青建國際控股有限公司

CNQC International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1240

2018
INTERIM REPORT

CONTENTS

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Cheng Wing On, Michael *(Chairman)*
Mr. Wang Congyuan *(Chief Executive Officer)*
Mr. Ho Chi Ling
Mr. Zhang Yuqiang
Mr. Wang Linxuan

Non-executive Directors

Dr. Sun Huiye
Mr. Wang Xianmao
Mr. Chen Anhua

Independent Non-executive Directors

Mr. Chuck Winston Calptor
Mr. Ching Kwok Hoo, Pedro
Mr. Tam Tak Kei, Raymond
Mr. Chan Kok Chung, Johnny

COMPANY SECRETARY

Mr. Chan Tat Hung

AUDIT COMMITTEE

Mr. Tam Tak Kei, Raymond
(Chairman of the Audit Committee)
Mr. Chuck Winston Calptor
Mr. Ching Kwok Hoo, Pedro
Mr. Chan Kok Chung, Johnny
Mr. Wang Xianmao

REMUNERATION COMMITTEE

Mr. Chuck Winston Calptor
(Chairman of the Remuneration Committee)
Mr. Zhang Yuqiang
Mr. Wang Congyuan
Mr. Ching Kwok Hoo, Pedro
Mr. Chan Kok Chung, Johnny

NOMINATION COMMITTEE

Mr. Cheng Wing On, Michael
(Chairman of the Nomination Committee)
Dr. Sun Huiye
Mr. Tam Tak Kei, Raymond
Mr. Ching Kwok Hoo, Pedro
Mr. Chan Kok Chung, Johnny

STRATEGY AND INVESTMENT COMMITTEE

Mr. Cheng Wing On, Michael
(Chairman of Strategy and Investment Committee)
Mr. Wang Congyuan
Mr. Zhang Yuqiang
Mr. Ho Chi Ling
Mr. Wang Linxuan
Mr. Wang Xianmao
Dr. Sun Huiye
Mr. Chan Kok Chun, Johnny

AUTHORIZED REPRESENTATIVES

Mr. Ho Chi Ling
Mr. Chan Tat Hung

REGISTERED OFFICE

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CORPORATE INFORMATION

LEGAL ADVISERS AS TO HONG KONG LAWS

Norton Rose Fulbright Hong Kong

AUDITOR

PricewaterhouseCoopers

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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PRINCIPAL BANKER

United Overseas Bank
Hong Leong Finance Limited
The Export-Import Bank Of China
Bank Of China
The Hong Kong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

STOCK CODE

1240

WEBSITE

www.cnqc.com.hk

The board (the "**Board**") of directors (the "**Directors**") of CNQC International Holdings Limited (the "**Company**") is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2018 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2017 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2018

		Six months ended 30 June	
		2018	2017
	Note	**HK$'000**	HK$'000
		(Unaudited)	(Unaudited)
Revenue	*8*	**5,138,744**	7,711,221
Cost of sales		**(4,477,174)**	(6,621,514)
Gross profit		**661,570**	1,089,707
Other income	*9*	**10,885**	44,020
Other losses — net	*10*	**(3,747)**	(30,714)
Selling and marketing expenses		**(70,737)**	(160,822)
General and administrative expenses		**(174,185)**	(186,324)
Operating profit	*11*	**423,786**	755,867
Finance income		**38,905**	37,048
Finance costs		**(59,450)**	(21,599)
Finance (costs)/income, net	*12*	**(20,545)**	15,449
Share of losses of associated companies		**(43,832)**	(14,626)
Share of profit of joint ventures		**4,345**	291
Profit before income tax		**363,754**	756,981
Income tax expense	*13*	**(81,004)**	(131,787)
Profit for the period		**282,750**	625,194
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
— Revaluation loss on available-for-sale financial assets		**–**	(22,226)
— Currency translation differences		**(35,688)**	89,833
Total comprehensive income for the period		**247,062**	692,801

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2018

	Note	Six months ended 30 June	
		2018	2017
		HK$'000	HK$'000
		(Unaudited)	(Unaudited)
Profit for the period attributable to:			
Owners of the Company		**223,591**	459,362
Non-controlling interests		**59,159**	165,832
		282,750	625,194
Total comprehensive income for the period attributable to:			
Owners of the Company		**187,903**	517,185
Non-controlling interests		**59,159**	175,616
		247,062	692,801
Earnings per share attributable to owners of the Company during the period	*14*		
Basic earnings per share			
— ordinary shares (HK cents)		**13.36**	27.45
— convertible preference shares (HK cents)		**13.38**	27.47
Diluted earnings per share			
— ordinary shares (HK cents)		**13.36**	27.45
— convertible preference share (HK cents)		**13.38**	27.47

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	**30 June 2018 HK$'000 (Unaudited)**	31 December 2017 HK$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	*15*	**384,988**	414,202
Investment properties under development	*15*	**547,079**	518,546
Goodwill	*15*	**554,685**	565,755
Other intangible assets	*15*	**41,236**	44,708
Investments in associated companies		**4,594**	21,081
Investments in joint ventures		**4,658**	415
Deferred income tax assets		**39,171**	61,354
Financial assets at fair value through profit or loss		**399,624**	230,696
Available-for-sale financial assets		**–**	28,489
Financial assets at fair value through other comprehensive income		**26,830**	–
Prepayments and other receivables	*16*	**1,466,842**	973,127
		3,469,707	2,858,373
Current assets			
Development properties for sale	*17*	**2,047,379**	4,375,337
Trade and other receivables, prepayments and deposits	*16*	**1,157,081**	1,798,183
Contract assets	*4(d)*	**1,957,201**	–
Amounts due from customers for contract work		**–**	37,852
Tax recoverable		**20,220**	25,981
Pledged bank deposits		**185,278**	247,889
Cash and cash equivalents		**2,125,044**	3,168,184
		7,492,203	9,653,426
Total assets		**10,961,910**	12,511,799
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital — ordinary shares	*20*	**14,852**	14,852
Share capital — convertible preference shares	*20*	**1,879**	1,879
Share premium		**3,317,938**	3,317,938
Treasury shares		**(12,958)**	–
Other reserves		**(1,175,933)**	(1,149,943)
Retained earnings		**1,162,206**	1,111,747
		3,307,984	3,296,473
Non-controlling interests		**172,330**	197,060
Total equity		**3,480,314**	3,493,533

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Note	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	*18*	**2,388,242**	2,566,405
Derivative financial instruments		**2,484**	5,298
Deferred income tax liabilities		**57,342**	55,150
		2,448,068	2,626,853
Current liabilities			
Trade and other payables	*19*	**1,948,823**	3,801,074
Contract liabilities	*4(d)*	**365,110**	–
Tax payables		**125,973**	148,244
Borrowings	*18*	**2,591,501**	2,438,880
Derivative financial instruments		**2,121**	3,215
		5,033,528	6,391,413
Total liabilities		**7,481,596**	9,018,266
Total equity and liabilities		**10,961,910**	12,511,799

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2018

	Attributable to owners of the Company								
	Share capital-ordinary shares HK$'000	Share capital-convertible preference shares HK$'000	Share premium HK$'000	Treasury shares HK$'000	Other reserves HK$'000	Retained earnings HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
For the six months ended 30 June 2018 (unaudited)									
Balance at 31 December 2017	14,852	1,879	3,317,938	–	(1,149,943)	1,111,747	3,296,473	197,060	3,493,533
Adjustment on adoption of HKFRS 15, net of tax (note 4(a))	–	–	–	–	–	(5,832)	(5,832)	8,770	2,938
Restated balance at 1 January 2018	14,852	1,879	3,317,938	–	(1,149,943)	1,105,915	3,290,641	205,830	3,496,471
Comprehensive income									
Profit for the period	–	–	–	–	–	223,591	223,591	59,159	282,750
Other comprehensive loss									
Currency translation difference	–	–	–	–	(35,688)	–	(35,688)	(2,583)	(38,271)
Total comprehensive income	–	–	–	–	(35,688)	223,591	187,903	56,576	244,479
Transactions with owners:									
Buy-back of shares	–	–	–	(12,958)	–	–	(12,958)	–	(12,958)
Contribution from non-controlling interests	–	–	–	–	–	–	–	11,290	11,290
Employee share option scheme — share based compensation benefits	–	–	–	–	9,698	–	9,698	–	9,698
Dividend paid	–	–	–	–	–	(167,300)	(167,300)	(101,366)	(268,666)
	–	–	–	(12,958)	9,698	(167,300)	(170,560)	(90,076)	(260,636)
Balance at 30 June 2018 (unaudited)	14,852	1,879	3,317,938	(12,958)	(1,175,933)	1,162,206	3,307,984	172,330	3,480,314

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2017

	Attributable to owners of the Company							
	Share capital-ordinary shares HK$'000	Share capital-convertible preference shares HK$'000	Share premium HK$'000	Other reserves HK$'000	Retained earnings HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
For the six months ended 30 June 2017 (Unaudited)								
Balance at 1 January 2017	14,294	2,437	3,317,938	(1,235,529)	881,275	2,980,415	81,658	3,062,073
Comprehensive income								
Profit for the period	–	–	–	–	459,362	459,362	165,832	625,194
Other comprehensive income/(loss)								
Currency translation difference	–	–	–	80,049	–	80,049	9,784	89,833
Revaluation loss on available-for-sale financial assets	–	–	–	(22,226)	–	(22,226)	–	(22,226)
Total comprehensive income	–	–	–	57,823	459,362	517,185	175,616	692,801
Transactions with owners:								
Employee share option scheme — share based compensation benefits	–	–	–	17,525	–	17,525	–	17,525
Dividend paid	–	–	–	–	(184,038)	(184,038)	(17,949)	(201,987)
	–	–	–	17,525	(184,038)	(166,513)	(17,949)	(184,462)
Balance at 30 June 2017 (unaudited)	14,294	2,437	3,317,938	(1,160,181)	1,156,599	3,331,087	239,325	3,570,412

