



DREAM EAST
梦东方

DreamEast Group Limited **夢東方集團有限公司**

(Incorporated in Bermuda with limited liability and carrying on business in Hong Kong as "DreamEast Cultural Entertainment")
(於百慕達註冊成立之有限公司，並以「夢東方文化娛樂」名稱於香港經營業務)
(Stock Code 股份代號：593)



**SHARE THE BEAUTY OF
CHINA WITH THE WORLD**
全球共享東方之美

Interim Report
中期報告 **2018**



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Zhou Zheng
Executive Director, Chairman and Chief Executive Officer

Lam Yu Yee, Benjamin
Executive Director and Vice Chairman

Yang Lei
Executive Director

Chan Tak Kwong (resigned on 31 May 2018)
Executive Director and Chief Financial Officer

Li Chak Hung
Independent Non-Executive Director

Meng Xiaosu
Independent Non-Executive Director

Yang Buting
Independent Non-Executive Director

Zhao Daxin
Independent Non-Executive Director

AUDIT COMMITTEE

Li Chak Hung *Chairman*

Meng Xiaosu

Yang Buting

Zhao Daxin

REMUNERATION COMMITTEE

Li Chak Hung *Chairman*

Meng Xiaosu

Yang Buting

Zhao Daxin

NOMINATION COMMITTEE

Zhou Zheng *Chairman*

Li Chak Hung

Meng Xiaosu

Yang Buting

Zhao Daxin

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

China Construction Bank Corporation

Industrial and Commercial Bank of China

Hengfeng Bank

Bank of Beijing

董事會

周政
執行董事、主席兼行政總裁

林裕兒
執行董事兼副主席

楊蕾
執行董事

陳德光 (於2018年5月31日辭任)
執行董事兼首席財務官

李澤雄
獨立非執行董事

孟曉蘇
獨立非執行董事

楊步亭
獨立非執行董事

趙大新
獨立非執行董事

審核委員會

李澤雄 *主席*

孟曉蘇

楊步亭

趙大新

薪酬委員會

李澤雄 *主席*

孟曉蘇

楊步亭

趙大新

提名委員會

周政 *主席*

李澤雄

孟曉蘇

楊步亭

趙大新

主要往來銀行

香港上海滙豐銀行有限公司

中國建設銀行股份有限公司

中國工商銀行

恒豐銀行

北京銀行

**REGISTERED OFFICE**

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

10/F, COFCO Tower,
262 Gloucester Road,
Causeway Bay, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

COMPANY SECRETARY

Sze Wing Kin, Pierre

AUTHORISED REPRESENTATIVES

Sze Wing Kin, Pierre
Zhou Zheng

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

SOLICITORS

P.C. Woo & Co.
Conyers Dill & Pearman

STOCK CODE

593

INVESTOR RELATIONS DEPARTMENT OF THE COMPANY

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合和中心22樓

公司秘書

施永健

授權代表

施永健
周政

核數師

德勤•關黃陳方會計師行
執業會計師

律師

胡百全律師事務所
Conyers Dill & Pearman

股份代號

593

公司投資者關係部

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SHAREHOLDERS' REFERENCE 股東參考資料

LISTING PLACE

Main Board of The Stock Exchange of Hong Kong Limited

INVESTOR RELATIONS AND MEDIA CONTACT

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FINANCIAL YEAR END

31 December

FINANCIAL CALENDER

Annual Results Announcement Date
29 March 2018

Interim Results Announcement Date
31 August 2018

ANNUAL GENERAL MEETING

1 June 2018

上市地點

香港聯合交易所有限公司主板

投資者關係及媒體聯絡

縱橫財經公關顧問(中國)有限公司

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財務年結

12月31日

財務日誌

全年業績公佈日期
2018年3月29日

中期業績公佈日期
2018年8月31日

股東週年大會

2018年6月1日

I am pleased to present the interim results of DreamEast Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2018 (the “period under review”). During the period under review, the Group recorded total revenue of approximately HK\$90.3 million, a decrease of HK\$957.7 million or 91.4% compared to approximately HK\$1,048.0 million for the corresponding period in 2017. The drop in revenue mainly resulted from the decrease in revenue from property development in Fangshan, Beijing, the People’s Republic of China (“PRC”). The Group’s results for the period under review recorded a net profit of HK\$191.7 million (six months ended 30 June 2017: HK\$163.1 million), an increase of HK\$28.6 million or 17.5%. Such increase mainly resulted from the gain on fair value change of investment properties of HK\$437.8 million for the current period (six months ended 30 June 2017: HK\$16.5 million).

As at 30 June 2018, the equity attributable to the owners of the Company amounted to approximately HK\$3,199.2 million, representing an increase of approximately HK\$162.2 million from that of 31 December 2017.

The Board has decided not to pay an interim dividend.

BUSINESS REVIEW

FOCUS ON DEVELOPMENT OF CULTURAL ENTERTAINMENT BUSINESS

The Group focuses on its core products of tourist resorts and films and animations. Adhering to original designs, craftsman spirit and the all-IP development concept, it aims to create unique and exquisite works. With the vision of “Share the Beauty of China with the World (全球共享東方之美)”, DreamEast Group commits to the development approach of “Innovation and Globalization (創新•全球化)” which integrates Chinese history, humanities, art, aesthetics and fashion into its works, and creates unique life experience for customers with its oriental craftsman spirit.

The Group changed the company name to “DreamEast Group Limited” in mid-2017 and has since focused on the development of cultural entertainment business, which has achieved considerable progress at present. Three tourist resort projects of the Group, namely Hengyang DreamEast Resort, DreamEast Jiashan and DreamEast Suzhou are under construction as scheduled. The management believes that these projects will become important income sources for the Group after being put into sale and use formally.

本人欣然提呈夢東方集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至2018年6月30日止6個月(「回顧期」)之中期業績。於回顧期內，本集團錄得總收入約90.3百萬港元，較2017年同期約1,048.0百萬港元減少957.7百萬港元或91.4%。收入減少主要是由於中華人民共和國(「中國」)北京房山之物業發展之收入減少所致。本集團於回顧期內錄得溢利淨額191.7百萬港元(截至2017年6月30日止6個月：163.1百萬港元)，同比增長28.6百萬港元或17.5%。上述增長主要歸屬於本期投資物業之公允價值變動收益437.8百萬港元(截至2017年6月30日止6個月：16.5百萬港元)。

於2018年6月30日，本公司擁有人應佔權益約為3,199.2百萬港元，較2017年12月31日增加約162.2百萬港元。

董事會決定不派付中期股息。

業務回顧

專注發展文化娛樂業務

本集團專注於旅遊度假區、影視動畫兩大核心產品，堅持原創與匠心，堅持全IP發展理念，堅持創作獨一無二的極致作品。夢東方集團以「全球共享東方之美」為願景，秉承「創新•全球化」的發展理念，把中國的歷史、人文、藝術、美學、時尚等融入作品當中，以東方的匠心精神為客戶創造獨特的生活體驗。

本集團自2017年年中更改公司名稱為「夢東方集團有限公司」以來，專注發展文化娛樂業務，目前相關業務已取得相當進展。本集團旗下三個旅遊度假區項目，即衡陽夢東方旅遊度假區項目、夢東方夢幻嘉善項目、夢東方夢幻蘇州項目，亦正處於如期建設中。管理層相信，待該等項目正式投入銷售及使用後，將成為本集團重要之收入來源。

CHAIRMAN'S STATEMENT

主席報告

During the period under review, the principal activities of the Group included development and operation of cultural tourist resorts and theme parks under the brand of "DreamEast", movie and television culture, property development and leasing and other businesses.

Hengyang DreamEast Resort

The Hengyang DreamEast Resort is situated in Hengyang City, Hunan Province, the PRC. It is at the south of Mount Heng and is surrounded by time-honoured cultural heritage and magnificent natural landscape, where the Huxiang Culture originated. The project is conveniently located and approximately 20 minutes of drive from the city center. By taking High-Speed Rail, it takes around 40 minutes to travel to Changsha, the capital city of Hunan Province, and nearly 2.5 hours to Shenzhen.

The Hengyang DreamEast Resort is to be developed into "Four Towns and Five Parks". Comprising the cultural town, the science and technology town, the forest town and the agricultural town as the Four Towns, the resort will specially construct five theme parks, namely the DreamEast Adventure Park, Fantasy Waterpark, Pets Kingdom, Agricultural Cultural Park and International Sports Park. The project will facilitate the new tourism landscape dominated by "Mount Heng in the north and DreamEast in the south". It will become a national example of the coordinated development of the three industry sectors and industry-city integration, presenting the world a city of Hunan's rich culture. The Hengyang DreamEast Resort has been included in the "Key Construction Projects in Hunan Province" as an "all-for-one tourism" project.

The Hengyang DreamEast Resort will be developed in phases. The Fantastic Hunan Town (夢裡故湘古鎮) in Phase 1 will embrace Hunan's core academic culture, water transport culture and religious culture in the construction of an international cultural tourism town originated from Hunan culture integrating natural landscape, marvelous architecture and business prosperity. With a rich architectural layout for yards, it integrates the ecological landscape with the old town perfectly and revitalizes the charm of Hunan, making the most valuable Hunan-originated culture in China as a lifestyle for the whole world.

In July 2017, the Group succeeded in the bid of the land with a site area of approximately 330,000 square metres at a consideration of RMB131 million, for the development of Phase 1 of the Hengyang DreamEast Resort.

回顧期內，本集團之主要業務包括開發與運營「夢東方」品牌之文化旅遊度假區及主題樂園、影視文化、地產開發及租賃和其他業務。

衡陽夢東方旅遊度假區

衡陽夢東方旅遊度假區位於中國湖南省衡陽市，地處南岳衡山之南，歷史悠久的人文景觀和美麗的自然景觀遍佈，是湖湘文化發源之地。項目交通便捷，距離市中心約20分鐘車程；高鐵前往湖南省省會長沙市約40分鐘，前往深圳約2.5小時。

衡陽夢東方旅遊度假區整體規劃為「四鎮五園」。其中，「四鎮」包括文化小鎮、科技小鎮、森林小鎮和農耕小鎮，同時在四個主題小鎮中，重點打造五大主題公園，包括夢東方探險樂園、奇幻水世界、寵物王國、農耕文化公園、國際體育公園。項目將形成「北有衡山、南有夢東方」的旅遊新格局，成為中國一二三產聯動、產城融合發展的國家樣板，獻給世界一座湖湘文化記憶之城。衡陽夢東方旅遊度假區作為「全域旅遊」項目，已被列為「湖南省重點建設項目」。

衡陽夢東方旅遊度假區將分多期建設，其中項目一期的夢裡故湘古鎮選取湖湘書院文化、水運文化、宗教文化三大核心文化，打造集自然景觀、人文建築、繁華商業於一體的源自湖湘文化的國際人文旅遊小鎮，其中院落建築空間層次豐富，生態景觀與古鎮完美相融，再現湖湘古鎮神韻，將中國最精華的湖湘原生文化變成一種生活方式獻給世界。

於2017年7月，本集團以人民幣131百萬元成功競得面積約33萬平方米之土地，用以開發衡陽夢東方旅遊度假區項目一期。



The first Hunan Cuisine Museum of the country will be constructed in Phase 1 of the project, which will feature the Hunan cuisine culture and celebrate the development milestones and cultural origin of Hunan cuisine. On 20 June 2018, the global cuisine merchants conference of Fantastic Hunan Town in Hengyang DreamEast Resort was held in Hengyang, which gathered DreamEast Group, Hunan Cuisine Industry Association, leading figures in Hunan cuisine industry and a number of representatives from renowned cuisine enterprises together to witness the big event of Hunan cuisine industry.

In July 2018, the experience center of Hengyang DreamEast Resort was opened to the public. The experience center is situated in the north of the Fantastic Hunan Town in Hengyang DreamEast Resort, and it offers tourists with an artistic project display and communication platform full of memories of unique Hunan history and culture. The experience center fully demonstrates DreamEast Group's craftsman spirit and responsibilities of inheriting culture, mixing modern design with Hunan-style elements, such as horse-head wall and stone carving, resending the essence of the project to visitors in the atmosphere of Hunan culture.

項目一期將建設全國首家湘菜博物館，以三湘飲食文化流派為核心，展示湘菜演變發展的歷史沿革與文化淵源。2018年6月20日，衡陽夢東方旅遊度假區夢裡故湘古鎮餐飲全球招商推介會在衡陽舉行，夢東方集團、湖南省餐飲協會與湖南各地餐飲行業領軍人物及眾多知名品牌餐企代表齊聚一堂，共同見證這場湘菜界的盛會。

於2018年7月，衡陽夢東方旅遊度假區體驗中心已對外開放。體驗中心位於衡陽夢東方旅遊度假區夢裡故湘古鎮北部，將為遊客帶來一座極具湖湘人文記憶的藝術型項目展示及交流平台。體驗中心盡顯夢東方集團的極致匠心和傳承文化的責任擔當，於現代之設計中融入馬頭牆、石雕等充滿湖湘風情之元素，讓遊客置身湖湘文化中縱覽整個項目之精髓。



Photo of the experience center of Hengyang DreamEast Resort
衡陽夢東方旅遊度假區體驗中心實景圖

CHAIRMAN'S STATEMENT

主席報告

In August 2018, the DreamEast Shooting (Clay) Center with a site area of approximately 103 mu. in Hengyang DreamEast Resort passed the completion acceptance, and was opened to clay shooting athletes to practice shooting. At the end of August, the clay shooting match of the thirteenth sports game of Hunan province was held here.

DreamEast Jiashan

DreamEast Jiashan is located in Jiashan County, Jiaxing City, Zhejiang Province in Greater Shanghai, the PRC. In terms of comprehensive strength, Jiashan County is one of the top 100 counties in the PRC. Situated at the intersection of Jiangsu, Zhejiang and Shanghai, Jiashan is the core district of the Yangtze River Delta city cluster and the first connection between Zhejiang Province and Shanghai. DreamEast Jiashan is approximately 60 km southwest of Shanghai and in proximity to Jiashan South Station of the High-Speed Rail and Dayun Exit of the Shanghai-Hangzhou Express. It is also within the one-hour living circle covering Shanghai, Hangzhou and Suzhou, benefitting from its superior location and profound cultural heritage. Jiashan Dayun Chocolate Sweet Town, at which DreamEast Jiashan is located, was among the first batch of provincial special small towns in Zhejiang Province and was elected as the national special small town demonstrative project at the 2018 China Special Small Town Exhibition.

Combining highest good with the beauty of Jiangnan, DreamEast Jiashan integrates science and technology, culture, leisure, tourism, vacation and entertainment and is established as a water village that exhibits good and love.

In December 2016, the Group succeeded in the bid of the land with a site area of approximately 70,000 square metres at a consideration of approximately RMB65 million for the development of Phase 1 of the DreamEast Jiashan. Phase 1 of the DreamEast Jiashan is expected to be completed in 2019. Under the theme of the "city guesthouse", it integrates diversified businesses of theme parks (Valt the Wonder Deer Theme Park), children's theatres, unique family hotels (Hyatt Place Hotel) and special catering, with the aim of building a tourism destination loved by all family members in the Greater Shanghai region. The experience center of Phase 1 of the project is to be completed soon, and the structure of children's theatre and the Valt the Wonder Deer Theme Park has topped out.

於2018年8月，衡陽夢東方旅遊度假區內佔地面積約103畝的夢東方射擊（飛碟）中心完成竣工驗收，開放給飛碟射擊運動員在飛碟靶場內進行射擊訓練。8月底，湖南省第十三屆運動會飛碟射擊比賽在此打響。

夢東方夢幻嘉善

夢東方夢幻嘉善位於中國大上海地區的浙江省嘉興市嘉善縣。嘉善縣是全國綜合實力百強縣之一，位於江浙滬兩省一市交匯處，長三角城市群核心區域，是浙江省接軌上海第一站。夢東方夢幻嘉善位於上海西南約60公里，緊挨高鐵嘉善南站和滬杭高速大雲出口，一小時交通圈覆蓋上海、杭州、蘇州等地，地理位置優越，文化資源豐厚。夢東方夢幻嘉善所在的嘉善大雲巧克力甜蜜小鎮是浙江省第一批省級特色小鎮之一，並於2018中國特色小鎮博覽會上獲評為全國特色小鎮優秀示範案例。

夢東方夢幻嘉善以大善之風結合江南之美，集科技、文化、休閒、旅遊、度假、娛樂為一體，構築一座散發善與愛的人文之城，一座由江南生長而出的水韻之城。

於2016年12月，本集團以約人民幣65百萬元成功競得面積約7萬平方米之土地，用以開發夢東方夢幻嘉善項目一期。夢東方夢幻嘉善項目一期以「城市客廳」為主題，圍繞主題公園（鹿精靈主題樂園）、兒童劇院、親子特色酒店（凱悅嘉軒酒店）、特色餐飲等多元業態，旨在大上海地區打造一個合家歡式的旅遊度假目的地，預計於2019年落成。其中，項目一期之體驗中心即將完工，兒童劇院、鹿精靈主題樂園結構已封頂。



In November 2017, the Group succeeded in the bid of the land with a site area of approximately 243,000 square metres at a consideration of approximately RMB226 million, for the development of Phase 2 of the DreamEast Jiashan. Phase 2 of the project will build a water village that incorporates the millennia-old Wuyue culture. In July 2018, the Group entered into a cooperation agreement with Thomas Cook of the United Kingdom, the most time-honored travel agency in the world, pursuant to which, the high-end brand of resort hotel for parents and children, Sunwing, will set up in Phase 2 of the DreamEast Jiashan and become Thomas Cook's first self-owned brand hotel along with its launch in China.

於2017年11月，本集團以約人民幣226百萬元成功競得面積約24.3萬平方米之土地，用以開發夢東方夢幻嘉善項目二期，將打造以千年吳越文化為核心的江南水鄉。於2018年7月，本集團與全球歷史最悠久的旅行社英國托邁酷客集團(Thomas Cook)簽署合作協議，托邁酷客的高端家庭親子度假酒店晴樂灣品牌(Sunwing)將入駐夢東方夢幻嘉善二期，成為其落地中國的第一家自有品牌酒店。

CHAIRMAN'S STATEMENT

主席報告



DreamEast Suzhou

DreamEast Suzhou is located in the East Lake Taihu Ecotourism Resort, Wujiang, Suzhou City, Jiangsu Province in Greater Shanghai, the PRC. With over 4,000-year history, Suzhou is famous for its historical and cultural legacies. It has been praised and compared to the heaven since ancient times. DreamEast Suzhou is set along the picturesque Lake Taihu. Relying on the superb ecological resources of Lake Taihu, the project positions itself as the country's most stylish urban resort offering joy, energetic and informative experience in leisure, entertainment, sports and education.

夢東方夢幻蘇州

夢東方夢幻蘇州位於中國大上海地區的江蘇省蘇州市吳江東太湖生態旅遊度假區。蘇州建城逾4,000年，是歷史文化名城，自古享有「上有天堂、下在蘇杭」的美譽，而夢東方夢幻蘇州項目正坐落於美麗的太湖邊上。依託絕佳的太湖生態資源，以樂、動、智為核心，該項目將打造國內最時尚的集休閒、娛樂、體育、教育為一體的城市度假中心。

In December 2016, the Group succeeded in the bid of the land with a site area of approximately 26,000 square metres at a consideration of approximately RMB135 million, for the development of Phase 1 of the DreamEast Suzhou Project. Currently, this project has already commenced construction.

