

INTERIM REPORT 2018
中期報告



LT Commercial Real Estate Limited
勒泰商業地產有限公司

| Incorporated in Hong Kong with limited liability 於香港註冊成立之有限公司 |

| Stock Code 股份代號 : 112 |

Contents 目錄

2	Corporate Information 公司資料
6	Chairman's Statement 主席報告
10	Management Discussion and Analysis 管理層討論及分析
17	Other Information 其他資料
25	Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益報表
26	Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況報表
28	Condensed Consolidated Statement of Changes in Equity 簡明綜合股本權益變動表
29	Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表
30	Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

* *Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.*

* 倘中英文版本出現歧義，概以英文版本為準。

Corporate Information

公司資料

Directors	<i>Executive Directors:</i> Mr. Yang Longfei (Chairman and Chief Executive Officer) Mr. Yang Shao Xing Max Ms. Zhang Yan <i>Independent Non-executive Directors:</i> Mr. Hung Ka Hai Clement Mr. Lo Wai Hung Ms. Shek Pui Michelle	董事	執行董事： 楊龍飛先生 (主席兼行政總裁) 楊少星先生 張妍女士 獨立非執行董事： 洪嘉禧先生 盧偉雄先生 石蓓女士
Audit Committee	Mr. Lo Wai Hung (Chairman) Mr. Hung Ka Hai Clement Ms. Shek Pui Michelle	審核委員會	盧偉雄先生(主席) 洪嘉禧先生 石蓓女士
Remuneration Committee	Mr. Hung Ka Hai Clement (Chairman) Mr. Yang Longfei Ms. Shek Pui Michelle	薪酬委員會	洪嘉禧先生(主席) 楊龍飛先生 石蓓女士
Nomination Committee	Mr. Hung Ka Hai Clement (Chairman) Mr. Yang Longfei Ms. Shek Pui Michelle	提名委員會	洪嘉禧先生(主席) 楊龍飛先生 石蓓女士
Company Secretary	Mr. Wong Shui Yeung	公司秘書	黃瑞洋先生
Auditor	Deloitte Touche Tohmatsu 35/F One Pacific Place 88 Queensway Hong Kong	核數師	德勤•關黃陳方會計師行 香港 金鐘道88號 太古廣場一期35樓
Principal Banker	Industrial and Commercial Bank of China Limited The Bank of East Asia (China) Limited East West Bank China Construction Bank Corporation China Merchants Bank	主要往來銀行	中國工商銀行股份有限公司 東亞銀行(中國)有限公司 華美銀行 中國建設銀行股份有限公司 招商銀行

Registered Office and Principal Place of Business	Room 3303, Tower Two Lippo Centre, 89 Queensway Admiralty, Hong Kong	註冊辦事處及 主要營業地點	香港金鐘 金鐘道89號力寶中心 第2座3303室
Registrar and Transfer Office	Tricor Secretaries Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong	股份過戶登記處	卓佳秘書商務有限公司 香港 皇后大道東183號 合和中心22樓
Website	http://www.lth.com.hk	網址	http://www.lth.com.hk
Stock Code	112	股份代號	112
Board Lot	2,000 Shares	買賣單位	2,000股
Investor Relations	For enquiries relating to investor relations, please contact: Tel: (852) 2530 3313 Fax: (852) 3102 9203 E-mail: info@lth.com.hk	投資者關係	有關投資者關係之查詢， 請聯絡： 電話：(852) 2530 3313 傳真：(852) 3102 9203 電郵：info@lth.com.hk



IRIDIUM

PLATINUM

R. JEFF
WEIWAY KEVINOR
VIVIAN SUSY SUSHI
MURRAY O JEN X ADAP
MICHELLE LIN
WUJAY MOERLIN'S

CHAIRMAN'S STATEMENT 主席報告



Chairman's Statement

主席報告



The Vision of LT Commercial Real Estate

On behalf of the board (the “Board”) of director (the “Director”) of LT Commercial Real Estate Limited (the “Company”), I hereby present the interim report of the Company and its subsidiaries (which are together referred to as the “Group”) for the six months ended 30 June 2018 (the “Period”).

勒泰商業地產願景

本人謹此代表勒泰商業地產有限公司(「本公司»)董事(「董事»)會(「董事會»), 提呈本公司連同其附屬公司(統稱「本集團»)截至二零一八年六月三十日止六個月(「本期間»)之中期報告。

Yang, Longfei

楊龍飛

Chairman

主席

Half Year Review

In the first half of 2018, the overall economic situation of the People's Republic of China (“PRC” or “China”) remained stable, despite the increasing trade conflicts between China and United State of America (“US”). The Chinese government continues to strengthen the implementation of the “One Belt One Road” principle to stimulate and foster Asian and global economic development, of which Hebei Province, one of the key development areas under this policy, has been the Group's strategic investment region. I believe that the related policy will bring in long-term and enormous strategic significance for the Group and provide new momentum for the Group's future development. With the completion of acquisition of two properties in Hebei Province, namely Tangshan Pelagic Mall and Shijiazhuang Lerthai Centre during the Period, I am confident that the Company has stepped into an important milestone for its development.

半年回顧

二零一八年上半年，儘管中華人民共和國(「中國»)與美利堅合眾國(「美國»)之間的貿易衝突日益加劇，惟中國的整體經濟狀況仍保持穩定。中國政府繼續加強落實「一帶一路」方針，刺激及推動亞洲及全球經濟的發展。根據此項政策，本集團戰略性的投資地域—河北省，是重點發展地區之一。本人相信有關政策對本集團具有長遠及巨大的戰略發展意義並為本集團的未來發展提供新動力。隨著於本期間完成位於河北省的兩項物業收購，即唐山遠洋城購物中心和石家莊勒泰中心，本人自信本公司已邁進重要發展里程碑。

Property Investment and Real Estate Development

Property Investment and Real Estate Development in China

Tangshan Lerthai City is a large-scale mixed use complex of the Group. It is located in the western part of Tangshan and close to Tangshan's High-speed Railway station and accessible to Beijing-Tangshan Inter-city Railway. This project has a gross floor area ("GFA") of approximately 8,988,000 sq. ft.. It comprises residential towers, regional shopping mall, hotels, office towers, apartments, catering facilities, entertainment facilities and car-parking ports. With the opening of Zones A, B and C of Tangshan Lerthai City's shopping mall, it is believed that the Tangshan Lerthai City enhanced the Group's rental and retail property portfolio in terms of the leasable areas. This shall provide a more steady cash flow from operations to support to the Group's recurring income in the future. The Group will continue to adjust the tenants mix to maximize the rental income.

Tangshan Pelagic Mall is a commercial complex with a GFA of approximately 1,134,000 sq. ft. are held for leasing purpose, as well as for office use by the Group. Tangshan Pelagic Mall is located in a popular business and entertainment district of Tangshan, Hebei Province surrounded by high-end residential real estate projects of renowned property developers in the PRC. With the acquisition of this shopping mall, there will be a stable cash inflow generated for the support of the Group's future development.

Handan Lerthai City, a large-scale commercial mixed use complex of the Group, located at the central business district of the Handan City. The renowned Chuancheng Street is a historical avenue of the city. Handan is famous for being a city of international fame, with a vivid historic heritage as home to the birth of Qin Shi Huang, the first Emperor in China who unified China and later built the Beijing section of the Great Wall. The commercial section of Handan Lerthai City aims to rebuild the cityscape to rejuvenate the 3,000-year cultural significance of Handan with a contemporary touch around Chuancheng Street. This Chinese landmark is so named since the ancient time of the Seven Warring States some 3,000 years ago. This project has a planned GFA of approximately 3,037,000 sq. ft. with a prestigious regional complex for tourism. It also comprises mega commercial facilities, leisure shopping, luxurious hotel, quadruple courts, as well as a wide range of dining, entertainment and sports venues. The retail shopping mall portion of the Handan Lerthai City is scheduled to open in late 2018 or early 2019.

"Lerthai Jiayuan", a residential project in Handan City with a planned GFA of approximately 3,335,000 sq. ft., obtained the pre-sale permit in the fourth quarter of 2016. The Group expected that the residential units will be delivered to buyers in late 2018 or early 2019.

Shijiazhuang Lerthai Centre is a commercial complex with a GFA of approximately 5,969,000 sq. ft.. It comprises a tower phase of approximately 2,144,000 sq. ft. and a shopping mall phase of approximately 3,824,000 sq. ft.. The tower phase is used as offices and hotel while the shopping mall phase comprise shops and car parking lots. The acquisition of this property enhanced a stable capability of revenue generation and cash flows to the Group.

物業投資及房地產開發

中國物業投資及房地產開發

唐山勒泰城乃本集團的大型混合用途綜合體。其位於唐山西部，鄰近唐山高鐵站且直通京唐城際鐵路。該項目建築面積（「建築面積」）約8,988,000平方呎，其內設有住宅大樓、大型區域商場、酒店、辦公大樓、公寓、飲食設施、娛樂設施及停車場。隨著唐山勒泰城商場A、B及C區開業，相信唐山勒泰城在可租賃面積方面增強本集團的租賃及零售物業組合，於日後為本集團提供更為穩定的營運現金流量，為本集團帶來經常性收入。本集團將繼續調整租戶組合以最大限度地增加租金收入。

唐山遠洋城為商用綜合物業，其建築面積約1,134,000平方呎乃持有作租賃用途以及由本集團用作辦公室用途。唐山遠洋城位於河北省唐山知名商業及娛樂區，附近為中國知名物業開發商高端房地產項目。隨著收購此商場，將產生穩定現金流入以支持本集團的未來發展。

邯鄲勒泰城為本集團位於邯鄲市中心商業區的大型商業混合用途綜合體。著名的串城街乃該市歷史名街。邯鄲聞名中外，擁有深厚的歷史文化古跡，是中國首位皇帝秦始皇的出生地，秦始皇統一了中國，在位期間興建了長城北京段。邯鄲勒泰城商業區致力對串城街周邊進行重建以恢復邯鄲的古城風貌，並融入現代元素，以復興邯鄲三千年的文化內涵。該中國地名擁有約三千年歷史，自戰國七雄爭霸時代以來沿用至今。該項目規劃建築面積約為3,037,000平方呎的馳名區域綜合體，其內亦設有大型商業設施、休閒購物、豪華酒店、四合院、各式飲食娛樂運動場所。邯鄲勒泰城的零售商場部分計劃於二零一八年末或二零一九年初開業。

邯鄲市住宅項目「勒泰家園」（規劃建築面積約3,335,000平方呎）已於二零一六年第四季度取得預售許可證。本集團預期住宅單位將於二零一八年末或二零一九年初交付買家。

石家莊勒泰中心為總建築面積約5,969,000平方呎的商用綜合物業。其包括大廈部分（約2,144,000平方呎）及購物商場部分（約3,824,000平方呎）。大廈部分用作辦公室及酒店，而購物商場部分包括店舖及停車場。收購該項物業增強為本集團產生收益及現金流量之穩定能力。

Chairman's Statement 主席報告

Property Investment and Real Estate Development in the US

The Group's overseas project, namely the Lerthai Platinum Centre, in Anaheim, Orange County, California, US, has a site area of approximately 632,000 sq. ft.. This project was planned to build a regional mixed use complex comprising premium residential units and multipurpose commercial facilities. However, in view of the rising political and economic disputes among US and other countries, there is an uncertainty on carrying business in US. To mitigate the risk of property development, the Group decided to put this project on hold and to search for other possibilities.

Besides, the Group also invested in another retail properties in the US, namely, the South Hills Plaza which was located in the City of West Covina, California, US. South Hills Plaza is a retail shopping mall with a total GFA of approximately 382,000 sq. ft.. This property is an investment property of the Group and generating stable recurring rental income.

Financial Services Businesses

Lerthai Capital Group currently holds Type 1, 2, 4 and 9 Licenses of the Securities and Futures Commission of Hong Kong to carry out regulated activities in the financial services sector. During the Period, a subsidiary was set up in Qianhai, Shenzhen, aimed at creating a channel for overseas investors to invest in PRC onshore projects. The Group is actively exploring potential development of real estate funds with the introduction any other qualified investors if market window and situation is available in future.

Outlook

LT Commercial Real Estate will continue adhere to the mission of improving urban life, and "one city, one landscape, and one landmark" strategy in developing our landmark mixed use complex to create its unique market value for stakeholders in pursuit of quality consumerism.

Besides, the Group endeavours to continue to identify quality land replenishment opportunities by evaluating quality investment projects to create long term stakeholders and shareholders values.

Last but not least, I would take this opportunity to express my sincere gratitude to the members of the Board and the Management teams, as well as our employees around the globe for their contributions during the Period.

Yang, Longfei
Chairman
Hong Kong, 31 August 2018

於美國的物業投資及房地產開發

本集團的海外項目(即位於美國加州橘子郡安納海姆的勒泰鉑金中心)地盤面積為約632,000平方呎。該項目計劃建造區域性混合用途綜合體(含高檔住宅單位及多用途商業設施)。然而，鑑於美國和其他國家之間日益增長的政治和經濟糾紛，於美國開展業務存在不確定性。為了降低房地產開發的風險，本集團決定暫停該項目並尋找其他可能性。

此外，本集團亦於美國投資另一項零售物業，即位於美國加州西科維納市的南山廣場。南山廣場為零售商場，總建築面積為約382,000平方呎。該物業乃本集團的投資物業並產生穩定的經常性租金收入。

金融服務業務

勒泰金融集團目前持有香港證券及期貨事務監察委員會所頒發於金融服務行業進行受規管活動的第1、2、4及9類牌照。於本期間，一間附屬公司於深圳前海成立，旨在為海外投資者投資於中國在岸項目建立渠道。倘於日後出現市場風口及時機適合，本集團將積極尋求透過引入任何其他合資格投資者探索房地產基金的潛在發展。

展望

勒泰商業地產將繼續秉持改變城市生活的使命及「一城、一景、一地標」策略，發展地標性混合用途綜合體，以為追求品質消費的持份者創造自己獨特的市場價值。

此外，本集團致力透過評估優質投資項目持續物色合資格土地儲備機遇，以為持份者及股東創造長遠價值。

最後，本人藉此機會對董事會成員、管理層團隊及履職於世界各地的員工在本期間所作的貢獻，致以由衷的謝意。

主席
楊龍飛
香港，二零一八年八月三十一日



Management Discussion and Analysis

管理層討論及分析



Note: Below comparative figures were restated to include Lerthai International Holdings Limited ("Lerthai International") and Greatpro Holdings Limited ("Greatpro") upon the completion of very substantial acquisition on 20 April 2018. For details, please refer to note 3 of the condensed consolidated financial statements.