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2018

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Net cash generated from operations	**110,949**	1,916,224
Interest paid	**(72,025)**	(112,234)
Income tax paid	**(172,217)**	(131,119)
Net cash (used in)/generated from operating activities	**(133,293)**	1,672,871
Cash flows from investing activities		
Purchase of property, plant and equipment	**(25,137)**	(19,391)
Proceeds from disposal of property, plant and equipment	**7,490**	942
Purchase of other intangible assets	**–**	(113)
Purchase of financial asset at fair value through profit or loss	**(172,820)**	
Addition of investment properties	**(29,339)**	(8,837)
Prepayment for land costs	**(328,360)**	(298,414)
(Loans to)/repayments from related parties	**(190,100)**	6,943
Interest received	**22,934**	1,353
Dividends received	**16,492**	28,003
Settlement of derivative financial instruments	**(2,155)**	–
Increase in pledged bank deposits for derivative financial instruments	**60,734**	(10,419)
Net cash used in investing activities	**(640,261)**	(299,933)
Cash flows from financing activities		
Contribution from non-controlling interests	**9,300**	–
Dividends paid	**(268,666)**	(201,987)
Buy-back of shares	**(12,958)**	–
Drawdown on bank borrowings	**712,752**	1,367,703
Repayment of bank borrowings	**(695,374)**	(2,103,697)
Repayments of finance leases	**(9,569)**	(19,941)
Decrease in pledged bank deposits for bank borrowings	**–**	3,727
Net cash used in financing activities	**(264,515)**	(954,195)
Net (decrease)/increase in cash and cash equivalents	**(1,038,069)**	418,743
Cash and cash equivalents at beginning of the period	**3,168,184**	1,792,639
Exchange (losses)/gains on cash and cash equivalents	**(5,071)**	75,317
Cash and cash equivalents at end of the period	**2,125,044**	2,286,699

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

CNQC International Holdings Limited (the "**Company**") is an investment holding company. The Company and its subsidiaries (together the "**Group**") are principally engaged in the foundation and superstructure construction business in Hong Kong and Macau, and construction business in Singapore and Southeast Asia and property development businesses in Singapore.

The Company is a limited liability company incorporated in the Cayman Islands. The address of the Company's registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong Dollar ("**HK$**"), unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 30 August 2018.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2018 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of Appendix to the Rules Governing the Listing of Security on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The unaudited condensed consolidated interim financial information should be read in conjunction with the consolidated financial statements for the year ended 31 December 2017 ("**2017 Financial Statements**"), which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRS**") issued by HKICPA.

This condensed consolidated financial information has been prepared on the historical cost basis, except for financial assets at fair value through profit or loss, available-for-sale financial assets and financial assets at fair value through other comprehensive income.

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied to prepare this unaudited condensed consolidated interim financial information for the six months ended 30 June 2018 are consistent with the 2017 Financial Statements.

(a) Relevant new standards and amendments to existing standards effective for the financial year beginning 1 January 2018:

		Effective for annual periods beginning on or after
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 15	Revenue from Contracts with Customers	1 January 2018
HKFRS 15 (Amendments)	Clarifications to HKFRS 15	1 January 2018

The impact of the adoption of those standards and now accounting policies are disclosed in Note 4 below.

		Effective for annual periods beginning on or after
HKAS 28 (Amendment)	Investment in associate and joint ventures	1 January 2018
HKAS 40 (Amendments)	Transfer of investment property	1 January 2018
HKFRS 1 (Amendment)	First time adoption of HKFRS	1 January 2018
HKFRS 2 (Amendments)	Classification and measurement of share-based payment transactions	1 January 2018
HKFRS 4 (Amendment)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	1 January 2018
HK (IFRIC) 22	Foreign currency transactions and advance consideration	1 January 2018

The adoption of above amendments to standards did not result in a significant impact to financial position and results of the Group.

3 ACCOUNTING POLICIES (CONTINUED)

(b) The following new standards and amendments to existing standards have been published but are not yet effective and which the Group has not early adopted:

		Effective for annual periods beginning on or after
HKFRS 9 (Amendments)	Prepayment features with negative compensation	1 January 2019
HKFRS 16	Leases	1 January 2019
HK (IFRIC)-Int 23	Uncertainty over income tax treatments	1 January 2019
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate and joint venture	To be determined

Management is in the process of making an assessment of the financial impact of adoption of these new standards and amendments to existing standards. The management will adopt the new standards and amendments to standards when they become effective.

Impact of HKFRS 16 Leases

HKFRS 16, "Leases" was issued in January 2016. It provides new provisions for the accounting treatment of leases which no longer allows lessees to recognise leases outside of the consolidated statement of financial position. Instead, all non-current leases must be recognised in the form of assets (for the right-of-use) and financial liabilities (for the payment obligations) in the Group's consolidated statement of financial position. Short-term leases of less than twelve months and leases of low-value assets are exempt from such reporting obligation.

The new standard will therefore result in a derecognition of prepaid operating leases, increase in right-of-use assets and increase in lease liabilities in the consolidated statement of financial position. In the consolidated statement of comprehensive income, as a result, the annual rental and amortisation expenses of prepaid operating leases under otherwise identical circumstances will decrease, while depreciation of right-of-use assets and interest expense arising from the lease liabilities will increase. Given that the total non-cancellable operating lease commitments account for 1.6% of the total liabilities of the Group as at 30 June 2018, the directors of the Company expect that the adoption of HKFRS 16 as compared with the current accounting policy would not result in significant impact on the Group's financial position.

The new standard is not expected to apply until the financial year beginning on or after 1 January 2019.

4 CHANGE IN ACCOUNTING POLICIES

This note explains the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's financial statements and also disclose the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods.

(a) Impact on the financial statements

As a result of the changes in the Group accounting policies, prior year financial statements had to be restated. As explained in Note 4 (b) below, HKFRS 9 was generally adopted without restating the comparative information with the exception of certain aspects of hedge accounting. The reclassifications and the adjustments arising from the new impairment rules are therefore recognised in the opening of the statement of condensed consolidated statement of financial position on 1 January 2018.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the subtotal and totals disclosed cannot be recalculated from the number provided. The adjustments are explained in more detail below.

	As at 1 January 2018			
	As previously stated HK$'000	Impact of HKFRS 9 HK$'000	Impact of HKFRS 15 HK$'000	Restated HK$'000
Consolidated statement of financial position (extract)				
Available-for-sale financial assets	28,489	(28,489)	–	–
Financial assets at fair value through other comprehensive income	–	28,489	–	28,489
Development properties for sale	4,375,337	–	(180,005)	4,195,332
Deferred income tax assets	61,354	–	(6,656)	54,698
Trade and other receivables, prepayments and deposits	1,798,183	–	(618,069)	1,180,114
Contract assets	–	–	617,520	617,520
Amounts due from customers for contract work	37,852	–	(37,852)	–
Trade and other payables	3,801,074	–	(1,412,419)	2,388,655
Contract liabilities	–	–	1,190,407	1,190,407
Tax payables	148,244	–	(5,988)	142,256
Retained earnings	1,111,747	–	(5,832)	1,105,915
Non-controlling interests	197,060	–	8,770	205,830

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9 Financial Instruments — Impact of adoption

HKFRS 9 replaces the provision of HKAS 39 that related to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies and adjustments to the amount recognised in the financial statements. The new accounting policies are set out in note below. In accordance with the transitional provisions in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated with the exception of certain aspects of hedge accounting.

(i) Classification and measurement

On 1 January 2018 (the date of the initial application of HKFRS 9), the management of the Group has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. The main effects resulting from this reclassification are as follows:

	Notes	Available for sale financial assets ("AFS") HK$'000	FVOCI HK$'000
Financial assets — 1 January 2018			
Closing balance 31 December 2017 — HKAS 39		**28,489**	**–**
Reclassify non-trading equities from AFS to FVOCI*		**(28,489)**	**28,489**
Opening balance 1 January 2018 — HKFRS 9		**–**	**28,489**

* The closing balances as at 31 December 2017 show available-for-sale financial assets under FVOCI. The reclassification have no impact on the measurement categories. The financial assets at amortised cost are after reclassifications and adjustments arising from the adoption of HKFRS 15 and include trade receivables and other financial assets at amortised cost, but exclude cash and cash equivalents.

The impact of these changes on the equity of the Group is as follows:

	Notes	Effect on AFS reserve HK$'000	Effect on FVOCI reserve HK$'000
Closing balance 31 December 2017 — HKAS 39		13,509	–
Reclassify non-trading equities from AFS to FVOCI*	(a)	(13,509)	13,509
Opening balance 1 January 2018 — HKFRS 9		–	13,509

The Group elected to present in OCI changes in the fair value of all its equity investments previously classified as AFS, because these investments are held as long-term strategy investments that are not expected to be sold in the short to medium term. As a result, assets with a fair value of HK$28,489,000 were reclassified from AFS to FVOCI and the fair value change were reclassified from the reserve to the FVOCI reserve on 1 January 2018.

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(b) HKFRS 9 Financial Instruments — Impact of adoption (Continued)

(ii) Impairment of financial assets

The Group has the following types of financial assets that are subject to HKFRS 9's new expected credit loss model:

— Trade receivables;
— Contract assets; and
— Other financial assets at amortised cost

The Group were required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. The impact of the change in impairment methodology on the retained earnings and equity of the Company and its subsidiaries are disclosed in the table in Note 4(a).

While cash and cash equivalents are also subject to the impairment requirement of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on share credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company and its subsidiaries have therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rate for each category of debtors, and adjust for forward looking macroeconomic data.

Since the customers are primarily Singaporean Government's related entities and financially sound properties developers, the directors consider that the expected credit risk is minimal.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company and its subsidiaries, and a failure to make contractual payments for a period of greater than 90 days past due.

Other financial assets at amortised cost

All of the Group's other financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses.

Significant estimates and judgements

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the past history, existing market conditions as well as forward looking estimates of the Group at the end of each reporting period.

