



**HSIN新昌
CHONG**

**Hsin Chong Group Holdings Limited
新昌集團控股有限公司**

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

Stock Code 股份代號: 00404.HK

INTERIM REPORT 中期報告

2018

VISION 願景

The Leader in Construction, Property and Related Services.

成為建造、房地產及相關服務的行業領導者。

MISSION 使命

We are committed to:

我們致力：

- creating value for our customers and delivering quality services at world-class standard; and
為客戶創造價值及提供世界級的優質服務；及
- delivering value to our shareholders through maximising market share and returns.
擴大市場佔有率及提升回報，為股東締造更高的價值。

VALUES 價值

Heart and Harmony 全心全意 和諧共勉

- We strive for perfection through service from the **heart** and work **harmoniously** together by complementing and supplementing each other.
我們盡心服務，力臻完善，並和諧共勉，彼此互補優勢。

Can-do attitude and Commitment to quality 樂觀積極 優質承諾

- We uphold a **can-do attitude** with integrity and are **committed** to delivering **quality** that will earn the respect and loyalty of our stakeholders.
我們堅持樂觀積極的態度，堅守誠實廉正的信念，並矢志以優質服務，贏取持份者的尊重與忠誠。

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Management Discussion and Analysis

管理層討論及分析

A. REVIEW OF BUSINESS AND PROSPECTS

1. Financial Overview

		Six months ended 30 June 截至6月30日止六個月		Change 變動	
		2018 (Unaudited) (未經審核)	2017 (Unaudited) (未經審核)	Amount 金額	%
(In HK\$ million) (港幣百萬元)					
Revenue	收益	2,450	3,437	-987	-29%
Revenue – excluding NSC [#]	收益 – 不包括NSC [#]	2,440	3,386	-946	-28%
Gross Profit	毛利	118	96	22	23%
Gross profit margin	毛利率	4.8%	2.8%	2.0%	
Gross profit margin – excluding NSC [#]	毛利率 – 不包括NSC [#]	4.8%	2.8%	2.0%	
Fair value gain/(loss) on investment properties	投資物業公允值之 收益 / (虧損)	412	(288)	700	243%
Provision for impairment of properties under development	發展中物業 減值撥備	(861)	(515)	-346	-67%
EBITDA	EBITDA	(662)	(1,124)	462	41%
Net finance cost	融資成本淨額	(150)	(139)	-11	-8%
Loss attributable to shareholders	股東應佔虧損	(705)	(1,087)	382	35%
Basic loss per share (in HK cents)	每股基本虧損 (港幣仙)	(12.4)	(19.0)	6.6	35%
Interim dividend (in HK cents)	中期股息 (港幣仙)	-	-	N/A不適用	N/A不適用

Note:

[#] Nominated subcontractors' work of Macau Galaxy Resort Phase 2 project ("NSC")

附註：

[#] 「NSC」—澳門銀河娛樂渡假村第二期項目的指定分判商工程

2. Business Overview

Hsin Chong is an integrated construction and property group in the region, which pursues a strategic transformation in its business portfolio by establishing a dynamic property company. While we await the property business to deliver significant revenue contribution to the Group, our Group's construction business remained profitable.

2. 業務回顧

作為區內的綜合建造及物業集團，新昌藉著建立一間具發展潛力的物業公司，尋求實現其業務組合的策略轉型。在我們期待物業業務為本集團帶來重大收益貢獻之同時，本集團之建造業務的盈利能力維持不變。

(In HK\$ million) (港幣百萬元)		Six months ended 30 June 截至6月30日止六個月		Change 變動	
		2018	2017	Amount 金額	%
Revenue	收益				
Construction – excluding NSC	建造—不包括NSC	2,388	3,353	-965	-29%
Property development and investment	物業發展及投資	52	33	19	58%
		2,440	3,386	-946	-28%
Construction – NSC	建造—NSC	10	51	-41	-80%
		2,450	3,437	-987	-29%
Gross profit	毛利				
Construction	建造	87	85	2	2%
Property development and investment	物業發展及投資	31	11	20	182%
		118	96	22	23%
EBITDA	EBITDA				
Construction	建造	17	13	4	31%
Property development and investment	物業發展及投資	(618)	(1,079)	461	43%
Corporate overhead and others	企業營運費用及其他	(61)	(58)	-3	-5%
		(662)	(1,124)	462	41%
Gross profit margin (excluding NSC)	毛利率 (不包括NSC)				
Construction	建造	3.6%	2.5%		
Property development and investment	物業發展及投資	59.6%	33.3%		

2.1 Construction Business Review

During the first half of 2018, the Construction Division received total new orders of HK\$23 million (2017: HK\$136 million), including the following contracts:

- (i) a construction management contract in Malaysia for a residential development project located at Genting Sempah, comprises of 41-storey twin residential towers and a multi-storey carpark; and
- (ii) a MVAC and fire services installation for Ex-Central Police Station Compound.

As of 30 June 2018, the outstanding workload (excluding NSC) reported HK\$4.7 billion. Among all the contracts on hand, 89% were from the public sector and MTR; and 11% were from private clients.

- (i) Government & Public Institutions: M+ Museum Main Works Contract at West Kowloon Cultural District, Design & Construction of Kowloon East Regional Headquarters and Operational Base cum Ngau Tau Kok Divisional Police Station and Civil Engineering and Development Department; and
- (ii) MTR Corporation: Elevated Road along LOHAS Park Road and the Pedestrian Footbridge FBI and Shatin to Central Link contract for Sung Wong Toi and To Kwa Wan Stations and Tunnels.

On 17 August 2018, Hsin Chong Construction Company Limited received a termination notice of the M+ Museum Main Works Contract from the employer, the West Kowloon Cultural District Authority, allegedly based on their concerns. Had this Contract been excluded, the outstanding workload (excluding NSC) at the end of this reporting period would reduce from HK\$4.7 billion to HK\$2.3 billion.

2.1 建造業務回顧

於2018年上半年，建造分部獲得合共港幣0.23億元（2017年：港幣1.36億元）新訂單，包括以下合約：

- (i) 馬來西亞的住宅發展項目建造管理合約，項目位處馬來西亞雲頂山腳路段，包括樓高41層的雙子住宅大樓及多層停車場；及
- (ii) 前中區警署建築群之通風空調及消防系統安裝。

截至2018年6月30日，未完成合約額（不包括NSC）為港幣47億元。於所有手頭合約中，89%來自公營機構及港鐵公司；及11%來自私營客戶。

- (i) 政府及公營機構：西九文化區的M+博物館主工程合約、東九龍總區總部及行動基地暨牛頭角分區警署大樓設計及建築項目及土木工程拓展署；及
- (ii) 港鐵公司：康城路高架路橋及行人天橋工程與宋王臺及土瓜灣鐵路站及隧道的沙中線合約。

於2018年8月17日，根據僱主之考慮，新昌營造廠有限公司自彼等收到西九文化區M+博物館主工程合約的終止通告。倘不包括該合約，則於本報告期末未完成合約額（不包括NSC）將由港幣47億元減少至港幣23億元。

The Hong Kong Ocean Park Marriott Hotel
香港海洋公園萬豪酒店



Tin Shui Wai Hospital
天水圍醫院

During the period under review, the Group's core Construction Business recorded revenue (excluding NSC) of HK\$2.4 billion (2017: HK\$3.4 billion) and gross profit of HK\$87 million (2017: HK\$85 million). The revenue for the period decreased by 28% comparing to that of last year and the gross profit increased by 2%, our gross margin then increased by 1.1 percentage point to 3.6%.

2.2 Property Development and Investment Business Review

Over the course of last few years, Hsin Chong has pursued a strategic transformation in its property business portfolio. Currently, the Group has two completed properties in the first-tier cities of Beijing and Guangzhou and four properties under development in Foshan, Tai'an, Tianjin and Tieling.

During the period under review, this division delivered a revenue of HK\$52 million and a gross profit of HK\$31 million.

Property Portfolio

Completed properties for investment and/or sale

(i) *New Times Plaza, Beijing*

The property is a commercial development, comprising 15 storeys aboveground and 3 storeys of basement. The shopping mall and car park occupy 9 floors of the property (from 3rd floor of the basement to 6th floor) with a total gross floor area ("GFA") of 55,798 square metres ("sqm"). The apartments are located on the 7th to 15th floors of the property. As at 30 June 2018, approximately 11,962 sqm of GFA are available for sale or lease.

As of 30 June 2018, the occupancy rate of the shopping mall was more than 90%. The contribution has been improving since acquisition. The New Times Plaza has generated stable rental and related income for the period.

(ii) *Xiyang Computer City, Commercial Portion of Tian Cheng Ming Yuan*

The property, which consists of a commercial property and a car park with around 325 carparking spaces, has a total GFA of 26,306 sqm.

於回顧期間，本集團的核心建造業務錄得收益（不包括NSC）港幣24億元（2017年：港幣34億元）及毛利港幣0.87億元（2017年：港幣0.85億元）。期內之收益較去年減少28%，而毛利增加2%，因此毛利率增加1.1個百分點至3.6%。

2.2 物業發展及投資業務回顧

過去幾年來，新昌一直致力實現物業業務組合的策略轉型。目前，本集團於一線城市北京及廣州擁有兩項已完成物業及於佛山、泰安、天津及鐵嶺擁有四項發展中物業。

於回顧期間，此分部產生收益港幣0.52億元及毛利港幣0.31億元。

物業組合

供投資及／或出售的已落成物業

(i) *北京新年華購物中心*

該物業為一個商業發展項目，由地上15層及3層地庫組成。購物商場及停車場佔據9層物業（由地庫第3層至地上第6層），總建築面積（「**建築面積**」）達55,798平方米（「**平方米**」）。公寓則位於該物業第7層至第15層。於2018年6月30日，可供出售或租賃建築面積約為11,962平方米。

於2018年6月30日，購物商場的出租率超過90%。自收購以來，此物業收益一直在提升。期內新年華購物中心提供穩定租金及相關收入。

(ii) *熹陽電腦城（天晟明苑商業部分）*

該物業總建築面積為26,306平方米，包括商業物業及有約325個車位的停車場。

Property under development

(i) *Foshan Hsin Chong Town*

Foshan Hsin Chong Town project is located at the "Ninety-Ninth Hill" of Dushugang, Lubao Town, Sanshui District of Foshan City. The project is 40 kilometers east to the downtown of Guangzhou and close to Hong Kong and Macau in the south. With the established three-dimensional transportation network in the surrounding area, it only takes one hour to get to main cities in the Pearl River Delta Economic Zone, including Guangzhou, Shenzhen, Zhuhai, Dongguan, Zhongshan, Yunfu, Zhaoqing, Huizhou, Qingyuan and Jiangmen, directly covering more than 100 million consumers in Greater Bay Area.

The planned core layout includes Venice water town, super five star resort hotel, featured shopping center, children's playground, experience education base, wedding celebration square, hot spring, golf course, regional commercial facilities, service apartment, high-end residential area, egret nature reserve, etc.

The project is positioned as a fashion shopping center and tourist destinations of short vacations in the Pearl River Delta targeted at Guangzhou and Foshan in the short term, and the health preservation resort targeted at Guangdong and the whole country in the medium and long-term (the second residence for improved living conditions in Guangdong Province, and suitable for health preservation of northern tourists in winter).

The retail outlets with an area of approximately 98,588 sqm was put into trial operation on 28 April 2017, and opened for business on 29 May 2017, attracting more than 500,000 customers in the first three days. The wedding plaza and the pet paradise were completed in 2017, and are currently in normal operation. The ancillary facilities, such as the club, catering service, container hotel and happy farm have been completed and put into operation. The water entertainment facilities such as the water park, sightseeing boat and fishing have been put into use. The construction of the commercial residence project with an area of 83,000 sqm is in process, which is expected to satisfy the pre-sales conditions in October this year. The project has been initially positioned as the first recreation and shopping resort town in Guangzhou-Foshan area.

發展中物業

(i) **佛山新昌小鎮**

佛山新昌小鎮項目位於佛山市三水區蘆苞鎮獨樹崗「九十九崗」，項目東臨廣州市中心區40公里，南鄰港澳。項目周邊擁有完善的立體交通網絡，實現了與珠三角經濟圈主要城市廣州、深圳、珠海、東莞、中山、雲浮、肇慶、惠州、清遠、江門等1小時互通，直接覆蓋大灣區超過1億核心消費人群。

其規劃功能核心布局囊括威尼斯水城、超五星休閒度假酒店、特色購物中心、兒童樂園、體驗教育基地、婚慶廣場、溫泉、高爾夫球場、區域商業配套、服務式公寓及高尚住宅區、鳥天堂自然白鷺保護區等。

項目短期定位為面向廣佛的珠三角時尚購物中心、短時休閒度假的旅遊目的地，中遠期定位為面向廣東及全國的度假養生城（廣東省改善居住條件的第二居所，北方過冬養生客群）。

約98,588平方米零售奧特萊斯商業於2017年4月28日成功試營業，並於2017年5月29日盛大開業，開業三天吸客逾50萬人次；婚慶廣場及寵物樂園均於2017年建成開業，現已進入日常運營中。會所、餐飲、集裝箱主題酒店、開心農場等配套設施已經建成並投入運營。水上樂園、遊船、垂釣等水上娛樂設施已經投入運營使用。8.3萬平方米商住項目正在建設，預計今年10月份達到預售條件。項目成為廣佛地區首家休閒購物度假小鎮的定位已經初具規模。

(ii) *Tai'an project*

The project is located in the new town in the south of Tai'an city, Shandong Province – Tai'an New and High Tech Industrial Development Zone. It is 70 kilometers from Ji'nan city in its north, approximately 12 kilometers from Dongyue Street in the downtown area of Tai'an city, and 14 kilometers from the trailhead of Mountain Taishan. The project includes commercial properties with a total GFA of approximately 274,977 sqm. The project aims at building an integrated commercial complex featured with tourism and leisure element by integrating traditional business and tourism industry. Based on this comprehensive development framework, the tourism and leisure-oriented project will develop a variety of ancillary facilities integrating various functions such as recreation, leisure, sports, health preservation, catering, and retail, etc. As at the date of this report, a total of 34 blocks of two-storey commercial retail outlet mall with a total GFA of over 100,000 sqm are under construction.

(iii) *Commercial development project, Tianjin*

The project is located in the core area of Tianjin Binhai Free Trade Zone, adjacent to Haihe River on three fronts. The project is planned to have two core themes: the first theme is to build a world famous cultural relics industry service zone centered on cultural relics exhibition, identification, transaction and supporting finance; the second theme is to build a children's education and entertainment industry base centered on research and development, application, experiment and promotion of augmented reality and virtual reality technology. There are supporting functions such as office, catering, entertainment and business for core themes, all of which are still in the planning stage.

(ii) *泰安項目*

項目位於山東省泰安市南部新區—泰安國家高新技術產業開發區內。項目北距濟南市70公里，距離泰安市中心城區東嶽大街約12公里，距離泰山登山口14公里。該項目包括總建築面積約274,977平方米的商業物業。項目定位為將傳統商業與旅遊業結合，形成具有旅遊、休閒特性的複合型商業綜合體。以旅遊休閒功能主導，基於泛旅遊產業綜合發展的構架，融合遊樂、休閒、運動、養生、餐飲、零售等多種功能在內的配套型設施。於本報告日期，共有34棟總建築面積逾10萬平方米的兩層商業零售商場正在興建中。

(iii) *天津商業發展項目*

項目位於天津濱海自貿區黃金核心地帶，三面與海河相鄰。項目規劃兩大核心主題：主題一，擬建成一個世界知名的以文物展覽、鑒定、交易及配套金融為核心的文物產業服務區；主題二，一個以增強現實、虛擬現實技術研發、應用、實驗、推廣為核心的兒童教育及娛樂產業基地。圍繞核心主題配套有相應的辦公室、餐飲、娛樂及商業等相關功能，整體仍在規劃階段。

Hsin Chong Outlet Mall - Foshan
佛山新昌廣場奧特萊斯



New Times Plaza, Beijing
北京新年華購物中心

(iv) La Viva, Tieling

La Viva, Tieling is located alongside the south bank of Fanhe River in the Tieling New Town, 8 kilometres north to the old town and over 30 kilometres south to the downtown of Shenyang city. The project includes numerous facilities such as retail, entertainment, tourist attractions, hotel, international school, water park, residence, office buildings and conference and exhibition facilities. It covers an area of 180 hectares and a total GFA of approximately 3 million sqm.

Residential development Phase 1 owns a total saleable area of approximately 225,000 sqm. Upon completion, there will be a total of 2,100 units available for sale, with average size per unit of 107 sqm. The residential sales will be tied with the phased opening of the retail outlets and water park.

Phase 1 of the commercial development of La Viva comprises exhibition centre, banquet hall, club house, outlet mall and a water park which is one of the key components of the unparalleled La Viva experience. It will be the first round-the-year water recreation facility in the northeast region of PRC. The total GFA of the Phase 1 commercial development approximates to 214,743 sqm.

3. Looking Forward

The Group's financial situation has been restraining its ability to obtain new projects since the beginning of the year, which resulted in decrease of the Construction Business' turnover. This in turn cause reduction in the Group's cashflow and increase the financing cost.

Hsin Chong has pursued strategic measures include but not limited to disposal of assets and refinance the current facilities to restore the Group's cashflow and liquidity. During such restoration period, the management notice and foresee that (i) the operating progress of various projects may be affected; (ii) short term financing cost may increase; (iii) new tenders will be restricted until the cashflow and liquidity of the Group restored; and (iv) key staffs turnover may increase.

The Company is currently in discussions with Poly Property Group Co., Limited (Stock Code: 00119) (the "Potential Investor"), which has expressed an interest in investing in the Company's equity securities, details of which had been disclosed in the Company's announcement dated 2 and 18 May 2018.

(iv) 鐵嶺星悅南岸

鐵嶺星悅南岸位於鐵嶺新城凡河南岸，北距鐵嶺老城區8公里，南距瀋陽市區30餘公里。該項目包含零售、娛樂、觀光旅遊、酒店、國際學校、水上樂園、住宅、辦公樓及會展設施等多項設施。項目佔地面積達180公頃，總建築面積約為300萬平方米。

住宅發展項目1期總可售面積約為22.5萬平方米。於完工後將有合共2,100個單位可供銷售，每個單位平均為107平方米。住宅物業將配合分階段開張的購物村及水上樂園推出市場銷售。

星悅南岸的第一期商業發展包括展覽中心、宴會廳、會所、商場及構成星悅南岸精彩體驗的重要一環的水上樂園。其將成為中國東北地區首個全年營運水上娛樂設施。第一期商業發展的總建築面積約為214,743平方米。

3. 展望

自年初以來，本集團的財務狀況持續限制其取得新項目的能力，導致建造業務營業額減少。此轉而導致本集團現金流減少及融資成本增加。

新昌已尋求戰略性措施，包括但不限於出售資產及對當前融資進行再融資以恢復本集團的現金流及流動性。於恢復期間，管理層注意到及預見(i)多個項目的操作進展可能受到影響；(ii)短期融資成本可能增加；(iii)於本集團恢復現金流及流動性前，新投標將可能受到限制；及(iv)員工流失率可能增加。

本公司正與有意對本公司之股本證券進行投資的保利置業集團有限公司（股份代號：00119）（「潛在投資者」）進行洽商，有關詳情披露於本公司日期為2018年5月2日及18日之公告內。

Construction business

In the coming five years from 2019-20 to 2023-24, Hong Kong is expected to have 25 sites available for production of more than 60,000 flats of which more than 80% are for public housing.

With Hsin Chong's leading construction industry position and remarkable track record in Hong Kong, we strive our best to take part in the city's infrastructure and building plans.

On 29 August 2018, the Company and an independent third party (the "Purchaser") entered into a non-legally binding memorandum of understanding ("MOU") in relation to the potential disposal of the entire issued share capital of Hsin Chong Construction Company Limited ("HCC"), a wholly owned subsidiary of the Company. Based on the MOU, the Purchaser may provide financial support in the amount of HK\$600 million as working capital for the projects of HCC. Details of the MOU had been disclosed in the Company's announcement dated 29 August 2018.

After the Group manages to sort out its current financial issues, Hsin Chong, as one of Asia's longest-standing construction groups with its firm foundation in the industry, will continue to strengthen our solid position to sustain further successes in Hong Kong.

Apart from the public sector, we will also pay our attention to high-end private sector customers with our professionalism and corporate tradition. We have been a major player in Hong Kong's infrastructural development, and will continue to focus our efforts on soliciting new opportunities in the competitive construction market.

PRC Property business

Hsin Chong is experiencing a strategic transformation in diversifying our business segment with the expansion in PRC property development. We hope to grasp the new opportunities in the Mainland China's fast developing property market to form new profit-making points.

(i) *New Times Plaza, Beijing and Xiyang Computer City (Commercial Portion of Tian Cheng Ming Yuan)*

The Group is actively seeking opportunities to dispose the two projects entirely in 2018 to realise value to stakeholders and improve the Group's cashflow position.

建造業務

在2019-20至2023-24年度未來五年，香港預期將有25幅地盤推出，可供興建超過60,000個單位，其中80%以上將為公營房屋。

憑藉新昌在香港建造業的領先地位及彪炳往績，我們力求參與城市的基建及建造計劃。

於2018年8月29日，本公司與一名獨立第三方（「買方」）訂立並無法律約束力之諒解備忘錄（「諒解備忘錄」），內容有關可能出售新昌營造廠有限公司（「新昌營造廠」，本公司之全資附屬公司）全部已發行股本。根據諒解備忘錄，買方或會提供金額為港幣600,000,000元之財務支持以作為新昌營造廠項目之營運資金。有關諒解備忘錄之詳情披露於本公司日期為2018年8月29日之公告內。

於本集團解決其當前財務問題後，新昌作為亞洲歷史最為悠久並在業內擁有堅實基礎的建造集團之一，將繼續鞏固我們的穩固地位，進一步延續在香港的成功歷程。

除公營界別外，我們亦重視高端私營界別客戶，用專業素養及企業傳統為其服務。作為在香港基建發展方面的主要參與者，我們將持續關注這一充滿競爭的建造市場，努力把握新機遇。

中國物業業務

隨著中國物業發展的拓展，新昌現正經歷分散業務分類的戰略轉型。我們希望在中國內地發展日新月異的物業市場上取得新機遇，形成新的營利點。

(i) *北京新年華購物中心及熹陽電腦城（天晟明苑商業部分）*

本集團正積極尋求機會於2018年內悉數出售該兩個項目，從而實現對持份者的價值回報並改善本集團的現金流量狀況。

(ii) Foshan Hsin Chong Town

The Company is applying for related licenses for the low density residence with an area of approximately 24,000 sqm, which is expected to be completed and commence its pre-sales in the end of this year. The commercial residence projects with an area of 83,000 sqm are expected to be available for sales in the end of this year upon satisfaction with pre-sales conditions. It is planned that the construction of the low density residence project for sales with an area of 130,000 sqm will be commenced in the second half of 2018, and that the construction of the commercial residence project for sales with an area of 510,000 sqm will be commenced in 2019, which will realise continuous cash inflow upon satisfaction with pre-sales conditions.

The supporting facilities for Outlets Business will be further improved in the second half of 2018 to attract more customers and increase revenue.

Meanwhile, the project will continue with the application for "Featured Town" in the second half of 2018, in order to obtain the special support from the State in terms of policies and financing.

The Company has recently successfully negotiated with a PRC Real Estate Partner ("the Real Estate Partner") on a Cooperation Framework Agreement ("**Foshan Framework Agreement**") in relation to: (1) share arrangements; (2) project re-financing; (3) project management and (4) property sales of the Company's real estate project in the Guangdong Foshan Sanshui District.

Should a co-operation agreement be signed with the Real Estate Partner, the Company will work closely with them to reduce project development and finance costs and speed up the development process, thereby enhancing the value of the project and creating better commercial value which will benefit the adjacent communities.

(iii) Tai'an project

The Company plans to complete the commercial project under construction with an area of over 100,000 sqm in the second half of 2019, and finalise the planning scheme of apartment for sales with an area of 175,000 sqm, which will commence development and construction and ready for sales in the second half of 2019.

(ii) 佛山新昌小鎮

本公司正在辦理約2.4萬平方米低密度住宅的相關證件，預計今年年底完成並開始銷售。8.3萬平方米商住項目預計今年年底達到預售條件即可銷售。2018年下半年內計劃展開可售低密度住宅項目13萬平方米之工程，2019年計劃展開可售商住項目51萬平方米之工程，使其陸續達到預售條件，實現持續的現金回流。

2018年下半年將進一步提升及完善奧特萊斯商業的經營及其配套設施，帶動更多客流，提升收入。

同時，於2018年下半年將繼續申報國家「特色小鎮」項目，以獲得國家在政策、融資等方面的專項扶持。

本公司近期已成功與一名中國房地產合作夥伴（「**房地產合作夥伴**」）就有關本公司位於廣東省佛山市三水區房地產項目的(1)股份安排；(2)項目再融資；(3)項目管理及(4)物業銷售之合作框架協議（「**佛山框架協議**」）進行磋商。

倘與房地產合作夥伴簽署合作協議，本公司將與彼等緊密合作以降低項目開發及融資成本及加快開發進程，從而提高項目價值並創造更好的商業價值，令鄰近社區受益。

(iii) 泰安商業發展項目

本公司計劃於2019年下半年完成在建10萬平方米以上的商業竣工，完成17.5萬平方米的可售公寓的規劃方案；2019年下半年開始開發建設及陸續銷售。

(iv) Commercial development project, Tianjin

An underwriting contract in respect of the project has been signed with a state-owned enterprise. It not only solved the funding of the construction of the project, but also solved the sales problem of the saleable property of the project. According to the underwriting contract, the project will soon provide the Group with continuous cash inflow. It is also worth mentioned that the project is intended to introduce the world's third "bank of cultural relics", which will add substantial commercial value to the project and be beneficial to the significant increase of value of our self-owned properties.