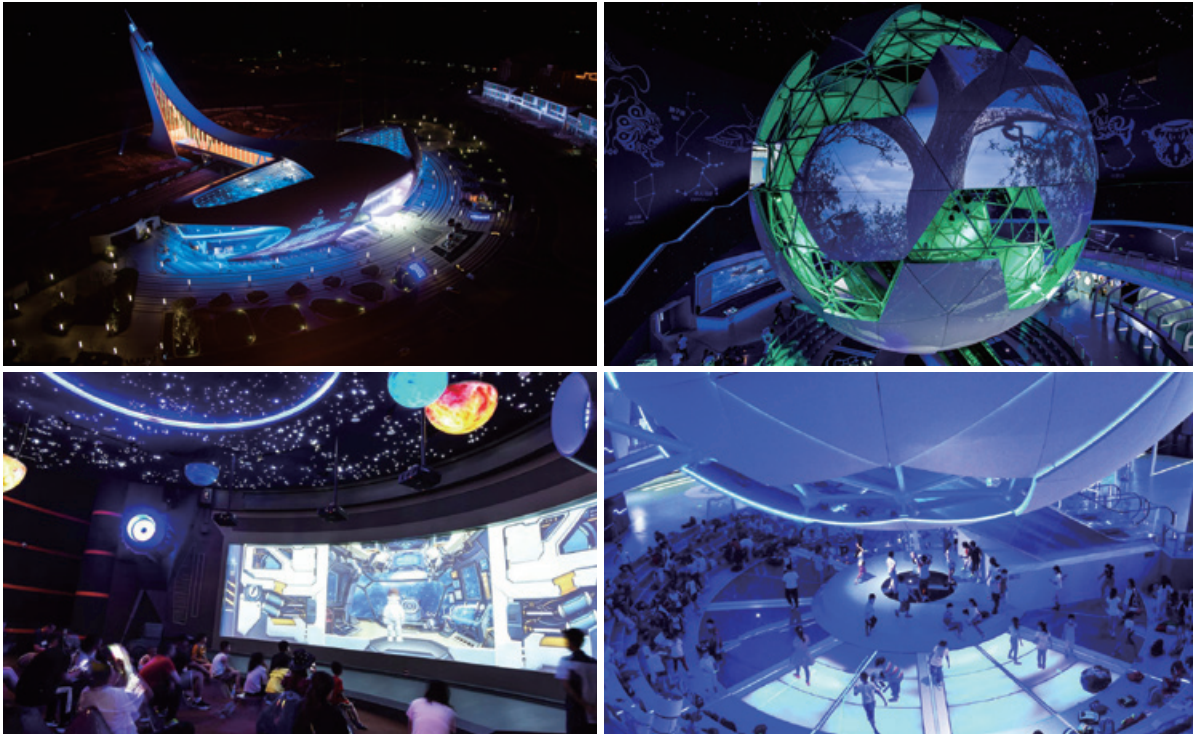
於2016年12月，本集團以約人民幣135百萬元競得面積約2.6萬平方米之土地，用以開發夢東方夢幻蘇州項目一期。目前該項目已開工建設。

DreamEast Future World Aerospace Theme Park

The DreamEast Future World Aerospace Theme Park is located at Yanjiao National High-Tech Industrial Development Area in East Beijing, within less than one-hour drive from Beijing's central business district. Being China's first and the world's second indoor park with an "aerospace" theme, the park was selected as one of the major cultural industry projects by the Ministry of Culture of the PRC in 2015 and included in the 2017 National List of Preferred Tourism Projects by the National Tourism Administration of the PRC. It was also recognised as an AAA Tourist Attraction of China in December 2017. There are more than 30 interactive science education and entertainment attractions in the DreamEast Future World Aerospace Theme Park, which enable visitors to learn and understand aerospace technology through exciting interactions. Combining aerospace technology exhibition, science education and interactive entertainment, the project truly releases the concept of "edutainment".

夢東方未來世界航天主題樂園

夢東方未來世界航天主題樂園位於北京東部燕郊國家高新技術產業開發區，從北京的中心商業區駕車前往僅需數十分鐘。夢東方未來世界航天主題樂園是中國首家及全球第二家以「航天」為主題之室內樂園，被中國文化部列為2015年文化產業重點項目之一，入選中國國家旅遊局2017年全國優選旅遊項目名錄，並於2017年12月被評定為國家AAA級旅遊景區。夢東方未來世界航天主題樂園設30多項高科技互動科普與娛樂項目，集航天科技展覽展示、科普教育、互動娛樂於一體，通過有趣的互動體驗，讓遊客學習和了解航天科技，實現寓教於樂。



The DreamEast Future World Aerospace Theme Park was opened in October 2015. In October 2017, the Group acquired the entire equity interest in DreamEast Future World (Sanhe) Entertainment Co., Ltd. ("Future World Operating Company") at a consideration of RMB6.0 million. Future World Operating Company is the operator of the DreamEast Future World Aerospace Theme Park.

During the period under review, Future World Operating Company generated revenue of approximately HK\$8.3 million.

DreamEast Galaxy Media

In April 2018, the Company acquired the 75% equity interest in DreamEast Galaxy Media (Beijing) Co., Ltd. ("DreamEast Galaxy Media") at a consideration of RMB7.5 million (equivalent to approximately HK\$9.2 million). DreamEast Galaxy Media is principally engaged in film and television program investment, production, promotion and publication and related advertisement, artist agency and intellectual properties development businesses. Leveraging the experience and publication network of DreamEast Galaxy Media and its management, Mr. Wang Xiaojun, the acquisition will help the Group to conduct its film and television program related business, and develop the same to be one of the businesses of the cultural entertainment development of the Group.

夢東方未來世界航天主題樂園於2015年10月開業。於2017年10月，本集團以代價人民幣600萬元收購夢東方未來世界（三河）娛樂有限公司（「未來世界營運公司」）全部股權。未來世界營運公司為夢東方未來世界航天主題樂園之營運商。

回顧期內，夢東方未來世界營運公司之收入為約8.3百萬港元。

夢東方星際傳媒

於2018年4月，本公司收購夢東方星際傳媒（北京）有限（「夢東方星際傳媒」）公司之75%股權，代價為人民幣75百萬元（相當於約9.2百萬港元）。夢東方星際傳媒主要從事投資、製作、推廣及發行電影及電視節目以及有關廣告、藝人經紀及知識產權發展業務。憑藉夢東方星際傳媒及其管理層王曉君先生之經驗及發行網絡，收購項目將有助本集團開展其電影及電視節目相關業務，作為本集團文化娛樂發展之業務之一。

CHAIRMAN'S STATEMENT

主席報告

Beijing Fangshan "COMB+" Project (the "Fangshan Project")

The Beijing Fangshan "COMB+" Project is located between the Southwest 5th and 6th Ring Roads in Beijing, the PRC, only 2 minutes' walk from Suzhuang Station on Fangshan Line of the Beijing Subway. In July 2014, the Group acquired 3 land parcels for the North, Central and South Zones of Phase 1 of the project at a total consideration of approximately HK\$3.3 billion. Phase 1 of the project occupies a total site area of approximately 113,000 square metres, with a gross floor area of approximately 410,000 square metres and a planned gross floor area of approximately 325,000 square metres. The project is the first large-scaled integrated community in the region. At present, the project is partially completed and available for sale and rent.

In the second half of 2017, the Beijing government implemented various adjustment measures to cool down the property market. In view of this, the Group accordingly suspended the construction and sales of the project. During the period under review, the Fangshan Project contributed HK\$71.5 million to the revenue of the Group. The management will keep abreast of the market trend and make timely adjustments to the marketing strategy, with the aim of maximising profitability and shareholders' returns.

OTHER BUSINESSES

"4th Generation SkyOcean City" Urban Complex (the "Qian'an Project")

The "4th Generation SkyOcean City" urban complex project is located in Qian'an City, Hebei Province, the PRC. It is planned to be developed into a multifunctional urban complex. The Qian'an Project has a total site area of approximately 225,000 square metres. At present, the Qian'an Project has a completed floor area of approximately 164,000 square metres, of which the shopping mall "SkyOcean Plaza" occupies 126,000 square metres.

During the period under review, the Group's revenue from the Qian'an Project amounted to approximately HK\$10.5 million.

北京房山超級蜂巢項目（「房山項目」）

北京房山超級蜂巢項目位於中國北京市西南五環、六環之間，由北京地鐵房山線蘇莊站步行2分鐘可達。項目一期之北區、中區及南區三塊土地為本集團於2014年7月以總代價約33億港元投得。項目一期總土地面積約11.3萬平方米，總建築面積約41萬平方米，規劃總樓面面積約32.5萬平方米。該項目是區內首個大型綜合社區。目前該項目已部分竣工並出售及出租。

2017年下半年，北京政府推出多項調控政策，使得當地之房地產市場熱度有所降溫，因此本集團作出相應調整，暫緩該項目之建設及銷售。於回顧期內，房山項目為本集團帶來之收益為71.5百萬港元。管理層將緊貼市場走勢，適時調整銷售策略，期望以增加獲利空間，為股東帶來最大回報。

其他業務

「天洋城4代」城市綜合項目（「遷安項目」）

「天洋城4代」城市綜合項目位於中國河北省遷安市，規劃發展成為多用途城市綜合體。遷安項目總土地面積約225,000平方米。目前，遷安項目已竣工建築面積約164,000平方米，其中126,000平方米為「天洋廣場」購物中心。

回顧期內，本集團來自遷安項目之收入為約10.5百萬港元。



Property Project in Irvine, California, U.S.A. (the “Irvine Project”)

In April 2016, the Group established a subsidiary in order to develop the project located in Irvine, California, U.S.A.. The Group invested US\$22.5 million and owned 90% interests of the subsidiary.

The Irvine Project has a planned gross floor area of 380,000 square feet, and will be used to construct 371 apartment units. During the period under review, the Irvine Project has started the preparation of the reconstruction project.

PROSPECTS

Following the change of name to “DreamEast”, the Group has established a clear positioning of focusing on the development of the cultural entertainment business. Given the tourist resort projects, including Hengyang DreamEast Resort, DreamEast Jiashan and DreamEast Suzhou, commenced construction, and to be completed construction and opened successively, as well as the acquisition of Future World Operating Company and DreamEast Galaxy Media, DreamEast Group is gradually expanding its cultural entertainment business. The Group has strategically launched its projects in three core areas of Greater Beijing, Greater Shanghai and Greater Shenzhen. These projects will be constructed and operated in several phases, some of which will be completed between 2019 and 2020 and are expected to contribute considerable income to the Group. With the progress of project development, the Group’s cultural entertainment business will enter a positive development stage in terms of leasing, operation, ticket income and self-developed IPs, and establish an ecosystem that centres on the cultural entertainment industry. In the future, DreamEast will inherit and innovate Chinese culture with its masterpieces, boost the profile of Chinese culture and connect the world through the culture.

美國加利福尼亞爾灣之地產項目（「爾灣項目」）

於2016年4月，本集團成立附屬公司，以開發美國加利福尼亞爾灣之項目。本集團對附屬公司投資22.5百萬美元，並擁有附屬公司90%之權益。

爾灣項目規劃總建築面積為380,000平方呎，將用於建造371個公寓單位。於回顧期內，爾灣項目已開始重建的前期工程。

展望

在完成更名「夢東方」後，本集團專注發展文化娛樂業務之定位已非常清晰。隨著衡陽夢東方旅遊度假區、夢東方夢幻嘉善、夢東方夢幻蘇州等項目相繼開工建設並將竣工開放，以及收購未來世界營運公司及夢東方星際傳媒，夢東方集團正不斷壯大其文化娛樂業務。本集團之項目戰略佈局於大北京、大上海、大深圳3大核心區域，由於規模較大將分多期建設及營運，部分內容相繼將於2019至2020年落成，預計將為集團帶來可觀的收入。隨著項目開發推進，本集團之文化娛樂業務將進入租賃、運營、門票收入以至發展自有IP等良性發展階段，構建以文化娛樂產業為核心的生態體系。未來，夢東方將通過優秀的作品傳承和創新中國文化，增強中國文化自信，並通過文化連通世界。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表之審閱報告

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF DREAMEAST GROUP LIMITED

夢東方集團有限公司

(incorporated in Bermuda with limited liability)

致夢東方集團有限公司

董事會

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of DreamEast Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 16 to 77, which comprise the condensed consolidated statement of financial position as of 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. 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 of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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.

引言

本核數師已審閱刊載於第16至77頁夢東方集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明合併財務報表,包括於2018年6月30日之簡明合併財務狀況表,及截至該日止6個月期間之相關簡明合併損益及其他綜合收益表、權益變動表及現金流量報表及若干解釋附註。香港聯合交易所有限公司證券上市規則要求編製中期財務資料報告時須遵守相關規定及香港會計師公會所頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈列該等簡明合併財務報表。本核數師之責任是根據審閱對該等簡明合併財務報表作出結論,並且本審閱報告是根據協定之委聘條款,僅向貴公司之董事會(作為一個團體)而出具,不應被用於其他任何目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。



SCOPE OF REVIEW

We conducted our review 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 Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

審閱範圍

本核數師已根據香港會計師公會頒佈之香港審閱工作準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。審閱該等簡明合併財務報表包括主要向負責財務和會計事務之人員作出詢問，並採用分析性覆核和其他審閱程序。審閱範圍遠少於根據香港審核準則進行審核之範圍，故不能令本核數師保證本核數師將知悉在審核中可能發現之所有重大事項。因此，本核數師不會發表審核意見。

結論

按照本核數師之審閱，本核數師並無發現任何事項，令本核數師相信簡明合併財務報表在所有重大方面未有根據香港會計準則第34號編製。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明合併損益及其他綜合收益表

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

		Six months ended 截至下列日期止6個月	
		30.6.2018 2018年 6月30日 HK\$'000 千港元	30.6.2017 2017年 6月30日 HK\$'000 千港元 (unaudited and restated) (未經審核 及經重列)
		NOTES 附註	
		(unaudited) (未經審核)	
Revenue	收入		
Sales of properties	物業銷售	62,547	1,036,868
Rental income	租金收入	19,430	5,749
Other services	其他服務	8,335	5,398
Total revenue	收入總額	90,312	1,048,015
Cost of sales and services	銷售及服務成本	(54,314)	(683,132)
Gross profit	毛利	35,998	364,883
Other gains and losses	其他收益及虧損	2,859	11,679
Other income	其他收入	2,382	6,026
Impairment loss of other receivables	其他應收款項減值虧損	-	(3,040)
Gain on fair value change of investment properties	投資物業公允價值變動之收益	437,753	16,478
Selling expenses	銷售費用	(24,715)	(34,595)
Administrative expenses	行政費用	(58,032)	(61,718)
Finance costs	財務費用	(90,739)	(72,685)
Profit before tax	除稅前溢利	305,506	227,028
Income tax expense	所得稅開支	(113,818)	(63,899)
Profit for the period	期內溢利	191,688	163,129
Other comprehensive (expense)/income:	其他綜合(開支)/收益:		
Item that will not be reclassified to profit or loss:	不會重分類至損益之項目:		
Exchange differences on translation to presentation currency	換算為呈列貨幣產生之匯兌差額	(37,318)	81,314
Item that may be reclassified subsequently to profit or loss:	其後或會重分類至損益之項目:		
Exchange differences on translation of foreign operations	換算海外業務財務報表產生之匯兌差額	1,792	(10,111)
		(35,526)	71,203

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明合併損益及其他綜合收益表

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

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	and restated)
		(未經審核)	(未經審核及經重列)
Total comprehensive income for the period	期內綜合收益總額	156,162	234,332
Profit/(loss) for the period attributable to:	歸屬於下列各項之期內溢利/(虧損):		
Owners of the Company	本公司擁有人	192,972	157,056
Non-controlling interests	非控制性權益	(1,284)	6,073
		191,688	163,129
Total comprehensive income/(expense) for the period attributable to:	歸屬於下列各項之期內綜合收益/(開支)總額:		
Owners of the Company	本公司擁有人	157,446	228,259
Non-controlling interests	非控制性權益	(1,284)	6,073
		156,162	234,332
Earnings per share	每股盈利		
- Basic	- 基本	HK\$0.733 港元	HK\$0.598港元
- Diluted	- 攤薄	HK\$0.470 港元	HK\$0.387港元

NOTES
附註

17

DreamEast
Group Limited
夢東方集團
有限公司

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明合併財務狀況表

At 30 June 2018 於2018年6月30日

		NOTES 附註	30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	155,236	46,346
Prepaid lease payments	預付租賃款項		53,916	53,648
Investment properties	投資物業	11	6,349,120	5,724,876
Other long term assets	其他長期資產	13	129,773	181,519
			6,688,045	6,006,389
Current assets	流動資產			
Properties under development for sale	發展中待售物業	12	2,533,349	1,883,976
Completed properties held for sale	已竣工待售物業		605,987	956,040
Inventories	存貨		135	126
Trade receivables	貿易應收款項	14	14,583	8,455
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	15	682,784	678,913
Amounts due from related parties	應收關聯方款項	25	512,672	5,913
Other current assets	其他流動資產	13	180,031	272,633
Pledged bank deposits	已抵押銀行存款		448	1,793
Bank balances and cash	銀行結餘及現金		1,091,315	1,403,123
			5,621,304	5,210,972
Current liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付款項及預提款項	16	631,781	678,864
Contract liabilities	合約負債	17	138,471	–
Amounts due to related parties	應付關聯方款項	25	547,182	433,762
Tax payable	應付稅項		46,839	46,313
Bank and other borrowings – due within one year	銀行及其他借貸 – 一年內到期	18	1,360,583	850,136
Convertible bonds and bonds	可換股債券及債券	19	747,586	–
			3,472,442	2,009,075
Net current assets	流動資產淨值		2,148,862	3,201,897
Total assets less current liabilities	總資產減流動負債		8,836,907	9,208,286
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		491,387	389,156
Bank and other borrowings – due after one year	銀行及其他借貸 – 一年後到期	18	3,681,057	3,627,711
Convertible bonds and bonds	可換股債券及債券	19	1,445,962	2,136,343
			5,618,406	6,153,210
NET ASSETS	資產淨值		3,218,501	3,055,076

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明合併財務狀況表

At 30 June 2018 於2018年6月30日

		NOTE 附註	30.6.2018 2018年 6月30日 HK\$'000 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 (audited) (經審核)
Equity	權益			
Share capital	股本	20	26,322	26,322
Reserves	儲備		3,172,902	3,010,673
Equity attributable to owners of the Company	本公司擁有人應佔權益		3,199,224	3,036,995
Non-controlling interests	非控制性權益		19,277	18,081
TOTAL EQUITY	權益總額		3,218,501	3,055,076

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明合併權益變動表

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

		Equity attributable to owners of the Company 本公司擁有人應佔權益							Equity attributable to non-controlling interests	Total equity	
		Share capital	Share premium	Statutory surplus reserve	Other reserve	Convertible bonds equity reserve	Exchange fluctuation reserve	Retained profits	Total	非控制性權益應佔權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017 (Audited)	於2017年1月1日 (經審核)	26,222	336,039	100,106	(626,972)	1,327,718	(244,848)	1,828,576	2,746,841	62,485	2,809,326
Profit for the period	期內溢利	-	-	-	-	-	-	157,056	157,056	6,073	163,129
Exchange differences on translation	換算產生之匯兌差額	-	-	-	-	-	71,203	-	71,203	-	71,203
Total comprehensive income for the period	期內綜合收益總額	-	-	-	-	-	71,203	157,056	228,259	6,073	234,332
Issue of shares upon conversion of convertible bonds (note 19)	發行可換股債券轉換之股份(附註19)	100	11,900	-	-	(34)	-	-	11,966	-	11,966
At 30 June 2017 (unaudited and restated)	於2017年6月30日 (未經審核及經重列)	26,322	347,939	100,106	(626,972)	1,327,684	(173,645)	1,985,632	2,987,066	68,558	3,055,624

		Equity attributable to owners of the Company 本公司擁有人應佔權益							Equity attributable to non-controlling interests	Total equity	
		Share capital	Share premium	Statutory surplus reserve	Other reserve	Convertible bonds equity reserve	Exchange fluctuation reserve	Retained profits	Total	非控制性權益應佔權益	權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018 (audited)	於2018年1月1日 (經審核)	26,322	347,939	127,880	(638,017)	1,327,684	(113,306)	1,958,493	3,036,995	18,081	3,055,076
Profit/(loss) for the period	期內溢利/(虧損)	-	-	-	-	-	-	192,972	192,972	(1,284)	191,688
Exchange differences on translation	換算產生之匯兌差額	-	-	-	-	-	(35,526)	-	(35,526)	-	(35,526)
Total comprehensive (expenses)/income for the period	期內綜合(開支)/收益總額	-	-	-	-	-	(35,526)	192,972	157,446	(1,284)	156,162
Acquisition of subsidiaries (note 24)	收購附屬公司(附註24)	-	-	-	4,783	-	-	-	4,783	2,480	7,263
At 30 June 2018 (unaudited)	於2018年6月30日 (未經審核)	26,322	347,939	127,880	(633,234)	1,327,684	(148,832)	2,151,465	3,199,224	19,277	3,218,501

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明合併現金流量報表

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

	NOTE 附註	Six months ended 截至下列日期止6個月	
		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	30.6.2017 2017年 6月30日 HK\$'000 千港元 (unaudited and restated) (未經審核 及經重列)
Net cash (used in)/from operating activities		(74,814)	190,751
Investing activities			
Withdrawal of restricted bank deposits		–	1,539
Withdrawal of pledged deposits to a financial institution		1,894	113,162
Purchase of property, plant and equipment		(114,882)	(1,153)
Additions to investment properties		(164,934)	(155,142)
Prepayments to a construction contractor for constructing investment properties		–	(58,486)
Bank interest received		1,852	2,755
Investment in liquidity funds		–	(744,381)
Acquisition of subsidiaries	24	(8,049)	–
Advance to related companies		(501,529)	–
Redemption of liquidity funds		–	747,274
Net cash used in investing activities		(785,648)	(94,432)
Financing activities			
New bank and other borrowings raised		762,752	3,168,542
Repayments of bank and other borrowings		(123,372)	(2,705,232)
Advances from related parties		107,838	737,619
Interest paid		(166,734)	(150,263)
Net cash from financing activities		580,484	1,050,666
Net (decrease)/increase in cash and cash equivalents		(279,978)	1,146,985
Cash and cash equivalents at the beginning of the period		1,403,123	1,045,492
Effect of foreign exchange rate changes		(31,830)	(5,302)
Cash and cash equivalents at the end of the period, represented by bank balances and cash		1,091,315	2,187,175

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

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

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda. The principal activities of the Company and its subsidiaries (together the “Group”) are involved in the provision of property development and leasing, theme park operations, movie and television culture and investment in financial instruments.

