成本以及所有物業開發開支。

年內，本集團產生土地增值稅人民幣387,411,000元，包括過往年度撥備不足人民幣1,419,000元(二零一九年：人民幣1,015,843,000元，包括過往年度超額撥備人民幣7,778,000元)，作為所得稅開支自綜合損益表中扣除。本公司董事認為，自綜合損益表中扣除的該筆款額充分，因為此乃根據符合土地增值稅現有規則及詮釋的方法計算。

於二零二零年十二月三十一日，有關未動用稅項虧損之遞延稅項資產人民幣65,658,000元(二零一九年：人民幣131,314,000元)已於本集團綜合財務狀況報表中確認。由於未來盈利來源的不可預測性，將不太可能取得應課稅盈利，因此並無就稅項虧損人民幣623,795,000元(二零一九年：人民幣92,844,000元)確認遞延稅項資產。遞延稅項資產的變現能力主要取決於未來是否有足夠的未來盈利或應課稅臨時差額。如所產生的實際未來盈利高於預期，可能產生遞延稅項資產的額外確認，並於產生該項確認的期間於綜合損益表內確認。

投資物業之估值

於二零二零年十二月三十一日，總賬面值為人民幣23,167,159,000元(二零一九年：人民幣23,567,529,000元)的投資物業乃基於獨立合資格專業估值師的估值按公允價值列賬。投資物業之公允價值乃參考獨立物業估值公司採用物業估值法(涉及若干假設)對該等物業進行之估值而釐定。該等假設變動可能導致本集團投資物業的公允價值出現變動，該等公允價值變動於綜合損益表呈報，並影響綜合財務狀況報表所列之該等物業之賬面值。

有關釐定投資物業公允價值所採用的估值技術、輸入數據及主要假設資料披露於附註14。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Acquisition of Intelligent City Development Limited and its subsidiaries

As mentioned in more details in notes 38 (ii)(f) and 39 (a), Greater Bay Area Intelligent City Limited, a direct wholly-owned subsidiary of the Company, has acquired additional 55% equity interests in ICDL and its subsidiaries on 25 August 2020 by way of share subscription and after completion of share subscription, ICDL and its subsidiaries became non wholly-owned subsidiary of the Group and the acquisition is regarded as acquisition of a group of assets and liabilities that do not constitute a business. The Group recognised the individual identifiable assets acquired and liabilities assumed at the relevant fair value at acquisition date which was based on the valuation performed by an independent qualified professional valuer. The fair value of the properties under development for sale, which is the most significant asset acquired by the Group, was determined by reference to comparable market transactions, and deducting estimated costs in obtaining the land, including estimated outstanding land premium, the unpaid cost of housing demolition, relocation and resettlement, the construction costs of resettlement housing and the developer's profit margin of the aforesaid costs. Such fair value was further adjusted by a risk discount factor considering the housing demolition, relocation and resettlement. The risk discount factor was the arithmetic weighted mean of the estimated progress rate by area (i.e. the signing completion rate of relocation agreement with original residents) and the expected time to complete the housing demotion, relocation and settlement determined by management of the Group. Changes in assumptions may result in significant changes in the fair value of the Group's properties under development for sale and affect the asset value at the acquisition date to be included in the consolidated statement of financial position.

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

The directors of the Company determine the net realisable value of completed properties held for sale with carrying amount of RMB4,844,053,000 (2019: RMB2,467,237,000) by using prevailing market data such as most recent sale transactions.

The assessment of directors of the Company on net realisable value of properties under development for sale with carrying amount of RMB32,132,185,000 (2019: RMB8,165,855,000) requires the estimates of future cash flows to be derived from these properties. These estimates require judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, marketing costs (including price discounts required to stimulate sales) and the expected costs to completion of properties, the legal and regulatory framework and general market conditions.

The Group had not recognised any an impairment loss for the years ended 31 December 2020 and 2019. Where there is any decrease in the estimated selling prices arising from any changes to the property market conditions, a further loss will be recognised on the properties held for sale and properties under development for sale.

4. 重要會計判斷及主要估計不確定性來源(續)

主要估計不確定性來源(續)

收購智慧城市發展有限公司及其附屬公司

如附註38(ii)(f)及39(a)所詳述，於二零二零年八月二十五日，大灣區智慧城市有限公司(本公司之直接全資附屬公司)透過認購股份收購智慧城市及其附屬公司的額外55%股權，而於認購股份完成後，智慧城市及其附屬公司成為本集團之非全資附屬公司，且該收購被視為收購一組並不構成業務之資產及負債。本集團按收購日期之相關公允價值(乃基於獨立合資格專業估值師的估值)確認個別所收購之可識別資產及所承擔之負債。發展中待售物業(本集團所收購之最重大資產)之公允價值乃經參考可資比較市場交易，並扣除取得土地之估計成本(包括估計未支付之土地溢價、房屋拆遷、搬遷及重置的未付成本、重置房屋的建築成本及開發商於上述成本的利潤率)後釐定。經考慮房屋拆遷、搬遷及重置後，有關公允價值按風險貼現因素進一步調整。風險貼現因素為按區域估計之進度(即與原居民簽訂搬遷協議之完成率)及由本集團管理層釐定之完成房屋拆遷、搬遷及重置之預期時間之算術加權平均數。假設改變或會導致本集團發展中待售物業之公允價值出現重大變動，並影響將於收購日期計入綜合財務狀況報表之資產價值。

待售物業及發展中待售物業之可變現淨值評估

本公司董事採用最新銷售交易等現行市場數據，而釐定賬面值為人民幣4,844,053,000元(二零一九年：人民幣2,467,237,000元)之待售建成物業的可變現淨額。

本公司董事對賬面值為人民幣32,132,185,000元(二零一九年：人民幣8,165,855,000元)之發展中待售物業的可變現淨額的評估須按有關物業未來的現金流量估計。有關估算須根據附近地點的近期銷售交易、推廣費用(包括促銷的價格折扣)及有關預計完成物業的費用、法律和監管架構及一般市況，從而判斷出預期的銷售價格。

截至二零二零年及二零一九年十二月三十一日止年度，本集團沒有確認任何減值虧損。倘房地產市場情況的任何變動使估計銷售價格下跌，將於待售物業及發展中待售物業確認進一步虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the income from property development, property leasing and provision of comprehensive services, net of business tax and other sales related taxes and after deduction of any discounts.

An analysis of the Group's revenue for the year is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Sales of properties	物業銷售	4,512,643	5,962,446
Revenue from hotel operation, property management service and other services	來自酒店運營、物業管理服務及其他服務的 收益	292,017	321,328
Revenue from contracts with customers	來自客戶合約的收益	4,804,660	6,283,774
Rental income	租金收入	620,167	618,674
		5,424,827	6,902,448
<i>Timing of revenue recognition from contracts with customers</i>	<i>確認來自客戶合約的收益的時間</i>		
At a point in time	某個時間點確認	4,512,643	5,962,446
Over time	隨着時間確認	292,017	321,328

Sales of properties

For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on customers' specifications with no alternative use. Taking into the consideration of relevant terms, the legal environment and relevant legal precedent, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of relevant properties to customers. Revenue from sales of residential properties and commercial buildings is therefore recognised at a point in time when the completed property is transferred to customers, being at the point that customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable.

The Group receives an upfront payment, ranging from RMB10,000 to RMB500,000 (2019: RMB20,000 to RMB2,000,000) for different properties from customers for the subscription of properties and such amount will be treated as the deposits from customers after signing the sale and purchase agreement. However, depending on the market conditions, the Group may offer customers a discount compared to the listed sale price, provided that the customers agree to pay the rest of the consideration earlier.

For contracts entered into with customers on sales of properties, the expected duration of satisfying the performance obligation of which is within one year, the transaction price allocated to these unsatisfied contracts is not disclosed as permitted under HKFRS 15.

The Group considers the advance payment contains no significant financing component and accordingly no adjustments of the amount of consideration would be made.

5. 收益及分類資料

收入為來自物業發展、物業租賃及提供綜合服務的
收入，並扣除營業稅及其他銷售有關稅項以及任何
折扣。

年內本集團之收益分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Sales of properties	物業銷售	4,512,643	5,962,446
Revenue from hotel operation, property management service and other services	來自酒店運營、物業管理服務及其他服務的 收益	292,017	321,328
Revenue from contracts with customers	來自客戶合約的收益	4,804,660	6,283,774
Rental income	租金收入	620,167	618,674
		5,424,827	6,902,448
<i>Timing of revenue recognition from contracts with customers</i>	<i>確認來自客戶合約的收益的時間</i>		
At a point in time	某個時間點確認	4,512,643	5,962,446
Over time	隨着時間確認	292,017	321,328

物業銷售

就出售物業與客戶訂立之合約而言，合約中規定之
相關物業乃基於客戶要求，並無其他替代用途。經
考慮相關條款、法律環境及相關法律先例，本集團
認為，在轉讓相關物業予客戶前，本集團並無收取
付款之可強制執行權利。因此，出售住宅物業及商
業樓宇之收益於已竣工物業轉讓予客戶之時間點確
認，即客戶獲得已竣工物業之控制權而本集團擁有
收取付款之現時權利及可能收取代價之時間點。

本集團就不同物業向客戶收取介乎人民幣10,000元
至人民幣500,000元(二零一九年：人民幣20,000元
至人民幣2,000,000元)的物業認購預付款，有關款
項將於簽訂買賣協議後作為客戶按金入賬。但是，
取決於市場狀況，本集團可能向客戶提供較所列出
售價有所折讓之價格，惟客戶須同意提早支付代價
結餘。

就與客戶訂立的物業銷售合約而言，預期完成有關
履約責任的年期為一年內，且在香港財務報告準則
第15號允許的情況下，並無披露分配至該等未獲履
行合約的交易價。

本集團認為預付款項並無重大融資成分，因此並無
對代價金額作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Rental income

Revenue, include both fixed and variable rents, generated from leasing of commercial properties, office premises, apartments and car parks, is accounted for in accordance with HKFRS 16.

Revenue from hotel operation, property management service and other services

Revenue from hotel operation and property management service is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

All hotel operation service is for periods less than one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

For property management service, the Group elected to apply practical expedient by recognising revenue in the amount to which the Group has right to invoice. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

In identifying its operating segments, the executive directors of the Company, being the chief operating decision makers, generally follow the Group's service lines, which represent the main products and services provided by the Group. The Group has identified the following reportable segments under HKFRS 8:

- Real estate development and sales: sales of properties
- Commercial property investment and operations: lease of commercial properties, office premises, apartments and car parks
- Comprehensive services: hotel operation, property management service and other service income

Each of these operating segments is managed separately as each of these products and service lines requires different resources as well as marketing approaches.

5. 收益及分類資料(續)

租金收入

商業物業、辦公室、公寓及停車場租賃所產生之收益(包括固定及浮動租金)乃根據香港財務報告準則第16號入賬。

酒店運營、物業管理服務及其他服務所得之收益

客戶於本集團履約時取得並耗用本集團履約所提供之利益時，酒店運營及物業管理服務所得收益會隨時間按已完成相關履約責任之進度而確認。

所有酒店營運服務均為期一年或以下。在香港財務報告準則第15號允許的情況下，本集團並無披露分配至該等未獲履行合約的交易價。

就物業管理服務而言，本集團選擇應用實際權宜方法，就本集團有權開具發票的金額中確認收益。在香港財務報告準則第15號允許的情況下，本集團並無披露分配至該等未獲履行合約的交易價。

本公司執行董事(即主要營運決策者)通常根據本集團的服務系列(即本集團提供的主要產品及服務)確定經營分類。本集團已根據香港財務報告準則第8號確定下列可呈報分類：

- 房地產開發及銷售：物業銷售
- 商業物業投資與經營：商業物業、辦公室、公寓及停車場租賃
- 綜合服務：酒店運營、物業管理服務及其他服務收益

由於該等產品及服務系列各自需要不同的資源及營銷方式，故該等經營分類獲單獨管理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 December 2020

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業 投資與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	4,512,643	620,167	292,017	5,424,827
Inter-segment revenue	分類間收益	–	22,635	103,363	125,998
Total segment revenue	分類收益總額	4,512,643	642,802	395,380	5,550,825
Reportable segment profit	可呈報分類盈利	2,025,264	565,977	74,464	2,665,705

For the year ended 31 December 2019

		Real estate development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業 投資與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	5,962,446	618,674	321,328	6,902,448
Inter-segment revenue	分類間收益	–	16,212	37,685	53,897
Total segment revenue	分類收益總額	5,962,446	634,886	359,013	6,956,345
Reportable segment profit	可呈報分類盈利	3,784,827	550,378	95,150	4,430,355

Inter-segment sales are at mutually agreed terms.

分類間銷售按共同協定之條款進行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Reconciliations of reportable segment revenue, profit or loss

The Group does not allocate fair value changes on investment properties, fair value changes on derivative component of convertible bonds, other income, other gains and losses, gain on deemed disposal of an associate, depreciation, finance costs, share of results of a joint venture and corporate expenses to individual reportable segment profit or loss for the purposes of resource allocation and performance assessment by the chief operating decision makers while the investment properties are allocated to the segment of “commercial property investment and operations” for presenting segment assets.

The accounting policies adopted in preparing the reportable segment information are the same as the Group's accounting policies described in note 3.

5. 收益及分類資料(續)

可呈報分類收益、損益之對賬

本集團並無就主要營運決策者作出之資源分配及表現評估而將投資物業的公允價值變動、可換股債券衍生工具部分的公允價值變動、其他收入、其他收益及虧損、視作出售一間聯營公司的收益、折舊、融資成本、應佔一間合營公司業績及公司開支分配至獨立可呈報分類之損益內，而投資物業則就呈報分類資產分配至「商業物業投資與經營」分類。

編製可呈報分類資料所採納之會計政策與本集團於附註3所述之會計政策相同。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收益		
Reportable segment revenue	可呈報分類收益	5,550,825	6,956,345
Elimination of inter-segment revenue	對銷分類間收益	(125,998)	(53,897)
Consolidated revenue	綜合收益	5,424,827	6,902,448
Profit	盈利		
Reportable segment profit	可呈報分類盈利	2,665,705	4,430,355
Fair value changes on investment properties	投資物業的公允價值變動	(239,322)	696,378
Other income	其他收入	148,901	123,476
Other gains and losses	其他收益及虧損	(111,454)	(11,184)
Gain on deemed disposal of an associate	視作出售一間聯營公司的收益	3,893,561	-
Depreciation	折舊	(66,915)	(37,399)
Finance costs	融資成本	(1,533,101)	(1,256,165)
Share of results of a joint venture	應佔一間合營公司業績	(2)	(2)
Fair value changes on derivative component of convertible bonds	可換股債券衍生工具部分的公允價值變動	93,506	(20,170)
Corporate expenses	公司開支	(534,797)	(558,158)
Consolidated profit before tax	除稅前綜合盈利	4,316,082	3,367,131

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities

The following is an analysis of the Group's assets by reportable and operating segment, no liabilities are presented as the information is not reportable to the chief operating decision makers in the resource allocation and assessment of performance:

Segment assets

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Assets	資產		
Real estate development and sales	房地產開發及銷售	37,433,525	12,452,128
Commercial property investment and operations	商業物業投資與經營	23,259,775	23,591,289
Comprehensive services	綜合服務	325,788	362,963
Reportable segment assets	可呈報分類資產	61,019,088	36,406,380
Goodwill	商譽	231,602	231,602
Equity instruments at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	501,261	541,125
Bank balances and cash (including restricted bank deposits)	銀行結餘及現金(包括受限制銀行存款)	9,409,650	8,346,982
Deferred tax assets	遞延稅項資產	537,869	565,713
Interest in a joint venture and amount due from a joint venture	於一間合營公司的權益及應收一間合營公司款項	528,374	528,376
Interest in an associate	於一間聯營公司的權益	-	-
Corporate assets	公司資產	2,039,154	2,116,105
Consolidated total assets	綜合總資產	74,266,998	48,736,283

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to operating segments other than goodwill, equity instruments at fair value through other comprehensive income, bank balances and cash (including restricted bank deposits), deferred tax assets, interest in a joint venture and amount due from a joint venture, interest in an associate and corporate assets.

5. 收益及分類資料(續)

分類資產及負債

以下為本集團按可呈報及經營分類劃分的資產分析，由於毋須就資源分配及表現評估向主要營運決策者呈報負債，因此並無呈列該等資料：

分類資產

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Real estate development and sales	房地產開發及銷售	37,433,525	12,452,128
Commercial property investment and operations	商業物業投資與經營	23,259,775	23,591,289
Comprehensive services	綜合服務	325,788	362,963
Reportable segment assets	可呈報分類資產	61,019,088	36,406,380
Goodwill	商譽	231,602	231,602
Equity instruments at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	501,261	541,125
Bank balances and cash (including restricted bank deposits)	銀行結餘及現金(包括受限制銀行存款)	9,409,650	8,346,982
Deferred tax assets	遞延稅項資產	537,869	565,713
Interest in a joint venture and amount due from a joint venture	於一間合營公司的權益及應收一間合營公司款項	528,374	528,376
Interest in an associate	於一間聯營公司的權益	-	-
Corporate assets	公司資產	2,039,154	2,116,105
Consolidated total assets	綜合總資產	74,266,998	48,736,283

為監測分類表現及分類間的資源分配，除商譽、按公允價值計入其他全面收益之股本工具、銀行結餘及現金(包括受限制銀行存款)、遞延稅項資產、於一間合營公司的權益及應收一間合營公司款項、於一間聯營公司的權益以及公司資產外，所有資產分配至經營分類。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Geographical information

The Group's operations are located on the Mainland China, Hong Kong, the USA and Cambodia. Revenue from external customers are mainly generated from the Mainland China for the years ended 31 December 2020 and 2019. Information about the Group's non-current assets is presented based on the geographical location of the assets.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國內地	14,895,956	14,309,782
Hong Kong	香港	8,823,452	9,732,606
USA	美國	189,304	213,074
Cambodia	柬埔寨	718,402	865,867
		24,627,114	25,121,329

Note: Non-current assets excluded goodwill, equity instruments at fair value through other comprehensive income and deferred tax assets.

Information about major customers

Revenue from customer of the corresponding year contributing over 10% of the total sales of the Group are as follows:

		Year end 截至以下年度 2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶A	960,258	N/A*不適用*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group in respective year.

No other major customers contributed over 10% of the total sales of the Group for the years ended 31 December 2020 and 2019.

6. OTHER INCOME

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest income	利息收入	113,884	93,570
Investment income	投資收入	22,800	20,163
Government grants (Note)	政府補貼(附註)	12,217	9,743
		148,901	123,476

Note: It mainly represented cash received from unconditional grants by the local government to encourage the business operations in the Mainland China.

5. 收益及分類資料(續)

地區資料

本集團的業務位於中國內地、香港、美國及柬埔寨。截至二零二零年及二零一九年十二月三十一日止年度，來自外部客戶的收益主要源自中國內地。本集團的非流動資產資料按資產的地理位置呈列。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國內地	14,895,956	14,309,782
Hong Kong	香港	8,823,452	9,732,606
USA	美國	189,304	213,074
Cambodia	柬埔寨	718,402	865,867
		24,627,114	25,121,329

附註：非流動資產不包括商譽、按公允價值計入其他全面收益之股本工具及遞延稅項資產。

主要客戶資料

於相應年度佔本集團總銷售額超出10%之客戶收入如下：

		Year end 截至以下年度 2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶A	960,258	N/A*不適用*

* 相應收入於相關年度並無佔本集團總收入超出10%。

截至二零二零年及二零一九年十二月三十一日止年度並無其他主要客戶佔本集團總銷售額超出10%。

6. 其他收入

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest income	利息收入	113,884	93,570
Investment income	投資收入	22,800	20,163
Government grants (Note)	政府補貼(附註)	12,217	9,743
		148,901	123,476

附註：該金額主要指就地方政府為鼓勵於中國內地經營業務而發放的無條件補貼所收取的現金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

7. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Gain on disposal of a subsidiary	出售一間附屬公司之收益	-	33,300
Impairment loss (recognised) reversal for accounts receivable, net	應收賬款減值虧損(確認)撥回淨額	(40,617)	59
Foreign exchange gain, net	匯兌收益淨額	71,976	12,356
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(9)	(925)
Loss on early redemption of domestic corporate bond (note 35)	提前贖回境內公司債券之虧損(附註35)	-	(1,099)
Loss on non-substantial modification of domestic corporate bond (note 35)	境內公司債券之非重大變更虧損(附註35)	(1,810)	(57,287)
Loss on substantial modification of convertible bonds (note 34)	可換股債券之重大變更虧損(附註34)	(20,105)	-
Loss on non-substantial modification of senior notes (note 35)	優先票據之非重大變更虧損(附註35)	(129,571)	-
Others	其他	8,682	2,412
		(111,454)	(11,184)

8. FINANCE COSTS

8. 融資成本

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on:	利息：		
Bank and other borrowings	銀行及其他借貸	1,263,397	1,186,817
Convertible bonds	可換股債券	285,303	172,237
Senior notes and bond	優先票據及債券	519,199	411,241
Lease liabilities	租賃負債	10,544	11,929
Less: Amount capitalised in investment properties under development and properties under development for sale*	減：撥充在建投資物業及發展中待售物業資本化的金額*	(545,342)	(526,059)
		1,533,101	1,256,165

* The finance costs have been capitalised at rates ranging from 1.61% to 13.75% (2019: 3.73% to 9.41%) per annum.

* 融資成本乃按年息率1.61%至13.75% (二零一九年：3.73%至9.41%)資本化。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

9. PROFIT BEFORE TAX

9. 除稅前盈利

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit before tax is arrived at after charging (crediting):	除稅前盈利乃經扣除(計入):		
Cost of properties held for sale recognised as expense	確認為開支的待售物業的成本	2,487,379	2,177,619
Depreciation of property, plant and equipment	物業、廠房及設備折舊	67,137	37,448
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化之金額	(222)	(49)
		66,915	37,399
Gross rental income from investment properties	投資物業所得租金收入總額	620,167	618,674
Outgoings in respect of investment properties that generated rental income during the year	有關於年內產生租金收入之投資物業的開支	(54,190)	(68,296)
		565,977	550,378
Expense relating to short-term lease	與短期租賃有關的開支	2,276	4,886
Auditor's remuneration	核數師酬金	3,026	2,490
Staff costs	員工成本		
– Directors' emoluments (note 11)	– 董事薪酬(附註11)	11,099	11,851
– Salaries and other benefits in kind	– 薪金及其他實物利益	401,660	333,279
– Amount recognised as expense for retirement benefit costs	– 確認為退休福利成本開支的金額	7,727	27,946
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化的金額	(84,826)	(60,571)
		335,660	312,505

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

10. INCOME TAX EXPENSE

10. 所得稅開支

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current tax	即期稅項			
Mainland China Enterprise Income Tax ("EIT")	中國內地企業所得稅 (「企業所得稅」)			
– Current year	– 本年度	(a)	266,957	765,660
– Overprovision in prior year	– 過往年度超額撥備		(11,567)	(19,250)
			255,390	746,410
Mainland China LAT	中國內地土地增值稅			
– Current year	– 本年度	(b)	385,992	1,023,621
– Under(over)provision in prior year	– 過往年度撥備不足(超額撥備)		1,419	(7,778)
			387,411	1,015,843
Deferred taxation (note 20)	遞延稅項(附註20)			
– Current year	– 本年度		222,561	(147,029)
– (Over)underprovision in prior year	– 過往年度(超額撥備)撥備不足		(355)	1,944
			222,206	(145,085)
Total income tax expense	所得稅開支總額		865,007	1,617,168

Notes:

(a) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Mainland China subsidiaries is 25% from 1 January 2008 onwards.

No Hong Kong Profits Tax has been provided for as the Group had no estimated assessable profits for both years.

(b) Under the Provisional Rules on LAT Implementation Rules of the Mainland China implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the Mainland China are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures.

附註：

(a) 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，中國內地附屬公司的稅率為25%。

由於本集團於兩個年度並無任何估計應課稅盈利，故此並無就香港利得稅計提撥備。

(b) 根據於一九九五年一月二十七日實施的中國內地土地增值稅暫行條例實施細則，所有因銷售或轉讓於中國內地的土地使用權、樓宇及其相關設施而獲得的收益，均須繳納土地增值稅，稅款按土地增值額(即銷售物業所得款項減可扣減支出，包括土地使用權成本及所有物業發展開支)以累進率計算，由30%至60%不等。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

10. INCOME TAX EXPENSE (Cont'd)

No Cambodia Corporate Income Tax has been provided for both years. Pursuant to the Cambodia tax laws, a subsidiary of the Group is entitled to preferential tax treatment with full exemption from Cambodia Corporate Income Tax for three years from 14 June 2018 to 13 June 2021.

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

10. 所得稅開支(續)

本集團於兩個年度均無就柬埔寨企業所得稅計提撥備。根據柬埔寨稅法，本集團的一間附屬公司自二零一八年六月十四日起至二零二一年六月十三日止三個年度享有稅務優惠待遇，獲全面豁免柬埔寨企業所得稅。

本年度所得稅開支可與綜合損益表的除稅前盈利對賬如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit before tax	除稅前盈利	4,316,082	3,367,131
Tax at the Mainland China EIT at 25% (2019: 25%)	按25%中國內地企業所得稅稅率(二零一九年：25%)	1,079,021	841,783
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	382,221	145,363
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(1,017,272)	(112,385)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	135,780	17,809
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(3,042)	(364)
Tax effect of deductible temporary differences not recognised	未確認之可扣稅暫時差額之稅務影響	274	127
Mainland China LAT charge	中國內地土地增值稅支出	387,411	1,015,843
Effect of tax exemption granted to a subsidiary in Cambodia	向柬埔寨附屬公司授出稅務豁免之影響	-	(13,811)
Tax effect of Mainland China LAT charge	中國內地土地增值稅支出之稅務影響	(96,853)	(253,961)
Overprovision in prior year	過往年度超額撥備	(11,567)	(19,250)
Others	其他	9,034	(3,986)
Income tax expense for the year	本年度所得稅開支	865,007	1,617,168

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the 9 (2019: 11) directors are as follows:

		Fees	Salaries and allowance	Equity-settled share-based payments	Contributions to retirement benefit scheme	Total
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	以股權結算以股份支付的款項	退休福利計劃供款	總計
2020	二零二零年					
Executive directors	執行董事					
Ms. Huang Jingshu	黃敬舒女士	-	2,789	-	121	2,910
Mr. Tang Shouchun	唐壽春先生	(a)	2,314	-	116	2,430
Mr. Ye Xingan	葉興安先生	-	2,049	-	20	2,069
Mr. Huang Hao Yuan	黃浩源先生	-	1,211	-	19	1,230
Mr. Siu Chi Hung	蕭志雄先生	(c)	1,645	-	82	1,727
		-	10,008	-	358	10,366
Non-executive director	非執行董事					
Ms. Li Lihong	李麗紅女士	-	-	-	-	-
2020	二零二零年					
Independent non-executive directors	獨立非執行董事					
Mr. Wang Jing	王敬先生	231	-	-	-	231
Ms. Hu Gin Ing	胡競英女士	258	-	-	-	258
Mr. Mo Fan	莫凡先生	(e)	244	-	-	244
		733	-	-	-	733
		733	10,008	-	358	11,099

11. 董事及僱員酬金

(a) 董事酬金

已付或應付9名(二零一九年: 11名)董事各自的薪酬如下:

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

11. 董事及僱員酬金(續)

(a) Directors' emoluments (Cont'd)

(a) 董事酬金(續)

		Notes 附註	Fees 袍金 RMB'000 人民幣千元	Salaries and allowance 薪金及津貼 RMB'000 人民幣千元	Equity- settled share-based payments 以股權結算 以股份支付的 款項 RMB'000 人民幣千元	Contributions to retirement benefit scheme 退休福利 計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
2019	二零一九年						
Executive directors	執行董事						
Ms. Huang Jingshu	黃敬舒女士		–	2,762	–	120	2,882
Mr. Tang Shouchun	唐壽春先生	(a)	–	2,287	–	114	2,401
Mr. Ye Xingan	葉興安先生		–	2,050	–	51	2,101
Ms. Deng Chengying	鄧承英女士	(b)	–	2,037	–	–	2,037
Mr. Huang Hao Yuan	黃浩源先生		–	1,251	–	–	1,251
Mr. Siu Chi Hung	蕭志雄先生	(c)	–	465	–	12	477
			–	10,852	–	297	11,149
Non-executive director	非執行董事						
Ms. Li Lihong	李麗紅女士		–	–	–	–	–
2019	二零一九年						
Independent non- executive directors	獨立非執行董事						
Mr. Zhu Jiusheng	祝九勝先生	(d)	63	–	–	–	63
Mr. Wang Jing	王敬先生		229	–	–	–	229
Ms. Hu Gin Ing	胡競英女士		255	–	–	–	255
Mr. Mo Fan	莫凡先生	(e)	155	–	–	–	155
			702	–	–	–	702
			702	10,852	–	297	11,851

Notes: (a) Appointed and acted as the Chief Executive Officer of the Company.

附註：(a) 獲委任並作為本公司行政總裁。

(b) Acted as Executive Director of the Company since 15 May 2014 and resigned on 20 September 2019.

(b) 自二零一四年五月十五日起作為本公司執行董事，並於二零一九年九月二十日辭任。

(c) Appointed and acted as the Executive Director of the Company since 20 September 2019.

(c) 自二零一九年九月二十日起獲委任並作為本公司執行董事。

(d) Acted as the Independent Non-executive Director of the Company since 15 May 2014 and resigned on 8 April 2019.

(d) 自二零一四年五月十五日起作為本公司獨立非執行董事，並於二零一九年四月八日辭任。

(e) Appointed and acted as the Independent Non-executive Director of the Company since 8 April 2019.

(e) 自二零一九年四月八日起獲委任並作為本公司獨立非執行董事。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

(a) Directors' emoluments (Cont'd)

Except Ms. Li Lihong who agreed not to receive remuneration during her service period as the non-executive director, no other directors waived or agreed to waive any emoluments for the years ended 31 December 2020 and 2019. The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's and independent non-executive directors' emoluments shown above were for their services as directors of the Company.

During the years ended 31 December 2020 and 2019, no emoluments was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

(b) Employees' emoluments

The five highest paid employees of the Group during the year included five directors (2019: three directors). Details of the remuneration for the year ended 31 December 2019 of the remaining two highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and allowance	薪酬及津貼	-	3,881
Equity-settled share-based payments	以股權結算以股份支付的款項	-	-
Contributions to retirement benefit scheme	退休福利計劃供款	-	51
		-	3,932

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the followings bands is as follows:

		2020 二零二零年	2019 二零一九年
Hong Kong Dollar ("HK\$") 2,000,001 to HK\$2,500,000	2,000,001港元(「港元」)至 2,500,000港元	-	2

11. 董事及僱員酬金(續)

(a) 董事酬金(續)

截至二零二零年及二零一九年十二月三十一日止年度，除李麗紅女士同意於其任職期間不收取作為非執行董事之酬金外，概無其他董事放棄或同意放棄任何酬金。上表所列執行董事的酬金為彼等就管理本公司及本集團事務提供服務的報酬。上表所列非執行董事及獨立非執行董事的酬金乃為彼等擔任本公司董事所提供之服務的報酬。

截至二零二零年及二零一九年十二月三十一日止年度，本集團概無向董事支付任何酬金，以作為加入本集團或加入本集團後的獎勵或作為離職補償。

(b) 僱員酬金

於年內，本集團五位最高薪酬僱員當中，包括五名董事(二零一九年：三名)。截至二零一九年十二月三十一日止年度餘下兩名並非本公司董事亦非主要行政人員之最高薪酬僱員之薪酬詳情如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and allowance	薪酬及津貼	-	3,881
Equity-settled share-based payments	以股權結算以股份支付的款項	-	-
Contributions to retirement benefit scheme	退休福利計劃供款	-	51
		-	3,932

介乎下列酬金範圍之並非本公司董事之最高薪酬僱員人數如下：

		2020 二零二零年	2019 二零一九年
Hong Kong Dollar ("HK\$") 2,000,001 to HK\$2,500,000	2,000,001港元(「港元」)至 2,500,000港元	-	2

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

12. DIVIDENDS

12. 股息

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派之股息：		
2019 Final dividend- HK6.1 cents (equivalent to approximately RMB5.46 cents)	二零一九年末期股息－ 6.1港仙 (相當於約人民幣5.46分)	282,672	–
2018 Final dividend- HK5.3 cents (equivalent to approximately RMB4.65 cents)	二零一八年末期股息－ 5.3港仙 (相當於約人民幣4.65分)	–	234,207

The directors of the Company do not recommend the payment of any dividend for the year ended 31 December 2020.