(v) La Viva, Tieling

The Phase I residence with an area of 225,000 sqm will be available for sale in 2018. The Company plans to cooperate with powerful institutions to increase the capital investment in projects, liquidise assets and optimise the model of operation in 2018.

Meanwhile, the Company will continue with the application for "Featured Town" in 2018 with an aim to obtain the special support from the State in terms of policies and financing.

(iv) 天津商業發展項目

項目與某國資企業簽訂了《包銷合同》，不但解決了項目的建設資金問題，同時也解決了項目可售物業的銷售問題。依據《包銷合同》，項目不久即可為集團提供可持續的回籠資金。值得一提的是，項目擬引入世界第三家「文物銀行」，這一舉措將賦予項目巨大的商業附加值，有利於自持物業價值的巨幅提升。

(v) 鐵嶺星悅南岸

2018年年內實現1期22.5萬平方米住宅的銷售。本公司計劃於2018年聯合實力機構開展合作建設，增加對項目的資金投入，盤活資產，優化商業業態。

同時，本公司於2018年將繼續申報項目為國家「特色小鎮」項目，以獲得國家在政策、融資等方面的專項扶持。

University of Saint Joseph
聖若瑟大學



Tung Chung Public Housing
東涌公營房屋

International Infrastructure Business – Belt and Road Initiative

The International Infrastructure Business Division continues its success in building up business relationships and connections with key ministers and Consul Generals of various overseas countries with the objectives of exploring and pursuing opportunities in Asia, Africa, Europe, Middle East and South America.

Pivoting on its competitive advantages in project management, construction management and contract administration, Hsin Chong further expands its international business by promoting connectivity, integrating and creating a regional economic cooperation framework under the Belt and Road Initiative.

Green Building and Sustainability Concept

Green building, which is designing and constructing buildings using eco-friendly materials and techniques, will continue to influence the global construction industry in 2018. The social trends such as sustainable and healthy living are set to shape in future years. As an influential construction industry leader in Hong Kong, we hope to act as a pioneer on sustainable development to maintain our superior position.

4. Financial Position

The Group monitors its liquidity requirements and arranges refinancing of the Group's borrowings when appropriate. As of 30 June 2018, the total debts were HK\$14.7 billion of which HK\$9.9 billion were from entrusted loans, HK\$3.5 billion were from senior notes, HK\$770 million were from other loans and HK\$27 million were from private bonds. Total bank borrowings were at HK\$530 million.

As of 30 June 2018, cash and bank deposits stood at HK\$412.4 million (31 December 2017: HK\$1,179.6 million).

Net gearing, representing net debt over tangible net assets (net assets less intangible assets) as at 30 June 2018, was 134% (31 December 2017: 114%).

Based on the current financial position, the Group has taken various measures to improve its liquidity including disposal of assets, refinancing current facilities, and in active negotiation with holders of the senior notes for a consensual restructuring plan.

國際基建業務——一帶一路計劃

國際基建業務繼續成功地與各個海外國家的主要部長和總領事建立業務關係和聯繫，目的是在亞洲、非洲、歐洲、中東和南美洲探索和尋求機會。

新昌在項目管理、施工管理和合同管理方面具有競爭優勢，通過促進“一帶一路”倡議下的連通性，整合和創建區域經濟合作框架，進一步擴大其國際業務。

綠色建築及可持續發展理念

綠色建築作為一種在設計及建造上使用節能材料及技術的建築，將繼續在2018年影響全球建造業。可持續健康生活等社會趨勢定必在未來數年逐漸成形。作為在香港具有重大影響力的建築行業領先企業之一，我們有望充當可持續發展的先行者，維持卓越地位。

4. 財務狀況

本集團監察其流動資金需求及適時為本集團之借貸安排再融資。於2018年6月30日，債務總額為港幣147億元，其中港幣99億元乃來自委託貸款、港幣35億元乃來自優先票據、港幣770,000,000元乃來自其他貸款及港幣27,000,000元乃來自私人債券。銀行借貸總額為港幣530,000,000元。

於2018年6月30日，現金及銀行存款維持在港幣412,400,000元（2017年12月31日：港幣1,179,600,000元）。

於2018年6月30日，淨負債比率，即淨負債除以有形資產淨值（扣除無形資產的資產淨值）為134%（2017年12月31日：114%）。

根據現時財務狀況，本集團已作出多項措施以提高其流動資金（包括出售資產、現有信貸額度重新融資）及與優先票據持有人就自願重組計劃進行積極磋商。

5. Funding cost

The Group's bank borrowings are charged at a spread to floating interest rates. Interest on the other borrowings including entrusted loans for PRC properties and other loans are subject to fixed interest rate.

6. Pledge of assets

As at 30 June 2018, the Group pledged its investment properties with carrying amount of HK\$9,686 million (31 December 2017: HK\$9,210 million), property, plant and equipment and leasehold land with carrying amount of HK\$1,762 million (31 December 2017: HK\$1,794 million), properties under development with carrying amount of HK\$7,933 million (31 December 2017: HK\$8,746 million), stocks of properties with carrying amount of HK\$558 million (31 December 2017: HK\$562 million) and bank balances with carrying amount of HK\$60 million (31 December 2017: HK\$392 million), and its equity interest in certain subsidiaries, as collaterals to various banks, financial institutions and other third parties to secure its borrowings.

7. Exposure to fluctuations in exchange rates and related hedges

The Group operates in Hong Kong, Macau, the PRC, Saipan and Cambodia with most of the transactions denominated and settled in local currencies. Foreign exchange risk exposure arising from the Group's operation in Macau and the PRC is monitored by proper synchronisation of receipts and payments in different operating currencies. For the Group's companies with USD as functional currency, it is not expected that there are any significant movements in the USD/HKD exchange rate as the HKD is pegged to the USD. As at 30 June 2018, the Group did not use any derivative financial instruments to hedge its exposure to foreign exchange risk (31 December 2017: nil).

8. Commitments

As at 30 June 2018, the Group had capital commitments in respect of contracted but not provided for capital expenditures on properties under development, commercial properties under development under investment properties and construction in progress under property, plant and equipment and leasehold land amounting to HK\$2,521 million (31 December 2017: HK\$2,569 million).

5. 融資成本

本集團的銀行借貸按浮動利率計息。中國物業項目的委託貸款及其他貸款等其他借貸的利息屬固定息率。

6. 資產抵押

於2018年6月30日，本集團將其賬面值為港幣9,686,000,000元(2017年12月31日：港幣9,210,000,000元)的投資物業、賬面值為港幣1,762,000,000元(2017年12月31日：港幣1,794,000,000元)的物業、機器及設備以及租賃土地、賬面值為港幣7,933,000,000元(2017年12月31日：港幣8,746,000,000元)的發展中物業、賬面值為港幣558,000,000元(2017年12月31日：港幣562,000,000元)的物業存貨及賬面值為港幣60,000,000元(2017年12月31日：港幣392,000,000元)的銀行結餘，以及其於若干附屬公司的股權作為抵押物抵押予多間銀行、金融機構及其他第三方，以擔保其借貸。

7. 匯率波動風險及相關對沖

本集團於香港、澳門、中國、塞班島及柬埔寨經營業務，其大部分交易以當地貨幣計值和結算。本集團透過對以不同經營貨幣計值的收款及付款進行適當的換算統一監控於澳門及中國經營業務所產生的外匯風險。至於本集團內以美元為功能貨幣之公司，由於港幣與美元掛鉤，故預期美元兌港幣的匯率並無任何重大變動。於2018年6月30日，本集團並無動用任何衍生金融工具對沖其面臨之外匯風險(2017年12月31日：無)。

8. 承擔

於2018年6月30日，本集團就發展中物業、投資物業中的發展中商業物業及機器及設備及租賃土地中的在建工程之已訂約但未撥備資本開支擁有資本承擔港幣2,521,000,000元(2017年12月31日：港幣2,569,000,000元)。

9. Contingent liabilities

At 30 June 2018 and 31 December 2017, the Group is subject to various claims on liquidated damages of certain construction contracts during the normal course of business. The Directors are of the opinion that the Group has applied extension of time to mitigate the liquidated damages and any resulting liability would not materially affect the financial position of the Group.

B. INTERIM DIVIDEND

To preserve funds for the Company, the Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2018 (30 June 2017: nil).

C. HUMAN RESOURCES

As at 30 June 2018, the total number of employees in the Group was 1,614 full time staff, which included staff in different business segments, such as construction, property development, international business and related services. They are employed in Hong Kong, Macau and Chinese Mainland, and overseas countries.

The Group adopts sound policies of management incentives and competitive remuneration, which align the interests of management, employees and Shareholders. The chief asset of the Group remains the skills and expertise of our loyal staff and we have rightly invested much time and effort in the selection, training, retention and personal improvement of our staff.

The Group sets its remuneration policy by making reference to the prevailing market conditions and a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest caliber, which is essential to the successful leadership and effective management of the Group. The performance measures are balanced between financial and industrial comparatives. The components of the remuneration package consisted of base salary, allowances, benefits-in-kind, fringe benefits including medical insurance and contributions to pension funds, as well as incentives like discretionary bonus, participation in share option scheme and long-term rewards.

9. 或然負債

於2018年6月30日及2017年12月31日，本集團於一般業務過程中面臨多項涉及若干建造合約之定額賠償索償。董事認為，本集團遞交延期申請以減低定額賠償金額，因此所產生之任何負債不會對本集團之財務狀況構成重大影響。

B. 中期股息

為儲備本公司資金，董事會議決不就截至2018年6月30日止六個月宣派中期股息（2017年6月30日：無）。

C. 人力資源

於2018年6月30日，本集團的僱員總數為1,614名全職員工，當中包括不同業務分部（例如建造業、物業發展、國際業務及相關服務）之僱員。他們受聘於香港、澳門、中國內地及海外國家。

本集團採納具成效之管理獎勵政策及具競爭力之薪酬，務求令管理層、僱員及股東之利益達成一致。忠誠僱員之技術和專業仍為本集團最重要之資產，因此本集團在對其僱員之甄選、培訓、留聘、以及自我提升方面適當地投入大量時間與資源。

本集團在制定其薪酬政策時會參考當時市況及與工作表現掛鉤之獎賞制度，以確保本集團能吸引、挽留及激勵具有卓越才幹、對成功領導及有效管理本集團起關鍵作用之人才。在進行表現評核時會考慮財政狀況及行業指標，以求在兩者間取得平衡。薪酬待遇包括基本薪金、津貼、實物福利、附帶福利（包括醫療保險及養老金供款），以及酌情花紅、參與認股權計劃和長期服務獎金等獎勵。

Condensed Consolidated Interim Income Statement

簡明綜合中期收益表

For the six months ended 30 June 2018
截至2018年6月30日止六個月

Unaudited
Six months ended 30 June
未經審核
截至6月30日止六個月

		Notes 附註	2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Revenue	收益	5	2,450,068	3,436,563
Cost of sales	銷售成本	10	(2,332,134)	(3,340,732)
Gross profit	毛利		117,934	95,831
Other losses, net	其他虧損淨額	7	(109,238)	(110,106)
Fair value gain/(loss) on investment properties	投資物業公允值收益/(虧損)		412,033	(287,664)
Provision for impairment of properties under development	發展中物業減值撥備		(860,955)	(515,349)
Net exchange gain/(loss)	匯兌收益/(虧損)淨額		26,085	(36,220)
Selling and general administrative expenses	銷售及一般行政開支		(286,100)	(325,458)
Amortisation of intangible assets	無形資產攤銷		(14,911)	(10,323)
Interest income	利息收入		26,900	24,503
Interest expenses	利息開支	8	(177,058)	(163,264)
Loss before taxation	除稅前虧損		(865,310)	(1,328,050)
Taxation	稅項	9	222,904	256,513
Loss for the period	本期間虧損	10	(642,406)	(1,071,537)
(Loss)/profit attributable to:	應佔(虧損)/溢利:			
Equity holders of the Company	本公司權益持有人		(704,973)	(1,086,726)
Non-controlling interests	非控股權益		62,567	15,189
			(642,406)	(1,071,537)
Loss per share (HK cents)	每股虧損(港幣仙)			
Basic	基本	11	(12.4)	(19.0)
Diluted	攤薄	11	(12.4)	(19.0)

Condensed Consolidated Interim Statement of Comprehensive Income

簡明綜合中期全面收益表

For the six months ended 30 June 2018
截至2018年6月30日止六個月

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Loss for the period	本期間虧損	(642,406)	(1,071,537)
Other comprehensive income	其他全面收益		
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類為損益之項目：</i>		
Fair value gain on leasehold land and building	租賃土地及樓宇之公允值收益	-	32,924
Deferred tax on fair value gain of leasehold land and building	租賃土地及樓宇公允值收益之遞延稅項	-	(5,432)
Fair value loss on financial asset at fair value through other comprehensive income	按公允值計入其他全面收益財務資產之公允值虧損	(1,485)	-
Deferred tax on fair value loss of financial asset at fair value through other comprehensive income	按公允值計入其他全面收益財務資產公允值虧損之遞延稅項	371	-
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>其後可能重新分類為損益之項目：</i>		
Fair value gain on available-for-sale financial asset	可供出售財務資產之公允值收益	-	159
Deferred tax on fair value gain of available-for-sale financial asset	可供出售財務資產公允值收益之遞延稅項	-	(40)
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(114,028)	444,162
Other comprehensive income for the period, net of tax	本期間經扣除稅項後之其他全面收益	(115,142)	471,773
Total comprehensive income for the period, net of tax	本期間經扣除稅項後之全面收益總額	(757,548)	(599,764)
Total comprehensive income attributable to:	應佔全面收益總額：		
Equity holders of the Company	本公司權益持有人	(811,036)	(632,564)
Non-controlling interests	非控股權益	53,488	32,800
		(757,548)	(599,764)

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

As at 30 June 2018
於2018年6月30日

		Notes 附註	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment and leasehold land	物業、機器及設備及租賃土地		2,376,851	2,486,922
Investment properties	投資物業	13	11,697,203	11,317,718
Intangible assets	無形資產		175,630	186,018
Financial asset at fair value through other comprehensive income	按公允值計入其他全面收益之財務資產		26,479	–
Available-for-sale financial asset	可供出售之財務資產		–	27,964
Receivables and prepayments	應收賬款及預付金	15	352,916	534,203
Deferred tax assets	遞延稅項資產		5,064	5,044
			14,634,143	14,557,869
Current assets	流動資產			
Properties under development	發展中物業	14	16,082,197	15,916,556
Stocks and contracting work-in-progress	存貨及興建中工程		575,529	2,007,585
Contract assets	合約資產		2,279,343	–
Receivables and prepayments	應收賬款及預付金	15	1,291,755	2,524,837
Amounts due from non-controlling interests	應收非控股權益款項		1,992	2,250
Amounts due from other partners of joint operations	應收共同經營之其他合作夥伴款項		9,239	8,369
Tax recoverable	可收回稅項		7,223	7,277
Deposits, cash and cash equivalents	存款、現金及等同現金項目		352,431	784,137
Restricted cash	受限制現金		59,983	395,454
			20,659,692	21,646,465
Current liabilities	流動負債			
Bank loans	銀行貸款	16	(530,376)	(1,039,886)
Other borrowings	其他借貸	19	(10,694,364)	(7,224,732)
Senior notes	優先票據	18	(3,487,500)	(2,317,069)
Private bonds	私募債券	19	(27,200)	–
Payables and accruals	應付賬款及應計費用	17	(4,643,266)	(5,583,736)
Contract liabilities	合約負債		(233,554)	–
Amounts due to other partners of joint operations	應付共同經營之其他合作夥伴款項		(43,103)	(44,772)
Current tax liabilities	當期稅項負債		(97,858)	(89,180)
			(19,757,221)	(16,299,375)
Net current assets	流動資產淨值		902,471	5,347,090
Total assets less current liabilities	總資產減流動負債		15,536,614	19,904,959

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

		Notes 附註	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Other borrowings	其他借貸	19	-	(2,115,044)
Senior notes	優先票據	18	-	(1,141,161)
Private bonds	私募債券	19	-	(21,903)
Long service payment liabilities	長期服務金負債		(2,943)	(2,943)
Deferred tax liabilities	遞延稅項負債		(4,657,466)	(4,918,922)
Total non-current liabilities	非流動負債總計		(4,660,409)	(8,199,973)
Net assets	資產淨值		10,876,205	11,704,986
Equity	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔資本及儲備			
Share capital	股本	20	1,141,084	1,141,084
Other reserves	其他儲備		9,274,338	9,391,099
(Accumulated losses)/retained profits	(累計虧損)/保留溢利		(424,640)	340,868
Non-controlling interests	非控股權益		9,990,782	10,873,051
			885,423	831,935
Total equity	權益總計		10,876,205	11,704,986

Condensed Consolidated Interim Statement of Cash Flows

簡明綜合中期現金流量表

For the six months ended 30 June 2018
截至2018年6月30日止六個月

Unaudited
Six months ended 30 June
未經審核
截至6月30日止六個月

		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Operating activities	經營活動		
Net cash outflow from operations	經營之現金流出淨額	(353,520)	(261,748)
Interest received	已收利息	2,242	24,503
Interest paid	已付利息	(1,063,608)	(1,115,006)
Tax paid	已付稅項	(320)	(3,063)
Net (repayment to)/advance from other partners of joint operations	共同經營之其他合作夥伴之(還款)/墊款淨額	(2,539)	28,173
Net cash outflow from operating activities	經營活動之現金流出淨額	(1,417,745)	(1,327,141)
Investing activities	投資活動		
(Placement)/release of time deposit over three months	三個月以上定期存款之(存放)/解除	(77,949)	670
Purchase of property, plant and equipment and leasehold land	購買物業、機器及設備及租賃土地	(25,942)	(26,233)
Purchase of intangible assets	購買無形資產	(103)	-
Additions of investment properties	添置投資物業	(25,533)	(141,031)
Deposits paid for a non-current asset	非流動資產已付按金	-	(10)
Increase in receivables	應收賬款之增加	-	(137,519)
Proceeds from disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地所得款項	1,149	-
Net cash outflow from investing activities	投資活動之現金流出淨額	(128,378)	(304,123)
Financing activities	融資活動		
Deposits paid	已付按金	(245,554)	(144,671)
Decrease in receivables	應收賬款之減少	-	519,734
Drawdown of bank loans	提取銀行貸款	15,000	9,636
Repayment of bank loans	償還銀行貸款	(525,319)	(929,356)
Drawdown of other borrowings	提取其他借貸	5,393,356	5,772,614
Repayment of other borrowings	償還其他借貸	(3,947,308)	(4,130,530)
Net proceeds from issuance of private bonds	發行私募債券之所得款項淨額	-	21,357
Decrease in bank overdrafts	銀行透支減少	-	(16,108)
Decrease in restricted deposits	受限制存款減少	335,471	627,099
Net cash inflow from financing activities	融資活動之現金流入淨額	1,025,646	1,729,775

Condensed Consolidated Interim Statement of Cash Flows
 簡明綜合中期現金流量表

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
(Decrease)/increase in cash and cash equivalents	現金及等同現金項目(減少)/增加	(520,477)	98,511
Cash and cash equivalents at the beginning of the period	於期初之現金及等同現金項目	778,155	404,716
Exchange gain on cash and cash equivalents	現金及等同現金項目之匯兌收益	10,822	3,002
Cash and cash equivalents at the end of the period	於期末之現金及等同現金項目	268,500	506,229
Analysis of the balances of cash and cash equivalents:	現金及等同現金項目結存之分析:		
Bank balances and cash – unrestricted	銀行結存及現金 – 不受限制	352,431	511,990
Less: Time deposit over three months	減: 三個月以上定期存款	(83,931)	(5,761)
Cash and cash equivalents at the end of the period	於期末之現金及等同現金項目	268,500	506,229

Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期權益變動表

For the six months ended 30 June 2018
截至2018年6月30日止六個月

Attributable to equity holders of the Company
屬於本公司權益持有人

		Share capital	Share premium	Exchange reserve	Capital redemption and general reserve	Special reserve	Revaluation reserve	Share options reserve	Convertible bonds and warrants equity reserve	Retained profits/(accumulated losses)	Total	Non-controlling interests	Total equity
		股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	匯兌儲備 HK\$'000 港幣千元	資本贖回及 普通儲備 HK\$'000 港幣千元	特別儲備 HK\$'000 港幣千元	重估儲備 HK\$'000 港幣千元	認股權儲備 HK\$'000 港幣千元	可換股債券及 認股權儲備 HK\$'000 港幣千元	保留溢利/ (累計虧損) HK\$'000 港幣千元	總計 HK\$'000 港幣千元	非控股權益 HK\$'000 港幣千元	權益總計 HK\$'000 港幣千元
Balance at 31 December 2017 as originally presented (audited)	於2017年12月31日之結餘·按原先呈列(經審核)	1,141,084	9,906,163	[888,940]	15,864	332,046	13,331	12,635	-	340,868	10,873,051	831,935	11,704,986
Initial application of HKFRS 9 (Note 2.2(A))	初次應用香港財務報告準則第9號(附註2.2(A))	-	-	-	-	-	-	-	-	[71,233]	[71,233]	-	[71,233]
Balance at 1 January 2018 (restated)	於2018年1月1日之結餘(經重列)	1,141,084	9,906,163	[888,940]	15,864	332,046	13,331	12,635	-	269,635	10,801,818	831,935	11,633,753
(Loss)/profit for the period	本期間(虧損)/溢利	-	-	-	-	-	-	-	-	[704,973]	[704,973]	62,567	[642,406]
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-
Fair value loss on financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益財務資產之公允價值虧損	-	-	-	-	-	[1,485]	-	-	-	[1,485]	-	[1,485]
Deferred tax on fair value loss of financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益財務資產公允價值虧損之遞延稅項	-	-	-	-	-	371	-	-	-	371	-	371
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	[104,949]	-	-	-	-	-	-	[104,949]	[9,079]	[114,028]
Total comprehensive income	全面收益總額	-	-	[104,949]	-	-	[1,114]	-	-	[704,973]	[811,036]	53,488	[757,548]
Transfer upon share options lapsing	因認股權失效而轉撥	-	-	-	-	-	-	[10,698]	-	10,698	-	-	-
Balance at 30 June 2018 (unaudited)	於2018年6月30日之結餘(未經審核)	1,141,084	9,906,163	[993,889]	15,864	332,046	12,217	1,937	-	[424,640]	9,990,782	885,423	10,876,205
Balance at 1 January 2017 (audited)	於2017年1月1日之結餘(經審核)	1,141,084	9,906,163	[1,877,092]	15,864	332,046	537,351	13,035	9,874	446,785	10,525,110	581,565	11,106,675
(Loss)/profit for the period	本期間(虧損)/溢利	-	-	-	-	-	-	-	-	[1,086,726]	[1,086,726]	15,189	[1,071,537]
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-
Fair value gain on leasehold land and building	租賃土地及樓宇之公允價值收益	-	-	-	-	-	32,924	-	-	-	32,924	-	32,924
Deferred tax on fair value gain of leasehold land and building	租賃土地及樓宇公允價值收益之遞延稅項	-	-	-	-	-	[5,432]	-	-	-	[5,432]	-	[5,432]
Fair value gain on available-for-sale financial asset	可供出售財務資產之公允價值收益	-	-	-	-	-	159	-	-	-	159	-	159
Deferred tax on fair value gain of available-for-sale financial asset	可供出售財務資產公允價值收益之遞延稅項	-	-	-	-	-	[40]	-	-	-	[40]	-	[40]
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	426,551	-	-	-	-	-	-	426,551	17,611	444,162
Total comprehensive income	全面收益總額	-	-	426,551	-	-	27,611	-	-	[1,086,726]	[632,564]	32,800	[599,764]
Transfer upon share options lapsing	因認股權失效而轉撥	-	-	-	-	-	-	[400]	-	400	-	-	-
Balance at 30 June 2017 (unaudited)	於2017年6月30日之結餘(未經審核)	1,141,084	9,906,163	[1,450,541]	15,864	332,046	564,962	12,635	9,874	[639,541]	9,892,546	614,365	10,506,911

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

1. General information

Hsin Chong Group Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are engaged in building construction, civil engineering, electrical and mechanical installation and property development and investment.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company has its primary listing on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These interim condensed consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$'000), unless otherwise stated, and were authorised for issue by the board of directors (the “Board”) of the Company on 31 August 2018.

2. Basis of preparation and accounting policies

These interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of the Main Board Listing Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of these interim condensed consolidated financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the interim condensed consolidated financial statements and their effect are disclosed in Note 3.

These interim condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Group’s annual consolidated financial statements for the year ended 31 December 2017. These interim condensed consolidated financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”) and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2017.