The functional currency of the Company is Renminbi (“RMB”), and for the purpose of more convenience to the readers of the condensed consolidated financial statements, the condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”).

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2017.

MERGER ACCOUNTING AND RESTATEMENTS

In the second half of 2017, a discloseable and connected transaction in relation to the acquisition of the 100% equity interest in DreamEast Future World (Sanhe) Entertainment Co., Ltd. (“DreamEast Future World”) by the Group from DreamEast Cultural Investment Co., Ltd. (“DreamEast Cultural Investment”), a company held as to 80% by Mr. Zhou Zheng, was made. The total consideration of the acquisition is RMB6,000,000 which is equivalent to HK\$7,360,000.

1. 一般資料

本公司為一間於百慕達註冊成立的有限公司。本公司及其附屬公司（合稱「本集團」）之主要業務為從事提供物業發展及租賃、主題樂園營運、影視文化及投資金融工具。

本公司之功能貨幣為人民幣（「人民幣」），為更方便簡明合併財務報表之讀者閱覽，此等簡明合併財務報表以港元（「港元」）呈列。

2. 編製基準

簡明合併財務報表乃根據香港會計師公會（「香港會計師公會」）發行的香港會計準則第34號《中期財務報告》以及香港聯合交易所有限公司證券上市規則附錄十六之適用披露規定編製。簡明合併財務報表並不包括年度財務報表所規定之所有信息和披露，並應與本集團截至2017年12月31日止年度的合併財務報表一併閱讀。

合併會計法及重列

於2017年下半年，已進行有關本集團向夢東方文化投資有限公司（「夢東方文化投資」，一間由周政先生持有80%權益之公司）收購夢東方未來世界（三河）娛樂有限公司（「夢東方未來世界」）100%股權之須予披露及關連交易。收購之總代價為人民幣6,000,000元（相當於7,360,000港元）。

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

2. BASIS OF PREPARATION – continued

MERGER ACCOUNTING AND RESTATEMENTS – continued

DreamEast Future World is principally engaged in the operation of an aerospace theme park located in the People's Republic of China (the "PRC"). DreamEast Future World entered into a tenancy agreement with the owner of the DreamEast Future World Aerospace Theme Park (the "Park"), Sanhe SkyOcean Real Estate Development Co. Ltd. ("Sanhe SkyOcean"), a company held as to 80% by Mr. Zhou Zheng.

As the Group and DreamEast Future World were under common control of Mr. Zhou Zheng and Mr. Zhou Zheng continues to control the Group and DreamEast Future World upon completion of the above acquisition, the acquisition is considered as a combination of an entity under common control and accounted for using the principles of merger accounting.

The condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows have been prepared as if DreamEast Future World had been a subsidiary of the Company from 1 January 2017 and have been restated to include the results of DreamEast Future World as if this entity or business was combined from its date of incorporation. Respective notes to these condensed consolidated financial statements have also been restated. All significant intra-group balances, income and expenses are eliminated on combination.

2. 編製基準－續

合併會計法及重列－續

夢東方未來世界主要從事經營位於中華人民共和國(「中國」)之一家航天主題樂園。夢東方未來世界與夢東方未來世界航天主題樂園(「樂園」)的擁有人三河天洋城房地產開發有限公司(「三河天洋城」，一間由周政先生持有80%權益之公司)訂立租約。

由於本集團與夢東方未來世界處於周政先生之同一控制下，而周政先生於上述收購事項完成後繼續控制本集團及夢東方未來世界，因此收購事項被視為同一控制下企業合併，並按合併會計法原則入賬。

簡明合併損益及其他綜合收益表、簡明合併權益變動表及簡明合併現金流量表乃按猶如夢東方未來世界自2017年1月1日已成為本公司之附屬公司而編製，並已重新呈列以包括夢東方未來世界之業績，猶如該實體或業務自其註冊成立日期起已合併。該等簡明合併財務報表各自之附註亦已重新呈列。所有重大集團內結餘、收入及開支已於合併時抵銷。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

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

2. BASIS OF PREPARATION – continued MERGER ACCOUNTING AND RESTATEMENTS – continued

The effects of the combination of DreamEast Future World on the results of the Group for the six months ended 30 June 2017 are summarised below:

Condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2017

2. 編製基準－續 合併會計法及重列－續

合併夢東方未來世界對本集團截至2017年6月30日止6個月業績之影響概述如下：

截至2017年6月30日止6個月之簡明合併損益及其他綜合收益表

		Six months ended 30.6.2017 截至2017年6月30日止6個月 HK\$'000 千港元 (previously reported) (原先呈列)	Combination of a subsidiary under common control 同一控制下的一間附屬公司 HK\$'000 千港元	Reclassification 重分類 HK\$'000 千港元	Six months ended 30.6.2017 截至2017年6月30日止6個月 HK\$'000 千港元 (unaudited and restated) (未經審核及經重列)
Revenue	收入				
Sales of properties	物業銷售	1,036,868	-	-	1,036,868
Rental income	租金收入	5,749	-	-	5,749
Other services	其他服務	-	5,398	-	5,398
Total revenue	收入總額	1,042,617	5,398	-	1,048,015
Cost of sales and services	銷售及服務成本	(677,561)	(5,571)	-	(683,132)
Gross profit/(loss)	毛利/(損)	365,056	(173)	-	364,883
Other gains and losses	其他收益及虧損	11,363	67	249	11,679
Other income	其他收入	3,235	-	2,791	6,026
Impairment loss of other receivables	其他應收款項減值虧損	-	-	(3,040)	(3,040)
Gain on fair value change of investment properties	投資物業公允價值變動之收益	16,478	-	-	16,478
Selling expenses	銷售費用	(32,118)	(2,477)	-	(34,595)
Administrative expenses	行政費用	(60,724)	(994)	-	(61,718)
Finance costs	財務費用	(72,685)	-	-	(72,685)
Profit/(loss) before tax	除稅前溢利/(虧損)	230,605	(3,577)	-	227,028
Income tax expense	所得稅開支	(63,899)	-	-	(63,899)
Profit/(loss) for the period	期內溢利/(虧損)	166,706	(3,577)	-	163,129

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

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

2. BASIS OF PREPARATION – continued MERGER ACCOUNTING AND RESTATEMENTS – continued

Condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2017 – continued

2. 編製基準 – 續 合併會計法及重列 – 續

截至2017年6月30日止6個月之簡明合併損益及其他綜合收益表 – 續

	Six months ended 30.6.2017 截至2017年 6月30日 HK\$'000 千港元 (previously reported)	Combination of a subsidiary under common control Reclassification 同一控制下的 一間附屬公司 重分類 HK\$'000 千港元	Six months ended 30.6.2017 截至2017年 6月30日 HK\$'000 千港元 (unaudited and restated) (未經審核及經重列)
Other comprehensive income/ (expense):			
Item that will not be reclassified to profit or loss:			
Exchange differences on translation to presentation currency	81,467	(153)	81,314
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	(10,111)	-	(10,111)
	71,356	(153)	71,203
Total comprehensive income/ (expense) for the period	238,062	(3,730)	234,332
Profit/(loss) for the period attributable to:			
Owners of the Company	160,633	(3,577)	157,056
Non-controlling interests	6,073	-	6,073
	166,706	(3,577)	163,129
Total comprehensive income/ (expense) for the period attributable to:			
Owners of the Company	231,989	(3,730)	228,259
Non-controlling interests	6,073	-	6,073
	238,062	(3,730)	234,332

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

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

2. BASIS OF PREPARATION – continued MERGER ACCOUNTING AND RESTATEMENTS – continued

The effects of the above business combination under common control on the Group's basic and diluted earnings per share for the six months ended 30 June 2017 are as follows:

2. 編製基準－續 合併會計法及重列－續

上述同一控制下業務合併對本集團截至2017年6月30日止6個月每股基本及攤薄盈利之影響如下：

		Impact on earnings per share 對每股盈利 之影響 HK\$ 港元
<hr/>		
– Basic	– 基本	
Figure before adjustments	調整前金額	0.611
Effect arising from business combination under common control	同一控制下業務合併產生之影響	(0.013)
<hr/>		
Figure after adjustments	調整後金額	0.598
<hr/>		
– Diluted	– 攤薄	
Figure before adjustments	調整前金額	0.394
Effect arising from business combination under common control	同一控制下業務合併產生之影響	(0.007)
<hr/>		
Figure after adjustments	調整後金額	0.387
<hr/>		

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

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties, which are measured at fair values.

Other than changes in accounting policies resulting from application of new Hong Kong Financial Reporting Standards ("HKFRS"), the accounting policies and methods of computation adopted in the preparation of the condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2017.

APPLICATION OF NEW AND AMENDMENTS TO HKFRS

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRS issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements.

HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014-2016 Cycle</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>

The new and amendments to HKFRS have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below.

3. 主要會計政策

除投資物業以公允價值計量外，簡明合併財務報表乃根據歷史成本基準編製。

除應用新訂香港財務報告準則（「香港財務報告準則」）產生之會計政策變動外，編製截至2018年6月30日止6個月簡明合併財務報表所採納之會計政策及計算方法與編製本集團截至2017年12月31日止年度之年度財務報表所遵循者一致。

應用新訂及經修訂香港財務報告準則

於本中期期間，本集團首次應用下列由香港會計師公會頒佈並於2018年1月1日或之後開始的年度期間強制生效之新訂及經修訂香港財務報告準則，以編製本集團之簡明合併財務報表。

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	來自客戶合約之收入及相關修訂
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
香港財務報告準則第2號之修訂	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號之修訂	採用香港財務報告準則第4號保險合約時應用香港財務報告準則第9號金融工具
香港會計準則第28號之修訂	香港財務報告準則2014年至2016年週期之年度改進一部分
香港會計準則第40號之修訂	轉撥投資物業

新訂及經修訂香港財務報告準則已按照各準則及修訂之相關過渡性條文應用，並導致下文所述之會計政策、呈報金額及／或披露變動。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

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

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 *Revenue* and the related interpretations.

The Group recognises revenue from the following major sources:

- Sales of properties
- Other services
- Leasing

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018 and has used the practical expedient for all contract modifications that occurred before the date of initial application, the aggregate effect of all of the modifications was reflected at the date of initial application. Accordingly certain comparative information may not be comparable as comparative information was prepared under HKAS 18 and HKAS 11 and the related interpretations.

3. 主要會計政策 – 續

3.1 應用香港財務報告準則 第15號來自客戶合約之 收入之影響及會計政策變 動

本集團於本中期期間首次應用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18號*收益*及相關詮釋。

本集團確認來自下列主要來源之收益：

- 物業銷售
- 其他服務
- 租賃

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則之累計影響已於2018年1月1日首次應用當日確認。於首次應用當日之任何差異於期初保留溢利（或其他權益部分（如適用））確認，並無重列比較資料。此外，根據香港財務報告準則第15號之過渡性條文，本集團選擇僅對在2018年1月1日尚未完成之合約追溯應用該準則，並已就於首次應用日期前發生之所有合約修改使用可行之權宜方法，所有修改之總體影響於首次應用日期反映。由於比較資料乃根據香港會計準則第18號及香港會計準則第11號以及相關詮釋編製，因此，若干比較資料可能無法用作比較。



3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS – continued

3.1.1 Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

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

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

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

3. 主要會計政策－續

3.1 應用香港財務報告準則第15號來自客戶合約之收入之影響及會計政策變動－續

3.1.1 應用香港財務報告準則第15號導致之會計政策主要變動

香港財務報告準則第15號引入確認收益之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於本集團完成履約責任時（或就此）確認收益。

根據香港財務報告準則第15號，本集團於完成履約責任時（或就此）確認收益，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。

履約責任指個別商品及服務（或一組商品或服務）或一系列大致相同之個別商品或服務。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS – continued

3.1.1 Key changes in accounting policies resulting from application of HKFRS 15 – continued

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

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

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

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

3. 主要會計政策 – 續

3.1 應用香港財務報告準則 第15號來自客戶合約之收入 之影響及會計政策變動 – 續

3.1.1 應用香港財務報告準則 第15號導致之會計 政策主要變動 – 續

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全履行相關履約責任之進度隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團履行合約會產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團履行合約並未產生使本集團有替換用途之資產，且本集團對迄今已完成履約之付款具有可強制執行之權利。

否則，收益於客戶獲得個別商品或服務控制權之時間點確認。

合約資產指本集團對換取其向客戶轉讓之商品或服務收取代價之權利（尚未成為無條件），乃根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價之無條件權利，即只須時間過去，代價便會到期支付。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS – continued

3.1.1 Key changes in accounting policies resulting from application of HKFRS 15 – continued

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

Existence of significant financing component

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

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

3. 主要會計政策－續

3.1 應用香港財務報告準則 第15號來自客戶合約之收入 之影響及會計政策變動 －續

3.1.1 應用香港財務報告準則 第15號導致之會計 政策主要變動－續

合約負債指本集團因已向客戶收取代價(或已到期收取代價),而須向客戶轉讓商品或服務之責任。

存在重大融資部分

於釐定交易價格時,倘協定付款時間(不論以明示或暗示方式)為客戶或本集團帶來向客戶轉讓貨品或服務之重大融資利益,則本集團亦須就資金時間價值之影響調整承諾代價金額。在該等情況下,合約包含重大融資部分。無論合約中是否明確規定或於合約訂約方協定之付款條款暗示融資承諾,均可能存在重大融資部分。

就相關貨品或服務之付款至轉讓期間少於一年之合約,本集團應用之可行權宜方法並不就任何重大融資部分調整交易價。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS – continued

3.1.2 Summary of effects arising from initial application of HKFRS 15

The application of HKFRS 15 has no material impact on the Group's retained earnings at 1 January 2018. The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2018. Line items that were not affected by the changes have not been included.

3. 主要會計政策 – 續

3.1 應用香港財務報告準則 第15號來自客戶合約之收入 之影響及會計政策變動 – 續

3.1.2 首次應用香港財務報告 準則第15號產生之 影響概要

應用香港財務報告準則第15號並無對本集團於2018年1月1日之保留盈利產生重大影響。下文載列對2018年1月1日簡明合併財務狀況表所確認金額作出之調整，當中不包括未受變動影響之項目。

	Carrying amounts previously reported as at 31.12.2017	Reclassification	Carrying amounts under HKFRS 15 as at 1.1.2018
	於2017年 12月31日 原先呈列 之賬面值 HK\$'000 千港元 (audited) (經審核)	重分類 HK\$'000 千港元 (Note) (附註)	於2018年 1月1日根據 香港財務報告 準則第15號 確認之賬面值 HK\$'000 千港元 (unaudited) (未經審核)
Current Liabilities			
Trade and other payables and accruals	678,864	(119,391)	559,473
Contract liabilities	-	119,391	119,391

Note: As at 1 January 2018, deposits from customers for properties developed for sale of HK\$119,391,000 previously included in trade and other payables and accruals were reclassified to contract liabilities.

附註：於2018年1月1日，以往計入貿易及其他應付款項及預提款項之來自已發展待售物業客戶按金119,391,000港元已重新分類至合約負債。

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

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS – continued

3.1.2 Summary of effects arising from initial application of HKFRS 15 – continued

The application of HKFRS 15 has no material impact on the Group's condensed consolidated statement of profit or loss and other comprehensive income for the current interim period. The following table summarises the impacts of applying HKFRS 15 on the Group's condensed consolidated statement of financial position as at 30 June 2018 for each of the line items affected. Line items that were not affected by the changes have not been included.

	As reported	Adjustments	Amount without application of HKFRS 15 並無應用香港財務報告準則第15號之金額
	呈列金額 HK\$'000 千港元 (unaudited) (未經審核)	調整 HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元 (unaudited) (未經審核)
Current Liabilities			
Trade and other payables and accruals			
Contract liabilities			
	631,781	138,471	770,252
	138,471	(138,471)	-

Note: Prior to the adoption of HKFRS 15, the Group recognised deposits from customers for properties developed for sale of HK\$138,471,000 in trade and other payables and accruals. Upon application of HKFRS 15, the Group considered that the amount should be reclassified as contract liabilities because the Group has an obligation to transfer the properties to the buyers in accordance with the sale and purchase agreements.