本公司董事不建議就截至二零二零年十二月三十一日止年度派發任何股息。

13. EARNINGS PER SHARE

13. 每股盈利

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

本公司股東應佔每股基本及攤薄盈利乃基於以下數據計算：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purposes of basic earnings per share	用於計算每股基本盈利的盈利	3,453,380	1,749,884
Effect of dilutive potential earnings in respect of – Convertible bonds	潛在攤薄盈利對以下各項的影響 – 可換股債券	(58,376)	23,891
Earnings for the purposes of diluted earnings per share	用於計算每股攤薄盈利的盈利	3,395,004	1,773,775

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

13. EARNINGS PER SHARE (Cont'd)

13. 每股盈利(續)

		2020 二零二零年	2019 二零一九年
Number of shares	股份數目		
Weighted average number of ordinary shares of the Company for the purpose of basic earnings per share	用於計算每股基本盈利的本公司普通股加權平均數	5,076,112,582	4,982,703,643
Effect of dilutive potential ordinary shares in respect of	潛在攤薄普通股對以下各項的影響		
– Share options	– 購股權	64,451,495	74,021,926
– Convertible bonds	– 可換股債券	264,778,879	127,022,653
– Convertible preference shares	– 可換股優先股	3,419,952,290	3,374,231,808
Weighted average number of ordinary shares of the Company for the purpose of diluted earnings per share	用於計算每股攤薄盈利的本公司普通股加權平均數	8,825,295,246	8,557,980,030

The computation of diluted earnings per share for both the years ended 31 December 2020 and 2019 does not assume the conversion of certain outstanding convertible bonds of the Group as the conversion would result in an increase in earnings per share.

計算截至二零二零年及二零一九年十二月三十一日止兩個年度的每股攤薄盈利時，並無假設本集團若干尚未行使的可換股債券獲兌換，原因為兌換將導致每股盈利增加。

14. INVESTMENT PROPERTIES

14. 投資物業

The Group leases out various offices, residential properties and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of one to sixteen years.

本集團根據經營租賃租出多間辦公室、住宅物業及零售商舖，租金應按月支付。有關租賃一般初步為期一至十六年。

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain any residual value guarantees or any lessee's option to purchase the property.

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團概無因租賃安排而承受外匯風險。租賃合約並不包含任何剩餘價值擔保或承租人可購買有關物業的任何選擇權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

For the year ended 31 December 2020, the total cash outflow for leases classified as investment properties is RMB26,225,000 (2019: RMB25,598,000).

14. 投資物業(續)

截至二零二零年十二月三十一日止年度，分類為投資物業之租賃之現金流出總額為人民幣26,225,000元(二零一九：人民幣25,598,000元)。

		Completed investment properties	Investment properties under development at fair value 按公允價值入賬之 發展中投資物業	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	12,934,338	9,403,336	22,337,674
Additions	添置	-	545,036	545,036
Transfer upon completion	於完成後轉撥	10,439,446	(10,439,446)	-
Transfer to property, plant and equipment (note 15)	轉撥至物業、廠房及設備 (附註15)	-	(520,459)	(520,459)
Acquired on an acquisition of a subsidiary (note 39 (c))	於收購一間附屬公司時購入 (附註39(c))	-	291,024	291,024
Increase in fair value recognised in profit or loss, unrealised	於損益內確認之公允價值增加， 未變現	180,523	515,855	696,378
Exchange adjustments	匯兌調整	13,222	204,654	217,876
At 31 December 2019	於二零一九年十二月三十一日	23,567,529	-	23,567,529
At 1 January 2020	於二零二零年一月一日	23,567,529	-	23,567,529
Additions	添置	19,445	79,856	99,301
Acquired on an acquisition of a subsidiary (note 39 (a))	於收購一間附屬公司時購入 (附註39(a))	16,200	-	16,200
Transfer from properties held for sale	轉撥自持作銷售物業	113,862	-	113,862
Transfer from properties under development for sale	轉撥自發展中待售物業	50,947	148,031	198,978
(Decrease) increase in fair value recognised in profit or loss, unrealised	於損益內確認之公允價值(減少) 增加，未變現	(452,500)	213,178	(239,322)
Exchange adjustments	匯兌調整	(589,389)	-	(589,389)
At 31 December 2020	於二零二零年十二月三十一日	22,726,094	441,065	23,167,159

All the completed investment properties are rented out under operating leases or are held for capital appreciation purposes.

所有已完成投資物業均已根據經營租賃出租或為資本增值目的而持有。

14. INVESTMENT PROPERTIES (Cont'd)

The fair values of the Group's investment properties with aggregate carrying value of RMB23,167,159,000 as at 31 December 2020 (2019: RMB23,567,529,000) were arrived at on the basis of valuations carried out on those dates by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, which is a firm of independent qualified professional valuer not connected to the Group.

As 31 December 2020, the carrying amount of investment properties that were leased out under subleases amounted to RMB178,200,000 (2019: RMB216,600,000). During the year ended 31 December 2020, income from subleasing these properties amounted to RMB33,670,000 (2019: RMB32,302,000) and a fair value loss of these properties amounted to RMB38,400,000 (2019: RMB3,823,000) was recognised in profit of loss.

For completed investment properties, the valuations have been arrived at using income capitalisation approach and direct comparison approach. For income capitalisation approach, the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuer for the similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Direct comparison approach is arrived at by reference to comparable market transactions and suppose that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowance for variable factors.

For investment properties under development that are measured at fair value, the valuations have been arrived at residual approach and direct comparison approach assuming that the investment properties will be completed in accordance with the development proposals and the relevant approvals for the proposals have been obtained. The key inputs in the residual approach include the market value of the completed investment properties, which are estimated with reference to sales evidence of similar properties in the nearest locality, with adjustments made to account for differences in locations and other factors specific to the respective properties based on the valuer's judgement. Costs of development are also taken into account including construction costs, finance costs and professional fees, as well as developer's profit margin which reflects the remaining risks associated with the development of the properties at the valuation date and the return that the developer would require for bringing them to completion status, which is determined by the valuer based on its analyses of recent land transactions and market value of similar completed properties in the respective locations. Direct comparison approach is arrived at by reference to comparable market transactions and suppose that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowance for variable factors.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use. The fair values of certain investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

14. 投資物業(續)

於二零二零年十二月三十一日，本集團賬面總值為人民幣23,167,159,000元(二零一九年：人民幣23,567,529,000元)之投資物業之公允價值乃根據仲量聯行企業評估及諮詢有限公司於該日所進行的估值達致，該公司為與本集團並無關聯之獨立合資格專業估值師行。

於二零二零年十二月三十一日，根據分租租出的投資物業賬面值為人民幣178,200,000元(二零一九年：人民幣216,600,000元)。截至二零二零年十二月三十一日止年度，來自分租該等物業的收益為人民幣33,670,000元(二零一九年：人民幣32,302,000元)，而該等物業的公允價值虧損為人民幣38,400,000元(二零一九年：人民幣3,823,000元)，該等公允價值虧損於損益中確認。

就已完成投資物業而言，該估值乃採用收入資本計算法及直接比較法進行。就收入資本計算法而言，物業內所有可出租單位的市值租金乃參照可出租單位以及毗鄰相似物業的其他出租單位已得的租金進行評估。採用之資本化比率乃參照當地相似物業的收益率並根據估值師所知各物業的特質進行調整。直接比較法則參考可資比較市場交易，並假定可根據市場內相關交易案例對類似物業作出推斷，惟須考慮當中的可變因素。

就按公允價值計量之發展中投資物業而言，估值乃基於殘值法及直接比較法假設該等投資物業將根據發展規劃及已取得的相關規劃的批覆完工。殘值法的主要輸入數據包括已完成投資物業的市值，乃參考鄰近地域相似物業的銷售憑證估計，同時，根據估值師判斷的不同地段的差異以及各物業的其他不同特質進行調整。該估值也將開發成本納入考慮，包括建設成本、融資成本和專業費用及開發商的利潤率(於估值日反映物業開發的剩餘風險和開發商使物業達致完成狀況所需的回報)，發展成本乃根據估值師對近期土地交易和不同區域類似已完成物業市場價值的分析而釐定。直接比較法則參考可資比較市場交易，並假定可根據市場內相關交易案例對類似物業作出推斷，惟須考慮當中的可變因素。

估計投資物業的公允價值時，投資物業之目前用途為最高及最佳用途。若干投資物業的公允價值已就撇除預付或應計經營租賃收入作出調整，以避免重複計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

The major inputs used in the fair value measurement of the Group's major investment properties as at 31 December 2020 and 2019 are set out below:

14. 投資物業(續)

於二零二零年及二零一九年十二月三十一日，本集團主要投資物業之公允價值計量所用之主要輸入數據載於下文：

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties 已完成投資物業					
Completed investment properties located in the Mainland China with an aggregate carrying amount of RMB13,516,086,000 (31.12.2019: RMB13,408,400,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 1.5% to 6.0% (31.12.2019: 1.5% to 6.0%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於中國內地的已完成投資物業，賬面總值為人民幣13,516,086,000元(二零一九年十二月三十一日：人民幣13,408,400,000元)	第三級	收入資本計算法 主要輸入數據如下： (1)資本化比率；及 (2)市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為1.5%至6.0%(二零一九年十二月三十一日：1.5%至6.0%)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB11 to RMB707 (31.12.2019: from RMB4 to RMB707) per square metre ("sqm") per month on gross floor area basis.	The higher the monthly market rent, the higher the fair value.	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa.
			市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米(「平方米」)平均介乎人民幣11元至人民幣707元(二零一九年十二月三十一日：人民幣4元至人民幣707元)。	市場月租越高，公允價值越高。	所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

14. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties located in the Mainland China with an aggregate carrying amount of RMB197,460,000 (31.12.2019: RMB139,900,000)	Level 3	Direct Comparison Approach The key input is: Selling price per sqm.	Selling prices per sqm based on market observable transactions of similar properties, of a range from RMB102,602 to RMB119,815 (31.12.2019: from RMB75,340 to RMB76,538) per sqm on gross floor area basis.	The higher the selling prices per sqm, the higher the fair value.	A significant increase in the selling prices per sqm used would result in a significant increase in fair value, and vice versa.
位於中國內地的已完成投資物業，賬面總值為人民幣197,460,000元(二零一九年十二月三十一日：人民幣139,900,000元)	第三級	直接比較法 主要輸入數據如下：每平方米銷售價格。	根據相似物業的可觀察市場交易釐定的每平方米銷售價格，以建築面積為基準每平方米介乎人民幣102,602元至人民幣119,815元(二零一九年十二月三十一日：人民幣75,340元至人民幣76,538元)。	每平方米銷售價格越高，公允價值越高。	每平方米銷售價格大幅增加將導致公允價值大幅增加，反之亦然。
Completed investment properties located in Hong Kong with an aggregate carrying amount of RMB8,294,810,000 (31.12.2019: RMB9,154,180,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 2.5% (31.12.2019: 2.5%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於香港的已完成投資物業，賬面總值為人民幣8,294,810,000元(二零一九年十二月三十一日：人民幣9,154,180,000元)	第三級	收入資本計算法 主要輸入數據如下： (1)資本化比率；及 (2)市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為2.5%(二零一九年十二月三十一日：2.5%)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB310 to RMB350 (31.12.2019: RMB310 to RMB350) per sqm per month on gross floor area basis.	The higher the monthly market rent, the higher the fair value.	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa.
			市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米平均介乎人民幣310元至人民幣350元(二零一九年十二月三十一日：人民幣310元至人民幣350元)。	市場月租越高，公允價值越高。	所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

14. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Completed investment properties located in Cambodia with an aggregate carrying amount of RMB717,738,000 (31.12.2019: RMB865,049,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Monthly market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 8.5% to 9.5% (31.12.2019: 8.3% to 9.3%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於柬埔寨的已完成投資物業，賬面總值為人民幣717,738,000元(二零一九年十二月三十一日：人民幣865,049,000元)	第三級	收入資本計算法 主要輸入數據如下： (1)資本化比率；及 (2)市場月租。	經計及資本化租金收入潛力、物業性質及當前市況，資本化比率為介乎8.5%至9.5%(二零一九年十二月三十一日：8.3%至9.3%)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Monthly market rent, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB103 to RMB135 (31.12.2019: RMB103 to RMB165) per sqm per month on gross floor area basis.	The higher the monthly market rent, the higher the fair value.	A significant increase in the monthly market rent used would result in a significant increase in fair value, and vice versa.
			市場月租經計及可資比較物業與物業間之竣工時間、位置及臨街地界和規模等各項因素，以建築面積為基準每月每平方米平均介乎人民幣103元至人民幣135元(二零一九年十二月三十一日：人民幣103元至人民幣165元)。	市場月租越高，公允價值越高。	所用市場月租大幅增加將導致公允價值大幅增加，反之亦然。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

14. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Investment properties under development that are measured at fair value as at 31 December 2020					
於二零二零年十二月三十一日按公允價值計值之發展中投資物業					
Investment properties under development located in the Mainland China with an aggregate carrying amount of RMB217,165,000 (31.12.2019: N/A)	Level 3	Direct Comparison Approach The key input is: Selling price per sqm;	Selling prices per sqm based on market observable transactions of similar properties, of a range from RMB2,701 to RMB3,518 (31.12.2019: N/A) per sqm on gross floor area basis.	The higher the selling prices per sqm, the higher the fair value.	A significant increase in the selling prices per sqm used would result in a significant increase in fair value, and vice versa.
位於中國內地的發展中投資物業，賬面總值為人民幣217,165,000元(二零一九年十二月三十一日：不適用)	第三級	直接比較法 主要輸入數據如下： 每平方米銷售價格；	根據相似物業的可觀察市場交易釐定的每平方米銷售價格，以建築面積為基準每平方米介乎人民幣2,701元至人民幣3,518元(二零一九年十二月三十一日：不適用)。	每平方米銷售價格越高，公允價值越高。	每平方米銷售價格大幅增加將導致公允價值大幅增加，反之亦然。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

14. INVESTMENT PROPERTIES (Cont'd)

14. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
於綜合財務狀況表內由本集團持有的投資物業	公允價值等級	估值技術及主要輸入數據	主要不可觀察輸入數據	不可觀察輸入數據與公允價值之關係	敏感度
Investment properties under development located in the Mainland China with an aggregate carrying amount of RMB223,900,000 (31.12.2019: N/A)	Level 3	Residual Approach The key inputs were: (1) Gross development value; and (2) Developer's profit margin.	Gross development value on completion basis, taking into account the completion time, location, and individual factors, such as frontage and size, between the comparable and the property, of RMB561,970,000 (2019: N/A).	The higher the gross development value, the higher the fair value.	A significant increase in gross development value used would result in a significant increase in fair value, and vice versa.
位於中國內地的發展中投資物業，賬面總值為人民幣223,900,000元(二零一九年十二月三十一日：不適用)	第三級	殘值法 主要輸入數據如下： (1)總開發價值；及 (2)開發商利潤率。	按落成基準計值之總開發價值經計及可資比較物業與該物業間之預竣工時間、位置及臨街地界和規模等各項因素為人民幣561,970,000元(二零一九年：不適用)。	總開發價值越高，公允價值越高。	所用總開發價值大幅增加將導致公允價值大幅增加，反之亦然。
			Developer's profit margin, taking into account the comparable land transactions and progress of the property, of 15% (2019: N/A).	The higher the developer's profit margin, the lower the fair value.	A significant increase in developer's profit margin used would result in a significant decrease in fair value, and vice versa.
			經計及可資比較土地交易及物業進度，開發商利潤率為15%(二零一九年：不適用)。	開發商利潤率越高，公允價值越低。	所用開發商利潤率大幅增加將導致公允價值大幅減少，反之亦然。

There were no transfers in or out of Level 3 during both years.

於兩個年度內，第三級並無轉入或轉出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Freehold land in USA 美國 永久業權土地	Hotel property in USA 美國酒店物業	Leasehold land and buildings in HK 香港租賃 土地及樓宇	Leasehold land and buildings in the Mainland China 中國內地租賃 土地及樓宇	Building improvements 樓宇裝修	Motor vehicles 汽車	Machinery and electronic equipment and others 機器及電子 設備及其他	Computer software, furniture and fixtures 計算機軟件、 傢私及裝置	Construction in progress 在建工程	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	RMB'000 人民幣千元	RMB'000 人民幣千元
COST	成本										
At 1 January 2019	於二零一九年一月一日	16,616	199,983	-	411,205	39,586	22,425	28,047	24,025	1,087	742,974
Exchange adjustment	匯兌調整	274	2,268	-	-	1,046	7	-	51	-	3,646
Additions	添置	-	16,799	-	-	877	2,846	1,105	690	29,884	52,201
Transfer upon completion	於完成後轉撥	-	-	-	-	-	-	468	-	(468)	-
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	-	-	520,459	-	-	-	-	-	-	520,459
Acquired on acquisition of a subsidiary (note 39 (c))	於收購一間附屬公司時購入 (附註39(c))	-	-	-	-	-	8	109	29	-	146
Derecognised on disposal of a subsidiary (note 40)	於出售一間附屬公司時終止 確認(附註40)	-	-	-	-	-	-	(143)	-	-	(143)
Disposals/written off	出售/撇銷	-	-	-	-	(2,724)	(313)	(16)	(78)	-	(3,131)
At 31 December 2019	於二零一九年十二月三十一日	16,890	219,050	520,459	411,205	38,785	24,973	29,570	24,717	30,503	1,316,152
Exchange adjustment	匯兌調整	(1,093)	(14,351)	-	-	-	(28)	-	(211)	-	(15,683)
Additions	添置	-	115	-	-	-	684	1,053	672	13,164	15,688
Transfer upon completion	於完成後轉撥	-	-	-	-	40,923	-	-	563	(41,486)	-
Acquired on acquisition of a subsidiary (note 39 (a))	於收購一間附屬公司時購入 (附註39(a))	-	-	-	-	-	-	-	427	-	427
Disposals/written off	出售/撇銷	-	-	-	-	-	-	(79)	(64)	-	(143)
At 31 December 2020	於二零二零年十二月三十一日	15,797	204,814	520,459	411,205	79,708	25,629	30,544	26,104	2,181	1,316,441
DEPRECIATION	折舊										
At 1 January 2019	於二零一九年一月一日	-	14,916	-	178,507	31,553	16,391	24,375	18,839	-	284,581
Exchange adjustment	匯兌調整	-	367	-	-	-	(1)	-	30	-	396
Provided for the year	年度撥備	-	14,370	-	13,799	2,814	2,807	1,818	1,840	-	37,448
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	-	-	-	-	-	-	(129)	-	-	(129)
Eliminated on disposals/written off	出售/撇銷之對銷	-	-	-	-	(1,860)	(254)	(9)	(35)	-	(2,158)
At 31 December 2019	於二零一九年十二月三十一日	-	29,653	-	192,306	32,507	18,943	26,055	20,674	-	320,138
Exchange adjustment	匯兌調整	-	(2,108)	-	-	-	(23)	-	(151)	-	(2,282)
Provided for the year	年度撥備	-	10,381	25,672	17,685	7,934	2,140	1,286	2,039	-	67,137
Eliminated on disposals/written off	出售/撇銷之對銷	-	-	-	-	-	-	(72)	(61)	-	(133)
At 31 December 2020	於二零二零年十二月三十一日	-	37,926	25,672	209,991	40,441	21,060	27,269	22,501	-	384,860
CARRYING VALUES	賬面值										
At 31 December 2020	於二零二零年十二月三十一日	15,797	166,888	494,787	201,214	39,267	4,569	3,275	3,603	2,181	931,581
At 31 December 2019	於二零一九年十二月三十一日	16,890	189,397	520,459	218,899	6,278	6,030	3,515	4,043	30,503	996,014

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The carrying amounts of owner-occupied leasehold land and buildings, situated in the Mainland China and HK, at the end of the reporting period included both the leasehold land and building elements in property, plant and equipment, as in the opinion of the directors of the Company, allocations of the carrying amounts between the leasehold land and buildings elements cannot be made reliably.

The above items of property, plant and equipment, except for freehold land in USA and construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Hotel property in USA	5% to 10%
Leasehold land and buildings in the Mainland China	Over the shorter of the term of the lease, or 2% to 5%
Leasehold land and buildings in HK	Over the shorter of the term of the lease, or 2% to 5%
Building improvements	10% to 33 $\frac{1}{3}$ %
Motor vehicles	20% to 25%
Machinery and electronic equipment and others	10% to 33 $\frac{1}{3}$ %
Computer software, furniture and fixtures	20% to 33 $\frac{1}{3}$ %

16. GOODWILL

The amount represents goodwill arising from the Acquisition (defined in note 38 (ii)(a)), which has been allocated to the group of cash generating units ("CGU") in the real estate development and sales segment. The recoverable amount of the goodwill has been determined based on a value in use calculation. That calculation used cash flow projections based on financial budgets approved by the management covering five-year period, and the discount rate of 9.4% (2019: 9.4%). The cash flows beyond the five-year period are extrapolated using a zero growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on management's expectations for the market development. The management of the Group believes that any reasonably possible change in the key estimations of the value-in-use calculation would not cause the carrying amount to exceed its recoverable amount. The directors of the Company determined that the recoverable amount was higher than the carrying amount of the CGU and hence no impairment on goodwill is required.

15. 物業、廠房及設備(續)

由於本公司董事認為無法準確作出租賃土地與樓宇部分的分配，報告期末的業主位於中國內地及香港之自用租賃土地及樓宇計入物業、廠房及設備內的租賃土地及樓宇中。

上文所述之物業、廠房及設備項目(位於美國之永久業權土地及在建工程除外)乃以直線法按以下年率折舊：

美國酒店物業	5%至10%
位於中國內地之租賃土地及樓宇	租賃期或2%至5%(以較短者為準)
位於香港之租賃土地及樓宇	租賃期或2%至5%(以較短者為準)
樓宇裝修	10%至33 $\frac{1}{3}$ %
汽車	20%至25%
機器及電子設備及其他	10%至33 $\frac{1}{3}$ %
計算機軟件、傢私及裝置	20%至33 $\frac{1}{3}$ %

16. 商譽

2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
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At 31 December

於十二月三十一日

231,602

231,602

款項指收購事項(定義見附註38(ii)(a))產生之商譽(已分配至房地產開發及銷售分類的現金產生單位組別(「現金產生單位」))。商譽之可收回金額乃根據使用價值進行計算而釐定。基於管理層所批准涵蓋5年期間之財政預算，使用9.4%(二零一九年：9.4%)之貼現率以現金流預測法進行計算。超過5年的現金流則使用零增長率推算。使用價值計算之其他主要假設與包括預算銷售額及毛利率的現金流入/流出之估計有關，有關估計乃根據管理層對市場發展之預測作出。本集團管理層相信，使用價值計算之主要估計的任何合理可能變動將不會導致賬面值超出其可回收金額。本公司董事釐定可回收金額高於現金產生單位之賬面值，故無須商譽減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

17. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

17. 於一間合營公司的權益／應收一間合營公司款項

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cost of investment in a joint venture	於一間合營公司之投資成本	(a)	9,520	9,520
Share of post-acquisition profits and other comprehensive income, net of dividends received	應佔收購後利潤及其他全面收益，扣除收取之股息	(a)	(3,464)	(3,462)
			6,056	6,058
Amount due from a joint venture	應收一間合營公司款項	(b)	522,318	522,318

Notes:

(a) Particulars of a joint venture as at 31 December 2020 and 2019 are as follows:

附註：

(a) 於二零二零年及二零一九年十二月三十一日一間合營公司的詳情如下：

Company name	Form of business nature	Place of establishment and operation	Paid-up capital	Proportion of voting right and percentage of interest held	Principal activity
公司名稱	業務性質	成立及營運地點	繳足股本 RMB'000 人民幣千元	投票權及所持 權益百分比之比	主要業務
Shenzhen Anyuan Industrial Development Co., Ltd. ("Anyuan") (深圳市安元實業發展有限公司)	Established	Mainland China	23,800	40% (2019: 40%)	Property development
深圳市安元實業發展有限公司(「安元」)	成立	中國內地	23,800	40% (二零一九年：40%)	物業發展

(b) Amount due from a joint venture represents advances to a joint venture which is unsecured, interest-free and has no fixed repayment terms. In an opinion of the directors of the Company, the settlement of the advances is neither planned nor likely to occur in the foreseeable future.

(b) 應收一間合營公司款項為支付予合營公司的預付款，該款項無抵押、免息，且無固定償還期限。本公司董事認為，該預付款結算並非按計劃進行，且於可見將來不大可能會發生。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

17. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (Cont'd)

Summarised financial information of Anyuan after adjusting for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產	29	29
Current assets	流動資產	549,814	549,814
Current liabilities	流動負債	(534,704)	(534,699)
Included in the above amounts are:	計入上述款項：		
Properties under development for sale	發展中待售物業	439,702	439,702
Cash and cash equivalents	現金及現金等價物	90,000	90,000
Amount due to a shareholder	應付一名股東款項	522,318	522,318
Loss and total comprehensive expense for the year	年度虧損及其他全面開支	5	5

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

17. 於一間合營公司的權益／應收一間合營公司款項(續)

下文披露安元已就會計政策的任何差異而調整的財務資料概要，以及與綜合財務報表賬面值所對銷：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Net assets of Anyuan	安元資產淨值	15,139	15,144
Proportion of the Group's ownership interest in Anyuan	本集團於安元擁有之權益比例	40%	40%
Carrying amount of the Group's interest in Anyuan	本集團於安元之權益賬面值	6,056	6,058

以上財務資料概要與已於綜合財務報表確認之合營公司權益賬面值之對賬：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

18. INTEREST IN AN ASSOCIATE

Particulars of an associate as at 31 December 2019 are as follows:

Company name	Form of business nature	Place of establishment and operation	Issued share capital	Proportion of voting right and percentage of interest held	Principal activity
公司名稱	業務性質	成立及營運地點	已發行股本	投票權及所持權益百分比之比	主要業務
Intelligent City Development Limited (“ICDL”) and its subsidiaries (智慧城市發展有限公司)	Incorporated	Hong Kong	10,000 shares of HK\$1 each	25%	Investment holding and property development
智慧城市發展有限公司 (「智慧城市」)及其附屬公司	註冊成立	香港	10,000股每股面值1港元之股份	25%	投資控股及物業發展

On 28 October 2019, Greater Bay Area Intelligent City Limited (“GBAIC”), a direct wholly-owned subsidiary of the Company, Affluent Bright Investments Limited (“Affluent Bright”) and Mr. Wong entered into the subscription agreement pursuant to which GBAIC agreed to subscribe 99.99% equity interest of Affluent Bright, which has a wholly-owned subsidiary, Affluent Bright Investments (HK) Limited, which indirectly owned 25% of equity interest of ICDL and its subsidiaries. Pursuant to the terms of the subscription agreement, the subscription price of the subscription shares of Affluent Bright is US\$10,000. Upon completion, Affluent Bright will be owned as to 99.99% and 0.01% by the GBAIC and Mr. Wong, respectively, and will become a non-wholly owned subsidiary of the Company. The transaction was completed on the same date.

On 25 August 2020, the Group has acquired additional 55% equity interests in ICDL by way of share subscription. The Group is able to control over ICDL by directing the relevant activities of ICDL and accordingly became a non-wholly owned subsidiary of the Group. Further details of the transactions are set out in note 39 (a).

18. 於一間聯營公司的權益

於二零一九年十二月三十一日一間聯營公司的詳情如下：

Company name	Form of business nature	Place of establishment and operation	Issued share capital	Proportion of voting right and percentage of interest held	Principal activity
公司名稱	業務性質	成立及營運地點	已發行股本	投票權及所持權益百分比之比	主要業務
Intelligent City Development Limited (“ICDL”) and its subsidiaries (智慧城市發展有限公司)	Incorporated	Hong Kong	10,000 shares of HK\$1 each	25%	Investment holding and property development
智慧城市發展有限公司 (「智慧城市」)及其附屬公司	註冊成立	香港	10,000股每股面值1港元之股份	25%	投資控股及物業發展

於二零一九年十月二十八日，大灣區智慧城市有限公司(「大灣區智慧城市」，本公司之直接全資附屬公司)、溢明投資有限公司(「溢明」)與黃先生訂立認購協議，據此，大灣區智慧城市同意認購溢明之99.99%股權，而溢明擁有一間全資附屬公司溢明投資(香港)有限公司，該公司間接擁有智慧城市及其附屬公司之25%股權。根據認購協議之條款，溢明認購股份之認購價為10,000美元。於完成後，溢明將分別由大灣區智慧城市及黃先生擁有99.99%及0.01%權益，並將成為本公司之非全資附屬公司。該交易已於同日完成。

於二零二零年八月二十五日，本集團以股份認購方式收購智慧城市的額外55%股權。本集團可透過指導智慧城市之相關活動來控制智慧城市，智慧城市因此成為本集團的非全資附屬公司。有關該等交易的進一步詳情載於附註39(a)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

18. INTEREST IN AN ASSOCIATE (Cont'd)

Summarised financial information of ICDL and its subsidiaries as of 31 December 2019 after adjusting for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產	2,259,424
Current assets	流動資產	1,183,324
Current liabilities	流動負債	(1,638,956)
Non-current liabilities	非流動負債	(1,977,500)
Included in the above amounts are:		
Land related acquisition and development cost	計入上述款項： 土地相關收購及發展成本	2,176,916
Cash and cash equivalents	現金及現金等價物	456,974
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	706,316
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(1,630,363)
Bank borrowings	銀行借貸	(1,978,500)

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements as of 31 December 2019:

18. 於一間聯營公司的權益(續)

下文披露智慧城市及其附屬公司截至二零一九年十二月三十一日已就會計政策的任何差異而調整的財務資料概要，以及與綜合財務報表賬面值之對賬：

		2019 二零一九年 RMB'000 人民幣千元
Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements as of 31 December 2019:		
以上財務資料概要與已於截至二零一九年十二月三十一日之綜合財務報表確認之一間聯營公司權益賬面值之對賬：		
Net liabilities of ICDL	智慧城市負債淨值	(173,708)
Proportion of the Group's ownership interest in ICDL	本集團於智慧城市擁有之權益比例	25%
Carrying amount of the Group's interest in ICDL	本集團於智慧城市之權益賬面值	-

The unrecognised share of loss of an associate for the year and cumulative unrecognised share of loss of an associate

年內未確認之應佔一間聯營公司虧損及累計未確認之應佔一間聯營公司虧損

(3,579)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

19. EQUITY INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

19. 按公允價值計入其他全面收益之股本工具

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Investment in:		
– Equity securities listed in the Mainland China (Note 1)	447,042	541,125
– Equity interests in certain unlisted companies (Note 2)	54,219	–
	501,261	541,125

Notes:

Note 1: The above listed equity investment represents 0.4% equity interests in an entity listed in the Mainland China.

Note 2: The amount represent 10% unlisted equity interests in a bank in the Mainland China and 1% equity interest in a fund management company in the Mainland China .

These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instrument as FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purposes and realising their performance potential in the long run.

附註：

附註1： 上述上市股權投資指於一間中國內地上市公司之0.4%股權。

附註2： 該金額指於一間中國內地銀行之10%非上市股權及一間中國內地基金管理公司之1%股權。

該等投資並非持作買賣，而是就長期策略用途持有。由於本公司董事認為於損益確認該等投資之公允價值短期波動並不符合本集團長期持有該投資及長遠變現其表現潛力之策略，故彼等已選擇指定於該等股本工具之投資為按公允價值計入其他全面收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

20. DEFERRED TAX

The movements in deferred tax assets (liabilities) arising from temporary differences are as follows:

20. 遞延稅項

暫時差額產生的遞延稅項資產(負債)的變動如下:

		Withholding tax for undistributed profits	Valuation on investment properties	Accelerated tax depreciation	Fair value adjustments	Accrual for LAT	Pre-sale deposits	Others	Total	
Tax losses		未分配利潤 的預扣稅	投資物業 估值	加速稅項 折舊	公允價值 調整	應計土地 增值稅	預售按金	其他	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 January 2019 (restated)	於二零一九年一月一日(經重列)	-	(33,050)	(2,336,273)	(184,023)	(36,887)	215,664	129,366	(17,193)	(2,262,396)
Credit (charge) to the profit or loss (note 10)	於損益計入(扣除)(附註10)	131,314	-	(42,367)	(33,230)	-	122,134	(30,822)	-	147,029
Underprovision in prior year (note 10)	過往年度撥備不足(附註10)	-	-	-	-	-	(1,944)	-	-	(1,944)
Charge to other comprehensive income	於其他全面收益扣除	-	-	-	-	(12,577)	-	-	-	(12,577)
Balance as at 31 December 2019	於二零一九年十二月三十一日 之結餘	131,314	(33,050)	(2,378,640)	(217,253)	(49,464)	335,854	98,544	(17,193)	(2,129,888)
At 1 January 2020	於二零二零年一月一日	131,314	(33,050)	(2,378,640)	(217,253)	(49,464)	335,854	98,544	(17,193)	(2,129,888)
Credit (charge) to the profit or loss (note 10)	於損益計入(扣除)(附註10)	(114,683)	-	(50,870)	(42,355)	-	58,281	(13,630)	(59,304)	(222,561)
Overprovision in prior years (note 10)	過往年度超額撥備(附註10)	-	-	-	-	-	355	-	-	355
Credit to other comprehensive income	於其他全面收益計入	-	-	-	-	21,979	-	-	-	21,979
Acquired on acquisition of a subsidiary (note 39 (a))	於收購一間附屬公司時購入 (附註39(a))	49,027	-	-	-	740	-	-	-	49,767
Balance as at 31 December 2020	於二零二零年十二月三十一日 之結餘	65,658	(33,050)	(2,429,510)	(259,608)	(26,745)	394,490	84,914	(76,497)	(2,280,348)

The following is the analysis of the deferred taxation balances for financial reporting purposes:

就財務報告目的而言，遞延稅項結餘分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	537,869	565,713
Deferred tax liabilities	遞延稅項負債	(2,818,217)	(2,695,601)
		(2,280,348)	(2,129,888)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

20. DEFERRED TAX (Cont'd)

The EIT Law and its implementation rules impose a withholding tax at 10%, unless reduced by a tax treaty or arrangement, for dividends distributed by the Mainland China-resident enterprises to their non-Mainland China-resident corporate investors for profits earned since 1 January 2008. Under the Sino-Hong Kong Double Tax Arrangement, a qualified Hong Kong tax resident is entitled to a reduced withholding tax rate of 5% if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interests of the Mainland China enterprise directly. Since the Group controls the quantum and timing of distribution of profits of the Group’s subsidiaries in the Mainland China, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

At 31 December 2020, the Group has unused deductible temporary difference amounted to RMB27,333,000 (2019: RMB26,239,000). No deferred tax asset has been recognised in respect of such temporary difference due to the unpredictability of future profit streams.