附註：於二零一八年四月二十日完成非常重大收購事項後，以下比較數字乃經重列計入勒泰國際控股有限公司（「勒泰國際」）及嘉寶控股有限公司（「嘉寶」）。有關詳情，請參閱簡明綜合財務報表附註3。

Business Review

The first half of the 2018 remained uncertain with rising trade tensions and conflicts. The impact of China-US trade war on Chinese's products has yet to fully surface. China's GDP achieved a growth rate of 6.8% in the first half of 2018, exceeding the expectation of 6.5%. Against the backdrop of uncertain macro-economic environment, the Group completed the acquisition of two properties in the PRC, namely Tangshan Pelagic Mall and Shijiazhuang Lerthai Centre on 20 April 2018 and continues to progress steadily.

Review by Segment

Real Estate Business in Tangshan, the PRC

Tangshan Lerthai City

Tangshan Lerthai City, a large-scale mixed use complex, situated in the western part of Tangshan which is adjacent to the Tangshan High-speed Railway station and BeijingTangshan Inter-city Railway station. This project has a GFA of approximately 8,988,000 sq. ft. comprised residential units, regional retail shopping mall, hotels, commercial offices, entertainment facilities and sports facilities within the mega complexes. Tangshan Lerthai City mainly comprises (i) the Lerthai Centre, a regional shopping mall with a total GFA of approximately 3,106,000 sq. ft.; and (ii) the residential area of a total GFA of approximately 2,022,000 sq. ft. with approximately 1,500 residential units.

業務回顧

由於貿易緊張及衝突升溫，二零一八年上半年情況難以預料。有關中國產品的中美貿易戰的影響尚未浮出水面。二零一八年上半年，中國GDP實現6.8%增長率，超過預期的6.5%。在不穩定的宏觀經濟環境背景下，本集團於二零一八年四月二十日完成位於中國之兩項物業收購，即唐山遠洋城購物中心和石家莊勒泰中心並繼續平穩發展。

按分部回顧

於中國唐山的房地產業務

唐山勒泰城

唐山勒泰城是位於與唐山高速鐵路站及京唐城際鐵路站相鄰的唐山西部大型混合用途綜合體。該項目的建築面積約8,988,000平方呎，集住宅單元、大型區域零售商場、酒店、商用辦公樓、娛樂設施及運動設施為一體的大型綜合體。唐山勒泰城主要包括(i)勒泰中心(區域購物中心)擁有總建築面積約3,106,000平方呎；及(ii)住宅部分的總建築面積約2,022,000平方呎，涵蓋約1,500個住宅單元。

The Zones A, B and C of shopping mall of Tangshan Lerthai City was officially opened with enthusiastic market response. During the Period, the Group has fine-tuned the shop positioning of Zones A and B of shopping mall of Tangshan Lerthai City, which resulted in an increase in rental income. During the six months ended 30 June 2018, revenue of approximately HK\$162.7 million (six month ended 30 June 2017: HK\$889.2 million) was generated from Tangshan Lerthai City. Most of the residential units of Towers 4, 6, 7, 8 and 9 were delivered and recognised as revenue last year and the remaining towers not yet delivered to the buyers, thus there was a significant decrease in revenue from Tangshan Lerthai City during the Period.

Tangshan Pelagic Mall

Tangshan Pelagic Mall is a commercial complex with a total GFA of approximately 1,167,000 sq. ft., of which a total GFA of approximately 33,000 sq. ft. have been sold, and the remaining approximately 1,134,000 sq. ft. are held by Tangshan Pelagic for leasing purpose, as well as for office use by the Group. Tangshan Pelagic Mall is located in a popular business and entertainment district of Tangshan, Hebei Province surrounded by high-end residential real estate projects of renowned property developers in the PRC. During the six months ended 30 June 2018, revenue of approximately HK\$116.9 million (six month ended 30 June 2017: HK\$84.7 million) was generated from Tangshan Pelagic Mall.

Real Estate Business in Handan, the PRC

Lerthai Jiayuan

The residential project “Lerthai Jiayuan” obtained pre-sale permit in the forth quarter of 2016 and commenced the pre-sale since last year. As at 30 June 2018, the Group received pre-sale deposits of approximately HK\$1,563 million. Deposits was recorded as “Contract liabilities” in the Condensed Consolidated Financial Statements. The Group expected that the project will be completed and delivered in late 2018 or early 2019.

唐山勒泰城的購物商場的A區、B區及C區正式揭幕，市場反應良好。於本期間，本集團已調整唐山勒泰城購物中心A區及B區的店鋪位置，此舉引致租金收入增長。截至二零一八年六月三十日止六個月，唐山勒泰城產生之收益約1億6,270萬港元（截至二零一七年六月三十日止六個月：8億8,920萬港元）。大部分第4、6、7、8及9棟的住宅單元已交付並於去年確認為收益，剩餘樓棟尚未交付予買方，因此，於本期間唐山勒泰城收益大幅下降。

唐山遠洋城

唐山遠洋城為總建築面積約1,167,000平方呎的商用綜合物業，其中總建築面積33,000平方呎已售出，餘下約1,134,000平方呎由唐山遠洋城持有作租賃用途以及由本集團用作辦公室用途。唐山遠洋城位於河北省唐山知名商業及娛樂區，附近為中國知名物業開發商高端房地產項目。截至二零一八年六月三十日止六個月，唐山遠洋城產生之收益約1億1,690萬港元（截至二零一七年六月三十日止六個月：8,470萬港元）。

於中國邯鄲的房地產業務

勒泰家園

「勒泰家園」住宅項目於二零一六年第四季度取得預售許可證，並於本年度開始預售。於二零一八年六月三十日，本集團已收取預售按金約15億6,300萬港元。按金於簡明綜合財務報表列為「合約負債」。本集團預期該項目將於二零一八年末或二零一九年初竣工及交付。

Management Discussion and Analysis 管理層討論及分析

Handan Lerthai City on Chuancheng Street

Handan Lerthai City, a large-scale mixed use complex, located at the central business district in Handan City, Chuancheng Street is situated north of Renmin Road, south of Congtai Road, east of Lingxi Street and west of Congtai Park. This project has a planned GFA of approximately 3,037,000 sq. ft. with regional shopping mall, hotels, tourism facilities and mega commercial space.

The regional shopping mall of the Handan Lerthai City is scheduled for official opening in late 2018 or early 2019. Currently, we have been actively attracting and selecting high quality tenants so as to maintain a diverse mix of tenants and to assure an optimised tenancy mix.

Real Estate Business in Shijiazhuang, the PRC

Shijiazhuang Lerthai Centre is a commercial complex with a GFA of approximately 5,969,000 sq. ft.. It comprises a tower phase of approximately 2,144,000 sq. ft. and a shopping mall phase of approximately 3,824,000 sq. ft.. The tower phase is used as offices and hotel while the shopping mall phase comprise shops and car parking lots. During the six months ended 30 June 2018, revenue of approximately HK\$262.4 million (six month ended 30 June 2017: HK\$133.2 million) was generated from Shijiazhuang Lerthai Centre.

Real Estate Business in West Covina, the US

The South Hills Plaza, located in the City of West Covina, California, the US which covers a total GFA of approximately 382,000 sq. ft. which mainly comprising (i) the retail shopping mall with GFA of approximately 121,000 sq. ft.; and (ii) parking space of 456 units. This property is being held by the Group as an investment property for its rental income with the occupancy rate of approximately 98% as at 30 June 2018. During the six months ended 30 June 2018, revenue of approximately HK\$7.6 million (six month ended 30 June 2017: HK\$7.0 million) was generated from South Hills Plaza.

Real Estate Business in Anaheim, the US

The site is located in Anaheim, California, US near the California Disneyland, with a site area of approximately 632,000 sq. ft.. This project is originally expected to turn into a regional modern complex, namely Lerthai Platinum Centre. In view of the rising political and economic disputes among US and other countries, there is an uncertainty on carrying business in US. To mitigate the risk of property development, the Group decided to put this project on hold and to search for other possibilities.

位於串城街的邯鄲勒泰城

邯鄲勒泰城為位於邯鄲市中心商業區的大型混合用途綜合體。串城街位處人民路以北、叢台路以南、陵西街以東及叢台公園以西。該項目的計劃建築面積約3,037,000平方呎，涵蓋區域購物中心、酒店、旅遊設施及大型商業空間。

邯鄲勒泰城的區域購物中心計劃於二零一八年末或二零一九年初正式開業，我們現正積極物色和選擇優質商戶，以維持商戶組合多元化及確保商戶組合最佳。

於中國石家莊的房地產業務

石家莊勒泰中心為總建築面積約5,969,000平方呎的商用綜合物業。其包括大廈部分(約2,144,000平方呎)及購物商場部分(約3,824,000平方呎)。大廈部分用作辦公室及酒店，而購物商場部分包括店舖及停車場。截至二零一八年六月三十日止六個月，石家莊勒泰城產生之收益約2億6,240萬港元(截至二零一七年六月三十日止六個月：1億3,320萬港元)。

於美國西科維納的房地產業務

南山廣場位於美國加州西科維納，總建築面積約382,000平方呎，主要由(i)建築面積約121,000平方呎的零售購物中心；及(ii)456個停車位組成。該物業目前由本集團持作投資物業以賺取租金收入，於二零一八年六月三十日的入住率約98%。於截至二零一八年六月三十日止六個月，南山廣場產生收益約760萬港元(截至二零一七年六月三十日止六個月：700萬港元)。

於美國安納海姆的房地產業務

該地塊位於美國加州安納海姆加州迪斯尼樂園附近，佔地面積約為632,000平方英尺。該項目最初預計將打造成一個區域性現代化的綜合體，名為勒泰鉑金中心。鑑於美國和其他國家之間日益增長的政治和經濟糾紛，於美國開展業務存在不確定性。為了降低房地產開發的風險，本集團決定暫停該項目並尋找其他可能性。

Prospect

In the first half of 2018, China's GDP achieved a growth rate of 6.8%, which was exceeded the expectation of 6.5%. Yet, the China-US trade dispute may have impact on China's economic growth. However, given that the Chinese government's economic transformation and financial de-leveraging policy, the Group remains optimistic of the real estate industry in the PRC.

On 31 July 2018, the Group submitted the application of the issuance of asset-backed securities ("ABS") on Shanghai Stock Exchange. The ABS could allow the Group to (i) add the desirous funding for business development, to meet the Group's liquidity requirements and to meet liquidity development needs, and to diversify the funding sources of the Group; (ii) optimize the assets structure, increase capital efficiency and enhance operational capabilities; and (iii) have the opportunity for real estate investment trusts (REITs) in the future to expand the group's business model of light assets. The ABS is an alternative form of financing in addition to equity and debt financings which the Group will consider as one of the fund-raising channels in future.

Financial Review

During the period under review, total revenue of the Group was HK\$549.5 million (six months ended 30 June 2017: HK\$1,114.0 million). The decrease in revenue for the six months ended 30 June 2018 was mainly due to most of the residential units of Tangshan Lerthai City were delivered and recognised as revenue in the corresponding period last year and the remaining towers not yet delivered to the buyers during the Period, offset by the growth in rental income during the Period.

Other income, expenses, gains and losses increased to net gain of HK\$61.2 million for the year (six months ended 30 June 2017: net gain of HK\$41.8 million). The increase was primarily due to the increase in interest income from bank deposits and change in fair value of convertible bonds designated at fair value through profit or loss, offset by the decrease in exchange gain.

The Group recorded an increase of fair value of the investment properties of HK\$962.9 million (six months ended 30 June 2017: HK\$374.4 million), mainly contributed by the capital appreciation of Tangshan Lerthai City during the Period.

前景

二零一八年上半年，中國GDP實現增長率為6.8%，超出預期的6.5%。然而，中美貿易糾紛可能對中國經濟增長造成影響。惟鑒於中國政府的經濟改革及金融去槓桿政策，本集團對中國房地產行業持樂觀態度。

於二零一八年七月三十一日，本集團於上海證券交易所提交發行資產擔保證券（「資產擔保證券」）的申請。資產擔保證券可使本集團(i)為業務發展增加資金以滿足本集團流動性需求及滿足發展需求，並使本集團資金來源多樣化；(ii)優化資產結構、增加資金效益並提高運營能力；及(iii)有機會在未來為房地產投資信託以擴大本集團輕資產的業務模式。資產擔保證券乃除股權及債務融資外的一種融資選擇形式，本集團會於日後將其考慮為籌資渠道之一。

財務回顧

於回顧期間，本集團的總收益約5億4,950萬港元（截至二零一七年六月三十日止六個月：11億1,400萬港元）。截至二零一八年六月三十日止六個月收益減少主要由於唐山勒泰城大多數住宅單元已交付並於去年同期確認為收益，剩餘樓棟於本期間尚未交付予買方，被本期間租金收入增長所抵銷。

年內其他收入、開支、收益及虧損增加至淨收益6,120萬港元（截至二零一七年六月三十日止六個月：淨收益4,180萬港元）。增加主要是由於銀行存款的利息收入增加及指定按公平值計入損益之可換股債券公平值變動，惟被匯兌收益減少所抵銷。

本集團錄得投資物業公平值增加約9億6,290萬港元（截至二零一七年六月三十日止六個月：3億7,440萬港元），主要是由於本期間唐山勒泰城資本增值所致。

Management Discussion and Analysis 管理層討論及分析

Selling and marketing expenses decreased to HK\$9.9 million (six months ended 30 June 2017: HK\$21.7 million). Since most of the pre-sale activities for Tangshan Lerthai City and Handan projects were completed in 2017, the promotion scale had been downsized.