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(c) HKFRS 9 Financial Instruments — Accounting policies applied from 1 January 2018

Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income ("**OCI**"). For financial assets that are not held for trading, this will depend on whether the Company and its subsidiaries have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("**FVOCI**").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("**FVPL**"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity instruments

The Company and its subsidiaries subsequently measure all equity investments at fair value. Where the management of the Group has elected to present fair value gains and losses on equity investment in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continued to be recognised in profit or loss as other income when the right of the Group to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investment measured at FVOCI are not prepared separately from other changes in fair value.

Impairment

From 1 January 2018, the Group assess on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(d) HKFRS 15 Revenue from Contracts with Customers — Impact of adoption

The Group has adopted HKFRS 15 Revenue from Contract with Customers from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. In accordance with the transition provisions in HKFRS 15, the Group elected to apply the practical expedient for completed contracts and did not restate the contracts completed before 1 January 2018, thus the comparative figures have not been restated.

In summary, the following adjustments were made to the accounts recognised in the consolidated statement of financial position at the date of the initial application (at 1 January 2018) with reference made to Note 4(a).

	HKAS 18 carrying amount* 31 December 2017 HK$'000	Reclassification HK$'000	Remeasurement HK$'000	HKFRS 15 carrying amount 1 January 2018 HK$'000
Development properties for sale	4,375,337	(222,012)	42,007	**4,195,332**
Deferred income tax assets	61,354	–	(6,656)	**54,698**
Trade and other receivables, prepayments and deposits	1,798,183	(605,619)	(12,450)	**1,180,114**
Amounts due from customers for contract work	37,852	(37,852)	–	**–**
Contract assets	–	643,471	(25,951)	**617,520**
Trade and other payables	3,801,074	(1,412,419)	–	**2,388,655**
Contract liabilities	–	1,190,407	–	**1,190,407**
Tax payables	148,244	–	(5,988)	**142,256**
Retained earnings	1,111,747	–	(5,832)	**1,105,915**
Non-controlling interests	197,060	–	8,770	**205,830**

* The amounts in this column are before the adjustment from the adoption of HKFRS 9.

The impact of the Group's retained earnings as at 1 January 2018 is as follows:

	HK$'000
Closing retained earnings 31 December 2017 — After HKFRS 9 restatement	1,111,747
Recognition of revenue and cost over time	(6,961)
Increase in tax effect	1,129
Adjustment to retained earnings from adoption of HKFRS 15 on 1 January 2018	(5,832)
Opening retained earnings 1 January 2018 — HKFRS 9 and HKFRS 15	1,105,915

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(d) HKFRS 15 Revenue from Contracts with Customers — Impact of adoption (Continued)

Presentation for contract assets and contract liabilities

Reclassifications were made as at 1 January 2018 to be consistent with the terminology used under HKFRS 15.

Contract assets recognised in relation to construction contracts were previously presented as trade and other receivables — amounts due from customers for contract work.

Contract liabilities for the progress billing recognised in relation to property development were previously presented as advance proceeds received from customers.

Details of contract assets are as follows:

	30 June 2018 HK$'000	1 January 2018 HK$'000
Contract assets related to sale of properties	**1,903,634**	605,619
Contract assets related to construction contracts	**53,567**	11,901
Total contract assets	**1,957,201**	617,520

Contract assets consist of unbilled amount resulting from sale of properties and construction when the revenue recognised exceeds the amount billed to the customers. Increase in contract assets during the period was in line with the continuous recognition of sale of properties over time.

Details of contract liabilities are as follows:

	30 June 2018 HK$'000	1 January 2018 HK$'000
Contract liabilities	**365,110**	1,190,407

The Group receives payment from customers based on billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly from sale of properties.

4 CHANGE IN ACCOUNTING POLICIES (CONTINUED)

(e) HKFRS 15 Revenue from Contracts with Customers — Accounting policies applied from 1 January 2018

Accounting for revenue recognition

Revenue are recognised when or as the control of the assets is transferred to the customers. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time. Control of the assets is transferred over time if the Group's performance:

- Provides all of the benefits received and consumed simultaneously by the customer; or
- Create and enhances an assets that the customer controls as the Group performs; or
- Do not create an assets with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

In control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- Direct measurements of the value transferred by the Group to the customer; or
- The Group's effort or inputs to the satisfaction of the performance obligation.

(i) Property development

When property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the legal title of the completed properties and the Group has present right to payment and the collection of the consideration is probable.

For property development which has no alternative use to the Group due to contractual reasons and when the Group has an enforceable right to payment from the customers for performance completed to date. The Group recognise revenue as the performance obligation is satisfied over time in accordance with the input method for measuring progress.

The excess of cumulative revenue recognised in profit or loss over the cumulative billings to purchasers of properties is recognised as contract assets. The excess of cumulative billings to purchasers of properties over the cumulative revenue recognised in profit or loss is recognised as contract liabilities.

(ii) Construction Contract

For construction contract which works directly on the customers' land, being eligible for recognition of revenue over time with creation and enhancement for the asset that customers controlled as the Group performs its performance obligation. The Group measures the progress of the project with reference to construction works certified by independent surveyors.

5 JUDGEMENTS AND ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, in addition to the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty applied to the consolidated financial statements of the Company for the year ended 31 December 2017. The following judgements and estimates were applied:

Judgements and estimates in revenue recognition for property development activities

The Group develops and sells residential and mixed-use development properties in Singapore. Revenue is recognised over time when 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 purchaser obtains control of the completed property. The properties have generally no alternative use for the Group due to the contractual restrictions. However, whether there is an enforceable right to payment and hence the related contract revenue is recognised over time, depends on the terms of each contract and the relevant laws that apply to that contract. To assess the enforceability of the right to payment, the Group has reviewed the terms of its contracts, the relevant local law, the local regulators' views and obtained legal advice, when necessary.

The Group recognised property development revenue over time by reference to the progress towards complete satisfaction of that performance obligation at the reporting date. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement and estimation are required in determining the completeness and accuracy of the budgets and the extent of the costs incurred and the allocation of cost to that property unit. Changes in cost estimates in future periods can have effect on Group's revenue recognised. In making the above estimation, the Group relies on past experience and work of contractors and surveyors.

For property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognised when the purchaser obtains the legal title of the completed properties and the consideration amount is collected.

6 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

6.1 Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2017.

There have been no changes in the risk management policies since year end.

6 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

6.2 Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with debt covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks and other financial institutions to meet their liquidity requirements in the shorter and longer term. Management believes there is no significant liquidity risk as the Group has sufficient committed facilities to fund their operations.

As at 30 June 2018, the Group had cash and cash equivalents of HK$2,125,044,000 (31 December 2017: HK$3,168,184,000) of which approximately 61.6% was held in Singapore Dollar, 26.9% was held in Hong Kong dollar, 9.5% was held in US Dollars and the remaining was mainly held in Macau Patacas, Indonesian Rupiah, Vietnamese Dong and Malaysian Ringgit. The gearing ratio of the Group as at 30 June 2018 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents and pledged bank deposits) was approximately 43% (31 December 2017: approximately 31%).

6.3 Fair value measurements

The table below analyses the group's financial instruments carried at fair value as at 30 June 2018 and 31 December 2017 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

(i) The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy.

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
30 June 2018				
Assets				
Financial assets at fair value through other comprehensive income	–	–	**26,830**	**26,830**
Financial assets at fair value through profit or loss				
— unlisted investment fund	–	–	**227,702**	**227,702**
— listed equity securities	**171,922**	–	–	**171,922**
Liabilities				
Derivative financial instruments:				
— Foreign exchange forward contracts	–	**4,605**	–	**4,605**

6 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

6.3 Fair value measurements (Continued)

(i) The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy. (Continued)

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
31 December 2017				
Assets				
Available-for-sale financial assets	–	–	28,489	28,489
Financial assets at fair value through profit or loss				
— unlisted investment fund	–	–	230,696	230,696
Liabilities				
Derivative financial instruments:				
— Foreign exchange forward contracts	–	8,513	–	8,513

The fair values of derivative financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

The financial assets at FVOCI at 30 June 2018 (31 December 2017: Available-for-sale financial assets) held by the Group are equity investments in property development companies that are not traded in an active market. The fair value of these investments is determined by using a dividend discount model for which the assumptions are based on the estimated future dividend plans of the underlying investments. These investments are classified as Level 3.

Unlisted investment fund held by the Group as at 30 June 2018 and 31 December 2017 are fund established for property development project in Singapore that are not traded in an active market. The fair value of these investments is determined by using a discounted cash flow model for which the assumptions are based on the estimated distribution of return of the underlying investments. These investments are classified as Level 3.

6 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

6.3 Fair value measurements (Continued)

(ii) The following table presents the changes in Level 3 instruments:

	Available-for-sale financial assets HK$'000	Unlisted investment fund HK$'000	Financial assets at fair value through other comprehensive income HK$'000
1 January 2018	**–**	**230,696**	**28,489**
Exchange differences	**–**	**(2,994)**	**(1,659)**
30 June 2018	**–**	**227,702**	**26,830**
1 January 2017	92,329	–	–
Fair value change recognised in other comprehensive income	(22,226)	–	–
Exchange differences	4,517	–	–
30 June 2017	74,620	–	–

During the six months ended 30 June 2018 and 2017, there were no transfers of financial assets and liabilities between level 1, level 2 and level 3.

The fair value of financial assets at FVOCI is determined by using a dividend discount model. The unobservable inputs used in the fair value measurement include forecast dividend earnings and discount rate. Should the forecast dividend earnings be increased/decreased by 5%, other comprehensive income would have been HK$1,334,000 higher/lower. Should the discount rate be increased/decreased by 1%, other comprehensive income would have been HK$335,000 lower/higher.

The fair value of unlisted investment fund is determined by using a discounted cash flow model. The unobservable inputs used in the fair value measurement include rate of return and discount rate. Should the rate of return be increased/decreased by 1%, profit for the year would have been HK$1,294,000 higher/lower. Should the discount rate be increased/decreased by 1%, profit for the year would have been HK$1,252,000 lower/higher.