At the end of the reporting period, the Group has unused tax losses of RMB886,427,000 (2019: RMB618,100,000) available to offset against future profits. For the year ended 31 December 2020, a deferred tax asset had been recognised in respect of such tax losses amounting to RMB262,632,000 (2019: RMB525,256,000) and no deferred tax asset had been recognised in respect of the remaining tax losses of RMB623,795,000 (2019: RMB92,844,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB112,453,000 (2019: RMB43,131,000) will expire in the following years ending 31 December 2020, other losses may be carried forward indefinitely:

20. 遞延稅項(續)

企業所得稅法及其實施規則規定，自二零零八年一月一日起，中國內地居民企業就所賺取盈利向非中國內地居民企業投資者分派的股息須按10%繳納預扣稅(除非根據稅項條約或安排獲減免)。根據內地與香港避免雙重徵稅安排，作為「實益擁有人」並直接持有中國內地企業25%或以上股權的合資格香港稅務居民有權按減免預扣稅稅率5%繳稅。由於本集團可控制分派本集團於中國內地的附屬公司的盈利的數量及時間，遞延稅項負債僅以預期可於可見將來分派的有關盈利為限計提撥備。

於二零二零年十二月三十一日，本集團有未動用可扣稅暫時差額人民幣27,333,000元(二零一九年：人民幣26,239,000元)。由於未來盈利來源的不可預測性，因此概無就該等暫時差額確認遞延稅項資產。

於報告期末，本集團可供抵銷未來盈利之未動用稅項虧損為人民幣886,427,000元(二零一九年：人民幣618,100,000元)。截至二零二零年十二月三十一日止年度，就該等稅項虧損人民幣262,632,000元(二零一九年：人民幣525,256,000元)確認遞延稅項資產及由於未來盈利來源不可預測，故並無就其餘稅項虧損人民幣623,795,000元(二零一九年：人民幣92,844,000元)確認遞延稅項資產。未確認之稅項虧損包括虧損人民幣112,453,000元(二零一九年：人民幣43,131,000元)將於以下截至二零二零年十二月三十一日止之年度屆滿，而其他虧損則可無限期結轉：

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
2021	二零二一年	14,448	14,448
2022	二零二二年	212	1,347
2023	二零二三年	1,296	1,296
2024	二零二四年	13,422	26,040
2025	二零二五年	83,075	-
		112,453	43,131

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

21. DEPOSIT PAID

21. 已付按金

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deposit for acquisition of additional interests in a subsidiary 增加收購於一間附屬公司的權益之按金	-	29,410

During the year ended 31 December 2019, LVGEM (Suzhou) Real Estate Investment Company Limited (“LVGEM Suzhou”), an indirect wholly-owned subsidiary of the Group as the purchaser entered into a sale and purchase agreement with the non-controlling shareholder of Prosper View Group Limited (“PVGL”) to acquire remaining 49% equity interest of PVGL at the considerations of RMB29,410,000 and the amount represents deposit paid and included in non-current assets. The transaction was subsequently completed on 15 January 2020.

截至二零一九年十二月三十一日止年度，綠景(蘇州)地產投資有限公司(「綠景蘇州」，本集團之間接全資附屬公司，作為買方)與協朗集團有限公司(「協朗」)之非控股股東訂立買賣協議，以代價人民幣29,410,000元收購協朗餘下之49%股權，而該款項指已付按金並計入非流動資產。該交易其後已於二零二零年一月十五日完成。

22. PROPERTIES UNDER DEVELOPMENT FOR SALE

22. 發展中待售物業

Included in the properties under development for sale as at 31 December 2020 is carrying value of RMB31,786,705,000 (2019: RMB3,611,033,000) which represents the carrying value of the properties expected to be realised after twelve months from the end of the reporting period. The Group's properties under development for sale are mainly situated in the Mainland China, Hong Kong and Cambodia.

於二零二零年十二月三十一日，列為發展中待售物業之賬面值為人民幣31,786,705,000元(二零一九年：人民幣3,611,033,000元)，乃預期於報告期末起計十二個月後方變現之物業賬面值。本集團之發展中待售物業主要位於中國內地、香港及柬埔寨。

Analysis of leasehold lands:

租賃土地之分析：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount 賬面值	2,915,263	2,519,802
Total cash outflow 現金流出總額	490,403	40,122
Additions 添置	490,403	40,122

Effective from 1 January 2019, the carrying amount of leasehold lands is measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2020 and 2019.

自二零一九年一月一日起，租賃土地之賬面值乃根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量。殘值被釐定為租賃土地部分之估計出售價值。經計及於二零二零年及二零一九年十二月三十一日之估計殘值，概無就租賃土地計提折舊費用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

23. PROPERTIES HELD FOR SALE

The Group's properties held for sale are situated in the Mainland China.

Analysis of leasehold lands:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount	賬面值	1,647,051	104,462

The carrying amount of leasehold lands is measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2020 and 2019.

24. OTHER INVENTORIES

Other inventories represent low value consumables carried at cost.

25. ACCOUNTS RECEIVABLE

As at 1 January 2019, trade receivables from contracts with customers amounted to RMB10,437,000.

23. 待售物業

本集團待售物業位於中國內地。

租賃土地之分析：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount	賬面值	1,647,051	104,462

租賃土地之賬面值乃根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量。殘值被釐定為租賃土地部分之估計出售價值。經計及於二零二零年及二零一九年十二月三十一日之估計殘值，概無就租賃土地計提折舊費用。

24. 其他存貨

其他存貨指按成本入賬的低值易耗品。

25. 應收賬款

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Accounts receivable from:	應收賬款來自：		
– Contracts with customers	– 客戶合約	16,719	8,065
– Lease receivables	– 租賃應收款項	92,616	23,760
Accounts receivable	應收賬款	109,335	31,825
Less: Allowance for credit losses	減：信貸虧損撥備	(41,230)	(613)
		68,105	31,212

於二零一九年一月一日，來自客戶合約之貿易應收款項為人民幣10,437,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

25. ACCOUNTS RECEIVABLE (Cont'd)

Accounts receivable represent receivables arising from sales of properties, rental income from leasing properties and comprehensive services (including hotel operation and property management). For the receivables arising from sales of properties, they are due for settlement in accordance with the terms of the relevant sales and purchase agreements. For the receivables arising from rental income from leasing properties, monthly rents are normally received in advance and sufficient rental deposits are held to minimise credit risk. For accounts receivable generated from hotel operation, the credit term is payable on demand. For accounts receivable generated from property management, receivable generally have credit terms of 30 to 60 days (2019: 30 to 60 days). All accounts receivable are denominated in RMB. The ageing analysis of the Group's accounts receivable, based on invoice dates for rental income from leasing properties and comprehensive services and the terms of relevant sales and purchases agreements for sales of properties, is as follows:

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 month	1個月內	27,690	22,333
1 to 12 months	1至12個月	30,678	6,873
13 to 24 months	13至24個月	9,737	919
Over 24 months	超過24個月	-	1,087
		68,105	31,212

As at 31 December 2020, included in the Group's accounts receivable balance are debtors with aggregate carrying amount of RMB40,416,000 (2019: RMB8,879,000) which are past due as at the reporting date. For balance of RMB28,339,000 (2019: RMB6,519,000) has been past due 90 days or more, it is not considered as in default due to the long-term/on-going relationship and good repayment record of the counterparties. The Group does not hold any collateral over these balances.

25. 應收賬款(續)

應收賬款指銷售物業、租賃物業的租金收入及綜合服務(包括酒店營運及物業管理)的應收款項。就銷售物業產生的應收款項而言，該等款項乃根據相關買賣協議條款到期應付。就租賃物業的租金收入產生的應收款項而言，每月租金通常預先收取，並持有充足的租金按金以減低信貸風險。就酒店營運產生的應收賬款而言，信貸期乃須按要求支付。物業管理所得的應收賬款的信貸期一般為30至60天(二零一九年：30至60天)。所有應收賬款以人民幣計值。本集團應收賬款的賬齡按有關租賃物業的租金收入及綜合服務發票日期以及相關物業銷售買賣協議條款分析如下：

於二零二零年十二月三十一日，計入本集團應收賬款結餘之款項為賬面總值為人民幣40,416,000元(二零一九年：人民幣8,879,000元)之應收款項，於報告日已逾期。由於與交易方維持長期/持續關係及彼等還款記錄良好，故此逾期已超過90日或以上之結餘人民幣28,339,000元(二零一九年：人民幣6,519,000元)並未被視為違約。本集團並無就該等結餘持有任何抵押品。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

25. ACCOUNTS RECEIVABLE (Cont'd)

The movement in the allowance for credit losses is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January	於一月一日	613	672
Impairment loss recognised	已確認減值虧損	41,230	-
Reversal on impairment loss recognised	已確認減值虧損之撥回	(613)	(59)
At 31 December	於十二月三十一日	41,230	613

For the years ended 31 December 2020 and 2019, the Group applies the HKFRS 9 simplified approach to measure ECL for accounts receivable based on lifetime ECL. Accounts receivable have been grouped based on shared credit risk characteristics and the historical observed default rates have been adjusted by forward looking estimates.

25. 應收賬款(續)

信貸虧損撥備變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January	於一月一日	613	672
Impairment loss recognised	已確認減值虧損	41,230	-
Reversal on impairment loss recognised	已確認減值虧損之撥回	(613)	(59)
At 31 December	於十二月三十一日	41,230	613

截至二零二零年及二零一九年十二月三十一日止年度，本集團應用香港財務報告準則第9號的簡化方法根據存續期預期信貸虧損計量應收賬款的預期信貸虧損。應收賬款已根據共同信貸風險特徵及歷史觀察違約率分組，並經前瞻性估計調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

26. DEPOSITS PAID, PREPAYMENTS AND OTHER RECEIVABLES

26. 已付按金、預付款項及其他應收款項

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deposits paid and prepayments	已付按金及預付款項	(a)	1,275,659	990,089
Deposits for urban redevelopment projects	城市更新項目之按金	(b)	-	1,790,400
Other receivables	其他應收款項		322,537	405,445
Amounts due from related parties	應收關聯人士款項	(c)	249,426	30,404
Amounts due from non-controlling interests	應收非控股權益款項	(d)	14,411	14,590
Total	總計		1,862,033	3,230,928

Notes:

- (a) The balance mainly represents prepaid construction costs of RMB598,920,000 (2019: RMB789,047,000) to the contractors for the Group's property development projects, and urban renewal service prepayment of RMB341,000,000 (2019: nil) to an independent third party for the Group's urban renewal projects.
- (b) The balance represented deposits paid for urban redevelopment projects located in Zhuhai and Shenzhen in the Mainland China as at 31 December 2019, of which RMB1,622,400,000 represented deposit paid to local government for acquisition of land use right. The amount is refundable in full if the acquisition of land use right is not successful. The amount transferred to properties under development for sale and investment properties under development upon the completion of acquisition of land use right during the year ended 31 December 2020.
- (c) Amounts due from related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.
- (d) As at 31 December 2020, amounts due from non-controlling interests amounting to RMB10,989,000 (2019: RMB11,715,000) is secured by equity interests held by the non-controlling party, interest bearing at 6.37% (2019: 6.37%) per annum and repayable on demand. Remaining balance of amounts due from non-controlling interests is unsecured, interest-free and repayable on demand.

附註：

- (a) 該結餘主要為就本集團物業開發項目而向承包商作出之預付建設成本人民幣598,920,000元(二零一九年：人民幣789,047,000元)；以及就本集團城市更新項目而向獨立第三方作出之城市更新服務預付款項人民幣341,000,000元(二零一九年：無)。
- (b) 該結餘指就位於中國內地珠海及深圳之城市更新項目於二零一九年十二月三十一日支付之按金，其中人民幣1,622,400,000元指就收購土地使用權而向當地政府支付之按金。倘未能成功收購土地使用權，該款項可獲全數退還。於截至二零二零年十二月三十一日止年度完成收購土地使用權後，該款項轉撥至發展中待售物業及發展中投資物業。
- (c) 應收關聯方款項(最終控股方於其中擁有實益權益)為無抵押、免息及須按要求償還。
- (d) 於二零二零年十二月三十一日，應收非控股權益款項為人民幣10,989,000元(二零一九年：人民幣11,715,000元)，該款項由非控股方持有之股權作抵押、按年利率6.37%(二零一九年：6.37%)計息及須按要求償還。應收非控股權益款項之餘下結餘為無抵押、免息及須按要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

27. RESTRICTED BANK DEPOSITS

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Pledged certificate of deposits for bank loans	就銀行貸款抵押的存款證	1,411,486	700,709
Funds under regulation by banks for specific purposes	受銀行監管作特定用途的資金	678,061	805,255
Performance deposits required by government	政府規定的履約按金	553,260	553,853
Pledged bank deposits for bank loans	就銀行貸款抵押的銀行存款	1,260,086	647,942
Pledged bank deposits for mortgage	就按揭抵押的銀行存款	69,650	94,021
Performance deposits for construction contracts	建築合約的履約按金	4,184	2,090
Others	其他	2,810	191
Total	總計	3,979,537	2,804,061

The effective interest rates of restricted bank deposits are in the range of 0.01% to 3.58% (2019: 0.01% to 3.03%) per annum.

Notes:

- (a) The balance represents performance deposits required by the government for the Group's urban redevelopment project.
- (b) The balance represents bank deposits pledged to secure the mortgage granted to buyers of properties.

27. 受限制銀行存款

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Pledged certificate of deposits for bank loans	就銀行貸款抵押的存款證	1,411,486	700,709
Funds under regulation by banks for specific purposes	受銀行監管作特定用途的資金	678,061	805,255
Performance deposits required by government	政府規定的履約按金	553,260	553,853
Pledged bank deposits for bank loans	就銀行貸款抵押的銀行存款	1,260,086	647,942
Pledged bank deposits for mortgage	就按揭抵押的銀行存款	69,650	94,021
Performance deposits for construction contracts	建築合約的履約按金	4,184	2,090
Others	其他	2,810	191
Total	總計	3,979,537	2,804,061

受限制銀行存款實際年利率均介乎0.01%至3.58% (二零一九年：0.01%至3.03%)。

附註：

- (a) 該結餘指政府規定本集團須就其城市更新項目履約按金。
- (b) 該結餘指為取得向物業買家授出的按揭而作出的抵押銀行存款。

28. BANK BALANCES AND CASH

As at 31 December 2020, included in bank balances and cash was a fixed deposit of RMB600,476,000 (2019: RMB447,605,000) with original maturity period of more than three months but within one year.

The effective interest rates of cash at banks are 0.01% to 1.60% (2019: 0.01% to 1.35%) per annum.

28. 銀行結餘及現金

於二零二零年十二月三十一日，銀行結餘及現金包括原到期日為多於三個月但少於一年之定期存款人民幣600,476,000元(二零一九年：人民幣447,605,000元)。

銀行現金的實際年利率介乎0.01%至1.60% (二零一九年：0.01%至1.35%)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

29. ACCOUNTS PAYABLE

Accounts payable mainly represents amounts due to contractors. Payment to contractors is made by reference of progress of the respective construction work and agreed milestones.

The following is an aging analysis of accounts payable presented based on the invoice date:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 month	1個月內	1,097,921	513,386
1 to 12 months	1至12個月	55,986	436,676
13 to 24 months	13至24個月	63,512	137,934
Over 24 months	超過24個月	44,667	23,835
		1,262,086	1,111,831

The average credit period for purchase of construction materials ranged from six months to one year.

29. 應付賬款

應付賬款主要指應付承包商款項。應付承包商款項參考有關建設工程進度及協定進度作出。

應付賬款的賬齡按發票日期呈列如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 month	1,097,921	513,386
1 to 12 months	55,986	436,676
13 to 24 months	63,512	137,934
Over 24 months	44,667	23,835
	1,262,086	1,111,831

購買建築材料的平均信貸期為六個月至一年不等。

30. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

30. 應計費用、已收按金及其他應付款項

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Rental deposits received	已收租金按金	175,260	141,865
Receipts in advance	預收款項	3,787	5,402
Other payables and accruals	其他應付款項及應計費用	579,657	495,005
Amounts due to related parties	應付關聯方款項	1,175	28,981
Amounts due to non-controlling interests	應付非控股權益款項	2,525	2,105
		762,404	673,358

Notes:

- (a) As at 31 December 2020 and 2019, receipts in advance consist of rental considerations received in advance from customers.
- (b) Amounts due to related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.
- (c) Amounts due to non-controlling interests are unsecured, interest-free and repayable on demand.

附註：

- (a) 於二零二零年及二零一九年十二月三十一日，預收款項包括預先向客戶收取之租金代價。
- (b) 應付關聯方款項(最終控股方於其中擁有實益權益)為無抵押、免息及須按要求償還。
- (c) 應付非控股權益款項為無抵押、免息及須按要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

31. CONTRACT LIABILITIES

31. 合同負債

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Sales of properties	物業銷售	1,345,571	2,502,338
Hotel operation and property management service	酒店營運及物業管理服務	3,361	2,927
		1,348,932	2,505,265

Note: The balance mainly represents sales deposits and advance payments received from sales of properties. The decrease in contract liabilities in the current year was mainly due to revenue recognised from sales of properties located in Shenzhen.

附註： 該結餘主要指銷售按金及物業銷售之預先收取款項。本年度合同負債減少乃主要由於位於深圳的物業銷售確認之收入所致。

As at 1 January 2019, contract liabilities amounted to RMB2,268,288,000.

於二零一九年一月一日，合同負債為人民幣2,268,288,000元。

The following table shows how much of the revenue recognised in the respective years relates to carried-forward contract liabilities at the start of the respective years.

下表列示於各年度確認與各年度初之結轉合同負債相關之收入金額。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Sales of properties	物業銷售	2,245,712	1,443,440
Hotel operation and property management service	酒店營運及物業管理服務	2,927	3,175

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

32. LEASE LIABILITIES

Lease liabilities payable:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	17,239	22,674
Within a period of more than one year but not more than two years	為期超過一年但不超過兩年	18,949	20,627
Within a period of more than two years but not more than five years	為期超過兩年但不超過五年	31,495	44,880
Within a period of more than five years	為期超過五年	34,690	29,873
		102,373	118,054
Less: Amount due for settlement within 12 months shown under current liabilities	減：列入流動負債並於12個月內到期償還之款項	(17,239)	(22,674)
Amount due for settlement after 12 months shown under non-current liabilities	列入非流動負債並於12個月後到期償還之款項	85,134	95,380

The weighted average incremental borrowing rate applied to lease liabilities is 9.5% (2019: 9.5%).

應用於租賃負債的加權平均遞增借款利率為9.5% (二零一九年：9.5%)。

32. 租賃負債

應付租賃負債：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	17,239	22,674
Within a period of more than one year but not more than two years	為期超過一年但不超過兩年	18,949	20,627
Within a period of more than two years but not more than five years	為期超過兩年但不超過五年	31,495	44,880
Within a period of more than five years	為期超過五年	34,690	29,873
		102,373	118,054
Less: Amount due for settlement within 12 months shown under current liabilities	減：列入流動負債並於12個月內到期償還之款項	(17,239)	(22,674)
Amount due for settlement after 12 months shown under non-current liabilities	列入非流動負債並於12個月後到期償還之款項	85,134	95,380

33. BORROWINGS

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Borrowings comprise:	借貸包括：		
– Variable rate bank loans	– 浮息銀行貸款	20,294,657	16,274,940
– Fixed rate bank loans	– 固定利率銀行貸款	1,119,296	2,781,200
– Fixed rate other borrowings	– 固定利率其他貸款	2,450,536	50,000
– Private senior notes	– 私募優先票據	–	349,939
		23,864,489	19,456,079
Analysed as:	分析：		
– Secured	– 有抵押	22,915,296	18,886,202
– Unsecured	– 無抵押	949,193	569,877
		23,864,489	19,456,079

33. 借貸

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

33. BORROWINGS (Cont'd)

33. 借貸(續)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Borrowings repayable within a period of:	借貸須於以下期間內償還：		
– Within 1 year	– 一年內	6,438,547	3,616,424
– More than 1 year, but not exceeding 2 years	– 超過一年但少於兩年	3,260,479	3,296,968
– More than 2 years, but not exceeding 5 years	– 超過兩年但少於五年	11,379,145	10,090,473
– More than 5 years	– 五年以後	1,217,512	1,762,364
		22,295,683	18,766,229
Borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:	包含按要求償還條款之借貸(列入流動負債)，惟須於下列期間內償還：		
– Within 1 year	– 一年內	1,552,816	372,760
– More than 2 years, but not exceeding 5 years	– 超過兩年但少於五年	15,990	317,090
Total borrowings	總借貸	23,864,489	19,456,079
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(8,007,353)	(4,306,274)
Amount due after one year	於一年後到期之款項	15,857,136	15,149,805

All the Group's borrowings are denominated in the functional currencies of the relevant group companies (i.e. RMB, United States Dollar ("US\$") and HK\$) except certain bank and other borrowings amounting to RMB2,184,586,000 (2019: RMB1,797,697,000) are denominated in HK\$, and RMB3,345,395,000 (2019: RMB490,355,000) are denominated in US\$.

所有本集團借貸採用相關集團公司的功能貨幣(即人民幣、美元(「美元」)與港元)計值，惟若干銀行及其他借貸人民幣2,184,586,000元(二零一九年：人民幣1,797,697,000元)以港元計值及人民幣3,345,395,000元(二零一九年：人民幣490,355,000元)以美元計值除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

33. BORROWINGS (Cont'd)

For bank loans denominated in HK\$, the effective interest rates are ranging from 4.01% to 8.37% (2019: 3.87% to 7.67%) per annum. For bank and other loans denominated in RMB, the effective interest rates are ranging from 4.25% to 9.00% (2019: 4.90% to 9.00%) per annum. For bank loans denominated in US\$, the effective interest rates are ranging from 1.60% to 10.00% (2019: 3.21% to 9.41%) per annum.

As at 31 December 2020, certain secured bank loans with aggregate amount of RMB4,984,327,000 (2019: RMB3,256,201,000) and certain secured other borrowings with amount of RMB2,124,292,000 (2019: RMB50,000,000) are secured by the equity interests of subsidiaries of the Group (see also note 47).

As at 31 December 2020, a secured bank loan with aggregate amount of RMB228,537,000 (2019: RMB244,167,000) was secured by certain equity instrument held by Mr. Wong, the ultimate controlling shareholder.

As at 31 December 2020, a secured bank loan with aggregate amount of RMB2,732,500,000 (2019: nil) was jointly secured by properties owned by a related company controlled by Mr. Wong, 600,000,000 convertible preference shares of the Company owned by Mr. Wong, equity interest of that related company, and certain properties of the Group.

As at 31 December 2020, a secured bank loan with aggregate amount of RMB115,000,000 (2019: nil) was secured by properties owned by a related company.

As at 31 December 2020, certain secured bank loan with aggregate amount of RMB837,984,000 (2019: nil) were secured by personal guarantees of Mr. Wong and Mrs. Huang Jingshu, executive director and chairman of the Company. As at 31 December 2020, certain secured bank loan with aggregate amount of RMB1,155,190,000 (2019: nil) were secured by personal guarantees of spouse of Mr. Wong. As at 31 December 2020, certain secured bank loan with aggregate amount of RMB7,384,588,000 (2019: nil) were secured by personal guarantee of Mr. Wong.

33. 借貸(續)

就以港元計值的銀行貸款而言，實際年利率介乎4.01%至8.37%（二零一九年：3.87%至7.67%）。就以人民幣計值的銀行及其他貸款而言，實際年利率介乎4.25%至9.00%（二零一九年：4.90%至9.00%）。就以美元計值的銀行貸款而言，實際年利率介乎1.60%至10.00%（二零一九年：3.21%至9.41%）。

於二零二零年十二月三十一日，若干有抵押銀行貸款總金額人民幣4,984,327,000元（二零一九年：人民幣3,256,201,000元）及若干有抵押其他借貸人民幣2,124,292,000元（二零一九年：人民幣50,000,000元）由本集團附屬公司之股權作抵押（請同時參閱附註47）。

於二零二零年十二月三十一日，一筆有抵押銀行貸款總金額人民幣228,537,000元（二零一九年：人民幣244,167,000元）由最終控股股東黃先生所持有之若干股本工具作抵押。

於二零二零年十二月三十一日，一筆有抵押銀行貸款總金額人民幣2,732,500,000元（二零一九年：無）由黃先生控制之關聯公司所擁有之物業、黃先生擁有之600,000,000股本公司可換股優先股、該關聯公司之股權及本集團之若干物業作共同抵押。

於二零二零年十二月三十一日，一筆有抵押銀行貸款總金額人民幣115,000,000元（二零一九年：無）由一間關聯公司擁有之物業作抵押。

於二零二零年十二月三十一日，若干有抵押銀行貸款總金額人民幣837,984,000元（二零一九年：無）由黃先生及本公司執行董事及主席黃敬舒女士之個人擔保作抵押。於二零二零年十二月三十一日，若干有抵押銀行貸款總金額人民幣1,155,190,000元（二零一九年：無）由黃先生配偶之個人擔保作抵押。於二零二零年十二月三十一日，若干有抵押銀行貸款總金額人民幣7,384,588,000元（二零一九年：無）由黃先生之個人擔保作抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS

(a) Debt component of convertible bonds

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	1,493,257	1,381,645
Recognition of new convertible bonds upon substantial modification	於重大變更後確認新可換股債券	1,393,642	-
Interest expense	利息開支	285,303	172,237
Interest paid	已付利息	(154,018)	(88,155)
Repayment	還款	(134,589)	-
Derecognition upon substantial modification	於重大變更後終止確認	(1,360,965)	-
Exchange difference	匯兌差額	(102,656)	27,530
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	1,419,974	1,493,257
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	-	(1,493,257)
Amount due after one year	於一年後到期之款項	1,419,974	-

(1) On 6 November 2016, the Company entered into a Convertible Bonds Subscription Agreement (the "Agreement") with an independent third party, Chance Talent Management Limited (the "CB Subscriber"). Pursuant to the Agreement, the CB Subscriber agreed to acquire the Convertible Bond (the "2018 CB") with aggregate principal amount of US\$100 million (equivalent to RMB686 million) at interest rate of 5.5% per annum, payable by the Company semi-annually in arrears from the issue date, with initial conversion price of HK\$2.76. The maturity date is on the second anniversary of the issue date. The 2018 CB were issued to the CB Subscriber on 18 November 2016.

The bondholder has the right to convert the 2018 CB in whole or in part into shares at any time on or after the issue date of the 2018 CB up to the respective maturity date. 264,946,889 (2019: 264,946,889) new shares will be issued upon full conversion of the 2018 CB. An adjustment had been made to the conversion price from HK\$2.76 to HK\$2.695 on 21 July 2017 as a result of the dividends paid since the convertible bonds were issued.

34. 可換股債券及可換股債券衍生工具部分

(a) 可換股債券債務部分

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
於一月一日的賬面淨值	1,493,257	1,381,645
於重大變更後確認新可換股債券	1,393,642	-
利息開支	285,303	172,237
已付利息	(154,018)	(88,155)
還款	(134,589)	-
於重大變更後終止確認	(1,360,965)	-
匯兌差額	(102,656)	27,530
於十二月三十一日的賬面淨值	1,419,974	1,493,257
減：流動負債項下於一年內到期之款項	-	(1,493,257)
於一年後到期之款項	1,419,974	-

(1) 於二零一六年十一月六日，本公司與一名獨立第三方Chance Talent Management Limited（「可換股債券認購人」）訂立一份可換股債券認購協議（「該協議」）。根據該協議，可換股債券認購人同意收購本金總額為1億美元（相當於人民幣6.86億元）、按年利率5.5%計息的可換股債券（「二零一八年可換股債券」）（初步兌換價為2.76港元），利息自發行日期起於每半年末由本公司支付。到期日為發行日期起計滿兩週年。二零一八年可換股債券於二零一六年十一月十八日發行予可換股債券認購人。

債券持有人有權於二零一八年可換股債券發行日期當日或之後至相關到期日止隨時將全部或部份二零一八年可換股債券轉換為股份。264,946,889股（二零一九年：264,946,889股）新股份將於二零一八年可換股債券獲悉數轉換後發行。因可換股債券發行而支付的股息導致於二零一七年七月二十一日兌換價由2.76港元調整至2.695港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(1) (Cont'd)

On 17 January 2018, the Company received a notice from the CB Subscriber, requesting for the conversion of the 2018 CB in the principal amount of US\$10,000,000. Accordingly, the Company has allotted and issued 28,794,063 conversion shares to the CB Subscriber at the conversion price of HK\$2.695 per conversion share.

Adjustments had been made to the conversion price from HK\$2.695 to HK\$2.636 as a result of allotment of ordinary shares, allotment of convertible preference shares and the dividends paid during the year ended 31 December 2018.

Adjustments had been made to the conversion price from HK\$2.636 to HK\$2.574 as a result of the dividends paid during the year ended 31 December 2019.

On 3 October 2018, the CB Subscriber, the Company and Mr. Wong entered into the Deed of Extension to extend the maturity date of the 2018 CB to 18 November 2020.

The 2018 CB will be redeemed on maturity at a value equal to the amount equal to the aggregate of (a) the aggregate principal amount of such outstanding 2018 CB; (b) any accrued but unpaid interest on such outstanding 2018 CB on the redemption date (other than default interest); and (c) (if the sum of the amounts referred to above (a) and (b) fall short of making up an internal rate of return of 8% on the aggregate principal amount of 2018 CB) such additional amount which would make up an internal rate of 8% on the aggregate principal amount of 2018 CB.

On 18 November 2020, the CB Subscriber, the Company and Mr. Wong entered into the 2020 Deed of Extension to further extend the maturity date of the remaining outstanding 2018 CB to 18 May 2022 and amend certain terms of the 2018 CB (the "2018 CB Amendments"), including amendments to maturity date, certain amendments regarding the undertaking given by the Company to the CB Subscriber and the bondholder. Save for the 2018 CB Amendments, all other terms and conditions of the 2018 CB shall remain in full force and effect.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(1) (續)

於二零一八年一月十七日，本公司接獲可換股債券認購人之通知，要求就本金額10,000,000美元之二零一八年可換股債券進行兌換。因此，本公司已向可換股債券認購人按每股兌換股份兌換價2.695港元配發及發行28,794,063股兌換股份。

由於截至二零一八年十二月三十一日止年度內配發普通股、配發可換股優先股及支付股息，轉換價已由2.695港元調整為2.636港元。

由於截至二零一九年十二月三十一日止年度內支付股息，轉換價已由2.636港元調整為2.574港元。

於二零一八年十月三日，可換股債券認購人、本公司與黃先生訂立延長契據，以將二零一八年可換股債券之到期日延長至二零二零年十一月十八日。

二零一八年可換股債券將於到期日贖回，價值等同相等於下列總和之金額：(a)有關未轉換二零一八年可換股債券之本金總額；(b)任何有關未轉換二零一八年可換股債券於贖回日期之應計但未付利息(違約利息除外)；及(c)(倘上文(a)及(b)項所述款項之總和不足以令內部回報率達二零一八年可換股債券本金總額之8%)將令內部回報率達二零一八年可換股債券本金總額8%之有關額外金額。

於二零二零年十一月十八日，可換股債券認購人、本公司與黃先生訂立二零二零年延長契據，以進一步延長餘下未轉換二零一八年可換股債券之到期日至二零二二年五月十八日，並修訂二零一八年可換股債券之若干條款(「二零一八年可換股債券修訂」)，包括到期日之修訂、若干有關本公司向可換股債券認購人及債券持有人作出之承諾之修訂。除二零一八年可換股債券修訂外，二零一八年可換股債券之全部其他條款及條件將仍具有十足效力及作用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(1) (Cont'd)

Under the 2020 Deed of Extension, the parties thereto agreed to, amongst others, the following principal amendments:

- (i) the maturity date of the 2018 CB will be changed from the date falling on the fourth anniversary of the issue date to the date falling on the sixty-sixth month from the issue date;
- (ii) the undertaking given by the Company to the CB Subscriber and the Bondholder that the shareholders' equity of the Company should not be less than RMB10,000,000,000 (or its equivalent in any other currency) will be changed to not less than RMB11,500,000,000 (or its equivalent in any other currency); and
- (iii) the undertaking given by the Company to the CB Subscriber and the Bondholders that the ratio of the Company's total assets to shareholder's equity is not more than 3.6:1 will be changed to the ratio of the Company's total debts (excluding contract liability arising out of sale of properties) to the Company's total assets is not more than 75%.