1. 一般資料

新昌集團控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）從事樓宇建造、土木工程、機電安裝工程以及物業發展及投資。

本公司為於百慕達註冊成立的有限責任公司。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司以香港聯合交易所有限公司（「聯交所」）主板作第一上市地。

除另有列明外，該等中期簡明綜合財務報表以港幣千元為單位列示。本公司董事會（「董事會」）已於2018年8月31日授權刊發該等中期簡明綜合財務報表。

2. 編製基準及會計政策

該等中期簡明綜合財務報表已依據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」及聯交所主板證券上市規則的適用披露規定而編製。

根據香港會計準則第34號編製該等中期簡明綜合財務報表需要使用若干判斷、估計及假設，而有關判斷、估計及假設會影響政策之應用以及按年初至今基準計算之資產與負債、收入及開支之呈報金額。實際結果可能與該等估計有所不同。於編製中期簡明綜合財務報表時已作出重大判斷及估計之範圍及其影響於附註3披露。

該等中期簡明綜合財務報表載有若干簡明綜合財務報表及選定之說明附註。該等附註包括自本集團截至2017年12月31日止年度之年度綜合財務報表以來，對了解本集團財務狀況及表現之變動而言屬重大之事件及交易之說明。該等中期簡明綜合財務報表及附註並不包括根據香港財務報告準則（「香港財務報告準則」）編製整套財務報表所需之所有資料，並應與本集團截至2017年12月31日止年度之年度綜合財務報表一併閱覽。

2. Basis of preparation and accounting policies (continued)

These interim condensed consolidated financial statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the HKICPA. BDO Limited's independent review report to the Board of Directors is included on pages 63 to 70.

2.1 Going concern basis

For the six months ended 30 June 2018, the Group reported loss attributable to the owners of the Company of HK\$705 million (2017: HK\$1,087 million) and had a net operating cash outflow of HK\$1,418 million (2017: HK\$1,327 million). As at the same date, the Group's total borrowings amounted to HK\$14,739 million (31 December 2017: HK\$10,582 million) were all classified as current liabilities while its unrestricted cash and cash equivalents amounted to HK\$352 million only.

As at 30 June 2018, total borrowings of the Group of HK\$4,525 million were overdue. Up to the date of this report, total borrowings of the Group of HK\$5,064 million were overdue. These overdue borrowings included the US\$300 million 8.75% per annum senior notes (the "US\$300 million Senior Notes"). However, the Group has not been able to obtain extensions of repayments of such balances prior to the date of this report. These overdue borrowings without extension would be immediately repayable if requested by the lenders. Included in these overdue borrowings, total borrowings of HK\$168 million did not meet certain financial ratios as set out in the covenants in the relevant borrowing agreements. Furthermore, the US\$300 million Senior Notes, equivalent to HK\$2,325 million, issued by the Group, fell due for redemption on 18 May 2018. The Group has not paid the amounts outstanding under the US\$300 million Senior Notes (the "Payment Default"). This has resulted in the event of default of the US\$300 million Senior Notes and cross default of the US\$150 million, 8.5% per annum senior notes, equivalent to HK\$1,163 million. The Payment Default has also resulted in cross-defaults of certain bank loans of HK\$353 million and other borrowings of HK\$2,230 million which become immediately repayable and are all classified as current liabilities as at 30 June 2018.

2. 編製基準及會計政策 (續)

該等中期簡明綜合財務報表未經審核，但已由香港立信德豪會計師事務所有限公司根據香港會計師公會頒佈之香港審閱工作準則第2410號「由實體獨立核數師執行的中期財務資料審閱」進行審閱。香港立信德豪會計師事務所有限公司致董事會之獨立審閱報告載於第63至70頁。

2.1 持續經營基準

截至2018年6月30日止六個月，本集團錄得本公司擁有人應佔虧損港幣705,000,000元（2017年：港幣1,087,000,000元）以及經營現金流出淨額港幣1,418,000,000元（2017年：港幣1,327,000,000元）。同日，本集團總借貸為港幣14,739,000,000元（2017年12月31日：港幣10,582,000,000元）分類為流動負債。而其不受限制的現金及等同現金項目僅為港幣352,000,000元。

於2018年6月30日，本集團已逾期借貸總額為港幣4,525,000,000元。直至本報告日期，本集團已逾期借貸總額為港幣5,064,000,000元。該等已逾期借貸包括300,000,000美元之年息8.75厘優先票據（「300,000,000美元之優先票據」）。然而，本集團於本報告日期前並未取得償還該等結餘的延期。該等未延期逾期借貸須於貸款人要求時即時償還。於該等已逾期借貸中，借貸總額港幣168,000,000元未達到相關借貸協議中契諾所載的若干財務比率。此外，300,000,000美元之優先票據（相當於港幣2,325,000,000元）乃由本集團發行且於2018年5月18日到期贖回。本集團沒有支付300,000,000美元之優先票據項下之尚未償還款項（「拖欠付款」）。其導致300,000,000美元之優先票據之違約事件及150,000,000美元之年息8.5厘優先票據（相當於港幣1,163,000,000元）之交叉違約。拖欠付款亦導致於2018年6月30日分類為流動負債且須即時償還的港幣353,000,000元之若干銀行貸款及港幣2,230,000,000元之其他借貸出現交叉違約。

2. Basis of preparation and accounting policies (continued)

2.1 Going concern basis (continued)

On 17 August 2018, the Group received a notification from the West Kowloon Cultural District Authority to terminate the Group's construction service contract for the M + project. As at the date of this report, the directors of the Company were in the process of estimating any negative financial effect on the Group arising from the termination including any potential claims against the Group.

On 27 August 2018, a wholly-owned subsidiary of the Company (the "Wholly-owned Subsidiary") received a petition filed by its creditor for an order that the Wholly-owned Subsidiary may be wound up by the High Court. The petition was filed against the Wholly-owned Subsidiary for its failure to settle a sum of approximately HK\$8,285,000 for construction costs payable.

These conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but are not limited to, the following:

- i. The Group has been actively negotiating with a number of commercial banks and other financial institutions for renewal and extension of bank and other borrowings and credit facilities. Specifically, the Group is in active negotiations with the lenders to extend the repayment dates of the overdue borrowings, and to obtain waivers from complying with certain restrictive covenants contained in the loan agreements of certain borrowings;
- ii. The Group is working with its financial and legal advisers on evaluating its options and implementing a consensual restructuring of the senior notes issued by the Company. In addition, the Company is actively negotiating with the holders of the senior notes (the "Notesholders") to find a consensual restructuring plan;

2. 編製基準及會計政策 (續)

2.1 持續經營基準 (續)

於2018年8月17日，本集團收到西九文化區管理局終止與本集團所簽訂的M+博物館項目工程合約的通知。於本報告日期，本公司董事正在評估終止對本集團產生的任何負面財務影響（包括針對本集團的任何潛在申索）。

於2018年8月27日，本公司一間全資附屬公司（「該全資附屬公司」）收到其債權人提交的提請高等法院對該全資附屬公司作出清盤命令的呈請。提交針對該全資附屬公司的呈請之原因是其無法清償總額約港幣8,285,000元之應付工程款項。

該等條件顯示存有重大不確定性，或會使本集團的持續經營能力存在重大疑問。

鑒於有關情況，本公司董事於評估本集團是否擁有充足財務資源進行持續經營時已審慎考慮本集團未來的流動資金及表現及其可用資金來源。本集團已採取多種措施減輕流動資金壓力及改善其財務狀況，包括但不限於以下各項：

- i. 本集團已積極與若干商業銀行及其他金融機構進行磋商，以重續及延長銀行及其他借貸以及信貸融資。具體而言，本集團正積極與貸款人協商延長逾期貸款的還款期，以及豁免遵守若干借貸的貸款協議所載的若干限制性契諾；
- ii. 本集團正與其財務及法律顧問共同評估其可作的選擇及探討對本公司發行的優先票據進行自願重組。此外，本公司正積極與優先票據持有人（「票據持有人」）進行磋商以達成一項自願重組計劃；

2. Basis of preparation and accounting policies (continued)

2.1 Going concern basis (continued)

- iii. In addition, the Group is identifying various options for financing the Group's working capital and commitments in the foreseeable future by obtaining finance from shareholders, issuance of shares and debt instruments;
- iv. The Group has accelerated disposal plan of its property, plant and equipment and leasehold land, investment properties, properties under development and completed properties held for sale (the "Group Properties"). Apart from selling the Group Properties, the Group expects to launch pre-sales of certain residential units in Foshan, which are expected to improve the Group's operating cash inflow in the second half of 2018;
- v. The Group is exploring every good opportunity to realise its investment and business operation. On 29 August 2018, the Company and an independent third party purchaser entered into a non-legal binding memorandum of understanding (the "MOU"), pursuant to which the Company has conditionally agreed to sell and the purchaser has conditionally agreed to acquire the entire issued share capital of Hsin Chong Construction Company Limited ("HCC"), a wholly-owned subsidiary of the Company. Further details on the MOU is disclosed in Note 25(e) to the interim condensed consolidated financial statements; and
- vi. The Group will continue to take active measures to control administrative costs through various channels including human resources optimisation and management remuneration adjustment and containment of capital expenditures.

The directors have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 30 June 2018. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 30 June 2018. Accordingly, the directors are satisfied that it is appropriate to prepare the interim condensed consolidated financial statements on a going concern basis.

2. 編製基準及會計政策 (續)

2.1 持續經營基準 (續)

- iii. 此外，本集團正在透過從股東獲得融資、發行股份及債務工具物色各類可為本集團於可預見未來營運資金及承擔融資的選擇；
- iv. 本集團已加快其物業、機器及設備以及租賃土地、投資物業、發展中物業及持作出售之已落成物業（「**本集團物業**」）的出售計劃。除出售本集團物業外，本集團預期將啟動預售佛山的若干住宅單位，預期將可於2018年下半年改善本集團的經營現金流入；
- v. 本集團正積極探尋各種良機以實現其投資及業務營運。於2018年8月29日，本公司與一名獨立第三方買方訂立不具法律約束力之諒解備忘錄（「**諒解備忘錄**」），據此本公司已有條件同意出售且買方已有條件同意收購新昌營造廠有限公司（「**新昌營造廠**」，本公司一間全資附屬公司）全部已發行股本。有關諒解備忘錄之進一步詳情披露於中期簡明綜合財務報表附註25(e)；及
- vi. 本集團將繼續採取積極措施透過各種渠道（包括人力資源優化及管理層薪酬調整）控制行政成本及資本開支金額。

董事已審閱管理層編製之本集團現金流量預測。該現金流量預測涵蓋自2018年6月30日起計的不少於十二個月的期間。彼等認為，經考慮上述計劃及措施，本集團於2018年6月30日起計十二個月內將擁有充足的營運資金為其經營業務撥資及履行其到期時的財務承擔。因此，董事信納按持續經營基準編製中期簡明綜合財務報表屬適當。

2. Basis of preparation and accounting policies (continued)**2.1 Going concern basis** (continued)

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through the following:

- i. Successful negotiations with the lenders and the Noteholders for the renewal of or extension for repayment of outstanding borrowings and senior notes, including those with overdue principals and interests;
- ii. Successful obtaining additional new sources of financing as and when needed;
- iii. Successful in reaching a consensual restructuring plan with the Noteholders of the senior notes;
- iv. Successful in execution of the MOU in relation to the potential Disposal of HCC;
- v. Successful implementation and acceleration of its disposal plans described above to accelerate its sales of the Group Properties, including timely execution of definitive sales agreements and timely collection of the disposal proceeds, and the successful deferral of capital expenditures for the Group's projects on hand;
- vi. Successful pre-sales of certain residential units in Foshan so as to generate operating cash inflows;
- vii. Successful negotiations with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings in any breach of loan covenant or default, including those with cross-default terms;

2. 編製基準及會計政策 (續)**2.1 持續經營基準** (續)

儘管有以上所述，惟本公司管理層能否實現上述計劃及措施仍存有重大不確定性。本集團是否能持續經營將視乎本集團透過以下方式產生充足融資及經營現金流量的能力而定：

- i. 與貸款人及票據持有人成功進行磋商，將未償還借貸及優先票據（包括逾期本金及利息）重續或延長還款期；
- ii. 於需要時成功獲得新的資金來源；
- iii. 成功與優先票據持有人達成各方一致同意的重組計劃；
- iv. 成功執行有關可能出售新昌營造廠之諒解備忘錄；
- v. 成功實施及加快上文所述加快本集團物業銷售的出售計劃，包括及時簽訂最終銷售協議並及時收取出售所得款項，以及成功遞延本集團手頭項目之資本開支；
- vi. 成功預售佛山的部分住宅單位，以產生經營現金流入；
- vii. 成功與本集團之現有貸款人磋商，使相關貸款人將不會採取行動要求即時償還任何違反貸款契諾或違約的借貸，包括附帶交叉違約條款者；

2. Basis of preparation and accounting policies (continued)

2.1 Going concern basis (continued)

- viii. Successful maintenance of relationship with the suppliers of the Group, in particular those in relation to the Group's construction business and the property development projects such that no actions will be taken by those suppliers against the Group should the Group fail to meet all the payment obligations on a timely basis and notwithstanding a supplier filed a petition against HCC on 27 August 2018; and
- ix. the potential purchaser of HCC may provide financial support to the Group at its discretion in the amount of HK\$300 million within one week from 29 August 2018 and another HK\$300 million within two weeks from 29 August 2018 as working capital to HCC. These financial support provisions are contained in a non-legally binding MOU. Among other conditions, the execution of the MOU, including the provision of financial support, is subject to risk control assessment to be conducted by the potential purchaser.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern basis, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these interim condensed consolidated financial statements.

2. 編製基準及會計政策 (續)

2.1 持續經營基準 (續)

- viii. 成功與本集團的供應商維持關係，尤其是該等與本集團之建造業務及物業發展項目有關者，使該等供應商在本集團未能按時履行所有付款責任的情況下將不會針對本集團採取行動，儘管一名供應商於2018年8月27日提交針對新昌營造廠的呈請；及
- ix. 新昌營造廠之潛在買方可自行酌情於2018年8月29日起一週內向本集團提供金額為港幣300,000,000元之財務支持並於2018年8月29日起兩週內再提供港幣300,000,000元，以作為新昌營造廠之營運資金。該等財務支持條文乃載於一份不具法律約束力的諒解備忘錄內。執行該諒解備忘錄（包括提供財務支持）須受潛在買方將進行之風控評估條件規限。

倘若本集團未能實現上述計劃及措施，則未必能繼續按持續經營業務基準經營，並將需要作出調整以將本集團資產的賬面值撇減至其可收回金額，就可能產生的任何進一步負債作出撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響並無在該等中期簡明綜合財務報表內反映。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs

These interim condensed consolidated financial statements have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of the following new or amended HKFRSs effective for the first time for periods beginning on or after 1 January 2018:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements to HKFRSs 2014 – 2016 Cycle	Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014 – 2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property

The impact of the adoption of HKFRS 9 “Financial Instruments” and HKFRS 15 “Revenue from Contracts with Customers” have been summarised below. The other new or amended HKFRSs that are effective from 1 January 2018 did not have any material impact in these interim condensed consolidated financial statements.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動

該等中期簡明綜合財務報表已根據本集團截至2017年12月31日止年度的年度綜合財務報表所採納的會計政策編製，惟採納下列於2018年1月1日或之後開始期間首次生效的新訂或經修訂香港財務報告準則除外：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	與客戶之合約收益
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價
香港財務報告準則2014年–2016年週期的年度改進	香港財務報告準則第1號首次採用香港財務報告準則的修訂
香港財務報告準則2014年–2016年週期的年度改進	香港會計準則第28號於聯營公司及合營企業之投資之修訂
香港財務報告準則第2號（修訂本）	以股份支付交易的分類和計量
香港財務報告準則第15號（修訂本）	與客戶之合約收益（澄清香港財務報告準則第15號）
香港會計準則第40號（修訂本）	轉讓投資物業

採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「與客戶之合約收益」的影響已於下文概述。其他自2018年1月1日起生效的新訂或經修訂香港財務報告準則對該等中期簡明綜合財務報表並無任何重大影響。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”)

(i) Classification and measurement of financial instruments

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in these interim condensed consolidated financial statements.

The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of reserves and retained profits as of 1 January 2018 as follows (increase/(decrease)):

		HK\$'000 港幣千元
<i>Retained profits</i>	<i>保留溢利</i>	
Retained profits as at 31 December 2017	於2017年12月31日的保留溢利	340,868
Increase in expected credit losses ("ECLs") in trade and other receivables and contract assets (Note 2.2A(ii) below)	貿易及其他應收賬款及合約資產的預期信貸虧損 ("預期信貸虧損")增加 (下文附註2.2A(ii))	(71,233)
Restated retained profits as at 1 January 2018	於2018年1月1日的經重列保留溢利	269,635

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具
("香港財務報告準則第9號")

(i) 金融工具的分類及計量

香港財務報告準則第9號於2018年1月1日或之後開始的年度期間取代了香港會計準則第39號金融工具：確認及計量，合併金融工具會計處理的所有三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自2018年1月1日起採納香港財務報告準則第9號已導致本集團會計政策及該等中期簡明綜合財務報表所確認的金額產生變動。

下表概述過渡至香港財務報告準則第9號對截至2018年1月1日儲備及保留溢利期初結餘的影響（扣除稅項）如下（增加／（減少））：

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(i) Classification and measurement of financial instruments (continued)

HKFRS 9 basically retains the existing requirements in HKAS 39 for the classification and measurements of financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

Under HKFRS 9, except for certain receivables (that the receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost; (ii) financial assets at fair value through other comprehensive income (“FVOCI”); or (iii) financial assets designated at FVTPL (as defined above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives are no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification. A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具 (「香港財務報告準則第9號」) (續)

(i) 金融工具的分類及計量 (續)

香港財務報告準則第9號基本上保留香港會計準則第39號有關財務負債分類及計量的現有規定。然而，其取消先前就持有至到期財務資產、貸款及應收賬款及可供出售財務資產的財務資產的香港會計準則第39號類別。採納香港財務報告準則第9號對本集團有關財務負債及衍生金融工具的會計政策並無重大影響。香港財務報告準則第9號對本集團財務資產分類及計量的影響載列如下。

根據香港財務報告準則第9號，除若干應收賬款（有關應收賬款不包括根據香港財務報告準則第15號的重大融資部分）外，實體於初次確認時須按公允值加交易成本（倘為並非按公允值計入損益（「按公允值計入損益」）的財務資產）計量財務資產。財務資產分類為：(i)以攤銷成本計量的財務資產；(ii)按公允值計入其他全面收益（「按公允值計入其他全面收益」）的財務資產；或(iii)指定為按公允值計入損益（定義見上文）。根據香港財務報告準則第9號，財務資產的分類一般基於兩個標準：(i)管理財務資產的商業模式及(ii)其合約現金流量特性（「僅支付本金及利息」標準，亦稱為「僅支付本金及利息標準」）。根據香港財務報告準則第9號，嵌入式衍生工具毋須與主體財務資產分開列示。取而代之，混合式金融工具須整體評估分類。當財務資產同時符合以下條件，且並無指定為按公允值計入損益，則該財務資產按攤銷成本計量：

- 該財務資產由一個旨在通過持有財務資產收取合約現金流量的業務模式所持有；及
- 該財務資產的合約條款於特定日期可產生現金流量，而該現金流量符合僅支付本金及利息標準。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(i) Classification and measurement of financial instruments (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具 (「香港財務報告準則第9號」) (續)

(i) 金融工具的分類及計量 (續)

倘債務投資同時符合以下條件，且並非指定為按公允值計入損益，則該債務投資按公允值計入其他全面收益：

- 該債務投資由一個旨在通過收取合約現金流量及銷售財務資產達致其業務模式的目的所持有；及
- 該財務資產的合約條款於特定日期可產生現金流量，而該現金流量符合僅支付本金及利息標準。

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公允值的後續變動。該選擇乃按投資逐項作出。所有其他上述並非分類為按攤銷成本計量或按公允值計入其他全面收益的財務資產，均分類為按公允值計入損益。於初次確認時，本集團可不可撤回地將本來符合按攤銷成本計量或按公允值計入其他全面收益的規定的財務資產指定為按公允值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(i) Classification and measurement of financial instruments (continued)

The following accounting policies are applied to the Group’s financial assets as follows:

Amortised costs Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVOCI (equity investments) Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss.

As at 1 January 2018, listed equity investments were reclassified from available-for-sale financial asset to financial asset at FVOCI.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具 (「香港財務報告準則第9號」) (續)

(i) 金融工具的分類及計量 (續)

以下會計政策適用於本集團的財務資產，詳情如下：

攤銷成本 按攤銷成本計量的財務資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益內確認。終止確認的任何收益於損益內確認。

按公允值計入其他全面收益 (股本投資) 按公允值計入其他全面收益的股本投資按公允值計量。股息收入於損益內確認，除非股息收入明確為收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。

於2018年1月1日，上市股本投資自可供出售之財務資產重新分類至按公允值計入其他全面收益之財務資產。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(i) Classification and measurement of financial instruments (continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group’s financial assets as at 1 January 2018:

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 根據香港會計準則第39號 於2018年1月1日的賬面值 HK\$'000 港幣千元	Carrying amount as at 1 January 2018 under HKFRS 9 根據香港財務報告準則第9號 於2018年1月1日的賬面值 HK\$'000 港幣千元
財務資產	根據香港會計準則第39號的原有類別	根據香港財務報告準則第9號的新類別		
Listed equity investments 上市股本投資	Available-for-sale financial asset 可供出售之財務資產	FVOCI 按公允值計入其他全面收益	27,964	27,964
Amounts due from other partners of joint operations 應收共同經營之其他合作夥伴款項	Loans and receivables (Note 2.2A(ii)(b)) 貸款及應收賬款 (附註2.2A(ii)(b))	Amortised cost 攤銷成本	8,369	8,369
Amounts due from non-controlling interests 應收非控股權益款項	Loans and receivables (Note 2.2A(ii)(b)) 貸款及應收賬款 (附註2.2A(ii)(b))	Amortised cost 攤銷成本	2,250	2,250
Receivables and prepayments 應收賬款及預付款項	Loans and receivables (Note 2.2A(ii)(a)) 貸款及應收賬款 (附註2.2A(ii)(a))	Amortised cost 攤銷成本	2,097,688	2,028,504
Contract assets 合約資產	Loans and receivables (Note 2.2A(ii)(a)) 貸款及應收賬款 (附註2.2A(ii)(a))	Amortised cost 攤銷成本	2,380,937	2,378,888
Deposits, cash and cash equivalents 存款、現金及等同現金項目	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	784,137	784,137
Restricted cash 受限制現金	Loans and receivables 貸款及應收賬款	Amortised cost 攤銷成本	395,454	395,454

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具 (「香港財務報告準則第9號」) (續)

(i) 金融工具的分類及計量 (續)

下表概述本集團於2018年1月1日各類財務資產根據香港會計準則第39號的原有計量類別及根據香港財務報告準則第9號的新計量類別：

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(ii) Impairment of financial assets at amortised costs

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “ECLs model”. HKFRS 9 requires the Group to recognise ECLs for trade receivables, financial assets at amortised costs and contract assets earlier than HKAS 39. Cash and cash equivalents and restricted cash are subject to ECLs model but the impairment is immaterial for the current period.

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具
([香港財務報告準則第9號]) (續)

(ii) 按攤銷成本計量的財務資產之減值

採納香港財務報告準則第9號更改了本集團的減值模式，將由香港會計準則第39號「已產生虧損模式」更改為「預期信貸虧損模式」。香港財務報告準則第9號規定本集團以較香港會計準則第39號為先就貿易應收賬款、按攤銷成本計量的財務資產及合約資產確認預期信貸虧損。現金及等同現金項目以及受限制現金須受預期信貸虧損模式所限，惟本期間的減值並不重大。

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2)年限內預期信貸虧損：此乃於金融工具預計年期內所有可能的違約事件產生的預期信貸虧損。

預期信貸虧損的計量

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額。短缺的差額之後按資產原有實際利率相近值進行折現。

本集團已選擇香港財務報告準則第9號簡化法計量貿易應收賬款及合約資產的虧損撥備，並已根據年限內預期信貸虧損計算預期信貸虧損。本集團已設立基於本集團過往信貸虧損經驗，並按與債務人及經濟環境相關的前瞻性因素調整的撥備矩陣。

本集團假設，財務資產倘逾期超過30天則信貸風險會大幅增加。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(ii) Impairment of financial assets at amortised costs (continued)

Measurement of ECLs (continued)

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具 (「香港財務報告準則第9號」) (續)

(ii) 按攤銷成本計量的財務資產之減值 (續)

預期信貸虧損的計量 (續)

本集團認為財務資產於下列情況下為違約：(1)在本集團並無進行追索(例如變現抵押(如持有))的情況下借款人不大可能向本集團悉數支付其信貸責任；或(2)該財務資產逾期超過90天。

於估計預期信貸虧損時考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損的呈列

按攤銷成本計量的財務資產的虧損撥備從資產的賬面總值中扣除。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(ii) Impairment of financial assets at amortised costs (continued)

Impact of the ECLs model(a) Impairment of trade receivables and contract assets

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which adopts a lifetime ECLs for all trade receivables and contract assets. To measure the ECLs, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk as the trade receivables. The loss allowances as at 1 January 2018 were determined for trade receivables and contract assets as follows:

1 January 2018	Current	1-30 days past due 逾期 1至30天	31-90 days past due 逾期 31至90天	91-180 days past due 逾期 91至180天	More than 180 days past due 逾期 180天以上	Total
2018年1月1日	即期					總額
Trade receivables	貿易應收賬款					
Expected credit loss rate (%)	預期信貸虧損率(%)	0%*	0%*	0%*	1%*	32%
Gross carrying amount (HK\$'000)	賬面總值 (港幣千元)	584,107	187	2,514	17,564	622,098
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	-	-	-	5,640	5,640
Contract assets	合約資產					
Expected credit loss rate (%)	預期信貸虧損率(%)	0.01%	-	-	-	-
Gross carrying amount (HK\$'000)	賬面總值(港幣千元)	2,380,937	-	-	-	2,380,937
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	2,049	-	-	-	2,049

* rounded to nearest percentage for disclosure purpose only.