附註：於採用香港財務報告準則第15號前，本集團於貿易及其他應付款項及預提款項確認來自已發展待售物業客戶按金138,471,000港元。於應用香港財務報告準則第15號時，本集團認為金額應重新分類為合約負債，原因為本集團有責任根據買賣協議向買家轉讓物業。

3. 主要會計政策 – 續

3.1 應用香港財務報告準則第15號來自客戶合約之收入之影響及會計政策變動 – 續

3.1.2 首次應用香港財務報告準則第15號產生之影響概要 – 續

應用香港財務報告準則第15號對本中期期間之本集團簡明合併損益及其他綜合收益表並無重大影響。下表概列應用香港財務報告準則第15號對本集團於2018年6月30日簡明合併財務狀況表受影響之各項目的影響，當中不包括未受變動影響之項目。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS

In the current period, the Group has applied HKFRS 9 and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities and 2) expected credit losses (“ECL”) for financial assets.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9

Classification and measurement of financial assets

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

3. 主要會計政策－續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動

於本期間，本集團已應用香港財務報告準則第9號及其他香港財務報告準則相關之相應修訂。香港財務報告準則第9號就1)金融資產及金融負債之分類及計量，2)金融資產之預期信貸虧損（「預期信貸虧損」）引入新規定。

本集團已根據香港財務報告準則第9號所載之過渡性條文應用香港財務報告準則第9號，即對在2018年1月1日（首次應用日期）尚未終止確認之工具追溯應用分類及計量規定（包括減值），且並無對已於2018年1月1日終止確認之工具應用該規定。

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動

金融資產之分類及計量

來自合約客戶之貿易應收款項初步按香港財務報告準則第15號計量。

屬於香港財務報告準則第9號範圍之所有已確認金融資產其後按攤餘成本或公允價值計量，包括根據香港會計準則第39號按成本減去減值計量之無報價股權投資。

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Classification and measurement of financial assets – continued

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動 – 續

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動 – 續

金融資產之分類及計量 – 續

滿足以下條件之債務工具其後按攤餘成本計量：

- 以旨在收取合約現金流量而持有金融資產之經營模式持有之金融資產；及
- 金融資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

滿足以下條件之債務工具其後按公允價值計入其他綜合收益（「按公允價值計入其他綜合收益」）計量：

- 以旨在收取合約現金流量及出售金融資產之經營模式持有之金融資產；及
- 金融資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Classification and measurement of financial assets – continued

All other financial assets are subsequently measured at fair value through profit or loss (“FVTPL”), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income (“OCI”) if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第 9號金融工具之影響及會 計政策變動 – 續

3.2.1 應用香港財務報告準 則第9號導致之會計 政策主要變動 – 續 金融資產之分類及計 量 – 續

所有其他金融資產其後按公允價值計入損益（「按公允價值計入損益」）計量，惟在首次應用／初步確認金融資產之日，倘該股權投資並非持作買賣，亦非由收購方在香港財務報告準則第3號業務合併所適用之業務合併中確認之或然代價，則本集團可作出不可撤銷之選擇，於其他綜合收益（「其他綜合收益」）呈列股權投資之其後公允價值變動。

此外，倘將符合攤餘成本或按公允價值計入其他綜合收益準則之債務投資指定為按公允價值計入損益計量，將可以消除或顯著減少會計錯配，則本集團可以作出不可撤銷之指定。

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

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including bank balances and cash, pledged bank deposits, trade receivables, other receivables and amounts due from related parties). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動 – 續

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動 – 續

預期信貸虧損模式下之減值

本集團就根據香港財務報告準則第9號須予減值之金融資產(包括銀行結餘及現金、已抵押銀行存款、貿易應收款項、其他應收款項及應收關聯公司款項)之預期信貸虧損確認虧損撥備。預期信貸虧損之金額於各報告日期更新，以反映自初步確認後之信貸風險變動。

全期預期信貸虧損指於相關工具預計年期內所有可能違約事件將會產生之預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內因可能發生之違約事件而預期產生之部分全期預期信貸虧損。評估乃基於本集團過往之信貸虧損經驗，並根據債務人特定因素、整體經濟狀況及對報告日期當前狀況以及未來狀況預測之評估作出調整。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動 – 續

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動 – 續

預期信貸虧損模式下之減值 – 續

本集團一直就貿易應收款項(並無重大融資部分者)確認全期預期信貸虧損。該等資產之預期信貸虧損按個別評估而定。

就所有其他工具而言,本集團計量之虧損撥備相當於12個月預期信貸虧損,除非信貸風險自初步確認後顯著上升,則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損之基準為初步確認後出現違約之可能性或風險顯著上升。

信貸風險顯著上升

於評估信貸風險是否自初步確認後顯著上升時,本集團比較金融工具於報告日期發生違約之風險與金融工具於初步確認日期發生違約之風險。於作出評估時,本集團會考慮合理及可靠之定量及定性資料,包括過往經驗及毋須付出過多成本或努力即可獲得之前瞻性資料。



3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

Significant increase in credit risk – continued

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動 – 續

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動 – 續

預期信貸虧損模式下之減值 – 續

信貸風險顯著上升 – 續

具體而言，評估信貸風險是否顯著上升時會考慮以下資料：

- 金融工具外部（如有）或內部信貸評級之實際或預期顯著惡化；
- 信貸風險之外部市場指標顯著惡化，例如債務人之信貸息差、信用違約交換價格顯著上升；
- 商業、金融或經濟狀況目前或預期將有不利變動，預計將導致債務人償還債項之能力顯著下降；

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

Significant increase in credit risk
– continued

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第 9號金融工具之影響及會 計政策變動 – 續

3.2.1 應用香港財務報告準 則第9號導致之會計 政策主要變動 – 續

預期信貸虧損模式下 之減值 – 續

信貸風險顯著上升
– 續

- 債務人之經營業績實際或預期顯著惡化；
- 債務人之監管、經濟或技術環境有實際或預期顯著不利變動，導致債務人償還債項之能力顯著下降。

就財務擔保合約而言，本集團訂立不可撤銷承諾之日期被視為評估金融工具減值之初步確認日期。於評估自初步確認財務擔保合約後信貸風險是否大幅增加時，本集團考慮特定債務人之違約風險變動。

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKAS 17 Leases.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第9號金融工具之影響及會計政策變動 – 續

3.2.1 應用香港財務報告準則第9號導致之會計政策主要變動 – 續

預期信貸虧損模式下之減值 – 續

預期信貸虧損之計量及確認

預期信貸虧損之計量依據為違約概率、違約損失率（即違約時之損失程度）及違約風險之函數。違約概率及違約損失率乃依據過往數據作出評估，並按前瞻性資料調整。

一般而言，預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團預計收取之所有現金流量（按於初步確認時釐定的實際利率折現）之間的差額估計。就應收租金而言，用於釐定預期信貸虧損之現金流量與根據香港會計準則第17號租賃用於計量應收租金之現金流量一致。

就財務擔保合約而言，根據擔保工具之條款，本集團僅須於債務人違約時付款。因此，預期損失為償還持有人所產生信貸虧損之預計款項現值，減去本集團預計自持有人、債務人或任何其他方收取之任何金額。

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3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

Measurement and recognition of ECL
– continued

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策 – 續

3.2 應用香港財務報告準則第 9號金融工具之影響及會 計政策變動 – 續

3.2.1 應用香港財務報告準 則第9號導致之會計 政策主要變動 – 續

預期信貸虧損模式下 之減值 – 續

預期信貸虧損之計量
及確認 – 續

就財務擔保合約之預期信貸虧損而言，倘實際利率無法釐定，本集團將採用可反映當前市場對貨幣時間價值之評估及現金流特定風險之貼現率，惟僅限於風險按調整貼現率，而非調整貼現現金差額予以考慮時。

利息收入根據金融資產之總賬面值計算，惟倘金融資產出現信貸減值，則利息收入乃根據金融資產之攤餘成本計算。

除財務擔保合約外，本集團透過調整全部金融工具之賬面值於損益確認其減值收益或虧損，惟貿易應收款項之相關調整乃透過虧損撥備賬確認。

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

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 9 FINANCIAL INSTRUMENTS – continued

3.2.1 Key changes in accounting policies resulting from application of HKFRS 9 – continued

Impairment under ECL model – continued

Measurement and recognition of ECL
– continued

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

As at 1 January 2018, the directors of the Company (the “Directors”) reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9.

The application of HKFRS 9 in the current interim period has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策－續

3.2 應用香港財務報告準則第 9號金融工具之影響及會 計政策變動－續

3.2.1 應用香港財務報告準 則第9號導致之會計 政策主要變動－續

預期信貸虧損模式下 之減值－續

預期信貸虧損之計量
及確認－續

就財務擔保合約而言，虧損撥備按以下較高者確認：根據香港財務報告準則第9號釐定之虧損撥備；以及初步確認金額減（倘適用）擔保期間所確認之累計收入。

於2018年1月1日，本公司董事（「董事」）根據香港財務報告準則第9號之規定，使用毋須付出過多成本或努力即可獲得之合理可靠資料審核及評估本集團之現有金融資產減值。

於本中期期間應用香港財務報告準則第9號，並無對本集團於目前及過往年度之財務表現及狀況及／或該等簡明合併財務報表所載列之披露產生重大影響。

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簡明合併財務報表附註

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

3. PRINCIPAL ACCOUNTING POLICIES – continued

3.3 IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON AMENDMENTS TO HKAS 40 TRANSFERS OF INVESTMENT PROPERTY

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in HKAS 40 may evidence a change in use, and that a change in use is possible for properties under construction (i.e. a change in use is not limited to completed properties).

At the date of initial application, the Group assessed the classification of certain properties based on conditions existed at that date, there is no impact to the classification at 1 January 2018.

Except as described above, the application of other amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策 – 續

3.3 應用香港會計準則第40號 之修訂轉撥投資物業之影 響及會計政策變動

該項修訂澄清，轉撥至投資物業或轉撥投資物業時須要評估物業是否符合投資物業之定義或已不再符合投資物業之定義，並以證據證明已發生用途變更。該項修訂進一步澄清，除香港會計準則第40號所列之情況外，其他情況可能會證明用途有所改變，且在建物業亦可能會改變用途（即用途變動不限於已竣工物業）。

於首次應用日期，本集團根據該日期已存在之狀況評估若干物業之分類，對於2018年1月1日之分類並無影響。

除上文所述外，於本中期期間應用香港財務報告準則之其他修訂對該等簡明合併財務報表載列之所呈報金額及／或披露並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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4A. REVENUE FROM SALES OF PROPERTIES AND OTHER SERVICES

DISAGGREGATION OF REVENUE

Six months ended 30 June 2018 (unaudited)

4A. 物業銷售及其他服務所得收入

收入分類

截至2018年6月30日止6個月（未經審核）

Segments	分類	Property development and leasing 物業發展及租賃 HK\$'000 千港元	Theme park operations 主題樂園營運 HK\$'000 千港元	Movie and television culture 影視文化 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Types of goods or service	貨品或服務類型				
Sales of properties	物業銷售	62,547	-	-	62,547
Rental income	租金收入	19,430	-	-	19,430
Other services	其他服務	-	8,335	-	8,335
Total	總計	81,977	8,335	-	90,312
Timing of revenue recognition	收入確認時間				
A point in time	按時間點	62,547	8,239	-	70,786
Over time	按時間段	19,430	96	-	19,526
Total	總計	81,977	8,335	-	90,312

4B. SEGMENT INFORMATION

Information reported to the Company's Executive Directors, being the chief operating decision maker ("CODM"), for the purpose of resource allocation and assessment of segment performance focused on the types of goods or services delivered or provided.

The Group's reportable and operating segments under HKFRS 8 *Operating Segments* are (i) property development and leasing, (ii) theme park operations, (iii) movie and television culture and (iv) investment in financial instruments.

4B. 分類資料

向本公司執行董事（即主要經營決策者（「主要經營決策者」））呈報以供作出資源分配及評估分類表現之資料，集中於所交付或提供之貨品或服務類型。

根據香港財務報告準則第8號經營分類，本集團之可報告及經營分類為：(i)物業發展及租賃；(ii)主題樂園營運；(iii)影視文化；及(iv)投資金融工具。

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

4B. SEGMENT INFORMATION – continued SEGMENT REVENUE AND RESULTS

The following is an analysis of the Group's revenue and results by the four segments for the periods under review.

Six months ended 30 June 2018 (unaudited)

		Property development and leasing 物業發展 及租賃 HK\$'000 千港元	Theme park operations 主題 樂園營運 HK\$'000 千港元	Movie and television culture (note) 影視文化 (附註) HK\$'000 千港元	Investment in financial instruments 投資 金融工具 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Revenue from external customer and reportable segment revenue	來自外部客戶之收入及可報告分類收入	81,977	8,335	-	-	90,312
Reportable segment results	可報告分類業績	408,138	(3,289)	(3,783)	(7,447)	393,619
Unallocated income and expenses	未分配收入及開支					
Other gains and losses	其他收益及虧損					2,860
Other income	其他收入					530
Administrative expenses	行政費用					(4,568)
Finance costs	財務費用					(86,935)
Profit before tax	除稅前溢利					305,506

Note: The movie and television culture segment, a newly developed segment in the current interim period, includes DreamEast Galaxy Media (Beijing) Co., Ltd., which is engaged in the development of film production and distribution in the PRC, as well as radio and television program production.

4B. 分類資料－續 分類收入及業績

於回顧期內，本集團四個分類的收入及業績分析載列如下。

截至2018年6月30日止6個月（未經審核）

		Property development and leasing 物業發展 及租賃 HK\$'000 千港元	Theme park operations 主題 樂園營運 HK\$'000 千港元	Movie and television culture (note) 影視文化 (附註) HK\$'000 千港元	Investment in financial instruments 投資 金融工具 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Revenue from external customer and reportable segment revenue	來自外部客戶之收入及可報告分類收入	81,977	8,335	-	-	90,312
Reportable segment results	可報告分類業績	408,138	(3,289)	(3,783)	(7,447)	393,619
Unallocated income and expenses	未分配收入及開支					
Other gains and losses	其他收益及虧損					2,860
Other income	其他收入					530
Administrative expenses	行政費用					(4,568)
Finance costs	財務費用					(86,935)
Profit before tax	除稅前溢利					305,506

附註：影視文化分類為本中期期間新增分類，包括夢東方星際傳媒（北京）有限公司，其於中國從事電影製作及發行，以及廣播電視節目製作。

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4B. SEGMENT INFORMATION – continued SEGMENT REVENUE AND RESULTS – continued

Six months ended 30 June 2017 (unaudited and restated)

4B. 分類資料－續

分類收入及業績－續

截至2017年6月30日止6個月（未經審核及經重列）

		Property development and leasing 物業發展 及租賃 HK\$'000 千港元	Theme park operations 樂園營運 HK\$'000 千港元	Investment in financial instruments 投資 金融工具 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Revenue from external customer and reportable segment revenue	來自外部客戶之收入及可報告分類收入	1,042,617	5,398	-	1,048,015
Reportable segment results	可報告分類業績	295,810	(3,644)	(4,107)	288,059
Unallocated income and expenses	未分配收入及開支				
Other gains and losses	其他收益及虧損				14,470
Other income	其他收入				3,235
Administrative expenses	行政費用				(10,195)
Finance costs	財務費用				(68,541)
Profit before tax	除稅前溢利				227,028

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簡明合併財務報表附註

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4B. SEGMENT INFORMATION – continued SEGMENT ASSETS AND LIABILITIES

As at 30 June 2018 (unaudited)

		Property development and leasing 物業發展 及租賃 HK\$'000 千港元	Theme park operations 主題 樂園營運 HK\$'000 千港元	Movie and television culture 影視文化 HK\$'000 千港元	Investment in financial instruments 投資 金融工具 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Reportable segment assets	可報告分類資產	12,082,331	38,425	14,764	14,287	12,149,807
Unallocated assets (note)	未分配資產(附註)					159,542
Total assets	總資產					12,309,349
Reportable segment liabilities	可報告分類負債	6,342,735	6,172	9,840	327	6,359,074
Unallocated liabilities (note)	未分配負債(附註)					2,731,774
Total liabilities	總負債					9,090,848

As at 31 December 2017 (audited)

於2017年12月31日(經審核)

		Property development and leasing 物業發展 及租賃 HK\$'000 千港元	Theme park operations 主題 樂園營運 HK\$'000 千港元	Investment in financial instruments 投資 金融工具 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Reportable segment assets	可報告分類資產	10,908,206	6,746	163,899	11,078,851
Unallocated assets (note)	未分配資產(附註)				138,510
Total assets	總資產				11,217,361
Reportable segment liabilities	可報告分類負債	5,583,315	5,875	1,283	5,590,473
Unallocated liabilities (note)	未分配負債(附註)				2,571,812
Total liabilities	總負債				8,162,285

Note: Certain property, plant and equipment, certain bank balances and cash, certain prepayments, deposits and other receivables, convertible bonds and bonds, tax payable and deferred tax liabilities are unallocated.

附註：若干物業、廠房及設備、若干銀行結餘及現金、若干預付款項、按金及其他應收款項、可換股債券及債券、應付稅項及遞延稅項負債並未進行分配。

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

5. OTHER GAINS AND LOSSES

5. 其他收益及虧損

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
			(unaudited)
		(unaudited)	and restated)
		(未經審核)	(未經審核及經重列)
Net foreign exchange (losses)/gains	匯兌(虧損)/收益淨額	(604)	11,557
Others	其他	3,463	122
		2,859	11,679

6. FINANCE COSTS

6. 財務費用

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
			(unaudited)
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest expenses on:	利息費用：		
– Bank and other borrowings	– 銀行及其他借貸	158,163	131,207
– Convertible bonds and bonds (note 19)	– 可換股債券及債券 (附註19)	101,355	91,774
Less: amounts capitalised in properties under development for sale and investment properties	減：發展中待售物業及投資物業資本化之金額	(168,779)	(150,296)
		90,739	72,685

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

7. PROFIT BEFORE TAX

7. 除稅前溢利

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited and restated)
		(未經審核)	(未經審核 及經重列)
Profit before tax has been arrived at after charging (crediting):	除稅前溢利經扣除(計入)下列各項後達致:		
Rental income from investment properties	投資物業之租金收入	(19,430)	(5,749)
Less: direct operating expenses	減: 直接經營費用	4,780	4,289
		(14,650)	(1,460)
Investment income from liquidity funds	流動基金之投資收益	-	2,893
Operating lease rental expenses	經營租賃之租金費用	4,336	4,649
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,974	3,370

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

8. INCOME TAX EXPENSE

8. 所得稅開支

		Six months ended 截至下列日期止6個月	
		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	30.6.2017 2017年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)
PRC Enterprises Income Tax:	中國企業所得稅:		
Current	當期	-	4
Deferred	遞延	109,439	4,120
		109,439	4,124
Land appreciation tax ("LAT"):	土地增值稅 (「土地增值稅」):	4,379	59,775
		113,818	63,899

PRC subsidiaries are subject to PRC Enterprises Income Tax at 25% for both periods.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

During both interim periods, deferred tax charge represented deferred tax liability provided for fair value change of investment properties.

No deferred tax liabilities for undistributed earnings of the PRC subsidiaries have been recognised as there is no plan of the dividends distribution out of the PRC in the foreseeable future by these PRC subsidiaries. As at 30 June 2018 and 31 December 2017, the aggregate undistributed profits of the PRC subsidiaries were HK\$1,099,486,000 and HK\$1,047,742,000 respectively. The corresponding unrecognised deferred tax liabilities as at 30 June 2018 and 31 December 2017 were HK\$109,949,000 and HK\$104,774,000 respectively.

於兩個期間，中國附屬公司須按25%之稅率計繳中國企業所得稅。

土地增值稅撥備乃根據相關中國稅務法律及法規所載之規定估計。土地增值稅已按增值額之漸進稅率範圍撥備，且有若干可減免及扣減項目。

於兩個中期期間，遞延稅項開支指就投資物業公允價值變動撥備之遞延稅項負債。

由於中國附屬公司並無計劃於可見將來從中國分派股息，因此概無就該等中國附屬公司的未分派盈利確認遞延稅項負債。於2018年6月30日及2017年12月31日，中國附屬公司的未分派溢利總額分別為1,099,486,000港元及1,047,742,000港元。於2018年6月30日及2017年12月31日，相應的未確認遞延稅項負債分別為109,949,000港元及104,774,000港元。

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

9. BASIC AND DILUTED EARNINGS PER SHARE 9. 每股基本及攤薄盈利

		Six months ended 截至下列日期止6個月	
		30.6.2018 2018年 6月30日 '000 千股 (unaudited) (未經審核)	30.6.2017 2017年 6月30日 '000 千股 (unaudited) (未經審核)
Number of shares	股份數目		
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均股數	263,212	262,808
Effect of dilutive potential ordinary shares in respect of:	所涉及潛在攤薄普通股之影響：		
Convertible Bonds I and II (six months ended 30 June 2017: Convertible Bonds I and II) (as defined in note 19)	可換股債券I及II (截至2017年6月30日止6個月：可換股債券I及II) (定義見附註19)	280,485	280,889
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之加權平均普通股數	543,697	543,697

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9. BASIC AND DILUTED EARNINGS PER SHARE – continued

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited and restated)	
		(未經審核及經重列)	
		(unaudited)	
		(未經審核)	
Earnings	盈利		
Profit for the period for the purpose of basic earnings per share	用以計算每股基本盈利之本期間溢利	192,972	157,056
Effect of dilutive potential ordinary share:	潛在攤薄普通股之影響：		
Interest on the Convertible Bonds I and II (six months ended 30 June 2017:	可換股債券I及II之利息 (截至2017年6月30日止6個月：		
Interest on the Convertible Bonds I and II) (note 19)	可換股債券I及II之利息) (附註19)	62,428	53,332
Profit for the period for the purpose of diluted earnings per share	用以計算每股攤薄盈利之本期間溢利	255,400	210,388

The computation of diluted earnings per share for both periods assumed the conversion of Convertible Bonds I and Convertible Bonds II since both of them had dilutive effect for both periods.