6 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

6.4 Fair values of financial assets and liabilities measured at amortised cost

The fair values of the following financial assets and liabilities approximate their carrying amounts:

- Trade and other receivables
- Contract assets
- Deposits and other receivables
- Cash and cash equivalents
- Pledged bank deposits
- Trade and other payables
- Contract liabilities
- Borrowings

7 SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the executive directors (being the chief operating decision maker ("**CODM**")) of the Company for the purpose of resource allocation and performance assessment under HKFRS 8 are as follows:

- Foundation and construction — Hong Kong and Macau
- Construction — Singapore and Southeast Asia
- Property development — Singapore

Information regarding the above segments is reported below.

	Foundation and construction — Hong Kong and Macau HK$'000	Construction — Singapore and Southeast Asia HK$'000	Property development — Singapore HK$'000	Total HK$'000
Six months ended 30 June 2018 (Unaudited)				
Sales				
Sales to external parties	686,243	1,030,882	3,421,619	5,138,744
Inter-segment sales	–	254,906	–	254,906
Total segment sales	686,243	1,285,788	3,421,619	5,393,650
Adjusted segment (loss)/profit	(19,604)	37,847	327,440	345,683
Depreciation	28,700	10,268	1,152	40,120
Amortisation	–	2,956	–	2,956
Share-based payment expenses	1,567	2,735	600	4,902

7 SEGMENT INFORMATION (CONTINUED)

	Foundation and construction — Hong Kong and Macau HK$'000	Construction — Singapore and Southeast Asia HK$'000	Property development — Singapore HK$'000	Total HK$'000
Six months ended 30 June 2017 (Unaudited)				
Sales				
Sales to external parties	748,366	923,756	6,039,099	7,711,221
Inter-segment sales	–	243,415	–	243,415
Total segment sales	748,366	1,167,171	6,039,099	7,954,636
Adjusted segment profit	4,296	54,030	604,106	662,432
Depreciation	31,083	10,265	889	42,237
Amortisation	–	12,277	–	12,277
Share-based payment expenses	3,027	4,445	963	8,435

The following tables present segment assets and liabilities as at 30 June 2018 and 31 December 2017 respectively.

	Foundation and construction — Hong Kong and Macau HK$'000	**Construction — Singapore and Southeast Asia HK$'000**	**Property development — Singapore HK$'000**	**Total HK$'000**
As at 30 June 2018 (Unaudited)				
Segment assets	**1,201,473**	**3,185,483**	**5,609,164**	**9,996,120**
Segment liabilities	**319,143**	**1,955,134**	**4,342,757**	**6,617,034**
Segment assets include:				
Additions to property, plant and equipment	**–**	**22,969**	**2,168**	**25,137**
Additions to investment properties	**–**	**–**	**53,537**	**53,537**
Additions to intangible assets	**–**	**119**	**–**	**119**
Investments in associated companies	**–**	**4,594**	**–**	**4,594**
Increase in prepayment of land cost	**–**	**–**	**321,113**	**321,113**

7 SEGMENT INFORMATION (CONTINUED)

	Foundation and construction — Hong Kong and Macau HK$'000	Construction — Singapore and Southeast Asia HK$'000	Property development — Singapore HK$'000	Total HK$'000
As at 31 December 2017 (Audited)				
Segment assets	1,564,151	3,461,540	6,841,392	11,867,083
Segment liabilities	472,353	1,918,934	6,014,983	8,406,270
Segment assets include:				
Additions to property, plant and equipment	21,176	5,872	2,098	29,146
Additions to investment properties	–	–	53,537	53,537
Additions to intangible assets	–	119	–	119
Investments in associated companies	–	21,081	–	21,081

A reconciliation of segment results to profit before income tax is as follows:

	Six months ended 30 June	
	2018 HK$'000 (Unaudited)	2017 HK$'000 (Unaudited)
Adjusted segment profit for reportable segments	**345,683**	662,432
Unallocated expenses	**(28,507)**	(13,828)
Elimination	**106,610**	107,263
Finance income	**38,905**	37,048
Finance costs	**(59,450)**	(21,599)
Share of losses of associated companies	**(43,832)**	(14,626)
Share of profit of joint ventures	**4,345**	291
Profit before income tax	**363,754**	756,981

7 SEGMENT INFORMATION (CONTINUED)

A reconciliation of segment assets to total assets is as follows:

	As at 30 June 2018 HK$'000 (Unaudited)	As at 31 December 2017 HK$'000 (Audited)
Segment assets	**9,996,120**	11,867,083
Unallocated	**1,683,045**	1,422,475
Elimination	**(717,255)**	(777,759)
Total assets	**10,961,910**	12,511,799

A reconciliation of segment liabilities to total liabilities is as follows:

	As at 30 June 2018 HK$'000 (Unaudited)	As at 31 December 2017 HK$'000 (Audited)
Segment liabilities	**6,617,034**	8,406,270
Unallocated	**1,264,421**	1,221,107
Elimination	**(399,859)**	(609,111)
Total liabilities	**7,481,596**	9,018,266

8 REVENUE

	Six months ended 30 June	
	2018 HK$'000 (Unaudited)	2017 HK$'000 (Unaudited)
Revenue		
Construction contract income	**1,715,946**	1,671,972
Sales of development properties	**3,421,528**	6,039,099
Rental of equipment	**1,270**	150
	5,138,744	7,711,221
Timing of revenue recognition:		
At a point in time	**3,123,491**	6,039,099
Over time	**2,015,253**	1,672,122
	5,138,744	7,711,221

9 OTHER INCOME

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Income from default payments of development properties	**33**	4,611
Dividend income	**–**	28,003
Management fee income from an associated company	**1,711**	1,727
Rental income	**5,314**	101
Sundry income	**3,827**	9,578
	10,885	44,020

10 OTHER LOSSES — NET

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
(Loss)/gain on disposal of property, plant and equipment	**(4,576)**	1,023
Fair value gain/(loss) on derivative financial instruments	**1,727**	(31,737)
Fair value loss on financial assets at fair value through profit or loss	**(898)**	–
Other losses — net	**(3,747)**	(30,714)

11 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Subcontracting and material costs included in "cost of sales"	**1,436,023**	1,300,600
Property development costs included in "cost of sales"	**2,804,810**	5,045,837
Sales commissions	**60,075**	133,712
Show flat costs	**2,567**	2,497
Marketing expenses	**8,096**	24,613
Staff costs, including directors' emoluments	**303,875**	355,422
Depreciation of owned assets	**31,817**	27,017
Depreciation of assets under finance leases	**8,303**	15,220
Amortisation of intangible assets	**2,956**	12,277
Legal and professional fees	**12,743**	3,781
Rental expenses on operating leases	**22,394**	18,304

11 OPERATING PROFIT (CONTINUED)

During the six months ended 30 June 2018, staff costs included share-based payment expenses of approximately HK$9,698,000 (six months ended 30 June 2017: approximately HK$17,525,000).

12 FINANCE (COSTS)/INCOME — NET

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Finance income		
Interest income from bank deposits	**13,387**	4,578
Interest income from loans to associated companies	**24,671**	3,929
Interest income from loans to other related parties	**847**	1,035
	38,905	9,542
Finance costs		
Interest expenses on finance leases	**(563)**	(1,131)
Interest expenses on bank borrowings and arrangement fee amortised in respect of bank facilities	**(71,881)**	(92,452)
Interest expenses in medium term note	**(14,779)**	–
Interest expenses on loans from non-controlling shareholders of the subsidiaries	**(9,489)**	(15,225)
	(96,712)	(108,808)
Less: Interest expenses capitalised	**52,969**	87,209
	(43,743)	(21,599)
Net foreign exchange (losses)/gains	**(15,707)**	27,506
Finance (costs)/income — net	**(20,545)**	15,449

13 INCOME TAX EXPENSE

Hong Kong profits tax, Macau profits tax, Malaysia income tax and Singapore income tax have been provided for at the rate of 16.5%, 12%, 24% and 17% respectively for the six months ended 30 June 2018 and 2017 on the estimated assessable profit for the period in the respective jurisdiction.

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**1,229**	2,402
— Macau profits tax	**2,750**	–
— Malaysia income tax	**417**	–
— Singapore income tax	**58,563**	109,740
Deferred income tax	**18,045**	19,645
Income tax expense	**81,004**	131,787

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

14 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Profit attributable to ordinary shares	**198,466**	392,428
Profit attributable to CPS	**25,125**	66,934
Profit attributable to owners of the Company	**223,591**	459,362

	Six months ended 30 June 2018		Six months ended 30 June 2017	
	Ordinary shares	**CPS**	Ordinary shares	CPS
	(Unaudited)	**(Unaudited)**	(Unaudited)	(Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	**1,485,169**	**187,837**	1,429,396	243,680
Basic earnings per share (HK cents)	**13.36**	**13.38**	27.45	27.47

14 EARNINGS PER SHARE (CONTINUED)

Basic (Continued)

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares and convertible preference shares ("**CPS**") outstanding for each of the periods presented.

In addition to a non-cumulative preferred distribution from the date of the issue of the CPS at a rate of 0.01% per annum on the issue price of HK$2.75 per CPS payable annually in arrears, each CPS is entitled to any dividend pari passu with the holders of the ordinary shares. In addition, the holders of the CPS shall have priority over the holders of ordinary shares 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 up to an amount equal to the aggregate nominal amounts of the CPS issued. Distributions beyond this amount are to be made on a pari passu basis among the holders of any class of shares including the CPS. Hence, the rights of the CPS to the entitlements of dividend and distribution of assets are substantially the same as those of the ordinary shares of the Company. Accordingly, the CPS is accounted for as an equity instrument and is included in the calculation of earnings per share.