Administrative expenses amounted to approximately HK\$107.0 million (six months ended 30 June 2017: HK\$82.5 million). The increase was primarily due to the professional fee incurred for acquisition of Lerthai International and Greatpro during the Period.

Finance costs recognised as expenses for the year were HK\$469.0 million (six months ended 30 June 2017: HK\$291.5 million). The increase was mainly due to the interest charged for certain banking facilities, which was drawdown in the second half of 2017.

As a result of the various factors outlined above, the profit for the year attributable to owners of the Company was approximately HK\$577.7 million (six months ended 30 June 2017: HK\$189.5 million).

Liquidity and Financial Resources

As at 30 June 2018, the Group's cash and cash equivalents maintained at approximately HK\$261.4 million (31 December 2017: approximately HK\$396.4 million). The current ratio was 0.57 times (31 December 2017: 0.58 times) as at 30 June 2018.

The Group's gearing ratio was 46.6% (31 December 2017: 45.7%), which is calculated based on the Group's total interest-bearing borrowings of approximately HK\$12.7 billion (31 December 2017: HK\$12.7 billion) to total assets of approximately HK\$27.3 billion (31 December 2017: HK\$27.7 billion).

Cash Flow Management and Liquidity Risk

The objective of liquidity risk management is to ensure that the Group always has sufficient cash to repay its maturing debt, perform other payment obligations and meet other funding requirements for normal business development.

The Group's liquidity management involves the regular cash flow forecast and the consideration of its liquid assets level and new financings necessary to meet future cash flow requirements.

With banking and controlling shareholder's facilities in place and the recurrent income generation from its operations, the Group has adequate financial resources in meeting the funding requirements for its ongoing operations as well as its future expansion.

銷售及推廣開支減少至990萬港元(截至二零一七年六月三十日止六個月: 2,170萬港元)。由於唐山勒泰城及邯鄲項目之大部分預售活動已於二零一七年完成, 故推廣規模已縮減所致。

行政開支為約1億700萬港元(截至二零一七年六月三十日止六個月: 8,250萬港元)。增加主要是由於本期間收購勒泰國際及嘉寶產生專業費用所致。

於年內確認為開支的財務費用約4億6,900萬港元(截至二零一七年六月三十日止六個月: 2億9,150萬港元)。增加主要是由於支付若干銀行融資利息, 該銀行借貸於二零一七年下半年提取。

由於以上各項因素, 本公司擁有人應佔年內溢利約5億7,770萬港元(截至二零一七年六月三十日止六個月: 1億8,950萬港元)。

流動資金及財務資源

於二零一八年六月三十日, 本集團現金及現金等價物維持在約2億6,140萬港元(二零一七年十二月三十一日: 約3億9,640萬港元)之水平。於二零一八年六月三十日之流動比率為0.57倍(二零一七年十二月三十一日: 0.58倍)。

本集團之資產負債比率為46.6%(二零一七年十二月三十一日: 45.7%), 乃按本集團計息借款總額約127億港元(二零一七年十二月三十一日: 127億港元)與總資產約273億港元(二零一七年十二月三十一日: 277億港元)之比率計算。

現金流量管理及流動資金風險

流動資金風險管理目標為確保本集團一直擁有充裕的現金可償還到期債務、履行其他付款責任及滿足正常業務發展的其他資金需求。

本集團之流動資金管理涉及定期現金流量預測, 考慮流動資產水平及為滿足未來現金流量需求而須進行的新融資。

計及現有銀行及控股股東融資以及營運產生的經常性收入, 本集團擁有足夠的財政資源可滿足日常運作以及日後擴展之資金需求。

Foreign Exchange Exposure

The Group's investment, assets and liabilities are mainly denominated in Hong Kong dollar ("HK\$"), Renminbi ("RMB"), Euro ("EUR") and United States dollar ("US\$") and no hedging has been made during the Period. The revenue to be generated from the PRC's operations will be denominated in RMB, while the convertible bonds, senior notes and bonds of the Group are denominated in HK\$ and a bank borrowing is denominated in EUR. The Group will continue to monitor closely its exposure to exchange rate and interest rate risks, and may employ derivative financial instruments to hedge against risks when necessary.

Charge of Assets

As at 30 June 2018, the Group's facilities and other loans of approximately HK\$12.0 billion (31 December 2017: HK\$11.2 billion) were pledged with investment properties, property, plant and equipment, properties under development for sales, properties held for sale and cash and deposits with an aggregate carrying amount of approximately HK\$20.8 billion (31 December 2017: HK\$21.1 billion).

Capital Commitment and Contingent Liabilities

As at 30 June 2018, the Group's contingent liabilities amounted to approximately HK\$1,256.5 million (31 December 2017: HK\$669.4 million) relating to guarantees given by the Group to financial institutions on behalf of our purchasers of our property units in the PRC in relation to which the related Building Ownership Certificate (房產證) had not yet been issued at 30 June 2018 (and such guarantees will be released upon the issuance of the Building Ownership Certificate). The guarantees were secured by the Group's pledged bank deposits amounting to HK\$25.5 million (31 December 2017: HK\$24.4 million).

As at 30 June 2018, the Group issued financial guarantees to banks in respect of banking facilities granted to related parties and third parties with an aggregate amount of approximately HK\$910.3 million (31 December 2017: HK\$923.2 million). The amount represents the aggregate amounts that could be required to be paid if the guarantees were called upon in entirety.

As at 30 June 2018, the Group had contracted but not provided for commitments for development cost and capital expenditure in amount of approximately HK\$1,070.3 million (31 December 2017: HK\$1,286.6 million).

外匯風險

於本期間，本集團之投資、資產及負債主要以港元(「港元」)、人民幣(「人民幣」)、歐元(「歐元」)及美元(「美元」)計值，故並無進行對沖。中國營運將予產生之收益以人民幣計值，而本集團的可換股債券、優先票據及債券以港元計值及一筆銀行借貸以歐元計值。本集團將持續密切監察所涉及的匯率風險和利率風險，並於有需要時利用衍生金融工具對沖風險。

資產抵押

於二零一八年六月三十日，本集團約120億港元(二零一七年十二月三十一日：112億港元)的融資及其他貸款乃以賬面總值約208億港元(二零一七年十二月三十一日：211億港元)的投資物業、物業、廠房及設備、開發中待售物業、持作待售物業及現金及存款作抵押。

資本承擔及或然負債

於二零一八年六月三十日，本集團就相關房產證並未於二零一八年六月三十日獲頒發而須代表中國物業單位之買方向金融機構作出擔保所造成的或然負債約12億5,650萬港元(二零一七年十二月三十一日：6億6,940萬港元)(而有關擔保將於頒發房產證時獲解除)。本集團之已抵押銀行存款所抵押之擔保2,550萬港元(二零一七年十二月三十一日：2,440萬港元)。

於二零一八年六月三十日，本集團就授予關聯方及第三方的銀行融資總額約9億1,030萬港元(二零一七年十二月三十一日：9億2,320萬港元)向銀行作出財務擔保。該金額指倘擔保全數收回則可能需支付的總金額。

於二零一八年六月三十日，本集團就開發成本及資本開支有已訂約但未撥備承擔約10億7,030萬港元(二零一七年十二月三十一日：12億8,660萬港元)。

Employee and Remuneration Policy

The remuneration of the employees is in line with the market and commensurate with the level of pay in the industry. Discretionary year-end bonuses are payable to the employees based on individual performance. Other benefits to the employees include mandatory provident fund, medical insurance and performance related bonus. The Group has adopted the share award scheme and share option scheme as part of the long term incentives for the employees.

As at 30 June 2018, the Group had 371 employees (six months ended 30 June 2017: 436 employees). Total staff costs for the Period amounted to HK\$39.4 million (six months ended 30 June 2017: HK\$51.4 million), which comprised (i) Directors' remuneration of HK\$3.6 million (six months ended 30 June 2017: HK\$3.1 million) and (ii) staff costs (other than Directors' remuneration) of HK\$35.8 million (six months ended 30 June 2017: HK\$48.3 million).

Property Valuation

The Group's investment properties located in the US and the PRC were revalued as at 30 June 2018 by independent qualified professional valuers, Los Angeles Valuation Group, Inc. and Colliers International (Hong Kong) Company Limited respectively. The valuations were based on income capitalisation approach and residual method by making reference to comparable market information as available in the relevant markets.

For investment properties under development, the valuation has also taken into account the construction costs expended and to be expended to complete the development.

The Group's investment properties were valued at HK\$21.4 billion as at 30 June 2018 (31 December 2017: HK\$20.9 billion), an increase in fair value of HK\$962.9 million (six months ended 30 June 2017: HK\$374.4 million) was recognised in the condensed consolidated statement of profit or loss and other comprehensive income for the Period.

員工及薪酬政策

僱員薪酬與市場標準一致，並與業內薪酬水平相當。本集團根據個別僱員之表現而酌情派發年終花紅。其他僱員福利包括強制性公積金、醫療保險及表現相關花紅。本集團已採納股份獎勵計劃及購股權計劃作為僱員長期獎勵的一部分。

於二零一八年六月三十日，本集團共有371名僱員（截至二零一七年六月三十日止六個月：436名僱員）。本期間之總員工成本3,940萬港元（截至二零一七年六月三十日止六個月：5,140萬港元），當中包括(i)董事薪酬360萬港元（截至二零一七年六月三十日止六個月：310萬港元）及(ii)不包括董事酬金的員工成本3,580萬港元（截至二零一七年六月三十日止六個月：4,830萬港元）。

物業估值

本集團於美國和中國的投資物業於二零一八年六月三十日分別由獨立合資格專業估值師Los Angeles Valuation Group, Inc.及高力國際物業顧問(香港)有限公司進行重新估值。估值根據收入資本化法及剩餘法參考相關市場可得的可供比較市場資料而定。

就發展中投資物業而言，估值亦已考慮為完成開發已支付及將支付的建築成本。

本集團投資物業於二零一八年六月三十日之估值為214億港元(二零一七年十二月三十一日：209億港元)，而公平值增加9億6,290萬港元(截至二零一七年六月三十日止六個月：3億7,440萬港元)已於本期間之簡明綜合損益及其他全面收益表中確認。

Issue of Convertible Securities

On 20 April 2018, the Company issued the convertible securities to Mr. Yang Longfei (“Mr. Yang”) with the principal amount of HK\$4,000,000,000 as consideration for the acquisition of the entire issued share capital of Lerthai International and Greatpro. The convertible securities has no maturity date, bears a coupon rate of 2% per annum and will cease to bear any coupon after the fifth anniversary of the date of issue. During the first five years, the coupon shall be accrued on the outstanding principal amount of the convertible securities and payable annually subject to the Company’s sole discretion to defer the coupon payment for a maximum period of 10 years from the dates when the relevant coupon fall due by giving notice to the holders.

The convertible securities with principal amount of HK\$4,000,000,000 can be converted into shares at a conversion price of HK\$4.5 per share (subject to anti-dilution clauses) up to an aggregate of 888,888,888 shares.

The convertible notes are issued in HK\$. However, upon issuance of the convertible securities and throughout the period until maturity date, the convertible securities shall be translated at the exchange rate at the date of issuance of RMB1.00 = HK\$1.23965. Any payment in the event of redemption by the Company shall be made in RMB by reference to the exchange rate of RMB1.00 = HK\$1.23965. Any conversion shall be made by reference to the principal amounts stated in HK\$.

Details of the convertible securities are set out in the Company’s announcements dated 20 March 2018 and the Company’s circular dated 28 March 2018.

發行可換股證券

於二零一八年四月二十日，本公司向楊龍飛先生（「楊先生」）發行本金額為4,000,000,000港元之可換股證券，作為收購勒泰國際及嘉寶全部已發行股本之代價。可換股證券並無到期日，可換股證券每年票面息率2%，並將於發行日期五周年後不再附有任何票息。於首五年，票息按可換股證券未償還本金金額累計並須每年支付，由本公司全權酌情決定於相關票息到期日期透過向可換股證券持有人發出通知而延遲票息付款最多10年。

本金額為4,000,000,000港元之可換股證券可按兌換價每股4.5港元（受反攤薄條款規限）兌換為最多合共888,888,888股股份。

可換股票據以港元發行。然而，於發行可換股證券後及於直至到期日止之整個期間，可換股證券將按發行日期之人民幣1.00元兌1.23965港元之匯率換算。本公司贖回涉及之任何付款參考人民幣1.00元兌1.23965港元之匯率以人民幣作出。任何兌換將根據以港元列賬之本金額作出。

可換股證券之詳情載於本公司日期為二零一八年三月二十日之公告及本公司日期為二零一八年三月二十八日之通函。

Events after the Reporting Period

Conversion of Convertible Securities

On 26 July 2018, the Company received the conversion notices from the security holders to exercise the conversion rights attached to the convertible securities for the principal amount of HK\$250 million and HK\$730 million respectively. An aggregate of 217,777,777 conversion shares at the price of HK\$4.5 per conversion share were allotted and issued on 26 July 2018. After the allotment and issue of the conversion shares, an aggregate principal amount of HK\$3,020 million of the convertible securities remains outstanding.

Details of the conversion are set out in the Company's announcement dated 26 July 2018.

Application for the issuance of ABS

On 30 July 2018, a wholly-owned subsidiary of the Company, Tangshan Oceancity Real Estate Development Company Limited (唐山遠洋城房地產開發有限公司), has made the application of the issuance of ABS on Shanghai Stock Exchange. The completion of ABS is subject to regulatory approval and market conditions. The underlying assets of the ABS is Tangshan Pelagic Mall located in Tangshan, PRC. The ABS will be issued to qualified investors in PRC.

Details of the transaction are set out in the Company's announcement dated 30 July 2018.