* 四舍五入至最接近百分比，僅供披露用途。

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具
([香港財務報告準則第9號]) (續)

(ii) 按攤銷成本計量的財務資產之減值 (續)

預期信貸虧損模式的影響(a) 貿易應收賬款及合約資產的減值

誠如上文所述，本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，就所有貿易應收賬款及合約資產採用年限內預期信貸虧損。為計量預期信貸虧損，貿易應收賬款及合約資產根據相同的信貸風險特徵及逾期天數分組。合約資產及貿易應收賬款之風險相若。貿易應收賬款及合約資產於2018年1月1日的虧損撥備乃釐定如下：

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

A. HKFRS 9 Financial Instruments (“HKFRS 9”) (continued)

(ii) Impairment of financial assets at amortised costs
 (continued)

Impact of the ECLs model (continued)

(a) Impairment of trade receivables and contract assets (continued)

The increase in loss allowances for trade receivables and contract assets upon the transition to HKFRS 9 as of 1 January 2018 were approximately HK\$5,640,000 and HK\$2,049,000, respectively. The loss allowances further increased for approximately HK\$32,000 for trade receivables and approximately HK\$38,000 for contract assets during the six months ended 30 June 2018 respectively.

(b) Impairment of other receivables, amounts due from non-controlling interests and amounts due from other partners of joint operations

Other financial assets at amortised cost of the Group includes other receivables, amounts due from non-controlling interests and amounts due from other partners of joint operations. The increase in loss allowance for other receivables upon the transition to HKFRS 9 as at 1 January 2018 were approximately HK\$63,544,000. The loss allowance further increased for approximately HK\$9,924,000 for other receivables during the six months ended 30 June 2018. Other than this, applying the ECLs model does not result in significant financial impact on 1 January 2018 and for the six months ended 30 June 2018.

(iii) Hedge accounting

Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

A. 香港財務報告準則第9號金融工具
 (「香港財務報告準則第9號」) (續)

(ii) 按攤銷成本計量的財務資產之減值
 (續)

預期信貸虧損模式的影響 (續)

(a) 貿易應收賬款及合約資產的減值 (續)

於2018年1月1日過渡至香港財務報告準則第9號後應收賬款及合約資產的虧損撥備分別增加約港幣5,640,000元及港幣2,049,000元。截至2018年6月30日止六個月，應收賬款及合約資產的虧損撥備分別進一步增加約港幣32,000元及港幣38,000元。

(b) 其他應收賬款、應收非控股權益款項及應收共同經營之其他合作夥伴款項減值

本集團按攤銷成本計量的其他財務資產包括其他應收賬款、應收非控股權益及應收共同經營之其他合作夥伴款項。於2018年1月1日過渡至香港財務報告準則第9號後，其他應收賬款之虧損撥備增加約港幣63,544,000元。於截至2018年6月30日止六個月期間，其他應收賬款的虧損撥備進一步增加約港幣9,924,000元。除此之外，應用預期信貸虧損模式並無導致於2018年1月1日及截至2018年6月30日止六個月的重大財務影響。

(iii) 會計對沖處理

由於本集團並未於其對沖關係中採用香港財務報告準則第9號項下之會計對沖處理，因此其對本集團並無影響。

2. Basis of preparation and accounting policies (continued)**2.2 Changes in HKFRSs** (continued)**A. HKFRS 9 Financial Instruments (“HKFRS 9”)** (continued)*(iv) Transition*

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the consolidated balance sheet as at 31 December 2017, but are recognised in the consolidated balance sheet on 1 January 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained profits as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9:

- The determination of the business model within which a financial asset is held; and
- The designation of certain investments in equity investments not held for trading as at FVOCI.

B. HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”)

HKFRS 15 supersedes HKAS 11 “Construction Contracts”, HKAS 18 “Revenue” and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

2. 編製基準及會計政策 (續)**2.2 香港財務報告準則變動** (續)**A. 香港財務報告準則第9號金融工具 (“香港財務報告準則第9號”)** (續)*(iv) 過渡安排*

本集團已應用香港財務報告準則第9號的過渡性條文，全面採用香港財務報告準則第9號而毋須重列可資比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於2017年12月31日的綜合資產負債表中反映，惟於2018年1月1日的綜合資產負債表中確認。此意味著採用香港財務報告準則第9號產生的財務資產及財務負債賬面值差額於2018年1月1日的保留溢利中確認。因此，2017年呈列的資料並不反映香港財務報告準則第9號的規定，而反映香港會計準則第39號的規定。

以下評估乃根據香港財務報告準則第9號初次應用日期存在的事實及情況而作出：

- 釐定持有財務資產的業務模式；及
- 指定若干並非持作買賣的股本投資為按公允值計入其他全面收益。

B. 香港財務報告準則第15號與客戶之合約收益 (“香港財務報告準則第15號”)

香港財務報告準則第15號取代香港會計準則第11號「建築合約」、香港會計準則第18號「收益」及相關詮釋。香港財務報告準則第15號建立一個入賬客戶合約所產生收益的五步模式。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

B. HKFRS 15 Revenue from Contracts with Customers
 (“HKFRS 15”) (continued)

The following tables summarised the impact of adopting HKFRS 15 on the Group’s condensed consolidated balance sheet as at 30 June 2018. There was no material impact on the Group’s condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income and condensed consolidated interim statement of cash flows for the six months ended 30 June 2018.

Impact on the items affected in the condensed consolidated balance sheet as of 30 June 2018 (increase/(decrease)):

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

B. 香港財務報告準則第15號與客戶之合約收益
 (「香港財務報告準則第15號」)
 (續)

下表概述採納香港財務報告準則第15號對本集團於2018年6月30日的簡明綜合資產負債表的影響。對本集團截至2018年6月30日止六個月的簡明綜合中期收益表、簡明綜合中期全面收益表及簡明綜合中期現金流量表並無重大影響。

香港財務報告準則第15號對於2018年6月30日的簡明綜合資產負債表的影響 (增加/ (減少)) :

		HK\$'000 港幣千元
Assets		
Current assets		
Stocks and contracting work-in-progress (Note 2.2B(a)&(b))	存貨及興建中工程 (附註2.2B(a)及(b))	(1,434,833)
Receivables and prepayments	應收賬款及預付款項	(846,597)
Contract assets (Note 2.2B(a) & (b))	合約資產 (附註2.2B(a)及(b))	2,281,430
Total current assets	流動資產總額	-
Liabilities		
Current liabilities		
Payables and accruals (Note 2.2B(a)&(b))	應付賬款及應計費用 (附註2.2B(a)及(b))	233,554
Contract liabilities (Note 2.2B(a)&(b))	合約負債 (附註2.2B(a)及(b))	(233,554)
Total current liabilities	流動負債總額	-

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

B. HKFRS 15 Revenue from Contracts with Customers ("HKFRS 15") (continued)

Details of the new significant accounting policies and the nature of the changes to previous accounting policies in relation to the Group's various key goods and services are set out below:

Note	Product/service	Nature of the goods or services, satisfaction of performance obligations and payment terms
附註	產品/服務	貨品或服務性質、達成履約責任及付款條款
(a)	Building construction 樓宇建造	<p>The Group has determined that for contracts with customers under building construction, there is one performance obligation, which is the construction of buildings. The Group has determined that the customers simultaneously receive and consume the benefits of the Group's performance and thus the Group concludes that the service should be recognised over time. Further, the Group determines that the customers control all the work in progress as the infrastructure is being constructed, in the course of the construction, the work in progress is being enhanced during the terms of the contracts. Therefore, revenue from these contracts are recognised over time.</p> <p>本集團釐定認為樓宇建造項下的客戶合約中有一項履約責任，即建造樓宇。本集團釐定認為客戶同時收取及消耗本集團履約的利益，因此本集團認為有關服務應於一段時間內確認。此外，本集團釐定認為客戶在建設過程中基礎設施建造時控制所有興建中工程，在建設過程中興建中工程得到加強。因此，該等合約的收益在一段時間內確認。</p>
(b)	Civil engineering and electrical and mechanical services 土木工程及機電工程服務	<p>The Group has determined that for contracts with customers under civil engineering and electrical and mechanical services, there is one performance obligation, which is the provision of engineering, electrical and mechanical services. The Group has determined that the customers simultaneously receive and consume the benefits of the Group's performance and thus the Group concludes that the service should be recognised over time. Further, the Group determines that the customers control all the work in progress as the project progresses, the work in progress is being enhanced during the terms of the contracts. Therefore, revenue from these contracts are recognised over time.</p> <p>本集團釐定認為土木工程及機電工程服務項下的客戶合約中有一項履約責任，即提供土木工程及機電工程服務。本集團釐定認為客戶同時收取及消耗本集團履約的利益，因此本集團認為有關服務應於一段時間內確認。此外，本集團釐定認為客戶在項目進行過程中控制所有興建中工程，在合約期限內興建中工程得到加強。因此，該等合約的收益在一段時間內確認。</p>

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

B. 香港財務報告準則第15號與客戶之合約收益 (「香港財務報告準則第15號」) (續)

新主要會計政策以及有關本集團各項主要貨品及服務的過往會計政策之變動性質詳情載列如下：

Nature of change in accounting policy and impact on 1 January 2018
會計政策變動性質及於2018年1月1日的影響
<p>HKFRS 15 did not result in significant impact on the Group's accounting policies. However, upon the adoption of HKFRS 15, the Group has made reclassification from receivables and prepayments to contract assets since under HKFRS 15, if there is any satisfied performance obligation but where the entity does not have an unconditional right to consideration, an entity should recognise a contract asset.</p> <p>香港財務報告準則第15號並無對本集團的會計政策產生重大影響。然而，於採納香港財務報告準則第15號後，本集團已將應收賬款及預付款項重新分類至合約資產，因為根據香港財務報告準則第15號，倘存在任何已達成履約責任但實體有條件權利收取代價，則實體應確認一項合約資產。</p>
<p>The Group has also made reclassification from payables and accruals to contract liabilities since under HKFRS 15, if when a customer pay consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. 根據香港財務報告準則第15號，倘於本集團確認相關收益前，客戶支付代價或按合約規定客戶須支付代價且款項已到期時，本集團亦將其自應付賬款及應計費用重新分類至合約負債。</p>
<p>HKFRS 15 did not result in significant impact on the Group's accounting policies. Same as above, upon the adoption of HKFRS 15, the Group has made reclassification from receivables and prepayments to contract assets since under HKFRS 15, if there is any satisfied performance obligation but where the entity does not have an unconditional right to consideration, an entity should recognise a contract asset.</p> <p>香港財務報告準則第15號並無對本集團的會計政策產生重大影響。與上文所述相同，於採納香港財務報告準則第15號後，本集團已將應收賬款及預付款項重新分類至合約資產，因為根據香港財務報告準則第15號，倘存在任何已達成履約責任但實體有條件權利收取代價，則實體應確認一項合約資產。</p>
<p>The Group has also made reclassification from payables and accruals to contract liabilities since under HKFRS 15, if when a customer pay consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. 根據香港財務報告準則第15號，倘於本集團確認相關收益前，客戶支付代價或按合約規定客戶須支付代價且款項已到期時，本集團亦將其自應付賬款及應計費用重新分類至合約負債。</p>

2. Basis of preparation and accounting policies (continued)

2. 編製基準及會計政策 (續)

2.2 Changes in HKFRSs (continued)

2.2 香港財務報告準則變動 (續)

B. HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (continued)

B. 香港財務報告準則第15號與客戶之合約收益 (「香港財務報告準則第15號」)
(續)

Note	Product/service	Nature of the goods or services, satisfaction of performance obligations and payment terms	Nature of change in accounting policy and impact on 1 January 2018
附註	產品/服務	貨品或服務性質、達成履約責任及付款條款	會計政策變動性質及於2018年1月1日的影響
(c)	Rental income 租金收入	Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. 投資物業租金收入於租期內以直線法於損益確認。	HKFRS 15 did not result in significant impact on how the Group recognises revenue from rental income from investment properties. 香港財務報告準則第15號並無對本集團如何確認投資物業租金收入產生重大影響。
(d)	Sale of properties 出售物業	The Group has determined that, depending on the terms of the contract and the laws that apply to the contract associated with the sale of properties, control of the asset may be transferred over time or at a point in time. Control of the asset is transferred over time if the Group's performance do 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. If 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 the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract. 本集團釐定認為，視乎出售物業之相關合約條款及合約適用法律，資產控制權或會隨時間或於特定時間轉移。倘本集團之履約並無創建一項對本集團具有替代用途之資產且本集團就迄今已完成之履約擁有可執行之支付權利，資產控制權則隨時間轉移。倘資產控制權隨時間轉移，則參照完成履約責任之進度於合約期內確認收益。否則，於客戶獲得資產控制權的時間點確認收益。完成履約責任之進度乃根據本集團為達致履約責任之支出或投入，並參照直至報告期末各項合約產生之合約成本佔估計總成本之百分比計量。	HKFRS 15 did not result in a significant impact on how the Group recognises revenue from sale of properties. 香港財務報告準則第15號並無對本集團如何確認出售物業所得收益產生重大影響。
(e)	Sale of goods 出售貨品	Customers obtain control of the goods when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the goods. There is only one performance obligation. 客戶於獲交付及接收貨品後取得貨品控制權。因此於客戶接收貨品時確認收益。履約責任僅此一項。	HKFRS 15 did not result in a significant impact on how the Group recognises revenue from sale of goods. 香港財務報告準則第15號並無對本集團如何確認出售貨品所得收益產生重大影響。

Contract assets and liabilities

合約資產及負債

- (i) As at 1 January 2018 and 30 June 2018, the contract assets mainly consisted of unbilled revenue and retention receivables, arising from the construction contracts that are conditional on issuance of payment certificates.

- (i) 於2018年1月1日及2018年6月30日，合約資產主要包括待付款證書發出後自建築合約所產生之未開單收益及保固金應收賬款。

2. Basis of preparation and accounting policies (continued)

2.2 Changes in HKFRSs (continued)

B. HKFRS 15 Revenue from Contracts with Customers (“HKFRS 15”) (continued)

Contract assets and liabilities (continued)

- (ii) As at 1 January 2018 and 30 June 2018, the contract liabilities mainly included the payments received from building construction and civil engineering businesses which were usually received in advance of the satisfaction of the performance under the contracts. The decrease in contract liabilities during the period was in line with the decrease of the Group’s contracted sales.
- (iii) Revenue from building construction and civil engineering businesses totalled HK\$184 million was recognised in current reporting period that was included in the contract liabilities balances at the beginning of the period.
- (iv) Management expects that the majority of the contract amounts allocated to unsatisfied performance obligations totalled HK\$128 million as of 30 June 2018 will be recognised as revenue from building construction and civil engineering businesses during the next reporting period.

2. 編製基準及會計政策 (續)

2.2 香港財務報告準則變動 (續)

B. 香港財務報告準則第15號與客戶之合約收益 (「香港財務報告準則第15號」) (續)

合約資產及負債 (續)

- (ii) 於2018年1月1日及2018年6月30日，合約負債主要包括自樓宇建造及土木工程業務收取之款項，通常於合約履行前收取。期內合約負債減少與本集團合約銷售額的減少一致。
- (iii) 樓宇建造及土木工程業務所得收益合共港幣184,000,000元乃於本報告期間確認，計入期初合約負債結餘。
- (iv) 管理層預計於2018年6月30日，分配至未履約責任的總計合約金額港幣128,000,000元將於下一報告期間確認為樓宇建造及土木工程業務所得收益。

3. Use of judgements and estimates

In preparing these interim condensed consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2017, except for new significant judgements and key sources of estimation uncertainty related to the application of HKFRS 9 and HKFRS 15 as described in Note 2.2.

4. Financial risk management and financial instruments

(a) Financial risk factors

These interim condensed consolidated financial statements 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 department since year end or in any risk management policies since the year end.

(b) Fair value estimation

HKFRS 7 (Amendment) 'Financial Instruments – Disclosures' requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- 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).

3. 採用判斷及估計

於編製該等中期簡明綜合財務報表，管理層於應用本集團會計政策時作出的重大判斷及估計不確定因素的主要來源與本集團截至2017年12月31日止年度之年度綜合財務報表所應用者相同，惟附註2.2所述與應用香港財務報告準則第9號及香港財務報告準則第15號有關的新重大判斷及估計不確定因素的主要來源除外。

4. 財務風險管理及金融工具

(a) 財務風險因素

該等中期簡明綜合財務報表並無載列年度財務報表內規定的所有財務風險管理資料及披露事項，並應與本集團於2017年12月31日之年度財務報表一併閱讀。

風險管理部門自年末以來並無變動，及任何風險管理政策自年末以來亦無變動。

(b) 公允值估計

香港財務報告準則第7號(修訂本)「金融工具－披露」規定按下列公允值計量層級披露公允值計量：

- 相同資產或負債在活躍市場之報價(未經調整)(第一層)。
- 除第一層所包括之報價外，可就資產或負債直接(即例如價格)或間接(即源自價格)觀察之輸入數據(第二層)。
- 資產或負債並非依據可觀察市場數據之輸入數據(即非可觀察輸入數據)(第三層)。

4. Financial risk management and financial instruments

(continued)

(b) Fair value estimation (continued)

The Group did not have financial instruments under level 1 and level 2 of fair value measurement hierarchy as at 30 June 2018 and 31 December 2017.

As at 30 June 2018, the Group has financial asset at FVOCI for equity securities amounting to approximately HK\$26,479,000 (31 December 2017: available-for-sale financial asset of HK\$27,964,000) and is categorised under level 3 of fair value measurement hierarchy (31 December 2017: level 3).

The fair value of the Group's level 3 financial instruments was determined based on valuation report by independent valuers and has been referenced to net asset value of the financial instruments as at reporting date.

Movement of financial asset under level 3 measurements is as follows:

Financial asset at FVOCI/ Available-for-sale financial asset	按公允價值計入其他全面收益之 財務資產／可供出售財務資產	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
At 1 January	於1月1日	27,964	29,785
Fair value loss	公允價值虧損	(1,485)	(1,821)
At 30 June/31 December	於6月30日／12月31日	26,479	27,964

Movement of financial liability under level 3 measurements is as follows:

Financial derivative liability	金融衍生工具負債	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
At 1 January	於1月1日	-	183
Fair value loss	公允價值虧損	-	991
Early redemption	提早贖回	-	(1,174)
At 30 June/31 December	於6月30日／12月31日	-	-

4. 財務風險管理及金融工具 (續)

(b) 公允價值估計 (續)

於2018年6月30日及2017年12月31日，本集團並無公允價值計量層級中之第一層及第二層之金融工具。

於2018年6月30日，本集團有按公允價值計入其他全面收益財務資產之股本證券，金額約為港幣26,479,000元（2017年12月31日：可供出售財務資產港幣27,964,000元），並分類為公允價值計量層級中之第三層（2017年12月31日：第三層）。

本集團第三層金融工具的公允價值乃根據獨立估值師之估值報告釐定，並已參考金融工具於報告日期之資產淨值。

按第三層計量的財務資產變動如下：

按第三層計量的財務負債變動如下：

5. Segment information

(a) Operating segments

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, identified as the Executive Committee, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are (1) building construction; (2) civil engineering; (3) electrical and mechanical engineering; and (4) property development and investment.

5. 分類資料

(a) 營運分類

根據本集團提交予主要營運決策者（即執行委員會，由其負責分配資源、評估營運分類表現及作出策略性決定）之內部財務報告，須予呈報之營運分類為(1)樓宇建造；(2)土木工程；(3)機電工程；以及(4)物業發展及投資。

Unaudited For the six months ended 30 June 2018	未經審核 截至2018年6月30日 止六個月	Building construction	Civil engineering	Electrical and mechanical engineering	Property development and investment	Corporate and others (Note 1)	Total
		樓宇建造 HK\$'000 港幣千元	土木工程 HK\$'000 港幣千元	機電工程 HK\$'000 港幣千元	物業發展及投資 HK\$'000 港幣千元	行政及其他 (附註1) HK\$'000 港幣千元	總額 HK\$'000 港幣千元
Revenue (excl. NSC (Note 2))	收益 (不包括NSC (附註2))	1,446,205	468,533	473,203	51,667	460	2,440,068
Gross profit	毛利	54,855	17,576	14,528	30,664	311	117,934
Other gains/(losses), net	其他收益/(虧損)淨額	48	-	-	(109,593)	307	(109,238)
Provision for impairment of properties under development	發展中物業之減值撥備	-	-	-	(860,955)	-	(860,955)
Fair value gain on investment properties	投資物業公允價值收益	-	-	-	412,033	-	412,033
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(375)	-	2	28,922	(2,464)	26,085
Selling and marketing expenses	銷售及市場推廣開支	-	-	-	(6,406)	-	(6,406)
General and administrative expenses	一般行政開支	(47,970)	(13,895)	(10,686)	(144,207)	(62,936)	(279,694)
Operating profit/(loss)	經營溢利/(虧損)	6,558	3,681	3,844	(649,542)	(64,782)	(700,241)
Amortisation of intangible assets	無形資產攤銷	-	-	-	(11,089)	(3,822)	(14,911)
Interest income	利息收入	-	-	-	24,920	1,980	26,900
Interest expenses	利息開支	-	-	-	(130,439)	(46,619)	(177,058)
Profit/(loss) before taxation	除稅前溢利/(虧損)	6,558	3,681	3,844	(766,150)	(113,243)	(865,310)
Taxation	稅項	-	-	-	-	-	222,904
Loss for the period	本期間虧損	-	-	-	-	-	(642,406)
Timing of revenue recognition (excl. NSC (Note 2))	收益確認時間 (不包括NSC (附註2))	-	-	-	-	-	-
At a point in time	於某一時間點	-	-	-	20,160	460	20,620
Transferred over time	隨時間轉移	1,446,205	468,533	473,203	31,507	-	2,419,448
		1,446,205	468,533	473,203	51,667	460	2,440,068
Capital expenditure	資本性開支	(580)	-	(94)	(127,892)	(18)	(128,584)
Depreciation	折舊	(3,229)	(23)	(79)	(31,774)	(3,520)	(38,625)
As at 30 June 2018	於2018年6月30日	-	-	-	-	-	-
Deposits, cash and cash equivalents	存款、現金及 等同現金項目	-	-	-	25,650	326,781	352,431
Bank loans	銀行貸款	-	-	-	(352,886)	(177,490)	(530,376)
Other borrowings	其他借貸	-	-	-	(9,944,081)	(750,283)	(10,694,364)
Senior notes	優先票據	-	-	-	-	(3,487,500)	(3,487,500)
Private bonds	私募債券	-	-	-	-	(27,200)	(27,200)

5. Segment information (continued)

(a) Operating segments (continued)

Unaudited For the six months ended 30 June 2017	未經審核 截至2017年6月30日 止六個月	Building construction 樓宇建造 HK\$'000 港幣千元	Civil engineering 土木工程 HK\$'000 港幣千元	Electrical and mechanical engineering 機電工程 HK\$'000 港幣千元	Property development and investment 物業發展及投資 HK\$'000 港幣千元	Corporate and others (Note 1) 行政及其他 (附註1) 港幣千元	Total 總額 港幣千元
Revenue (excl. NSC (Note 2))	收益(不包括NSC (附註2))	2,358,698	560,954	432,659	32,999	753	3,386,063
Gross profit	毛利	55,363	6,742	22,429	11,164	133	95,831
Other gains/(losses), net	其他收益/(虧損)淨額	100	-	-	(111,689)	1,483	(110,106)
Provision for impairment of properties under development	發展中物業之減值撥備	-	-	-	(515,349)	-	(515,349)
Fair value loss on investment properties	投資物業公允價值虧損	-	-	-	(287,664)	-	(287,664)
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	154	-	5	(46,384)	10,005	(36,220)
Selling and marketing expenses	銷售及市場推廣開支	-	-	-	(15,559)	-	(15,559)
General and administrative expenses	一般行政開支	(46,501)	(18,807)	(10,910)	(159,922)	(73,759)	(309,899)
Operating profit/(loss)	經營溢利/(虧損)	9,116	(12,065)	11,524	(1,125,403)	(62,138)	(1,178,966)
Amortisation of intangible assets	無形資產攤銷	-	-	-	(10,241)	(82)	(10,323)
Interest income	利息收入	-	-	-	24,469	34	24,503
Interest expenses	利息開支	-	-	-	(106,374)	(56,890)	(163,264)
Profit/(loss) before taxation	除稅前溢利/(虧損)	9,116	(12,065)	11,524	(1,217,549)	(119,076)	(1,328,050)
Taxation	稅項	-	-	-	-	-	256,513
Loss for the period	本期間虧損	-	-	-	-	-	(1,071,537)
Timing of revenue recognition (excl. NSC (Note 2))	收益確認時間 (不包括NSC (附註2))	-	-	-	8,683	753	9,436
At a point in time	於某一時間點	-	-	-	8,683	753	9,436
Transferred over time	隨時間轉移	2,358,698	560,954	432,659	24,316	-	3,376,627
		2,358,698	560,954	432,659	32,999	753	3,386,063
Capital expenditure	資本性開支	(93)	(94)	(85)	(236,106)	(121)	(236,499)
Depreciation	折舊	(4,147)	(66)	(128)	(46,303)	(3,857)	(54,501)
As at 30 June 2017	於2017年6月30日	-	-	-	147,621	364,369	511,990
Deposits, cash and cash equivalents	存款、現金及等同現金項目	-	-	-	-	(9,108)	(9,108)
Bank overdrafts	銀行透支	-	-	-	-	(284,418)	(896,171)
Bank loans	銀行貸款	-	-	-	(611,753)	(49,774)	(49,774)
Convertible bonds	可換股債券	-	-	-	-	(6,980,079)	(8,010,096)
Other borrowings	其他借貸	-	-	-	-	(1,174)	(1,174)
Financial derivative liability	金融衍生工具負債	-	-	-	-	(3,437,739)	(3,437,739)
Senior notes	優先票據	-	-	-	-	(21,446)	(21,446)
Private bonds	私募債券	-	-	-	-	-	-
As at 31 December 2017	於2017年12月31日	-	-	-	447,566	336,571	784,137
Deposits, cash and cash equivalents	存款、現金及等同現金項目	-	-	-	(512,378)	(527,508)	(1,039,886)
Bank loans	銀行貸款	-	-	-	(8,507,457)	(832,319)	(9,339,776)
Other borrowings	其他借貸	-	-	-	-	(3,458,230)	(3,458,230)
Senior notes	優先票據	-	-	-	-	(21,903)	(21,903)
Private bonds	私募債券	-	-	-	-	-	-

Notes:

- Corporate mainly represents corporate and administrative activities, and shared services; others mainly represent retailing business.
- Nominated subcontractors' works of Macau Galaxy Resort Phase 2 project ("NSC").