Diluted

	Six months ended 30 June 2018		Six months ended 30 June 2017	
	Ordinary shares (Unaudited)	**CPS (Unaudited)**	Ordinary shares (Unaudited)	CPS (Unaudited)
Weighted average number of issued shares for the purpose of calculating basic earnings per share (in thousands)	**1,485,169**	**187,837**	1,429,396	243,680
Adjustments for outstanding share options (in thousands)	**58**	**–**	43	–
	1,485,227	**187,837**	1,429,439	243,680
Diluted earnings per share (HK cents)	**13.36**	**13.38**	27.45	27.47

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares and CPS outstanding to assume conversion of all dilutive potential ordinary shares relating to the outstanding share options issued by the Company as at period end dates. The number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price of the Company's share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

15 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, GOODWILL AND OTHER INTANGIBLE ASSETS

	Property, plant and equipment HK$'000 (Unaudited)	Investment properties HK$'000 (Unaudited)	Goodwill HK$'000 (Unaudited)	Other intangible assets HK$'000 (Unaudited)
Six months ended 30 June 2018				
Net book value				
Opening amount as at 1 January 2018	**414,202**	**518,546**	**565,755**	**44,708**
Additions	**25,137**	**36,060**	**–**	**–**
Disposal	**(12,066)**	**–**	**–**	**–**
Depreciation and amortisation	**(40,120)**	**–**	**–**	**(2,956)**
Exchange differences	**(2,165)**	**(7,527)**	**(11,070)**	**(516)**
Closing amount as at 30 June 2018	**384,988**	**547,079**	**554,685**	**41,236**
Six months ended 30 June 2017				
Net book value				
Opening amount as at 1 January 2017	441,715	426,723	561,954	54,340
Additions	19,391	16,943	–	113
Depreciation and amortisation	(42,237)	–	–	(12,277)
Exchange differences	7,645	23,009	–	2,675
Closing amount as at 30 June 2017	426,514	466,675	561,954	44,851

16 TRADE AND OTHER RECEIVABLES

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Current		
Trade receivables (Note (b))		
— An associated company	**72,055**	34,772
— Other related parties	**314**	5,787
— Third parties	**540,112**	611,802
	612,481	652,361
Retention receivables from customers for contract work from (Note (c))		
— Other related parties	**25,467**	–
— Third parties	**259,662**	279,075
	285,129	279,075
Development properties — due from customers	**–**	605,619
Other receivables (Note (d))		
— Associated companies	**106,075**	81,318
— Other related parties	**2,027**	8,986
— Third parties	**71,449**	33,893
— Non-controlling interests	**2,073**	–
Prepayments	**32,336**	85,808
Deposits	**34,227**	35,822
Staff advances	**6,125**	3,097
Goods and services tax receivable	**5,159**	12,204
	259,471	261,128
	1,157,081	1,798,183
Non-current		
Loans to		
— Associated companies (Note (e))	**1,128,499**	959,953
Prepayment for land costs	**321,113**	–
Prepayments and other receivables	**17,230**	13,174
	1,466,842	973,127

16 TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes:

(a) The credit periods granted to customers were 14 to 60 days. No interest was charged on the outstanding balance.

(b) The aging analysis of trade receivables based on invoice date is as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
1–30 days	**513,396**	509,089
31–60 days	**33,589**	18,409
61–90 days	**6,540**	1,754
Over 90 days	**58,956**	123,109
	612,481	652,361

During the six months ended 30 June 2018, no additional provision was recorded for its trade receivables (30 June 2017: Nil).

(c) Retention receivables in respect of the construction and foundation businesses are settled in accordance with the terms of respective contracts. Retention receivables held by customers for construction and foundation work amounting to approximately HK$42,379,000 (31 December 2017: HK$43,724,000) are expected to be recovered in more than twelve months from the reporting date.

(d) The other receivables due from related parties included amounts due from associated companies and other related parties. These balances were unsecured, interest-free and repayable on demand. The other receivables did not contain any impaired assets.

(e) Loans to associated companies were lent to companies in which the Group invested to develop properties in Singapore. The loans were made in proportion to the percentages of the Group's shareholding in these companies. The loans were unsecured, and interest-bearing at a fixed rate at 5% per annum as at 30 June 2018 (31 December 2017: same).

The carrying amounts of the Group's trade and other receivables (excluding prepayments) approximated their fair values. The Group did not hold any collateral as security for its trade and other receivables.

17 DEVELOPMENT PROPERTIES FOR SALE

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Properties in the course of development		
Leasehold land at cost	**1,439,725**	2,834,435
Development costs	**488,080**	1,257,808
Overheads expenditure capitalised	**14,737**	29,576
Interest expenses capitalised	**104,837**	253,518
	2,047,379	4,375,337

Interest expenses on bank borrowings and loans from related parties were capitalised. The weighted average rates of capitalisation of the interest expenses were 2.8% (Year ended 31 December 2017: 2.8%) per annum for bank borrowings and 4.4% (Year ended 31 December 2017: 5.3%) per annum for loans from related parties for the six months ended 30 June 2018.

As at 30 June 2018, development properties with net carrying amounts of HK$2,047,379,000 (31 December 2017: HK$4,375,337,000) were pledged as securities for certain bank loans of the Group (Note 18).

18 BORROWINGS

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Current		
Bank borrowings — secured (Note (a))	**2,450,766**	2,288,304
Bank borrowings — mortgage (Note (b))	**19,389**	20,464
Loans from non-controlling shareholders of subsidiaries — unsecured (Note (c))	**116,064**	117,591
Finance lease liabilities (Note (f))	**5,282**	12,521
	2,591,501	2,438,880
Non-current		
Bank borrowings — secured (Note (a))	**1,473,191**	1,780,380
Bank borrowings — mortgage (Note (b))	**8,724**	9,174
Medium term notes (Note (d))	**574,282**	567,963
Loans from non-controlling shareholders of subsidiaries — unsecured (Note (c))	**328,564**	204,770
Finance lease liabilities (Note (g))	**3,481**	4,118
	2,388,242	2,566,405
Total borrowings	**4,979,743**	5,005,285

The exposure of the borrowings of the Group as at 30 June 2018 and 31 December 2017 to interest rate changes and the contractual re-pricing dates were as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Within 1 year	**4,055,647**	3,985,605
Between 1 and 2 years	**179,395**	143,129
Between 2 and 5 years	**744,701**	876,529
Later than 5 years	**–**	22
Total	**4,979,743**	5,005,285

18 BORROWINGS (CONTINUED)

According to the repayment schedule of the borrowings, without considering the repayable on demand clause, the Group's borrowings were repayable as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Within 1 year	**2,563,299**	2,382,456
Between 1 and 2 years	**143,900**	325,303
Between 2 and 5 years	**2,265,276**	2,289,761
Later than 5 years	**7,268**	7,765
Total	**4,979,743**	5,005,285

(a) The details of secured bank borrowings are as follows:

	Note	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Secured by:			
Machinery and equipment	(i)	**4,483**	9,091
Interests in construction contracts	(ii)	**400,320**	151,730
Development properties for sale and joint guarantee from directors of certain subsidiaries	(iii)	**1,953,546**	2,195,160
Fixed bank deposits	(iv)	**161,280**	353,646
Interests in construction contracts and corporate guarantee from a related party	(v)	**1,404,328**	1,359,057
		3,923,957	4,068,684
Represented by:			
— Current portion		**2,450,766**	2,288,304
— Non-current portion		**1,473,191**	1,780,380

Notes:

(i) As at 30 June 2018, the bank borrowings bearing interest at 2.5% per annum above the Hong Kong Interbank Offered Rate ("**HIBOR**") per annum (31 December 2017: same).

(ii) As at 30 June 2018, the bank borrowings bore interest at effective rate ranged from 2.9% to 3.2% (31 December 2017: fixed rate of 2.9% or 1.8% over Singapore Interbank Offered Rate ("**SIBOR**") per annum).

18 BORROWINGS (CONTINUED)

(a) The details of secured bank borrowings are as follows: (Continued)

Notes: (Continued)

(iii) As at 30 June 2018, the amounts comprise land and development loans of HK$1,953,546,000 (2017: HK$2,195,160,000), and bore interest at rates of 1.8% over the relevant bank's one month SGD Cost of Funds ("**COF**") (31 December 2017: same) per annum. The loans were secured by mortgages over the Group's development properties for sale, investment properties under development and legal assignment of all rights, title and interests in the construction contracts, insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreements in respect of the development properties for sale and personal and joint guarantee of the directors of certain subsidiaries.

(iv) As at 30 June 2018, the bank borrowings were secured by fixed deposits of RMB150,000,000 (31 December 2017: same) and bore interest at 1.1% over 3-month SIBOR (31 December 2017: 0.5% over 1-month SIBOR) calculated daily with monthly rate based on a 365-day year.

(v) As at 30 June 2018, the bank borrowings bore interest at fixed rates of ranged from 2.9% to 3.8% per annum (31 December 2017: same) and at floating rate included 3.2% over the 6-months London Interbank Offered Rate ("**LIBOR**") per annum, 2.5% over 1-month HIBOR per annum and 2.0% over the relevant bank's COF per annum (31 December 2017: same).

(b) As at 30 June 2018, bank borrowings of HK$28,113,000 (31 December 2017: HK$29,638,000) were secured by mortgages over part of the Group's leasehold land and buildings. The effective interest rates of the loan were between 1.7% and 2.0% (31 December 2017: between 1.7% and 5.3%) per annum. The loans will be repaid by fixed monthly payment over 10 years to 20 years.

(c) The loans from non-controlling shareholders of the subsidiaries were unsecured and not expected to be repaid within 1 year, except for the current portions which were expected to be repaid within 1 year. The loans are subject to variable interest rates which contractually re-price within 12 months from the financial reporting date. The effective interest rate was 5% as at 30 June 2018 (31 December 2017: same).