計算兩個期間之每股攤薄盈利時乃假設可換股債券I及可換股債券II已獲轉換，原因是可換股債券I及可換股債券II對兩個期間均有攤薄影響。

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10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group spent approximately HK\$221,000 (six months ended 30 June 2017: approximately HK\$510,000 (restated)) on acquisition of furniture, fixtures and office equipment, approximately HK\$350,000 (six months ended 30 June 2017: approximately HK\$357,000 (restated)) on acquisition of computer equipment and software, approximately HK\$362,000 (six months ended 30 June 2017: approximately HK\$255,000 (restated)) on acquisition of motor vehicles, and approximately HK\$113,949,000 (six months ended 30 June 2017: nil (restated)) on additions of construction in progress.

10. 物業、廠房及設備變動

於本中期期間，本集團動用約221,000港元（截至2017年6月30日止6個月：約510,000港元（經重列））收購傢俬、裝置及辦公室設備、約350,000港元（截至2017年6月30日止6個月：約357,000港元（經重列））收購電腦設備及軟件、約362,000港元（截至2017年6月30日止6個月：約255,000港元（經重列））收購汽車及約113,949,000港元（截至2017年6月30日止6個月：無（經重列））增加在建工程。

11. INVESTMENT PROPERTIES

11. 投資物業

		HK\$'000 千港元
Fair value	公允價值	
At 1 January 2018 (audited)	於2018年1月1日（經審核）	5,724,876
Additions	添置	226,056
Transferred from completed properties held for sale	轉撥自己竣工待售物業	319,578
Gain on fair value change of investment properties	投資物業公允價值變動之收益	437,753
Reclassified as properties under development for sale	重分類為發展中待售物業	(285,270)
Exchange realignment	匯兌調整	(73,873)
At 30 June 2018 (unaudited)	於2018年6月30日（未經審核）	6,349,120
At 1 January 2017 (audited)	於2017年1月1日（經審核）	5,167,218
Additions	添置	245,273
Transferred from completed properties held for sale	轉撥自己竣工待售物業	70,179
Gain on fair value change of investment properties	投資物業公允價值變動之收益	16,478
Reclassified as properties held for sale	重分類為待售物業	(169,922)
Exchange realignment	匯兌調整	153,525
At 30 June 2017 (unaudited)	於2017年6月30日（未經審核）	5,482,751

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

11. INVESTMENT PROPERTIES – continued

The fair values of the Group's investment properties as at 30 June 2018 were arrived at on the basis of valuation carried out by CHFT Advisory and Appraisal Ltd. (30 June 2017: Crowe Horwath First Trust Appraisal Pte Limited and CBRE Group Inc.). Both independent qualified professional valuers are not connected with the Group.

The Group engaged the independent qualified professional valuers to perform the valuation. The Directors work closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of completed investment properties are determined based on the income capitalisation method whereby the rental income of contractual tenancies are capitalised for the unexpired term of tenancies. The reversionary market rent after the expiry of tenancies is also taken into account.

Fair value of the investment properties under development were derived using the multiple valuation techniques, including residual method and direct comparison method. Residual method is essentially a means of valuing the project by reference to its development potential by deducting development costs together with developer's profit and risk from the estimated capital value of the proposed development assuming completed in accordance with the existing development plans as at the date of valuation, which duly reflected the risks associated with the development. Direct comparison method is by reference to market comparable with adjustments to reflect the conditions and locations of the subject properties.

11. 投資物業 – 續

本集團投資物業於2018年6月30日之公允價值乃根據華坊諮詢評估有限公司(2017年6月30日:國富浩華(香港)諮詢評估有限公司及世邦魏理仕集團)進行之估值計算。該等評估師為與本集團概無關連的獨立合資格專業評估師。

本集團委聘獨立合資格專業評估師進行估值。董事與獨立合資格專業評估師密切協作以設立適用之估值技術及模型之輸入數據。

已竣工投資物業之公允價值按收入資本化法釐定,據此,未到期租約期間之合約租約租金收入會撥充資本。此外,亦會計及租約屆滿後之復歸市場租金。

發展中投資物業之公允價值採用多重估值技術,包括剩餘價值法及直接比較法釐定。剩餘價值法本質上乃參考項目的開發潛力並扣減開發成本及開發商從擬開發項目(假設按於估值日期之現有開發計劃竣工)的估計資本價值所得溢利及所涉及風險後對該項目進行估值,其妥為反映了與開發有關的風險。直接比較法乃參考市場可比較物業並作出調整,以反映標的物業之狀況及位置。

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11. INVESTMENT PROPERTIES – continued

In measuring the fair value of the properties, the highest and best use of the properties is their current use.

As at 30 June 2018, the Group pledged certain of its investment properties with an aggregate fair value approximately of HK\$6,321,999,000 (31 December 2017: HK\$5,369,478,000) to certain bank and other financial institutions to secure borrowings obtained from the aforesaid bank and other financial institutions, details of which are set out in note 18.

12. PROPERTIES UNDER DEVELOPMENT FOR SALE

As at 30 June 2018, the Group pledged certain of its properties under development for sale with an aggregate carrying amount of approximately HK\$744,155,000 (31 December 2017: HK\$469,427,000) to certain banks and other financial institutions to secure borrowings obtained from the aforesaid banks and other financial institutions, details of which are set out in note 18.

11. 投資物業 – 續

於計量物業之公允價值時，物業的最高及最佳用途為現時用途。

於2018年6月30日，本集團將其總公允價值約6,321,999,000港元（2017年12月31日：5,369,478,000港元）之若干投資物業抵押予若干銀行及其他金融機構以取得上述銀行及其他金融機構之借貸，有關詳情載於附註18。

12. 發展中待售物業

於2018年6月30日，本集團將其總賬面值約744,155,000港元（2017年12月31日：469,427,000港元）之若干發展中待售物業抵押予若干銀行及其他金融機構以取得上述銀行及其他金融機構之借貸，有關詳情載於附註18。

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13. OTHER LONG TERM/CURRENT ASSETS

13. 其他長期／流動資產

		30.6.2018	31.12.2017
		2018年	2017年
		6月30日	12月31日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Prepayments for certain land use rights for investment properties construction purpose (note i)	用作投資物業建設用途之若干土地使用權預付款 (附註i)	83,629	124,126
Prepayments to construction contractors (note ii)	向建築承包商預付款 (附註ii)	39,054	49,784
Others	其他	7,090	7,609
Other long term assets	其他長期資產	129,773	181,519
Prepayments for certain land use rights for properties development for sales purpose (note i)	用於待售物業開發之若干土地使用權預付款 (附註i)	145,378	245,027
Prepayments to construction contractors (note ii)	向建築承包商預付款 (附註ii)	10,878	13,867
Prepayment for taxes	預付稅款	22,613	12,173
Others	其他	1,162	1,566
Other current assets	其他流動資產	180,031	272,633

Notes:

- (i) Amounts represented the prepayment for certain land use rights of pieces of land in the PRC with the lease term between 40 and 70 years for the purpose of property development of sale and investment properties.

As at 30 June 2018, included therein are advance to certain local government authority of RMB193,076,000 (equivalent to HK\$229,007,000) (31 December 2017: HK\$177,143,000), which is unsecured and will be treated as the prepayment for acquiring certain land use rights in the areas controlled by such local government in the future. Advances in relation to the land use rights for the purpose of property development for sale were recorded as other current assets.

- (ii) Other long term assets consisted of prepayments paid to contractors in relation to the construction of certain investment properties. Prepayments in relation to the construction of properties for sales paid to certain contractors were recorded as other current assets.

附註：

- (i) 該款項指用於待售及投資物業開發之若干土地使用權之預付款項，該等土地位於中國，租期介乎40年至70年。

於2018年6月30日，該等款項包括向若干地方政府部門之墊款人民幣193,076,000元（相當於229,007,000港元）（2017年12月31日：177,143,000港元），為無抵押並將視作用於日後收購有關地方政府所控制地區之若干土地使用權之預付款項。用於待售物業開發之土地使用權墊款入賬為其他流動資產。

- (ii) 其他長期資產包括就建造若干投資物業向承包商預付款。就建造待售物業支付予若干承包商之預付款入賬為其他流動資產。

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14. TRADE RECEIVABLES

14. 貿易應收款項

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	貿易應收款項	14,583	8,455

In respect of revenue arising from sales of properties and property leasing, the Group normally does not grant any credit term to its customers.

對於自物業銷售及物業租賃產生之收入，本集團一般不給予其客戶信貸期。

The following is an analysis of trade receivables by age, presented based on invoice date at the end of the reporting period:

按發票日期計算，於報告期末貿易應收款項之賬齡分析呈列如下：

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Current to 90 days	即期至90日	14,583	8,455

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15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

15. 其他應收款項、按金及預付款項

		30.6.2018	31.12.2017
		2018年	2017年
		6月30日	12月31日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Pledged deposits (note)	已抵押存款(附註)	642,866	648,395
Other receivables	其他應收款項	32,528	22,775
Deposits paid	已付按金	1,817	795
Prepayments	預付款項	5,573	6,948
		682,784	678,913

Note: As at 30 June 2018, deposits amounting to RMB542,000,000 (equivalent to HK\$642,866,000) (31 December 2017: RMB542,000,000 (equivalent to HK\$648,395,000)) were pledged to an independent third party to secure the loans amounting to HK\$641,009,000 (31 December 2017: HK\$646,714,000) granted to the Group by a financial institution in the PRC (the "Lender", a related party of the above independent third party), details of which are set out in note 18 (ii). Pursuant to agreements entered into between the Group and the aforesaid independent third party, and agreements entered into between the Group and the Lender, upon maturity of the aforesaid loans, the Lender agreed that the Group does not need to make any repayment of the loans to the Lender. On the other hand, the Group also agreed that the aforesaid independent third party does not need to repay any of the above pledged deposits to the Group. Based on the legal opinions issued by the Company's PRC and Hong Kong legal counsels, the aforesaid agreements effecting the net-off arrangement are legally enforceable upon their maturity on 17 October 2018 and 10 December 2018 respectively.

附註：於2018年6月30日，人民幣542,000,000元（相當於642,866,000港元）（2017年12月31日：人民幣542,000,000元（相當於648,395,000港元））之存款已抵押予獨立第三方，作為中國一間金融機構（「借款人」，上述獨立第三方之關聯方）授予本集團之貸款641,009,000港元（2017年12月31日：646,714,000港元）之抵押，有關詳情載於附註18(ii)。根據本集團與上述獨立第三方訂立之協議及本集團與借款人訂立之協議，在上述貸款到期時，借款人同意本集團無需向其償還有關貸款。另外，本集團亦同意上述獨立第三方無需償還上述已抵押存款予本集團。根據本公司中國及香港法律顧問所提供之法律意見，上述核銷安排協議分別於2018年10月17日及2018年12月10日到期時具有法律執行效力。

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16. TRADE AND OTHER PAYABLES AND ACCRUALS

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Trade payables	貿易應付款項	507,768	434,638
Other payables, accruals and deposits received	其他應付款項、預提款項及已收按金	124,013	124,835
Deposits from customers for properties developed for sale	來自發展待售物業客戶之按金	-	119,391
		631,781	678,864

The ageing of trade payables based on invoice date is 0 to 90 days. The average credit period on purchase of goods is 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

按發票日期計算，貿易應付款項之賬齡為0至90日。採購貨品之平均信貸期為90日。本集團制定了財務風險管理政策，確保所有應付款項於信貸期內結償。

17. CONTRACT LIABILITIES

As at 30 June 2018, the Group has received deposits amounting to HK\$138,471,000 in respect of the pre-sale of properties under development for sale. These properties are yet to be delivered to the buyers up to the date of this report. The contract liabilities will be recognised as revenue under sales of properties when the controls of these properties are transferred to the buyers.

17. 合約負債

於2018年6月30日，本集團就預售發展中待售物業收取按金138,471,000港元。截至本報告日期，尚未向買家交付該等物業。當該等物業之控制權轉移至買家時，將確認合約負債為物業銷售收益。

The movements of contract liabilities in the current period are as follows:

於本期間之合約負債變動如下：

		HK\$'000 千港元 (unaudited) (未經審核)
At 1 January 2018	於2018年1月1日	119,391
Receipts in advance from properties pre-sold	預售物業收取之墊款	19,080
At 30 June 2018	於2018年6月30日	138,471

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18. BANK AND OTHER BORROWINGS

18. 銀行及其他借貸

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Bank borrowings	銀行借貸		
Secured/guaranteed	有抵押／擔保	3,763,033	3,417,491
Other borrowings	其他借貸		
Secured/guaranteed	有抵押／擔保	1,278,607	1,060,356
		5,041,640	4,477,847
Total borrowings are repayable as follows:	借貸總額之還款情況如下：		
– Repayable on demand or within one year	– 按要求或1年內償還	1,360,583	850,136
– Repayable over 1 year and within 2 years	– 1年後但2年內償還	1,091,211	641,217
– Repayable over 2 years and within 5 years	– 2年後但5年內償還	2,589,846	2,986,494
		5,041,640	4,477,847
Less: Amounts shown under current liabilities	減：流動負債項下列示之金額	(1,360,583)	(850,136)
Amounts shown under non-current liabilities	非流動負債項下列示之金額	3,681,057	3,627,711
Floating rate borrowings	浮息借貸	3,763,033	3,417,491
Fixed rate borrowings	定息借貸	1,278,607	1,060,356
		5,041,640	4,477,847
Bank and other borrowings denominated in:	銀行及其他借貸計值：		
– RMB	– 人民幣	4,958,196	4,394,055
– US\$	– 美元	83,444	83,792
		5,041,640	4,477,847

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

18. BANK AND OTHER BORROWINGS – continued

During the current interim period, the Group borrowed new bank loans amounting to RMB320,000,000, which is equivalent to HK\$393,678,000 (six months ended 30 June 2017: RMB2,800,000,000 (equivalent to HK\$3,168,542,000)) and repaid bank loans of US\$45,000, which is equivalent to HK\$347,000 (six months ended 30 June 2017: RMB840,000,000 and US\$85,000 (equivalent to HK\$950,563,000 and HK\$655,000)).

The details of secured and guaranteed other borrowings of the Group are as follows:

18. 銀行及其他借貸－續

於本中期期間，本集團借入人民幣320,000,000元（相當於393,678,000港元）（截至2017年6月30日止6個月：人民幣2,800,000,000元（相當於3,168,542,000港元））之新增銀行貸款及已償還45,000美元（相當於347,000港元）（截至2017年6月30日止6個月：人民幣840,000,000元及85,000美元（相當於950,563,000港元及655,000港元））之銀行貸款。

本集團之其他有抵押及有擔保借貸資料詳情如下：

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Loans from trust fund companies (note i)	來自信託基金公司之貸款 (附註i)	637,598	413,642
Loans from a financial institution (note ii)	來自一間金融機構之貸款 (附註ii)	641,009	646,714
		1,278,607	1,060,356

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

18. BANK AND OTHER BORROWINGS – continued 18. 銀行及其他借貸 – 續

Notes:

- (i) During the current interim period, the Group raised new loan from another trust fund company amounting to RMB300,000,000 (equivalent to HK\$369,074,000) (six months ended 30 June 2017: Nil) and repaid RMB100,000,000 (equivalent to HK\$123,025,000) (six months ended 30 June 2017: RMB1,450,000,000, equivalent to HK\$1,640,852,000).

As at 30 June 2018, the loans from other trust fund companies are secured by certain completed properties held for sale with an aggregate carrying amount of approximately HK\$101,001,000, property, plant and equipment with an aggregate carrying amount of approximately HK\$64,459,000, properties under development for sale with an aggregate carrying amount of approximately HK\$235,961,000 and investment properties of the Group with fair value of approximately HK\$1,053,347,000 (31 December 2017: secured by certain properties under development for sale with an aggregate carrying amount of approximately HK\$280,426,000 and investment properties with fair value of approximately HK\$715,504,000). These loans are jointly guaranteed by Mr. Zhou Zheng and Ms. Zhou Jin, Beijing SkyOcean Foundation Investments Co., Ltd, a subsidiary of the Group, SkyOcean Holdings Group Limited and Beijing SkyOcean International Holdings Limited, companies beneficially owned as to 80% by Mr. Zhou Zheng. The loans carry interest rate at 12.13% and 9.03% per annum respectively (six months ended 30 June 2017: 9.03% per annum).

As at 30 June 2018, amount of RMB246,000,000 (equivalent to HK\$291,780,000) included in the loans will be repaid on 2 June 2019 and is included in current liabilities.

- (ii) As at 30 June 2018, certain loans were borrowed from a financial institution in the PRC which are secured by the Group's pledged deposits of HK\$642,866,000 (31 December 2017: pledged deposits of HK\$648,395,000), bearing interest at a rate of 1.11% to 1.21% (2017: 1.11% to 1.20%) per annum and repayable within one year from 30 June 2018. During the current interim period, the Group did not repay any loans (six months ended 30 June 2017: RMB100,000,000, which is equivalent to HK\$113,162,000) to the aforesaid financial institution.

附註:

- (i) 於本中期間，本集團向另一間信託基金公司籌得新貸款人民幣300,000,000元（相當於369,074,000港元）（截至2017年6月30日止6個月：無），並償還人民幣100,000,000元（相當於123,025,000港元）（截至2017年6月30日止6個月：人民幣1,450,000,000元（相當於1,640,852,000港元））。

於2018年6月30日，來自其他信託基金公司之貸款結餘均由本集團總賬面值約為101,001,000港元之若干已竣工待售物業、總賬面值約為64,459,000港元之物業、廠房及設備、總賬面值約為235,961,000港元之發展中待售物業及公允價值約為1,053,347,000港元之投資物業（2017年12月31日：總賬面值約為280,426,000港元之若干發展中待售物業及公允價值約為715,504,000港元之投資物業）作抵押。該等貸款由周政先生、周金女士、北京天洋基業投資有限公司（本集團附屬公司）、天洋控股集團有限公司及北京天洋國際控股有限公司（由周政先生實益擁有80%權益之公司）共同提供擔保。該等貸款分別按年利率12.13%及9.03%計息（截至2017年6月30日止6個月：年利率為9.03%）。

於2018年6月30日，計入貸款之人民幣246,000,000元（相當於291,780,000港元）將於2019年6月2日償還，並計入流動負債。

- (ii) 於2018年6月30日，來自一間中國金融機構之若干貸款由本集團已抵押存款642,866,000港元（2017年12月31日：已抵押存款648,395,000港元）作抵押，按介乎1.11%至1.21%（2017年：1.11%至1.20%）之年利率計息，並須於2018年6月30日計起1年內償還。於本中期間，本集團概無向上述金融機構償還任何貸款（截至2017年6月30日止6個月：人民幣100,000,000元，相當於113,162,000港元）。

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18. BANK AND OTHER BORROWINGS – continued

The secured bank and other borrowings of the Group were secured by certain assets of the Group and their carrying amounts are as follows:

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Property, plant and equipment	物業、廠房及設備	90,014	–
Investment properties (note 11)	投資物業(附註11)	6,321,999	5,369,478
Properties under development for sale (note 12)	發展中待售物業(附註12)	744,155	469,427
Completed properties held for sale	已竣工待售物業	527,922	877,317
Pledged deposits (note 15)	已抵押存款(附註15)	642,866	648,395
Pledged bank deposits	已抵押銀行存款	448	1,793
		8,327,404	7,366,410

The bank and other borrowings were also jointly guaranteed by Mr. Zhou Zheng, a director and ultimate controlling shareholder of the Company, Ms. Zhou Jin, a sister of Mr. Zhou Zheng and certain related parties which are fellow subsidiaries of the Company, details of which are disclosed in note 25(c).