Transfer of properties

Pursuant to the ruling made by Hebei Shijiazhuang Intermediate People's Court on 17 July 2018, Shijiazhuang Lerthai Real Estate Development Company Limited ("SJZ Property Development", 石家莊勒泰房地產開發有限公司), a wholly-owned subsidiary of the Company, would transfer certain investment properties held by it to a creditor, China Railway Construction Group Co., Ltd., to offset the construction fees and accumulated interests payable of approximately RMB436 million due to the creditor. The book value of the captioned investment properties as at 30 June 2018 was approximately RMB320 million according to the unaudited accounts of SJZ Property Development.

Details of the transaction are set out in the Company's announcement dated 13 August 2018.

報告期後事項

轉換可換股證券

證券持有人於二零一八年七月二十六日就行使本金金額分別為2億5,000萬港元及7億3,000萬港元之可換股證券所附帶之轉換權向本公司發出轉換通知，合共217,777,777股換股股份已於二零一八年七月二十六日按每股換股股份4.5港元之換股價予以配發及發行。於配發及發行換股股份後，合共本金總額30億2,000萬港元之可換股證券尚未行使。

轉換之詳情載於本公司日期為二零一八年七月二十六日之公告。

申請發行資產擔保證券

本公司之全資附屬公司唐山遠洋城房地產開發有限公司已於二零一八年七月三十日向上海證券交易所提交發行資產擔保證券的申請。完成資產擔保證券取決於監管批准及市場狀況。資產擔保證券之標的物業為位於中國唐山的唐山遠洋城。資產擔保證券將向中國合格投資者發行。

交易之詳情載於本公司日期為二零一八年七月三十日之公告。

轉讓物業

根據河北省石家莊市中級人民法院於二零一八年七月十七日作出之裁定，石家莊勒泰房地產開發有限公司(「石家莊勒泰房地產開發」，本公司的全資附屬公司)將轉讓其所持若干投資物業予債權人(中鐵建設集團有限公司)以抵償所欠債權人之建築費及應付累計利息約人民幣4億3,600萬元。石家莊勒泰房地產開發的未經審核賬目所示所述投資物業於二零一八年六月三十日的賬面淨值約為人民幣3億2,000萬元。

交易之詳情載於本公司日期為二零一八年八月十三日之公告。

Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporations

As at 30 June 2018, the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 (the "Model Code") to Listing Rules is as follow:

Ordinary shares of the Company

Name 名稱	Number of Shares (ordinary share) 股份數目(普通股)	Capacity 身份	Percentage of Issued Share Capital (approximately) 佔已發行股本百分比(概約)
Mr. Yang (Notes 1 and 2) 楊先生(附註1及2)	254,055,888 (L)	Interest of Controlled Corporation 受控法團權益	75%
	888,888,888 (L)	Beneficial Owner 實益擁有人	262%
Mr. Yang Shao Xing Max (Note 3) 楊少星先生(附註3)	3,387,659 (L)	Beneficial Owner 實益擁有人	1%
Ms. Zhang Yan (Note 3) 張妍女士(附註3)	3,387,659 (L)	Beneficial Owner 實益擁有人	1%

(L): Long position

(L): 好倉

Notes:

附註:

- The 254,055,888 shares of the Company held by China Lerthai Commercial Real Estate Holdings Limited ("China Lerthai"), and Mr. Yang beneficially owns the entire issued share capital of China Lerthai. By virtue of the SFO, Mr. Yang is deemed to be interested in the 254,055,888 shares of the Company held by China Lerthai.
- The 888,888,888 shares represent the convertible securities, with the principal amount of HK\$4,000 million, issued by the Company on 20 April 2018 as the consideration for the acquisition of entire issued share capital of Lerthai International and Greatpro. Please refer to the Company's announcement dated 20 March 2018 and the Company's circular dated 28 March 2018 for details.
- The shares represent the share options granted by the Company on 16 May 2016 under the Share Option Scheme.

- 254,055,888股本公司股份由中國勒泰商業地產控股有限公司持有，而楊先生實益擁有中國勒泰之全部已發行股本。根據證券及期貨條例，楊先生被視為於中國勒泰所持有的254,055,888股本公司股份中擁有權益。
- 888,888,888股股份指本公司於二零一八年四月二十日發行之本金額為4,000,000,000港元作為收購勒泰國際及嘉寶之全部已發行股本之代價之可換股債權。有關詳情請參閱本公司日期為二零一八年三月二十日之公告及本公司日期為二零一八年三月二十八日之通函。
- 股份指由本公司根據購股權計劃於二零一六年五月十六日授出之購股權。

董事及最高行政人員於本公司及相聯法團之證券權益

於二零一八年六月三十日，董事或本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有任何根據證券及期貨條例第352條置存之本公司登記冊所載錄，或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益或淡倉如下：

本公司普通股

Other Information 其他資料

Save as disclosed above, none of the Directors or chief executives of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be 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.

During the Period, none of the Directors or chief executives of the Company, nor their spouses or children under the age of 18 years, were granted or had exercised any right to subscribe for any securities of the Company or its associated corporations.

Substantial Shareholders' Interests in the Securities of the Company

As at 30 June 2018, so far as are known to any Director or chief executives of the Company, the following parties (other than a Director or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

除上述披露者外，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有或視為擁有任何根據證券及期貨條例第352條置存登記冊所載錄或根據標準守則須知會本公司及聯交所之權益或淡倉。

於期內，概無董事或本公司最高行政人員以及彼等之配偶或十八歲以下子女獲授或已行使任何可認購本公司或其相聯法團任何證券之權利。

主要股東於本公司之證券權益

於二零一八年六月三十日，就董事或本公司最高行政人員所知悉，本公司根據證券及期貨條例第336條須置存之登記冊所載錄於本公司股份或相關股份中擁有權益或淡倉之人士（董事或本公司最高行政人員除外）如下：

Name of Shareholders	Capacity/nature of interests	Number of ordinary share(s) held	Number of underlying share(s) held	Percentage of total number of Shares in issue (approximately) 佔已發行股份總數之百分比 (概約)
股東名稱	身份／權益性質	持有普通股數目	持有相關股份數目	
China Lerthai ¹ 中國勒泰 ¹	Beneficial owner 實益擁有人	254,055,888 (L)	-	74.99%
Fantastic Stargaze Limited ²	Beneficial owner 實益擁有人	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
Peace Winner Limited ³	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
Huarong Overseas Investment Holdings Co., Limited ⁴ 中國華融海外投資控股有限公司 ⁴	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%

Name of Shareholders	Capacity/nature of interests	Number of ordinary share(s) held	Number of underlying share(s) held	Percentage of total number of Shares in issue (approximately) 佔已發行股份總數之百分比 (概約)
股東名稱	身份／權益性質	持有普通股數目	持有相關股份數目	
華融華僑資產管理股份有限公司 ⁵	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
華融致遠投資管理有限責任公司 ⁶	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
China Huarong Asset Management Co., Ltd. ⁷ 中國華融資產管理股份有限公司 ⁷	Beneficial Interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Security interest held by controlled corporation 受控法團持有抵押權益	254,055,888 (L)	-	74.99%
Ministry of Finance of the People's Republic of China ⁸ 中華人民共和國財政部 ⁸	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
廣東錦峰集團有限公司 ⁹	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
Hong Kong Kam Fung Group Company Limited ¹⁰ 香港錦峰集團有限公司 ¹⁰	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%
Sun Siu Ki ¹¹ 孫少杰 ¹¹	Beneficial interest held by controlled corporation 受控法團持有實益權益	-	30,000,000 (L)	8.86%
	Having a security interest in shares 於股份中擁有抵押權益	254,055,888 (L)	-	74.99%

(L): denotes long position

(L): 指好倉

Other Information 其他資料

Notes:

1. China Lerthai is wholly-owned by Mr. Yang, the chairman, chief executive officer and executive Director of the Company.
2. China Lerthai has provided a first priority share charge in respect of the 254,055,888 shares of the Company held by it in favour of Fantastic Stargaze Limited, a subsidiary of Huarong Overseas Investment Holdings Co., Limited, to secure the payment obligations under the convertible notes in the principal amount of HK\$450 million issued by the Company. Fantastic Stargaze Limited is the holder of the convertible notes of the Company in the principal amount of HK\$450 million convertible into 30,000,000 shares of the Company. Please refer to the announcement of the Company dated 22 January 2017 for further details.
3. Peace Winner Limited is a wholly-owned subsidiary of Huarong Overseas Investment Holdings Co., Limited.
4. Fantastic Stargaze Limited is a wholly-owned subsidiary of Huarong Overseas Investment Holdings Co., Limited.
5. Huarong Overseas Investment Holdings Co., Limited is a wholly-owned subsidiary of 華融華僑資產管理股份有限公司.
6. 華融致遠投資管理有限責任公司 is interested in 51% of equity interests in 華融華僑資產管理股份有限公司.
7. 華融致遠投資管理有限責任公司 is a wholly-owned subsidiary of China Huarong Asset Management Co. Ltd.
8. Ministry of Finance of the People's Republic of China is interested in 67.75% of equity interests in China Huarong Asset Management Co. Ltd.
9. 廣東錦峰集團有限公司 is interested in 40% of equity interests in 華融華僑資產管理股份有限公司.
10. 廣東錦峰集團有限公司 is a wholly-owned subsidiary of Hong Kong Kam Fung Group Company Limited.
11. Hong Kong Kam Fung Group Company Limited is wholly-owned by Mr. Sun Siu Ki.

Save as disclosed above, as at 30 June 2018, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

附註：

1. 中國勒泰由本公司主席、行政總裁兼執行董事楊先生全資擁有。
2. 中國勒泰已就其持有的254,055,888股本公司股份向中國華融海外投資控股有限公司的附屬公司Fantastic Stargaze Limited提供絕對優先權股份押記，以為由本公司發行本金額為450百萬港元的可換股票據項下的付款責任提供抵押。Fantastic Stargaze Limited是本金額為450百萬港元之可換股票據(可轉換為30,000,000股本公司股份)之持有人。更多詳情請參閱本公司日期為二零一七年一月二十二日之公告。
3. Peace Winner Limited為中國華融海外投資控股有限公司之全資附屬公司。
4. Fantastic Stargaze Limited為中國華融海外投資控股有限公司之全資附屬公司。
5. 中國華融海外投資控股有限公司為華融華僑資產管理股份有限公司之全資附屬公司。
6. 華融致遠投資管理有限責任公司擁有華融華僑資產管理股份有限公司51%股權之權益。
7. 華融致遠投資管理有限責任公司為中國華融資產管理股份有限公司之全資附屬公司。
8. 中華人民共和國財政部擁有中國華融資產管理股份有限公司67.75%股權之權益。
9. 廣東錦峰集團有限公司擁有華融華僑資產管理股份有限公司40%股權之權益。
10. 廣東錦峰集團有限公司為香港錦峰集團有限公司之全資附屬公司。
11. 香港錦峰集團有限公司由孫少杰先生全資擁有。

除上文披露外，於二零一八年六月三十日，概無任何人士(董事或本公司最高行政人員除外)曾知會本公司其於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司根據證券及期貨條例第336條須置存之登記冊內的權益或淡倉。

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

Review by Audit Committee

The audit committee of the Company (the "Audit Committee"), which comprised all the independent non-executive Directors has reviewed with management of the accounting policies adopted by the Group, the risk management and internal control systems, the effectiveness of the internal audit function and the unaudited condensed consolidated financial statements for the Period.

Corporate Governance

The Company is committed to maintain high standards of corporate governance in order to ensure high transparency and protection of interests of the shareholders and the Company as a whole. The Company has adopted the code provisions and certain recommended best practices (with amendments from time to time) as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") under Appendix 14 to the Listing Rules.

Upon review of the corporate governance practice of the Company, the Board believed that the Company has applied the principles in the CG Code and complied with the code provisions of the CG Code during the Period. None of the Directors was aware of any information that would reasonably indicate that the Company was during the Period in compliant with the code provisions of the CG Code, except for the deviation as follows:

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yang was appointed as the chairman (the "Chairman") and the chief executive officer of the Company (the "CEO") on 28 February 2013 and 20 March 2014 respectively. The Group therefore did not separate the roles of the Chairman and the CEO. The Board considered that Mr. Yang had in-depth knowledge and experience in the property investment and development industry and was the most appropriate person to manage the Group, therefore, the roles of Chairman and CEO by the same individual, Mr. Yang, was beneficial to the business prospects and management of the Group.

購買、出售或贖回本公司上市證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

經審核委員會審閱

由所有獨立非執行董事組成之本公司審核委員會（「審核委員會」）與管理層已就本集團採納之會計政策、風險管理及內部監控系統、內部審核職能成效，以及本期間之未經審核簡明綜合財務報表進行審閱。

企業管治

本公司致力維持高水平之企業管治，以確保本公司具有高透明度以及保障股東及本公司之整體利益。本公司已採納上市規則附錄14之企業管治守則及企業管治報告（「企管守則」）所載之守則條文及若干建議最佳常規（因應不時之修訂）。

經檢討本公司之企業管治常規後，董事會相信本公司已於本期間內應用企管守則內之原則並已遵守企管守則之守則條文。董事概不知悉有任何資料可合理顯示本公司於本期間內並無遵守企管守則之守則條文，惟以下偏離者除外：

根據企管守則之守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。楊先生分別於二零一三年二月二十八日及二零一四年三月二十日獲委任為本公司主席（「主席」）及行政總裁（「行政總裁」），因此，本集團並無區分主席及行政總裁之角色。董事會認為，楊先生於物業投資及開發行業方面擁有豐富知識及經驗，乃管理本集團之最合適人選。因此，主席及行政總裁由楊先生一人兼任，有利於本集團的業務前景及管理。

Other Information 其他資料

Save as the above, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the Period.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 (the “Model Code”) to the Listing Rules as a code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the Period.