(d) On 7 November 2017, the Company issued medium term notes with nominal value of SGD100,000,000 at coupon of 4.9% per annum for a period of 3 years under a medium term note programme established during the year. The interest is payable semi-annually in arrears. The net proceeds, after deducting the direct issuance costs, amounted to approximately SGD99,625,000. The medium term notes due 2020 will mature on 7 November 2020. The notes are listed on Singapore Exchange Securities Trading Limited. The carrying amount approximates its fair value.

(e) The fair values of the bank borrowings and the loans from related parties approximated their respective carrying values as at 30 June 2018 and 31 December 2017, as these borrowings were charged at market interest rates.

(f) These committed banking facilities were subject to annual review. As at 30 June 2018, the undrawn banking facilities amounted to HK$651,427,000 (31 December 2017: HK$850,900,000).

18 BORROWINGS (CONTINUED)

(g) The Group leased certain plant and machinery and motor vehicles from third parties under finance leases. The lease agreements do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of the lease terms.

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Minimum lease payments due		
— Within 1 year	**5,476**	12,981
— Between 1 and 2 years	**2,094**	2,418
— Between 2 and 5 years	**1,654**	1,943
— Later than 5 years	**24**	89
	9,250	17,431
Less: future finance charges	**(485)**	(792)
Present value of finance lease liabilities	**8,763**	16,639

The present values of finance lease liabilities are analysed as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Within 1 year	**5,282**	12,521
Between 1 and 2 years	**1,987**	2,298
Between 2 and 5 years	**1,473**	1,758
Later than 5 years	**21**	62
	8,763	16,639

19 TRADE AND OTHER PAYABLES

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Current		
Trade payables to:		
— Other related parties	**34,483**	68,145
— Third parties	**1,506,374**	1,794,412
	1,540,857	1,862,557
Non-trade payables to:		
— Non-controlling shareholders of the subsidiaries	**54,101**	120,722
— Other related parties	**2,880**	26,913
— Third parties	**79,102**	96,027
— Good and service tax payable	**3,703**	2,355
	139,786	246,017
Accruals for operating expenses	**157,092**	171,409
Accruals for construction costs	**23,900**	65,596
Advance proceeds received from customers	**–**	1,412,419
Deferred gain	**73,794**	29,798
Put option exercisable by non-controlling shareholder of the subsidiaries	**13,394**	13,278
	268,180	1,692,500
Total trade and other payables	**1,948,823**	3,801,074

19 TRADE AND OTHER PAYABLES (CONTINUED)

The credit terms granted by the suppliers were usually within 14 to 60 days. The aging analysis of trade payables (including amounts due to related parties of trading in nature) based on invoice date was as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
1–30 days	**1,472,836**	1,784,567
31–60 days	**40,836**	44,593
61–90 days	**13,728**	15,218
Over 90 days	**13,457**	18,179
	1,540,857	1,862,557

The amounts due to non-controlling shareholders of the subsidiaries, other related parties and third parties were unsecured, interest-free and repayable on demand. The carrying amounts of trade and other payables approximated their fair values.

20 SHARE CAPITAL

	Six months ended 30 June			
	2018		2017	
	Number of ordinary shares (thousands)	**Nominal amount HK$'000**	Number of ordinary shares (thousands)	Nominal amount HK$'000
Authorised:				
Ordinary Shares				
As at 1 January and 30 June	**6,000,000**	**60,000**	6,000,000	60,000
CPS				
As at 1 January and 30 June	**1,000,000**	**10,000**	1,000,000	10,000
Issued and fully paid:				
Ordinary shares				
At 1 January and 30 June	**1,485,239**	**14,852**	1,429,396	14,294
CPS				
At 1 January and 30 June	**187,837**	**1,879**	243,680	2,437

Note:

The Group bought back a total of 5,792,500 (2017: Nil) of the Company's shares during the six months ended 30 June 2018. The total consideration paid including the expenses directly relating to buy back these shares was HK$12,958,000 (2017: Nil), which has been deducted from equity attributable to the owners of the Company.

21 DIVIDENDS

(a) At a meeting held on 30 August 2018, the directors declared an interim dividend of HK$0.06 per ordinary share and CPS (totaling approximately HK$99,793,000) for the year ending 31 December 2018. The dividend is not reflected as dividend payable in the interim financial information, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2018. No interim dividends were paid for the six months ended 30 June 2018.

(b) At a meeting held on 28 March 2018, the directors recommended a final dividend of HK$0.10 per ordinary share and CPS (totaling approximately HK$167,307,000) for the year ended 31 December 2017, which was paid during the period and had been reflected as an appropriation of retained earnings for the six months ended 30 June 2018.

22 COMMITMENTS

Capital commitment

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Contracted but not provided for:		
Development expenditure	**15,681**	19,857
Investment in the fund	**474,298**	471,641
	489,979	491,498

Operating lease commitments — Group as lessee

The Group leases land, offices, warehouse and construction equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for but not recognised as liabilities as at 30 June 2018 and 31 December 2017 were as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Not later than 1 year	**73,347**	44,617
1–5 years	**21,770**	27,423
Later than 5 years	**27,646**	30,050
	122,763	102,090

23 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in making financial or operational decisions. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

(a) The following is a summary of significant related party transactions, in addition to those disclosed elsewhere in the condensed consolidated interim financial information, which were carried out in accordance with the terms agreed between the Group and the related parties and in the ordinary and usual course of business:

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Construction revenue from other related parties	**–**	2,863
Construction revenue from associated companies	**197,950**	105,443
Purchase of materials from other related parties	**–**	25,759
Construction service costs provided by a fellow subsidiary	**27,908**	11,933
Management fee from an associated company	**1,711**	1,727
Dividend from associated companies	**16,492**	4,446
Interest income from related parties	**847**	1,035
Interest income from associated companies	**24,671**	3,929
Interest charged by non-controlling shareholders of the subsidiaries	**9,489**	15,225

Outstanding balances as at the year-end dates arising from sale/purchase of goods and services, were unsecured and receivable or payable within 12 months from year-end dates, and were disclosed in Notes 16 and Note 19.

(b) Key management compensation

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Directors' fee, salaries, wages and allowances	**12,512**	29,038
Share-based payments	**3,366**	4,888
Retirement benefit expenses	**168**	175
	16,046	34,101

24 CONTINGENT LIABILITIES

Guarantees

As at each statement of financial position date, the Group had the following contingent liabilities:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Guarantees on performance bonds in respect of contracts	**112,637**	124,973

Subsidiaries of the Group also issued corporate guarantees to banks for borrowings of the Group's associated companies and related companies in which subsidiaries of the Company are non-controlling shareholders. As at 30 June 2018, these bank borrowings amounted to HK$2,419,864,000 (31 December 2017: HK$2,410,290,000).

25 SUBSEQUENT EVENTS

There were no significant events after 30 June 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Reporting Period, the Group had two major sources of income from construction business and property development business.

Construction business — Hong Kong and Macau

The construction projects undertaken by the Group can be broadly divided into construction work with focus on foundation works, ancillary services with particular specialisation in piling works and superstructure construction. The foundation work relates to projects in both the public sector, including building and infrastructure related projects, and the private sector in Hong Kong and Macau. In the meantime, the Group also contracts for superstructure construction for private developers.

Revenue from the construction contracts in Hong Kong for the Reporting Period was approximately HK$686.2 million (six months ended 30 June 2017: approximately HK$748.4 million). During the Reporting Period, the Group had undertaken four new projects, mainly superstructure work for residential projects in Hong Kong. The total contract sum of these projects was approximately HK$30.3 million.

The revenue contribution of these projects together with other ongoing significant projects, including Area 56A Kau To, Ko Shan Road, Wing Lap Street and a hotel foundation project in Macau account for approximately HK$604.3 million (representing approximately 88% of the total revenue from our Hong Kong and Macau construction business) during the Reporting Period. As at 30 June 2018, there were 9 projects on hand with outstanding contract sums of HK$525.3 million.

Construction business — Singapore and Southeast Asia

The Group's revenue from the Singapore and other Southeast Asia countries construction contracts for the Reporting Period was approximately HK$1,031.0 million (six months ended 30 June 2017: approximately HK$923.8 million). The Group completed 6 construction projects including 4 Housing and Development Board ("**HDB**") construction projects, 1 private property development project and 1 owned property development project. As at 30 June 2018, there were 20 construction projects on hand and the outstanding contract sums are approximately HK$7,560 million.

Property development business — Singapore

During the reporting period, the sales revenue and average selling price ("**ASP**") realised by the Group are set out in the table below (major projects only):

Project		Revenue (HK$' billion) 1H 2018	ASP (HK$/sq.m) 1H 2018
I	Visionaire	**3.10**	**51,421**
II	Le Quest	**0.28**	**84,240**

The Group started to hand over units at The Visionaire which obtained its Temporary Occupation Permit ("**TOP**") in June 2018. It recognised a sales area of 60,379 sq.m. during the Reporting Period.

Le Quest is a private mixed development project under development and it started to recognise pre-sales revenue from year 2018 based on its percentage of completion. As such, it recognised pre-sales revenue of HK$277.9 million during the Reporting Period.

As at 30 June 2018, the Group's portfolio of property development projects with majority interest consisted of 3 projects across Singapore, with majority focusing on the development of EC and private apartments.

	Project	Location	Intended use	Site Area *sq.m.*	Total SFA *sq.m.*	Cumulative Contracted sales area *sq.m.*	Cumulative Contracted sales amount *(HK$ billion)*	% of completion as at 30 June 2018	Estimated year of construction completion	Ownership interest
1	Le Quest	Bukit Batok West Avenue 6, Singapore	Residential, Private & Retail Space	14,697	37,565	22,008	1.85	27.1%	Mar-20	73%
2	iNz Residence	Choa Chu Kang Avenue 5 and Brickland Road junction, Singapore	Residential, EC	16,386	49,980	47,839	2.40	78.5%	Jun-19	46%
3	Jadescape	314–319 Shunfu Road, Singapore	Residential, Private and Retail Space	37,990	107,259	N/A	N/A	2.0%	May-21	45%

Land bank status

On 8 March 2018, the Group's tender has been duly accepted by the vendors of the Goodluck Garden, located at Toh Tuck Road in Singapore. It is a freehold land with a land area of approximately 33,457 sq. m. with an estimated GFA of 46,840 sq.m. and it is intended to be developed as a private condominium. The management will continue to replenish its land bank in order to attain long term development.