18. 銀行及其他借貸－續

本集團之有抵押銀行及其他借貸由本集團之若干資產抵押，其賬面值如下：

	30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Property, plant and equipment	90,014	–
Investment properties (note 11)	6,321,999	5,369,478
Properties under development for sale (note 12)	744,155	469,427
Completed properties held for sale	527,922	877,317
Pledged deposits (note 15)	642,866	648,395
Pledged bank deposits	448	1,793
	8,327,404	7,366,410

銀行及其他借貸亦由周政先生(本公司董事及最終控股股東)及周政先生之胞妹周金女士以及若干關聯人士(本公司之同系附屬公司)共同作出擔保，有關詳情披露於附註25(c)。

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19. CONVERTIBLE BONDS AND BONDS

19. 可換股債券及債券

		30.6.2018	31.12.2017
		2018年	2017年
		6月30日	12月31日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Liability components	負債部分		
Current	流動		
– RMB19,680,000 8.5% convertible bonds (note i)	– 人民幣19,680,000元 按年利率8.5%計息之 可換股債券(附註i)	23,634	–
– HK\$270,000,000 8.5% bonds (note i)	– 270,000,000港元， 按年利率8.5%計息之 債券(附註i)	272,961	–
– HK\$470,000,000 8% bonds (note i)	– 470,000,000港元， 按年利率8%計息之 債券(附註i)	450,991	–
		747,586	–
Non-current	非流動		
– RMB19,680,000 8.5% convertible bonds (note i)	– 人民幣19,680,000元， 按年利率8.5%計息之 可換股債券(附註i)	–	23,728
– HK\$270,000,000 8.5% bonds (note i)	– 270,000,000港元， 按年利率8.5%計息之 債券(附註i)	–	271,549
– HK\$470,000,000 8% bonds (note i)	– 470,000,000港元， 按年利率8%計息之 債券(附註i)	–	442,303
– RMB1,500,000,000 zero coupon convertible bonds (note ii)	– 人民幣1,500,000,000元， 零息可換股債券 (附註ii)	1,445,962	1,398,763
		1,445,962	2,136,343
		2,193,548	2,136,343

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19. CONVERTIBLE BONDS AND BONDS – continued

Notes:

(i) Convertible Bonds I, Bonds I and Bonds II

On 12 November 2015, the Company issued a two-year term RMB8.5% secured convertible bonds due 2017 in an aggregate principal amount of RMB29,520,000 (the “Convertible Bonds I”) to an independent third party. In addition to which, on the same date, the Company also issued a two-year term HK\$8.5% secured guaranteed bonds due 2017 in an aggregate principal amount of HK\$270,000,000 (the “Bonds I”) to the same holder of the Convertible Bonds I.

On 28 June 2016, the Company entered into a subscription agreement with the same holder of the Convertible Bonds I and the Bonds I, for the purpose of issuing three-year term HK\$8% secured guaranteed bonds due in 2019 in an aggregate principal amount of HK\$470,000,000 (the “Bonds II”).

On 28 June 2016, the Company reached an agreement with the holder of the Convertible Bonds I and the Bonds I to extend the maturity date of Convertible Bonds I and the Bonds I from 12 November 2017 to 30 June 2019. There was no change of any other terms and conditions of the Convertible Bonds I and the Bonds I during the current interim period. The extension mentioned above did not result in material impact on the financial information of the Group for both periods.

In March 2017, certain holders of the Convertible Bonds I exercised their right to convert certain Convertible Bonds I, consisting of principal amount of RMB9,840,000 (equivalent to HK\$12,000,000), into share capital of the Company. Liability component and equity component of RMB9,812,000 (equivalent to HK\$11,966,000) and RMB28,000 (equivalent to HK\$34,000) were derecognised upon conversion, and share capital and share premium of HK\$100,000 and HK\$11,900,000 were recognised accordingly, as a result of which 1,000,000 new ordinary shares were issued during the last interim period.

19. 可換股債券及債券—續

附註：

(i) 可換股債券I、債券I及債券II

於2015年11月12日，本公司向獨立第三方發行於2017年到期本金總額為人民幣29,520,000元的2年期有抵押人民幣計值，按年利率8.5%計息之可換股債券（「可換股債券I」）。此外，於同日，本公司亦向可換股債券I之相同持有人發行於2017年到期本金總額為270,000,000港元的2年期有抵押有擔保港元計值，按年利率8.5%計息之債券（「債券I」）。

於2016年6月28日，本公司與可換股債券I及債券I之相同持有人就發行於2019年到期本金總額為470,000,000港元的3年期有抵押有擔保港元計值，按年利率8%計息之債券（「債券II」）訂立一項認購協議。

於2016年6月28日，本公司與可換股債券I及債券I之持有人達成協議，將可換股債券I及債券I之到期日由2017年11月12日延長至2019年6月30日。於本中期期間，可換股債券I及債券I之任何其他條款及條件概無變動。上文所述之延期並無對本集團上述兩個期間之財務資料造成重大影響。

於2017年3月，若干可換股債券I持有人行使其權利轉換若干可換股債券I（將本金額為人民幣9,840,000元（相當於12,000,000港元））轉換為本公司股本。負債部分人民幣9,812,000元（相當於11,966,000港元）及權益部分人民幣28,000元（相當於34,000港元）於轉換後被終止確認，股本100,000港元及股份溢價11,900,000港元亦相對地被確認。因此，於上一中期期間發行了1,000,000股新普通股。

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19. CONVERTIBLE BONDS AND BONDS – continued

Notes: – continued

- (i) **Convertible Bonds I, Bonds I and Bonds II – continued**
The total net proceeds received by the Company from the issue of the Convertible Bonds I have been split between a liability component and an equity component in its initial recognition. The movements of the liability component of the Convertible Bonds I, the Bonds I and the Bonds II for the current interim period are set out below:

		Bonds I and Bonds II 債券I及 債券II	Liability component of the Convertible Bonds I 可換股債券I 負債部分	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Convertible Bonds I, Bonds I and Bonds II at 1 January 2018 (audited)	於2018年1月1日之可換股債券I、債券I及債券II (經審核)	713,852	23,728	737,580
Interest charged during the period	期內利息支出	38,927	1,100	40,027
Interest paid during the period	期內已付利息	(30,275)	(1,020)	(31,295)
Exchange realignment	匯兌調整	1,448	(174)	1,274
At 30 June 2018 (unaudited)	於2018年6月30日 (未經審核)	723,952	23,634	747,586
Convertible Bonds I, Bonds I and Bonds II at 1 January 2017 (audited)	於2017年1月1日之可換股債券I、債券I及債券II (經審核)	697,915	31,985	729,900
Conversion of Convertible Bonds I	轉換可換股債券I	–	(11,966)	(11,966)
Interest charged during the period	期內利息支出	38,442	1,439	39,881
Interest paid during the period	期內已付利息	(30,617)	(1,262)	(31,879)
Exchange realignment	匯兌調整	(663)	2,440	1,777
At 30 June 2017 (unaudited)	於2017年6月30日 (未經審核)	705,077	22,636	727,713

19. 可換股債券及債券 – 續

附註：– 續

- (i) **可換股債券I、債券I及債券II – 續**
本公司自發行可換股債券I所收到之總所得款項淨額於其初步確認時已分為負債部分及權益部分。可換股債券I、債券I和債券II之負債部分於本中期期間之變動載列如下：

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

19. CONVERTIBLE BONDS AND BONDS – continued

Notes: – continued

(ii) Convertible Bonds II

On 24 December 2015, the Company issued a five-year term RMB zero coupon convertible bonds due 2020 in an aggregate principal amount of RMB1,500,000,000 (the “Convertible Bonds II”) to SkyOcean Investment Holdings Limited, the immediate holding company of the Company which is beneficially owned as to 80% by Mr. Zhou Zheng.

During the current interim period, there was no change of any terms and conditions of the Convertible Bonds II, details of which are disclosed in the Group’s annual consolidated financial statements for the year ended 31 December 2017.

The total net proceeds received by the Company from the issue of the Convertible Bonds II have been split between a liability component and an equity component in its initial recognition. The movements of the liability component of the Convertible Bonds II for the current interim period are set out below:

19. 可換股債券及債券－續

附註：－續

(ii) 可換股債券II

於2015年12月24日，本公司發行於2020年到期本金總額為人民幣1,500,000,000元的5年期人民幣計值零票息之可換股債券（「可換股債券II」）予天洋投資控股有限公司（本公司之直接控股公司並由周政先生實益擁有80%權益）。

於本中期期間，可換股債券II之任何其他條款及條件（其詳情於本集團截至2017年12月31日止年度之年度合併財務報表中披露）概無變動。

本公司自發行可換股債券II所收到之總所得款項淨額於其初步確認時已分為負債部分及權益部分。可換股債券II之負債部分於本中期期間之變動載列如下：

		Liability component
		負債部分
		HK\$'000
		千港元
Convertible Bonds II at 1 January 2018 (audited)	於2018年1月1日之 可換股債券II（經審核）	1,398,763
Interest charged during the period	期內利息支出	61,328
Exchange realignment	匯兌調整	(14,129)
At 30 June 2018 (unaudited)	於2018年6月30日（未經審核）	1,445,962
Convertible Bonds II at 1 January 2017 (audited)	於2017年1月1日之 可換股債券II（經審核）	1,202,413
Interest charged during the period	期內利息支出	51,893
Exchange realignment	匯兌調整	37,780
At 30 June 2017 (unaudited)	於2017年6月30日（未經審核）	1,292,086

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20. SHARE CAPITAL

20. 股本

		2018 2018年 (unaudited) (未經審核)		2017 2017年 (audited) (經審核)	
		Number of ordinary shares 普通股數目	HK\$'000 千港元	Number of ordinary shares 普通股數目	HK\$'000 千港元
Authorised:	法定:				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股	3,000,000,000	300,000	3,000,000,000	300,000
Issued and fully paid:	已發行及繳足:				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股	263,211,739	26,322	262,211,739	26,222
At 1 January	於1月1日				
Conversion of Convertible Bonds I (note)	轉換可換股債券I (附註)	-	-	1,000,000	100
At 30 June 2018/ 31 December 2017	於2018年6月30日/ 2017年12月31日	263,211,739	26,322	263,211,739	26,322

Note: During six months ended 30 June 2017, 1,000,000 new ordinary shares were issued upon conversion of certain Convertible Bonds I, details of which are set out in note 19(i).

附註: 於截至2017年6月30日止6個月內, 轉換若干可換股債券I而發行1,000,000股新普通股, 有關詳情載於附註19(i)。

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21. CONTINGENT LIABILITIES

21. 或有負債

	30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Mortgage loan guarantees provided by the Group to banks in favour of its customers (note)	388,790	399,252

Note: In the opinion of the Directors, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition, taking into consideration the advance received the possibility of default by the relevant buyers and, in case of default in payments, the net realisable value of the related properties can recover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Accordingly, no provision has been made in these condensed consolidated financial statements for these guarantees.

附註：董事認為，本集團之財務擔保合約公允價值於初步確認時並不重大，乃考慮到已收墊款、相關買方拖欠款項之可能性，以及倘若買家拖欠款項，有關物業之可變現淨值足以抵償未償還按揭本金之還款，連同應計利息及罰款。因此，概無於該等簡明合併財務報表內就該等擔保作出撥備。

22. OPERATING LEASE COMMITMENTS AS LESSEE

As at 30 June 2018 and 31 December 2017, the Group had outstanding commitments under non-cancellable operating leases in respect of rented premises which fall due as follows:

22. 經營租賃承諾作為承租人

於2018年6月30日及2017年12月31日，本集團根據不可撤銷經營租約就己租賃物業之到期未償還承擔如下：

	30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within one year	7,475	8,698
In the second to fifth year, inclusive	7,219	10,807
	14,694	19,505

Leases are negotiated for a term of one month to three years (31 December 2017: one month to three years) and rentals are fixed over the respective leases.

租賃年期協定為1個月至3年(2017年12月31日：1個月至3年)及有關租賃之租金均為固定租金。

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22. OPERATING LEASE COMMITMENTS – continued

AS LESSOR

The investment properties held by the Group for rental purpose has committed tenants for one month to eighteen years of which majority are with fixed rental.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases as follows:

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within one year	1年內	46,148	32,673
In the second to fifth year, inclusive	第2至第5年 (包括首尾兩年)	133,967	104,593
After five years	5年後	46,956	49,084
		227,071	186,350

23. COMMITMENTS

22. 經營租賃承諾－續

作為出租人

本集團持有作租賃用途之投資物業之租戶承諾租期為1個月至18年，其中大部分租賃之租金為固定租金。

於報告期末，本集團根據不可撤銷經營租約與租戶約定之未來最低租金款項如下：

23. 承諾

		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Contracted but not yet provided:	已訂約但未撥備：		
Development expenditure in respect of:	下列項目之發展 開支：		
Properties under development for sale	發展中待售物業	1,762,110	926,279
Investment properties	投資物業	624,874	552,331
Property, plant and equipment	物業、廠房及設備	166,701	108,470
		2,553,685	1,587,080

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24. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

On 12 April 2018, the Group acquired 75% equity interest in DreamEast Galaxy Media (Beijing) Co., Ltd. for a consideration of RMB7,500,000 (equivalent to HK\$9,227,000) from DreamEast Pictures Co., Ltd., a company held as to 80% by Mr. Zhou Zheng. As DreamEast Galaxy Media (Beijing) Co., Ltd. did not constitute a business, the acquisition of the equity interests by the Group is considered as acquisition of assets and liabilities. The excess of assets and liabilities over the consideration payable of HK\$4,783,000 were recognised in other reserve. The net cash outflows arising from the acquisition is HK\$8,049,000.

25. RELATED PARTY DISCLOSURES

Apart from the related party transactions and balances disclosed elsewhere in these condensed consolidated financial statements, the Group had the following significant related party transactions during the period.

- (A) On 9 October 2017, the Group entered into a tendency agreement with Sanhe SkyOcean, a company held as to 80% by Mr. Zhou Zheng, pursuant to which Sanhe SkyOcean, the owner of the Park, will lease the aforesaid premise to the Group with the lease term from October 2017 to December 2019. The rental expenses for six months ended 30 June 2018 amounting to HK\$1,230,000 (six months ended 30 June 2017: Nil).

24. 通過收購附屬公司收購資產

於2018年4月12日，本集團自夢東方電影有限公司（一間由周政先生持有80%之公司）收購夢東方星際傳媒（北京）有限公司的75%股權，代價為人民幣7,500,000元（相當於9,227,000港元）。由於夢東方星際傳媒（北京）有限公司並不構成業務，本集團收購股權被視為收購資產及負債。資產及負債超出應付代價4,783,000港元之部分確認於其他儲備。收購產生之現金流出淨額為8,049,000港元。

25. 關聯方之披露

除此等簡明合併財務報表其他部分所披露之關聯方交易及結餘外，本集團於期內曾進行下述重大關聯方交易。

- (A) 於2017年10月9日，本集團與三河天洋城（一間由周政先生持有80%之公司）訂立租賃協議，據此，樂園之擁有人三河天洋城將租賃上述物業予本集團，租期為2017年10月至2019年12月。截至2018年6月30日止6個月之租金開支為1,230,000港元（截至2017年6月30日止6個月：無）。

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

25. RELATED PARTY DISCLOSURES – continued**(B) OUTSTANDING BALANCES WITH RELATED PARTIES**

- (i) At 30 June 2018, amounts due from related companies of HK\$512,672,000 (31 December 2017: HK\$5,913,000) are all non-trade nature, unsecured, interest-free and repayable within one year. Mr. Zhou Zheng has controlling interest in these related companies.
- (ii) At 30 June 2018, amounts due to related companies of HK\$547,182,000 (31 December 2017: HK\$433,762,000) are all non-trade nature, unsecured, interest-free and repayable on demand. Mr. Zhou Zheng has controlling interest in these related companies.
- (iii) The Group issued the Convertible Bonds II to SkyOcean Investment Holding Limited, the immediate holding Company, in prior years. The finance cost incurred during the current period and prior period, and carrying amounts of the liability component of the Convertible Bonds II as at 30 June 2018 and 31 December 2017 are set out in note 19.

25. 關聯方之披露 – 續**(B) 與關連人士之未償還結餘**

- (i) 於2018年6月30日，應收關聯公司之款項512,672,000港元（2017年12月31日：5,913,000港元）均屬非貿易性質、無抵押、免息及須於一年內償還。周政先生擁有此等關聯公司之控制權權益。
- (ii) 於2018年6月30日，應付關聯公司之款項547,182,000港元（2017年12月31日：433,762,000港元）均屬非貿易性質、無抵押、免息及須按的要求償還。周政先生擁有此等關聯公司之控制權權益。
- (iii) 本集團於過往年度向直接控股公司天洋投資控股有限公司發行可換股債券II。於本期間及過往期間產生之財務成本及可換股債券II負債部分於2018年6月30日及2017年12月31日之賬面值載於附註19。

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25. RELATED PARTY DISCLOSURES – continued

(C) GUARANTEES PROVIDED BY RELATED PARTIES

- (i) Mr. Zhou Zheng and Ms. Zhou Jin, a sister of Mr. Zhou Zheng, provided joint personal guarantee for the borrowings granted by certain banks and other financial institutions to the Group with a carrying amount of RMB3,393,499,000, which is equivalent to HK\$4,025,025,000 as at 30 June 2018 (31 December 2017: RMB2,786,673,000, which is equivalent to HK\$3,333,699,000), details of which are set out in note 18.
- (ii) SkyOcean Holdings Group Limited, a company beneficially owned as to 80% by Mr. Zhou Zheng, provided corporate guarantee for the borrowings granted by certain banks and other financial institutions to the Group with the carrying amount of RMB3,393,499,000, which is equivalent to HK\$4,025,025,000 as at 30 June 2018 (31 December 2017: RMB2,786,673,000, which is equivalent to HK\$3,333,699,000), details of which are set out in note 18.
- (iii) DreamEast (Sanhe) Entertainment Limited, a company beneficially owned as to 80% by Mr. Zhou Zheng, provided corporate guarantee for the borrowings granted by certain banks to the Group with the carrying amount of RMB311,801,000, which is equivalent to HK\$369,827,000 as at 30 June 2018 (31 December 2017: Nil), details of which are set out in note 18.