The 2018 CB Amendments was effective on 18 November 2020. Based on the conversion price according to 2018 CB Amendment and assuming full conversion of the 2018 CB, an aggregate of 216,846,307 new shares will be allotted and issued by the Company.

Adjustments had been made to the conversion price from HK\$2.574 to HK\$2.505 as a result of allotment of ordinary shares, allotment of convertible preference shares and the dividends paid during the year ended 31 December 2020.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(1) (續)

根據二零二零年延長契據，其訂約方同意(其中包括)下列主要修訂：

- (i) 二零一八年可換股債券之到期日將由發行日期起計滿四週年當日更改為發行日期起計滿六十六個月當日；
- (ii) 本公司向可換股債券認購人及債券持有人承諾本公司股東權益不應低於人民幣10,000,000,000元(或其任何其他貨幣之等值金額)將更改為不低於人民幣11,500,000,000元(或其任何其他貨幣之等值金額)；及
- (iii) 本公司向可換股債券認購人及債券持有人承諾本公司總資產對股東權益比率不高於3.6:1將更改為本公司總債務(出售物業所產生之合約負債除外)對本公司總資產比率不多於75%。

二零一八年可換股債券修訂於二零二零年十一月十八日生效。根據二零一八年可換股債券修訂之換股價並假設二零一八年可換股債券獲悉數轉換，本公司將配發及發行合共216,846,307股新股份。

由於截至二零二零年十二月三十一日止年度內配發普通股、配發可換股優先股及支付股息，轉換價已由2.574港元調整為2.505港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(1) (Cont'd)

Due to the 2018 CB Amendments, the Group derecognised a carrying amount of the debt components of 2018 CB amounting to HK\$603,745,000 (equivalent to RMB512,398,000) upon substantial modification and recognised a carrying amount of the debt and derivative components of new Convertible Bonds (the "New 2018 CB") amounting to HK\$547,163,000 (equivalent to RMB464,378,000) and HK\$40,737,000 (equivalent to RMB34,573,000) respectively. The resulting difference of approximately HK\$15,845,000 (equivalent to approximately RMB13,447,000) is recognised as a gain on substantial modification of convertible bonds in other gains and losses.

Further details of the terms and conditions of the 2018 CB were disclosed in the announcements of the Company dated 6 November 2016, 8 November 2016, 18 November 2016, 3 October 2018 and 18 November 2020 respectively.

The New 2018 CB contains two components, debt component and derivative component. The effective interest rate of the debt component is 14.09% (2019: 14.23%) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

The fair value of conversion option is US\$3,447,000 (equivalent to RMB22,511,000) for New 2018 CB (2019: US\$10,363,000 (equivalent to RMB72,292,000) for 2018 CB) as at 31 December 2020.

- (2) On 10 May 2018, a wholly-owned subsidiary of the Company, Gemstones International Limited (the "Issuer" or "Gemstones"), and the Company together with its eighteen subsidiaries acting as guarantors entered into a Convertible Bonds Subscription Agreement (the "2018 Agreement") with a third party, Global Affluence Holding V Limited (the "2018 Subscriber"). Pursuant to the 2018 Agreement, the 2018 Subscriber agreed to acquire the convertible bonds (the "2023 CB") with aggregate principal amount of US\$100 million (equivalent to RMB675 million) at interest rate of 4.0% per annum, payable by the Issuer semi-annually in arrears. The maturity date is on the fifth anniversary of the issue date. The 2023 CB were issued to the 2018 Subscriber on 17 May 2018.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(1) (續)

鑒於二零一八年可換股債券修訂，本集團於重大變更後終止確認賬面值為603,745,000港元(相當於人民幣512,398,000元)之二零一八年可換股債券債務部分，並確認賬面值分別為547,163,000港元(相當於人民幣464,378,000元)及40,737,000港元(相當於人民幣34,573,000元)之新可換股債券(「新二零一八年可換股債券」)之債務及衍生工具部分。由此產生之差額約15,845,000港元(相當於約人民幣13,447,000元)於其他收益及虧損中確認為可換股債券重大變更的收益。

二零一八年可換股債券的條款及條件的進一步詳情於本公司日期分別為二零一六年十一月六日、二零一六年十一月八日、二零一六年十一月十八日、二零一八年十月三日及二零二零年十一月十八日的公告內披露。

新二零一八年可換股債券包括兩個部分(債務部分及衍生工具部分)。債務部分的實際利率為每年14.09%(二零一九年：14.23%)。衍生工具部分按公允價值計量及於損益中確認公允價值變動。

於二零二零年十二月三十一日，新二零一八年可換股債券轉換期權的公允價值為3,447,000美元(相當於人民幣22,511,000元)(二零一九年：二零一八年可換股債券10,363,000美元(相當於人民幣72,292,000元))。

- (2) 於二零一八年五月十日，本公司一間全資附屬公司碧璽國際有限公司(「發行人」或「碧璽」)以及本公司及其十八間附屬公司(作為擔保人)與一名第三方Global Affluence Holding V Limited(「二零一八年認購人」)訂立一份可換股債券認購協議(「二零一八年協議」)。根據二零一八年協議，二零一八年認購人同意收購本金總額為1億美元(相等於人民幣6.75億元)、按年利率4.0%計息的可換股債券(「二零二三年可換股債券」)，利息於每半年末由發行人支付。到期日為發行日期起計滿五週年。二零二三年可換股債券於二零一八年五月十七日發行予二零一八年認購人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(2) (Cont'd)

The bondholder has the right to convert the 2023 CB in whole or in part into shares at any time on or after the issue date of the 2023 CB up to the date falling seven days prior to the maturity date. 208,776,595 new shares will be issued upon full conversion of the 2023 CB based on the initial conversion price of HK\$3.76. Adjustments had been made to the conversion price from HK\$3.76 to HK\$3.68 as a result of the issue of Second 2023 CB and the extension of 2018 CB during the year ended 31 December 2018.

During the year ended 31 December 2019, adjustments had been made to the conversion price from HK\$3.68 to HK\$3.594 as a result of the dividends paid.

The 2023 CB will be redeemed on maturity at a value equal to 124.012214% of the outstanding principal amount of the 2023 CB, together with any accrued and unpaid interest.

The bondholder has the right by written notice at any time on or after 17 May 2020, the second anniversary of the issue date of the 2023 CB and before maturity, require the Issuer to redeem all or some only of such bondholder's 2023 CB at a gross yield of 8.00% per annum.

On 19 June 2020, the Company, the Issuer and the bondholder have conditionally agreed to amend certain terms and conditions of the 2023 CB (the "2023 CB Amendments"), including amendments to the put option date, the conversion price, the interest rate and early redemption amount. Save for the 2023 CB Amendments, all other terms and conditions of the 2023 CB shall remain in full force and effect.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(2) (續)

債券持有人有權於二零二三年可換股債券發行日期當日或之後至到期日前七日止隨時將全部或部分二零二三年可換股債券兌換為股份。208,776,595股新股份將於二零二三年可換股債券獲悉數兌換後按初步兌換價3.76港元發行。由於截至二零一八年十二月三十一日止年度內發行第二批二零二三年可換股債券及延長二零一八年可換股債券，兌換價已由3.76港元調整為3.68港元。

於截至二零一九年十二月三十一日止年度，兌換價因支付股息而由3.68港元調整為3.594港元。

二零二三年可換股債券將於到期日贖回，價值等同於二零二三年可換股債券未清償本金額的124.012214%連同任何應計及未付利息。

債券持有人有權於二零二零年五月十七日(即二零二三年可換股債券發行日期起計滿兩週年及到期日前)當日或之後，隨時透過書面通知要求發行人按每年8.00%的毛收益率贖回該債券持有人持有的全部或僅部分二零二三年可換股債券。

於二零二零年六月十九日，本公司、發行人及債券持有人已有條件同意修訂二零二三年可換股債券之若干條款及條件(「二零二三年可換股債券修訂」)，包括修訂認沽期權日期、換股價、利率及提前贖回金額。除二零二三年可換股債券修訂外，二零二三年可換股債券之全部其他條款及條件將仍具有十足效力及作用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(2) (Cont'd)

The 2023 CB amendments of terms and conditions are set as below:

	Original terms 原定條款	Amendments 修訂
Put option date 認沽期權日期	On or after 17 May 2020 二零二零年五月十七日或之後	On or after 17 May 2022 二零二零年五月十七日或之後
Conversion price 換股價	HK\$3.594 per share 每股股份3.594港元	HK\$3.000 per share 每股股份3.000港元
Interest Rate 利率	4.00 per cent. per annum 按年利率4.00%計息	4.00 per cent. per annum from 17 May 2018 (inclusively) to 18 June 2020 and 5.00 per cent. per annum from 19 June 2020 (inclusively) 自二零一八年五月十七日(包括該日)起至二零二零年六月十八日按年利率4.00%計息，而自二零二零年六月十九日(包括該日)起則按年利率5.00%計息
Early redemption amount 提前贖回金額	An amount such that the bondholders would realise a gross yield of 8.00% per annum on the principal amount of the 2023 CB from the 17 May 2018 to the date of early redemption 債券持有人可自二零一八年五月十七日起至提前贖回日期按二零二零年可換股債券本金額另加8.00%總年收益率變現之金額	An amount such that the bondholders would realise a gross yield of 8.00% per annum on the principal amount of the 2023 CB from 17 May 2018 to 19 June 2020 and a gross yield of 9.50% per annum on the principal amount of the 2023 CB from 20 June 2020 to the date of early redemption 債券持有人可自二零一八年五月十七日起至二零二零年六月十九日按二零二零年可換股債券本金額另加8.00%總年收益率變現之金額及自二零二零年六月二十日起至提前贖回日期按二零二零年可換股債券本金額另加9.50%總年收益率變現之金額

The 2023 CB Amendments was effective on 29 June 2020. Based on the conversion price according to 2023 CB Amendment and assuming full conversion of the 2023 CB, an aggregate of 261,666,666 new shares will be allotted and issued by the Company.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(2) (續)

二零二三年可換股債券修訂之條款及條件載列如下：

二零二三年可換股債券修訂於二零二零年六月二十九日生效。根據二零二零年可換股債券修訂之換股價並假設二零二零年可換股債券獲悉數轉換，本公司將配發及發行合共261,666,666股新股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(2) (Cont'd)

Due to the 2023 CB Amendments, the Group derecognised a carrying amount of the debt and derivative components of 2023 CB amounting to US\$77,488,000 (equivalent to RMB548,577,000) and US\$19,731,000 (equivalent to RMB139,683,000) respectively upon substantial modification and recognised a carrying amount of the debt and derivative components of new Convertible Bonds (the "New 2023 CB") amounting to US\$87,498,000 (equivalent to RMB619,441,000) and US\$7,362,000 (equivalent to RMB52,118,000) respectively. The resulting difference of approximately US\$2,359,000 (equivalent to approximately RMB16,701,000) is recognised as a gain on substantial modification of convertible bonds in other gains and losses.

In addition, the Issuer paid the bondholders a make-whole amount in cash such that the 2023 CB holders would obtain a gross yield of 8.00% per annum on the principal amount of the 2023 CB from the issue date to 19 June 2020, amounted to US\$8,896,000 (equivalent to RMB62,639,000) as a result of the 2023 CB Amendments.

Further details of the terms and conditions of the 2023 CB were disclosed in the announcements of the Company dated 11 May 2018 and 19 June 2020 respectively.

The New 2023 CB contains two components, debt component and derivative component (including the conversion option and the early redemption option that are not closely related to the host). The effective interest rates of the debt component is 14.15% for New 2023 CB (2019: 13.48% for 2023 CB) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit and loss.

The fair value of early redemption option is US\$2,716,000 (equivalent to RMB17,722,000) for New 2023 CB as at 31 December 2020 (31 December 2019: US\$12,712,000 (equivalent to RMB88,681,000) for 2023 CB). The fair value of conversion option is US\$4,206,000 (equivalent to RMB27,446,000) for New 2023 CB as at 31 December 2020 (31 December 2019: US\$5,100,459 (equivalent to RMB35,582,000) for 2023 CB).

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(2) (續)

鑒於二零二三年可換股債券修訂，本集團於重大變更後終止確認賬面值分別為77,488,000美元(相當於人民幣548,577,000元)及19,731,000美元(相當於人民幣139,683,000元)之二零二三年可換股債券之債務及衍生工具部分，並確認賬面值分別為87,498,000美元(相當於人民幣619,441,000元)及7,362,000美元(相當於人民幣52,118,000元)之新可換股債券(「新二零二三年可換股債券」)之債務及衍生工具部分。由此產生之差額約2,359,000美元(相當於約人民幣16,701,000元)於其他收益及虧損中確認為可換股債券重大變更的收益。

此外，由於二零二三年可換股債券修訂，發行人已向債券持有人以現金支付一筆補償金額，使二零二三年可換股債券持有人自發行日期起至二零二零年六月十九日取得二零二三年可換股債券本金額之8.00%總年收益率，所得之金額為8,896,000美元(相當於人民幣62,639,000元)。

有關二零二三年可換股債券的條款及條件的進一步詳情已分別在本公司日期為二零一八年五月十一日及二零二零年六月十九日的公告內披露。

新二零二三年可換股債券包括兩個部分(債務部分及衍生工具部分)(包括與主部分並無緊密關聯之轉換期權及提前贖回權)。新二零二三年可換股債券債務部分的實際利率為每年14.15%(二零一九年：二零二三年可換股債券13.48%)。衍生工具部分按公允價值計量及於損益中確認公允價值變動。

於二零二零年十二月三十一日，新二零二三年可換股債券提前贖回期權的公允價值為2,716,000美元(相當於人民幣17,722,000元)(二零一九年十二月三十一日(二零二三年可換股債券)：12,712,000美元(相當於人民幣88,681,000元))。於二零二零年十二月三十一日，新二零二三年可換股債券轉換權的公允價值為4,206,000美元(相當於人民幣27,446,000元)(二零一九年十二月三十一日(二零二三年可換股債券)：5,100,459美元(相當於人民幣35,582,000元))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

- (3) On 16 September 2018, Gemstones entered into a Convertible Bonds Subscription Agreement (the "2018 Second Agreement") with an independent third party, Pioneer Festive Limited (the "2018 Second Subscriber"). Pursuant to the 2018 Second Agreement, the 2018 Second Subscriber agreed to acquire the convertible bonds (the "Second 2023 CB") with aggregate principal amount of US\$50 million (equivalent to RMB341.8 million) at interest rate of 5.0% per annum, payable by Gemstones semi-annually in arrears. The maturity date is on the fifth anniversary of the issue date. The Second 2023 CB were issued to the 2018 Second Subscriber on 28 September 2018.

The bondholder has the right to convert the Second 2023 CB in whole or in part into shares at any time on or after the issue date of the Second 2023 CB up to the date falling seven days prior to the maturity date. 127,022,653 new shares will be issued upon full conversion of the Second 2023 CB based on the initial conversion price of HK\$3.09.

Adjustments had been made to the conversion price from HK\$3.09 to HK\$3.018 as a result of the dividends paid during the year ended 31 December 2019.

The Second 2023 CB will be redeemed on maturity at a value equal to 136.1% of the outstanding principal amount of the Second 2023 CB, together with any accrued and unpaid interest.

The bondholder has the right by written notice at any time on or after 28 September 2020, the second anniversary of the issue date of the Second 2023 CB and before maturity, require the Gemstones to redeem all or some only of such bondholder's Second 2023 CB at a yield of internal rate of return of 10.00% per annum.

If a bondholder has exercised the conversion rights attached to any Second 2023 CB and disposed of any conversion shares issued as a result thereof, Gemstones will be entitled to share 30% of the consideration (net of taxes and brokerage fees) payable to the relevant bondholder in excess of the agreed preferred return in accordance with the terms of the Second 2023 CB.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

- (3) 於二零一八年九月十六日，碧璽與一名獨立第三方Pioneer Festive Limited（「二零一八年第二認購人」）訂立一份可換股債券認購協議（「二零一八年第二份協議」）。根據二零一八年第二份協議，二零一八年第二認購人同意收購本金總額為5,000萬美元（相等於人民幣3.418億元）、按年利率5.0%計息的可換股債券（「第二批二零二三年可換股債券」），利息於每半年末由碧璽支付。到期日為發行日期起計滿五週年。第二批二零二三年可換股債券於二零一八年九月二十八日發行予二零一八年第二認購人。

債券持有人有權於第二批二零二三年可換股債券發行日期當日或之後至到期日前七日止隨時將全部或部分第二批二零二三年可換股債券兌換為股份。127,022,653股新股份將於第二批二零二三年可換股債券獲悉數兌換後按初步兌換價3.09港元發行。

於截至二零一九年十二月三十一日止年度，兌換價因支付股息而由3.09港元調整為3.018港元。

第二批二零二三年可換股債券將於到期日贖回，價值等同於第二批二零二三年可換股債券未清償本金額的136.1%連同任何應計及未付利息。

債券持有人有權於二零二零年九月二十八日（即第二批二零二三年可換股債券發行日期起計滿兩週年及到期日前）當日或之後，隨時透過書面通知要求碧璽按每年10.00%的內部回報收益率贖回該債券持有人持有的全部或僅部分第二批二零二三年可換股債券。

倘債券持有人已行使任何第二批二零二三年可換股債券所附的換股權，並出售因此而發行的任何兌換股份，碧璽將有權分佔應付相關債券持有人的代價（扣除稅項及經紀費用後）超過根據第二批二零二三年可換股債券條款協定的優先回報的金額的30%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(3) (Cont'd)

On 31 December 2020, the Company and the bondholder entered into the supplemental agreement to amend and restate the terms of the Second 2023 CB (the "Second 2023 CB Amendments"), including amendments to the redemption date at the option of the bondholders and conversion price. Save for the Amendments, all other terms and conditions of the Second 2023 CB shall remain in full force and effect.

The Second 2023 CB amendments of terms and conditions are set as below:

Original terms 原定條款	Amendments 建議修訂
Put option date 選擇之贖回日期	On or after 28 September 2020 二零二零年九月二十八日或之後

The Second 2023 CB Amendments was effective as from 31 December 2020. Based on the conversion price according to Second 2023 CB Amendment and assuming full conversion of the Second 2023 CB, an aggregate of 133,685,286 new shares will be allotted and issued by the Company.

Adjustments had been made to the conversion price from HK\$3.09 to HK\$2.936 as a result of dividends paid during the year ended 31 December 2020.

Due to the Second 2023 CB Amendments, the Group derecognised a carrying amount of the debt and derivative components of 2023 CB amounting to US\$45,976,000 (equivalent to RMB299,990,000) and US\$538,000 (equivalent to RMB3,513,000) respectively upon substantial modification and recognised a carrying amount of the debt and derivative components of new Convertible Bonds (the "New Second 2023 CB") amounting to US\$47,483,000 (equivalent to RMB309,823,000) and US\$6,733,000 (equivalent to RMB43,933,000) respectively. The resulting difference of approximately US\$7,702,000 (equivalent to approximately RMB50,253,000) is recognised as a loss on substantial modification of convertible bonds in other gains and losses.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(3) (續)

於二零二零年十二月三十一日，本公司與債券持有人訂立補充協議，以修訂及重列第二批二零二三年可換股債券之條款(「第二批二零二三年可換股債券修訂」)，包括根據債券持有人選擇之贖回日期及換股價之修訂。除該等修訂外，第二批二零二三年可換股債券之全部其他條款及條件將仍具有十足效力及作用。

第二批二零二三年可換股債券修訂之條款及條件載列如下：

Original terms 原定條款	Amendments 建議修訂
Put option date 選擇之贖回日期	On or after 31 January 2022 二零二二年一月三十一日或之後

第二批二零二三年可換股債券修訂自二零二零年十二月三十一日起生效。根據第二批二零二三年可換股債券修訂之換股價並假設第二批二零二三年可換股債券獲悉數轉換，本公司將配發及發行合共133,685,286股新股份。

由於截至二零二零年十二月三十一日止年度派付股息，換股價從3.09港元調整至2.936港元。

鑒於第二批二零二三年可換股債券修訂，本集團於重大變更後終止確認賬面值分別為45,976,000美元(相當於人民幣299,990,000元)及538,000美元(相當於人民幣3,513,000元)之二零二三年可換股債券之債務及衍生工具部分，並確認賬面值分別為47,483,000美元(相當於人民幣309,823,000元)及6,733,000美元(相當於人民幣43,933,000元)之新可換股債券(「新第二批二零二三年可換股債券」)之債務及衍生工具部分。由此產生之差額約7,702,000美元(相當於約人民幣50,253,000元)於其他收益及虧損中確認為可換股債券重大變更的虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(a) Debt component of convertible bonds (Cont'd)

(3) (Cont'd)

In addition, Gemstones shall pay the bondholders a make-whole amount in cash such that the Second 2023 CB holders would obtain a gross yield of 10.00% per annum on the principal amount of the Second 2023 CB from the issue date to 31 December 2020, amounted to US\$6,500,000 (equivalent to RMB44,813,000) as a result of the Second 2023 CB Amendments.

The New Second 2023 CB will be redeemed on maturity at a value equal to 112.91% of the outstanding principal amount of the New Second 2023 CB, together with any accrued and unpaid interest.

Further details of the terms and conditions of the New Second 2023 CB were disclosed in the announcements of the Company dated 17 September 2018 and 31 December 2020 respectively.

The New Second 2023 CB contains two components, debt component and the derivative component (including the conversion option after profit-sharing and the early redemption option that is not closely related to the host). The effective interest rate of the debt component is 11.52% for New Second 2023 CB (2019: 8.73% for Second 2023 CB) per annum. The derivative component is measured at fair value with changes in fair value recognised in profit and loss.

The fair value of conversion option (after profit-sharing) is US\$6,678,000 (equivalent to RMB43,575,000) (2019: US\$3,279,000 (equivalent to RMB22,875,000)) as at 31 December 2020. The fair value of early redemption option is US\$55,000 (equivalent to RMB359,000) (31 December 2019: US\$398,000 (equivalent to RMB2,777,000)) as at 31 December 2020.

34. 可換股債券及可換股債券衍生工具部分(續)

(a) 可換股債券債務部分(續)

(3) (續)

此外，由於第二批二零二三年可換股債券修訂，碧璽應向債券持有人以現金支付一筆補償金額，使第二批二零二三年可換股債券持有人自發行日期起至二零二零年十二月三十一日取得第二批二零二三年可換股債券本金額之10.00%總年收益率，所得之金額為6,500,000美元(相當於人民幣44,813,000元)。

新第二批二零二三年可換股債券將於到期時按相等於新第二批二零二三年可換股債券未清償本金額之112.91%連同任何應計及未付利息之價值予以贖回。

有關新第二批二零二三年可換股債券的條款及條件的進一步詳情已分別在本公司日期為二零一八年九月十七日及二零二零年十二月三十一日的公告內披露。

新第二批二零二三年可換股債券包括兩個部分(債務部分及衍生工具部分)(包括與主部分並無緊密關聯之溢利分成後轉換期權及提前贖回權)。新第二批二零二三年可換股債券債務部分的實際利率為每年11.52%(二零一九年：第二批二零二三年可換股債券8.73%)。衍生工具部分按公允價值及於損益中確認的公允價值變動計量。

於二零二零年十二月三十一日，溢利分成後轉換期權的公允價值為6,678,000美元(相當於人民幣43,575,000元)(二零一九年：3,279,000美元(相當於人民幣22,875,000元))。於二零二零年十二月三十一日，提前贖回權的公允價值為55,000美元(相當於人民幣359,000元)(二零一九年十二月三十一日：398,000美元(相當於人民幣2,777,000元))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	222,207	198,105
Derecognition of derivatives	終止確認衍生工具	(143,196)	-
Recognition of derivatives	確認衍生工具	130,624	-
(Gain) loss arising on changes in fair value	公允價值變動產生的(收益)虧損	(93,506)	20,170
Exchange difference	匯兌差額	(4,517)	3,932
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	111,612	222,207
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	-	(222,207)
Amount due after one year	於一年後到期之款項	111,612	-

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生工具部分

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

- (1) The methods and assumptions applied for the valuation of the 2018 CB at 31 December 2019 and 18 November 2020, and New 2018 CB at 18 November 2020 and 31 December 2020 were as follows:

The fair value of the derivative component of 2018 CB as at 31 December 2019 and 18 November 2020 derived by using the Binomial Option Pricing Model were approximately RMB72,292,000 and nil, respectively. The fair value of the derivative component of New 2018 CB as at 18 November 2020 and 31 December 2020 derived by using the Binomial Option Pricing Model were approximately RMB34,573,000 and RMB22,510,000, respectively. They were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuer with appropriate qualifications and recent experiences in the valuation of similar derivative instruments with reference to market values. During the year ended 31 December 2020, the Group recognised the fair value gain of RMB68,525,000 (2019: loss of RMB40,037,000) for 2018 CB and gain of RMB13,885,000 for New 2018 CB in the consolidated statement of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values of derivative component at the respective dates were as follows:

		At 31.12.2019 於二零一九年 十二月三十一日	At 31.12.2020 於二零二零年 十二月三十一日
Share price	股價	HK\$2.79 2.79港元	HK\$2.33 2.33港元
Exercise price	行使價	HK\$2.574 2.574港元	HK\$2.505 2.505港元
Expected dividend yield	預期股息率	1.90%	2.62%
Volatility	波幅	34.98%	33.58%
Discount rate	貼現率	16.432%	15.079%
Risk free interest rate	無風險利率	1.606%	0.088%

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生工具部分(續)

- (1) 於二零一九年十二月三十一日及二零二零年十一月十八日對二零一八年可換股債券進行估值時，以及於二零二零年十一月十八日及二零二零年十二月三十一日對新二零一八年可換股債券進行估值時所應用的方法及假設如下：

二零一八年可換股債券衍生工具部分於二零一九年十二月三十一日及二零二零年十一月十八日採用二項式期權定價模型衍生之公允價值分別約為人民幣72,292,000元及無。新二零一八年可換股債券衍生工具部分於二零二零年十一月十八日及二零二零年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣34,573,000元及人民幣22,510,000元。有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值為同類衍生工具估值方面擁有近期經驗。截至二零二零年十二月三十一日止年度，本集團於綜合損益表中確認二零一八年可換股債券公允價值收益人民幣68,525,000元(二零一九年：虧損人民幣40,037,000元)及新二零一八年可換股債券公允價值收益人民幣13,885,000元。

獨立專業估值師於各日期釐定衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

- (2) The methods and assumptions applied for the valuation of the 2023 CB at 31 December 2019 and 19 June 2020, and New 2023 CB at 19 June 2020 and 31 December 2020 were as follows:

The fair value of the derivative component of 2023 CB as at 31 December 2019 and 19 June 2020 derived by using the Binomial Option Pricing Model were approximately RMB124,263,000 and RMB139,683,000, respectively. The fair value of the derivative component of New 2023 CB at 19 June 2020 and 31 December 2020 derived by using the Binomial Option Pricing Model were approximately RMB52,118,000 and RMB45,168,000, respectively. They were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuer with appropriate qualifications and recent experiences in the valuation of similar derivative component of convertible bonds with reference to market values. During the year ended 31 December 2020, the Group recognised the fair value loss of RMB13,507,000 for 2023 CB (2019: gain of RMB10,128,000) and gain of RMB2,965,000 for New 2023 CB in the consolidated statement of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values the derivative component of the 2023 CB at the respective dates were as follows:

		At 31.12.2019 於二零一九年 十二月三十一日	At 31.12.2020 於二零二零年 十二月三十一日
Share price	股價	HK\$2.79 2.79港元	HK\$2.33 2.33港元
Exercise price	行使價	HK\$3.594 3.594港元	HK\$2.91 2.91港元
Expected dividend yield	預期股息率	1.90%	2.62%
Volatility	波幅	33.50%	34.32%
Discount rate	貼現率	16.215%	14.834%
Risk free interest rate	無風險利率	1.669%	0.123%

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生工具部分(續)

- (2) 於二零一九年十二月三十一日及二零二零年六月十九日對二零二三年可換股債券，及於二零二零年六月十九日及二零二零年十二月三十一日對新二零二三年可換股債券進行估值時所應用的方法及假設如下：

二零二三年可換股債券衍生工具部分於二零一九年十二月三十一日及二零二零年六月十九日採用二項式期權定價模型衍生之公允價值分別約為人民幣124,263,000元及人民幣139,683,000元。新二零二三年可換股債券衍生工具部分於二零二零年六月十九日及二零二零年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣52,118,000元及人民幣45,168,000元。有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值為同類可換股債券衍生工具部分估值方面擁有近期經驗。截至二零二零年十二月三十一日止年度，本集團於綜合損益表中確認二零二三年可換股債券公允價值虧損人民幣13,507,000元(二零一九年：收益人民幣10,128,000元)及新二零二三年可換股債券公允價值收益人民幣2,965,000元。

獨立專業估值師於各日期釐定二零二三年可換股債券衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

34. CONVERTIBLE BONDS AND DERIVATIVE COMPONENT OF CONVERTIBLE BONDS (Cont'd)

(b) Derivative component of convertible bonds (Cont'd)

- (3) The methods and assumptions applied for the valuation of the Second 2023 CB at 31 December 2019 and 31 December 2020 and New Second 2023 CB at 31 December 2020 were as follows:

The fair value of the derivative component of Second 2023 CB as at 31 December 2019 and 31 December 2020 derived by using the Binomial Option Pricing Model were approximately RMB25,652,000 and RMB3,513,000 respectively. The fair value of the derivative component of New Second 2023 CB as at 31 December 2020 derived by using the Binomial Option Pricing Model was approximately RMB43,933,000. They were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuer with appropriate qualifications and recent experiences in the valuation of similar derivative component of convertible bonds with reference to market values. During the year ended 31 December 2020, the Group recognised the fair value gain of RMB21,638,000 (2019: RMB9,739,000) for Second 2023 CB in the consolidated statement of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values the derivative component of the Second 2023 CB at the respective dates were as follows:

		At 31.12.2019 於二零一九年 十二月三十一日	At 31.12.2020 於二零二零年 十二月三十一日
Share price	股價	HK\$2.79 2.79港元	HK\$2.33 2.33港元
Exercise price	行使價	HK\$3.018 3.018港元	HK\$2.936 2.936港元
Expected dividend yield	預期股息率	1.90%	2.62%
Volatility	波幅	33.528%	33.436%
Discount rate	貼現率	13.052%	11.667%
Risk free interest rate	無風險利率	1.696%	0.146%

34. 可換股債券及可換股債券衍生工具部分(續)

(b) 可換股債券衍生工具部分(續)

- (3) 於二零一九年十二月三十一日及二零二零年十二月三十一日對第二批二零二三年可換股債券，以及於二零二零年十二月三十一日對新第二批二零二三年可換股債券進行估值時所應用的方法及假設如下：

第二批二零二三年可換股債券衍生工具部分於二零一九年十二月三十一日及二零二零年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣25,652,000元及人民幣3,513,000元。新第二批二零二三年可換股債券衍生工具部分於二零二零年十二月三十一日採用二項式期權定價模型衍生之公允價值約為人民幣43,933,000元。有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市值為同類可換股債券衍生工具部分估值方面擁有近期經驗。截至二零二零年十二月三十一日止年度，本集團於綜合損益表中確認第二批二零二三年可換股債券公允價值收益人民幣21,638,000元(二零一九年：人民幣9,739,000元)。

獨立專業估值師於各日期釐定第二批二零二三年可換股債券衍生工具部分公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

35. SENIOR NOTES AND BOND

35. 優先票據及債券

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Senior notes and bond comprise:	優先票據及債券包括：		
– Public senior notes	– 公開優先票據	3,236,529	2,870,055
– Domestic corporate bond	– 境內公司債券	2,129,522	2,157,068
		5,366,051	5,027,123
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	5,027,123	5,400,969
Issue of new senior notes and bonds	發行新優先票據及債券	2,374,579	–
Less: Early redemption of senior notes and bond	減：提前贖回優先票據及債券	(690,855)	(485,375)
Add: Interest charged during the year	加：年內已扣除利息	519,199	411,241
Less: Interest paid	減：已付利息	(534,792)	(403,425)
Add: Adjustments on change in coupon rate	加：就票息率變動的調整	1,810	57,287
Less: Repayment	減：還款	(1,189,991)	–
Loss on non-substantial modification	非重大變更虧損	129,571	–
Exchange differences	匯兌差額	(270,593)	46,426
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	5,366,051	5,027,123
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(2,129,522)	(5,027,123)
Amount due after one year	於一年後到期之款項	3,236,529	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

35. SENIOR NOTES AND BOND (Cont'd)

Issue of US\$ denominated public senior notes due in 2020 and 2023

On 15 August 2017 and 25 October 2017, the Issuer (as defined in note 34) issued senior notes with the aggregate principal amounts of US\$225,000,000 and US\$175,000,000 respectively (collectively known as, the "Senior Notes"). The issue price was at 100.0% and 100.6% of the principal amount of the Senior Notes, respectively.