Disclosure of Change of Information of Directors under Rules 13.51(2) and 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of information on the Directors is as follows:

Ms. Zhang Yan

- was appointed as the executive director of the Company on 1 April 2018

除上述者外，據董事會深知，本公司於本期間已遵行企管守則的守則條文。

證券交易之標準守則

本公司已採納載列於上市規則的附錄十中董事進行證券交易之操守準則（「操守守則」）。本公司在向所有董事作出具體查詢後，所有董事確認彼等於本期間內一直遵守操守守則載列之所需標準。

按上市規則第13.51(2)及第13.51B(1)條規定就董事資料變動之披露

根據上市規則第13.51B(1)條，有關董事之資料變動如下：

張妍女士

- 於二零一八年四月一日獲委任為本公司執行董事

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益報表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
		NOTES 附註	
Revenue	收益	4	549,522
Cost of sales	銷售成本		(137,990)
Gross profit	毛利		411,532
Other income, gains and losses	其他收入、收益及虧損	5	61,212
Increase in fair value of investment properties	投資物業公平值增加		962,942
Selling and marketing expenses	銷售及市場營銷開支		(9,915)
Administrative expenses	行政開支		(106,984)
Finance costs	財務費用		(468,954)
Profit before taxation	除稅前溢利	6	849,833
Income tax expense	所得稅開支	7	(272,106)
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利		577,727
Other comprehensive (expense) income	其他全面(開支)收入		
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後不會重新分類至損益之項目：</i>		
Exchange differences arising from translation of functional currency to presentation currency	換算功能貨幣至呈報貨幣產生之匯兌差額		(151,232)
Fair value gain on financial liabilities designated at fair value through profit or loss attributable to change in credit risk	信貸風險變動應佔指定為按公平值計入損益之金融負債公平值收益		940
Other comprehensive (expense) income for the period	期內其他全面(開支)收入		(150,292)
Total comprehensive income for the period attributable to owners of the Company	本公司擁有人應佔期內全面收入總額		427,435
Earnings per share (HK dollars)	每股盈利(港元)	8	
Basic	基本		1.71
Diluted	攤薄		0.77

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況報表

At 30 June 2018 於二零一八年六月三十日

		NOTES 附註	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產			
Investment properties	投資物業	10	21,382,844	20,872,122
Property, plant and equipment	物業、廠房及設備		43,361	46,556
Deposit	按金		130,042	131,879
Interest receivables	應收利息		56,200	25,763
Pledged bank deposits	已抵押銀行存款		1,989,468	2,015,770
Deferred tax assets	遞延稅項資產		6,528	6,528
Other non-current assets	其他非流動資產		3,300	3,300
			23,611,743	23,101,918
Current assets	流動資產			
Properties under development for sales	開發中待售物業		1,988,218	2,247,780
Properties held for sales	持作出售物業		763,036	381,076
Equity investment at fair value through profit or loss	按公平值計入損益之股權投資		3,310	–
Trade and other receivables, deposits and prepayments	貿易及其他應收賬款、按金及預付款項	11	407,439	381,335
Amounts due from related parties	應收關聯方款項		–	931,759
Restricted bank balances	受限制銀行結餘		282,627	289,766
Pledged bank deposits	已抵押銀行存款		6,898	7,075
Bank balances	銀行結餘		261,446	396,397
			3,712,974	4,635,188
Current liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付賬款及應計款項	12	3,396,724	3,783,662
Deposits received from sales of properties	出售物業之已收取按金		–	1,825,999
Contract liabilities	合約負債		1,999,791	–
Amounts due to related parties	應付關聯方款項		21,839	507,579
Amount due to a former non-controlling shareholder of a subsidiary	應付一間附屬公司一名前非控股股東款項		113,881	115,490
Tax payable	應付稅項		17,299	26,842
Convertible bonds	可換股債券	13	120,704	77,167
Bank and other borrowings	銀行及其他借款	15	777,637	1,545,157
Senior notes	優先票據		97,295	93,297
			6,545,170	7,975,193
Net current liabilities	流動負債淨值		(2,832,196)	(3,340,005)
Total assets less current liabilities	資產總額減流動負債		20,779,547	19,761,913

Condensed Consolidated Statement of Financial Position
簡明綜合財務狀況報表

At 30 June 2018 於二零一八年六月三十日

		NOTES 附註	30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Capital and reserves	資本及儲備			
Share capital	股本	16	498,548	498,548
Reserves	儲備		4,523,135	5,684,340
Equity attributable to owners of the Company	本公司擁有人應佔權益		5,021,683	6,182,888
Perpetual capital instruments	永久性資本工具	17	1,150,471	-
			6,172,154	6,182,888
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借款	15	11,248,600	10,157,899
Convertible bonds	可換股債券	13	256,513	374,706
Convertible securities	可換股證券	14	85,843	-
Bonds	債券		40,520	38,871
Loans from related companies	來自關聯公司貸款	18	-	263,884
Deferred tax liabilities	遞延稅項負債		2,975,917	2,743,665
			14,607,393	13,579,025
			20,779,547	19,761,913

Condensed Consolidated Statement of Changes in Equity

簡明綜合股本權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share option reserve	Statutory reserve	Convertible securities equity reserve	Exchange reserve	Merger reserve	Revaluation reserve	(Accumulated loss) retained profits	Perpetual capital instruments	Total
		股本	購股權儲備	法定儲備	可換股證券權益儲備	匯兌儲備	合併儲備	重估儲備	(累計虧損) 保留溢利	資本工具	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2017 (As originally stated, Audited)	於二零一七年一月一日 (按原列, 經審核)	498,548	69,242	-	-	(85,677)	-	-	(261,157)	-	220,956
Merger accounting restatement (note 3)	合併會計法重列(附註3)	-	-	5,548	-	(723,063)	53,068	-	5,610,261	-	4,945,814
At 1 January 2017 (Restated)	於二零一七年一月一日 (經重列)	498,548	69,242	5,548	-	(808,740)	53,068	-	5,349,104	-	5,166,770
Profit for the period	本期間溢利	-	-	-	-	-	-	-	189,487	-	189,487
Other comprehensive income for the period	本期間其他全面收益	-	-	-	-	175,814	-	-	-	-	175,814
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	175,814	-	-	189,487	-	365,301
At 30 June 2017 (Unaudited, restated)	於二零一七年六月三十日 (未經審核, 經重列)	498,548	69,242	5,548	-	(632,926)	53,068	-	5,538,591	-	5,532,071
At 1 January 2018 (As originally stated, audited)	於二零一八年一月一日 (按原列, 經審核)	498,548	69,242	-	-	(60,740)	-	-	(94,988)	-	412,062
Adjustments arising from application of HKFRS 9 (note 2)	因應用香港財務報告準則第9號產生之調整(附註2)	-	-	-	-	-	-	(14,996)	14,996	-	-
Merger accounting restatement (note 3)	合併會計法重列(附註3)	-	-	5,548	-	(316,979)	53,068	-	6,029,189	-	5,770,826
At 1 January 2018 (Restated)	於二零一八年一月一日 (經重列)	498,548	69,242	5,548	-	(377,719)	53,068	(14,996)	5,949,197	-	6,182,888
Profit for the period	本期間溢利	-	-	-	-	-	-	-	577,727	-	577,727
Other comprehensive (expense) income for the period	本期間其他全面(開支)收益	-	-	-	-	(151,232)	-	940	-	-	(150,292)
Total comprehensive (expense) income for the period	本期間全面(開支)收益總額	-	-	-	-	(151,232)	-	940	577,727	-	427,435
Issue of convertible securities upon combination of entities under common control (notes 3 and 14)	共同控制下的實體合併後發行可換股證券(附註3及14)	-	-	-	3,961,106	-	(4,049,057)	-	-	-	(87,951)
Combination of entities under common control (Note)	共同控制下的實體合併(附註)	-	-	-	-	-	(53,068)	-	-	-	(53,068)
Amount written-off upon combination under common control (note 3)	共同控制下的合併後撤銷款項(附註3)	-	-	-	-	-	(1,447,621)	-	-	-	(1,447,621)
Perpetual capital instruments granted by related companies (note 17)	關連公司授出之永久資本工具(附註17)	-	-	-	-	-	-	-	-	1,150,471	1,150,471
At 30 June 2018 (Unaudited)	於二零一八年六月三十日 (未經審核)	498,548	69,242	5,548	3,961,106	(528,951)	(5,496,678)	(14,056)	6,526,924	1,150,471	6,172,154

Note: It represents the effect of combination of Tangshan Oceancity Mall Property Services Limited by Greatpro Holdings Limited ("Greatpro") upon completion in early 2018. Details please refer to the Accountants' Report of Greatpro included in the Company's circular dated 28 March 2018.

附註：由嘉寶控股有限公司(「嘉寶」)於二零一八年年初完成後合併唐山遠洋城購物廣場物業服務有限公司的影響。詳情請參閱本公司日期為二零一八年三月二十八日之通函內所載之嘉寶的會計師報告。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Net cash from operating activities	來自經營業務之現金淨額	535,581	492,769
Net cash used in investing activities	用於投資業務之現金淨額		
Interest received	已收利息	157	549
Additions to investment properties	投資物業增加	(97,388)	(786,642)
Additions to property, plant and equipment	物業、廠房及設備之添置	-	(4,763)
Placement of pledged bank deposits	存置已抵押銀行存款	(3,203)	(37,562)
Release of pledged bank deposits	解除已抵押銀行存款	1,659	12,944
Placement of restricted bank balance	存置受限制銀行結餘	-	(34,624)
Release of restricted bank balance	解除受限制銀行結餘	-	26,689
Repayment from related parties	來自關聯方的還款	437,068	723,443
Advance to related parties	向關聯方的墊款	(715,558)	(276,080)
Repayments from tenants	租戶還款	13,608	-
Loan to tenants	向租戶的貸款	(12,153)	-
		(375,810)	(376,046)
Net cash used in financing activities	用於融資業務之現金淨額		
New bank and other borrowings raised	新籌集銀行及其他借款款項	1,395,701	404,600
Repayment of bank and other borrowings	償還銀行及其他借款	(947,922)	(547,972)
Repayment of convertible bonds	償還可換股債券	(80,000)	(385,000)
Loan from a related company	來自一間關聯公司貸款	535,854	443,765
Repayment on loan from a related company	償還來自一間關聯公司貸款	(369,187)	(296,475)
Net proceeds on issuance of convertible bonds	發行可換股債券之所得款項淨額	-	439,030
Interest paid	已付利息	(472,662)	(338,135)
Advances from related parties	來自關聯方的墊款	-	403,795
Repayments to related parties	向關聯方還款	-	(179,860)
Repayment to a former shareholder of a subsidiary	向一間附屬公司之 一名前股東還款	(331,926)	-
Loan from tenants	來自租戶的貸款	2,412	-
Advance to tenants	向租戶墊款	-	(19,784)
Placement of pledged bank deposits	存置已抵押銀行存款	-	(214,007)
Placement of restricted bank balance	存置受限制銀行結餘	-	(24)
		(267,730)	(290,067)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(107,959)	(173,344)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	396,397	350,032
Effect of foreign exchange rate changes	外匯匯率變動之影響	(26,992)	7,769
Cash and cash equivalents at 30 June represented by	於六月三十日之現金及現金等值項目 以下列呈列		
Bank balances	銀行結餘	261,446	184,457

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

1. 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 (“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 (“HKSE”).

The financial information relating to the year ended 31 December 2017 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follow:

The Company has delivered the financial statements for the year ended 31 December 2017 to the Registrar of Companies as required by section 662(3) to the Hong Kong Company Ordinance (the “Company Ordinance”).

In preparing the condensed consolidated financial statements, the directors of the Company have given due and careful considerations to the future liquidity of the Group in light of the Group’s current liabilities exceeds current assets by approximately HK\$2,832,196,000 as at 30 June 2018. The directors of the Company have carefully assessed the Group’s liquidity position. Having taken into account (i) the estimated proceeds from the sales of properties in the next twelve months from the end of the financial year; (ii) undertaking from certain creditors to postpone the settlement of debts of approximately HK\$282,011,000 due to those creditors to a date after twelve months from the end of the current reporting period; (iii) the deposits received from sales of properties of HK\$1,999,791,000 that do not expect to have a cash outflow impact; (iv) the available facility provided by a related company controlled by Mr. Yang; and (v) agreement reached with a creditor subsequent to the end of the current reporting period to settle the HK\$498,796,000 due to that creditor by transfer of certain investment properties held by the Group, the directors of the Company are satisfied that the Group will have sufficient working capital for its present requirements. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

1. 編製基準

簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」之規定以及香港聯合交易所有限公司（「香港聯交所」）證券上市規則附錄16之適用披露規定編製。

儘管作為比較信息被納入該等簡明綜合財務報表與截至二零一七年十二月三十一日止年度有關之財務信息來源於本公司之法定年度綜合財務報表，惟不構成本公司之法定年度綜合財務報表。與該等法定財務報表有關之進一步資料如下：

按照香港公司條例（「公司條例」）第662(3)條之要求，本公司已向香港公司註冊處遞交截至二零一七年十二月三十一日止年度之財務報表。

鑑於本集團於二零一八年六月三十日之流動負債超過流動資產約2,832,196,000港元，於編製簡明綜合財務報表時，本公司董事已審慎考慮本集團未來之流動資金。本公司董事已審慎評估本集團之流動資金狀況。經計及(i)自財政年度結束起未來十二個月出售物業估計所得款項；(ii)若干債權人承諾將一項到期債務之結算金額約為282,011,000港元延遲至自本報告期結束起十二個月後之某一日；(iii)出售物業之已收取按金1,999,791,000港元預期不會產生現金流出影響；(iv)由楊先生控制之一間關連公司提供的可用融資；及(v)於本報告期結束後與一名債權人達成協議，透過轉讓若干本集團持有之投資物業以償付其498,796,000港元，本公司董事信納，本集團將擁有充足運營資金滿足其目前需求。因此，簡明綜合財務報表已按持續經營基準編製。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in 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 HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs 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	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the Related Amendments
HK (IFRIC) – Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs 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.