25. 關聯方之披露 – 續

(C) 關聯方提供之擔保

- (i) 於2018年6月30日，周政先生及其胞妹周金女士就若干銀行及其他金融機構向本集團授出賬面值為人民幣3,393,499,000元（相當於4,025,025,000港元）（2017年12月31日：人民幣2,786,673,000元（相當於3,333,699,000港元））之借貸共同作出個人擔保，有關詳情載於附註18。
- (ii) 於2018年6月30日，天洋控股集團有限公司（一間由周政先生實益擁有80%之公司）就若干銀行及其他金融機構向本集團授出賬面值為人民幣3,393,499,000元（相當於4,025,025,000港元）（2017年12月31日：人民幣2,786,673,000元，相當於3,333,699,000港元）之借貸提供公司擔保，有關詳情載於附註18。
- (iii) 於2018年6月30日，夢東方（三河）娛樂有限公司（一間由周政先生實益擁有80%之公司）就若干銀行向本集團授出賬面值為人民幣311,801,000元（相當於369,827,000港元）（2017年12月31日：無）之借貸提供公司擔保，有關詳情載於附註18。

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

25. RELATED PARTY DISCLOSURES – continued**(C) GUARANTEES PROVIDED BY RELATED PARTIES – continued**

- (iv) Beijing SkyOcean International Holdings Limited, a company beneficially owned as to 80% by Mr. Zhou Zheng, provided corporate guarantee for the other borrowing granted by a financial institution to the Group amounting to RMB246,321,000, which is equivalent to HK\$292,161,000 as at 30 June 2018 (31 December 2017: RMB345,767,000, which was equivalent to HK\$413,642,000), details of which are set out in note 18(i).
- (v) As at 30 June 2018 and 31 December 2017, Mr. Zhou Zheng and Ms. Zhou Jin, provided joint personal guarantee and Beijing SkyOcean International Holdings Limited, a company beneficially owned as to 80% by Mr. Zhou Zheng, provided corporate guarantee in favour of the holders of the Convertible Bonds I, the Bonds I and the Bonds II (note 19). Furthermore, Convertible Bonds I, the Bonds I and the Bonds II are also secured by share charge over certain number of ordinary shares of the Company held by SkyOcean Investment Holdings Limited, the immediate holding company of the Company. In addition, SkyOcean Investment Holdings Limited, being the holder of Convertible Bonds II, charged over certain part of Convertible Bonds II in favour of the holder of Bonds II.

25. 關聯方之披露 – 續**(C) 關聯方提供之擔保 – 續**

- (iv) 於2018年6月30日·北京天洋國際控股有限公司(一間由周政先生實益擁有80%之公司)就一間金融機構向本集團授出之人民幣246,321,000元(相當於292,161,000港元)(2017年12月31日:人民幣345,767,000元(相當於413,642,000港元))之其他借貸提供公司擔保·有關詳情載於附註18(i)。
- (v) 於2018年6月30日及2017年12月31日·周政先生及周金女士向可換股債券I·債券I及債券II之持有人共同作出個人擔保·而北京天洋國際控股有限公司(一間由周政先生實益擁有80%之公司)向該等持有人提供公司擔保(附註19)。此外·可換股債券I·債券I及債券II亦以本公司直接控股公司天洋投資控股有限公司持有之本公司若干數目普通股之股份質押作擔保。另外·可換股債券II持有人天洋投資控股有限公司已向債券II持有人質押若干可換股債券II。

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25. RELATED PARTY DISCLOSURES – continued

(D) COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE GROUP

		Six months ended	
		截至下列日期止6個月	
		30.6.2018	30.6.2017
		2018年	2017年
		6月30日	6月30日
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Short-term benefits*	短期福利*	492	522
Post-employment benefits*	離職後福利*	–	–
		492	522

* Certain executive directors of the Company received emoluments from a related company of the Group for the six months ended 30 June 2018 and 2017, part of which are in relation to their services to the Company. No apportionment has been made as the Directors consider that it is not feasible to apportion the amount between their services to the Company and their services to the related company. The related company is wholly owned by the immediate family members of Mr. Zhou Zheng.

* 於截至2018年及2017年6月30日止6個月，本公司若干執行董事從本集團一間關聯公司收取酬金，當中部分酬金與彼等向本公司提供之服務有關。由於董事認為將有關酬金攤分為彼等為本公司提供服務之酬金及彼等為關聯公司提供服務之酬金並不可行，故並無分攤有關酬金。有關關聯公司為周政先生之直系家屬全資擁有之公司。

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26. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis.

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair value.

26. 金融工具之公允價值計量

本集團以非經常性基準按公允價值計量金融資產及金融負債之公允價值。

除下表所詳述者外，董事認為於簡明合併財務報表按攤餘成本列賬之金融資產及金融負債之賬面值與其公允價值相若。

		Carrying amounts 賬面值		Fair values 公允價值	
		30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)	30.6.2018 2018年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31.12.2017 2017年 12月31日 HK\$'000 千港元 (audited) (經審核)
Financial liabilities	金融負債				
Non-current	非流動				
Liability component of	可換股債券II負債部分				
Convertible Bonds II		1,445,962	1,398,763	1,431,035	1,397,150

The fair values of the liability component of Convertible Bonds II as at 30 June 2018 and 31 December 2017 with fair value hierarchy of level 3, were determined based on the valuation performed by Asia-Pacific Consulting and Appraisal Limited using discounted cash flow approach and applying prime rate as adjusted to reflect the credit risk of the issuer as key inputs.

於2018年6月30日及2017年12月31日，公允價值層級為第3層的可換股債券II之負債部分的公允價值乃根據亞太評估諮詢有限公司使用貼現現金流量法及應用最優惠利率釐定，以反映作為主要輸入數據的發行人的信貸風險。

27. COMPARATIVE AMOUNTS

Certain comparative figures have been reclassified to conform with the current period's presentation.

27. 比較金額

已重新分類若干比較金額，以符合本期間之呈列方式。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, the equity attributable to owners of the Company amounted to HK\$3,199.2 million, representing an increase of approximately HK\$162.2 million from that of 31 December 2017.

On 12 November 2015, the Company issued a 2-year term RMB 8.5% secured convertible bonds due 2017 in an aggregate principal amount of RMB29.5 million (the "Convertible Bonds I") to an independent third party. In addition to which, on the same date, the Company also issued a 2-year term HK\$ 8.5% secured guaranteed bonds due 2017 in an aggregate principal amount of HK\$270.0 million (the "Bonds I") to the same holder of the Convertible Bonds I.

On 24 December 2015, the Company issued a 5-year term RMB zero coupon convertible bonds due 2020 in an aggregate principal amount of RMB1,500.0 million (the "Convertible Bonds II") to SkyOcean Investment Holdings Limited, the immediate holding company of the Company which is beneficially owned as to 80% by Mr. Zhou Zheng.

On 28 June 2016, the Company entered into a subscription agreement with the same holder of the Convertible Bonds I and the Bonds I, for the purpose of issuing 3-year term HK\$ 8% secured guaranteed bonds due in 2019 in an aggregate principal amount of HK\$470.0 million (the "Bonds II"). The Company issued the first tranche of the Bonds II amounting to HK\$70.0 million on 30 June 2016. The second tranche of the Bonds II amounting to HK\$400.0 million was issued on 5 July 2016.

On 28 June 2016, SkyOcean Investment Holdings Limited, the holder of the Convertible Bonds II entered into a deed of charge with the holder of the Bonds II, and charged over certain part of Convertible Bonds II amounting to RMB450.0 million in favour of the holder of the Bonds II.

On 28 June 2016, the Company reached an agreement with the holder of the Convertible Bonds I and the Bonds I to extend the maturity date of Convertible Bonds I and the Bonds I from 12 November 2017 to 30 June 2019.

On 15 March 2017, certain holders of the Convertible Bonds I converted part of the Convertible Bonds I with principal amount of RMB9.8 million into 1,000,000 ordinary shares of the Company at the specific conversion exchange rate and conversion price.

During the current interim period, there was no change of any terms and conditions of the Convertible Bonds I, Convertible Bonds II, Bonds I and Bonds II, details of which are disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2017.

流動資金及財務資源

於2018年6月30日，本公司擁有人應佔權益為3,199.2百萬港元，較2017年12月31日增加約162.2百萬港元。

於2015年11月12日，本公司向獨立第三方發行於2017年到期本金總額為人民幣29.5百萬元之2年期有抵押人民幣計值，按年利率8.5%計息之可換股債券（「可換股債券I」）。此外，於同日，本公司亦向可換股債券I之相同持有人發行於2017年到期本金總額為270.0百萬港元之2年期有抵押有擔保港元計值，按年利率8.5%計息之債券（「債券I」）。

於2015年12月24日，本公司發行於2020年到期本金總額為人民幣1,500.0百萬元之5年期人民幣計值零票息之可換股債券（「可換股債券II」）予天洋投資控股有限公司（本公司之直接控股公司並由周政先生實益擁有80%權益）。

於2016年6月28日，本公司與可換股債券I及債券I之相同持有人就發行於2019年到期本金總額為470.0百萬港元之3年期有抵押有擔保港元計值，按年利率8%計息之債券（「債券II」）訂立1份認購協議。本公司於2016年6月30日發行第一批金額為70.0百萬港元之債券II。第二批金額為400.0百萬港元之債券II於2016年7月5日發行。

於2016年6月28日，天洋投資控股有限公司（可換股債券II持有人）與債券II持有人訂立抵押契約，並以債券II持有人為受益人抵押部分可換股債券II，金額為人民幣450.0百萬元。

於2016年6月28日，本公司與可換股債券I及債券I之持有人達成協議，將可換股債券I及債券I之到期日由2017年11月12日延長至2019年6月30日。

於2017年3月15日，若干可換股債券I持有人按特定兌換匯率及轉換價將本金額為人民幣9.8百萬元之可換股債券I轉換為1,000,000股本公司普通股。

於本中期間，可換股債券I、可換股債券II、債券I及債券II之任何條款及條件（其詳情於本集團截至2017年12月31日止年度之年度合併財務報表中披露）概無變動。



On 1 August 2017 and 20 July 2018, the Company reached agreement with the holder of the Convertible Bonds I, Bonds I and Bonds II to amend certain terms and conditions of the Convertible Bonds I, Bonds I and Bonds II. Further details are set out in the announcement of the Company on 1 August 2017 and 20 July 2018.

As at 30 June 2018, approximately 280,000,000 (31 December 2017: 280,000,000) conversion shares remained outstanding and have not been converted.

The Group normally provides its business with the operating fund that comes from internal cash flow and the credit provided by principal correspondent banks in Hong Kong and the PRC. As at 30 June 2018, the Group's cash and bank balances amounted to approximately HK\$1,091.3 million, the majority of which were held in Hong Kong dollars ("HK\$") and Renminbi ("RMB"). As at 30 June 2018, the Group's bank and other borrowings amounted to approximately HK\$5,041.6 million, most of which were principally settled in RMB carrying interest at fixed and floating lending rates.

As at 30 June 2018, the Group's liability component of Bonds and Convertible Bonds with carrying amounts of approximately HK\$2,193.5 million comprised of 4 portions, including bonds in the principal amounts of HK\$270.0 million and HK\$470.0 million respectively and convertible bonds in the principal amounts of RMB1,500.0 million and RMB19.7 million respectively. For the six months ended 30 June 2018, the interest expenses incurred were approximately HK\$101.4 million.

As at 30 June 2018, the Group's current ratio was 1.6, based on the current assets of approximately HK\$5,621.3 million and current liabilities of approximately HK\$3,472.4 million. As at 30 June 2018, the Group's gearing ratio was approximately 2.8 times based on total liabilities of approximately HK\$9,090.8 million and total equity of approximately HK\$3,218.5 million.

CURRENCY AND FINANCIAL RISK MANAGEMENT

With the majority of the Group's businesses transacted in RMB and HK\$, the aforesaid currencies are defined as the functional currency of the Company and some subsidiaries respectively. Apart from certain bank balances and cash and bonds denominated in foreign currencies, the Group is not subject to any significant risk from fluctuations in exchange rates. No currency hedging arrangement had been made by the Group during the reporting period. The Group will closely monitor and manage its exposure to fluctuation in foreign exchange rates.

於2017年8月1日及2018年7月20日，本公司與可換股債券I、債券I及債券II持有人達成協議，修訂可換股債券I、債券I及債券II之若干條款及條件。進一步詳情載於本公司於2017年8月1日及2018年7月20日之公告。

於2018年6月30日，約280,000,000(2017年12月31日：280,000,000)股兌換股份尚未行使且尚未兌換。

本集團一般以內部現金流量以及香港及中國主要往來銀行所提供的信貸為其業務提供營運資金。於2018年6月30日，本集團有現金及銀行結餘約1,091.3百萬港元。本集團的現金及銀行結餘大部分以港元（「港元」）及人民幣（「人民幣」）持有。於2018年6月30日，本集團的銀行及其他借貸約為5,041.6百萬港元。本集團的銀行及其他借貸大部分主要以人民幣結算並按固定及浮動借貸利率計算利息。

於2018年6月30日，本集團債券及可換股債券負債部分總計之賬面值約為2,193.5百萬港元，由4筆分別為本金額為270.0百萬港元及470.0百萬港元的債券；本金額為人民幣1,500.0百萬元及人民幣19.7百萬元之可換股債券負債部分組成。於截至2018年6月30日止6個月，相關利息費用約為101.4百萬港元。

於2018年6月30日，本集團流動比率為1.6，乃根據流動資產約5,621.3百萬港元及流動負債約3,472.4百萬港元計算。於2018年6月30日，本集團的資產負債比率約為2.8倍，乃根據總負債約9,090.8百萬港元及總權益約3,218.5百萬港元計算。

貨幣及財務風險管理

鑑於本集團大部份業務以人民幣及港元交易，故此上述貨幣分別被界定為本公司及其若干附屬公司之功能貨幣。除了若干銀行結餘及現金以及債券以外幣計值外，本集團並無面對任何重大匯率波動風險。於報告期內，本集團並無作出任何貨幣對沖安排。本集團會密切監察及管理其所面對之匯率波動風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PLEDGE OF ASSETS

As at 30 June 2018, deposits of RMB542.0 million (equivalent to HK\$642.9 million) (31 December 2017: RMB542.0 million (equivalent to HK\$648.4 million)) and bank deposits of HK\$0.4 million (31 December 2017: HK\$1.8 million) were pledged to secure the loans granted to the Group.

As at 30 June 2018, the Group pledged certain of its property, plant and equipment with an aggregate carrying amount of approximately HK\$90.0 million (31 December 2017: nil) to certain bank and other financial institutions to secure borrowings obtained from the aforesaid bank and other financial institutions.

As at 30 June 2018, the Group pledged certain of its investment properties with an aggregate fair value approximately of HK\$6,322.0 million (31 December 2017: HK\$5,369.5 million) to certain bank and other financial institutions to secure borrowings obtained from the aforesaid bank and other financial institutions.

As at 30 June 2018, the Group pledged certain of its properties under development for sale with an aggregate carrying amount of approximately HK\$744.2 million (31 December 2017: HK\$469.4 million) and completed properties held for sale with an aggregate carrying amount of approximately HK\$527.9 million (31 December 2017: HK\$877.3 million) to certain bank and other financial institutions to secure borrowings obtained from the aforesaid bank and other financial institutions.

SIGNIFICANT INVESTMENT HELD

During the six months ended 30 June 2018, the Group did not hold any significant investment in equity interest in any other company.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

During the six months ended 30 June 2018, there were no material acquisitions or disposals of subsidiaries and associates by the Group except for: (1) the acquisition of the 75% equity interest in DreamEast Galaxy Media for consideration of RMB7,500,000 as announced on 12 April 2018; and (2) the establishment of the VIE Arrangement in respect of DreamEast Beijing as announced on 28 March 2018.

資產抵押

於2018年6月30日，保證金人民幣542.0百萬元（相當於642.9百萬元）（2017年12月31日：人民幣542.0百萬元（相當於648.4百萬元））及銀行存款0.4百萬元（2017年12月31日：1.8百萬元）已抵押，作為授予本集團之貸款之擔保。

於2018年6月30日，本集團將其總賬面值約90.0百萬元（2017年12月31日：無）之若干物業、廠房及設備抵押予若干銀行及其他金融機構以取得上述銀行及其他金融機構之借貸。

於2018年6月30日，本集團將其總公允價值約6,322.0百萬元（2017年12月31日：5,369.5百萬元）之若干投資物業抵押予若干銀行及其他金融機構以取得上述銀行及其他金融機構之借貸。

於2018年6月30日，本集團將其總賬面值約744.2百萬元（2017年12月31日：469.4百萬元）之若干發展中待售物業及總賬面值約527.9百萬元（2017年12月31日：877.3百萬元）之已竣工待售物業抵押予若干銀行及其他金融機構以取得上述銀行及其他金融機構之借貸。

所持重大投資

截至2018年6月30日止6個月內，本集團並無持有任何其他公司股權之任何重大投資。

有關附屬公司及聯營公司之重大收購及出售事項

截至2018年6月30日止6個月，本集團並無進行有關附屬公司及聯營公司之重大收購或出售事項，惟：(1)以代價人民幣7,500,000元收購夢東方星際傳媒之75%股權（如2018年4月12日所公佈）；及(2)訂立有關夢東方北京之VIE安排（如2018年3月28日所公佈）除外。



MANAGEMENT AND STAFF

As at 30 June 2018, the total number of employees (including both full time and part time) was approximately 468. Total staff costs amounted to approximately HK\$35.4 million (six months ended 30 June 2017: HK\$34.0 million (restated)). The Group offers competitive remuneration packages, together with discretionary bonuses to its staff, based on industry practices and individual and Group's performances. The Group also offers training courses and continuous education sessions as part of the Group's emphasis on staff training and development.

MAJOR RISKS AND UNCERTAINTIES

There are certain risks and uncertainties that the Group face during its operation. Among which, there are certain risks that the Group cannot control. Such risks and uncertainties including factors such as economy conditions of both inside and outside China, credit policy and foreign exchange policies, and changes related to laws and regulations and enforcement policies.

With the growth and expansion of the Group's operations, the potential risks to the Group's business increase as well. In order to identify, assess and control the risks that may create impediments to the Group's success, the Group have implemented a risk management system that covers each material aspect of its operations, including financial security and compliance. The Group's Audit Committee is responsible for overseeing and assessing the Group's risk management policy and they supervise the performance of risk management system.

SOCIAL RESPONSIBILITIES AND SERVICES AND ENVIRONMENTAL POLICY

The Group is committed to the long-term sustainability of its businesses and the communities with which it engages. The Group pursues this business approach by managing its business prudently and executing management decisions with due care and attention. Over the years, the Group has been fully committed to environmental protection. Periodic seminars are held to update environmental laws and regulations and to make valuable suggestions and recommendations for improvement.

RELATIONS WITH CUSTOMERS AND SUPPLIERS

Relationship is the fundamentals of business. The Group fully understand this principal and thus maintain good relationship with the customers to fulfil their immediate and longterm need.

The Group strives to maintain fair and co-operating relationship with the suppliers.

管理層及僱員

於2018年6月30日，本集團共有約468名員工（包括全職及兼職）。總員工成本約為35.4百萬港元（截至2017年6月30日止6個月：34.0百萬港元（經重列））。本集團根據行業慣例、僱員個人表現及本集團之表現為僱員提供具競爭力之薪酬組合及酌情花紅。本集團亦十分重視僱員培訓及發展，為僱員提供培訓課程及持續進修機會。

主要風險及不確定性

本集團的運營面臨著一定的風險及不確定性，其中一些風險是本集團所不能控制的。這些風險及不確定性包括國內外經濟形勢，中國信貸政策及外匯政策，及有關法律、法規和執法政策的變動等因素。

隨著本集團的業務增長及擴展，有關本集團業務的潛在風險亦同時增加。為識別、評估及控制可能阻礙本集團成功的風險，本集團已實施一套風險管理系統，覆蓋我們業務營運各重大方面，包括財務安全與合規。本集團的審核委員會負責監督及評估本集團的風險管理政策及監察風險管理系統的表現。

社會責任與服務及環境政策

本集團致力於業務及經營所在社區的長期可持續發展。本集團所追求的經營方針是審慎處理業務並以適切的考慮及關注執行管理決策。多年以來，本集團一直全力實踐對環境保護的承諾。定期舉辦研討會，回顧最新的環境法律及法規，以及就改善環境提出寶貴建議及意見。

與客戶及供應商之關係

關係乃業務的根本，本集團深明此理，與客戶保持密切關係以滿足其目前及長期之需要。

本集團致力與供應商維持公平及合作之關係。

INVESTOR RELATIONS REPORT 投資者關係報告

The Company attached great importance to communications with investors, financial institutions, the media and other stakeholders in order to establish a more efficient communication channel between the Company and the capital market. The investor relations department has maintained effective mutual communication and close relationships with investors, financial institutions and media through various channels such as the publication of annual report and interim report, press release, corporate newsletter and announcement, as well as the website of the Company. We believe that effective investor relations will help reduce financial costs and improve the liquidity of the shares of the Company, leading to a more solid shareholder base. The Company therefore undertakes to maintain high transparency and to release the financial and operation conditions and the latest news to the market promptly and accurately in compliance with the principle of “accurate, timely, and transparent” information disclosure. The Company strives to make the market have a deep understanding of the Company and maintain high corporate transparency in order to create maximum value for shareholders and other stakeholders.