5. 分類資料 (續)

(a) 營運分類 (續)

附註:

- 行政主要為公司及行政活動, 以及共享服務; 其他主要指零售業務。
- 澳門銀河娛樂渡假村第二期項目的指定分判商工程 ("NSC")。

5. Segment information (continued)

(b) Geographical analysis

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Revenue	收益		
Hong Kong	香港	2,111,307	3,132,487
Macau	澳門	307,636	265,702
PRC	中國	31,125	34,427
Others	其他	-	3,947
		2,450,068	3,436,563
		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Non-current assets	非流動資產		
Hong Kong	香港	17,835	23,416
Macau	澳門	13	16
PRC	中國	14,231,836	13,967,226
		14,249,684	13,990,658
Financial asset at FVOCI	按公允值計入其他全面收益之 財務資產	26,479	-
Available-for-sale financial asset	可供出售之財務資產	-	27,964
Receivables and prepayments	應收賬款及預付金	352,916	534,203
Deferred tax assets	遞延稅項資產	5,064	5,044
Total non-current assets	非流動資產總額	14,634,143	14,557,869

(c) Customer base analysis

The Group's customer base is diversified and includes two (2017: three) customers with each of whom transactions exceeded 10% of the Group's total revenue. Aggregate revenue from these customers amounted to HK\$1,376 million and was derived from building construction, civil engineering and electrical and mechanical engineering (2017: HK\$1,702 million from building construction, civil engineering and electrical and mechanical engineering).

5. 分類資料 (續)

(b) 地區分析

(c) 客戶基礎分析

本集團之客戶基礎分散，而其中兩名（2017年：三名）客戶各自之交易額佔本集團總收益10%以上。該等客戶之收益來自樓宇建造、土木工程及機電工程，合共為港幣1,376,000,000元（2017年：港幣1,702,000,000元來自樓宇建造、土木工程及機電工程）。

5. Segment information (continued)

(d) Reconciliation of reportable segment revenue

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Reportable segment revenue	須予呈報分類收益	2,440,068	3,386,063
Revenue – NSC	收益 – NSC	10,000	50,500
		2,450,068	3,436,563

6. Revenue

The Group's revenue is derived from contracts with customers, rental income from its investment properties, sale of stocks of properties and sale of goods from retailing.

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

		Unaudited 未經審核	
		30 June 2018 2018年6月30日 HK\$'000 港幣千元	1 January 2018 2018年1月1日 HK\$'000 港幣千元
Trade receivables	貿易應收賬款	115,057	616,458
Contract assets	合約資產	2,279,343	2,378,888
Contract liabilities	合約負債	(233,554)	(333,081)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on revenue related to the provisions of infrastructure construction. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group provides the invoice to the customer.

The contract liabilities primarily relate to the Group's obligation to transfer the control of performance obligation to the customers for which the Group has received consideration from the customers before the Group recognises the related revenue.

5. 分類資料 (續)

(d) 須予呈報分類收益之對賬

6. 收益

本集團收益乃來自與客戶之合約、其投資物業之租金收入、銷售物業存貨及銷售零售貨品。

下表提供有關貿易應收賬款、與客戶合約之合約資產及合約負債之資料。

合約資產主要與本集團就於報告日期已完工但未就提供基礎設施建造有關之收益開具發票之收款權有關。合約資產於該權利成為無條件時轉撥至貿易應收賬款。這一般發生於本集團向客戶開具發票時。

合約負債主要與本集團將履約責任之控制權轉讓予客戶之責任有關，於本集團確認相關收益前，本集團已自客戶獲得對價。

7. Other losses, net

7. 其他虧損淨額

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Net gain/(loss) on disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地之收益／(虧損)淨額	106	(12)
Change in fair value in financial derivatives	金融衍生工具公允值變動	-	(991)
Provision for impairment of property, plant and equipment and leasehold land	物業、機器及設備及租賃土地減值撥備	(98,670)	(107,801)
Provision for impairment of contract assets	合約資產減值撥備	(38)	-
Provision for impairment of trade receivables	貿易應收賬款減值撥備	(32)	-
Provision for impairment of other receivables	其他應收賬款減值撥備	(9,924)	-
Provision for impairment of stocks	存貨減值撥備	(3,447)	(4,359)
Miscellaneous	其他	2,767	3,057
		(109,238)	(110,106)

8. Interest expenses

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Interest on bank loans and overdrafts	銀行貸款及透支之利息	27,417	28,480
Interest expense on convertible bonds	可換股債券之利息開支	-	5,683
Interest expense on other borrowings	其他借貸之利息開支	1,163,230	953,778
Interest expense on senior notes	優先票據之利息開支	155,272	170,325
Interest expense on private bonds	私募債券之利息開支	5,967	208
Others	其他	-	1,337
		1,351,886	1,159,811
Less: amounts capitalised on qualifying assets	減：於合資格資產資本化之款項	(1,174,828)	(996,547)
		177,058	163,264

The annual weighted average interest rates of bank loans and other borrowings are 6.2% (2017: 3.3%) and 23.3% (2017: 29.8%) respectively, of which the capitalised annual weighted average interest rate of other borrowings is 26.9% (2017: 42.2%). The imputed effective capitalised annual weighted average interest rate of senior notes is 9.0% (2017: 10.0% for senior notes and 26.9% for convertible bonds).

8. 利息開支

銀行貸款及其他借貸的加權平均年利率分別為6.2% (2017年：3.3%)及23.3% (2017年：29.8%)，其中其他借貸之資本化加權平均年利率為26.9% (2017年：42.2%)。優先票據的估算實際資本化之加權平均年利率為9.0% (2017年：優先票據為10.0%及可換股債券為26.9%)。

9. Taxation

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the six months ended 30 June 2018 and 2017 after taking into account the available tax losses brought forward. Taxation on overseas profits has been calculated at the rates of taxation prevailing in the countries in which the Group operates.

9. 稅項

香港利得稅乃按截至2018年及2017年6月30日止六個月的估計應課稅溢利，扣除上期結轉的可供扣減的稅務虧損，依稅率16.5% (2017年：16.5%)撥備。海外利得稅是按本集團之經營業務所在國家之現行稅率計算。

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Hong Kong profits tax	香港利得稅	7,624	8,456
PRC income tax	中國所得稅	-	2,539
Overseas profits tax	海外利得稅	1,592	2,887
Deferred tax credit	遞延稅項計入	(232,120)	(270,395)
		(222,904)	(256,513)

10. Loss for the period

Loss for the period has been arrived at after charging the following items:

10. 本期間虧損

本期間虧損已扣除下列各項：

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Cost of sales	銷售成本		
Cost of construction	建造成本		
– Staff costs	– 員工成本	292,266	408,714
– Other construction costs	– 其他建造成本	2,018,716	2,909,563
		2,310,982	3,318,277
Cost of property development and investment	物業發展及投資成本		
– Staff costs	– 員工成本	3,791	3,232
– Stock of properties sold	– 已出售之物業存貨	4,936	6,785
– Others	– 其他	12,276	11,818
		21,003	21,835
Cost of retailing	零售成本		
– Others	– 其他	149	620
		2,332,134	3,340,732
Depreciation on property, plant and equipment and leasehold land	物業、機器及設備及租賃土地之折舊	38,625	54,501
Auditor's remuneration	核數師酬金	4,047	2,533
Operating lease rentals for land and buildings	土地及樓宇經營租賃租金	28,747	19,251
Outgoings in respect of	以下各項之費用		
– Investment properties	– 投資物業	9,520	11,012
– Owner occupied property	– 自用之物業	–	2,318
Staff costs, included in general and administrative expenses	計入一般行政開支之員工成本	104,950	145,501

11. Loss per share

Basic and diluted loss per share is calculated by dividing the Group's unaudited loss attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the corresponding period.

		Unaudited	
		Six months ended 30 June	
		未經審核	
		截至6月30日止六個月	
		2018	2017
Loss attributable to equity holders of the Company (HK\$'000) (Note 1)	本公司權益持有人應佔虧損 (港幣千元) (附註1)	704,973	1,086,726
Weighted average number of ordinary shares issued ('000)	已發行之普通股加權平均股數 (千股)	5,706,671	5,706,671
Basic and diluted loss per share (HK cents)	每股基本及攤薄虧損 (港幣仙)	12.4	19.0

Notes:

- Pursuant to the terms of the convertible preference shares, the holders are at all times entitled to dividends or other distributions of the same amount with respect to the Company's ordinary shares, except in the case of winding up the Company. There was no dividend declared by the board for the six months ended 30 June 2018 and 2017 and accordingly no adjustment has been made in the calculation of the basic loss per share for the respective periods.
- The diluted loss per share for the six months ended 30 June 2018 and 2017 is the same as the basic loss per share because the exercise of the Group's share options, convertible preference shares and convertible bonds would result in a decrease in loss per share for the period.

11. 每股虧損

每股基本及攤薄虧損乃按本公司權益持有人應佔本集團未經審核虧損除以相應期內已發行之普通股加權平均股數計算。

		Unaudited	
		Six months ended 30 June	
		未經審核	
		截至6月30日止六個月	
		2018	2017
Loss attributable to equity holders of the Company (HK\$'000) (Note 1)	本公司權益持有人應佔虧損 (港幣千元) (附註1)	704,973	1,086,726
Weighted average number of ordinary shares issued ('000)	已發行之普通股加權平均股數 (千股)	5,706,671	5,706,671
Basic and diluted loss per share (HK cents)	每股基本及攤薄虧損 (港幣仙)	12.4	19.0

附註:

- 根據可轉換優先股之條款，持有人於任何時候均可享有與本公司普通股獲得同等股息或其他分派（除本公司進行清盤之情況外）之權利。董事會不宣派截至2018年及2017年6月30日止六個月之股息，因此，該等期間之每股基本虧損之計算沒有作出調整。
- 截至2018年及2017年6月30日止六個月之每股攤薄虧損與每股基本虧損相同，原因為行使本集團認股權、可換股優先股及可換股債券將導致該等期間之每股虧損減少。

12. Dividends

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2018 (2017: nil).

12. 股息

董事會議決不派發截至2018年6月30日止六個月之中期股息(2017年:無)。

13. Investment properties

13. 投資物業

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
<i>At fair value:</i>	<i>按公允值:</i>		
As at 1 January	於1月1日	11,317,718	9,597,022
Addition	添置	80,673	346,500
Transfer to property, plant and equipment and leasehold land	轉撥至物業、機器及設備及租賃土地	-	(40,470)
Fair value gain	公允值收益	412,033	707,268
Exchange difference	匯兌差額	(113,221)	707,398
As at 30 June/31 December	於6月30日/12月31日	11,697,203	11,317,718

14. Properties under development

14. 發展中物業

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
As at 1 January	於1月1日	15,916,556	13,429,518
Additions	添置	1,144,144	1,971,243
Provision for impairment	減值撥備	(860,955)	(361,383)
Exchange difference	匯兌差額	(117,548)	877,178
At 30 June/31 December	於6月30日/12月31日	16,082,197	15,916,556
Properties under development comprise:	發展中物業包括:		
Land use rights	土地使用權	12,682,195	12,639,190
Construction cost and capitalised expenditure	建造成本及資本化開支	2,079,835	2,028,645
Interest expense capitalised	資本化利息開支	4,185,447	3,130,499
Less: Provision for impairment	減: 減值撥備	(2,865,280)	(1,881,778)
		16,082,197	15,916,556

14. Properties under development (continued)

As at 30 June 2018, the amount of properties under development expected to be completed and available for sale within one year is approximately HK\$1,558,348,000 (31 December 2017: HK\$1,546,717,000). The remaining balance is expected to be recovered after one year.

As at 30 June 2018, a portion of the Group's properties under development with carrying amount of approximately HK\$7,932,773,000 (31 December 2017: HK\$8,745,598,000) was pledged as collateral for the Group's other borrowings.

A provision for impairment loss on properties under development of approximately HK\$860,955,000 (2017: HK\$515,349,000) was charged to profit or loss for the six months ended 30 June 2018 due to the decrease in the estimated net realisable value.

15. Receivables and prepayments

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Trade receivables	貿易應收賬款		
– third parties	– 第三方	120,729	622,098
– provision for impairment	– 減值撥備	(5,672)	–
		115,057	622,098
Retention receivables (Note 1)	保固金應收賬款(附註1)		
– third parties	– 第三方	–	961,352
		115,057	1,583,450
Other receivables	其他應收賬款		
– third parties	– 第三方	165,405	271,258
– companies owned by a former director of the Company (Note 2)	– 由本公司一名前任董事擁有的公司(附註2)	528,613	507,691
– provision for impairment	– 減值撥備	(73,468)	–
		620,550	778,949
Deposits and prepayments	按金及預付金		
– third parties	– 第三方	909,064	696,641
		1,644,671	3,059,040
Less: non-current portion	減: 非流動部分	(352,916)	(534,203)
		1,291,755	2,524,837

14. 發展中物業 (續)

於2018年6月30日，預期將於一年內竣工及可供出售之發展中物業金額約為港幣1,558,348,000元(2017年12月31日：港幣1,546,717,000元)。餘額預期將於一年後收回。

於2018年6月30日，本集團之發展中物業部分賬面值約港幣7,932,773,000元(2017年12月31日：港幣8,745,598,000元)已抵押作為本集團其他借貸之抵押品。

發展中物業減值虧損撥備約為港幣860,955,000元(2017年：港幣515,349,000元)已於截至2018年6月30日止六個月之損益內扣除，乃由於估計可變現淨值減少所致。

15. 應收賬款及預付金

15. Receivables and prepayments (continued)

Notes:

- Upon the adoption of HKFRS 15, retention receivables are included in contract assets.
- These companies represented two companies incorporated in the PRC, which are owned by a former director of the Company (the "Two Companies"), who resigned on 8 June 2017, and/or close member of his family. Balances represent two borrowings granted to the Two Companies which carry interest at 12% per annum and at 0.91667% per month and are repayable by 21 August 2024 and 12 November 2018 respectively. Loans to the Two Companies were concluded on terms and prices agreed by the Group and these Two Companies. During the six months ended 30 June 2018, a settlement agreement was entered into with the Two Companies in relation to the settlement of these two borrowings within four months from the date of signing of the settlement agreement on 23 March 2018. Accordingly, these balances are classified as current assets as at 30 June 2018.*

The aging analysis of trade receivables by due date is as follows:

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Not yet due	未到期	99,796	584,107
1 to 30 days	1至30天	1,669	187
31 to 90 days	31至90天	293	2,514
91 to 180 days	91至180天	4,775	17,564
Over 180 days	180天以上	8,524	17,726
		115,057	622,098

The Group's credit terms for its construction business and property rental services are negotiated with and entered into under normal commercial terms with its trade customers. The credit period for the trade receivables for construction business generally ranges from 30 to 60 days (31 December 2017: 30 to 60 days). Retention receivables in respect of construction business are settled in accordance with the terms of respective contracts. Rental income is billed in advance of the rental period.

* For the six-months period ended 30 June 2018, interest income from the Two Companies of HK\$24.7 million (30 June 2017: HK\$22.8 million) were recognised in the Group's condensed consolidated interim income statements.

15. 應收賬款及預付金 (續)

附註：

- 待採納香港財務報告準則第15號後，保固金應收賬款計入合約資產。
- 該等公司指於中國註冊成立的兩間公司（「兩間公司」），由本公司一名前任董事（彼於2017年6月8日辭任）及／或其近親擁有。該等結餘指授予兩間公司的兩項分別按年息12厘及月息0.91667厘計息及分別須於2024年8月21日及2018年11月12日前償還的借貸。兩間公司貸款乃根據本集團及該等兩間公司協定的條款及價格釐定的。於截至2018年6月30日止六個月，結算協議已與兩間公司訂立，內容有關結算自2018年3月23日簽署結算協議日期起四個月內該等兩筆借貸。因此，於2018年6月30日該等結餘分類為流動資產。*

貿易應收賬款按到期日之賬齡分析如下：

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Not yet due	未到期	99,796	584,107
1 to 30 days	1至30天	1,669	187
31 to 90 days	31至90天	293	2,514
91 to 180 days	91至180天	4,775	17,564
Over 180 days	180天以上	8,524	17,726
		115,057	622,098

本集團建造業務及物業租賃服務之信貸期乃按照一般商業條款與其貿易客戶商議及簽訂。建造業務的貿易應收賬款之信貸期一般介乎30至60天（2017年12月31日：30至60天）。建造業務之保固金應收賬款按照個別合約之條款結算。租金收入則於租賃期前開具賬單預收。

* 截至2018年6月30日止六個月，應收兩間公司利息收入港幣24,700,000元（2017年6月30日：港幣22,800,000元）乃於本集團簡明綜合中期收益表確認。

16. Bank loans

16. 銀行貸款

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Bank loans, wholly payable within five years	須於5年內悉數償還之銀行貸款		
– secured/guaranteed	– 有抵押/有擔保	421,404	832,377
– unsecured	– 無抵押	108,972	207,509
		530,376	1,039,886
The repayment schedule of bank loans is as follows:	銀行貸款之還款期如下：		
Short term revolving bank loans	短期循環銀行貸款	–	688,022
Portion of bank loans due for repayment within one year	須於一年內償還之 銀行貸款部分	–	226,564
		–	914,586
Portion of bank loans on demand	按要求償還之銀行貸款部分	530,376	–
Portion of bank loans due for repayment after one year but contain a repayment on demand clause	須於一年後償還但包含按要求 償還條文之銀行貸款部分		
(i) in the second year	(i) 於第二年到期	–	82,300
(ii) in the third to fifth years, inclusive	(ii) 於第三至第五年到期 (首尾兩年包括在內)	–	43,000
		–	125,300
		530,376	1,039,886

As at 30 June 2018, certain bank loans of the Group were secured by investment properties of HK\$923,972,000 (31 December 2017: HK\$910,384,000) (Note 13); restricted cash of nil (31 December 2017: HK\$360,673,000); and equity interests of the Group's subsidiary and guaranteed by the corporate guarantees executed by the Company and certain subsidiaries.

於2018年6月30日，本集團之若干銀行貸款以港幣923,972,000元（2017年12月31日：港幣910,384,000元）之投資物業（附註13）；港幣零元（2017年12月31日：港幣360,673,000元）之受限制現金；及本集團附屬公司之股權作抵押且由本公司及若干附屬公司簽立的企業擔保作擔保。

17. Payables and accruals

17. 應付賬款及應計費用

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Trade payables	貿易應付賬款		
– third parties	– 第三方	984,437	1,207,937
Retention payables	保固金應付賬款		
– third parties	– 第三方	628,070	743,119
Accruals for builders' work	承建商工程應計費用	1,052,931	1,276,571
		2,665,438	3,227,627
Other payables, deposits and accruals	其他應付賬款、按金及應計費用		
– third parties	– 第三方	1,664,396	2,039,982
– accruals for tax liabilities on acquisition of land parcels in Tieling	– 就收購於鐵嶺地塊之 應計稅項負債	313,432	316,127
		4,643,266	5,583,736

The aging analysis of trade payables by due date is as follows:

貿易應付賬款按到期日之賬齡分析如下：

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Not yet due	未到期	166,951	402,184
1 to 30 days	1至30天	134,816	72,456
31 to 90 days	31至90天	89,502	124,497
91 to 180 days	91至180天	63,444	99,813
Over 180 days	180天以上	529,724	508,987
		984,437	1,207,937

18. Senior notes

In May 2015, the Company issued the US\$300 million Senior Notes. The US\$300 million Senior Notes bear interest of 8.75% per annum, which are repayable semi-annually. The US\$300 million Senior Notes will mature on 18 May 2018. The Company may at its option, at any time prior to 18 May 2018, redeem the US\$300 million Senior Notes in whole but not in part, at a redemption price equal to 100% of the principal amount plus the applicable premium as of, and accrued and unpaid interest to the redemption date. The US\$300 million Senior Notes are listed on the Stock Exchange and can be dealt with by way of debt issues for professional investors only.

In January 2016, the Company issued senior notes with principal amount of US\$150 million (the "US\$150 million Senior Notes"). The US\$150 million Senior Notes bear interest of 8.5% per annum, which are repayable semi-annually. The US\$150 million Senior Notes will mature on 22 January 2019. The Company may at its option, at any time prior to 22 January 2019, redeem the US\$150 million Senior Notes in whole but not in part, at a redemption price equal to 100% of the principal amount plus the applicable premium as of, and accrued and unpaid interest to the redemption date. The US\$150 million Senior Notes are listed on the Stock Exchange and can be dealt with by way of debt issues for professional investors only.

As mentioned in Note 2.1 to the interim condensed consolidated financial statements, the US\$300 million Senior Notes fell due on 18 May 2018 and the Group has not paid the outstanding. This has led to the event of default of the US\$300 million Senior Notes and cross default of the US\$150 million Senior Notes which become immediately repayable and classified as current liabilities as at 30 June 2018. As at 31 December 2017, US\$300 million Senior Notes and US\$150 million Senior Notes were classified as current liabilities and non-current liabilities respectively.

19. Other borrowings and private bonds

Other borrowings

The other borrowings from financial institutions of HK\$9,924,081,000 (31 December 2017: HK\$8,507,457,000) bear weighted average interest rate of 23.1% (31 December 2017: 26.0%) per annum, in which HK\$9,924,081,000 (31 December 2017: HK\$6,392,413,000) will be repayable within one year. As at 30 June 2018, certain other borrowings were secured by the Group's investment properties of HK\$8,762,498,000 (31 December 2017: HK\$8,299,631,000); properties under development of HK\$7,932,773,000 (31 December 2017: HK\$8,745,598,000) (Note 14); property, plant and equipment and leasehold land of HK\$1,762,015,000 (31 December 2017: HK\$1,793,550,000); stock of properties of HK\$557,538,000 (31 December 2017: HK\$562,333,000); and equity interests of the Group's certain subsidiaries and guaranteed by the corporate guarantees executed by the Company and certain subsidiaries; and the personal guarantees executed by a director of the Company and a director of a subsidiary.

18. 優先票據

於2015年5月，本公司發行了300,000,000美元優先票據。300,000,000美元優先票據以8.75厘之年利率計息，每半年償還一次。300,000,000美元優先票據將於2018年5月18日到期。本公司可自行選擇於2018年5月18日之前任何時候按相當於本金額100%加載至贖回日期的適用溢價及直至贖回日期的應計及未付利息的贖回價，贖回全部而非部分300,000,000美元優先票據。300,000,000美元優先票據於聯交所上市且僅可以向專業投資者發行債務的方式處理。

於2016年1月，本公司發行了本金額150,000,000美元的優先票據（「150,000,000美元優先票據」）。150,000,000美元優先票據以8.5厘之年利率計息，每半年償還一次。150,000,000美元優先票據將於2019年1月22日到期。本公司可自行選擇於2019年1月22日之前任何時候按相當於本金額100%加載至贖回日期的適用溢價及直至贖回日期的應計及未付利息的贖回價，贖回全部而非部分150,000,000美元優先票據。150,000,000美元優先票據於聯交所上市且僅可以向專業投資者發行債務的方式處理。

誠如中期簡明綜合財務報表附註2.1所述，300,000,000美元優先票據於2018年5月18日到期且本集團尚未支付未償還款項。這導致300,000,000美元優先票據之違約事件及150,000,000美元優先票據之交叉違約，亦導致於2018年6月30日變成須即時償還且分類為流動負債。於2017年12月31日，300,000,000美元優先票據及150,000,000美元優先票據分別分類為流動負債及非流動負債。

19. 其他借貸及私募債券

其他借貸

來自金融機構之其他借貸港幣9,924,081,000元（2017年12月31日：港幣8,507,457,000元）加權平均年利率為23.1厘（2017年12月31日：26.0厘），而其中之港幣9,924,081,000元（2017年12月31日：港幣6,392,413,000元）將須於一年內償還。於2018年6月30日，若干其他借貸由本集團港幣8,762,498,000元（2017年12月31日：港幣8,299,631,000元）之投資物業；港幣7,932,773,000元（2017年12月31日：港幣8,745,598,000元）之發展中物業（附註14）；港幣1,762,015,000元（2017年12月31日：港幣1,793,550,000元）之物業、機器及設備及租賃土地；港幣557,538,000元（2017年12月31日：港幣562,333,000元）之物業存貨；及本集團若干附屬公司之股權作抵押且由本公司及若干附屬公司簽立的企業擔保；以及本公司一名董事及一間附屬公司一名董事簽立的個人擔保作擔保。

19. Other borrowings and private bonds (continued)

Other borrowings (continued)

The other borrowings from third parties amounting to HK\$770,283,000 (31 December 2017: HK\$832,319,000) will be repayable within one year, with a weighted average interest rate of 26.3% (31 December 2017: 19.8%). As at 30 June 2018, certain other borrowings are secured by equity interests of the Group's certain subsidiaries and guaranteed by the personal guarantees executed by directors of the Company.