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟按公平值計量之投資物業及若干金融工具除外。

除因應用新訂及香港財務報告準則（「香港財務報告準則」）之修訂而導致的會計政策變動外，截至二零一八年六月三十日止六個月的簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度之年度財務報表所依循者相同。

應用新訂及香港財務報告準則之修訂

於本中期期間，本集團就編製本集團簡明綜合財務報表首次應用以下由香港會計師公會頒佈於二零一八年一月一日或之後的年度期間強制生效的新訂及香港財務報告準則的修訂：

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	來自客戶合約之收益及相關修訂
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	以股份為基礎付款的交易的分類及計量
香港財務報告準則第4號之修訂	應用香港財務報告準則第4號保險合約時一併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	作為二零一四年至二零一六年週期香港財務報告準則年度改進之一部分
香港會計準則第40號之修訂	轉讓投資物業

新訂及香港財務報告準則之修訂乃按照各相關準則及修訂之相關過渡條文應用，導致下文所述之會計政策、呈報金額及／或披露事項的變動。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.1 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*, HKAS 11 *Construction Contracts* and the related interpretations.

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 *Revenue* and HKAS 11 *Construction Contracts* and the related interpretations.

2.1.1 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

2. 主要會計政策(續)

2.1 應用香港財務報告準則第15號來自客戶合約之收益對會計政策之影響及變動

於本中期期間，本集團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號已取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於首次應用日期二零一八年一月一日確認。首次應用日期的任何差額於期初保留溢利(或權益之其他部分(如適用))確認及並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯用於在二零一八年一月一日尚未完成的合約，並對首次應用日期前發生的所有合約修改使用簡易適用法，所有修改的總體影響乃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號收益及香港會計準則第11號建築合約及有關詮釋而編製，故若干比較資料可能無法比較。

2.1.1 應用香港財務報告準則第15號對會計政策造成的主要變動

香港財務報告準則第15號引入確認收益的5個步驟：

- 第1步：識別與客戶訂立的合約
- 第2步：識別合約中的履約責任
- 第3步：釐定交易價
- 第4步：將交易價分配至合約中之履約責任
- 第5步：於(或隨著)本集團完成履約責任時確認收益

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers (continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15 (continued)

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 a series of distinct goods or services that are substantially the same.

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

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates 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.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第15號 來自客戶合約之收益對會計政 策之影響及變動(續)

2.1.1 應用香港財務報告準則第15號對 會計政策造成的主要變動(續)

根據香港財務報告準則第15號，本集團於(或隨著)達成履約責任時確認收益，即於特定履約責任相關的貨品或服務的「控制權」轉移予客戶時。

履約責任指可區分的單一貨品及服務(或組合貨品或服務)或大致相同的一系列可區分貨品或服務。

倘符合下列其中一項標準，按已完成相關履約責任的進度逐步轉移控制權及確認收益：

- 於本集團履約時客戶同時收取及耗用由本集團履約所帶來的利益；
- 本集團的履約導致創建及提升一項資產，該資產於本集團履約時即由客戶控制；或
- 本集團履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權，以收取至今已履約部分的款項。

否則，收益於客戶獲得可區分的貨品或服務的控制權時確認。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers (continued)

2.1.1 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.

The Group recognises revenue from the following major sources:

- Sale of properties;
- Leasing of commercial properties, office premises and car parks; and
- Rendering of property management services.

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

Revenue from leasing of commercial properties, office premises and car parks continues to be accounted for in accordance with HKAS 17 *Leases*.

For property management services contract for which the service is simultaneously received and consumed by customer over time, revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation.

2. 主要會計政策(續)

2.1 應用香港財務報告準則第15號 來自客戶合約之收益對會計政 策之影響及變動(續)

2.1.1 應用香港財務報告準則第15號對 會計政策造成的主要變動(續)

合約負債指本集團因已自客戶收取代價(或到期的代價金額)，而須向客戶轉移貨品或服務的責任。

本集團確認下列主要來源之收入：

- 物業銷售；
- 商用物業、辦公物業及停車位租賃；及
- 提供物業管理服務。

就在某個時間點轉移物業控制權的物業開發及銷售合約而言，當客戶獲得已完成物業的控制權且本集團有現有付款權且可能收取代價時確認收益。

來自商用物業、辦公物業及停車位租賃之收入繼續根據香港會計準則第17號租賃入賬。

就服務隨時間而由客戶同時收取及消耗之物業管理服務合約而言，收入參照完全履行相關履約責任的進展情況而隨時間確認。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.1 Impacts and changes in accounting policies
of application on HKFRS 15 Revenue from
Contracts with Customers (continued)

2.1.1 Key changes in accounting policies resulting from
application of HKFRS 15 (continued)

Existence of significant financing component

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

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

Incremental costs of obtaining a contract

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

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

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

2. 主要會計政策(續)

2.1 應用香港財務報告準則第15號
來自客戶合約之收益對會計政
策之影響及變動(續)

2.1.1 應用香港財務報告準則第15號對
會計政策造成的主要變動(續)

存在重大融資成份

於釐定交易價時，倘向客戶轉移貨品或服務時(不論以明示或暗示方式)協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就金額時間值的影響而調整已承諾之代價金額。於該等情況下，合約含有重大融資成份。不論於合約中以明示呈列或合約訂約方協定的支付條款暗示融資承諾，合約中均存在重大融資成份。

就相關貨品或服務的支付與轉移期間少於一年的合約而言，本集團就任何重大融資成份應用不調整交易價的簡易處理方法。

取得合約之增量成本

取得合約之增量成本指本集團為取得與客戶之合約所承擔之該等成本(未取得合約時將不會產生)。

倘本集團預期收回該等成本，則本集團將該等成本(銷售佣金)確認為資產。此確認之資產其後按與轉移該等資產有關的貨品或服務一致有系統地於損益內攤銷。該資產須進行減值審閱。

倘該等成本於一年內已以其他方式於損益悉數攤銷，本集團則應用簡易處理方法將所有取得合約之增量成本費用化。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers (continued)

2.1.2 Summary of effects arising from initial application of HKFRS 15 (continued)

The following tables summarise 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.

Impact on the condensed consolidated statement of financial position

2. 主要會計政策(續)

2.1 應用香港財務報告準則第15號來自客戶合約之收益對會計政策之影響及變動(續)

2.1.2 首次應用香港財務報告準則第15號所產生影響的概要(續)

下表概述應用香港財務報告準則第15號對本集團於二零一八年六月三十日之簡明綜合財務狀況表中各項受影響項目之影響。並無計入未受變動影響之項目。

對簡明綜合財務狀況表之影響

		Notes	As reported	Adjustments	Amounts without application of HKFRS 15
		附註	按呈報	調整	未應用香港財務報告準則第15號情況下之金額
			HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元
Current Liabilities	流動負債				
Deposits received from sales of properties	出售物業已收取之按金	(a)	-	1,999,791	1,999,791
Contract liabilities	合約負債	(a)	1,999,791	(1,999,791)	-
(a)	As at 30 June 2018, deposits received in advance from customers for presale of properties of HK\$1,999,791,000 were reclassified as contract liabilities.			(a) 於二零一八年六月三十日，就預售物業而預先收取客戶之按金1,999,791,000港元重新分類至合約負債。	

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments

In the current period, the Group has applied HKFRS 9 *Financial Instruments* 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, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

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. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

2.2.1 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. Rental income receivable included in trade receivables is initially measured in accordance with HKAS 17.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動

於本期間，本集團已應用香港財務報告準則第9號金融工具及其他相關香港財務報告準則相應之修訂。香港財務報告準則第9號引入有關(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」)及(3)一般對沖會計處理之新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即就二零一八年一月一日(初步應用日期)尚未終止確認的工具追溯應用分類及計量的規定(包括減值)，且尚未應用於二零一八年一月一日已終止確認的工具的規定。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值的差額於期初保留溢利及其他權益部分中確認，且並無重列比較資料。

由於比較資料乃根據香港會計準則第39號金融工具：確認與計量而編製，故若干比較資料可能無法比較。

2.2.1 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

來自客戶合約產生之貿易應收賬款初步根據香港財務報告準則第15號計量。計入應收貿易賬款之應收租金收入初步根據香港會計準則第17號計量。

所有符合香港財務報告準則第9號範疇內已確認金融資產其後按攤銷成本或公平值計量。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 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.

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.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

符合下列條件的債務工具其後按攤銷成本計量：

- 以收取合約現金流量為目的而持有金融資產之業務模式內持有的金融資產；及
- 金融資產的合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

符合以下條件的債務工具其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量：

- 以收取合約現金流量及出售金融資產為目的而持有金融資產之業務模式內持有的金融資產；及
- 金融資產的合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」)計量，惟在首次應用/首次確認金融資產當日，倘該股權投資並非持作買賣，亦非由於收購方在香港財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益(「其他全面收益」)呈列股權投資的其後公平值變動。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Classification and measurement of financial assets (continued)

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.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item.

The directors of the Company reviewed and assessed the Group’s financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

此外，為消除或大幅減少會計錯配，本集團可作不可撤回的指定將符合攤銷成本或按公平值計入其他全面收益為標準的債務投資按公平值計入損益計量。

按公平值計入損益的金融資產

金融資產如不符合按攤銷成本計量或按公平值計入其他全面收益的方式計量或指定為按公平值計入其他全面收益的條件，則按公平值計入損益的方式計量。

於各報告期末，按公平值計入損益的金融資產按公平值計量，而任何公平值收益或虧損於損益確認。於損益確認的收益或虧損淨額不包括就金融資產所賺取的任何股息或利息，並計入「其他收益及虧損」項目內。

本公司董事已根據當日的事實及情況審閱及評估本集團於二零一八年一月一日的金融資產。

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 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 restricted bank balances, pledged bank deposits, bank balances, trade and other receivables and deposits). 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.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings.

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.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

預期信貸虧損模式項下的減值

本集團就根據香港財務報告準則第9號面臨減值的金融資產(包括受限制銀行結餘、已抵押銀行存款、銀行結餘、貿易及其他應收賬款以及按金)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新,以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具預期使用期內發生所有可能的違約事件而導致的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估,並根據應收款項特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團經常就貿易應收賬款確認全期預期信貸虧損。該等資產的預期信貸虧損將使用適宜組別的撥備矩陣進行集體評估。

就所有其他工具而言,本集團計量與12個月預期信貸虧損等額的虧損撥備,除非信貸風險自初始確認以來已大幅增加,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,乃基於自初始確認起出現違約的可能性或風險是否大幅增加。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk

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

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

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

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

預期信貸虧損模式項下的減值(續)

信貸風險大幅增加

於評估信貸風險自首次確認以來是否大幅增加時，本集團對金融工具於報告日期就發生違約的風險與金融工具於首次確認日期就發生違約的風險作比較。作出此評估時，本集團會考慮合理及具支持的定量及定質資料，包括過往經驗及無需付出不必要的成本及精力獲取的前瞻性資料。

具體而言，於評估信貸風險是否已大幅增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期嚴重轉差；
- 信貸風險的外部市場指標嚴重轉差(如債務人的信貸息差及信貸違約掉期價格大幅增加)；
- 業務、金融或經濟情況目前或預期有不利變動，預期將導致債務人償還債項責任的能力大幅減少；
- 債務人的經營業績實際或預期嚴重轉差；
- 債務人的監管、經濟或技術環境有實際或預期重大不利變動，導致債務人償還債項責任的能力大幅下降。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

預期信貸虧損模式項下的減值(續)

信貸風險大幅增加(續)

不論上述評估的結果，當合約付款已逾期超過30日，則本集團均假定信貸風險自首次確認起大幅增加，除非本集團具有合理及具支持性的資料說明其他情況。

儘管有上述規定，若於報告日期債務工具被判定為具有較低信貸風險，本集團會假設債務工具的信貸風險自初始確認以來並未顯著上升。在以下情況下，債務工具會被判定為具有較低信貸風險：(i)債務工具具有較低違約風險；(ii)借款人有很強的能力履行近期的合約現金流量責任；及(iii)經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量義務的能力。本集團認為，若根據眾所周知的定義，債務工具的內部或外部信貸測評為「投資級」，則該債務工具具有較低信貸風險。

本集團認為，當工具已逾期超過90日，則已經發生違約，除非本集團具有合理及具支持性的資料說明更為滯後的違約準則更為適用。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 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.

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.

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.

As at 1 January 2018, the directors of the Company 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.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

預期信貸虧損模式項下的減值(續)

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率(即出現違約時的損失幅度)及違約風險的函數。違約可能性及違約損失率之評估乃根據過往的數據進行,並就前瞻性資料作出調整。

一般而言,預期信貸虧損估算根據合約到期支付予本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差異,並按首次確認時釐定之實際利率折現。

利息收入根據金融資產的賬面值總額計算,惟金融資產為信貸減值的情況除外,於此情況下,利息收入根據金融資產的攤銷成本計算。

本集團藉由調整其所有金融工具的賬面值於損益中確認其減值收益或虧損,惟貿易應收賬款除外,相應調整於虧損撥備賬中確認。

於二零一八年一月一日,本公司董事根據香港財務報告準則第9號的規定,使用無需付出不必要的成本或精力即可獲得的合理及可支持的資料,審閱及評估本集團的現有金融資產是否減值。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Classification and measurement of financial liabilities

For financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained profits upon derecognition of the financial liability.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.1 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)

金融負債之分類及計量

對於指定為按公平值計入損益的金融負債而言，因有關負債的信貸風險變化而造成的金融負債公平值變動乃於其他全面收益確認，除非於其他全面收益確認有關負債的信貸風險變動影響會造成或擴大於損益之會計錯配，則作別論。有關負債之餘下公平值變動乃於損益確認。因金融負債之信貸風險而造成且於其他全面收益確認之公平值變動其後不會重新分類至損益；相反，該等變動將於取消確認該金融負債後轉撥至保留溢利。

就並無導致終止確認的金融負債不重大修改而言，相關金融負債的賬面值將按以金融負債原實際利率折現的經修改合約現金流量現值計算。所產生的交易成本或費用乃調整至經修改金融負債的賬面值，並於剩餘年內攤銷。對金融負債賬面值的任何調整均於修改日期於損益內確認。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

2.2.2 Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement (including impairment) of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

		Note 附註	Retained profits 保留溢利 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元
Closing balance at 31 December 2017 – HKAS 39 and after merger accounting restatement	於二零一七年十二月三十一日之期末結餘 – 香港會計準則第39號及於合併會計法重列後		5,934,201	–
Effect arising from initial application of HKFRS 9:	首次應用香港財務報告準則第9號產生之影響：			
Remeasurement	重新計量			
Fair value adjustment attributable to changes in the credit risk of convertible bonds	可換股債券信貸風險變動應佔之公平值調整	(a)	14,996	(14,996)
Opening balance at 1 January 2018	於二零一八年一月一日之期初結餘		5,949,197	(14,996)