本公司極為重視與投資者、金融機構、媒體及其他利益相關人士的溝通，致力於為本公司和資本市場之間搭建更為高效的溝通橋樑。投資者關係部門通過多種渠道，包括刊發年度報告及中期報告、發放新聞稿、企業通訊及公告和公司網站等，以保持與投資者、金融機構、媒體的有效雙向溝通及緊密聯繫。公司相信有效的投資者關係有助降低融資成本，改善本公司股份的市場流動性，並建立更穩固的股東基礎。因此，本公司承諾保持公司高透明度及遵循「準確、及時、透明」的資訊披露原則，適時準確地向市場傳達本公司的財務、經營狀況以及最新消息。本公司致力深化市場對本公司的瞭解，及保持企業高透明度，從而為股東及持份者創造最大價值。

SHARE PERFORMANCE

股價表現

For the 6 months period ended 30 June 2018	截至2018年6月30日 止6個月內	Highest 最高	Lowest 最低
The Company's share price per share (HK\$)	本公司每股股價 (港元)	15.88	8.46

SHARE PERFORMANCE DURING THE 6 MONTHS PERIOD ENDED 30 JUNE 2018 (2 JANUARY 2018 TO 29 JUNE 2018)

As at 29 June 2018, the Company had a total of 263,211,739 Shares and the market price per Share was HK\$11.8. Based on the closing price as at 30 June 2018, the market capitalisation of the Company amounted to HK\$3,106 million.

The investor relations department will continue to enhance the quality of communication with investors and maintain corporate transparency. To ensure easy access to the Company's updated information, all of our published information including announcements, interim and annual reports and press releases, are posted on the Company's website www.dreameast.com in a timely manner. Interested parties can also make enquiries by contacting the investor relations department (email: investor.inquiry@dreameast.com).

截至2018年6月30日止6個月內股價表現 (2018年1月2日至2018年6月29日)

截至2018年6月29日，本公司總股數為263,211,739股，每股市場價格為11.8港元。以2018年6月30日的收市價格計算，本公司的市值為3,106百萬港元。

本公司的投資者關係部門將繼續加強和提升與投資者的聯絡及溝通質量，並且保持公司的透明度。為確保容易獲得本公司的最新資訊，所有本公司刊發的資料包括公告、中期及年度報告及新聞稿均會及時上載至本公司網頁 www.dreameast.com。有興趣人士亦可聯絡投資者關係部 (電郵: investor.inquiry@dreameast.com) 查詢。

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the 6 months ended 30 June 2018 (6 months ended 30 June 2017: nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any securities of the Company on the Stock Exchange during the 6 months ended 30 June 2018.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2018, Mr. Zhou Zheng had the following interests in the shares and underlying shares of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), as recorded in the register required to be kept under Section 352 of the SFO:

Name of Director	Name of company	Number of shares and underlying shares held	Approximate % of the relevant issued share capital	Nature of interests	Note
董事姓名	公司名稱	持有股份及相關股份數目	佔有關已發行股本之概約百分比	權益性質	附註
Zhou Zheng 周政	the Company 本公司	461,392,004	175.29%	Interest of controlled corporation 受控制法團之權益	1

Notes:

- This includes interests in (i) 182,903,181 shares of the Company, and (ii) convertible bonds (upon exercise of the conversion rights attached to which, 278,488,823 shares will be allotted and issued by the Company) of the Company held by SkyOcean Investment Holdings Limited ("SkyOcean Investment"), a wholly-owned subsidiary of Knowledge Silicon Valley Limited. Knowledge Silicon Valley Limited was owned as to 80% by Sheng Bang Holdings Limited ("Sheng Bang"), which in turn was wholly-owned by Mr. Zhou Zheng. By virtue of the SFO, each of Mr. Zhou Zheng, Sheng Bang and Knowledge Silicon Valley Limited was deemed to be interested in the shares and underlying shares owned by SkyOcean Investment.
- All interests stated above represent long positions.

中期股息

董事會已議決不會就截至2018年6月30日止6個月宣派任何中期股息(截至2017年6月30日止6個月:無)。

購買、出售或贖回上市證券

於截至2018年6月30日止6個月內,本公司及其任何附屬公司概無於聯交所購買、出售或贖回本公司之任何證券。

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於2018年6月30日,根據證券及期貨條例(「證券及期貨條例」)第352條規定所存置之登記冊所載,周政先生於本公司及其相聯法團股份及相關股份(釋義見證券及期貨條例第XV部)中持有以下權益:

附註:

- 該權益包括天洋投資控股有限公司(「天洋投資」,為知識矽谷有限公司之全資附屬公司)持有之(i)本公司182,903,181股股份,及(ii)本公司可換股債券(於隨附換股權獲行使時,本公司將配發及發行278,488,823股股份)。知識矽谷有限公司由勝邦控股有限公司(「勝邦」,由周政先生全資擁有)擁有80%之權益。根據證券及期貨條例,周政先生、勝邦及知識矽谷有限公司各自被視為於天洋投資擁有之股份及相關股份中擁有權益。
- 所有上述權益指好倉。

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Save as disclosed above, at 30 June 2018, none of the then Directors and 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, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2018, the following Shareholders had interests in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Name of shareholders	Nature of interests	Number of shares and underlying shares held	Approximate % of the relevant issued share capital	Note
股東名稱	權益性質	持有股份及相關股份數目	佔有關已發行股本之概約百分比	附註
Knowledge Silicon Valley Limited 知識硅谷有限公司	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1
Sheng Bang Holdings Limited ("Sheng Bang") 勝邦控股有限公司(「勝邦」)	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1
Zhou Zheng 周政	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1

Notes:

- This includes interests in (i) 182,903,181 shares of the Company, and (ii) convertible bonds (upon exercise of the conversion rights attached to which, 278,488,823 shares will be allotted and issued by the Company) of the Company held by SkyOcean Investment, a wholly-owned subsidiary of Knowledge Silicon Valley Limited. Knowledge Silicon Valley Limited was owned as to 80% by Sheng Bang, which in turn was wholly-owned by Mr. Zhou Zheng. By virtue of the SFO, each of Mr. Zhou Zheng, Sheng Bang and Knowledge Silicon Valley Limited was deemed to be interested in the shares and underlying shares owned by SkyOcean Investment.
- All interests stated above represent long positions. As at 30 June 2018, no short positions were recorded in the register required to be kept under Section 336 of the SFO.

除上文所披露者外，於2018年6月30日，本公司當時之各董事及最高行政人員概無於本公司或其任何相聯法團（釋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須記錄於根據證券及期貨條例第352條規定所存置之登記冊，或根據聯交所證券上市規則（「上市規則」）附錄10所載之上市發行人董事進行證券交易的標準守則須另行知會本公司及聯交所之任何權益或淡倉。

主要股東及其他人士於股份及相關股份之權益及淡倉

於2018年6月30日，根據證券及期貨條例第336條規定所存置之登記冊所載，擁有本公司股份及相關股份權益之股東如下：

Name of shareholders	Nature of interests	Number of shares and underlying shares held	Approximate % of the relevant issued share capital	Note
股東名稱	權益性質	持有股份及相關股份數目	佔有關已發行股本之概約百分比	附註
Knowledge Silicon Valley Limited 知識硅谷有限公司	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1
Sheng Bang Holdings Limited ("Sheng Bang") 勝邦控股有限公司(「勝邦」)	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1
Zhou Zheng 周政	Interest of controlled corporation 受控制法團之權益	461,392,004	175.29%	1

附註：

- 該權益包括天洋投資（為知識硅谷有限公司之全資附屬公司）持有之(i)本公司182,903,181股股份，及(ii)本公司可換股債券（於隨附換股權獲行使時，本公司將配發及發行278,488,823股股份）。知識硅谷有限公司由勝邦（由周政先生全資擁有）擁有80%之權益。根據證券及期貨條例，周政先生、勝邦及知識硅谷有限公司各自被視為於天洋投資擁有之股份及相關股份中擁有權益。
- 所有上述權益指好倉。於2018年6月30日，根據證券及期貨條例第336條規定所存置之登記冊所載，並無淡倉紀錄。

SPECIFIC PERFORMANCE OF CONTROLLING SHAREHOLDERS UNDER RULE 13.18 OF THE LISTING RULES

The Group entered into subscription agreements containing covenants relating to specific performance of the controlling shareholders of the Company which were subject to announcement disclosure under Rule 13.18 of the Listing Rules and requirements of disclosure in this interim report under Rule 13.21 of the Listing Rules, the details of which are set out below:

Pursuant to the terms and conditions of the Convertible Bonds I and the Bonds I and II, which details are set out in note 27 to the consolidated financial statements contained in the Company's Annual Report for the financial year ended 31 December 2017, at all times throughout the terms of the Convertible Bonds I and the Bonds I and II, (a) the controlling shareholders, namely SkyOcean Investment and Mr. Zhou Zheng, shall maintain an aggregate beneficial ownership (directly or indirectly) of not less than 51% in the issued share capital of the Company on a Fully-Diluted Basis; (b) SkyOcean Investment shall not (i) exercise any of its rights to convert all or any portion of the Charged Convertible Bonds II into Shares; and (ii) amend any terms or conditions of the Convertible Bonds II Sale and Purchase Agreement, the Convertible Bonds II Terms and Conditions, the Uncharged Convertible Bonds II Terms and Conditions and the Charged Convertible Bonds II Terms and Conditions; and (c) Mr. Zhou Zheng shall remain as a Director and the Chairman of the Company. A breach of such covenants constitutes an Event of Default.

As at the date of this interim report, (a) SkyOcean Investment and Mr. Zhou Zheng beneficially owns approximately 69.49% of the issued share capital of the Company; (b) SkyOcean Investment has not (i) exercised any of its rights to convert all or any portion of the Charged Convertible Bonds II into Shares; and (ii) amended any terms or conditions of the Convertible Bonds II Sale and Purchase Agreement, the Convertible Bonds II Terms and Conditions, the Uncharged Convertible Bonds II Terms and Conditions and the Charged Convertible Bonds II Terms and Conditions; and (c) Mr. Zhou Zheng remains as a Director and the Chairman of the Company.

控股股東根據上市規則第13.18條須履行之特定責任

本集團已就本公司控股股東根據上市規則第13.18條受公告披露規定及根據上市規則第13.21條於本中期報告披露有關須履行之特定責任之規定，訂立附帶契諾之認購協議，其詳情載列如下：

根據可換股債券I以及債券I及債券II之條款及條件（詳情載列於本公司截至2017年12月31日止財政年度年報之合併財務報表附註27）於可換股債券I以及債券I及債券II之整個年期內任何時間(a)控股股東（即天洋投資及周政先生）須一直維持直接或間接實益擁有合共不少於本公司按全面攤薄基準之已發行股本之51%；(b)天洋投資不得(i)行使其任何權利將全部或任何部分已押記可換股債券II轉換為股份；及(ii)修改可換股債券II買賣協議、可換股債券II條款及條件、未押記可換股債券II條款及條件及已押記可換股債券II條款及條件之任何條款或條件；及(c)周政先生將留任本公司董事及主席。違反有關契諾即構成違約事件。

於本中期報告日期，(a)天洋投資及周政先生實益擁有本公司已發行股本約69.49%；(b)天洋投資並無(i)行使其任何權利將全部或任何部分已押記可換股債券II轉換為股份；及(ii)修改可換股債券II買賣協議、可換股債券II條款及條件、未押記可換股債券II條款及條件及已押記可換股債券II條款及條件之任何條款或條件；及(c)周政先生留任本公司董事及主席。

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CORPORATE GOVERNANCE AND OTHER INFORMATION

CHANGE OF DIRECTORS SINCE THE DATE OF THE 2017 ANNUAL REPORT

The changes in the information relating to the Directors since the date of the Company's 2017 Annual Report are set out below:

On 31 May 2018, Mr. Chan Tak Kwong resigned as an executive Director and Chief Financial Officer to concentrate on his other work commitments.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the 6 months ended 30 June 2018, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code and Corporate Governance Report ("CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for certain deviations which are summarised below:

CODE PROVISIONS B.1.2 AND C.3.3

Code Provisions B.1.2 and C.3.3 of the CG Code stipulate that the terms of reference of the remuneration committee and audit committee should include, as a minimum, those specific duties as set out in the respective code provisions.

The terms of reference of the remuneration committee ("Remuneration Committee") adopted by the Company are in compliance with Code Provision B.1.2 of the CG Code except that the Remuneration Committee shall make recommendations to the Board on the remuneration packages of the executive Directors only and not senior management (as opposed to executive Directors and senior management under the code provision).

The terms of reference of the Audit Committee adopted by the Company are in compliance with Code Provision C.3.3 of the CG Code except that the Audit Committee (i) shall recommend (as opposed to implement under the code provision) the policy on the engagement of the external auditors to supply non-audit services; (ii) only possesses the effective ability to scrutinise (as opposed to ensure under the code provision) whether management has performed its duty to have an effective internal control system; and (iii) can promote (as opposed to ensure under the code provision) the co-ordination between the internal and external auditors, and check (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced.

企業管治及其他資料

自2017年年報日期以後的董事變動

自本集團2017年年報日期起董事之資料變更詳情如下：

於2018年5月31日，陳德光先生辭任執行董事及首席財務官，藉以專注於彼之其他工作事務。

企業管治守則之遵守

於截至2018年6月30日止6個月，除下列概述之若干偏離行為外，本公司已應用及一直遵守香港聯合交易所有限公司證券上市規則附錄14所載之企業管治守則及企業管治報告（「企業管治守則」）之原則及適用守則條文：

守則條文B.1.2及C.3.3

企業管治守則之守則條文B.1.2及C.3.3規定薪酬委員會及審核委員會之職權範圍應最低限度包括相關守則條文所載之特定職責。

本公司已採納之薪酬委員會（「薪酬委員會」）職權範圍符合企業管治守則之守則條文B.1.2之規定，惟薪酬委員會僅會就執行董事（不包括高級管理人員）（而非守則條文所述之執行董事及高級管理人員）之薪酬待遇向董事會提出建議除外。

本公司已採納之審核委員會職權範圍符合企業管治守則之守則條文C.3.3之規定，惟審核委員會(i)應就委聘外聘核數師提供非核數服務之政策作出建議（而非守則條文所述之執行）；(ii)僅具備有效能力監察（而非守則條文所述之確保）管理層是否已履行其職責建立有效之內部監控系統；及(iii)能促進（而非守則條文所述之確保）內部及外聘核數師的協作，並檢查（而非守則條文所述之確保）內部核數職能是否獲得足夠資源。

Further details of the reasons for relevant deviations of the terms of reference were set out in the Corporate Governance Report contained in the Company's Annual Report for the financial year ended 31 December 2017. The Board considers that the Remuneration Committee and the Audit Committee should continue to operate according to the relevant terms of reference as adopted and amended by the Company. The Board will review the terms at least annually and make appropriate changes if considered necessary.

CODE PROVISION A.2.1

Code Provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

There has been a deviation from this code provision since the appointment of Mr. Zhou Zheng, the Chairman of the Board, as the Chief Executive Officer of the Company with effect from 27 January 2014. The Board considers this arrangement to be appropriate for the Company in view of Mr. Zhou Zheng's extensive experience in the property development industry in the PRC and his in-depth knowledge of the Group's property development operation and business. The Board believes that a balance of power and authority is adequately ensured by the operation of the Board which comprises experienced and high calibre individuals including 4 independent non-executive directors. Nevertheless, the Board will identify an appropriate person to take up the role of chief executive when necessary.

CODE PROVISION E.1.2

Code Provision E.1.2 stipulates that Chairman of the Board should attend the annual general meeting. Due to other business commitments, Mr. Zhou Zheng was unable to attend the annual general meeting of the Company held on 1 June 2018 (the "2018 AGM"). He had arranged Mr. Lam Yu Yee, Benjamin, Vice Chairman and Executive Director, who is familiar with the Group's business and operations, to attend and chair the 2018 AGM.

CODE PROVISION A.6.7

Code Provision A.6.7 stipulates that independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. All independent non-executive directors attended the 2018 AGM except Mr. Yang Buting was unable to attend due to other business commitments.

有關上述職權範圍偏離行為之理由之進一步詳情載於本公司截至2017年12月31日止財政年度年報之企業管治報告內。董事會認為薪酬委員會及審核委員會應繼續根據本公司採納及修訂之相關職權範圍運作。董事會將最少每年檢討該等職權範圍一次，並在其認為需要時作出適當更改。

守則條文A.2.1

守則條文A.2.1訂明，主席及行政總裁之角色應有所區分，並不應由一人同時兼任。

自董事會主席周政先生於2014年1月27日獲委任為本公司行政總裁以來，出現偏離該守則條文之情況。鑑於周政先生於中國物業發展行內經驗豐富，加上彼熟知本集團的物業發展經營及業務，董事會認為該安排對本公司而言屬合適。董事會相信，董事會由經驗豐富及高資歷人士（包括4名獨立非執行董事）組成，足以確保董事會運作之權力及權責平衡。然而，董事會在需要時將物色合適人士出任行政總裁一職。

守則條文E.1.2

守則條文E.1.2規定，董事會主席應出席股東週年大會。由於其他事務，周政先生未能出席本公司於2018年6月1日舉行之股東週年大會（「2018年股東週年大會」）。彼已安排熟知本集團業務及營運之林裕兒先生（副主席兼執行董事）出席及主持2018年股東週年大會。

守則條文A.6.7

守則條文A.6.7規定，獨立非執行董事應出席股東大會，對公司股東的意見有公正的了解。除楊步亭先生因其他事務未能出席外，全體獨立非執行董事均已出席2018年股東週年大會。

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CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules to govern securities transactions by the Directors. Further to the specific enquiries made by the Company to Directors, they have confirmed that they have fully complied with the required standard as set out in the Model Code throughout the period from 1 January 2018 to 30 June 2018.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2018. The unaudited interim condensed consolidated financial statements have also been reviewed by the Group's external auditor 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 and represented by the management.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. The Audit Committee is delegated by the Board to monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

As far as the Company is aware, the Group has complied in material respects with the relevant laws and regulations which have a significant impact on the business and operations of the Company during the 6 months ended 30 June 2018.

董事進行證券交易之行為守則

本公司已採納上市規則附錄10所載的《標準守則》以規範董事的證券交易。經向董事作出特定查詢後，所有董事均確認彼等於2018年1月1日至2018年6月30日期間已全面遵守標準守則所載之規定標準。

審核委員會之審閱

審核委員會已審閱截至2018年6月30日止6個月之未經審核中期簡明合併財務報表。本集團外聘核數師亦按照香港會計師公會頒佈之香港審閱工作準則第2410號「由實體的獨立核數師對中期財務資料的審閱」及管理層的陳述審閱未經審核中期簡明合併財務報表。

遵守法律法規

本集團已制定合規程序，確保遵守適用法律、規則及法規，尤其是對本集團有重大影響者。董事會已委派審核委員會監察有關本集團遵守法律及監管規定之政策及常規，並定期審閱相關政策。相關僱員及相關運營單位均不時獲悉適用法律、規則及法規之任何變動。

據本公司所知，本集團於截至2018年6月30日止6個月內已在各重要方面遵守對本公司之業務及營運有重大影響之相關法律及法規。