Amongst the other borrowings from third parties, an amount of HK\$20,000,000 was borrowed from a third party of which Yan Jie, a non-executive director of the Company, is the sole director of the said party.

Private bonds

The private bonds from third parties amounting to HK\$27,200,000 (31 December 2017: HK\$21,903,000) are unsecured and repayable in various dates in 2021 and 2024, with a weighted average interest rate of 10.2% (31 December 2017: 10%). During the six months ended 30 June 2018, the Group did not settle the interest expenses as stipulated in the private bonds agreement, and the bonds have become default. Accordingly, as at 30 June 2018, the bonds have been classified as current liabilities.

The carrying amounts of other borrowings and private bonds approximate their fair value.

20. Share capital

		Unaudited 30 June 2018 未經審核 2018年6月30日		Audited 31 December 2017 經審核 2017年12月31日	
		Number of shares 股份數目 '000 千股	HK\$'000 港幣千元	Number of shares 股份數目 '000 千股	HK\$'000 港幣千元
Authorised, ordinary shares of HK\$0.1 each:	法定，每股面值港幣0.1元之 普通股：				
At 1 January, 30 June and 31 December	於1月1日、6月30日及12月31日	30,000,000	3,000,000	30,000,000	3,000,000
Authorised, preference shares of HK\$0.1 each:	法定，每股面值港幣0.1元之 優先股：				
At 1 January, 30 June and 31 December	於1月1日、6月30日及12月31日	15,000,000	1,500,000	15,000,000	1,500,000
Ordinary shares, issued and fully paid:	已發行及繳足之普通股：				
At 1 January, 30 June and 31 December	於1月1日、6月30日及12月31日	5,706,671	570,667	5,706,671	570,667
Preference shares, issued and fully paid:	已發行及繳足之優先股：				
At 1 January, 30 June and 31 December	於1月1日、6月30日及12月31日	5,704,166	570,417	5,704,166	570,417
		11,410,837	1,141,084	11,410,837	1,141,084

19. 其他借貸及私募債券 (續)

其他借貸 (續)

來自第三方之其他借貸為港幣770,283,000元 (2017年12月31日：港幣832,319,000元) 將須於一年內償還，加權平均利率為26.3厘 (2017年12月31日：19.8厘)。於2018年6月30日，若干其他借貸由本集團之若干附屬公司之股權作抵押且由本公司董事執行之個人擔保作擔保。

於自第三方之其他借貸中，向一名第三方閻傑 (本公司一名非執行董事，上述訂約方之唯一董事) 借入港幣20,000,000元。

私募債券

來自第三方之私募債券港幣27,200,000元 (2017年12月31日：港幣21,903,000元) 為無抵押及須於2021年及2024年等多個日期償還，加權平均利率為10.2% (2017年12月31日：10%)。於截至2018年6月30日止六個月，本集團並無結算私募債券協議所規定之利息開支，且債券已成違約。因此，於2018年6月30日，債券分類為流動負債。

其他借貸及私募債券之賬面值與其公允值相若。

20. 股本

21. Commitments under operating leases

As at 30 June 2018, the Group had future aggregate minimum lease payments payable under non-cancellable operating leases as follows:

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	45,038	55,225
– later than one year but not later than five years	– 第二年至第五年內	31,069	39,785
– more than five years	– 五年以上	870	10,018
		76,977	105,028

As at 30 June 2018, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases as follows:

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	47,212	52,696
– later than one year but not later than five years	– 第二年至第五年內	89,444	93,936
– more than five years	– 五年以上	19,003	22,578
		155,659	169,210

22. Capital commitments

As at 30 June 2018, the Group had capital commitments as follows:

		Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備		
– Properties under development, commercial properties under development under investment properties and construction in progress under property, plant and equipment and leasehold land	– 發展中物業，投資物業中的發展中的商業物業及物業、機器及設備及租賃土地中的在建工程	2,520,988	2,568,877

21. 營運租約承擔

於2018年6月30日，本集團根據不可撤銷之營運租約於未來之最低應付租賃款項總額如下：

	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Land and buildings		
– not later than one year	45,038	55,225
– later than one year but not later than five years	31,069	39,785
– more than five years	870	10,018
	76,977	105,028

於2018年6月30日，本集團根據不可撤銷之營運租約於未來之最低應收租賃款項總額如下：

	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Land and buildings		
– not later than one year	47,212	52,696
– later than one year but not later than five years	89,444	93,936
– more than five years	19,003	22,578
	155,659	169,210

22. 資本承擔

於2018年6月30日，本集團有下列資本承擔：

	Unaudited 30 June 2018 未經審核 2018年 6月30日 HK\$'000 港幣千元	Audited 31 December 2017 經審核 2017年 12月31日 HK\$'000 港幣千元
Contracted but not provided for		
– Properties under development, commercial properties under development under investment properties and construction in progress under property, plant and equipment and leasehold land	2,520,988	2,568,877

23. Related party transactions

Save as disclosed elsewhere in these interim condensed consolidated financial statements, the Group entered into the following related party transactions.

		Unaudited Six months ended 30 June 未經審核 截至6月30日止六個月	
		2018 HK\$'000 港幣千元	2017 HK\$'000 港幣千元
Key management compensation	主要管理人員之補償	27,606	30,092

24. Contingent liabilities

At 30 June 2018 and 31 December 2017, the Group is subject to various claims on liquidated damages of certain construction contracts during the normal course of business. The Directors are of the opinion that the Group has applied extension of time to mitigate the liquidated damages and any resulting liability would not materially affect the financial position of the Group.

25. Events after the reporting period

(a) Appointment of receivers of Wisdom Top International Limited

As disclosed in the Company's announcement dated 27 July 2018, the Company received a notification that Industrial and Commercial Bank of China (Asia) Limited ("ICBC") has appointed Ms. Koo Chi Sum and Ms. Yeung Mei Lee (the "Receivers") on 25 July 2018 as the joint and several receivers and managers of the issued share capital of Wisdom Top International Limited ("Wisdom Top"), a wholly-owned subsidiary of the Company. As at 25 July 2018 and up to the date of this report, certain loan facilities amounted to approximately HK\$352,886,000 repayable by Wisdom Top to ICBC have been overdue, and pursuant to the share mortgage made between ICBC and Diamond Summit Limited, another wholly-owned subsidiary of the Company and the immediate holding company of Wisdom Top, the Receivers have been appointed by ICBC accordingly.

Wisdom Top owns a commercial property (the "Property") in Guangzhou, the PRC, and Wisdom Top manages the lease of the property. The Company has been contemplating the disposal of the Property, and based on the estimated market value of the Property, the management of the Company expects that in the event that the Property is disposed in the open market, the proceeds shall be sufficient to fully repay the overdue loan and the amounts thereunder.

23. 關連方交易

除該等中期簡明綜合財務報表其他章節所披露者外，本集團訂立下列關連方交易。

24. 或然負債

於2018年6月30日及2017年12月31日，本集團於一般業務過程中面臨多項涉及若干建造合約之定額賠償索償。董事認為，本集團遞交延期申請以減低定額賠償金額，因此所產生之負債不會對本集團之財務狀況構成任何重大影響。

25. 報告期後事件

(a) 委任高慧國際有限公司之接管人

誠如本公司日期為2018年7月27日的公告所披露，本公司接獲通知，於2018年7月25日知會 Koo Chi Sum女士及Yeung Mei Lee女士（「接管人」）獲中國工商銀行（亞洲）有限公司（「中國工商銀行」）委任為高慧國際有限公司（「高慧」）（本公司全資附屬公司）已發行股本之共同及個別接管人及經理。於2018年7月25日及直至本報告日期，高慧須向中國工商銀行償還的若干貸款融資約港幣352,886,000元已逾期，且根據中國工商銀行及Diamond Summit Limited（本公司之另一全資附屬公司及高慧之直接控股公司）作出之股份按揭，中國工商銀行已相應委任接管人。

高慧在中國廣州擁有一個商用物業（「物業」）並管理物業租賃。本公司一直考慮出售物業，根據物業之估計市值，本公司管理層預期，倘於公開市場出售物業，則所得款項將足以悉數償還逾期貸款及其項下應付款項。

25. Events after the reporting period (continued)

(b) Transactions and balances relating Mr. Zhou Wei, a former executive director of the Company and his related entities

As disclosed in the announcement of the Company dated 2 May 2018, as a measure to resolve transactions and balances relating to Mr. Zhou Wei and the Group, on 23 March 2018, the Company and the relevant subsidiary of the Company, namely Hsin Chong Holdings (China) Limited (“Hsin Chong (China)”), entered into a settlement agreement with two related companies, pursuant to which, two related companies agreed to repay to Hsin Chong (China), within 4 months from the date of the agreement. Pursuant to the settlement agreement, in order to finance the repayment of the loan outstanding to a financial institution (“Trust Loan”), the two related companies undertook to (i) sell the BJ Properties; or (ii) procure a third party to provide the loan amount to Hsin Chong (China) for repayment of the Trust Loan; or (iii) procure a third party to purchase the RMB129 million and RMB247.5 million loans borrowed by two related companies and repay the said loans to Hsin Chong (China). Upon repayment of the Trust Loan in accordance with any of the above methods, the relevant subsidiary of the Company and the Company’s liabilities and obligations under the Trust Loan shall be fully released and discharged. In case of payment by a third party to the relevant subsidiary of the Company for repayment of the Trust Loan, the relevant subsidiary of the Company shall no longer be liable for repayment to the third party.

To recover such balances, on 23 July 2018, the Company’s PRC lawyers have issued demand letters to these two related companies to (i) declare that the loans to them and all interest accrued thereon respectively be due and payable forthwith; and (ii) notify them that the Company will proceed to sell the underlying mortgaged properties in Beijing to finance the repayment.

(c) Termination of M+ construction project

Subsequent to 30 June 2018, on 17 August 2018, the Group received a notice from the West Kowloon Cultural District Authority to terminate the contract for the M+ construction project with HCC. The contract included work on the M+ Building, the Conservation and Storage Building, a retail, dining and entertainment building. Currently, the Group is still estimating all possible potential outcomes, including negative financial effect of any potential claims, arising from the termination of M+ construction project to the Group and such an estimate cannot be made up to the date of this report.

(d) Receipt of a petition

On 27 August 2018, HCC received a petition filed by Kenworth Engineering Limited (the “Petitioner”) for an order that HCC may be wound up by the High Court of the Hong Kong Special Administrative Region (the “High Court”) pursuant to the Companies Ordinance. The petition was filed against HCC for failure to settle a sum of approximately HK\$8,285,000 for construction costs payable.

(e) MOU in relation to the disposal of the entire issued share capital of HCC

On 29 August 2018, the Company and a purchaser entered into a MOU in relation to the disposal of the entire issued share capital of HCC. Based on the MOU, the purchaser may provide financial support in the amount of HK\$600 million as working capital for the projects of HCC. Out of such HK\$600 million, the purchaser will provide HK\$300 million within one week of the date of the MOU and the remaining HK\$300 million will be provided within two weeks of the date of the MOU.

Details of the MOU were set out in the Company’s announcement dated 29 August 2018.

25. 報告期後事件 (續)

(b) 有關周煒先生 (本公司一名前任執行董事) 及其關聯實體的交易及結餘

誠如本公司日期為2018年5月2日的公告所披露，為解決有關周煒先生及本集團的交易及結餘，於2018年3月23日，本公司及本公司相關附屬公司新昌控股(中國)有限公司(「新昌(中國)」)與兩間關聯公司訂立和解協議，據此，兩間關聯公司同意自協議日期起四個月內向新昌(中國)還款。根據和解協議，為就償還結欠金融機構的尚未償還貸款(「信託貸款」)撥資，兩間關聯公司承諾(i)出售北京物業；或(ii)促使第三方就償還信託貸款向新昌(中國)提供貸款金額；或(iii)促使第三方購買兩間關聯公司借入之人民幣129,000,000元及人民幣247,500,000元並向新昌(中國)償還上述貸款。待根據上述任何方式償還信託貸款後，本公司相關附屬公司及本公司信託貸款項下負債及責任須悉數獲解除及消除。倘第三方就償還信託貸款向本公司相關附屬公司付款，本公司相關附屬公司將不再對償還第三方款項負有責任。

為收回該等結餘，於2018年7月23日，本公司的中國律師已向兩間關聯公司發出催債函，(i)宣佈提供予彼等之貸款及各貸款之所有應計利息須即時到期支付；及(ii)知會彼等本公司將出售北京的相關抵押物業為還款撥資。

(c) 終止M+博物館工程項目

於2018年6月30日後，於2018年8月17日，本集團接獲西九文化區管理局通知終止與新昌營造廠就M+博物館工程項目所訂立合約。該合約包括M+博物館大樓、保護和存儲設施附屬大樓以及零售、餐飲及消閒大樓工程。目前，本集團仍在評估終止M+博物館工程項目對本集團產生之所有可能潛在結果(包括任何潛在申索之負面財務影響)且直至本報告日期尚未有評估結論。

(d) 收到呈請

於2018年8月27日，新昌營造廠收到由堅穩工程有限公司(「呈請人」)提請香港特別行政區高等法院(「高等法院」)根據公司條例對新昌營造廠作出清盤命令的呈請。提交針對新昌營造廠的呈請之原因是其無法清償總額約港幣8,285,000元之應付工程款項。

(e) 有關出售新昌營造廠全部已發行股本之諒解備忘錄

於2018年8月29日，本公司與買方訂立有關出售新昌營造廠全部已發行股本之諒解備忘錄。根據諒解備忘錄，買方將提供財務支持港幣600,000,000元作為新昌營造廠項目之營運資金。於該等港幣600,000,000元中，買方將於諒解備忘錄日期起一週內提供港幣300,000,000元及剩餘港幣300,000,000元將於諒解備忘錄日期起兩週內提供。

有關諒解備忘錄之詳情乃披露於本公司日期為2018年8月29日之公告。

Report on Review of Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表的審閱報告



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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF HSIN CHONG GROUP HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial statements set out on pages 15 to 62, which comprise the condensed consolidated balance sheet of Hsin Chong Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 June 2018 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "interim condensed consolidated financial statements"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and fair presentation of the interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Because of the matters described in the "Basis for Disclaimer of Conclusion" paragraphs, however, we were not able to obtain sufficient appropriate evidence as a basis for expressing a conclusion on the interim condensed consolidated financial statements.

中期簡明綜合財務報表的審閱報告

致新昌集團控股有限公司董事會
(於百慕達註冊成立之有限公司)

引言

我們已審閱載於第15頁至第62頁之中期簡明綜合財務報表，其中包括新昌集團控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於2018年6月30日之簡明綜合資產負債表、截至該日止六個月期間之相關簡明綜合中期收益表、簡明綜合中期全面收益表、簡明綜合中期權益變動表及簡明綜合中期現金流量表，以及主要會計政策概要和其他說明附註（「中期簡明綜合財務報表」）。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。董事須負責根據香港會計準則第34號編製及公平列報該中期簡明綜合財務報表。我們的責任是對中期簡明綜合財務報表作出結論，並按照我們協定之委聘條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

然而，由於「不發表結論之基準」各段所述之事項，我們無法獲得充分及適當之證據作為對中期簡明綜合財務報表作出結論之基準。

Basis for Disclaimer of Conclusion

(1) Multiple uncertainties relating to going concern

As described in Note 2.1 to the interim condensed consolidated financial statements, the Group reported loss attributable to the owners of the Company of HK\$705 million and had a net operating cash outflow of approximately HK\$1,418 million during the six-month period ended 30 June 2018. As at the same date, the Group's total borrowings amounted to HK\$14,739 million and were all classified as current liabilities, while its unrestricted cash and cash equivalents amounted to HK\$352 million only.

As at 30 June 2018, total borrowings of the Group of HK\$4,525 million were overdue. Up to the date of this report, total borrowing of the Group of HK\$5,064 million were overdue. These overdue borrowings included the US\$300 million 8.75% per annum senior notes (the "US\$300 million Senior Notes"). However, the Group has not been able to obtain extensions of repayments of such balances prior to the date of this report. These overdue borrowings without extension would be immediately repayable if requested by the lenders. Included in these overdue borrowings, total borrowings of HK\$168 million did not meet certain financial ratios as set out in the covenants in the relevant borrowing agreements. Furthermore, the US\$300 million Senior Notes, equivalent to HK\$2,325 million, issued by the Group, fell due for redemption on 18 May 2018. The Group has not paid the amounts outstanding under the US\$300 million Senior Notes (the "Payment Default"). This has resulted in the event of default of the US\$300 million Senior notes and cross default of the US\$150 million, 8.5% per annum senior notes, equivalent to HK\$1,163 million. The Payment Default has also resulted in cross-defaults of certain bank loans of HK\$353 million and other borrowings of HK\$2,230 million which become immediately repayable and are all classified as current liabilities as at 30 June 2018.

On 17 August 2018, the Group received a notification from the West Kowloon Cultural District Authority to terminate the Group's construction service contract for the M + project. As at the date of this report, the directors of the Company were in the process of estimating any negative financial effect on the Group arising from the termination including any potential claims against the Group.

On 27 August 2018, a wholly-owned subsidiary of the Company (the "Wholly-owned Subsidiary") received a petition filed by its creditor for an order that the Wholly-owned Subsidiary may be wound up by the High Court. The petition was filed against the Wholly-owned Subsidiary for its failure to settle a sum of approximately HK\$8,285,000 for construction costs payable.

These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

不發表結論之基準

(1) 有關持續經營的多項不明朗因素

誠如中期簡明綜合財務報表附註2.1所述，貴集團於截至2018年6月30日止六個月期間錄得貴公司擁有人應佔虧損港幣705,000,000元，以及經營現金流出淨額約港幣1,418,000,000元。於同日，貴集團借貸總額為港幣14,739,000,000元且均分類為流動負債，而其不受限制現金及等同現金項目則僅為港幣352,000,000元。

於2018年6月30日，貴集團已逾期借貸總額為港幣4,525,000,000元。直至本報告日期，貴集團已逾期借貸總額為港幣5,064,000,000元。該等逾期借貸包括300,000,000美元之年息8.75厘優先票據（「300,000,000美元優先票據」），惟貴集團於本報告日期前並未獲延期償還該等結餘。該等未延期逾期借貸須於貸款人要求時即時償還。於該等逾期借貸中，合共港幣168,000,000元借貸並無滿足相關借貸協議契諾所載的若干財務比率。此外，貴集團發行之300,000,000美元優先票據（相當於港幣2,325,000,000元）於2018年5月18日到期贖回。貴集團並未支付300,000,000美元優先票據項下未償還款項（「拖欠付款」），並導致300,000,000美元優先票據之違約事件及150,000,000美元之年息8.5厘優先票據（相當於港幣1,163,000,000元）之交叉違約。拖欠付款亦導致於2018年6月30日分類為流動負債且須即時償還的港幣353,000,000元之若干銀行貸款及港幣2,230,000,000元之其他借貸出現交叉違約。

於2018年8月17日，貴集團收到西九文化區管理局終止與貴集團所簽訂的M+博物館項目工程服務合約的通知。於本報告日期，貴公司董事正在評估終止（包括針對貴集團的任何潛在申索）對貴集團產生的任何負面財務影響。

於2018年8月27日，貴公司一間全資附屬公司（「該全資附屬公司」）收到其債權人提交的提請高等法院對該全資附屬公司作出清盤命令的呈請。提交針對該全資附屬公司的呈請之原因是其無法清償總額約港幣8,285,000元之應付工程款項。

此等狀況表明存在重大不明朗因素可能會令貴集團持續經營業務的能力產生重大疑問。

Basis for Disclaimer of Conclusion (continued)

(1) Multiple uncertainties relating to going concern (continued)

The directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, and to remediate certain delayed repayments to financial institutions, which are set out in Note 2 to the interim condensed consolidated financial statements. The interim condensed consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, and the court decision of the legal case in which the Group is a defendant, which are subject to multiple uncertainties, including (i) the successful negotiations with the lenders for the renewal of or extensions for repayments of outstanding borrowings, including those with overdue principals and interests; (ii) the success of obtaining additional new sources of financing as and when needed; (iii) the success in reaching a consensual restructuring plan with the noteholders of the senior notes; (iv) the successful execution of the memorandum of understanding (the "MOU") in relation to the potential disposal of the Wholly-owned Subsidiary; (v) the successful implementation and acceleration of its disposal plan of its property, plant and equipment and leasehold land, investment properties, properties under development and completed properties held for sale, including timely execution of definitive sales agreements and timely collection of the disposal proceeds, and the successful deferral of capital expenditures for the Group's projects held on hand; (vi) the successful pre-sales of certain residential units in Foshan so as to generate operating cash inflows; (vii) the successful negotiation with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayments of the borrowings in any breach of loan covenants or default, including those with cross-default terms; (viii) the successful maintenance of relationship with the suppliers of the Group, in particular those in relation to the Group's construction business and the property development projects such that no actions will be taken by those suppliers against the Group should the Group not be able to meet all the payment obligations on a timely basis and notwithstanding a supplier creditor filed a petition against the Wholly-owned Subsidiary on 27 August 2018; and (ix) the potential purchaser of the Wholly-owned Subsidiary of the Group may provide financial support to the Group at its discretion in the amount of HK\$300 million within one week from 29 August 2018 and another HK\$300 million within two weeks from 29 August 2018 as working capital to the Wholly-owned Subsidiary. These financial support provisions are contained in a non-legally binding MOU. Among other conditions, the execution of the MOU, including the provision of financial support, is subject to risk control assessment to be conducted by the potential purchaser.

不發表結論之基準 (續)

(1) 有關持續經營的多項不明朗因素 (續)

貴公司董事已採取多項措施，以改善 貴集團的流動性及財務狀況，並補救若干延後向金融機構還款的問題，有關資料載於中期簡明綜合財務報表的附註2。中期簡明綜合財務報表乃按持續經營業務基準編製，其有效性取決於該等措施的結果，而該等措施受多種不確定性因素影響，包括(i)就尚欠借款(包括已逾期本金及利息)與貸款人成功磋商達成重續或延展還款安排；(ii)於需要時成功獲得新的資金來源；(iii)成功與優先票據持有人達成各方一致同意的重組計劃；(iv)成功簽立有關潛在出售全資附屬公司之諒解備忘錄(「諒解備忘錄」)；(v)成功實施及加快其物業、機器及設備及租賃土地、投資物業、發展中物業及持有待售已落成物業的出售計劃，包括及時簽立正式出售協議、及時收回出售所得款項及就 貴集團的尚未出售項目成功遞延資本開支；(vi)於佛山成功預售若干住宅單位以產生經營現金流入；(vii)成功與 貴集團現有貸款人進行磋商，使相關貸款人不會因任何違反貸款契諾或任何違約，包括違反交叉違約條款，而採取行動要求即時償還所拖欠的借款；及(viii)成功與 貴集團供應商維持關係，尤其是有關 貴集團建造業務及物業發展項目的供應商，使該等供應商在 貴集團未能及時履行所有還款責任的情況下不會對 貴集團採取行動及儘管一名供應商債權人於2018年8月27日提交針對該全資附屬公司的呈請；及(ix) 貴集團全資附屬公司的潛在買方可能自行酌情於2018年8月29日起一週內向 貴集團提供金額為港幣300,000,000元之財務支持，並於2018年8月29日起兩週內再提供港幣300,000,000元，以作為全資附屬公司之營運資金。該等財務支持條文乃載於一份不具法律約束力的諒解備忘錄內。執行諒解備忘錄(包括提供財務支持)須受潛在買方將進行之風控評估條件規限。

Basis for Disclaimer of Conclusion (continued)

(1) Multiple uncertainties relating to going concern (continued)

We did not express a review conclusion on the Company's interim condensed consolidated financial statements for the six months ended 30 June 2017 and we did not express audit opinion on the Company's consolidated financial statements for the year ended 31 December 2017 (the "Company 2017 financial statements") due to the potential interaction of the above-mentioned uncertainties including (i), (ii), (v) to (viii) relating to going concern and the possible cumulative effect on the Company's financial statements, and the other limitations on our scope of procedures. The multiple uncertainties remain unresolved as of 30 June 2018 and their possible cumulative effects on the interim condensed consolidated financial statements could be both material and pervasive.

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

(2) Transactions and balances relating to Mr. Zhou Wei, former executive director of the Company and his related entities

In response to the following matters, we have encountered various limitations during the course of our review of the interim condensed consolidated financial statements for the six month period ended 30 June 2018.

(2) (i) Funding arrangements in relation to certain properties in Beijing

A set of agreements ("Agreement A"), which was not complete and fully executed, was entered into by a wholly-owned subsidiary of the Group ("Subsidiary A"), Mr. Zhou Wei ("Mr. Zhou"), and a People's Republic of China (the "PRC") incorporated company indirectly owned by Mr. Zhou and his relative ("Mr. Zhou's Company A"). Pursuant to Agreement A, Mr. Zhou's Company A sold certain properties in Beijing, the PRC (the "BJ Properties") to the Group at a consideration of RMB500 million. According to Agreement A, the Group made a first instalment of RMB130 million upon fulfilling certain conditions, of which RMB129 million had been paid by Subsidiary A to Mr. Zhou's Company A in August 2016.