(a) Financial liabilities designated at FVTPL

Convertible bonds issued by the Group designated at FVTPL qualified for designation as measured at FVTPL under HKFRS 9. However the amount of change in the fair value of these financial liabilities that is attributable to changes in the credit risk of these liabilities will be recognised in OCI with the remaining fair value change recognised in profit or loss. Related fair value losses attributable to changes in the credit risk of those liabilities of HK\$14,996,000 were transferred from the retained profits to revaluation reserve on 1 January 2018.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

2.2.2 首次應用香港財務報告準則第9號所產生之影響概述

下表載列於首次應用日期(即二零一八年一月一日)根據香港財務報告準則第9號及香港會計準則第39號面臨預期信貸虧損金融資產及金融負債以及其他項目的分類及計量(包括減值)。

	Note 附註	Retained profits 保留溢利 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元
Closing balance at 31 December 2017 – HKAS 39 and after merger accounting restatement		5,934,201	–
Effect arising from initial application of HKFRS 9:			
Remeasurement			
Fair value adjustment attributable to changes in the credit risk of convertible bonds	(a)	14,996	(14,996)
Opening balance at 1 January 2018		5,949,197	(14,996)

(a) 指定為按公平值計入損益之金融負債

本集團發行之指定為按公平值計入損益之可換股債券乃合資格根據香港財務報告準則第9號指定為按公平值計入損益計量。然而，該等金融負債之信貸風險變動應佔之該等負債公平值變動金額將於其他全面收益內確認，而餘下公平值變動於損益內確認。該等負債信貸風險變動應佔之相關公平值虧損14,996,000港元已於二零一八年一月一日由保留溢利轉至重估儲備。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments and the related amendments (continued)

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.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具及相關修訂對會計政策之影響及變動(續)

應用香港會計準則第40號轉讓投資物業之修訂對會計政策之影響及變動

該修訂澄清，轉讓至投資物業或由投資物業轉讓時需要評估物業是否符合投資物業的定義或已不再符合投資物業的定義，除香港會計準則第40號所列的情況外，其他情況可能會證明使用情況有所改變，在建物業也有可能會改變使用情況(即使用變動不限於已竣工物業)。

於首次應用日期，本集團根據該日已存在的狀況評估若干物業的分類，對於二零一八年一月一日之分類並無影響。

除上述事項外，於本中期期間其他香港財務報告準則之修訂對該等簡明綜合財務報表所載之呈報金額及/或披露事項並無重大影響。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.3 Impacts on opening condensed consolidated statement of financial position arising from the application of all new standards

As a result of the changes in the entity's accounting policies above, the opening condensed consolidated statement of financial position had to be restated. The following table show the adjustments recognised for each individual line item.

2. 主要會計政策(續)

2.3 應用所有新準則對期初簡明綜合財務狀況報表產生之影響

由於實體之上述會計政策產生變動，期初簡明綜合財務狀況報表須重列。下表列示就各單獨項目確認的調整。

		31 December 2017 (After merger accounting restatement) 二零一七年 十二月三十一日 (於合併會計法 重列後) HK\$'000 千港元	HKFRS 15 香港財務報告 準則第15號 HK\$'000 千港元	HKFRS 9 香港財務報告 準則第9號 HK\$'000 千港元	1 January 2018 (Restated) 二零一八年 一月一日 (經重列) HK\$'000 千港元
Non-current assets	非流動資產				
Items with no adjustments	未經調整項目	23,101,918	-	-	23,101,918
Current assets	流動資產				
Items with no adjustments	未經調整項目	4,635,188	-	-	4,635,188
Current liabilities	流動負債				
Deposits received from sales of properties	出售物業之 已收取按金	1,825,999	(1,825,999)	-	-
Contract liabilities	合約負債	-	1,825,999	-	1,825,999
Others with no adjustments	未經調整之其他項目	6,149,194	-	-	6,149,194
		7,975,193	-	-	7,975,193
Net current liabilities	流動負債淨值	(3,340,005)	-	-	(3,340,005)
Total assets less current liabilities	資產總額減流動負債	19,761,913	-	-	19,761,913
Capital and reserves	資本及儲備				
Share capital	股本	498,548	-	-	498,548
Reserves	儲備	5,684,340	-	-	5,684,340
Total equity attributable to owners of the Company	本公司擁有人應佔 權益總額	6,182,888	-	-	6,182,888
Non-current liabilities	非流動負債				
Others with no adjustments	未經調整之其他項目	13,579,025	-	-	13,579,025
Net assets	資產淨值	19,761,913	-	-	19,761,913

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT

Merger accounting for business combination involving business under common control

On 20 March 2018, Lerthai Global Commercial Real Estate Fund SPC (“Lerthai Global SPC”), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “Agreement”) with Mr. Yang Longfei (“Mr. Yang”), a controlling shareholder of the Company, to acquire the entire issued share capital of Lerthai International Holdings Limited (“Lerthai International”) and Greatpro (collectively referred to as the “Target Companies”). The principal activities of the Target Companies are property development and investment and operation of shopping malls located in the People’s Republic of China (the “PRC”). The consideration will be paid by Lerthai Global SPC to Mr. Yang by way of issue of convertible securities.

The acquisition of the Target Companies was completed on 20 April 2018 by passing an ordinary resolution at an Extraordinary General Meeting held on 17 April 2018. An aggregated principal amount of HK\$4,000 million of the convertible securities have been issued to Mr. Yang.

Since Lerthai Global SPC and the Target Companies are under common control of Mr. Yang, the acquisition has been accounted for as business combination under common control in accordance with Accounting Guideline 5 *Merger Accounting for Common Control Combinations* (“AG5”) issued by the HKICPA.

3. 合併會計法重列

涉及共同控制項下業務之業務合併之合併會計法

於二零一八年三月二十日，勒泰環球商業不動產基金SPC（「勒泰環球SPC」，本公司的全資附屬公司）與楊龍飛先生（「楊先生」，本公司的控股股東）訂立買賣協議（「協議」），以收購勒泰國際控股有限公司（「勒泰國際」）及嘉寶（統稱「目標公司」）之全部已發行股本。目標公司的主要業務為位於中華人民共和國（「中國」）的購物商場的物業發展及投資以及營運。代價將由勒泰環球SPC向楊先生透過發行可換股證券支付。

收購目標公司已於二零一八年四月二十日透過於二零一八年四月十七日舉行的股東特別大會上通過普通決議案完成。本金總額為4,000,000,000港元的可換股證券已發行予楊先生。

由於勒泰環球SPC及目標公司由楊先生共同控制，收購事項已根據香港會計師公會頒佈的會計指引第5號*共同控制合併之合併會計法*（「會計指引第5號」）入賬列為共同控制項下之業務合併。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT (continued)

Merger accounting for business combination involving business under common control (continued)

Under merger accounting, the results of the Target Companies have been combined from the date when they first came under the control of the Company. The assets and liabilities of the Target Companies have been reflected at their existing carrying values at the date of combination. No amount has been recognised in respect of goodwill or excess of the acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, which, instead, has been recorded in merger reserve in equity.

Accordingly, the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June 2017 have been restated to include the assets and liabilities and the operating results of the Target Companies as if this acquisition had been completed since the date the Target Companies came under the control of the Company. The condensed consolidated statement of financial position as at 1 January 2017 and 31 December 2017 have been restated to include the carrying amounts of the assets and liabilities of the Target Companies had been in existence as at 1 January 2017 and 31 December 2017 as if the Target Companies were combined from the date when they first came under the control of the Company.

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併 之合併會計法(續)

根據合併會計法，目標公司之業績自首次受本公司控制之日起合併計算。目標公司之資產及負債已按其合併日期之現有賬面值反映。於共同控制合併時，並無確認就商譽或收購方於被收購方之可識別資產、負債及或然負債之公平值淨額權益超過成本之部分金額，而該金額已記錄於權益之合併儲備中。

因此，截至二零一七年六月三十日止六個月之簡明綜合損益報表、簡明綜合全面收益報表、簡明綜合股本權益變動表及簡明綜合現金流量表已重列，以包括目標公司之資產及負債以及經營業績，猶如該收購事項自目標公司受本公司控制之日起已完成。於二零一七年一月一日及二零一七年十二月三十一日之簡明綜合財務狀況報表已重列，以包括目標公司之資產及負債賬面值，假設其已於二零一七年一月一日及二零一七年十二月三十一日存在，猶如目標公司自首次受本公司控制之日合併。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

**3. MERGER ACCOUNTING RESTATEMENT
(continued)**

**Merger accounting for business combination involving
business under common control (continued)**

The effect of restatements described above on the condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2017 by line items is as follows:

3. 合併會計法重列(續)

**涉及共同控制項下業務之業務合併
之合併會計法(續)**

以上重列對截至二零一七年六月三十日止六個月之簡明綜合損益及其他全面收益報表之影響按項目劃分如下：

		Six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 HK\$'000 千港元 (Unaudited and originally stated) (未經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	Six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 HK\$'000 千港元 (Restated) (經重列)
Revenue	收益	896,126	217,916	1,114,042
Cost of sales	銷售成本	(754,745)	(29,283)	(784,028)
Gross profit	毛利	141,381	188,633	330,014
Other income, gains and losses	其他收入、收益及虧損	3,785	37,995	41,780
Increase in fair value of investment properties	投資物業公平值增加	182,851	191,536	374,387
Selling and marketing expenses	銷售及市場營銷支出	(20,633)	(1,021)	(21,654)
Administrative expenses	行政開支	(66,485)	(15,976)	(82,461)
Finance costs	財務費用	(61,342)	(230,115)	(291,457)
Profit before taxation	除稅前溢利	179,557	171,052	350,609
Income tax expense	所得稅開支	(96,543)	(64,579)	(161,122)
Profit for the period attributable to owners of the Company	本公司擁有人應佔本期間 溢利	83,014	106,473	189,487
Other comprehensive (expense) income <i>Items that will not be reclassified subsequently to profit or loss:</i>	其他全面(開支)收入 <i>其後不會重新分類至 損益之項目：</i>			
Exchange differences arising from translation of functional currency to presentation currency	由功能貨幣換算為呈報 貨幣產生之匯兌差額	(9,117)	184,931	175,814
Other comprehensive (expense) income for the period	本期間其他全面 (開支)收益	(9,117)	184,931	175,814
Total comprehensive income for the period attributable to owners of the Company	本公司擁有人應佔本期間 全面收入總額	73,897	291,404	365,301

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT (continued)

Merger accounting for business combination involving business under common control (continued)

The effect of restatements on the condensed consolidated statement of financial position as at 1 January 2017 is as follows:

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併之合併會計法(續)

重述對於二零一七年一月一日之簡明綜合財務狀況報表之影響如下：

		1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產			
Investment properties	投資物業	2,968,666	13,889,514	16,858,180
Property, plant and equipment	物業、廠房及設備	8,621	55,419	64,040
Pledged bank deposits	已抵押銀行存款	17,323	229,829	247,152
Deferred tax assets	遞延稅項資產	22,931	–	22,931
Available-for-sale investment	可供出售投資	–	333	333
Other non-current assets	其他非流動資產	3,300	–	3,300
		3,020,841	14,175,095	17,195,936
Current assets	流動資產			
Properties under development for sales	開發中待售物業	3,413,157	–	3,413,157
Properties held for sales	持作出售物業	–	189,168	189,168
Trade and other receivables, deposits and prepayments	貿易及其他應收賬款、 按金及預付款項	60,387	60,387	711,261
Amounts due from related parties	應收關連方款項	–	806,932	806,932
Restricted bank balances	受限制銀行結餘	32,093	46	32,139
Pledged bank deposits	已抵押銀行存款	12,944	17,685	30,629
Bank balances	銀行結餘	51,818	298,214	350,032
		4,160,886	1,372,432	5,533,318

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

**3. MERGER ACCOUNTING RESTATEMENT
(continued)**

3. 合併會計法重列(續)

Merger accounting for business combination involving
business under common control (continued)

涉及共同控制項下業務之業務合併
之合併會計法(續)

		1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Restated) (經重列)
Current liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付賬款及 應計款項	1,634,737	1,689,996	3,324,733
Deposits received from sales of properties	出售物業之已收取按金	1,867,809	301,993	2,169,802
Amounts due to related parties	應付關聯方款項	2,788	220,232	223,020
Tax payable	應付稅項	4,943	617	5,560
Convertible bonds	可換股債券	444,518	-	444,518
Bank and other borrowings	銀行及其他借款	384,168	946,844	1,331,012
Amounts due to former non-controlling shareholder of a subsidiary	應付一間附屬公司之前 非控股股東款項	-	91,729	91,729
Senior notes	優先票據	180,983	-	180,983
		4,519,946	3,251,411	7,771,357
Net current liabilities	流動負債淨值	(359,060)	(1,878,979)	(2,238,039)
Total assets less current liabilities	資產總額減流動負債	2,661,781	12,296,116	14,957,897
Capital and reserves	資本及儲備			
Share capital	股本	498,548	-	498,548
Reserves	儲備	(277,592)	4,945,814	4,668,222
Total equity attributable to owners of the Company	本公司擁有人應佔 權益總額	220,956	4,945,814	5,166,770

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT
(continued)

Merger accounting for business combination involving
business under common control (continued)

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併
之合併會計法(續)

		1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Restated) (經重列)
Non-current liabilities	非流動負債			
Rental deposit received	已收取租金按金	677	-	677
Bank and other borrowings	銀行及其他借款	2,037,182	5,190,045	7,227,227
Bonds	債券	38,660	-	38,660
Senior notes	優先票據	90,309	-	90,309
Loans from related companies	來自關聯公司貸款	212,881	-	212,881
Deferred tax liabilities	遞延稅項負債	61,116	2,160,257	2,221,373
		2,440,825	7,350,302	9,791,127
		2,661,781	12,296,116	14,957,897