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period was approximately HK$5,138.7 million (six months ended 30 June 2017: approximately HK$7,711.2 million), representing a decrease of approximately 33.4% over the six months ended 30 June 2017. The decrease was mainly due to the drop in less revenue from sales of property development recognised in the Reporting Period.

Gross Profit Margin

The Group's gross profit margin during the Reporting Period was approximately 12.9% (six months ended 30 June 2017: approximately 14.1%). The slight decrease in margin is mainly due to the higher proportion of sales revenue from construction segment which has a lower profit margin than property development segment in the Reporting Period.

Selling and Marketing Expenses

The Group's selling and marketing expenses for the Reporting Period were approximately HK$70.7 million (six months ended 30 June 2017: approximately HK$160.8 million), which was approximately 1.4% (six months ended 30 June 2017: approximately 2.1%) of the Group's total revenue. The increase was mainly attributable to the decrease in sales commission in relation to the property development projects in the Reporting Period.

General and Administrative Expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK$174.2 million (six months ended 30 June 2017: approximately HK$186.3 million), representing a decrease of approximately 6.5% over the six months ended 30 June 2017. This was mainly attributable to the decrease in staff remuneration during the Reporting Period.

Net Profit

During the Reporting Period, the Group recorded a net profit of approximately HK$282.8 million (six months ended 30 June 2017: approximately HK$625.2 million), representing a decrease of approximately 54.8% over the six months ended 30 June 2017. The profit attributable to owners of the Company was approximately HK$223.6 million (six months ended 30 June 2017: approximately HK$459.4 million), representing a decrease of approximately 51.3% over the six months ended 30 June 2017. This is mainly attributable to less revenue from sales of property development recognised during the Reporting Period.

PROSPECTS

In the first half of 2018, trade protectionism had an increasing impact on the global economy and posed a mounting challenge to the global market. Despite this situation, we have, in line with the Company's "Localisation, Globalisation and Integration" strategies, remained steadfast to expand in the new markets of "Belt and Road"countries including Malaysia and Indonesia where we have advanced our new operations, while consolidating our position in Singapore, Hong Kong and Macau.

In Singapore, we received the "BCI Asia Top Ten Developers" award for the fifth time in April 2018. According to third-party statistics, we ranked first in Singapore in terms of new residential sales unit in 2017. This has fully demonstrated our robust development in Singapore's residential property development market where we have excelled for 19 years. In May 2018, our Le Quest residential project commenced its second round of presale and achieved satisfactory results.

Regarding the product quality, we continue to be the market leader with a high standard of quality. In 2018, we have been recognised with prestigious awards including environmental conservation, construction quality and safety awards. At the same time, we are implementing the PPVC technology which will significantly save labour and construction time and effectively advance the transition of the building construction industry from a labour-intensive industry to a technology-intensive industry. Our proprietary Hilife smart home/smart community software system has become more mature and stable and greatly increased the value of our residential properties, which has earned us a lot of market recognition while further elevating our brand image.

There is no denying that currently Singapore, Hong Kong and Macau markets provide the Group with a stable flow of profit and cash. To achieve an even higher profit growth, we are investigating potential property development projects and potential acquisition of property developers opportunities in Hong Kong, Macau and Southeast Asian markets. Meanwhile, we are considering introducing partners and investing through an investment fund to reduce risks. To enhance the capital use efficiency, the Group will consider investing in funds in the second half of the year to achieve superior investment returns. In addition, the Group will continue to strengthen cost control and increase construction efficiency to create long-term value for our shareholders.

DEBTS AND CHARGE ON ASSETS

The total interest bearing bank borrowings of the Group, including bank loans and finance leases, maintained at approximately HK$5.0 billion as at 31 December 2017 and 30 June 2018. These banking facilities were secured by the Group's property, plant and equipment, investment properties under development and development properties for sale with net carrying amounts of HK$153,060,000 (As at 31 December 2017: HK$176,615,000), HK$547,079,000 (As at 31 December 2017: HK$518,546,000) and HK$2,047,379,000 (As at 31 December 2017: HK$4,375,337,000), respectively.

Borrowings were denominated mainly in Singapore Dollar, Hong Kong Dollar, Renminbi and US Dollar. Interests on bank borrowings were charged at floating rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded the liquidity and capital requirements primarily through capital contributions from the Shareholders, bank borrowings and cash inflows from the operating activities.

As at 30 June 2018, the Group had cash and cash equivalents of approximately HK$2.13 billion (As at 31 December 2017: HK$3.17 billion) of which approximately 61.6% was held in Singapore Dollar, 26.9% was held in Hong Kong dollar, 9.5% was held in US Dollars and the remaining was mainly held in Macau Patacas, Indonesian Rupiah, Vietnamese Dong and Malaysian Ringgit. The gearing ratio of the Group as at 30 June 2018 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents and pledged bank deposits) was approximately 43.4% (As at 31 December 2017: approximately 31.3%).

During the Reporting Period, the Group has employed foreign exchange forward contracts to mitigate its exposures of Singapore dollars against Hong Kong dollars in light of the foreseeable depreciation of Singapore dollars during the period ended 30 June 2018. The Board will continue to closely monitor the Group's foreign currency risk exposure and may use appropriate financial instruments for hedging purposes as and when necessary.

FOREIGN EXCHANGE

Since the Group mainly operates in Singapore and Hong Kong and most of the revenue and transactions arising from its operations were settled in Singapore Dollar and Hong Kong Dollar, and the Group's assets and liabilities were primarily denominated in Singapore Dollar and Hong Kong Dollar, the Board believes that the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates and has not adopted any currency hedging policy or other hedging instruments other than disclosed in "Liquidity, Financial Resources and Capital Structure" during the Reporting Period.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, there was no significant investment or material investment nor material acquisition and disposal of subsidiaries and associated companies.

CAPITAL COMMITMENTS

As at 30 June 2018, the Group had capital commitments of approximately HK$15.7 million (31 December 2017: HK$19.9 million) for development expenditure and HK$474.3 million (31 December 2017: HK$471.6 million) for investment in The Great Wall and CNQC B&R Industrial Development Fund LP.

CONTINGENT LIABILITIES

Save as disclosed in note 18 to the unaudited condensed consolidated interim financial information, the Group had no other contingent liabilities as at 30 June 2018 and 31 December 2017.

EVENT AFTER THE REPORTING PERIOD

There were no significant events after the Reporting Period.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2018, the Group had 1,802 full-time employees (31 December 2017: 1,921 full-time employees). Most of the Group's employees were based in Singapore and Hong Kong. The remuneration policy and package of the Group's employees are periodically reviewed. Apart from mandatory provident fund and in-house training programmes, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Group for Reporting Period was approximately HK$303.9 million compared to approximately HK$355.4 million for the six months ended 30 June 2017.

SHARE OPTIONS

Share Option Scheme

On 27 June 2014, the Company offered to grant an aggregate of 19,500,000 share options (the "**2014 Share Options**") to certain Directors, employees and consultants of the Group (collectively, the "**2014 Grantees**"), subject to acceptance of the 2014 Grantees, under its share option scheme adopted on 11 September 2012 (the "**Share Option Scheme**"). The 2014 Share Options will enable the 2014 Grantees to subscribe for an aggregate of 19,500,000 new Shares of the Company (the "**Share**"), representing 6.5% of the issued share capital of the Company as at the date of grant subject to certain vesting periods.

On 28 April 2016, the Company offered to grant an aggregate of 10,500,000 share options (the "**2016 Share Options**") to certain Directors of the Group (collectively, the "**2016 Grantees**"), subject to acceptance of the 2016 Grantees, under the Share Option Scheme. The 2016 Share Options will enable the 2016 Grantees to subscribe for an aggregate of 10,500,000 new Shares, representing 1.59% of the issued share capital of the Company as at the date of grant subject to certain vesting periods.

Since then, the Group has not granted any new options under the Share Option Scheme up to the date of this interim report nor is there any option being exercised.

The Shareholders have approved at the annual general meeting of the Company held on 29 April 2016 the refreshment of the 10% scheme mandate limit of the Share Option Scheme, which the Directors are authorized to issue options to subscribe for a total of 66,020,250 Shares.

Management Share Scheme

Pursuant to the terms of the Share Purchase Agreement, a management share scheme (the "**Management Share Scheme**") was set up and a trust (the "**Trust**") was constituted whereby awards (the "**Awards**") were conditionally granted to certain senior management and employees of Guotsing PRC. and its subsidiaries (the "**Selected Participants**") to purchase from the Trust up to a total of 304,599,273 new non-redeemable convertible preference shares of the Company ("**CPS**") in accordance with the terms and conditions of the Management Share Scheme. For further details of the Management Share Scheme, including the list of the Selected Participants, please refer to the announcements of the Company dated 23 May 2015, 8 June 2015, 12 June 2015, 23 July 2015, 25 September 2015, 15 October 2015 and the circular of the Company dated 25 September 2015.

60,919,852 CPS and 55,843,197 CPS were vested and converted to Shares in 2016 and on 2017 respectively. As at the date of this interim report, there were 187,836,224 CPS remaining under the trust.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK$0.06 (six months ended 30 June 2017: HK$0.06) per ordinary share and per CPS for the six months ended 30 June 2018 to the Shareholders whose names appear in the register of members of the Company on Monday, 8 October 2018. It is expected that the payment of the interim dividend will be made on or before Monday, 29 October 2018.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 3 October 2018 to Monday, 8 October 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 2 October 2018.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

On 18 May 2018, the Company's shareholders granted a general mandate (the "**Repurchase Mandate**") to the directors of the Company to repurchase shares of the Company at the annual general meeting (the "**AGM**"). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 148,523,900 shares, being 10% of the total number of issued shares of the Company as at the date of the AGM, on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

During the Reporting Period, the Company repurchased an aggregate of 5,792,500 Shares (2017: Nil) of its own issued ordinary share capital through the Stock Exchange at an aggregate consideration of HK$12.93 million (2017: Nil). All the Shares repurchased were cancelled after the Reporting Period.