Senior Notes are listed on the Singapore Exchange Securities Trading Limited ("SGX"). Senior Notes are:

- (a) carried interest at rate of 8.5% per annum and interest is payable semi-annually on 15 February and 15 August of each year, commencing from 15 February 2018 and will mature on 15 August 2020, unless redeemed earlier;
- (b) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Senior Notes;
- (c) ranked and will rank at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured unsubordinated indebtedness pursuant to applicable law);
- (d) guaranteed by the Company and certain subsidiaries of the Company (collectively the "Guarantors") on a senior basis, subject to certain limitations;
- (e) effectively subordinated to the secured obligations if any, of the Issuer and the Guarantors, to the extent of the value of the assets serving as security therefor; and
- (f) effectively subordinated to all existing and future obligations of the subsidiaries of the Company other than the Guarantors.

At any time prior to 15 August 2020, the Issuer may at its option to redeem the Senior Notes, in whole but not in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes plus the applicable premium as defined in the offering memorandum of the Company dated 17 October 2017 ("Applicable Premium") as of, and accrued and unpaid interest (if any) to (but not including), the redemption date.

35. 優先票據及債券(續)

發行將於二零二零年及二零二三年到期以美元計值之公開優先票據

於二零一七年八月十五日及二零一七年十月二十五日，發行人(定義見附註34)分別發行本金總額為225,000,000美元及175,000,000美元的優先票據(統稱「優先票據」)。發行價分別為優先票據本金額的100.0%及100.6%。

優先票據於新加坡證券交易所有限公司(「新交所」)上市。優先票據：

- (a) 按年利率8.5%計息，利息須自二零一八年二月十五日起，於每年二月十五日及八月十五日每半年支付，並將於二零二零年八月十五日屆滿(除非獲提早贖回)；
- (b) 較列明其付款權利從屬於優先票據的發行人任何現有及日後責任享有優先付款權利；
- (c) 至少與及將與發行人所有其他無抵押、非後償債務具有同等付款權利(須根據適用法律受該等無抵押非後償債務的任何優先權所規限)；
- (d) 由本公司及本公司若干附屬公司(統稱「擔保人」)按優先基準擔保(須受若干限制)；
- (e) 實際上次於發行人及擔保人的有抵押責任(如有)，惟須以就此作為抵押品的資產價值為限；及
- (f) 實際上次於非擔保人的本公司附屬公司的所有現有及未來責任。

於二零二零年八月十五前的任何時間，發行人可選擇按相等於優先票據本金額100.0%的贖回價，另加截至贖回日期(但不包括該日)的適用溢價(「適用溢價」，定義見本公司日期為二零一七年十月十七日的發售備忘錄)以及應計及未付利息(如有)，贖回全部(但非部分)優先票據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

35. SENIOR NOTES AND BOND (Cont'd)

Issue of US\$ denominated public senior notes due in 2020 and 2023 (Cont'd)

“Applicable Premium” means with respect to any Senior Notes at any redemption date, the greater of (i) 1.00% of the principal amount of such Senior Notes and (ii) the excess of the present value at such redemption date of the principal amount of such Senior Notes on 15 August 2020, plus all required remaining scheduled interest payments due on such Senior Notes through 15 August 2020 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over the principal amount of such Senior Notes on such redemption date.

At any time and from time to time prior to 15 August 2020, the Issuer may redeem up to 35% of the aggregate principal amount of the Senior Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 108.5% of the principal amount of the Senior Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Senior Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Early redemption option is regarded as embedded derivative not closely related to the host contract. The directors consider that the fair value of the above early redemption options is insignificant at initial recognition date, 31 December 2019 and 2020.

The interest charged for the year is calculated by applying an effective interest rate of approximately 8.90% per annum since the Senior Notes were issued.

The fair value of the Senior Notes at 31 December 2020 amounted to RMB3,050,848,000 (2019: RMB2,770,919,000). The fair value is calculated by using the quoted price based on SGX at the end of the reporting period (or the nearest day of trading).

On 20 February 2020, the Group commenced the exchange offer (“Exchange Offer”) to the holders of the existing US\$ denominated senior notes with principal amount of US\$400,000,000 (equivalent to RMB2,801,040,000). The Exchange Offer allowed the existing senior note holders to convert their notes into new notes maturing in 2023 with a coupon rate of 12% per annum. Upon the expiry of the Exchange Offer on 2 March 2020, senior note holders with an amount of US\$227,390,000 (equivalent to RMB1,587,432,000) had validly tendered for the exchange and accepted pursuant to the Exchange Offer. Such amendment is considered as a non-substantial debt modification and a modification loss of US\$18,402,000 (equivalent to RMB129,571,000) is recognised in other gains and losses.

35. 優先票據及債券(續)

發行將於二零二零年及二零二三年到期以美元計值之公開優先票據(續)

「適用溢價」指就於任何贖回日期的任何優先票據而言，下列各項的較高者：(i)該優先票據本金額的1.00%；及(ii)超出於該優先票據在二零二零年八月十五日之本金額加至二零二零年八月十五日為止該優先票據一切規定的既定利息支付餘額(但不包括至贖回日期的應計及未付利息)於有關贖回日期的現值(按相等於經調整公債利率加100個基點之貼現率計算)超出於贖回日期該優先票據本金額的差價。

於二零二零年八月十五日前任何時間，發行人可不時按優先票據本金額108.5%的贖回價，另加截至贖回日期(但不包括該日)的應計及未付利息(如有)，以股本發售中一宗或以上的本公司普通股銷售的所得現金款項淨額，贖回優先票據本金總額的最多35%；惟在每次贖回後須至少有於原發行日期原發行的優先票據本金總額的65%仍未贖回，以及任何贖回須於相關股本發售截止後60日內發生。

提早贖回權視為並非與主合約有密切關係的嵌入衍生工具。董事認為上述提早贖回權於初始確認日、二零一九年及二零二零年十二月三十一日的公允價值不重大。

年內已計利息按自優先票據發行日期起應用實際年利率約8.90%計算。

優先票據於二零二零年十二月三十一日的公允價值為人民幣3,050,848,000元(二零一九年：人民幣2,770,919,000元)。該公允價值乃按於報告期末(或最近交易日)新交所的報價計算。

於二零二零年二月二十日，本集團向本金額400,000,000美元(相當於人民幣2,801,040,000元)的現有美元計值優先票據持有人展開交換要約(「交換要約」)。交換要約容許現有優先票據持有人按年票息率12%將其票據轉換為於二零二三年到期的新票據。交換要約於二零二零年三月二日屆滿後，持有227,390,000美元(相當於人民幣1,587,432,000元)的優先票據持有人已根據交換要約有效提交票據以作交換及接納。有關修訂被視為非重大債務變更，並於其他收益及虧損中確認變更虧損18,402,000美元(相當於人民幣129,571,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

35. SENIOR NOTES AND BOND (Cont'd)

Issue of US\$ denominated public senior notes due in 2020 and 2023 (Cont'd)

On the following day, the Group announced to issue a new series of US\$ denominated senior notes with principal amount of US\$222,610,000 (equivalent to RMB1,547,447,000) at an interest rate of 12% per annum due 2023 (the "New Issuance"). The interest charged for the period is calculated by applying an effective interest rate of approximately 12.61% per annum. The modified notes under the Exchange Offer and the New Issuance for an aggregate principal amount of US\$450,000,000 were listed on the Singapore Exchange Securities Trading Limited on 10 March 2020.

On 30 October 2020, the Issuer issued additional notes with the aggregate principal amounts of US\$20,000,000 (equivalent to RMB136,277,000), which were to be issued pursuant to an indenture dated as of 10 March 2020. (collectively known as, the "New Senior Notes").

The New Senior Notes are:

- (a) carried interest at rate of 12% per annum and interest is payable semi-annually in arrears on 10 March and 10 September of each year, commencing from 10 September 2020 and will mature on 10 March 2023, unless redeemed earlier pursuant to the terms thereof;
- (b) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the New Senior Notes;
- (c) at least pari passu in right of payment with all unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured unsubordinated indebtedness pursuant to applicable law);
- (d) guaranteed by the Company, certain subsidiaries of the Company (collectively the "Guarantors") on a senior basis, subject to certain limitations;
- (e) effectively subordinated to the secured obligations if any, of the Issuer and the Guarantors, to the extent of the value of the assets serving as security therefor; and
- (f) effectively subordinated to all existing and future obligations of the subsidiaries of the Company other than the Guarantors.

35. 優先票據及債券(續)

發行將於二零二零年及二零二三年到期以美元計值之公開優先票據(續)

翌日，本集團公佈發行本金金額222,610,000美元(相當於人民幣1,547,447,000元)於二零二三年到期按年利率12%計息的新系列美元計值優先票據(「新發行」)。期內所收取的利息乃透過應用實際年利率約12.61%計算得出。交換要約及新發行項下本金總額450,000,000美元的經修訂票據於二零二零年三月十日於新加坡證券交易所有限公司上市。

於二零二零年十月三十日，發行人發行本金總額為20,000,000美元(相當於人民幣136,277,000元)之額外票據，有關票據乃根據日期為二零二零年三月十日之契約發行(統稱為「新優先票據」)。

新優先票據：

- (a) 按年利率12%計息，利息須自二零二零年九月十日起於每半年末在每年的三月十日及九月十日支付，並將於二零二三年三月十日期(除非根據其條款提早贖回)；
- (b) 較列明其收款權利從屬於新優先票據的發行人任何現有及日後責任享有優先收款權利；
- (c) 至少與發行人所有無抵押、非後償債務具有同等付款權利(須根據適用法律受該等無抵押非後償債務的任何優先權所規限)；
- (d) 由本公司及本公司若干附屬公司(統稱「擔保人」)按優先基準擔保(須受若干限制)；
- (e) 實際上次於發行人及擔保人的有抵押責任(如有)，惟須以就此作為抵押品的資產價值為限；及
- (f) 實際上次於非擔保人的本公司附屬公司的所有現有及未來責任。

35. SENIOR NOTES AND BOND (Cont'd)**Issue of RMB denominated domestic corporate bond due in 2021**

On 26 August 2016, a subsidiary of the Company, Zhengxinglong Real Estate (Shenzhen) Co., Ltd. (“Zhengxinglong”) issued a domestic corporate bond (the “Bond”) with a principal amount of RMB2,600,000,000 and will be repayable in full by 26 August 2021. Zhengxinglong has an option to increase the coupon rate from 6.5% up to 7.5% per annum at the end of the third year (“2019 coupon rate adjustment”). Zhengxinglong will make an announcement of the determination on the coupon rate adjustment and irrespective of whether adjustment will be made or not, the investor can exercise retractable option within three working days from the third anniversary of the issue date.

On 23 July 2019, with the consent of the bondholders, Zhengxinglong make an announcement that Zhengxinglong shall have an option to increase coupon rate by up to 2% per annum at end of the third and fourth years from the issue date (“2019 coupon rate adjustment”). Zhengxinglong will make an announcement of the determination on the coupon rate adjustment and irrespective of whether adjustment will be made or not, and the investor can exercise retractable option within five working days from the third and fourth anniversary of the issue date.

On 8 August 2019, Zhengxinglong make an announcement that coupon rate was increased from 6.5% to 8% per annum from 26 August 2019. Such increase in coupon rate is considered as debt modification and a loss of RMB57,287,000 is recognised on such non-substantial modification of financial liabilities.

On 26 August 2019, an investor exercised retractable option and redeemed bonds with a principal amount of RMB486,474,000 and the loss on early redemption of financial liabilities of RMB1,099,000 is recognised during the year.

On 1 August 2020, Zhengxinglong make an announcement that coupon rate was decreased from 8% to 7.88% per annum from 26 August 2020. Such decrease in coupon rate is considered as debt modification and a loss of RMB1,810,000 is recognised on such non-substantial modification of financial liabilities.

On 26 August 2020, an investor exercised retractable option and redeemed bonds with a principal amount of RMB690,855,000 and subsequently subscribed by certain investors in September 2020.

35. 優先票據及債券(續)**發行將於二零二一年到期以人民幣計值之境內公司債券**

於二零一六年八月二十六日，本公司之附屬公司正興隆房地產(深圳)有限公司(「正興隆」)發行境內公司債券(「該債券」)，本金額為人民幣2,600,000,000元，而有關金額將於二零二一年八月二十六日全數償還。正興隆可選擇於第三年結束時將年票息率自6.5%上調至最多7.5% (「二零一九年票息率調整」)。正興隆將就票息率調整的決定作出公告(不論是否將會作出調整)，而投資者可自發行日期第三週年當日起的三個工作天內行使回售選擇權。

於二零一九年七月二十三日，在債券持有人同意下，正興隆就其將可選擇於自發行日期起計第三及第四年結束時將年票息率上調最多2%作出公告(「二零一九年票息率調整」)。正興隆將就票息率調整的決定作出公告(不論是否將會作出調整)，而投資者可自發行日期第三及第四週年當日起的五個工作天內行使回售選擇權。

於二零一九年八月八日，正興隆就年票息率自二零一九年八月二十六日起由6.5%上調至8%作出公告。有關票息率上調被視為債務變更，並就金融負債之該等非重大變更確認虧損人民幣57,287,000元。

於二零一九年八月二十六日，一名投資者行使回售選擇權贖回本金額為人民幣486,474,000元的債券，而提前贖回金融負債的虧損人民幣1,099,000元則於年內確認。

於二零二零年八月一日，正興隆就年票息率自二零二零年八月二十六日起由8%下調至7.88%作出公告。有關票息率下調被視為債務變更，並就金融負債之該等非重大變更確認虧損人民幣1,810,000元。

於二零二零年八月二十六日，一名投資者行使回售選擇權贖回本金額為人民幣690,855,000元的債券，有關債券其後於二零二零年九月獲若干投資者認購。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

35. SENIOR NOTES AND BOND (Cont'd)

Issue of RMB denominated domestic corporate bond due in 2021 (Cont'd)

The Bond is listed in Shenzhen Stock Exchange ("SZX"). The interest charged for the year is calculated by applying an effective interest rate of approximately 6.63% per annum since the Bond were issued.

The fair value of the Bond as at 31 December 2020 is RMB2,101,267,000 (2019: RMB2,113,949,000) with reference to the quoted market price of the Bond on SZX at the end of the reporting period (the last trading day prior to 31 December 2020).

36. OTHER NON-CURRENT LIABILITIES

Pursuant to the relocation and compensation agreement for urban redevelopment projects, the Group agreed to compensate the original residents with completed properties of respective urban redevelopment projects upon completion of redevelopment. The estimated future completion cost incurred for construction of these completed properties is accounted as a provision, with a corresponding increase in properties under development for sale. The provision will be released upon those completed properties have been delivered to the original residents.

35. 優先票據及債券(續)

發行將於二零二一年到期以人民幣計值之境內公司債券(續)

該債券於深圳證券交易所(「深交所」)上市。年內已計利息按自該債券發行日期起應用實際年利率約6.63%計算。

經參考該債券於報告期末(於二零二零年十二月三十一日前之最後交易日)於深交所之市場報價後，該債券於二零二零年十二月三十一日之公允價值為人民幣2,101,267,000元(二零一九年：人民幣2,113,949,000元)。

36. 其他非流動負債

根據城市改造項目之搬遷補償協議，本集團同意於改造完成後以各城市改造項目之已完成物業向原居民作出賠償。興建該等已完成物業產生之估計未來完成成本作為撥備入賬，而發展中待售物業相應增加。撥備將於向原居民交付該等已完成物業後撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

37. SHARE CAPITAL

37. 股本

		2020 二零二零年			2019 二零一九年		
		Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元	Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元
Authorised share capital of the Company:	本公司法定股本：						
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股	30,000,000,000	300,000	240,000	30,000,000,000	300,000	240,000
Issued and fully paid share capital of the Company:	本公司已發行及繳足股本：						
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股	5,050,459,611	50,504	42,060	4,942,241,524	49,422	41,141
At 1 January	於一月一日						
Exercise of share options (note 41)	行使購股權 (附註41)	8,808,000	88	79	4,392,000	44	39
Conversion of convertible preference shares (note)	兌換可換股優先股(附註)	37,636,364	376	319	103,826,087	1,038	880
At 31 December	於十二月三十一日	5,096,903,975	50,968	42,458	5,050,459,611	50,504	42,060

Note: On 23 January 2020 and 10 August 2020, 13,636,364 and 24,000,000 shares of convertible preference shares issued on 30 November 2015 have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively.

On 29 April 2019, 22 November 2019 and 27 November 2019, 50,000,000, 17,826,087 and 36,000,000 shares of convertible preference shares issued on 30 November 2015 have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively.

附註：於二零二零年一月二十三日及二零二零年八月十日，分別有13,636,364股及24,000,000股於二零一五年十一月三十日發行的可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。

於二零一九年四月二十九日、二零一九年十一月二十二日及二零一九年十一月二十七日，分別有50,000,000股、17,826,087股及36,000,000股於二零一五年十一月三十日發行的可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

38. RESERVES

38. 儲備

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	Notes 附註		
Share premium	股份溢價	7,161,195	7,073,804
Convertible preference shares	可換股優先股	5,999,201	6,064,905
Other reserves	其他儲備	(3,134,531)	(11,637,887)
Exchange reserve	匯兌儲備	201,837	28,689
Investment revaluation reserve	投資重估儲備	82,464	148,393
Share option reserve (note 41)	購股權儲備(附註41)	203,207	210,718
Statutory reserve	法定儲備	367,316	313,625
Retained profits	保留盈利	13,800,569	10,683,552
		24,681,258	12,885,799

Notes:

The movements of the Group's reserves for the year are presented in the consolidated statement of changes in equity of the consolidated financial statements. The nature and purpose of the reserves are as follows:

- (i) On 30 November 2015, the Company issued convertible preference shares (the "2015 CPS") at issue price of HK\$2.06 per share, of which 3,413,473,023 CPS were issued to Mr. Wong for aggregate consideration of HK\$7,031,754,000 (equivalent to approximately RMB5,959,114,000) as consideration for the Transaction as defined in note 38 (ii)(b).

Key terms of the 2015 CPS

- Holders of the 2015 CPS will be entitled to receive notices of and to attend the general meetings of the Company but are not permitted to vote unless a resolution is proposed to vary the rights of holders of the 2015 CPS or a resolution is proposed for the winding up of the Company;
- Holders of the 2015 CPS have the right to convert each 2015 CPS at any time into one ordinary share of the Company without the payment of any additional consideration. The holders may not exercise the conversion right if upon the conversion, the percentage of ordinary shares held by the public will fall below the minimum public float requirement under Rule 8.08 of the Listing Rules. The shares that are issued upon the exercise of the conversion right of the 2015 CPS are not subject to any restriction;
- The 2015 CPS cannot be redeemed by the Company or its holder;
- Holders of 2015 CPS will have priority over the holders of ordinary shares of the Company on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company;

附註：

本集團年內之儲備變動於綜合財務報表之綜合權益變動表中呈列。儲備之性質及用途如下：

- (ii) 於二零一五年十一月三十日，本公司按每股發行價2.06港元發行可換股優先股（「二零一五年可換股優先股」），其中3,413,473,023股可換股優先股發行予黃先生，總代價7,031,754,000港元（相當於約人民幣5,959,114,000元），作為交易代價（定義見附註38(ii)(b)）。

二零一五年可換股優先股之主要條款

- 二零一五年可換股優先股持有人將有權收取本公司股東大會通告並出席本公司股東大會，但並不賦予投票的權利，除非所提呈的決議案會修訂二零一五年可換股優先股持有人的權利或就本公司清盤提呈決議案；
- 二零一五年可換股優先股持有人有權隨時將每股二零一五年可換股優先股轉換為一股本公司普通股股份，而毋須支付任何其他代價。倘於轉換後，公眾人士所持普通股股份之百分比低於上市規則第8.08條之最低公眾持股量規定，則持有人不得行使換股權。行使二零一五年可換股優先股之換股權發行之股份毋須受任何限制；
- 本公司或二零一五年可換股優先股持有人不可贖回二零一五年可換股優先股；
- 本公司因清算、清盤或解散而分派資產時，二零一五年可換股優先股持有人較本公司普通股持有人優先享有本公司可供分派之資產及資金；

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

38. RESERVES (Cont'd)

Notes: (Cont'd)

(i) (Cont'd)

Key terms of the 2015 CPS (Cont'd)

- Subject to compliance with all applicable laws and the article of association of the Company, each 2015 CPS shall confer on its holder the right to receive a preferred distribution from the date of the issue of the 2015 CPS at a rate of 0.2% per annum, payable annually in arrear. Such preferred distribution is non-cumulative. The board of directors may, in its sole discretion, elect to defer or not to pay a preferred distribution. No interest accrues on any unpaid preferred distribution. If the board of directors of the Company elects to defer or not to pay a preferred distribution, the Company cannot pay any dividends, distributions or make any other payment to any ordinary shares of the Company.

On 7 February 2018, the Company entered into the Convertible Preference Shares (the "2018 CPS") subscription agreement with Silver Sure (BVI) Investments Limited, an independent third party to the Group as the 2018 CPS subscriber pursuant to which the 2018 CPS subscriber agreed to subscribe for 132,564,669 new CPS at an aggregate consideration of approximately HK\$389.47 million (equivalent to RMB325.56 million). The allotment and issue of 2018 CPS was completed on 21 February 2018.

Key terms of the 2018 CPS

- Holders of the 2018 CPS will be entitled to receive notices of and to attend the general meetings of the Company but are not permitted to vote unless a resolution is proposed to vary the rights of holders of the 2018 CPS or a resolution is proposed for the winding up of the Company;
- Holders of the 2018 CPS have the right to convert each 2018 CPS at any time into one ordinary share of the Company without the payment of any additional consideration. The holders may not exercise the conversion right if upon the conversion, the percentage of ordinary shares held by the public will fall below the minimum public float requirement under Rule 8.08 of the Listing Rules. The shares that are issued upon the exercise of the conversion right of the 2018 CPS are not subject to any restriction;
- The 2018 CPS cannot be redeemed by the Company or its holder; and
- Holders of 2018 CPS will have priority over the holders of ordinary shares of the Company on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company;

38. 儲備(續)

附註:(續)

(i) (續)

二零一五年可換股優先股之主要條款(續)

- 待符合所有適用法律及本公司組織章程細則後，每股二零一五年可換股優先股將賦予其持有人權利，自發行二零一五年可換股優先股日期起按0.2%之年利率收取優先分派，並於每年年末支付。各優先分派不可累積。董事會可全權酌情選擇遞延或不支付優先分派。任何未支付優先分派並不計息。倘本公司董事會選擇遞延或不支付優先分派，則本公司不可就任何本公司普通股派付任何股息、分派或作出任何其他派付。

於二零一八年二月七日，本公司與銀順(BVI)投資有限公司(為本集團之獨立第三方及作為二零一八年可換股優先股認購人)訂立可換股優先股(「二零一八年可換股優先股」)認購協議，據此，二零一八年可換股優先股認購人同意以總代價約389.47百萬港元(相當於人民幣325.56百萬元)認購132,564,669股新可換股優先股。二零一八年可換股優先股之配發及發行於二零一八年二月二十一日完成。

二零一八年可換股優先股之主要條款

- 二零一八年可換股優先股持有人將有權收取本公司股東大會通告並出席本公司股東大會，但並不賦予投票的權利，除非所提呈的決議案會修訂二零一八年可換股優先股持有人的權利或就本公司清盤提呈決議案；
- 二零一八年可換股優先股持有人有權隨時將每股二零一八年可換股優先股轉換為一股本公司普通股股份，而毋須支付任何額外代價。倘於轉換後，公眾人士所持普通股股份之百分比低於上市規則第8.08條之最低公眾持股量規定，則持有人不得行使換股權。行使二零一八年可換股優先股之換股權後發行之股份毋須受任何限制；
- 本公司或二零一八年可換股優先股持有人不可贖回二零一八年可換股優先股；及
- 本公司因清算、清盤或解散而分派資產時，二零一八年可換股優先股持有人較本公司普通股持有人優先享有本公司可供分派之資產及資金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

38. RESERVES (Cont'd)

Notes: (Cont'd)

(i) (Cont'd)

The details of the 2018 CPS are set out in the announcement of the Company dated 7 February 2018.

The 2018 CPS and 2015 CPS are classified as equity instruments in the Group's consolidated financial statements as the Group does not have a contractual obligation to deliver cash or other financial assets arising from the issue of the 2018 CPS and 2015 CPS.

On 29 April 2019, 22 November 2019 and 27 November 2019, 50,000,000, 17,826,087 and 36,000,000 2015 CPS have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively. Up to the date of the authorisation for issue of the Group's consolidated financial statements for the year ended 31 December 2019, no 2018 CPS has been converted into ordinary shares of the Company.

On 23 January 2020 and 10 August 2020, 13,636,364 and 24,000,000 2015 CPS have been converted into ordinary shares at the conversion price of HK\$2.06 per conversion preference share respectively. Up to the date of the authorisation for issue of the Group's consolidated financial statements for the year ended 31 December 2020, no 2018 CPS has been converted into ordinary shares of the Company.

(ii) Other reserves mainly comprise:

(a) A deemed contribution of an amount of HK\$1,007,864,525 (equivalent to approximately RMB806,292,000) by China LVGEM, the then immediate holding company of the Company, to acquire approximately 75% of the then aggregate issued share capital of the Company on 8 May 2014 (the "Acquisition").

(b) A deemed distribution of an amount of HK\$13,785,000,000 (equivalent to approximately RMB11,682,204,000) to Mr. Wong, to acquire the entire equity interests in Green View Holding Company Limited and its subsidiaries (collectively referred to as the "Target Group") (the "Transaction"). The Transaction was completed on 30 November 2015. The amount of deemed distribution comprised of issuance of 2,509,342,511 new ordinary shares at issue price of HK\$2.06 per ordinary share of the Company amounted to HK\$5,169,246,000 (equivalent to approximately RMB4,380,717,000), issuance of 3,413,473,023 convertible preference shares at issue price of HK\$2.06 per convertible preference shares amounted to HK\$7,031,754,000 (equivalent to approximately RMB5,959,114,000), and cash consideration of HK\$1,584,000,000 (equivalent to approximately RMB1,342,373,000).

38. 儲備(續)

附註:(續)

(i) (續)

二零一八年可換股優先股的詳情載於本公司日期為二零一八年二月七日之公告。

由於本集團並無交付發行二零一八年可換股優先股及二零一五年可換股優先股產生的現金或其他金融資產的合約責任，故二零一八年可換股優先股及二零一五年可換股優先股於本集團綜合財務報表中獲分類為股本工具。

於二零一九年四月二十九日、二零一九年十一月二十二日及二零一九年十一月二十七日，分別有50,000,000股、17,826,087股及36,000,000股二零一五年可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。直至授權刊發本集團截至二零一九年十二月三十一日止年度綜合財務報表日期，概無二零一八年可換股優先股獲兌換為本公司普通股股份。

於二零二零年一月二十三日及二零二零年八月十日，分別有13,636,364股及24,000,000股二零一五年可換股優先股已按每股可換股優先股2.06港元的兌換價兌換為普通股。直至授權刊發本集團截至二零二零年十二月三十一日止年度綜合財務報表日期，概無二零一八年可換股優先股獲兌換為本公司普通股股份。

(ii) 其他儲備主要包含：

(a) 中國綠景(本公司當時之直接控股公司)之視作出資1,007,864,525港元(相當於約人民幣806,292,000元)，以收購本公司於二零一四年五月八日之當時已發行股本總額約75%([收購事項])。

(b) 向黃先生之視作出資13,785,000,000港元(相當於約人民幣11,682,204,000元)，以收購綠景控股有限公司及其附屬公司(統稱「目標集團」)之全部股權([該交易])。該交易已於二零一五年十一月三十日完成。視作出資金額包括按每股本公司普通股發行價2.06港元發行2,509,342,511股新普通股股份之金額5,169,246,000港元(相當於約人民幣4,380,717,000元)、按每股可換股優先股發行價2.06港元發行3,413,473,023股可換股優先股股份之金額7,031,754,000港元(相當於約人民幣5,959,114,000元)，以及現金代價1,584,000,000港元(相當於約人民幣1,342,373,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

38. RESERVES (Cont'd)

Notes: (Cont'd)

- (ii) Other reserves mainly comprise: (Cont'd)
- (c) The difference between the aggregate amount of share capital and share premium of the Target Group and the Company at the completion date of the Transaction, which amounted to approximately RMB433,106,000.
- (d) On 28 December 2018, the Group entered into a subscription agreement with Mr. Wong to subscribe 90.1% equity interests in Copious Favour Holdings Limited (“Copious Favour”), an investment holding company wholly owned by Mr. Wong and Copious Favour indirectly holds 44% equity interests in Zhuhai LVGEM Dongqiao Investment Co., Ltd (“Zhuhai LVGEM Dongqiao”), which is a 51% owned indirect subsidiary of the Company. Upon completion of the subscription on 28 December 2018, Copious Favour became a non-wholly owned subsidiary of the Company, while the Group’s equity interests in Zhuhai LVGEM Dongqiao increased from 51% to 90.64%.
- The difference between subscription amount and the attributable net liabilities being acquired was included in other reserves.
- (e) During the year ended 31 December 2019, LVGEM Suzhou, an indirect wholly-owned subsidiary of the Group as the purchaser entered into a sale and purchase agreement with the non-controlling shareholder of PVGL, an investment holding company non-wholly owned by the Group, to acquire remaining 49% equity interest of PVGL at the consideration of RMB29,410,000.
- Upon completion of the transaction on 15 January 2020, PVGL became a wholly-owned subsidiary of the Company, while the Group’s effective equity interests in Prosper View increased from 51% to 100%. The difference between the consideration and the non-controlling interests acquired was included in other reserves.

38. 儲備(續)

附註:(續)

- (ii) 其他儲備主要包含:(續)
- (c) 於該交易完成日期,目標集團與本公司之股本及股份溢價總額的差額約人民幣433,106,000元及計入其他儲備。
- (d) 於二零一八年十二月二十八日,本集團與黃先生訂立認購協議,以認購黃先生全資擁有之投資控股公司厚益控股有限公司(「厚益」)之90.1%股權,而厚益間接持有珠海市綠景東橋投資有限公司(「珠海綠景東橋」)之44%股權,而珠海綠景東橋為本公司擁有51%權益之間接附屬公司。於二零一八年十二月二十八日完成認購事項後,厚益成為本公司之非全資附屬公司,而本集團於珠海綠景東橋之股權由51%增至90.64%。
- 認購金額與已收購之應佔負債淨值之間之差額計入其他儲備。
- (e) 截至二零一九年十二月三十一日止年度,綠景蘇州(本集團之間接全資附屬公司,作為買方)與協朗(本集團之非全資投資控股公司)之非控股股東訂立買賣協議,以按代價人民幣29,410,000元收購協朗餘下之49%股權。
- 於二零二零年一月十五日完成交易後,協朗成為本公司之全資附屬公司,而本集團於協朗之實際股權由51%增至100%。代價與已收購之非控股權益之間之差額計入其他儲備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

38. RESERVES (Cont'd)

Notes: (Cont'd)

(ii) Other reserves mainly comprise: (Cont'd)

(f) On 25 August 2020, Greater Bay Area Intelligent City Limited, a direct wholly-owned subsidiary of the Company ("the Subscriber"), Affluent Trade Investments Limited ("Affluent Trade"), Multiple Ally Limited ("Multiple Ally"), and Victor Success Investments Limited ("Victor Success"), and Mr. Wong, entered into subscription agreements ("Subscription Agreements"). Upon completion of the share subscription, Affluent Trade will be owned as to 70% and 30% by the Subscriber and Mr. Wong respectively, Victor Success will be owned as to 75% and 25% by the Subscriber and Mr. Wong respectively, and Multiple Ally will be owned as to 75% and 25% by the Subscriber and Mr. Wong respectively and ICDL and its subsidiaries became non-wholly owned subsidiaries of the Group.