不發表結論之基準 (續)

(1) 有關持續經營的多項不明朗因素 (續)

吾等並無就 貴公司截至2017年6月30日止六個月的中期簡明綜合財務報表發表審閱結論且吾等並無就 貴公司截至2017年12月31日止年度的綜合財務報表(「貴公司2017年財務報表」)發表審核意見,此乃由於上述有關持續經營的不明朗因素(包括(i)、(ii)、(v)至(viii)項)與 貴公司財務報表的潛在累積影響的相互作用以及對吾等執行程度的範圍之其他限制所致。截至2018年6月30日,多項不明朗因素尚未解決,該等因素對中期簡明綜合財務報表產生重大且全面的潛在累積影響。

倘若 貴集團未能實現上述計劃及措施,則未必能繼續按持續經營業務基準經營,將會作出調整以將 貴集團的資產的賬面值撇減至其可收回金額,就可能產生的任何進一步負債作出撥備,及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未在該等中期簡明綜合財務報表內反映。

(2) 有關 貴公司前任執行董事周煒先生及其關聯實體的交易及結餘

為回應下列事件,吾等於審閱截至2018年6月30日止六個月期間之中期綜合簡明財務報表過程中遇到各種限制。

(2) (i) 有關若干北京物業的融資安排

貴集團全資附屬公司(「附屬公司A」)、周煒先生(「周先生」)與由周先生及其關聯方間接擁有一間中華人民共和國(「中國」)註冊成立公司(「周先生公司A」)訂立一組協議(「協議A」),該等協議並不完整及尚未全面執行。根據協議A,周先生公司A向 貴集團按代價人民幣500,000,000元出售若干於中國北京的物業(「北京物業」)。根據協議A, 貴集團於滿足若干條件後作出第一期分期付款人民幣130,000,000元,其中人民幣129,000,000元已於2016年8月由附屬公司A向周先生公司A支付。

Basis for Disclaimer of Conclusion (continued)

(2) Transactions and balances relating to Mr. Zhou Wei, former executive director of the Company and his related entities (continued)

(2) (i) Funding arrangements in relation to certain properties in Beijing (continued)

Another set of agreements (“Complete Agreement A”) were entered by the Subsidiary A, Mr. Zhou and Mr. Zhou’s Company A which was the same as Agreement A except that they were complete and fully executed. Pursuant to further documents entered by Subsidiary A, another wholly-owned subsidiary of the Group (“Subsidiary B”) and Mr. Zhou’s Company A (“Further Documents”), Complete Agreement A was terminated as Subsidiary A did not provide the remaining funding of RMB370 million under that agreement. Furthermore, the balance of RMB129 million advanced by Subsidiary A was treated as an unsecured loan to Mr. Zhou’s Company A, which carries interest at 12% per annum and is repayable before 21 August 2024.

This balance of RMB129 million was recorded as “Receivables and prepayments” under current assets in the Group’s condensed consolidated balance sheet as at 30 June 2018 (31 December 2017: RMB129 million classified as non-current assets).

Interest receivables of RMB23.2 million were included as “Receivables and prepayments” under current assets in the Group’s condensed consolidated balance sheet as at 30 June 2018 (31 December 2017: RMB16 million).

For the six-month period ended 30 June 2018, interest income of RMB7.2 million (six-month period ended 30 June 2017: RMB7.2 million) was recognised in the Group’s condensed consolidated interim income statement.

不發表結論之基準 (續)

(2) 有關 貴公司前任執行董事周煒先生及其關聯實體的交易及結餘 (續)

(2) (i) 有關若干北京物業的融資安排 (續)

附屬公司A、周先生及周先生公司A已訂立另一組協議(「完整協議A」)，除屬完整及完全簽立外，該協議與協議A相同。根據附屬公司A、貴集團另一全資附屬公司(「附屬公司B」)與周先生公司A簽訂的其他文件(「其他文件」)，由於附屬公司A並無根據完整協議A提供剩餘資金人民幣370,000,000元，故完整協議A獲終止。此外，附屬公司A已授出之墊款人民幣129,000,000元之結餘被視作向周先生公司A所作的無抵押貸款，按年利率12%計息並須於2024年8月21日前償付。

人民幣129,000,000元之此結餘於 貴集團於2018年6月30日之簡明綜合資產負債表入賬為流動資產項下之「應收賬款及預付金」(2017年12月31日：人民幣129,000,000元分類為非流動資產)。

人民幣23,200,000元之利息收入列入 貴集團於2018年6月30日的簡明綜合資產負債表流動資產項下的「應收賬款及預付金」(2017年12月31日：人民幣16,000,000元)。

截至2018年6月30日止六個月期間，貴集團的簡明綜合中期收益表確認利息收入人民幣7,200,000元(2017年6月30日止六個月期間：人民幣7,200,000元)。

Basis for Disclaimer of Conclusion (continued)

(2) Transactions and balances relating to Mr. Zhou Wei, former executive director of the Company and his related entities

(continued)

(2) (ii) Cooperation agreement in relation to the BJ Properties

A cooperation agreement was entered into between another wholly-owned subsidiary of the Group (“Subsidiary C”) and another PRC incorporated company owned by Mr. Zhou’s relatives (“Mr. Zhou’s Company B”) together with a guarantee agreement entered into amongst Subsidiary C, Mr. Zhou’s Company A and Mr. Zhou (collectively, “Agreement B”). Pursuant to Agreement B, as considerations for certain services provided by Mr. Zhou’s Company B, Subsidiary C should pay a total amount of RMB247.5 million to Mr. Zhou’s Company B. Payments of RMB126.2 million and RMB121.3 million were made by Subsidiary C to another company indirectly owned by Mr. Zhou on 29 December 2016 and 13 January 2017, respectively, which were financed by a long-term loan facility of RMB420 million provided by a financial institution in the PRC to the Group on 28 December 2016. Pursuant to the relevant loan agreement, Mr. Zhou’s Company A agreed to pledged the BJ Properties to the financial institution as a security to the loan facility of RMB420 million (the “Trust Loan”) provided to subsidiary C.

Pursuant to another agreement (“Agreement C”), Agreement B was subsequently terminated and a loan agreement (“Agreement D”) was entered into, pursuant to which total payments of RMB247.5 million, made on 13 January 2017 in accordance with Agreement B, are treated as a loan from Subsidiary C to Mr. Zhou’s Company B for a term of period from 28 December 2016 to 12 November 2018, which carries interest at 0.91667% per month.

As at 30 June 2018, the total payment of RMB247.5 million was recorded as “Receivables and prepayments” under current assets in the Group’s condensed consolidated balance sheet. Interest receivable of RMB39.9 million was recorded as “Receivables and prepayment” under current assets in the Group’s condensed consolidated balance sheet as at 30 June 2018 (31 December 2017: RMB27 million). For the six-month period ended 30 June 2018, interest income of RMB12.9 million (six-month period ended 30 June 2017: RMB12.9 million) was recognised in the Group’s condensed consolidated interim income statement.

不發表結論之基準 (續)

(2) 有關 貴公司前任執行董事周煒先生及其關聯實體的交易及結餘 (續)

(2) (ii) 有關若干北京物業的合作協議

貴集團另一全資附屬公司(「附屬公司C」)與由周先生關聯方所擁有的另一中國註冊成立公司(「周先生公司B」)簽訂合作協議,並由附屬公司C、周先生公司A及周先生簽訂擔保協議(統稱「協議B」)。根據協議B,附屬公司C須向周先生公司B支付總額人民幣247,500,000元作為周先生公司B提供若干服務的代價。附屬公司C分別於2016年12月29日及2017年1月13日支付人民幣126,200,000元及人民幣121,300,000元予周先生間接擁有的另一公司,該等款項由一間中國金融機構於2016年12月28日向貴集團所提供的長期貸款融資人民幣420,000,000元進行撥付。根據相關貸款協議,周先生公司A同意向該金融機構質押北京物業作為提供予附屬公司C之貸款融資人民幣420,000,000元(「信託貸款」)之擔保。

根據另一項協議(「協議C」),其後協議B被終止及貸款協議(「協議D」)已獲訂立,據此,依據協議B於2017年1月13日作出的付款總額人民幣247,500,000元被視為附屬公司C授予周先生公司B的貸款,貸款期限由2016年12月28日至2018年11月12日,按月利率0.91667%計息。

於2018年6月30日,合共人民幣247,500,000元於貴集團簡明綜合資產負債表入賬為流動資產項下之「應收賬款及預付金」。於2018年6月30日,人民幣39,900,000元之應收利息於貴集團簡明綜合資產負債表流動資產項下的「應收賬款及預付金」(2017年12月31日:人民幣27,000,000元)列示。截至2018年6月30日止六個月期間,貴集團的簡明綜合中期收益表確認之利息收入為人民幣12,900,000元(截至2017年6月30日止六個月期間:人民幣12,900,000元)。

Basis for Disclaimer of Conclusion (continued)

(2) Transactions and balances relating to Mr. Zhou Wei, former executive director of the Company and his related entities (continued)

(2) (ii) Cooperation agreement in relation to the BJ Properties (continued)

During the six-month period ended 30 June 2018, on 23 March 2018, the Company and relevant subsidiary of the Company, entered into a settlement agreement with Mr. Zhou's Company A and Mr. Zhou's Company B (the "Settlement Agreement") pursuant to which Mr. Zhou's Company A and Mr. Zhou's Company B agreed to repay to the relevant subsidiary of the Company, within four months from the date of the Settlement Agreement, all the outstanding amounts arising from the Trust Loan. The Settlement Agreement was not executed up to the settlement deadline on 22 July 2018.

On 23 July 2018, the Company issued demand letters to Mr. Zhou's Company A and Mr. Zhou's Company B to (i) declare that the loans to them and all interest accrued thereon respectively are due and payable forthwith; and (ii) notify them that the Company would proceed to sell the BJ Properties to finance the repayment.

As at the date of this report, the directors of the Company were unable to provide us explanations about the business rationale and commercial substance of all related transactions and balances. Because of the above scope limitation, the following issues which were highlighted in our review report on the Company's interim condensed consolidated financial statements for the six months ended 30 June 2017 and in our audit report on the Company's consolidated financial statements for the year ended 31 December 2017 remained unresolved:

- (i) ascertain the business rationale and commercial substance, occurrence, accuracy, completeness and presentation of these transactions and the related balances as at 31 December 2017 and 30 June 2018 and during the six-month period ended 30 June 2017 and 30 June 2018; and
- (ii) whether the effects of these transactions have been properly accounted for and disclosed, including the accuracy and completeness of any related party transaction disclosures.

不發表結論之基準 (續)

(2) 有關 貴公司前任執行董事周煒先生及其關聯實體的交易及結餘 (續)

(2) (ii) 有關若干北京物業的合作協議 (續)

於截至2018年6月30日止六個月期間，於2018年3月23日，貴公司及貴公司相關附屬公司與周先生公司A及周先生公司B訂立結算協議（「結算協議」），據此周先生公司A及周先生公司B同意於結算協議日期起四個月內向貴公司相關附屬公司償還所有自信託貸款產生的尚未償還款項。直至2018年7月22日結算限期止，結算協議尚未得以執行。

於2018年7月23日，貴公司向周先生公司A及周先生公司B發出催函，(i)宣佈提供予彼等之貸款及各貸款之所有應計利息即時到期應付；及(ii)知會彼等貴公司將出售北京物業為還款撥資。

於本報告日期，貴公司董事未能就所有相關交易及結餘之商業理據及商業實質向我們作出解釋。由於上述範圍限制，於吾等對貴公司截至2017年6月30日止六個月中期簡明綜合財務報表的審閱報告及對貴公司截至2017年12月31日止年度綜合財務報表的審核報告中所強調的事項仍未解決：

- (i) 確定於2017年12月31日及2018年6月30日以及於截至2017年6月30日及2018年6月30日止六個月期間之該等交易及相關結餘之商業理據及商業實質、存在性、準確性、完整性及呈報；及
- (ii) 該等交易之影響是否已妥為入賬及披露，包括任何關聯方交易披露之準確性及完整性。

Disclaimer of Conclusion

Due to the significance of the matters described in the “Basis for Disclaimer of Conclusion” paragraphs above, we were unable to obtain sufficient appropriate evidence to form a conclusion on the interim condensed consolidated financial statements. Accordingly, we do not express a conclusion on these interim condensed consolidated financial statements .

BDO Limited

Certified Public Accountants

Au Yiu Kwan

Practising Certificate Number P05018

Hong Kong, 31 August 2018

不發表結論

由於上文「不發表結論之基礎」一段所述事項的重要性，我們無法獲得充分及適當之證據就中期簡明綜合財務報表得出結論。因此，我們不對該等中期簡明綜合財務報表發表結論。

香港立信德豪會計師事務所有限公司

執業會計師

歐耀均

執業證書號碼P05018

香港，2018年8月31日

Directors' and Chief Executives' Interests and Short Positions in shares, underlying shares and debentures of the Company and its Associated Corporations

As at 30 June 2018, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required: (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the "Register"); or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

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

董事及行政總裁於本公司及其相聯法團之股份、相關股份及債券中擁有之權益及淡倉

於2018年6月30日，本公司各董事及行政總裁於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有須：(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條記錄於該條所述登記冊（「登記冊」）之權益及淡倉；或(c)根據聯交所證券上市規則（「上市規則」）附錄十所載有關《上市發行人董事進行證券交易的標準守則》（「標準守則」）須通知本公司及聯交所之權益及淡倉如下：

於本公司普通股股份（「股份」）及相關股份之好倉

Name of Directors	Capacity	Number of shares held/ involved	Number of underlying shares held	Total	Approximate percentage of interests in the issued share capital
董事姓名	身份	持有／涉及之股份數目	持有之相關股份數目	總計	佔已發行股本之權益概約百分比 (Note 4) (附註4)
LIN Zhuo Yan ("Mr. LIN") 林卓延（「林先生」）	Interests of spouse 配偶權益	1,466,858,789 (Note 1) (附註1)	–	1,466,858,789	25.70%
	Interests of controlled corporation(s) 受控法團權益	–	2,704,166,666 (Note 2) (附註2)	2,704,166,666	47.39%
Joseph CHOI Kin Hung 蔡健鴻	Beneficial owner 實益擁有人	–	1,334,000 (Note 3) (附註3)	1,334,000	0.02%
LUI Chun Pong 呂振邦	Beneficial owner 實益擁有人	–	750,000 (Note 3) (附註3)	750,000	0.01%

Notes:

1. 475,816,993 Shares are held by Neo Summit Limited ("Neo Summit"), which is owned by (a) Pinnacle State Real Estate Limited as to 28.89%; (b) Summit View Holdings Limited ("Summit View") as to 13.33%; (c) Jones Capital Investments Limited as to 28.89%; and (d) Bed World Holding Ltd as to 28.89%. Jones Capital Investments Limited is wholly-owned by Ms. MA Kwing, Pony ("Ms. MA"). As such, Neo Summit is deemed to be a controlled corporation of Ms. MA under the SFO.

991,041,796 Shares are held by Summit View, which is owned as to 50% by Ms. MA. As such, Summit View is deemed to be a controlled corporation of Ms. MA under the SFO.

Mr. LIN, the Non-Executive Chairman of the Company, is the spouse of Ms. MA and is deemed to be interested in the aforesaid 1,466,858,789 Shares under the SFO.

2. As disclosed in (i) the announcement of the Company dated 15 May 2014, Hsin Chong Property Holdings Limited (a wholly-owned subsidiary of the Company) as the Purchaser entered into the Acquisition Agreement with Rich Century Development Limited ("Rich Century") (a company wholly-owned by Mr. LIN) as the Vendor and Mr. LIN as the warrantor regarding a very substantial acquisition in relation to the acquisition of a property development project in the PRC; and (ii) the announcement of the Company dated 4 November 2014, a Supplemental Agreement was entered into amongst the same parties. As part of the consideration of the Acquisition Agreement, the Company may issue to Rich Century convertible preference shares ("CPSs") which can be converted into Shares. As such, Rich Century being a company wholly-owned by Mr. LIN is deemed to be a controlled corporation of Mr. LIN under the SFO.

As disclosed in the announcement of the Company dated 8 January 2015 in relation to the issuance of CPSs as part of the consideration, the total number of CPSs (issued or which may be issued) to Rich Century and which can be converted into Shares is 6,253,829,151. Upon issue of certain number of CPSs to Rich Century on 8 January 2015, it then disposed 1,855,563,322 CPSs on the same date. Therefore, as of 30 June 2015, Rich Century held 4,398,265,830 CPSs (rounding difference included).

As further disclosed in the announcements of the Company dated 30 June 2015, 15 January 2016 and 26 April 2016 respectively in relation to the issuance of CPSs as part of the consideration, Rich Century was further allotted by the Company 1,095,042,146 CPSs, 259,263,039 CPSs and 295,833,333 CPSs on 8 July 2015, 15 January 2016 and 26 April 2016 respectively. Rich Century then disposed 1,095,042,146 CPSs, 259,263,039 CPSs, 280,000,000 CPSs and 15,833,333 CPSs on 15 July 2015, 19 January 2016, 29 April 2016 and 31 May 2016 respectively. Therefore, as at 30 June 2018, Rich Century held 2,704,166,666 CPSs.

3. As at 30 June 2018, the interests in the underlying shares held by the Directors represented share options granted pursuant to the share option scheme adopted by the Company on 22 May 2008. Details of share options granted were set out on page 74 under the section "Share Option Schemes".
4. There were 5,706,670,104 Shares in issue as at 30 June 2018.

Save as disclosed above, as at 30 June 2018, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange or as recorded in the Register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註:

1. 新峰有限公司(「新峰」)持有475,816,993股股份,並由以下各方(a)峻炫地產有限公司擁有28.89%;(b)峰景控股有限公司(「峰景」)擁有13.33%;(c) Jones Capital Investments Limited擁有28.89%;及(d) Bed World Holding Ltd擁有28.89%。Jones Capital Investments Limited由馬炯女士(「馬女士」)全資擁有。因此,根據證券及期貨條例,新峰被視為馬女士之受控法團。

峰景持有991,041,796股股份,並由馬女士擁有50%。因此,根據證券及期貨條例,峰景被視為馬女士之受控法團。

本公司非執行主席林先生為馬女士之配偶,故根據證券及期貨條例被視為於上述1,466,858,789股股份中擁有權益。

2. 誠如(i)本公司日期為2014年5月15日之公告所披露,新昌地產控股有限公司(本公司一間全資擁有附屬公司)(作為買方)與利世發展有限公司(一間由林先生全資擁有之公司)(「利世發展」)(作為賣方)及林先生(作為擔保人)就有關收購一項位於中國之物業發展項目之非常重大收購事項訂立收購協議;及(ii)本公司日期為2014年11月4日之公告所披露,相同之訂約方訂立補充協議。作為收購協議代價之一部分,本公司可向利世發展發行可轉換優先股(「可轉換優先股」),其可轉換為股份。因此,根據證券及期貨條例,利世發展(林先生全資擁有之公司)被視為林先生之受控法團。

誠如本公司日期為2015年1月8日內容有關發行可轉換優先股作為部分代價之公告所披露,已向或可向利世發展發行之可轉換優先股總數為6,253,829,151股,均可轉換為股份。於2015年1月8日向利世發展發行若干數目之可轉換優先股後,其於同日出售1,855,563,322股可轉換優先股。因此,於2015年6月30日,利世發展持有4,398,265,830股可轉換優先股(四捨五入之差異)。

誠如本公司日期分別為2015年6月30日、2016年1月15日及2016年4月26日內容有關發行可轉換優先股作為部分代價之公告所進一步披露,利世發展分別於2015年7月8日、2016年1月15日及2016年4月26日獲本公司進一步配發1,095,042,146股、259,263,039股及295,833,333股可轉換優先股。利世發展其後分別於2015年7月15日、2016年1月19日、2016年4月29日及2016年5月31日出售1,095,042,146股、259,263,039股、280,000,000股及15,833,333股可轉換優先股。因此,於2018年6月30日,利世發展持有2,704,166,666股可轉換優先股。

3. 截至2018年6月30日,董事持有之相關股份之權益指根據本公司於2008年5月22日採納之認股權計劃授出之認股權。授出之認股權詳情載於第74頁之「認股權計劃」一節內。
4. 於2018年6月30日之已發行股份為5,706,670,104股。

除上文所披露者外,於2018年6月30日,本公司各董事或行政總裁概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中擁有任何權益或淡倉而已知會本公司及聯交所或記錄於登記冊內,或根據標準守則已知會本公司及聯交所。

Share Option Schemes 2008 Option Scheme

A share option scheme was adopted by the shareholders of the Company on 22 May 2008 (the "2008 Option Scheme"). Details of the 2008 Option Scheme have been disclosed in the 2017 Annual Report of the Company.

Details of movements in the share options under the 2008 Option Scheme during the period and options outstanding as at the beginning and end of the period are as follows:

Name of grantees	Date of grant	Number of share options held as at 1 January 2018 於2018年1月1日持有之認股權數目	Changes during the period 期內之變動				Number of share options held as at 30 June 2018 於2018年6月30日持有之認股權數目	Exercise price per share	Exercisable period	Closing price per share immediately before date of grant of share options
			Granted	Exercised	Lapsed	Cancelled				
承授人姓名	授出日期 (dd/mm/yyyy) (日/月/年)	認股權數目	授出	行使	失效	註銷	認股權數目	每股行使價 (HK\$) (港幣元)	行使期 (dd/mm/yyyy) (日/月/年)	緊接認股權授出日前的每股收市價 (HK\$) (港幣元)
Directors										
董事										
Joseph CHOI Kin Hung 蔡健鴻	04/12/2009	1,334,000 ⁽¹⁾	-	-	-	-	1,334,000	1.02	04/12/2010 – 03/12/2019	1.02
LUI Chun Pong 呂振邦	01/09/2011	750,000 ⁽²⁾	-	-	-	-	750,000	1.29	30/09/2012 – 31/08/2021	1.27
Employees (in aggregate)										
僱員 (總計)										
	23/05/2008	14,000,000 ⁽³⁾	-	-	(14,000,000) ⁽⁴⁾	-	-	2.13	01/01/2009 – 22/05/2018	2.04
	01/09/2011	1,500,000 ⁽²⁾	-	-	-	-	1,500,000	1.29	30/09/2012 – 31/08/2021	1.27
Total		17,584,000	-	-	(14,000,000)	-	3,584,000			
總計										

Notes:

- Share options were vested in three portions on 4 December 2010, 2011 and 2012 respectively, and became exercisable for a period from the respective dates and ending on 3 December 2019.
- Share options were vested in three portions on 30 September 2012, 2013 and 2014 respectively, and became exercisable for a period from the respective dates and ending on 31 August 2021.
- Share options were vested in three portions on 1 January 2009, 2010 and 2011 respectively, and became exercisable for a period from the respective dates and ending on 22 May 2018.
- These 14,000,000 share options lapsed on 22 May 2018.