The repurchases were effected by the Directors for the benefit of the Company and to create value to its Shareholders.

Further details of the Share repurchase and other movements in the share capital of the Company during the Reporting Period are set out in note 15 to the financial statements.

Save for the aforesaid, during the Reporting Period, neither the Company nor any of the subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

DISCLOSURE OF INTEREST

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF THE ASSOCIATED CORPORATIONS

As at 30 June 2018, interests or short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix 10 to the Listing Rules are as follows:

Name of director	Capacity	Number of Shares and underlying Shares held in long position	Approximate percentage of interests
Mr. Cheng Wing On, Michael	Beneficial owner *(note 1)*	3,000,000	0.202%
	Beneficial owner *(note 3)*	3,000,000	0.202%
Mr. Wang Congyuan	Beneficial owner *(note 3)*	2,100,000	0.141%
	Beneficiary of a trust *(note 2)*	2,284,495	0.154%
	Beneficial owner	397,500	0.027%
Mr. Ho Chi Ling	Beneficial owner *(note 1)*	2,400,000	0.162%
	Beneficial owner *(note 3)*	2,400,000	0.162%
Mr. Zhang Yuqiang	Beneficial owner *(note 1)*	2,400,000	0.162%
	Beneficiary of a trust *(note 2)*	715,810	0.048%
Mr. Wang Linxuan	Beneficial owner *(note 3)*	2,100,000	0.141%
	Beneficiary of a trust *(note 2)*	6,091,985	0.410%
	Beneficial owner	480,000	0.032%
Dr. Sun Huiye	Beneficial owner *(note 3)*	900,000	0.061%
Mr. Wang Xianmao	Beneficiary of a trust *(note 2)*	2,284,495	0.154%
	Beneficial owner	152,500	0.010%

Notes:

1. This represents long position in the underlying Shares under share options granted on 27 June 2014 pursuant to the share option scheme of the Company.

2. This represents long position in the underlying CPS under the Awards granted under the Management Share Scheme. Please refer to the paragraph headed "Share Option Scheme — Management Share Scheme" in this report for more details.

3. This represents long position in the underlying Shares under share options granted on 28 April 2016 pursuant to the share option scheme of the Company.

Save as disclosed above, as at 30 June 2018, none of the Directors nor chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2018, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares of the Company (the "**Shares**") or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long position in the Shares and underlying Shares

Name of substantial shareholder	Capacity/Nature of interest	Number of Shares and underlying Shares held/ interested	Approximate Shareholding Percentage
Dr. Du Bo	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
	Beneficiary of a trust *(Note 4)*	68,534,837	4.61%
Hui Long Enterprises Limited	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
Bliss Wave Holding Investments Limited	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
Top Elate Investments Limited	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
Hao Bo Investments Limited	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
Guotsing Holding Company Limited	Beneficial owner *(Note 1)*	756,421,520	50.93%
	Interest in controlled corporation *(Notes 1, 2 and 3)*	224,145,000	15.09%
Trustee	Trustee *(Note 5)*	187,836,224	12.65%
Qingdao Qingjian Holding Co Staff Shareholding Union	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
Qingdao Qingjian Holdings Co	Interest in controlled corporation *(Note 1)*	988,181,503	66.53%
CNQC Development Limited	Beneficial owner *(Note 1)*	224,145,000	15.09%
Guotsing Finance Holding Limited	Interest in controlled corporation *(Note 3)*	7,614,983	0.51%
Guotsing Asset Management Limited	Interest in controlled corporation *(Note 3)*	7,614,983	0.51%
Guotsing Growth Fund LP I	Beneficial owner	7,614,983	0.51%
Great Wall Pan Asia International Investment Company Limited	Beneficial owner	142,000,000	9.56%
Sino Concord Ventures Limited	Beneficial owner *(Note 6)*	100,000,000	6.73%
Sun East Development Limited	Interest in controlled corporation *(Note 6)*	100,000,000	6.73%

Notes:

(1) Guotsing Holding Company Limited ("**Guotsing BVI**") is wholly-owned by Hao Bo Investments Limited, and is in turn held as to 48.547% by Top Elate Investments Limited ad as to 51.453% by Bliss Wave Holding Investments Limited, a company held as to 74.533% by Hui Long Enterprises Limited which is wholly-owned by Dr. Du Bo. Top Elate Investments Limited is wholly-owned by Qingdao Qingjian Holdings Co. which in turn is wholly-owned by the Qingdao Qingjian Holdings Co Staff Shareholding Union.

(2) The 224,145,000 Shares were held by CNQC Development Limited ("**CNQC Development**") as at 30 June 2018. CNQC Development is wholly-owned by Guotsing BVI .

(3) Guotsing Asset Management Limited is the General Partner of Guotsing Growth Fund LP I, and is in turn wholly held by Guotsing Finance Holding Limited,which held as to 100% by Guotsing BVI.

(4) This represents long position in the underlying CPS under the Awards granted under the Management Share Scheme. Please refer to the paragraph headed ''Management Share Scheme" in this report for more details.

(5) This represents the CPS under the Awards held by the Trustee pursuant to the Management Share Scheme. Please refer to the paragraph headed ''Management Share Scheme" in this report for more details.

(6) Sino Concord Ventures Limited is owned as to 80% by Sun East Development Limited.

Save as disclosed above, as at 30 June 2018, to the best information, knowledge and belief of the Directors, no person (other than the Directors and chief executive of the Company), had registered an interest or short position in the Shares or underlying Shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

SHARE OPTION SCHEME

Reference is made to the "Share Options" section of Management Discussion and Analysis in this annual report.

The Company adopted a share option scheme (the "**Share Option Scheme**" or the "**Scheme**") to attract and retain the best available personnel and to provide additional incentive to the eligible participants under the Scheme. Pursuant to the Scheme, the Board is authorised, at its absolute discretion and subject to the terms of the Scheme, to grant options to subscribe the Shares to any employees (full-time or part-time), directors, consultants or advisor of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group. The Scheme shall be valid and effective for a period of ten years commencing on 11 September 2012, subject to early termination provisions contained in the Scheme.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00. The subscription price of a Share in respect of any particular option granted under the Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

The Company shall be entitled to issue options, provided that 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 schemes of the Company must not exceed 10% of the shares in issue on 18 October 2012, the date of listing of the Company. The Company may at any time refresh such limit, subject to the shareholders' approval and issue of a circular in compliance with the Listing Rules, provided that the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issue from time to time. 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 must not exceed 1% of the Shares in issue unless approved by the shareholders of the Company and issue of a circular in compliance with the Listing Rules.

An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

On 29 April 2016, an ordinary resolution was passed by the Shareholders to approve the proposed refreshment of the 10% scheme mandate limit of the Share Option Scheme. Based on 660,202,500 Shares in issue as at the 2016 annual general meeting, the Directors are authorised to issue share options to subscribe for a total of 66,020,250 Shares, representing 10% of the total number of Shares in issue as at the date of refreshment.

As at the date of this report, the total number of securities available for issue under the Scheme was 66,020,250 Shares, which represented 4.47% of the issued share capital of the Company.

SHARE OPTION SCHEME

The outstanding share options granted entitled the relevant grantees to subscribe for an aggregate 30,000,000 new shares of HK$0.01 each in the share capital of the Company. Detail of movements of the options granted under the Scheme for the year ended 31 December 2017 is as follows:

				Number of options						
Grantees	**Date of Grant**	**Exercise price per share**	**As at 01/01/2018**	**Granted during the period**	**Exercised during the period**	**Lapsed during the period**	**Cancelled during the period**	**As at 30/06/2018**	**Vesting Period**	**Exercise period**
Executive directors										
Cheng Wing On, Michael	27/6/2014	HK$2.70	3,000,000	–	–	–	–	3,000,000	27/06/2015	27/6/2015–27/6/2020
	28/04/2016	HK$3.022	3,000,000	–	–	–	–	3,000,000	28/04/2017	28/04/2017–27/04/2022
Wang Congyuan	28/04/2016	HK$3.022	2,100,000					2,100,000	28/04/2017	28/04/2017–27/04/2022
Ho Chi Ling	27/6/2014	HK$2.70	2,400,000	–	–	–	–	2,400,000	27/06/2015	27/6/2015–27/6/2020
	28/04/2016	HK$3.022	2,400,000	–	–	–	–	2,400,000	28/04/2017	28/04/2017–27/04/2022
Zhang Yuqiang	27/6/2014	HK$2.70	2,400,000	–	–	–	–	2,400,000	27/06/2015	27/6/2015–27/6/2020
Wang Linxuan	28/04/2016	HK$3.022	2,100,000					2,100,000	28/04/2017	28/04/2017–27/04/2022
Non-executive Directors										
Sun Huiye	28/04/2016	HK$3.022	900,000	–	–	–	–	900,000	28/04/2017	28/04/2017–27/04/2022
Employees of the Group in aggregate	27/6/2014	HK$2.70	1,500,000	–	–	–	–	1,500,000	27/06/2015	27/6/2015–27/6/2020
Other participants of the Group in aggregate	27/6/2014	HK$2.70	10,200,000	–	–	–	–	10,200,000	27/06/2015	27/6/2015–27/6/2020
			30,000,000	–	–	–	–	30,000,000		

Save as disclosed above, as at 30 June 2018 no Directors had interest in the share options to subscribe for the shares.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the Reporting Period.

Code of Conduct Regarding Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

Audit Committee and Review of Financial Information

The audit committee of the Company has reviewed with the Company's management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the unaudited interim financial statements for the Reporting Period.

By Order of the Board
Mr. Cheng Wing On, Michael
Chairman

Hong Kong
30 August 2018