The difference between the consideration paid which was nil by way of share subscription and the attributable identifiable fair value of the net asset acquired on those additional equity interest of 55% of RMB8,496,395,000 were included in other reserves as capital contribution by Mr. Wong. For details of the transaction, please refer to note 39 (a).

(iii) As stipulated by the relevant laws and regulations in the Mainland China, certain subsidiaries of the Company in the Mainland China are required to maintain a statutory reserve which is non-distributable other than upon the liquidation of the entity. Transfer to this reserve is made out of profit after tax of the Mainland China subsidiaries' statutory financial statements which are prepared in accordance with the accounting principles generally accepted in the Mainland China.

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

(a) As detailed in the announcement of the Company dated 25 August 2020, the Subscriber, Affluent Trade, Multiple Ally, and Victor Success, and Mr. Wong, entered into Subscription Agreements.

Before the transaction, each of Affluent Trade, Victor Success and Multiple Ally was wholly owned by Mr. Wong and indirectly holds 25%, 24% and 26% equity interests in ICDL, respectively.

Pursuant to the Subscription Agreements, the Subscriber agreed to subscribe for, and each of Affluent Trade, Victor Success and Multiple Ally agreed to issue its shares in accordance with the terms and conditions of the Subscription Agreements.

38. 儲備(續)

附註:(續)

(ii) 其他儲備主要包含:(續)

(f) 於二零二零年八月二十五日,大灣區智慧城市有限公司(本公司之直接全資附屬公司,「認購人」)與富業投資有限公司(「富業」)、眾集有限公司(「眾集」)、勝成投資有限公司(「勝成」)及黃先生訂立認購協議(「認購協議」)。於完成股份認購後,富業將分別由認購人及黃先生擁有70%及30%權益,勝成將分別由認購人及黃先生擁有75%及25%權益,眾集將分別由認購人及黃先生擁有75%及25%權益,而智慧城市及其附屬公司則成為本集團之非全資附屬公司。

以股份認購方式支付之代價(即零)與就該額外55%股權所收購淨資產的應佔可識別公允價值(即人民幣8,496,395,000元)之間之差額作為黃先生的注資計入其他儲備。有關交易之詳情,請參閱附註39(a)。

(iii) 根據中國內地的相關法律及法規規定,本公司於中國內地的若干附屬公司須維持不可分派的法定儲備,惟該公司清盤則除外。此儲備乃由中國內地附屬公司按照中國內地普遍採納會計原則編製的法定財務報表中的除稅後盈利轉撥。

39. 透過收購附屬公司收購資產及負債

(a) 誠如本公司日期為二零二零年八月二十五日之公告所詳述,認購人與富業、眾集、勝成及黃先生訂立認購協議。

於進行交易前,富業、勝成及眾集各自自由黃先生全資擁有,並分別間接持有智慧城市之25%、24%及26%股權。

根據認購協議,認購人同意按照認購協議之條款及條件認購而富業、勝成及眾集各自分別同意發行其股份。

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) (Cont'd)

Pursuant to the Subscription Agreements, the consideration for the share subscription of Affluent Trade, Victor Success, and Multiple Ally were RMB1,200,000, RMB1,380,000 and RMB1,490,000, respectively, which shall be payable by the Subscriber to each of Affluent Trade, Victor Success and Multiple Ally in cash at completion, respectively.

Upon completion of the transaction, Affluent Trade is owned as to 70% and 30% by the Subscriber and Mr. Wong respectively, Victor Success is owned as to 75% and 25% by the Subscriber and Mr. Wong respectively, and Multiple Ally is owned as to 75% and 25% by the Subscriber and Mr. Wong respectively. Each of Affluent Trade, Victor Success and Multiple Ally becomes a non-wholly owned subsidiary of the Company. Prior to the transaction, ICDL was indirectly owned as to 25% by the Company and 25%, 24% and 26% by Affluent Trade, Victor Success and Multiple Ally, respectively. After the completion, ICDL becomes a subsidiary of the Company.

As it is an asset acquisition achieved in stages, the 25% equity interests of ICDL, which previously accounted as an interest in an associate by the Group, is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), resulting gain in connection with the deemed disposal of the then associate of RMB3,893,561,000 was recognised in the consolidated statement of profit or loss of the year.

As there is no actual cash outflow by the Group arising from the abovementioned transaction, the attributable identifiable fair value of the net asset acquired, representing additional 55% equity interests of ICDL, of RMB8,496,395,000, were included in other reserves as capital contribution by Mr. Wong.

ICDL and its subsidiaries are principally engaged in urban renewal development project in Baishizhou which is located on Shennan Avenue, Nanshan District, Shenzhen City and in proximity to Science Park and the sub-district of Overseas Chinese Town, and is regarded as a megasized urban renewal project in Shenzhen. According to the approved specific development plan endorsed by relevant government authority, the project has a capacity area of 3.58 million square meters and will be developed in four phases.

39. 透過收購附屬公司收購資產及負債(續)

(a) (續)

根據認購協議，認購富業、勝成及眾集股份之代價分別為人民幣1,200,000元、人民幣1,380,000元及人民幣1,490,000元，將由認購人分別於完成時以現金支付予富業、勝成及眾集。

於交易完成後，富業分別由認購人及黃先生擁有70%及30%權益，勝成分別由認購人及黃先生擁有75%及25%權益，以及眾集分別由認購人及黃先生擁有75%及25%權益。富業、勝成及眾集各自成為本公司之非全資附屬公司。於進行交易前，智慧城市由本公司間接擁有25%權益，以及分別由富業、勝成及眾集擁有25%、24%及26%權益。於完成後，智慧城市成為本公司之附屬公司。

由於其為分階段完成的資產收購，故於智慧城市的25%股權(之前由本集團作為於一間聯營公司的權益入賬)按於收購日期(即本集團獲得控制權之日)之公允價值重新計量，並導致於本年度綜合損益表就視作出售一間當時的聯營公司確認收益人民幣3,893,561,000元。

由於本集團並無自上述交易產生任何實際現金流出，故已收購淨資產的應佔可識別公允價值(即智慧城市的額外55%股權)人民幣8,496,395,000元作為黃先生的注資計入其他儲備。

智慧城市及其附屬公司主要從事白石洲城市更新開發項目，該項目位於深圳市南山區深南大道，毗鄰科技園及華僑城片區，被視為深圳市的超大型城市更新項目。根據經相關政府機關認可的經批准專項發展規劃，該項目的計容面積為358萬平方米，將會分四期開發。

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) (Cont'd)

The fair value of individual identifiable assets acquired and liabilities assumed for the acquisition was determined by the management of the Group, with support from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, which is a firm of independent qualified professional valuer not connected to the Group. Specifically, direct comparison approach is used for the valuation of properties under development for sale, which is the most significant asset acquired by the Group. The fair value of the properties under development for sale was determined by reference to comparable market transactions, and deducting estimated costs in obtaining the land, including estimated outstanding land premium charge to be paid to relevant government authority for acquisition of land use right, the unpaid cost of housing demolition, relocation and resettlement, the construction costs of resettlement housing, finance costs and professional fees and the developer's profit margin of the aforesaid costs. Developer's profit margin reflects the remaining risks associated with the acquisition of land use right at the acquisition date and the return that the developer would require for bringing the project to completion status, which is determined based on recent land transactions in the similar locations. Such fair value was further adjusted by a risk discount considering the housing demolition, relocation and resettlement were still in progress. The risk discount factor was the arithmetic weighted mean of the estimated progress rate by area (i.e. the signing completion rate of relocation agreement with original residents) and the expected time to complete the housing demolition, relocation and settlement determined by management of the Group.

39. 透過收購附屬公司收購資產及負債(續)

(a) (續)

所收購個別可識別資產及就收購承擔的負債的公允價值乃由本集團管理層在仲量聯行企業評估及諮詢有限公司的支持下釐定，該公司為與本集團並無關連之獨立合資格專業估值師公司。具體而言，直接比較法用於發展中待售物業之估值，該等物業為本集團所收購之最重大資產。發展中待售物業之公允價值乃經參考可資比較市場交易，並扣除取得土地之估計成本（包括就收購土地使用權將支付予相關政府機關之估計未償還土地溢價費用、房屋拆遷、搬遷及重置的未付成本、重置房屋的建築成本、融資成本和專業費用以及開發商於上述成本的利潤率）後釐定。開發商的利潤率反映與於收購日期收購土地使用權有關的剩餘風險及開發商使項目達致完成狀況所需的回報，此乃根據類似地點之近期土地交易釐定。考慮到房屋拆遷、搬遷及重置仍在進行中，有關公允價值按風險貼現進一步調整。風險貼現因素為按區域估計之進度（即與原居民簽訂搬遷協議之完成率）及由本集團管理層釐定之完成房屋拆遷、搬遷及重置之預期時間之算術加權平均數。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

(a) (Cont'd)

The acquisition was completed on 25 August 2020.

Assets and liabilities recognised at the date of acquisition at fair value:

39. 透過收購附屬公司收購資產及負債(續)

(a) (續)

收購事項已於二零二零年八月二十五日完成。

於收購日期按公允價值確認之資產及負債：

		RMB'000 人民幣千元
Assets	資產	
Investment properties	投資物業	16,200
Property, plant and equipment	物業、廠房及設備	427
Properties under development for sale	發展中待售物業	22,104,534
Equity instruments at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	48,042
Deferred tax asset	遞延稅項資產	49,767
Accounts receivable	應收賬款	8,079
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	949,871
Restricted bank deposits	受限制銀行存款	923,110
Bank balances and cash	銀行結餘及現金	114,618
		24,214,648
Liabilities	負債	
Accounts payable	應付賬款	115,668
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	947,301
Borrowings	借貸	2,733,000
Other non-current liabilities	其他非流動負債	4,931,234
		8,727,203
Net assets	資產淨值	15,487,445

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

39. 透過收購附屬公司收購資產及負債(續)

(a) (Cont'd)

Capital contribution from controlling shareholder arising on acquisition:

(a) (續)

收購事項產生的控股股東注資：

		RMB'000 人民幣千元
Consideration transferred	已轉讓代價	–
Plus: interest in an associate	加：於一間聯營公司的權益	
– previously held interest at fair value	– 先前按公允價值持有的權益	3,871,861
– share of net liabilities previously held	– 分佔先前持有的負債淨額	21,700
Plus: non-controlling interests at proportionate share of net assets acquired	加：按比例分佔已收購淨資產之非控股權益	3,097,489
Less: net assets acquired	減：已收購資產淨值	(15,487,445)
		8,496,395
		RMB'000 人民幣千元
Net cash inflows arising on acquisition and cash and cash equivalent balances acquired:	收購事項產生的現金流入淨額以及已收購現金及現金等價物結餘：	114,618

(b) During the year ended 31 December 2019, LVGEM Suzhou, an indirect wholly-owned subsidiary of the Group as the purchaser entered into a sale and purchase agreement with the non-controlling shareholder of PVGL, an investment holding company non-wholly owned by the Group, to acquire remaining 49% equity interest of PVGL at the consideration of RMB29,410,000.

Upon completion of the transaction on 15 January 2020, PVGL became a wholly-owned subsidiary of the Company, while the Group's effective equity interests in Prosper View increased from 51% to 100%. The difference between the consideration and the non-controlling interests acquired was included in other reserve.

(b) 截至二零一九年十二月三十一日止年度，綠景蘇州(本集團之間接全資附屬公司，作為買方)與協朗(本集團之非全資投資控股公司)之非控股股東訂立買賣協議，以按代價人民幣29,410,000元收購協朗餘下之49%股權。

於二零二零年一月十五日完成交易後，協朗成為本公司之全資附屬公司，而本集團於協朗之實際股權由51%增至100%。代價與已收購之非控股權益之間之差額計入其他儲備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

- (c) As detailed in the announcement of the Company dated 21 May 2019, Shenzhen LVGEM Real Estate Development Co., Ltd (“the Purchaser”), an indirect wholly-owned subsidiary of the Company as the purchaser entered into the Equity Transfer Agreement on 21 May 2019, with Dongguan Lusheng Enterprise Investment Co., Ltd. (“the Vendor”), a company established in the Mainland China with limited liability which is controlled by the family members of Mr. Wong as the seller pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, 100% equity interest in Dongguan LVGEM Real Estate Development Co., Ltd (“the Target Company”) at a total consideration of RMB8 million.

The Target Company is principally engaged in the development of a commercial properties project located in Zhangmutou Town, Dongguan City, Guangdong Province, the Mainland China. The acquisition is regarded as acquisition of assets and liabilities. The acquisition was completed on 28 May 2019.

Assets and liabilities recognised at the date of acquisition:

39. 透過收購附屬公司收購資產及負債(續)

- (c) 誠如本公司日期為二零一九年五月二十一日之公告所詳述，於二零一九年五月二十一日，深圳市綠景房地產開發有限公司(本公司之間接全資附屬公司，作為買方，「買方」)與東莞市綠晟實業投資有限公司(一間於中國內地成立之有限公司，由黃先生之家族成員控制，作為賣方，「賣方」)訂立股權轉讓協議，據此，買方同意購買而賣方同意出售東莞市綠景房地產開發有限公司(「目標公司」)之100%股權，總代價為人民幣8,000,000元。

目標公司主要從事開發位於中國內地廣東省東莞市樟木頭鎮之商業物業項目。該收購事項被視為收購資產及負債，並於二零一九年五月二十八日完成。

於收購日期確認之資產及負債：

		RMB'000 人民幣千元
Assets		
Investment properties under development	在建投資物業	291,024
Property, plant and equipment	物業、廠房及設備	146
Properties under development for sale	發展中待售物業	48,907
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	2,481
Other current assets	其他流動資產	847
Bank balances and cash	銀行結餘及現金	306,970
		650,375
Liabilities		
Accounts payable	應付賬款	490
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	494,885
Borrowings	借貸	147,000
		642,375
Net assets	資產淨值	8,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

39. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

39. 透過收購附屬公司收購資產及負債(續)

(c) (Cont'd)

(c) (續)

Total consideration:

總代價：

RMB'000
人民幣千元

Cash consideration paid

已付現金代價

8,000

Net cash inflows arising on acquisition:

收購事項產生的現金流入淨額：

RMB'000
人民幣千元

Consideration paid in cash

以現金支付的代價

(8,000)

Less: cash and cash equivalent balances acquired

減：已收購現金及現金等價物結餘

306,970

298,970

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

40. DISPOSAL OF A SUBSIDIARY

During the year ended 31 December 2019, the Group entered into a sale agreement to dispose of its 100% equity interest in Yiyang Zhonghe Real Estate Co., Ltd (“Yiyang Zhonghe”), a company which owned a piece of land classified as properties under development for sale of RMB27,496,000, to an independent third party. The disposal was completed on 21 February 2019.

Assets and liabilities recognised at the date of disposal:

		RMB'000 人民幣千元
Assets	資產	
Property, plant and equipment	物業、廠房及設備	14
Properties under development for sale	發展中待售物業	42,513
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	319
Bank balances and cash	銀行結餘及現金	1,343
		44,189
Liabilities	負債	
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	51,090
Net liabilities	負債淨額	(6,901)

The net liabilities of Yiyang Zhonghe at the date of disposal was as follows:

益陽中核於出售日期之負債淨額如下：

		RMB'000 人民幣千元
Net liabilities disposed of	已出售負債淨額	(6,901)
Gain on disposal	出售之收益	33,300
Total consideration	總代價	26,399
Satisfied by:	以下列方式支付：	
Cash	現金	26,399
Net cash inflows arising on disposal:	出售帶來的現金流入淨額：	
		RMB'000 人民幣千元
Total cash consideration received	已收現金代價總額	26,399
Less: cash and cash equivalent balances disposed	減：已出售現金及現金等價物結餘	(1,343)
		25,056

41. SHARE-BASED EMPLOYEE COMPENSATION

The share option scheme adopted by the Company on 14 November 2005 expired on 13 November 2015. On 2 June 2016, the Company adopted a new share option scheme (the “Scheme”) at the annual general meeting of the Company held on 2 June 2016.

Pursuant to the Scheme, the board of directors may, at its discretion, invite any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Company, its subsidiaries and associated companies; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of each member of the Group or its associated companies; any consultants, professional and other advisers to each member of the Group or its associated companies (or persons, firms or companies proposed to be appointed for providing such services); any chief executives or substantial shareholders of the Company; any associates of any director, chief executive or substantial shareholder of the Company; and any employees (whether full-time or part-time) of substantial shareholders of the Company, provided that the board of directors may have absolute discretion to determine whether or not one falls within the above categories, (together, the “Participants” and each a “Participant”), to take up options (“Option(s)”) to subscribe for shares at a price determined in accordance with the paragraph below.

In determining the basis of eligibility of each Participant, the board of directors would take into account such factors as the board of directors may at its discretion consider appropriate.

The Scheme shall be valid and effective for a period of ten years commencing on the date on which the Scheme is adopted i.e. 2 June 2016, after which period no further Options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect, and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of grant.

The exercise price of a share in relation to each Option granted under the Scheme shall be a price solely determined by the board of directors and notified to a Participant and shall be at least the highest of:

- (a) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the business day on which an offer is accepted by the grantee or if such date of acceptance by the grantee is not a business day, the immediately preceding business day;

41. 以股份支付的僱員薪酬

本公司於二零零五年十一月十四日採納之購股權計劃已於二零一五年十一月十三日屆滿。於二零一六年六月二日，本公司於二零一六年六月二日舉行之本公司股東週年大會上採納新購股權計劃（「該計劃」）。

根據該計劃，董事會可酌情邀請本公司、其附屬公司及聯營公司的任何執行或非執行董事，包括獨立非執行董事或任何僱員（不論全職或兼職）；本集團各成員公司或其聯營公司的任何僱員、執行或非執行董事所設立的全權信託的任何全權受益人；本集團各成員公司或其聯營公司的任何諮詢人、專業人士及其他顧問（或擬委任以提供該等服務的人士、商行或公司）；本公司任何主要行政人員或主要股東；本公司任何董事、主要行政人員或主要股東的任何聯繫人；及本公司主要股東的任何僱員（不論全職或兼職），惟董事會可全權酌情釐定有關人士是否屬於上述類別（上述人士均稱為及合稱「參與者」），以接納購股權（「購股權」），並根據下文確定的價格認購股份。

於釐定各參與者的資格標準時，董事會將考慮其可能酌情認為恰當的因素。

該計劃自獲採納日期（即二零一六年六月二日）起計有效期為十年，在限期後不會再授出購股權，惟在所有其他方面，該計劃的條文仍具有十足效力及作用，於該計劃期限內授出的購股權可按其授出條款繼續行使。

根據該計劃授出之各購股權之股份行使價格將為僅由董事會釐定及告知參與者之價格，以及將為以下之最高者：

- (a) 於要約獲承授人接納的營業日（或如要約獲承授人接納當日並非營業日，則為緊接該日前的營業日）聯交所日報表所報的本公司股份收市價；

41. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

- (b) a price being the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which an offer is accepted by the grantee (provided that the new issue price shall be used as the closing price for any business day falling within the period before listing of the shares where the Company has been listed for less than five business days as at the date on which an offer is accepted by the grantee); and
- (c) the nominal value of a Company's share.

The total number of shares, which may be issued upon exercise of all Options to be granted under the Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares in issue on the date of commencement of dealings in the shares on the Stock Exchange ("Scheme Mandate Limit"), unless the Company obtains an approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit.

Notwithstanding any other provisions of the Scheme, the maximum number of the shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares in issue from time to time.

Unless approved by the shareholders, the total number of shares issued and to be issued upon exercise of the Options granted to each participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

Offer of an option ("Offer") shall be deemed to have been accepted by any Participant (the "Grantee") who accepts an Offer in accordance with the terms of the Scheme and the option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 30 days from the date upon which the Offer is made.

On 28 June 2016, the Company granted share options under the Scheme to certain Participants which will enable the Grantees to subscribe for a total of 285,800,000 ordinary shares of HK\$0.01 each in the share capital of the Company.

41. 以股份支付的僱員薪酬(續)

- (b) 緊接要約獲承授人接納前五個營業日聯交所日報表所報的本公司股份平均收市價(惟倘本公司股份於要約獲承授人接納當日前已上市的日子數少於五個營業日,則新發行價應用作股份上市前期間任何營業日的收市價);及
- (c) 一股本公司股份面值。

因行使根據該計劃及本公司任何其他購股權計劃授出的所有購股權可發行的股份總數,合共不得超過股份於聯交所開始買賣當日已發行股份總數的10%(「計劃授權限額」),惟本公司取得股東的批准則除外。計算該10%限額並不計及根據該計劃條款已失效的購股權。

儘管該計劃另有任何其他規定,於行使該計劃及本公司任何其他購股權計劃的已授出但尚未行使的所有未行使購股權時,最多可發行的股份數目不得超過不時已發行股份總數的30%。

除非獲股東批准,否則於任何十二個月期間因行使授予每名參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數,不得超過已發行股份總數的1%。

任何參與者(「承授人」)凡按照該計劃的條款接納購股權要約(「要約」),即被視為接納要約,而當載有接納要約的要約書副本由承授人妥為簽署,並在本公司作出要約當日起30日內,接獲承授人在接納購股權時須向本公司支付1.00港元作為授出購股權的代價後,與要約有關的購股權即被視為已授出並生效。

於二零一六年六月二十八日,本公司根據該計劃向若干參與者授出購股權,使承授人能夠認購本公司股本中合共285,800,000股每股面值0.01港元的普通股。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

41. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

Details of the Options granted by the Company pursuant to the Scheme and the Options outstanding as at 31 December 2020 and 31 December 2019 are as follows:

41. 以股份支付的僱員薪酬(續)

本公司根據該計劃授出的購股權及於二零二零年十二月三十一日及二零一九年十二月三十一日尚未行使的購股權詳情如下：

	Date of grant	Exercisable period	Number of options					Balance at 31 December 2020	Exercise price per share	
			Balance at 1 January 2020	Transfer during the year	Granted during the year	Exercised during the year	Lapsed during the year			Cancelled during the year
	授出日期 (dd/mm/yyyy) (日/月/年)	行使期間 (dd/mm/yyyy) (日/月/年)	於二零二零年 一月一日 的結餘	於年內轉撥	於年內授出	於年內行使 (Note 4) (附註4)	於年內失效	於年內註銷	於二零二零年 十二月三十一日 的結餘	每股行使價 HK\$ 港元
Executive directors (Note 1)	執行董事(附註1)	28/06/2016	28/06/2016 to 27/06/2026	10,500,000	-	-	-	-	10,500,000	1.846
			28/06/2016至 27/06/2026							
Executive directors (Note 2)	執行董事(附註2)	28/06/2016	28/06/2017 to 27/06/2026	10,500,000	-	-	-	-	10,500,000	1.846
			28/06/2017至 27/06/2026							
Executive directors (Note 3)	執行董事(附註3)	28/06/2016	28/06/2018 to 27/06/2026	14,000,000	-	-	-	-	14,000,000	1.846
			28/06/2018至 27/06/2026							
Employees (Note 1)	僱員(附註1)	28/06/2016	28/06/2016 to 27/06/2026	63,510,000	-	-	(2,760,000)	-	60,750,000	1.846
			28/06/2016至 27/06/2026							
Employees (Note 2)	僱員(附註2)	28/06/2016	28/06/2017 to 27/06/2026	63,870,000	-	-	(2,440,000)	-	61,430,000	1.846
			28/06/2017至 27/06/2026							
Employees (Note 3)	僱員(附註3)	28/06/2016	28/06/2018 to 27/06/2026	85,568,000	-	-	(3,608,000)	-	81,960,000	1.846
			28/06/2018至 27/06/2026							
Others (Note 1)	其他(附註1)	28/06/2016	28/06/2016 to 27/06/2026	3,900,000	-	-	-	-	3,900,000	1.846
			28/06/2016至 27/06/2026							
Others (Note 2)	其他(附註2)	28/06/2016	28/06/2017 to 27/06/2026	900,000	-	-	-	-	900,000	1.846
			28/06/2017至 27/06/2026							
Others (Note 3)	其他(附註3)	28/06/2016	28/06/2018 to 27/06/2026	1,200,000	-	-	-	-	1,200,000	1.846
			28/06/2018至 27/06/2026							
				253,948,000	-	-	(8,808,000)	-	245,140,000	
Exercisable at the end of the period	期末可予行使								245,140,000	

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

41. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

41. 以股份支付的僱員薪酬(續)

		Date of grant	Exercisable period	Number of options					Balance at 31 December 2019	Exercise price per share	
				Balance at 1 January 2019	Transfer during the year	Granted during the year	Exercised during the year	Lapsed during the year			Cancelled during the year
		授出日期 (dd/mm/yyyy) (日/月/年)	行使期間 (dd/mm/yyyy) (日/月/年)	於二零一九年 一月一日 的結餘	於年內轉撥	於年內授出	於年內行使 (Note 4) (附註4)	於年內失效	於年內註銷	於二零一九年十 二月三十一日 的結餘	每股行使價 HK\$ 港元
Executive directors (Note 1)	執行董事(附註1)	28/06/2016	28/06/2016 to 27/06/2026	13,950,000	(3,450,000)	-	-	-	-	10,500,000	1.846
Executive directors (Note 2)	執行董事(附註2)	28/06/2016	28/06/2017 to 27/06/2026	13,950,000	(3,450,000)	-	-	-	-	10,500,000	1.846
Executive directors (Note 3)	執行董事(附註3)	28/06/2016	28/06/2018 to 27/06/2026	18,600,000	(4,600,000)	-	-	-	-	14,000,000	1.846
Employees (Note 1)	僱員(附註1)	28/06/2016	28/06/2016 to 27/06/2026	65,490,000	2,550,000	-	(1,440,000)	(3,090,000)	-	63,510,000	1.846
Employees (Note 2)	僱員(附註2)	28/06/2016	28/06/2017 to 27/06/2026	65,850,000	2,550,000	-	(1,440,000)	(3,090,000)	-	63,870,000	1.846
Employees (Note 3)	僱員(附註3)	28/06/2016	28/06/2018 to 27/06/2026	87,800,000	3,400,000	-	(1,512,000)	(4,120,000)	-	85,568,000	1.846
Others (Note 1)	其他(附註1)	28/06/2016	28/06/2018 to 27/06/2026	3,000,000	900,000	-	-	-	-	3,900,000	1.846
Others (Note 2)	其他(附註2)	28/06/2016	28/06/2018 to 27/06/2026	-	900,000	-	-	-	-	900,000	1.846
Others (Note 3)	其他(附註3)	28/06/2016	28/06/2018 to 27/06/2026	-	1,200,000	-	-	-	-	1,200,000	1.846
				268,640,000	-	-	(4,392,000)	(10,300,000)	-	253,948,000	
Exercisable at the end of the year	年末可予行使									253,948,000	

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

41. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

Note 1: The options were vested immediately on the date of grant.

Note 2: The options granted are subject to the vesting period from the date of grant up to 27 June 2017.

Note 3: The options granted are subject to the vesting period from the date of grant up to 27 June 2018.

Note 4: The weighted average share price at the dates of exercise for share options during the year was HK\$2.62 (2019: HK\$2.74) per share.

During the year ended 31 December 2020, 8,808,000 shares (2019: 4,392,000 shares) were exercised at RMB14,574,000 (2019: RMB7,188,000).

The closing price of the Company's shares immediately before 28 June 2016, the date of grant, was HK\$1.820.

There is no performance condition for the Options to vest.

The fair values of the Options determined at the date of grant using the Binomial Option Pricing Model were HK\$276,156,000 (equivalent to approximately RMB236,030,000). During the years ended 31 December 2020 and 2019, no expense was incurred in relation to share options granted by the Company.

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the best estimate of the directors of the Company. Changes in variables and assumptions may result in changes in the fair value of the Options.

41. 以股份支付的僱員薪酬(續)

附註1：購股權於授出日期即時歸屬。

附註2：所授出的購股權受自授出日期起至二零一七年六月二十七日止之歸屬期所規限。

附註3：所授出的購股權受自授出日期起至二零一八年六月二十七日止之歸屬期所規限。

附註4：於本年度行使購股權當日之加權平均股價為每股2.62港元(二零一九年：2.74港元)。

截至二零二零年十二月三十一日止年度，8,808,000股股份(二零一九年：4,392,000股股份)按人民幣14,574,000元(二零一九年：人民幣7,188,000元)獲行使。

本公司股份於緊接二零一六年六月二十八日(授出日期)前的收市價為1.820港元。

購股權並無表現條件需予歸屬。

於授出日期以二項式期權定價模型釐定的購股權公允價值為276,156,000港元(相當於約人民幣236,030,000元)。截至二零二零年及二零一九年十二月三十一日止年度，本公司授出之購股權概無產生任何開支。

二項式期權定價模型已用於估計購股權的公允價值。用於計算購股權公允價值的可變因素及假設乃根據本公司董事最佳估計得出。可變因素及假設的變動可能導致購股權公允價值出現變動。

42. RETIREMENT BENEFIT SCHEME**Hong Kong**

The Group has joined a Mandatory Provident Fund Scheme (the "MPF Scheme") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss represent contributions payable to the funds by the Group at rates specified in the rules of the scheme.

The Mainland China

The employees of the Group's subsidiaries in the Mainland China are members of a state-managed retirement benefit scheme operated by the government of the Mainland China. The subsidiaries are required to contribute a certain percentage of the salaries of their employees to the state-managed retirement benefit scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

During the year, the retirement benefit scheme contributions amounted to RMB8,085,000 (2019: RMB28,243,000). Forfeited contributions could not be used by the Company to reduce the existing level of contributions.

43. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing properties commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets.

The Group monitors capital on the basis of the net debt to equity ratio. For this purpose the net debt is defined as borrowings less cash and cash equivalents. The Group's goal in capital management is to maintain a net debt to equity ratio at a reasonable level. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debts.

The Group's overall strategy in capital management remains unchanged from prior year.

42. 退休福利計劃**香港**

本集團已參加一項為其在香港之僱員設立之強制性公積金計劃(「強積金計劃」)。強積金計劃已根據強制性公積金計劃條例在強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開處理，由獨立受託人管理之基金持有。根據強積金計劃之規則，僱主及僱員須分別按規則指定之比率對強積金計劃供款。本集團就強積金計劃承擔之責任僅限於根據強積金計劃作出指定供款。

自綜合損益表中扣除有關強積金計劃之退休福利計劃供款乃本集團按該計劃規則訂明之比率須撥入基金之供款額。

中國內地

本集團中國內地附屬公司之僱員參與中國內地政府營運之國家管理退休福利計劃。附屬公司須按僱員薪金之若干比率向國家管理退休福利計劃供款。本集團就該退休福利計劃承擔之責任僅限於根據該計劃作出指定供款。

年內，退休福利計劃供款為人民幣8,085,000元(二零一九年：人民幣28,243,000元)。本公司不可使用沒收供款以減低現有供款水平。

43. 資本風險管理

本集團管理資本的主要目標是保障本集團可持續經營能力，以不斷為股東提供回報及為其他利益相關方帶來利益。方法包括依照風險水平釐定物業價格，及以合理的成本進行融資。

本集團根據經濟狀況的變動及相關資產的風險特性管理資本結構並作出相應調整。

本集團按淨負債權益比率的基準監察其資本。就此而言，淨負債的定義為借貸減現金及現金等價物。本集團資本管理的目標為將淨負債權益比率維持於合理的水平。為維持或調整資本結構，本集團可調整派付予股東的股息款額、發行新股份、退還股本予股東、籌集新債務融資或出售資產減債。

自上年度起，本集團資本管理的整體策略維持不變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

44. 財務風險管理的政策及目標

Categories of financial instruments

金融工具類別

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	10,586,447	9,350,951
Equity instrument at fair value through other comprehensive income	按公允價值計入其他全面收益之股本工具	501,261	541,125
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	32,392,095	27,721,441
Derivative financial instruments	衍生金融工具	111,612	222,207
Lease liabilities	租賃負債	102,373	118,054

The Group is exposed to a variety of financial risks: currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group currently does not have any written risk management policies and guidelines. However, the directors of the Company meet periodically to analyse and formulate strategies to manage and monitor financial risks.