附註：

- 認股權分別於2010年、2011年及2012年12月4日按三部分歸屬，並於各自日期起至2019年12月3日止期間可予行使。
- 認股權分別於2012年、2013年及2014年9月30日按三部分歸屬，並於各自日期起至2021年8月31日止期間可予行使。
- 認股權分別於2009年、2010年及2011年1月1日按三部分歸屬，並於各自日期起至2018年5月22日止期間可予行使。
- 該等14,000,000份認股權已於2018年5月22日失效。

認股權計劃 2008年認股權計劃

一項認股權計劃乃由本公司股東於2008年5月22日採納（「2008年認股權計劃」）。2008年認股權計劃之詳情已披露於本公司2017年年報內。

於2008年認股權計劃下認股權於期內之變動，及於期初及期末之未行使認股權詳情如下：

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 30 June 2018, the following persons/entities (other than a Director or chief executive of the Company) had or were deemed or taken to have interests and short positions in the Shares and underlying shares of the Company as recorded in the register of interests and short positions of substantial shareholders (the "Register of Substantial Shareholders") required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in Shares and underlying shares of the Company

Name of Shareholders	Capacity	Number of shares held/involved	Number of underlying shares	Approximate percentage of interests in the issued share capital 佔已發行股本之權益概約百分比 (Note 3) (附註3)
股東名稱／姓名	身份	所持／涉及之股份數目	相關股份數目	
(1) Tewood Group Co., Ltd. 天津物產集團有限公司	Interests of controlled corporation(s) 受控法團權益	513,861,240	3,000,000,000	61.57%
(2) Tewood Investment Co., Limited 天物投資有限公司	Beneficial owner 實益擁有人	137,940,000	–	2.42%
	Interests of controlled corporation(s) 受控法團權益	375,921,240	3,000,000,000	59.16%
(3) Riant Investment Co., Limited 瑞安投資有限公司	Beneficial owner 實益擁有人	375,921,240	3,000,000,000	59.16%
(4) Neo Summit Limited 新峰有限公司	Beneficial owner 實益擁有人	475,816,993 (Note 1(a)) (附註1(a))	–	8.34%
(5) Summit View Holdings Limited 峰景控股有限公司	Beneficial owner 實益擁有人	991,041,796 (Note 1(b)) (附註1(b))	–	17.37%
(6) MA Kwing, Pony 馬炯	Interests of controlled corporation(s) 受控法團權益	1,466,858,789 (Note 1) (附註1)	–	25.70%
	Interests of spouse 配偶權益	–	2,704,166,666 (Note 2) (附註2)	47.39%
(7) Wilfred WONG Ying Wai 王英偉	Beneficial owner 實益擁有人	26,000,000	–	0.46%
	Interests of controlled corporation(s) 受控法團權益	1,466,858,789 (Note 1) (附註1)	–	25.70%
(8) Rich Century Development Limited 利世發展有限公司	Beneficial owner 實益擁有人	–	2,704,166,666 (Note 2(a)) (附註2(a))	47.39%
(9) Cheng Yu Tung Family (Holdings) Limited	Interests of controlled corporation(s) 受控法團權益	400,000,000 (Note 4) (附註4)	–	7.01%

主要股東及其他人士於本公司股份及相關股份中擁有之權益及淡倉

於2018年6月30日，根據證券及期貨條例第336條本公司須予存置之主要股東權益及淡倉登記冊（「主要股東登記冊」）所記錄，下列人士／實體（本公司董事或行政總裁除外）於本公司股份及相關股份中擁有或被視為或當作擁有權益及淡倉：

於本公司股份及相關股份之好倉

Name of Shareholders	Capacity	Number of shares held/involved	Number of underlying shares	Approximate percentage of interests in the issued share capital
股東名稱／姓名	身份	所持／涉及之股份數目	相關股份數目	佔已發行股本之權益概約百分比 (Note 3) (附註3)
(10) Cheng Yu Tung Family (Holdings II) Limited	Interests of controlled corporation(s) 受控法團權益	400,000,000 (Note 4) (附註4)	—	7.01%
(11) Chow Tai Fook Capital Limited	Interests of controlled corporation(s) 受控法團權益	400,000,000 (Note 4) (附註4)	—	7.01%
(12) Chow Tai Fook (Holding) Limited	Interests of controlled corporation(s) 受控法團權益	400,000,000 (Note 4) (附註4)	—	7.01%
(13) Chow Tai Fook Nominee Limited 周大福代理人有限公司	Beneficial owner 實益擁有人	400,000,000 (Note 4) (附註4)	—	7.01%
(14) MAK Siu Hang Viola 麥少嫻	Interests of controlled corporation(s) 受控法團權益	400,000,000	—	7.01%
(15) VMS Investment Group Ltd.	Beneficial owner 實益擁有人	400,000,000	—	7.01%

Notes:

附註：

- 475,816,993 Shares are held by Neo Summit, which is owned by (a) Pinnacle State Real Estate Limited as to 28.89%; (b) Summit View as to 13.33%; (c) Jones Capital Investments Limited as to 28.89%; and (d) Becl World Holding Ltd as to 28.89%. Pinnacle State Real Estate Limited is indirectly wholly-owned by Dr. WONG Ying Wai ("Dr. WONG"), a former director of the Company. Jones Capital Investments Limited is wholly-owned by Ms. MA. As such, Neo Summit is deemed to be a controlled corporation of Dr. WONG and Ms. MA under the SFO.
 - 991,041,796 Shares are held by Summit View, which is owned as to 50% by Dr. WONG and 50% by Ms. MA. As such, Summit View is deemed to be a controlled corporation of Dr. WONG and Ms. MA under the SFO.
- As disclosed in (i) the announcement of the Company dated 15 May 2014, Hsin Chong Property Holdings Limited (a wholly-owned subsidiary of the Company) as the Purchaser entered into the Acquisition Agreement with Rich Century (a company wholly-owned by Mr. LIN) as the Vendor and Mr. LIN as the warrantor regarding a very substantial acquisition in relation to the acquisition of a property development project in the PRC; and (ii) the announcement of the Company dated 4 November 2014, a Supplemental Agreement was entered into amongst the same parties. As part of the consideration of the Acquisition Agreement, the Company may issue to Rich Century CPSs which can be converted into Shares in the Company.

As disclosed in the announcement of the Company dated 8 January 2015 in relation to the issuance of CPSs as part of the consideration, the total number of CPSs (issued or which may be issued) to Rich Century and which can be converted into Shares is 6,253,829,151. Upon issue of certain number of CPSs to Rich Century on 8 January 2015, it then disposed 1,855,563,322 CPSs on the same date. Therefore, as of 30 June 2015, Rich Century held 4,398,265,830 CPSs (rounding difference included).

- 新峰持有475,816,993股股份，並由以下各方(a)峻炫地產有限公司擁有28.89%；(b)峰景擁有13.33%；(c) Jones Capital Investments Limited擁有28.89%；及(d) Becl World Holding Ltd擁有28.89%。峻炫地產有限公司由本公司之前董事王英偉博士(「王博士」)間接全資擁有。Jones Capital Investments Limited由馬女士全資擁有。因此，根據證券及期貨條例，新峰被視為王博士及馬女士之受控法團。
 - 峰景持有991,041,796股股份，並由王博士及馬女士各自擁有50%。因此，根據證券及期貨條例，峰景被視為王博士及馬女士之受控法團。
- 誠如(i)本公司日期為2014年5月15日之公告所披露，新昌地產控股有限公司(本公司一間全資擁有附屬公司)(作為買方)與利世發展(一間由林先生全資擁有之公司)(作為賣方)及林先生(作為擔保人)就有關收購一項位於中國之物業發展項目之非常重大收購事項訂立收購協議；及(ii)本公司日期為2014年11月4日之公告所披露，相同之訂約方訂立補充協議。作為收購協議代價之一部分，本公司可向利世發展發行可轉換優先股，其可轉換為本公司股份。

誠如本公司日期為2015年1月8日內容有關發行可轉換優先股作為部分代價之公告所披露，已向或可向利世發展發行之可轉換優先股總數為6,253,829,151股，均可轉換為股份。於2015年1月8日向利世發展發行若干數目之可轉換優先股後，其於同日出售1,855,563,322股可轉換優先股。因此，於2015年6月30日，利世發展持有4,398,265,830股可轉換優先股(四捨五入之差異)。

As further disclosed in the announcements of the Company dated 30 June 2015, 15 January 2016 and 26 April 2016 respectively in relation to the issuance of CPSs as part of the consideration, Rich Century was further allotted by the Company 1,095,042,146 CPSs, 259,263,039 CPSs and 295,833,333 CPSs on 8 July 2015, 15 January 2016 and 26 April 2016 respectively. Rich Century then disposed 1,095,042,146 CPSs, 259,263,039 CPSs, 280,000,000 CPSs and 15,833,333 CPSs on 15 July 2015, 19 January 2016, 29 April 2016 and 31 May 2016 respectively. Therefore, as at 30 June 2018, Rich Century held 2,704,166,666 CPSs.

(b) Rich Century, being a company wholly-owned by Mr. LIN, is deemed to be a controlled corporation of Mr. LIN under the SFO. Ms. MA is the spouse of Mr. LIN and is deemed to be interested in the aforesaid 1,466,858,789 Shares under the SFO.

- There were 5,706,670,104 Shares in issue as at 30 June 2018.
- As of 30 June 2018, 400,000,000 Shares are held by Chow Tai Fook Nominee Limited, which is owned by Chow Tai Fook (Holding) Limited as to 99.80%. Chow Tai Fook (Holding) Limited is owned by Chow Tai Fook Capital Limited as to 78.58%. Chow Tai Fook Capital Limited is in turn owned by (a) Cheng Yu Tung Family (Holdings) Limited as to 48.98% and (b) Cheng Yu Tung Family (Holdings II) Limited as to 46.65%.

Save as disclosed above, as at 30 June 2018, the Directors were not aware of any persons/entities (other than a Director or chief executive of the Company) who/which had or were deemed or taken to have any other interests or short positions in Shares or underlying shares of the Company as recorded in the Register of Substantial Shareholders required to be kept by the Company pursuant to under section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018.

Review of Interim Financial Information

The unaudited condensed consolidated interim financial information of the Company for the Period has been reviewed by the Company's external auditor, BDO Limited ("BDO"), in accordance with the HKAS 34 "Interim Financial Reporting" issued by the HKICPA.

The Audit Committee of the Company comprises four members, namely, Mr. CHENG Sui Sang (chairman of the Audit Committee), Mr. CHUI Kwong Kau, Mr. George YUEN Kam Ho, Mr. LAI Chik Fan (resigned with effect from 14 May 2018) and Dr. LO Wing Yan William (appointed with effect from 28 June 2018). The Audit Committee together with the participation of the management and the external auditor of the Company, BDO, have reviewed the unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2018.

誠如本公司日期分別為2015年6月30日、2016年1月15日及2016年4月26日內容有關發行可轉換優先股作為部分代價之公告所進一步披露，利世發展分別於2015年7月8日、2016年1月15日及2016年4月26日獲本公司進一步配發1,095,042,146股、259,263,039股及295,833,333股可轉換優先股。利世發展其後分別於2015年7月15日、2016年1月19日、2016年4月29日及2016年5月31日出售1,095,042,146股、259,263,039股、280,000,000股及15,833,333股可轉換優先股。因此，於2018年6月30日，利世發展持有2,704,166,666股可轉換優先股。

(b) 根據證券及期貨條例，利世發展（林先生全資擁有之公司）被視為林先生之受控法團。馬女士為林先生的配偶，故根據證券及期貨條例被視為於上述1,466,858,789股股份中擁有權益。

- 於2018年6月30日，已發行股份為5,706,670,104股。
- 於2018年6月30日，周大福代理人有限公司持有400,000,000股股份，其99.80%屬Chow Tai Fook (Holding) Limited持有。而Chow Tai Fook Capital Limited則於Chow Tai Fook (Holding) Limited持有78.58%股股份，而Chow Tai Fook Capital Limited由以下各方(a) Cheng Yu Tung Family (Holdings) Limited擁有48.98%及(b) Cheng Yu Tung Family (Holdings II) Limited擁有46.65%。

除上文所披露者外，於2018年6月30日，董事並無獲悉任何人士／實體（本公司董事或行政總裁除外）於本公司股份或相關股份中擁有或被視為或當作擁有記錄於本公司根據證券及期貨條例第336條須存置之主要股東登記冊之任何其他權益或淡倉。

購買、出售或贖回本公司之上市證券

截至2018年6月30日止六個月，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

審閱中期財務資料

本公司於本期間之未經審核簡明綜合中期財務資料已經由本公司外聘核數師香港立信德豪會計師事務所有限公司（「香港立信德豪會計師事務所」）按照香港會計師公會頒佈之香港會計準則第34號《中期財務報告》進行審閱。

本公司審核委員會由4名成員組成，包括鄭瑞生先生（審核委員會主席）、崔光球先生、袁金浩先生、賴焯藩先生（於2018年5月14日起辭任）及盧永仁博士（自2018年6月28日起獲委任）。本公司截至2018年6月30日止六個月之未經審核簡明綜合中期財務資料，已由審核委員會連同管理層及本公司外聘核數師香港立信德豪會計師事務所一併審閱。

Compliance with the Model Code for Securities Transactions by Directors

The Board has adopted the Model Code as set out in Appendix 10 to the Listing Rules (as amended from time to time by the Stock Exchange) as its own code of conduct for regulating securities transactions by the Directors. Having been made specific enquiries by the Company, all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the six months ended 30 June 2018.

Changes in Directors' Biographical Details

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in directors' biographical details since the date of the 2017 annual report of the Company are set out as follows:

Mr. WANG Guozhen

- was appointed as an Executive Director and Vice Chairman with effect from 3 September 2018

Mr. George YUEN Kam Ho

- was redesignated from a chairman of Corporate Governance Committee to a member of Corporate Governance Committee with effect from 3 September 2018

Dr. LAM Lee G.

- was appointed as an Independent Non-executive Director and a member of Nomination Committee and Remuneration Committee with effect from 17 May 2018
- resigned as an Independent Non-executive Director of Xi'an Haitiantian Holdings Company Limited, a company listed on the GEM of the Stock Exchange (Stock Code: 8227) with effect from 23 July 2018
- was appointed as an Independent Non-executive Director of Mingfa Group (International) Company Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 846) with effect from 1 September 2018
- was appointed as a chairman of Risk Management Committee and a member of Audit Committee and Corporate Governance Committee with effect from 3 September 2018

Dr. LO Wing Yan William, JP

- was appointed as an Independent Non-executive Director and a member of Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee and Corporate Governance Committee with effect from 28 June 2018
- was appointed as a chairman of Corporate Governance Committee with effect from 3 September 2018

Mr. LAI Chik Fan

- resigned as an Independent Non-executive Director, a chairman of Risk Management Committee and a member of Audit Committee, Nomination Committee, Remuneration Committee and Corporate Governance Committee with effect from 14 May 2018

遵守董事進行證券交易的標準守則

董事會已採納由聯交所不時修訂的上市規則附錄十所載標準守則作為其自身規管董事進行證券交易之操守準則。經本公司作出特定查詢後，所有董事均確認彼等於截至2018年6月30日止六個月內一直遵守標準守則所規定之標準。

董事履歷詳情之變更

根據上市規則第13.51B(1)條，自本公司2017年年報刊載日期起之董事履歷詳情變更載列如下：

王國鎮先生

- 由2018年9月3日起獲委任為執行董事及副主席

袁金浩先生

- 由2018年9月3日起由企業管治委員會主席改任為企業管治委員會成員

林家禮博士

- 由2018年5月17日起獲委任為獨立非執行董事及提名委員會及薪酬委員會成員
- 由2018年7月23日起辭任西安海天實業股份有限公司（於聯交所GEM上市，股份代號：8227）的獨立非執行董事
- 由2018年9月1日起獲委任為明發集團（國際）有限公司（於聯交所主板上市，股份代號：846）的獨立非執行董事
- 由2018年9月3日起獲委任為風險管理委員會主席及審核委員會及企業管治委員會成員

盧永仁博士，太平紳士

- 由2018年6月28日起獲委任為獨立非執行董事及審核委員會、薪酬委員會、提名委員會、風險管理委員會及企業管治委員會成員
- 由2018年9月3日起獲委任為企業管治委員會主席

賴焯藩先生

- 由2018年5月14日起辭任獨立非執行董事、風險管理委員會主席及審核委員會、提名委員會、薪酬委員會及企業管治委員會成員

Other Information

其他資料

Updated biographical details of the Company's directors are also available on the website of the Company.

Save as disclosed above, there is no other change of directors' biographical details required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Compliance with Corporate Governance Code

The Company has applied the principles of the code provisions and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules.

During the six months ended 30 June 2018, the Company complied with all code provisions of the CG Code, except the following deviation:

Code provision A.6.7 of the CG Code provides that Independent Non-executive Directors and other Non-executive Directors should attend general meetings and develop a balanced understanding of the views of the Shareholders. Due to the other important business engagements, all Non-executive Directors (including Independent Non-executive Directors) were not able to attend the annual general meeting held by the Company on 27 June 2018.

Connected transactions

As stated in the 2016 Annual Report, the Group entered into a series of transactions and provide financial assistance to entities associated with a former executive director, Mr. Zhou Wei, which constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

The Company had omitted to comply with the reporting, announcement and independent Shareholders' approval requirements of Rule 14A.35 of the Listing Rules and failed to announce the provisions of financial assistance to the connected entities at the time of the execution of the relevant agreements at the material time.

As additional time is required to prepare and finalise the contents of the Circular and the letter of advice from the independent financial adviser, the Company expects that the despatch of the Circular will be postponed to a later date.

Details of the connected transactions with respect to the provision of financial assistance by the Company mentioned above are set out in the announcements of the Company dated 30 March 2017, 24 April 2017, 28 June 2017, 28 August 2017, 30 October 2017, 28 December 2017, 28 February 2018, 2 May 2018, 29 June 2018 and 31 August 2018 in respect of the delay in despatch of the circular in relation to the aforesaid connected transactions.

本公司董事最新之履歷詳情亦載列於本公司網站。

除上文所披露者外，董事履歷詳情概無其他變更須根據上市規則第13.51B(1)條作出披露。

遵守企業管治守則

本公司已應用上市規則附錄十四所載之《企業管治守則》（「企業管治守則」）守則條文和若干建議最佳常規之原則。

於截至2018年6月30日止六個月內，本公司已遵守企業管治守則之所有守則條文，惟下列偏離者除外：

企業管治守則第A.6.7條守則條文規定，獨立非執行董事及其他非執行董事應出席股東大會，並對股東的意見有公正的了解。因須處理其他要務，所有非執行董事（包括獨立非執行董事）均未能出席本公司於2018年6月27日舉行之股東周年大會。

關連交易

誠如2016年年報所載，本集團已訂立一系列交易及向與一名前任執行董事周煒先生有關聯的實體提供財務資助，構成本公司於上市規則第14A章項下的關連交易。

本公司由於疏忽過失未能遵守上市規則第14A.35條項下的報告、公告及獨立股東批准規定，亦未能於簽立相關協議的重要時刻公佈向關連實體提供財務資助。

由於需要額外時間編製及落實通函內容及獨立財務顧問意見函件，本公司預期將延後寄發通函的日期。

有關上述本公司提供財務資助的關連交易詳情載於本公司日期為2017年3月30日、2017年4月24日、2017年6月28日、2017年8月28日、2017年10月30日、2017年12月28日、2018年2月28日、2018年5月2日、2018年6月29日及2018年8月31日之公告，內容均有關延遲寄發上述關連交易相關的通函。

Auditor's Disclaimer of Conclusion

As disclosed in sections headed "Basis of Disclaimer of Conclusion" and "Disclaimer of Conclusion" in Report on Review of Interim Condensed Consolidated Financial Statements For The Six Months Ended 30 June 2018 contained on pages 63 to 70 of this interim report, the auditor of the Company (the "Auditor") did not express a conclusion on the condensed consolidated interim financial statements of the Group for the period ended 30 June 2018 as a result of certain matters, including: (1) Multiple uncertainties relating to going concern; and (2) Transactions and balances relating to Mr. Zhou Wei and his related entities.

Composition of the Board of Directors

Pursuant to Rule 3.10A of the Listing Rules, the Company must appoint Independent Non-executive Directors representing at least one-third of the Board.

As Ms. LEE Jai Ying and Mr. LAI Chik Fan resigned as Independent Non-executive Directors on 13 March 2018 and 14 May 2018 respectively, the number of Independent Non-executive Directors of the Board has fallen below the minimum number required under Rule 3.10(1) and Rule 3.10A of the Listing Rule. With the appointments of Dr. LAM Lee G. and Dr. LO Wing Yan William as Independent Non-executive Directors on 17 May 2018 and 28 June 2018 respectively, the number of the Independent Non-executive Directors has fulfilled with the minimum number required under Rule 3.10(1) and Rule 3.10A of the Listing Rule.

However, with the appointment of Mr. WANG Guozhen as Executive Director with effect from 3 September 2018, the number of Independent Non-executive Directors of the Board has fallen below the minimum number required under Rule 3.10A of the Listing Rule.

The Company will seek a suitable candidate to fill the expected replacement to be appointed within three months from 3 September 2018 pursuant to Rule 3.11 of the Listing Rules. The Company will make further announcement as and when appropriate.

Prospects

The Board will closely work with professional parties on the application for the resumption of trading of the Company's shares on the Stock Exchange in the near future and strive for the best return to the shareholders of the Company.

核數師不發表結論

誠如本中期報告第63至70頁所載截至2018年6月30日止六個月中期簡明綜合財務報表之審閱報告中「不發表結論之基礎」及「不發表結論」章節所披露，由於若干事項，包括：(1)有關持續經營的多項不明朗因素；及(2)有關周煒先生及其關聯實體的交易及結餘，本公司核數師（「核數師」）並無就本集團截至2018年6月30日止期間之簡明綜合中期財務報表發表結論。

董事會之組成

根據上市規則第3.10A條，本公司必須委任至少佔董事會成員人數三分之一的獨立非執行董事。

由於李嘉音女士及賴焯藩先生分別於2018年3月13日及2018年5月14日辭任獨立非執行董事一職，董事會獨立非執行董事的人數少於上市規則第3.10(1)條及第3.10A條項下規定的最低人數。隨著分別於2018年5月17日及2018年6月28日委任林家禮博士及盧永仁博士為獨立非執行董事，獨立非執行董事的人數已符合上市規則第3.10(1)條及第3.10A條項下規定的最低人數。

然而，隨著王國鎮先生自2018年9月3日獲委任為執行董事，董事會獨立非執行董事人數少於上市規則第3.10A條項下規定的最低人數。

本公司將物色合適人選填補空缺，預期替代人選將根據上市規則第3.11條自2018年9月3日起計三個月內獲委任。本公司將於適當時候作出進一步公告。

前景

在申請本公司股份在不久將來於聯交所恢復買賣的事宜上，董事會將與專業人士緊密合作，並竭力為本公司股東爭取最佳回報。

Corporate Information

公司資料

Board of Directors 董事會

LIN Zhuo Yan[#]
(Non-executive Chairman)
林卓延 (非執行主席)[#]
WANG Guozhen^{***}
(Vice Chairman)
王國鎮 (副主席)^{***}
Joseph CHOI Kin Hung[#]
(Chief Executive Officer)
蔡健鴻 (行政總裁)[#]
Wilfred WU Shek Chun[#]
(Chief Risk Officer)
鄔碩晉[#]
Eric TODD[#]
達振標[#]
YAN Jie[#]
閻傑[#]
CHEN Lei[#]
陳磊[#]
CHUI Kwong Kau[#]
崔光球[#]
LUI Chun Pong[#]
呂振邦[#]
CHENG Sui Sang^{###}
鄭瑞生^{###}
George YUEN Kam Ho^{###}
袁金浩^{###}
LAM Lee G. ^{###}[△]
林家禮^{###}[△]
LO Wing Yan William^{###}[△]
盧永仁^{###}[△]
[#] Executive Director
[#] 執行董事
[#] Non-executive Director
[#] 非執行董事
^{###} Independent Non-executive Director
^{###} 獨立非執行董事

Audit Committee 審核委員會

CHENG Sui Sang (Chairman)
鄭瑞生 (主席)
CHUI Kwong Kau
崔光球
George YUEN Kam Ho
袁金浩
LAM Lee G. ^{**}
林家禮^{**}
LO Wing Yan William [△][△]
盧永仁[△][△]

Remuneration Committee 薪酬委員會

CHENG Sui Sang (Chairman)
鄭瑞生 (主席)
Joseph CHOI Kin Hung
蔡健鴻
Wilfred WU Shek Chun
鄔碩晉
George YUEN Kam Ho
袁金浩
LAM Lee G. [△]
林家禮[△]
LO Wing Yan William [△][△]
盧永仁[△][△]

Nomination Committee 提名委員會

George YUEN Kam Ho (Chairman)[°]
袁金浩 (主席)[°]
Joseph CHOI Kin Hung
蔡健鴻
LUI Chun Pong
呂振邦
LAM Lee G. [△]
林家禮[△]
LO Wing Yan William [△][△]
盧永仁[△][△]

Executive Committee 執行委員會

Joseph CHOI Kin Hung
蔡健鴻
Wilfred WU Shek Chun
鄔碩晉
Eric TODD
達振標

Company Secretary 公司秘書

YAO Yan Ping Francis [△][△]
姚恩平[△][△]

Risk Management Committee 風險管理委員會

LAM Lee G. (Chairman) ^{**}
林家禮 (主席)^{**}
CHENG Sui Sang[△]
鄭瑞生[△]
George YUEN Kam Ho[△]
袁金浩[△]
LO Wing Yan William[△][△]
盧永仁[△][△]

Corporate Governance Committee 企業管治委員會

LO Wing Yan William (Chairman) ^{**}
盧永仁 (主席)^{**}
CHENG Sui Sang[△]
鄭瑞生[△]
George YUEN Kam Ho[△]
袁金浩[△]
LAM Lee G. ^{**}
林家禮^{**}

Auditor 核數師

BDO Limited
香港立信德豪會計師事務所有限公司

Principal Bankers 主要往來銀行

The Hongkong and Shanghai
Banking Corporation Limited
香港上海滙豐銀行有限公司

Reference Banks* 往來銀行*

Banco Well Link, S.A.
立橋銀行股份有限公司
Bank of China (Hong Kong) Limited
中國銀行(香港)有限公司
Bank of China Limited Macau Branch
中國銀行股份有限公司澳門分行
Bank of Communications Co., Ltd.
Hong Kong Branch
交通銀行股份有限公司香港分行
East West Bank
華美銀行
Industrial and Commercial Bank of
China (Asia) Limited
中國工商銀行(亞洲)有限公司
Nanyang Commercial Bank, Limited
南洋商業銀行有限公司
The Bank of East Asia, Limited
東亞銀行有限公司

* In alphabetical order
* 按字母順序

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Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda

Principal Place of Business in Hong Kong 香港主要營業地點

Hsin Chong Center
107-109 Wai Yip Street
Kwun Tong, Kowloon, Hong Kong
香港九龍觀塘
偉業街107-109號
新昌中心

Principal Share Registrar and Transfer Agent 主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar and Transfer Agent 香港股份過戶登記分處

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716
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183 Queen's Road East
Wan Chai, Hong Kong
香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

Stock Code 股份代號

00404

Board Lot 每手買賣單位

2,000 shares
2,000股

Website 網址

www.hsinchong.com

Email Address 電郵地址

info@hcg.com.hk

- [^] with effect from 13 March 2018 自2018年3月13日生效
[°] with effect from 23 March 2018 自2018年3月23日生效
[△] with effect from 17 May 2018 自2018年5月17日生效
[△][△] with effect from 28 June 2018 自2018年6月28日生效
^{**} with effect from 3 September 2018 自2018年9月3日生效



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