本集團承受多種財務風險：貨幣風險、利率風險、價格風險、信貸風險及流動資金風險。本集團的整體風險管理重點在於金融市場的不可預測性，並尋求將對本集團財務表現的潛在不利影響降至最低。本集團現時並無任何明文的風險管理政策及指引。然而，本公司董事定期召開會議，以分析及制定措施以管理及監控財務風險。

The Group is not engaged in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

本集團並無從事以投機為目標的金融資產買賣。本集團所面對的最主要財務風險載列如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.1 Currency risk

Certain subsidiaries of the Company have foreign currency denominated monetary assets and liabilities, which expose the Group to foreign currency risk. The Group currently does not have a policy to hedge the foreign currency exposure. However, the management monitors the related foreign currency fluctuation closely and will consider entering into foreign exchange forward contracts to hedge significant portion of the foreign currency risk should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date as follows:

		Assets 資產		Liabilities 負債	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
US\$	美元	209,714	279,351	3,872,213	1,153,875
HK\$	港元	320,410	442,438	2,436,163	1,860,657

Sensitivity analysis

The Group is mainly exposed to the currency of US\$ and HK\$.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to directors of the Company's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items assuming the balances at the end of the reporting period outstanding for the whole year and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where RMB strengthen 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

44. 財務風險管理的政策及目標(續)

44.1 貨幣風險

本公司若干附屬公司之貨幣資產及負債以外幣計值，故本集團面臨外匯風險。本集團現時並無對沖外匯風險之政策。然而，管理層會密切監控有關外匯波動，並於有需要時考慮簽訂外匯遠期合約以對沖重大外匯風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告日期之賬面值如下：

敏感度分析

本集團主要面臨美元及港元貨幣風險。

下表詳述本集團對人民幣兌相關外幣增減5%的敏感度。5%為向本公司董事內部匯報外幣風險時所使用的敏感度比率，反映本公司董事對外幣匯率出現合理可能變動之評估。

敏感度分析僅包括以外幣折算之尚未支付貨幣項目(假設報告期末結餘於整個年度未結算)，並於年結時以外幣匯率變動5%作匯兌調整。下列之正數數字反映人民幣兌有關外幣升值5%時，盈利會有所增加。人民幣兌有關外幣貶值5%時，盈利將構成等值及相反影響，而下列結餘將為負數。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.1 Currency risk (Cont'd)

Sensitivity analysis (Cont'd)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
US\$	美元		
Profit or loss	損益	137,344	32,795
HK\$	港元		
Profit or loss	損益	79,341	53,183

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

44.2 Interest rate risk

The Group has significant borrowings (see note 33 for details) with floating interest rate which are exposed to cash flow interest-rate risk. Certain bank loans and certain other borrowings, certain restricted bank deposits, certain bank balances, convertible bonds, senior notes and bond, and lease liabilities (see note 32 for details) carried at fixed rate which exposed the Group to fair value interest rate risk. During the year, the Group has not hedged its cash flow and fair value interest rate risks.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate borrowings at the end of the reporting period. The analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 (2019: 50) basis point increase or decrease is used when reporting interest rate risk internally to directors of the Company's assessment of the reasonably possible change in interest rates.

44. 財務風險管理的政策及目標(續)

44.1 貨幣風險(續)

敏感度分析(續)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
US\$	美元		
Profit or loss	損益	137,344	32,795
HK\$	港元		
Profit or loss	損益	79,341	53,183

管理層認為，由於年末風險不反映年內風險，故敏感度分析未能代表內在的外幣風險。

44.2 利率風險

本集團有以浮息利率計算的重大借貸(詳情見附註33)承受現金流量利率風險。若干銀行貸款及若干其他借貸、若干受限制銀行存款、若干銀行結餘、可換股債券、優先票據及債券以及租賃負債(詳情見附註32)以固定利率計息，並使本集團承受公允價值利率風險。年內，本集團並無對沖其現金流量及公允價值利率風險。

敏感度分析

以下敏感度分析乃根據浮息借貸於報告期末面對之利率風險釐定。分析乃假設報告期末負債餘額於整個年度尚未償還而編製。向本公司董事內部申報利率風險時採用50(二零一九年：50)個基點增減，反映本公司董事對利率合理可能出現之變動之評估。

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)**44.2 Interest rate risk** (Cont'd)*Sensitivity analysis* (Cont'd)

If interest rates had been 50 (2019: 50) basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by approximately RMB14,490,000 (2019: RMB24,538,000), net of interest that would be capitalised in accordance with the Group's accounting policy.

Sensitivity analysis on bank deposits is not presented as the directors of the Company consider that the Group's exposure to interest rate fluctuations on bank deposits is insignificant.

44.3 Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 48.

The Group's credit risk is primarily attributable to its accounts and other receivables, amounts due from a joint venture, related companies and non-controlling interests, and amount of contingent liabilities in relation to the financial guarantees provided by the Group. The amounts presented in the consolidated statement of financial position are net of allowances for credit losses, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers, except for amounts due from a joint venture, a subcontractor, related parties and non-controlling interests of RMB786,155,000 (2019: RMB829,310,000) in aggregate as at 31 December 2020. The credit risk on liquid funds is limited because the funds have been deposited with various creditworthy financial institutions located in Hong Kong and the Mainland China.

44. 財務風險管理的政策及目標(續)**44.2 利率風險**(續)*敏感度分析*(續)

倘利率增加／減少50(二零一九年：50)個基點而所有其他變數維持不變，本集團扣除按照本集團會計政策資本化利息後的年內除稅後盈利將減少／增加約人民幣14,490,000元(二零一九年：人民幣24,538,000元)。

銀行存款之敏感度分析並未呈列，因本公司董事認為本集團銀行存款利率浮動風險並不重大。

44.3 信貸風險及減值評估

由於交易方未有履行責任及本集團提供財務擔保而對本集團造成財務損失的最大信用風險承擔由綜合財務狀況報表所載各確認金融資產的賬面值及與本集團所發出財務擔保有關的或然負債金額而產生，於附註48中作出披露。

本集團信貸風險主要來自有關本集團提供財務擔保之應收賬款及其他應收款項、應收一間合營公司、關聯公司及非控股權益款項，及或然負債款項。綜合財務狀況報表所示金額已扣除信貸虧損撥備，由本集團管理層根據過往經驗及對當時經濟環境的評估作出估計。

本集團並無重大集中之信貸風險，且交易方及客戶數目眾多，能夠分散風險，惟於二零二零年十二月三十一日應收一間合營公司、一名分包商、關聯方及非控股權益款項合共人民幣786,155,000元(二零一九年：人民幣829,310,000元)除外。由於資金存放於香港及中國內地具良好信譽的金融機構，故有關流動資金的信貸風險有限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.3 Credit risk and impairment assessment (Cont'd)

As at 31 December 2020, the directors of the Company considered that the default risk for other receivables, amounts due from a joint venture, related parties and non-controlling interests is very low due to their sound credit worthiness, financial position and historical repayment records.

For amount due from a joint venture, the management of the Group assessed the profitability of the underlying project of the joint venture and its recoverability. Due to its profitability, the directors of the Company considered that the default risk is low.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For properties under development which are subject to pre-sales agreements, the Group generally typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for certain amount of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage during the term of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding amount of the loan and any accrued interest thereon. Under such circumstances, the Group is able to forfeit the customer's purchase deposit and sell the property to recover any amounts paid by the Group to the bank. Therefore, the management considers it would likely recover any loss incurred arising from the guarantee by the Group. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market prices of the properties are higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

As at 31 December 2020, the directors of the Company considered that the default risk for the accounts receivable is very low and the lifetime ECL recognised is approximately RMB7,002,000 (2019: reversal of RMB58,000).

44. 財務風險管理的政策及目標(續)

44.3 信貸風險及減值評估(續)

於二零二零年十二月三十一日，本公司董事認為，由於交易方之信譽、財務狀況及過往還款記錄良好，故其他應收款項、應收一間合營公司、關聯方及非控股權益款項之違約風險極低。

就應收一間合營公司款項而言，本集團管理層評估合營公司相關項目的盈利能力及其可收回性。基於其盈利能力，本公司董事認為違約風險較低。

為將信貸風險減至最低，本集團管理層已委派團隊，負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期債務。此外，本集團於報告期末檢討各項個別貿易項的可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已顯著降低。

就預售協議下之發展中物業而言，本集團一般通常為客戶就撥資購買物業而作出之按揭貸款向銀行提供擔保，金額為物業購買價總額之一定數額。倘買方於擔保期內逾期支付按揭款項，持有按揭之銀行可要求本集團償還貸款尚未償還金額及任何應計利息。在該情況下，本集團可沒收客戶之購買按金並出售有關物業以收回本集團向銀行支付之任何金額。因此，管理層認為任何因本集團之擔保而產生之虧損均可能收回。由於該等融資以物業作抵押，而物業之市價高於擔保金額，故管理層認為向物業買方提供財務擔保而面臨之信貸風險有限。就此而言，本公司董事認為此舉大幅減低本集團之信貸風險。

於二零二零年十二月三十一日，本公司董事認為應收賬款之違約風險極低，且已確認之存續期預期信貸虧損約為人民幣7,002,000元(二零一九年：撥回人民幣58,000元)。

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.4 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In the opinion of the directors of the Company, the Group does not have any significant liquidity risk exposure.

The Group's policy is to regularly monitor its liquidity requirements to ensure that the Group maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term financial liabilities.

The following table shows the remaining contractual maturities at the end of the reporting period of the non-derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest date the Group can be required to pay.

Specifically, for term loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflows based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank borrowings is prepared based on the scheduled repayment dates.

44. 財務風險管理的政策及目標(續)

44.4 流動資金風險

於管理流動資金風險時，本集團監控及維持現金及現金等價物達到管理層認為充足的水平，以便為本集團業務提供資金及減低現金流量波動的影響。本公司董事認為，本集團並無任何重大流動資金風險。

本集團的政策為定期監控其流動資金需要，以確保本集團維持充裕現金儲備來滿足其短期及長期金融負債的流動資金需要。

下表列示按未折現現金流量(包括按合約利率或(如為浮息)按報告期末的現行利率計算的利息金額)及本集團可被要求還款的最早日期呈列的於報告期末的非衍生金融負債的餘下合約期限。

具體而言，對於涵蓋銀行可全權酌情行使的按要求償還條款的定期貸款，有關分析按本集團可被要求還款的最早期間(即倘貸方擬行使其無條件權利要求即時償還貸款)呈列現金流出。其他銀行借貸的到期日分析則按計劃還款日期編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44. 財務風險管理的政策及目標(續)

44.4 Liquidity risk (Cont'd)

44.4 流動資金風險(續)

		Weighted average effective interest rate 加權平均 實際利率 %	Less than 1 year or on demand 一年內或 按要求 RMB'000 人民幣千元	After 1 year but less than 2 years 一年以上 兩年以內 RMB'000 人民幣千元	After 2 years but less than 5 years 兩年以上 五年以內 RMB'000 人民幣千元	After 5 years 五年後 RMB'000 人民幣千元	Total contractual undiscounted cash flows 未折現金約 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
2020	二零二零年							
Financial liabilities	金融負債							
Accounts payable	應付賬款	-	1,262,086	-	-	-	1,262,086	1,262,086
Accruals and other payables	應計費用及其他 應付款項	-	479,495	-	-	-	479,495	479,495
Borrowings	借貸	5.76	9,120,355	4,417,788	11,466,582	1,537,982	26,542,707	23,864,489
Senior notes and bond	優先票據及債券	9.70	2,591,472	368,004	3,250,705	-	6,210,181	5,366,051
Convertible bonds	可換股債券	13.48	95,465	97,029	1,874,989	-	2,067,483	1,531,586*
Leases liabilities	租賃負債	9.50	26,226	26,226	54,663	41,949	149,064	102,373
Financial guarantee contracts (note 48)	財務擔保合約 (附註48)	-	2,128,831	-	-	-	2,128,831	-
			15,703,930	4,909,047	16,646,939	1,579,931	38,839,847	32,606,080

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.4 Liquidity risk (Cont'd)

44. 財務風險管理的政策及目標(續)

44.4 流動資金風險(續)

		Weighted average effective interest rate 加權平均 實際利率 %	Less than 1 year or on demand 一年內或 按要求 RMB'000 人民幣千元	After 1 year but less than 2 years 一年以上 兩年以內 RMB'000 人民幣千元	After 2 years but less than 5 years 兩年以上 五年以內 RMB'000 人民幣千元	After 5 years 五年後 RMB'000 人民幣千元	Total contractual undiscounted cash flows 未折現金約 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
2019	二零一九年							
Financial liabilities	金融負債							
Accounts payable	應付賬款	-	1,111,831	-	-	-	1,111,831	1,111,831
Accruals and other payables	應計費用及其他 應付款項	-	528,998	-	-	-	528,998	528,998
Borrowings	借貸	6.29	5,022,406	4,834,740	11,345,649	1,950,810	23,153,605	19,456,079
Senior notes and bond	優先票據及債券	7.89	5,274,980	-	-	-	5,274,980	5,027,123
Convertible bonds	可換股債券	12.83	1,787,118	-	-	-	1,787,118	1,715,464*
Leases liabilities	租賃負債	9.50	33,218	29,615	71,702	40,754	175,289	118,054
Financial guarantee contracts (note 48)	財務擔保合約 (附註48)	-	2,132,390	-	-	-	2,132,390	-
			15,890,941	4,864,355	11,417,351	1,991,564	34,164,211	27,957,549

* The carrying amount of the convertible bonds disclosed here includes the carrying amount of the related derivative components.

* 此處披露的可換股債券賬面值包括相關衍生工具部分的賬面值。

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

上述計入財務擔保合約的款項為倘交易對方追討有關擔保，本集團根據安排就全部擔保須支付的最高金額。按照報告期末預期，本集團認為根據安排須要繳付該款項的可能性很低。然而，這估計可能會改變，取決於持有已擔保財務應收賬款的交易對方遭受信貸損失而按擔保條款追討的可能性。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.4 Liquidity risk (Cont'd)

The table that follows summarises the maturity analysis of term loans with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the “on demand” time band in the maturity analysis above. Taking into account the Group’s financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

Maturity analysis of term loans subject to a repayment on demand clause based on scheduled repayments is as follows:

		On demand	Less than 6 months	6 to 12 months	1 to 5 years	Total undiscounted cash flows	Carrying amount
		按要求	少於六個月	六個月至十二個月	一年至五年	未折現現金流量總額	賬面值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2020	二零二零年 十二月三十一日	-	937,620	637,911	16,368	1,591,899	1,568,806
31 December 2019	二零一九年 十二月三十一日	-	41,894	355,880	318,366	716,140	689,850

44. 財務風險管理的政策及目標(續)

44.4 流動資金風險(續)

下表概述附有按要求償還條款的定期貸款按貸款協議載列的議定還款日期的到期日分析。該等金額包括按合約利率計算的利息款項。因此，該等金額較以上到期日分析中「按要求」時間範圍內披露的金額為高。鑒於本集團的財務狀況，董事認為銀行不大可能行使其酌情權要求即時還款。董事相信該等定期貸款將按貸款協議所載的既定還款日期償還。

附有按要求償還條款的定期貸款按既定還款日期的到期日分析如下：

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)**44.5 Price risk**

The Group is exposed to price risk in connection with equity instrument at FVTOCI. The Group closely monitors the fluctuation of the trading prices and value of underlying assets and assesses the impact on the Group's consolidated financial statements.

If prices of equity security has been 5% higher/lower and all other variables were held constant, the Group's investment revaluation reserve would increase/decrease by approximately RMB18,797,000 (2019: RMB20,292,000).

The Group was also exposed to other price risk arising from the outstanding derivative financial instruments with predetermined maturity date. The fair value of these derivative financial instruments was calculated using the Binomial Option Pricing Model detailed in note 34.

However, the management considers that the sensitivity analysis is unrepresentative of the inherent market risk as the pricing model used in the fair value valuation of these derivative financial instruments which involves multiple variables are interdependent and the Group's exposure to fluctuation of the fair value is minimal.

44.6 Fair value measurement of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuer to perform the valuation or to establish the appropriate valuation techniques and inputs to the model.

44. 財務風險管理的政策及目標(續)**44.5 價格風險**

本集團承受與按公允價值計入其他全面收益之股本工具相關之價格風險。本集團密切監察交易價格及相關資產價值的波動以及評估有關波動對本集團綜合財務報表之影響。

倘股權證券價格增加／減少5%，而所有其他變數維持不變，本集團之投資重估儲備將增加／減少約人民幣18,797,000元(二零一九年：人民幣20,292,000元)。

本集團亦面對來自附有預定到期日之尚未行使衍生金融工具之其他價格風險。該等衍生金融工具的公允價值乃使用二項式期權定價模型計算，詳情載於附註34。

然而，管理層認為，由於評估該等衍生金融工具公允價值所用的定價模型涉及多項互相影響的可變因素，且本集團之公允價值波動風險為微不足道，故固有市場風險的敏感度分析並無代表性。

44.6 金融工具的公允價值計量

本附註提供有關本集團如何釐定多項金融資產及金融負債公允價值的資料。

就財務報告目的而言，本集團部分金融工具乃按公允價值計量。在估計公允價值時，本集團在可得的範圍內使用市場可觀察數據。倘並無第一級輸入數據，本集團會委聘第三方合資格估值師進行估值或設立適用之估值技術及模型之輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44. 財務風險管理的政策及目標(續)

44.6 Fair value measurement of financial instruments (Cont'd)

44.6 金融工具的公允價值計量(續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

本集團部分金融資產及金融負債於各報告期末按公允價值計量。下表提供有關如何釐定該等金融資產及金融負債公允價值的資料(尤其是所採用的估值技術及輸入數據)。

Financial assets/ financial liabilities 金融資產/金融負債	Fair value as at 31 December 於十二月三十一日的公允價值		Fair value hierarchy 公允價值等級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable input(s) 主要不可觀察輸入數據
	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元			
Derivative financial instruments 衍生金融工具	111,612	222,207	Level 3 第三級	Binomial option pricing model The fair value is estimated based on the risk free rate, discount rate, share price, volatility of the share prices of the Company, dividend yield and exercise price. 二項式期權定價模式公允價值乃按無風險利率、貼現率、股價、本公司股價波幅、股息率及行使價估計得出。	Volatility of the share prices determined by reference to the historical share prices of the Company (Note 1). 經參考本公司歷史股價後釐定的股價波幅(附註1)。
Equity instrument at fair value through other comprehensive income 按公允價值計入其他全面收益之股本工具	447,042	541,125	Level 1 第一級	Quoted bid price in an active market. 於活躍市場之買入價報價。	N/A 不適用

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44. 財務風險管理的政策及目標(續)

44.6 Fair value measurement of financial instruments (Cont'd)

44.6 金融工具的公允價值計量(續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值(續)

Financial assets/ financial liabilities 金融資產/金融負債	Fair value as at 31 December 於十二月三十一日的公允價值		Fair value hierarchy 公允價值等級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable input(s) 主要不可觀察輸入數據
	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元			
Equity instrument at fair value through other comprehensive income	54,219	–	Level 3	Market approach by applying market multiples such as the ratio of market capital to net book value from comparable companies and adjusted by discount on lack of marketability	The ratio of market capital to net book value from comparable companies is determined by the mean of comparable companies as at the valuation date (Note 2)
按公允價值計入其他全面收益之股本工具			第三級	市場法，當中採用可資比較公司之市場倍數(如市場資本值對賬面淨值比率)，並就缺乏市場流通性作出折讓調整	可資比較公司市場資本值對賬面淨值之比率乃以可資比較公司於估值日期之平均值釐定(附註2) Discount for lack of marketability taking into account the external valuer's estimate on the length of time and effort required by the management to dispose of the equity interest which is determined as 15% to 20% (Note 2) 經計及外聘估值師對管理層出售股權所需之時間及所付出之努力作出之估算，缺乏市場流通性之折讓釐定為15%至20%(附註2)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.6 Fair value measurement of financial instruments (Cont'd)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)

Notes:

Note 1: The higher the volatility of the share prices of the Company, the higher the fair value of the derivative financial instruments, and vice versa. For the volatility of the share prices of the Company used in the fair value measurement for derivative financial instruments, please refer to note 34.

Note 2: The higher the ratio of market capital to net book value from comparable companies, the higher the fair value of the equity instrument, and vice versa. The higher of the discount for lack of marketability, the lower the fair value of the equity instrument, and vice versa. No sensitivity is presented as the directors of the Company considered that the slight change in relevant inputs would not have a significant impact to the fair values.

There is no transfer between different levels of the fair value hierarchy for both years.

Reconciliation of Level 3 fair value measurements

		Conversion option derivative	
		兌換期權衍生工具	
		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	222,207	198,105
Derecognition of derivatives	終止確認衍生工具	(143,196)	-
Recognition of derivatives	確認衍生工具	130,624	-
Fair value (gain) loss recognised in profit or loss	於損益確認的公允價值(收益)虧損	(93,506)	20,170
Exchange difference	匯兌差額	(4,517)	3,932
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	111,612	222,207

44. 財務風險管理的政策及目標(續)

44.6 金融工具的公允價值計量(續)

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值(續)

附註：

附註1：本公司股價波動愈高，衍生金融工具的公允價值則愈高，反之亦然。有關衍生金融工具公允價值計量所採用的本公司股價波動，請參閱附註34。

附註2：可資比較公司之市場資本值對賬面淨值比率愈高，股本工具的公允價值則愈高，反之亦然。缺乏市場流通性之折讓愈高，股本工具的公允價值則愈低，反之亦然。由於本公司董事認為相關輸入數據之輕微變動將不會對公允價值產生重大影響，故概無呈列敏感度。

於兩個年度，公允價值等級各級之間概無轉移。

第三級公允價值計量的對賬

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

44.6 Fair value measurement of financial instruments (Cont'd)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)

Net carrying amount as at 1 January 2019 and 2020
Acquired on an acquisition of a subsidiary (note 39 (a))
Fair value gain recognised in other comprehensive income

於二零一九年及二零二零年一月一日的賬面淨值
於收購一間附屬公司時購入(附註39(a))
於其他全面收益確認的公允價值收益

–
48,042
6,177

Net carrying amount as at 31 December 2020

於二零二零年十二月三十一日的賬面淨值

54,219

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except for the senior notes and bond as detailed in note 35, the directors of the Company consider that the carrying amounts of financial assets and liabilities recorded as amortised cost in the consolidated financial statements approximate to their fair values.

The fair value of such financial assets and financial liabilities (categories within Level 3 hierarchy) are determined in accordance with general accepted pricing models based on discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

44.6 金融工具的公允價值計量(續)

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值(續)

Equity instrument at fair value through other comprehensive income
按公允價值計入其他全面收益之股本工具
2020
二零二零年
RMB'000
人民幣千元

並非按經常性基準以公允價值計量(但須作出公允價值披露)的金融資產及金融負債的公允價值

除於附註35詳述之優先票據及債券外，本公司董事認為，於綜合財務報表內按攤銷成本列賬的金融資產及負債的賬面值與其公允價值相若。

有關金融資產及金融負債的公允價值(屬第三級類別者)乃根據基於貼現現金流量分析的一般公認定價模式釐定，其中最重要的輸入數據為反映交易對手信貸風險的貼現率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

45. 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.

45. 融資活動產生之負債對賬

下表為本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃為現金流量或將來現金流量於本集團之綜合現金流量表分類為融資活動現金流量之負債。

		Dividend payables	Borrowings	Debt component of convertible bonds	Senior notes and bond	Derivative component of convertible bonds	Lease Liabilities	Total
		應付股息	借貸	可換股債券債務部分	優先票據及債券	債券衍生工具部分	租賃負債	總值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於二零二零年一月一日	-	19,456,079	1,493,257	5,027,123	222,207	118,054	26,316,720
Financing cash flows	融資性現金流	(282,672)	1,280,385	(288,607)	(41,059)	-	(26,225)	641,822
Acquisition of a subsidiary	收購附屬公司	-	2,733,000	-	-	-	-	2,733,000
Foreign exchange translation	外匯換算	-	(868,372)	(102,656)	(270,593)	(4,517)	-	(1,246,138)
Interest expenses	利息開支	-	1,263,397	285,303	519,199	-	10,544	2,078,443
Fair value adjustment	公允價值調整	-	-	-	-	(93,506)	-	(93,506)
Loss on non-substantial modification of financial liabilities at amortised cost	按攤銷成本列賬之金融負債之非重大變更虧損	-	-	-	131,381	-	-	131,381
Loss on substantial modification of convertible bonds	可換股債券之重大變更虧損	-	-	32,677	-	(12,572)	-	20,105
Dividend declared	宣派股息	282,672	-	-	-	-	-	282,672
At 31 December 2020	於二零二零年十二月三十一日	-	23,864,489	1,419,974	5,366,051	111,612	102,373	30,864,499
At 1 January 2019	於二零一九年一月一日	-	16,541,796	1,381,645	5,400,969	198,105	-	23,522,515
Adjustment upon application of HKFRS 16	應用香港財務報告準則第16號後之調整	-	-	-	-	-	131,723	131,723
At 1 January 2019	於二零一九年一月一日	-	16,541,796	1,381,645	5,400,969	198,105	131,723	23,654,238
Financing cash flows	融資性現金流	(234,207)	1,356,160	(88,155)	(889,899)	-	(25,598)	118,301
Acquisition of a subsidiary	收購附屬公司	-	147,000	-	-	-	-	147,000
Foreign exchange translation	外匯換算	-	224,306	27,530	46,426	3,932	-	302,194
Interest expenses	利息開支	-	1,186,817	172,237	411,241	-	11,929	1,782,224
Fair value adjustment	公允價值調整	-	-	-	-	20,170	-	20,170
Loss on non-substantial modification of financial liabilities at amortised cost	按攤銷成本列賬之金融負債之非重大變更虧損	-	-	-	57,287	-	-	57,287
Loss on early redemption of financial liabilities at amortised cost	提前贖回按攤銷成本列賬之金融負債之虧損	-	-	-	1,099	-	-	1,099
Dividend declared	宣派股息	234,207	-	-	-	-	-	234,207
At 31 December 2019	於二零一九年十二月三十一日	-	19,456,079	1,493,257	5,027,123	222,207	118,054	26,316,720

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

46. COMMITMENTS

(a) Capital and other commitments

At the end of the reporting period, the Group has the following commitments:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Contracted but not provided for:	已訂約但未撥備：		
– Investment properties under development	– 在建投資物業	32,787	–
– Properties under development for sale	– 發展中待售物業	3,407,074	1,692,469
– Acquisition of the rights of an urban redevelopment project	– 收購一項城市改造項目的權益	–	40,000
		3,439,861	1,732,469

(b) Operating lease arrangements

The Group as lessor

All of the properties held for rental purposes have committed lessees for the next one and fourteen years.

Lease payments receivable on leases are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	505,136	488,373
In the second year	第二年	429,446	383,816
In the third year	第三年	327,592	244,789
In the fourth year	第四年	250,752	145,996
In the fifth year	第五年	164,127	108,250
After five years	五年後	298,171	230,413
		1,975,224	1,601,637

46. 承擔

(a) 資本及其他承擔

於報告期末，本集團有以下承擔：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Contracted but not provided for:	已訂約但未撥備：		
– Investment properties under development	– 在建投資物業	32,787	–
– Properties under development for sale	– 發展中待售物業	3,407,074	1,692,469
– Acquisition of the rights of an urban redevelopment project	– 收購一項城市改造項目的權益	–	40,000
		3,439,861	1,732,469

(b) 經營租賃安排

本集團作為出租人

所有持作出租用途的物業於隨後一及十四年擁有有承擔承租人。

租賃的應收租賃付款如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	505,136	488,373
In the second year	第二年	429,446	383,816
In the third year	第三年	327,592	244,789
In the fourth year	第四年	250,752	145,996
In the fifth year	第五年	164,127	108,250
After five years	五年後	298,171	230,413
		1,975,224	1,601,637

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

47. PLEDGE OF ASSETS

(a) Pledge of assets

At the end of the reporting period, the Group had the following assets being pledged for bank and other borrowings.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Properties under development for sale	發展中待售物業	2,071,008	2,893,324
Properties held for sale	待售物業	1,436,806	618,954
Investment properties	投資物業	19,408,275	20,557,312
Property, plant and equipment	物業、廠房及設備	802,444	925,831
Pledged bank deposits	抵押銀行存款	2,671,572	1,348,651
		26,390,105	26,344,072

Note: As at 31 December 2020, except for assets pledged above, secured bank loans with aggregate amount of RMB4,984,327,000 (2019: RMB3,256,201,000) and secured other borrowings with amount of RMB2,124,292,000 (2019: RMB50,000,000) are secured by the equity interests of subsidiaries of the Group (see also note 33).

(b) Restrictions on assets

In addition, lease liabilities of RMB102,373,000 are recognised with related investment properties of RMB178,200,000 as at 31 December 2020 (2019: lease liabilities of RMB118,054,000 and related investment properties of RMB216,600,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

47. 資產抵押

(a) 資產抵押

於報告期末，本集團以下資產已被抵押作為銀行及其他借貸之擔保。

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Properties under development for sale	2,071,008	2,893,324
Properties held for sale	1,436,806	618,954
Investment properties	19,408,275	20,557,312
Property, plant and equipment	802,444	925,831
Pledged bank deposits	2,671,572	1,348,651
	26,390,105	26,344,072

附註：於二零二零年十二月三十一日，除上述抵押之資產外，有抵押銀行貸款總金額人民幣4,984,327,000元（二零一九年：人民幣3,256,201,000元）及有抵押其他借貸人民幣2,124,292,000元（二零一九年：人民幣50,000,000元）由本集團附屬公司之股權作抵押（請同時參閱附註33）。

(b) 資產限制

此外，於二零二零年十二月三十一日就相關投資物業人民幣178,200,000元確認租賃負債人民幣102,373,000元（二零一九年：租賃負債人民幣118,054,000元及相關投資物業為人民幣216,600,000元）。除於出租人所持有租賃資產的抵押權益外，租賃協議並無施加任何契諾，且相關租賃資產不得用作抵押品以取得借貸。

48. FINANCIAL GUARANTEE CONTRACTS

For the year ended 31 December 2020, the Group had financial guarantee contracts relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB2,128,831,000 (2019: RMB2,132,390,000). The guarantees are secured by the Group's pledged bank deposits amounting to RMB69,650,000 (2019: RMB94,021,000).

Pursuant to the terms of the guarantees, if there is default on the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to the banks.

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

As at 31 December 2020, the Group issued financial guarantee to a bank in respect of banking facility granted to an independent third party with an amount of RMB89,200,000.

The directors of the Company consider that it is not probable for the Group to sustain a loss under these mortgage guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties and sell the properties under default to recover any amounts paid by the Group to the banks. The Group has not recognised these guarantees as their fair value at initial recognition is considered to be insignificant by the directors of the Company. The directors of the Company also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event that the purchasers default payments to the banks for their mortgage loans. The director considers that it is not probable for the Group to sustain a loss under the guarantee for the independent third party as during the periods under guarantee due to its sound credit worthiness, financial position and historical repayment records.

48. 財務擔保合約

截至二零二零年十二月三十一日止年度，本集團就若干買方的按揭融資提供擔保的財務擔保合約約為人民幣2,128,831,000元(二零一九年：人民幣2,132,390,000元)。有關擔保以本集團的抵押銀行存款人民幣69,650,000元(二零一九年：人民幣94,021,000元)作抵押。

根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方應付銀行的任何應計利息及罰金。

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

於二零二零年十二月三十一日，本集團就授予獨立第三方之銀行融資向銀行發行財務擔保，金額為人民幣89,200,000元。

本公司董事認為，本集團於擔保期間不大可能因該等按揭擔保而蒙受虧損，而本集團在違約的情況下可接管有關物業的所有權並出售有關物業，以收回本集團向銀行支付的任何金額。由於本公司董事認為該等擔保於初步確認時的公允價值並不重大，故本集團並未確認該等擔保。本公司董事亦認為，倘買方拖欠償還銀行按揭貸款，相關物業的公允市值足以彌補本集團所擔保的未償還按揭貸款。董事認為，由於獨立第三方之信譽、財務狀況及過往還款記錄良好，故本集團於擔保期間不大可能因獨立第三方之擔保而蒙受虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

49. RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in these consolidated financial statements, the Group has the following transactions with related parties during the year:

(a) Transactions with related parties

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest expenses paid to Shenzhen Forsafe System Technology Co., Ltd. ("Shenzhen Forsafe"), an entity controlled by ultimate controlling party	向深圳市賦安安全系統有限公司(「深圳賦安」)(一家由最終控股方控制之實體)支付之利息開支 -	2,731

(b) Balances with related parties

Details of the balances with related parties at the end of the reporting period are disclosed in the consolidated statement of financial position and notes 17, 26 and 30.

(c) Key management personnel compensation

The directors are of the opinion that the key management personnel were solely the executive directors of the Company. Remuneration paid to the Company's executive directors is disclosed in note 11.

49. 關聯方交易

除該等綜合財務報表其他地方所披露者外，本集團年內與關聯方進行的交易如下：

(a) 與關聯方進行的交易

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	-	2,731

(b) 關聯方之結餘

於報告期末與關聯方之結餘詳情於綜合財務狀況報表及附註17、26及30中披露。

(c) 主要管理人員薪酬

董事認為，主要管理人員僅包括本公司執行董事。已付本公司執行董事的薪酬於附註11中披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 50. 本公司財務狀況表

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	3,381,353	3,381,353
Amounts due from subsidiaries	應收附屬公司款項	10,174,378	8,854,131
Property, plant and equipment	物業、廠房及設備	32,880	27,760
Right-of-use asset	使用權資產	24,939	37,950
		13,613,550	12,301,194
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	4,773,422	4,670,869
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	1,521	5,068
Bank balances and cash	銀行結餘及現金	449,495	602,626
		5,224,438	5,278,563
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	10,849	62,309
Amounts due to subsidiaries	應付附屬公司款項	2,183,353	1,492,519
Borrowings	借貸	1,740,021	570,748
Debt component of convertible bonds	可換股債券債務部分	-	663,521
Derivative component of convertible bonds	可換股債券衍生工具部分	-	72,292
Lease liabilities	租賃負債	12,259	12,507
		3,946,482	2,873,896
Net current assets	流動資產淨值	1,277,956	2,404,667
Total assets less current liabilities	總資產減流動負債	14,891,506	14,705,861
Non-current liabilities	非流動負債		
Borrowings	借貸	589,120	975,616
Debt component of convertible bonds	可換股債券債務部分	468,306	-
Derivative component of convertible bonds	可換股債券衍生工具部分	22,511	-
Lease liabilities	租賃負債	11,706	25,509
		1,091,643	1,001,125
Net assets	資產淨值	13,799,863	13,704,736
Capital and reserves	資本及儲備		
Share capital	股本	42,458	42,060
Reserves	儲備	13,757,405	13,662,676
Total equity	總權益	13,799,863	13,704,736

HUANG Jingshu

黃敬舒

CHAIRMAN AND EXECUTIVE DIRECTOR
主席兼執行董事

SIU Chi Hung

蕭志雄

EXECUTIVE DIRECTOR
執行董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

50. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd)

50. 本公司財務狀況表(續)

Note:

附註：

Details of the movement in the Company's reserves are set out below:

本公司儲備變動之詳情載列如下：

		Share premium	Convertible preference share	Share option reserve	Exchange reserve	Contributed surplus	Retained profits	Total
		股份溢價	可換股優先股	購股權儲備	匯兌儲備	實繳盈餘	保留盈利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance as at 1 January 2019	於二零一九年一月一日之結餘	6,882,609	6,246,161	222,970	30,165	(18)	306,321	13,688,208
Profit for the year	年度盈利	-	-	-	-	-	202,406	202,406
Lapse of share options	購股權失效	-	-	(8,582)	-	-	8,582	-
Exercise of share options	行使購股權	10,819	-	(3,670)	-	-	-	7,149
Conversion of convertible preference shares	兌換可換股優先股	180,376	(181,256)	-	-	-	-	(880)
Dividend declared and made	已宣派及派付的股息	-	-	-	-	-	(234,207)	(234,207)
Balance as at 31 December 2019	於二零一九年十二月三十一日之結餘	7,073,804	6,064,905	210,718	30,165	(18)	283,102	13,662,676
Profit for the year	年度盈利	-	-	-	-	-	363,225	363,225
Exercise of share options	行使購股權	22,006	-	(7,511)	-	-	-	14,495
Conversion of convertible preference shares	兌換可換股優先股	65,385	(65,704)	-	-	-	-	(319)
Dividend declared and made	已宣派及派付的股息	-	-	-	-	-	(282,672)	(282,672)
Balance as at 31 December 2020	於二零二零年十二月三十一日之結餘	7,161,195	5,999,201	203,207	30,165	(18)	363,655	13,757,405

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries, each of which is a limited liability company, as at 31 December 2020 and 2019 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股本/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
LVGEM Suzhou 綠景蘇州	HK 香港	156 shares of HK\$1 each 156股每股面值1港元之股份	-	100% (2019: 100%)	Administration vehicle of the Group (HK) 處理本集團行政工作(香港)
PVGL* 協朗*	HK 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	-	100% (2019: 51%)	Investment holding (HK) 投資控股(香港)
Suzhou Garden Villa Development & Management Co., Ltd. 蘇州錦華苑建設發展管理有限公司	Mainland China (Note (a)) 中國內地(附註(a))	US\$20,550,000 20,550,000美元	-	95% (2019: 95%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Suzhou New Heritage GF Limited ("SNHGF") 蘇州新綉地產有限公司(「蘇州新綉」)	Mainland China (Note (a)) 中國內地(附註(a))	US\$26,600,000 26,600,000美元	-	100% (2019: 61%*)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Suzhou New Heritage WZA Limited 蘇州新興地產有限公司	Mainland China (Note (b)) 中國內地(附註(b))	US\$15,000,000 15,000,000美元	-	100% (2019: 100%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
New Heritage WJA Limited 吳江新澤地產有限公司	Mainland China (Note (b)) 中國內地(附註(b))	US\$13,000,000 13,000,000美元	-	100% (2019: 100%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Shenzhen LVGEM Asset Management Co., Ltd. 深圳市綠景資產管理有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB16,000,000 人民幣16,000,000元	-	100% (2019: 100%)	Property management service (Mainland China) 物業管理服務(中國內地)

51. 主要附屬公司的詳情

於二零二零年及二零一九年十二月三十一日主要附屬公司(均為有限公司)的詳情如下:

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

51. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Shenzhen LVGEM Hotel Co., Ltd. 深圳市綠景酒店有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB10,000,000 人民幣10,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Hotel operation services (Mainland China) 酒店營運服務(中國內地)
Shenzhen LVGEM Jiyuan Property Management Service Co., Ltd. 深圳市綠景紀元管理服務有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB500,000 人民幣500,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property management service (Mainland China) 物業管理服務(中國內地)
Shenzhen LVGEM Marketing Co., Ltd. 深圳市綠景房地產策劃有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB1,000,000 人民幣1,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Consultancy services (Mainland China) 顧問服務(中國內地)
Shenzhen LVGEM Property Management Co., Ltd. 深圳市綠景物業管理有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB5,000,000 人民幣5,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property management services (Mainland China) 物業管理服務(中國內地)
Shenzhen LVGEM Real Estate Development Co., Ltd. 深圳市綠景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB150,000,000 人民幣150,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Zhengxinglong Real Estate (Shenzhen) Co., Ltd. 正興隆房地產(深圳)有限公司	Mainland China (Note (b)) 中國內地(附註(b))	HK\$40,000,000 40,000,000港元	-	100% (2019: 100%) (二零一九年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Shenzhen Longkanghong Investment Development Co., Ltd. 深圳市龍康弘投資發展有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB270,000,000 人民幣270,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property development (Mainland China) 物業發展(中國內地)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

51. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股本/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Huazhou LVGEM Real Estate Development Co., Ltd. 化州市綠景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB210,000,000 人民幣210,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Zhuhai LVGEM Dongqiao Investment Co., Ltd. 珠海市綠景東橋投資有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB1,851,429,172 人民幣1,851,429,172元	-	90.64% (2019: 90.64%) (二零一九年: 90.64%)	Property development (Mainland China) 物業發展(中國內地)
Zhengxinglong Real Estate (Zhuhai) Co., Ltd. 正興隆房地產(珠海)有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB407,000,000 人民幣407,000,000元	-	100% (2019: 100%) (二零一九年: 100%)	Property development (Mainland China) 物業發展(中國內地)
Guangzhou Yuejing Real Estate Development Co., Ltd. 廣州市粵景房地產開發有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB10,000,000 人民幣10,000,000元	-	93% (2019: 93%) (二零一九年: 93%)	Property development (Mainland China) 物業發展(中國內地)
Jianmai Limited ("Jianmai") 景邁有限公司(「景邁」)	BVI 英屬維爾京群島	200 shares of US\$1 each 200股每股面值1美元之股份	-	95% (2019: 95%) (二零一九年: 95%)	Investment holding (HK) 投資控股(香港)
Wisdom Concept Development Limited 聰勁發展有限公司	HK 香港	2 shares of HK\$1 each 2股每股面值1港元之股份	-	95% (2019: 95%) (二零一九年: 95%)	Property development (HK) 物業發展(香港)
Olinda Limited	HK 香港	20 shares of HK\$1 each 20股每股面值1港元之股份	-	100% (2019: 100%) (二零一九年: 100%)	Property development and investment (HK) 物業發展及投資(香港)
Gemstones 碧玺	BVI 英屬維爾京群島	1 share of US\$1 1股1美元之股份	100% (2019: 100%) (二零一九年: 100%)	-	Treasury vehicle (BVI) 處理財資工作(英屬維爾京群島)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

51. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股本/註冊資本	Effectively attributable equity interests 實際應佔股本權益		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Zone Asia Investments (HK) Limited 崇亞投資(香港)有限公司	HK 香港	1 share of HK\$1 each 1股每股面值1港元之股份	-	100% (2019: 100%)	Investment holding (HK) 投資控股(香港)
World Margin Limited 世謙有限公司	HK 香港	800,000 shares of HK\$1 each 800,000股每股面值1港元之股份	-	100% (2019: 100%)	Treasury vehicle (HK) 處理財資工作(香港)
GBAIC 大灣區智慧城市	BVI 英屬維爾京群島	1 share of US\$1 1股1美元之股份	100% (2019: 100%)	-	Investment holding (BVI) 投資控股(英屬維爾京群島)
ICDL 智慧城市	HK 香港	10,000 share of HK\$1 each 10,000股每股面值1港元之股份	-	80%* (2019: 25%)	Investment holding (HK) 投資控股(香港)
Shenzhen Sida Industrial Co., Ltd. 深圳市四達實業有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB0 人民幣0元	-	80% (2019: 25%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Shenzhen LVGEM Enterprise Management Mainland China (Note (b)) Group Co., Ltd. 深圳市綠景企業管理集團有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB300,000,000 人民幣300,000,000元	-	80% (2019: 25%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Shenzhen LVGEM Hexing Real Estate Development Co., Ltd. 深圳市綠景合興房地產有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB10,000,000 人民幣10,000,000元	-	80% (2019: 25%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)
Shenzhen Lvgem Tiansheng Industrial Co., Mainland China (Note (b)) Ltd. 深圳市綠景天盛實業有限公司	Mainland China (Note (b)) 中國內地(附註(b))	RMB1,286,000,000 人民幣1,286,000,000元	-	80% (2019: 25%)	Property development and investment (Mainland China) 物業發展及投資(中國內地)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

* The Group has an effective interest of 51% in PVGL during the year ended 31 December 2019. In the opinion of the directors, the Group has the power to control over the relevant activities of PVGL and its subsidiary and PVGL and its subsidiary are consolidated in the financial statements of the Group accordingly.

Approximate percentage.

Notes:

- (a) This subsidiary is registered as a Sino-foreign cooperative joint venture under the Mainland China law.
- (b) These subsidiaries are registered as wholly foreign owned enterprises under the Mainland China law.
- (c) Except for Zhengxinglong, which issued the Bond on 26 August 2016 as disclosed in note 35, and Gemstones, which issued Private Notes which was repaid during the year ended 31 December 2020, and Senior Notes in 2017 as disclosed in note 34 and note 35 respectively, none of the remaining subsidiaries had issued any debt securities at the end of the reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affect the results for the year or form a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

51. 主要附屬公司的詳情(續)

* 截至二零一九年十二月三十一日止年度，本集團擁有協朗的51%實際股權。董事認為，本集團有權控制協朗及其附屬公司的相關業務，因此協朗及其附屬公司已在本集團財務報表中綜合入賬。

概約百分比。

附註：

- (a) 該附屬公司根據中國內地法律登記為中外合資合營公司。
- (b) 該等附屬公司根據中國內地法律登記為外資獨資企業。
- (c) 除正興隆(如附註35所披露，其於二零一六年八月二十六日發行該債券)及碧玺(如附註34及附註35分別披露，其於二零一七年發行私募票據(已於截至二零二零年十二月三十一日止年度償還)及優先票據)外，於報告期末，其餘附屬公司概無發行任何債務證券。

本公司董事認為，上表列出之本公司附屬公司，主要影響本集團本年度之業績或為本集團資產及負債之主要組成部分。董事認為詳細交待其他附屬公司之詳情會令篇幅過於冗長。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests

Summarised consolidated financial information of ICDL and its subsidiaries, PVGL and its subsidiary and Jianmai and its subsidiary that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name of subsidiary 附屬公司名稱	Proportion of equity interest held by non-controlling interests 非控股權益持有的股權比例		Total comprehensive income (expenses) allocated to non-controlling interests 分配給非控股權益的綜合收入(支出)總額		Accumulated non-controlling interests 累計非控股權益	
	2020	2019	2020	2019	2020	2019
	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
			RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元
ICDL and its subsidiaries 智慧城市及其附屬公司	20%	-	(3,659)	-	3,095,144	-
Jianmai and its subsidiary 景邁及其附屬公司	5%	5%	(49)	8	30,569	30,618
PVGL and its subsidiary 協朗及其附屬公司	-	49%	-	(1,152)	-	36,375
Individually immaterial subsidiaries with non-controlling interests 個別不屬重大並擁有非控股權益的附屬公司	N/A 不適用	N/A 不適用	(2,477)	623	36,194	39,981
			(6,185)	(521)	3,161,907	106,974

51. 主要附屬公司的詳情(續)

重大非控股權益

有關智慧城市及其附屬公司、協朗及其附屬公司以及景邁及其附屬公司(其擁有重大非控股權益)之綜合財務資料概要載列如下。下表所載財務資料概要指於集團內公司間對銷前之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(i) ICDL and its subsidiaries

		2020 二零二零年 RMB'000 人民幣千元
Non-current assets	非流動資產	125,501
Current assets	流動資產	24,900,487
Non-current liabilities	非流動負債	(8,693,102)
Current liabilities	流動負債	(859,101)
Net assets	資產淨值	15,473,785
Equity attributable to owners of the Company	本公司股東應佔權益	12,378,641
Equity attributable to non-controlling interests of ICDL	智慧城市之非控股權益應佔權益	3,095,144
Total equity	權益總額	15,473,785
Other income	其他收入	(7,678)
Other gains and losses	其他收益及虧損	(3,846)
Expenses	開支	29,817
Loss for the year	年度虧損	18,293
Loss attributable to owners of the Company	本公司股東應佔虧損	14,634
Loss attributable to non-controlling interests	非控股權益應佔虧損	3,659
Loss for the year	年度虧損	18,293
Net cash used in operating activities	經營活動所用現金淨額	(14,504)
Net cash used in investing activities	投資活動所用現金淨額	(264,760)
Net cash used in financing activities	融資活動所用現金淨額	(83,344)

51. 主要附屬公司的詳情(續)

重大非控股權益(續)

(i) 智慧城市及其附屬公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(ii) Jianmai and its subsidiary

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current assets	流動資產	644,994	684,751
Current liabilities	流動負債	(33,603)	(72,376)
Net assets	資產淨值	611,391	612,375
Equity attributable to owners of the Company	本公司股東應佔權益	580,822	581,757
Equity attributable to non-controlling interests	非控股權益應佔權益	30,569	30,618
Total equity	權益總額	611,391	612,375
Other income	其他收入	-	214
Expenses	開支	(984)	(46)
(Loss) profit for the year	年度(虧損)盈利	(984)	168
(Loss) profit attributable to owners of the Company	本公司股東應佔(虧損)盈利	(935)	160
(Loss) profit attributable to non-controlling interests	非控股權益應佔(虧損)盈利	(49)	8
(Loss) profit for the year	年度(虧損)盈利	(984)	168
Net cash used in operating activities and net cash outflow	經營活動所用現金淨額及現金流出淨額	(200)	(1,365)

51. 主要附屬公司的詳情(續)

重大非控股權益(續)

(ii) 景邁及其附屬公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至二零二零年十二月三十一日止年度

51. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(iii) PVGL and its subsidiary

		2019 二零一九年 RMB'000 人民幣千元
Current assets	流動資產	270,555
Current liabilities	流動負債	(143,564)
Net assets	資產淨值	126,991
Equity attributable to owners of the Company	本公司股東應佔權益	37,859
Equity attributable to non-controlling interests of PVGL	協朗之非控股權益應佔權益	36,375
Equity attributable to non-controlling interests of SNHGF (Note)	蘇州新綉之非控股權益應佔權益(附註)	52,757
Total equity	權益總額	126,991
Other income, other gains and losses	其他收入、其他收益及虧損	295
Expenses	開支	(2,664)
Attributable to non-controlling interests of SNHGF (Note)	蘇州新綉非控股權益應佔(附註)	18
Loss for the year	年度虧損	(2,351)
Loss attributable to owners of the Company	本公司股東應佔虧損	(1,199)
Loss attributable to non-controlling interests	非控股權益應佔虧損	(1,152)
Loss for the year	年度虧損	(2,351)
Net cash used in operating activities and net cash outflow	經營活動所用現金淨額及現金流出淨額	(3,109)

Note: As at 31 December 2020, the Group held 100% (2019: 51%) equity interests in PVGL, which indirectly held 80% (2019: 80%) equity interests in SNHGF. In addition, the Group also indirectly held the remaining 20% (2019: 20%) equity interests in SNHGF. Therefore, the Group effectively held 100% (2019: 61%) in SNHGF.

附註：於二零二零年十二月三十一日，本集團持有協朗100%股權(二零一九年：51%)，協朗間接持有蘇州新綉80%股權(二零一九年：80%)。此外，本集團亦間接持有蘇州新綉餘下20%股權(二零一九年：20%)。因此，本集團實際持有蘇州新綉100%(二零一九年：61%)股權。

Financial Summary

財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements for the years ended 2016, 2017 and 2018 as below. For the years ended 31 December 2019 and 2020 which extracted from the annual report 2020 was restated as appropriate, is set out below.

本集團過去五個財政年度之業績以及資產及負債(摘錄自截至二零一六年、二零一七年及二零一八年十二月三十一日止年度之已刊發經審核財務報表)如下。截至二零一九年及二零二零年十二月三十一日止年度乃摘錄自二零二零年年報，並經重列(如適用)。

		2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
RESULTS	業績					
Revenue	收益	4,590,162	2,967,751	4,515,685	6,902,448	5,424,827
Profit from operation	經營盈利	2,259,932	2,111,059	2,813,503	4,623,298	5,849,185
Finance costs	融資成本	(406,500)	(613,592)	(657,995)	(1,256,165)	(1,533,101)
Share of results of a joint venture	應佔一間合營公司業績	(9)	(93)	(8)	(2)	(2)
Profit before tax	除稅前盈利	1,853,423	1,497,374	2,155,500	3,367,131	4,316,082
Income tax expense	所得稅開支	(1,044,757)	(458,811)	(925,097)	(1,617,168)	(865,007)
Profit for the year	年度盈利	808,666	1,038,563	1,230,403	1,749,963	3,451,075
Attributable to owners of the Company	本公司股東應佔	802,297	1,035,392	1,237,167	1,749,884	3,453,380
		2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	14,399,166	22,654,001	24,171,470	26,459,769	25,897,846
Current assets	流動資產	11,525,352	14,142,819	19,240,634	22,276,514	48,369,152
Current liabilities	流動負債	(5,816,445)	(9,650,864)	(11,689,752)	(17,760,664)	(15,903,122)
Non-current liabilities	非流動負債	(10,910,409)	(17,076,753)	(20,283,409)	(17,940,786)	(30,478,253)
Net assets	資產淨值	9,197,664	10,069,203	11,438,943	13,034,833	27,885,623
Equity attributable to owners of the Company	本公司股東應佔權益	8,964,512	9,836,062	11,331,448	12,927,859	24,723,716

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES

投資物業

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
LVGEM Zoll 1866 Shopping Mall located at the eastern side of Meilong Road and the southern side of Zhongmei Road Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區梅隴路東側及中梅路南側的綠景1866佐隴薈	100%	54,360	Commercial 商業	70 years from 31 August 2004 to 30 August 2074 二零零四年八月三十一日至 二零七四年八月三十日， 為期70年
LVGEM Zoll Chanson Shopping Mall and car parking spaces located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區民治社區民治路西側的綠景佐隴香頌購物中心及車位	100%	36,890	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至 二零八零年八月五日， 為期70年
Various commercial units of LVGEM Chanson Meilu Garden located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區民治社區民治路西側的香頌美廬園多個商業單位	100%	330	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至 二零八零年八月五日， 為期70年
Various commercial units of City Garden located at the western side of Longxiang Avenue and the eastern side of Huangge Road Longguang District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市龍崗區龍翔大道西側及黃閣路東側的城市立方花園多個商業單位	100%	4,650	Commercial 商業	70 years from 22 February 2001 to 21 February 2071 二零零一年二月二十二日至 二零七一年二月二十一日， 為期70年
LVGEM Zoll Hongwan Shopping Mall located at the northern side of North Ring Avenue and the eastern side of Meilin Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區北環大道北側及梅林路東側的綠景佐隴虹灣購物中心	100%	76,810	Commercial 商業	70 years from 16 December 2011 to 15 December 2081 二零一一年十二月十六日至 二零八一年十二月十五日， 為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Various commercial units of LVGEM Hotel located at the western side of Xinzhou Road and the northern side of Xinzhou Sixth Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區新洲路西側及新洲六路北側的綠景錦江花園酒店多個商業單位	100%	4,410	Commercial 商業	70 years from 30 December 2003 to 29 December 2073 二零零三年十二月三十日至二零七三年十二月二十九日，為期70年
Various commercial units of Lanwan Peninsula Community located at the northern side of Furong Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區福榮路北側的藍灣半島社區多個商業單位	100%	2,810	Commercial 商業	70 years from 20 September 2001 to 19 September 2071 二零零一年九月二十日至二零七一年九月十九日，為期70年
Various commercial units, office units and car parking spaces of Tower A of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體A座多個商業單位、辦公單位及車位	100%	108,360	Commercial 商業	50 years from 8 May 2005 to 7 May 2055 二零零五年五月八日至二零五五年五月七日，為期50年
Various commercial units and car parking spaces of Tower B and Tower C of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體B座及C座多個商業單位及車位	100%	26,100	Commercial 商業	70 years from 26 February 2002 to 25 February 2072 二零零二年二月二十六日至二零七二年二月二十五日，為期70年
Various commercial units of Phase II of LVGEM Garden located at the western side of Xinzhou Road and the northern side of Fuqiang Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區新洲路西側及福強路北側的綠景花園二期多個商業單位	100%	20,610	Commercial 商業	70 years from 5 February 2001 to 4 February 2071 二零零一年二月五日至二零七一年二月四日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
LVGEM Zoll Mangrove Bay No. 1 Shopping Mall located at the junction of Shazui Road and Jindi First Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區沙嘴路與金地一路交匯處的綠景佐玲紅樹灣壹號購物中心	100%	20,510	Commercial 商業	50 years from 23 November 2012 to 22 November 2062 二零一二年十一月二十三日至二零六二年十一月二十二日，為期50年
Various commercial units and ancillary units of LVGEM Garden Estate located at No. 1185 Jin Dao Tian Road Luohu District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市羅湖區金稻田路1185號的綠景山莊多個商業單位及配套單位	100%	3,820	Commercial 商業	70 years from 9 March 1998 to 8 March 2068 一九九八年三月九日至二零六八年三月八日，為期70年
A parcel of land and blocks located at Yi Jia Industrial Park, Fuqian Road, Guanlan Street Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾街道福前路位於溢佳工業園一幅土地和多個房屋	89%	37,150	Industrial 工業	50 years from 8 July 2002 to 7 July 2052 二零零二年七月八日至二零五二年七月七日，為期50年
LVGEM Zoll International Garden Shopping Mall Zone A located at Hexi Street, Huazhou Guangdong Province, The PRC 位於中國廣東省化州市河西街道綠景佐玲國際花城購物中心A區	100%	22,170	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
LVGEM Zoll International Garden Shopping Mall Zone B4 located at Hexi Street, Huazhou Guangdong Province, The PRC 位於中國廣東省化州市河西街道綠景佐玲國際花城購物中心B4區	100%	23,250	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
Hong Kong LVGEM NEO located at No. 123 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong 位於香港九龍觀塘海濱道123號香港綠景NEO大廈	100%	55,390	Commercial 商業	From 29 November 1988 to 30 June 2047 一九八八年十一月二十九日至二零四七年六月三十日
Sunshine Bay Project located at Village 1, Commune No.3, Mittaphea Town, Shihanoukville Municipal, Cambodia 位於柬埔寨王國西哈努克城米塔匹博第三街區一號村莊海納天項目	100%	45,970	Commercial 商業	No lease term 沒有期限

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
LVGEM Zoll Jinhua Shopping Mall located at 98 Shi Shan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號的 綠景佐隄錦華購物中心	95%	11,020	Commercial 商業	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至 二零六二年十月十八日， 為期70年
Villa J101 of Phase I of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑 第一期J101別墅	95%	270	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至 二零六二年十月十八日， 為期70年
Flat 1A of Jin Guo Tower, Flats 1A, 8C, 17C and 18D, of Jin Xing Tower of Phase II of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑 第二期錦國樓1A、錦興樓1A、8C、17C及 18D室	95%	730	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至 二零六二年十月十八日， 為期70年
Flats 1B, 1D and 1F of Jin Bon Tower of Phase III of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號 錦華苑第三期錦邦樓1B、1D及1F室	95%	480	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至 二零六二年十月十八日， 為期70年
LVGEM Zoll Yuexi Shopping Mall located at No.199 Tayun Road, Yuexi, Wuzhong Development District, Suzhou City, Jiangsu Province, The PRC 位於中國江蘇省蘇州市吳中開發區越溪塔韻路 199號的綠景佐隄越溪購物中心	100%	12,220	Commercial 商業	40 years from 1 August 2003 to 31 July 2043 二零零三年八月一日至 二零四三年七月三十一日， 為期40年
Commercial units of Zhong He Ti Xiang Garden located at No.209 Haitang Road, Heshan District, Yiyang, Hu'nan Province, The PRC 位於中國湖南省益陽市赫山區海棠路209號 中核緹香名苑多個商業單位	100%	3,610	Commercial 商業	40 years from 1 April 2007 to 31 March 2047 二零零七年四月一日至 二零四七年三月三十一日， 為期40年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Residential units of Hongwan Garden located at Meilin Road East, Bei Huan Avenue, Shenzhen, Guangdong Province, The PRC 位於中國廣東省深圳市福田區北環大道以北梅林路以東的虹灣花園的多個住宅單位	100%	1,960	Residential 住宅	70 years from 16 December 2011 to 15 December 2081 二零一一年十二月十六日至二零八一年十二月十五日，為期70年
Dongguan LVGEM Zoll Shopping Mall located at Baoshan Road Zhangmutou Dongguan City Guangdong Province The PRC 位於中國廣東省東莞市樟木頭寶山路的東莞綠景佐陰購物中心	100%	59,060	Commercial 商業	40 years from 21 November 2013 to 20 November 2053 二零一三年十一月二十一日至二零五三年十一月二十日，為期40年
Various street-level commercial units of Zone A of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City, Guangdong Province, The PRC 位於中國廣東省茂名市化州縣河西街道橘州公園西北側的綠景國際花城A區的多個沿街商業單位	100%	5,710	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
Various street-level commercial units of Zone B of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City, Guangdong Province, The PRC 位於中國廣東省茂名市化州縣河西街道橘州公園西北側的綠景國際花城B區的多個沿街商業單位	100%	14,050	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
Various street-level commercial units of Zone E of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City, Guangdong Province, The PRC 位於中國廣東省茂名市化州縣河西街道橘州公園西北側的綠景國際花城E區的多個沿街商業單位	100%	7,370	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年
Various street-level commercial units of the Southern District of LVGEM Joyful Town Business Centre located at West Mingzhu Station, Mingzhu North Road, Shangchong, Xiangzhou District, Zhuhai City, Guangdong Province, The PRC 位於中國廣東省珠海市香洲區上衝明珠北路明珠站西側的綠景喜悅薈商務中心南區的多個沿街商業單位	100%	3,200	Commercial 商業	40 years from 20 July 2018 to 19 July 2058 二零一八年七月二十日至二零五八年七月十九日，為期40年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties 物業	Interest Attributable to the Group 本集團應佔權益	Approximate Total Gross Floor Area (square meter) 概約總建築面積 (平方米)	Type 類別	Lease Term 租期
Six retail commercial units of Wendefu Garden located at No.2002 Houhai Avenue, Nanshan District, Shenzhen City, Guangdong Province, The PRC 位於中國廣東省深圳市南山區後海大道2002號文德福花園的六套零售商業單元	80%	660	Commercial 商業	70 years from 18 May 1998 to 17 May 2068 一九九八年五月十八日至二零六八年五月十七日，為期70年
Part of the apportioned land proposed to be developed into retail commercial properties of the LVGEM urban renewal project located at Dongqiao Community, Nanping Town, Xiangzhou District, Zhuhai City, Guangdong Province, The PRC 位於中國廣東省珠海市香洲區南屏鎮東橋社區綠景城市更新項目中擬開發為零售商業物業的部分所分攤的土地	95%	N/A 不適用	Commercial 商業	40 years from 17 April 2020 to 16 April 2060 二零二零年四月十七日至二零六零年四月十六日，為期40年
Commercial units under construction of the Northern 100% District of LVGEM Joyful Town Business Centre located at West Mingzhu Station, Mingzhu North Road, Shangchong, Xiangzhou District, Zhuhai City, Guangdong Province, The PRC 位於中國廣東省珠海市香洲區上衝明珠北路明珠站西側的綠景喜悅薈商務中心北區商業在建單位		16,750	Commercial 商業	40 years from 20 July 2018 to 19 July 2058 二零一八年七月二十日至二零五八年七月十九日，為期40年
Vacant land pending development of Phase II of the Wanda Plaza Project of Zone G1 of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City, Guangdong Province, The PRC 位於中國廣東省茂名市化州縣河西街道橘州公園西北側的綠景國際花城G1區二期萬達廣場項目的待開發空地	100%	83,750	Commercial 商業	40 years from 23 April 2012 to 22 April 2052 二零一二年四月二十三日至二零五二年四月二十二日，為期40年

2. PROPERTIES UNDER DEVELOPMENT FOR SALE

發展中待售物業

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Residential and commercial units of Hongshu Huafu Sifang Zone located at the southeast corner of the intersection of Shazui Road and Jindi Road Futian District Shenzhen City, Guangdong Province The PRC 位於中國廣東省深圳市福田區沙嘴路和金地一路交匯處東南側的紅樹華府四坊片區住宅及商業項目	100%	17,590	139,670	Residential/ Commercial 住宅/商業	2023 二零二三年	Demolition and relocation plan in progress 進行拆遷計劃方案
Residential and commercial units of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming City Guangdong Province The PRC 位於中國廣東省茂名市化州縣河西路橘洲公園西北側的綠景國際花城住宅及商業項目	100%	559,830	1,353,660	Residential/ Commercial 住宅/商業	2021-2025 二零二一年至二零二五年	Under construction 工程進行中
Residential, commercial and industrial complex located at Liguang Village, Guanlan Town Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾鎮黎光村的住宅及商業	100%	85,330	382,140	Residential/ Commercial 住宅/商業	2024-2025 二零二四年至二零二五年	Demolition and relocation plan in progress 進行拆遷計劃方案

List of Principal Properties

主要物業

2. PROPERTIES UNDER DEVELOPMENT FOR SALE (Cont'd)

發展中待售物業(續)

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Commercial and office complex located at West Mingzhu Station, Mingzhu North Road, Shangchong, Zhuhai City, Guangdong Province The PRC 位於中國廣東省珠海市上沖明珠北路明珠站西側的商業及辦公室	100%	22,260	213,700	Commercial/ Office 商業/辦公室	2021 二零二一年	Under construction 工程進行中
Residential, commercial and hotel complex located at No.37 Maofeng Road, Xiangzhou District Nanping Town, Zhuhai City, Guangdong Province The PRC 位於中國廣東省珠海市香洲區南屏鎮茂豐路37號的住宅、商業及酒店	91%	207,550	764,920	Residential/ Commercial/ Hotel 住宅、商業、酒店	2022 二零二二年	Under construction 工程進行中
Villa located at Deep Bay Road near Mong Tseng Village and Mong Tseng Wai, Lau Fau Shan, Yuen Long, New Territories, Hong Kong 位於香港元朗流浮山深灣路近輞井村輞井圍的別墅	95%	82,400	23,880	Villa 別墅	2023 二零二三年	Planning stage 前期規劃
Residential, commercial and office complex located in the core area of Nanshan District, Shenzhen City, being adjacent to Shennan Avenue and in proximity to Science Park and the sub-district of Overseas Chinese Town 位於深圳市南山區核心區域(緊鄰深南大道·並毗鄰科技園及華僑城片區)可作住宅、商業及辦公室用途的綜合大樓	80%	459,540	3,580,000	Residential/ Commercial/ Office 住宅/商業/辦公室	2023-2030 二零二三年至二零三零年	Demolition and relocation plan in progress 進行拆遷計劃方案

L.gem 綠景(中國)地產投資有限公司
LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

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