The effect of restatements to the Group's equity on 1 January
2017 is summarised below:

重述對於二零一七年一月一日之本集團權益
之影響概述如下：

		1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	1 January 2017 二零一七年 一月一日 HK\$'000 千港元 (Restated) (經重列)
Share capital	股本	498,548	-	498,548
Share option reserve	購股權儲備	69,242	-	69,242
Statutory reserve	法定儲備	-	5,548	5,548
Exchange reserve	匯兌儲備	(85,677)	(723,063)	(808,740)
Merger reserve	合併儲備	-	53,068	53,068
(Accumulated losses) retained profits	(累計虧損)保留溢利	(261,157)	5,610,261	5,349,104
		220,956	4,945,814	5,166,770

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

**3. MERGER ACCOUNTING RESTATEMENT
(continued)**

Merger accounting for business combination involving business under common control (continued)

The effect of restatements on the condensed consolidated statement of financial position as at 31 December 2017 is as follows:

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併之合併會計法(續)

重述對於二零一七年十二月三十一日之簡明綜合財務狀況報表之影響如下：

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產			
Investment properties	投資物業	5,146,150	15,725,972	20,872,122
Property, plant and equipment	物業、廠房及設備	8,337	38,219	46,556
Deposits	按金	-	131,879	131,879
Interest receivables	應收利息	-	25,763	25,763
Pledged bank deposits	已抵押銀行存款	24,373	1,991,397	2,015,770
Deferred tax assets	遞延稅項資產	6,528	-	6,528
Other non-current assets	其他非流動資產	3,300	-	3,300
		5,188,688	17,913,230	23,101,918
Current assets	流動資產			
Properties under development for sales	開發中待售物業	2,247,780	-	2,247,780
Properties held for sales	持作出售物業	202,608	178,468	381,076
Trade and other receivables, deposits and prepayments	貿易及其他應收賬款、按金及預付款項	240,791	140,544	381,335
Amounts due from related parties	應收關連方款項	-	931,759	931,759
Restricted bank balances	受限制銀行結餘	283,384	6,382	289,766
Pledged bank deposits	已抵押銀行存款	-	7,075	7,075
Bank balances	銀行結餘	106,979	289,418	396,397
		3,081,542	1,553,646	4,635,188

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT
(continued)

Merger accounting for business combination involving
business under common control (continued)

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併
之合併會計法(續)

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Current liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付賬款及 應計款項	2,062,180	1,721,482	3,783,662
Deposits received from sales of properties	出售物業之已收取按金	1,540,414	285,585	1,825,999
Amounts due to related parties	應付關聯方款項	18,076	489,503	507,579
Tax payable	應付稅項	9,356	17,486	26,842
Convertible bonds	可換股債券	77,167	-	77,167
Bank and other borrowings	銀行及其他借款	837,806	707,351	1,545,157
Amounts due to former non-controlling shareholder of a subsidiary	應付一間附屬公司之前 非控股股東款項	-	115,490	115,490
Senior notes	優先票據	93,297	-	93,297
		4,638,296	3,336,897	7,975,193
Net current liabilities	流動負債淨值	(1,556,754)	(1,783,251)	(3,340,005)
Total assets less current liabilities	資產總額減流動負債	3,631,934	16,129,979	19,761,913

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

**3. MERGER ACCOUNTING RESTATEMENT
(continued)**

3. 合併會計法重列(續)

Merger accounting for business combination involving
business under common control (continued)

涉及共同控制項下業務之業務合併
之合併會計法(續)

		31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Audited and originally stated) (經審核及原列)	Business combination of entities under common control 共同控制下的 實體業務合併 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Capital and reserves	資本及儲備			
Share capital	股本	498,548	-	498,548
Reserves	儲備	(86,486)	5,770,826	5,684,340
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額	412,062	5,770,826	6,182,888
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借款	2,344,529	7,813,370	10,157,899
Bonds	債券	38,871	-	38,871
Convertible bonds	可換股債券	374,706	-	374,706
Loans from related companies	來自關聯公司貸款	263,884	-	263,884
Deferred tax liabilities	遞延稅項負債	197,882	2,545,783	2,743,665
		3,219,872	10,359,153	13,579,025
		3,631,934	16,129,979	19,761,913

Note: The amounts above are before the adjustments from the application of HKFRS 15 and 9.

附註：上述金額為應用香港財務報告準則第15號及第9號而進行調整前的金額。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

3. MERGER ACCOUNTING RESTATEMENT
(continued)

Merger accounting for business combination involving business under common control (continued)

The effects of adoption of merge accounting on the condensed consolidated statement of cash flows for the six months ended 30 June 2017 are as follows:

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併之合併會計法(續)

採用合併會計法處理截至二零一七年六月三十日止六個月的簡明綜合現金流量表之影響如下：

		Six months ended 30 June 2017 截至二零一七年六月三十日止六個月		
		As originally stated and unaudited 按原列及未經審核 HK\$'000 千港元	Adjustments on merger accounting 調整合併會計法 HK\$'000 千港元	Restated 經重列 HK\$'000 千港元
Net cash from (used in) operating activities	來自(用於)經營業務之現金淨額	718,425	(225,656)	492,769
Net cash (used in) from investing activities	(用於)來自投資業務之現金淨額	(822,294)	446,248	(376,046)
Net cash from (used in) financing activities	來自(用於)融資業務之現金淨額	225,390	(515,457)	(290,067)
Net increase (decrease) in cash and cash equivalent	現金及現金等值項目增加(減少)淨額	121,521	(294,865)	(173,344)
Cash and cash equivalent as at 1 January 2017	於二零一七年一月一日之現金及現金等值項目	51,818	298,214	350,032
Effect of exchange rate changes	匯率未變動之影響	(9,801)	17,570	7,769
Cash and cash equivalent as at 30 June 2017	於二零一七年六月三十日之現金及現金等值項目	163,538	20,919	184,457

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

**3. MERGER ACCOUNTING RESTATEMENT
(continued)**

Merger accounting for business combination involving business under common control (continued)

The effect of the restatement on the Group's basic and diluted earnings per share for the six months ended 30 June 2017 is as follow:

3. 合併會計法重列(續)

涉及共同控制項下業務之業務合併之合併會計法(續)

重述對於二零一七年六月三十日之本集團每股基本及攤薄盈利之影響如下：

		For the six months ended 30 June 2017 截至 二零一七年 六月三十日 止六個月 HK dollars 港元
<hr/>		
Impact on basic earnings per share	對每股基本盈利的影響	
Unaudited and originally stated	未經審核及原列	0.25
Adjustments arising from business combination under common control	共同控制下業務合併產生之調整	0.31
<hr/>		
Restated	經重列	0.56
<hr/>		
Impact on diluted earnings per share	對每股攤薄盈利的影響	
Unaudited and originally stated	未經審核及原列	0.25
Adjustments arising from business combination under common control	共同控制下業務合併產生之調整	0.30
<hr/>		
Restated	經重列	0.55
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Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the income from property development, property leasing and provision of comprehensive services, net of business tax and other sales related taxes and after deduction of any trade discounts.

4. 收益及分部資料

收益為來自物業發展、物業租賃及提供綜合服務的收入，並扣除營業稅及其他銷售有關稅項以及任何交易折扣。

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Revenue represents the aggregate amounts received and receivable, analysed as follows:	收益指已收及應收之合計金額，分析如下：		
Sales of properties	物業銷售	24,360	885,791
Rental income	租金收入	416,704	188,225
Revenue from property management service	物業管理服務之收益	108,458	40,026
		549,522	1,114,042
Timing of revenue recognition	收益確認時間		
At a point in time	於某一時間點	24,360	885,791
Over time	跟隨時間	108,458	40,026

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

4. REVENUE AND SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable and operating segments.

4. 收益及分部資料(續)

以下為根據可呈報及經營分部之本集團收益及業績分析。

		Segment revenue 分部收益		Segment profit (loss) 分部溢利(虧損)	
		six months ended 30 June 截至六月三十日止六個月		six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Real estate business in	於以下地區之房地產業務				
Tangshan, the PRC	中國唐山	279,590	973,903	1,242,716	270,378
Handan, the PRC	中國邯鄲	-	-	(2,703)	50,720
Shijiazhuang, the PRC	中國石家莊	262,357	133,163	49,246	294,521
West Covina, the United States of America ("US")	美利堅合眾國(「美國」) 西科維納	7,575	6,976	20,725	36,436
Anaheim, the US	美國安納海姆	-	-	(129)	(6)
		549,522	1,114,042	1,309,855	652,049
Unallocated items	未分配項目				
Other income, gains and losses	其他收入、收益及虧損			61,212	41,780
Unallocated corporate expenses, net	未分配企業開支，淨額			(52,280)	(51,763)
Finance costs	財務費用			(468,954)	(291,457)
Profit before taxation	除稅前溢利			849,833	350,609

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

4. REVENUE AND SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

4. 收益及分部資料(續)

分部資產及負債

以下為根據可呈報及經營分部之本集團資產及負債分析：

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Segment assets	分部資產		
Real estate business in	於以下地區之房地產業務		
Tangshan, the PRC	中國唐山	8,024,874	7,324,899
Handan, the PRC	中國邯鄲	4,033,254	3,945,475
Shijiazhuang, the PRC	中國石家莊	12,363,127	12,677,094
West Covina, the US	美國西科維納	266,572	233,881
Anaheim, the US	美國安納海姆	243,144	237,342
Total segment assets	分部資產總額	24,930,971	24,418,691
Deferred tax assets	遞延稅項資產	6,528	6,528
Amounts due from related parties	應收關聯方款項	-	931,759
Restricted bank balances	限制銀行結餘	71,534	6,382
Pledged bank deposits	已抵押銀行存款	1,996,366	1,998,472
Bank balances	銀行結餘	261,446	352,155
Unallocated corporate assets	未分配企業資產	57,872	23,119
Consolidated total assets	綜合總資產	27,324,717	27,737,106
Segment liabilities	分部負債		
Real estate business in	於以下地區之房地產業務		
Tangshan, the PRC	中國唐山	2,999,381	2,446,884
Handan, the PRC	中國邯鄲	3,645,210	3,536,080
Shijiazhuang, the PRC	中國石家莊	9,102,365	9,715,206
West Covina, the US	美國西科維納	131,787	103,035
Anaheim, the US	美國安納海姆	43,938	225

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

4. REVENUE AND SEGMENT INFORMATION (continued)

4. 收益及分部資料(續)

Segment assets and liabilities (continued)

分部資產及負債(續)

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Total segment liabilities	分部負債總額	15,922,681	15,801,430
Bank borrowings	銀行借貸	1,463,522	1,470,750
Convertible bonds	可換股債券	377,217	451,873
Convertible securities	可換股證券	85,843	-
Senior notes	優先票據	97,295	93,297
Loans from related companies	來自關聯公司貸款	-	263,884
Bonds	債券	40,520	38,871
Amounts due to related parties	應付關聯方款項	21,839	507,579
Amount due to a former non-controlling shareholder of a subsidiary	應付一間附屬公司前非控股股東款項	113,881	115,490
Tax payable	應付稅項	17,299	26,842
Deferred tax liabilities	遞延稅項負債	2,975,917	2,743,665
Unallocated corporate liabilities	未分配企業負債	36,549	40,537
Consolidated total liabilities	綜合總負債	21,152,563	21,554,218

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

5. OTHER INCOME, GAINS AND LOSSES

5. 其他收入、收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Interest income from bank deposits	銀行存款利息收入	32,214	548
Exchange gain	匯兌收益	24,743	51,190
Change in fair value of convertible bonds designated at FVTPL	指定為按公平值計入損益之可換股債券之公平值變動	6,054	(2,488)
Change in fair value of equity investment at FVTPL	按公平值計入損益之股權投資之公平值變動	(415)	-
Penalties for deferred settlement (Note)	延遲償付的罰款(附註)	(15,500)	(16,637)
Others	其他	14,116	9,167
		61,212	41,780

Note: These represent the penalties required by certain suppliers as the Group failed to make payment according to the agreed settlement schedule for certain construction cost payables.

附註：該等指若干供應商因本集團未能根據協定的償付時間表償付若干應付建設成本而要求的罰款。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

6. PROFIT BEFORE TAXATION

6. 除稅前溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Profit before taxation has been arrived at after charging (crediting):	除稅前溢利已扣除(計入)下列各項目:		
Interests on:	以下各項之利息:		
convertible bonds	可換股債券	38,282	32,743
convertible securities	可換股證券	2,050	-
loans from related companies	來自關聯公司貸款	71,247	17,454
senior notes	優先票據	7,469	20,193
bonds	債券	1,649	1,660
bank and other borrowings	銀行及其他借款	363,282	266,898
Management fee to asset-backed security ("ABS") scheme manager	資產支持證券(「資產支持證券」)計劃管理人之管理費	27,494	-
Total finance costs	總財務費用	511,473	338,948
Less: amount capitalised to investment properties under construction and properties under development for sales	減: 在建投資物業及開發中待售物業之資本化金額	(42,519)	(47,491)
		468,954	291,457
Depreciation	折舊	3,357	3,799
Directors' emoluments	董事酬金		
- Fees	- 袍金	990	819
- Salaries, bonuses and allowances	- 薪金、花紅及津貼	2,528	2,215
- Retirement benefits cost	- 退休福利成本	72	54
		3,590	3,088
Other staff costs	其他員工成本		
Salaries, bonuses and allowances	薪金、花紅及津貼	31,353	42,633
Retirement benefits cost	退休福利成本	4,437	5,650
		35,790	48,283
Total employee benefits expenses	總僱員福利開支	39,380	51,371
Less: amount capitalised to investment properties under construction and properties under development for sales	減: 在建投資物業及開發中待售物業之資本化金額	(5,047)	(7,686)
		34,333	43,685
Cost of properties sold (included in cost of sales)	已售出物業的成本(已計入銷售成本)	9,691	755,939
Rental charge under operating lease	經營租賃下的租金費用	6,909	7,272

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

7. INCOME TAX EXPENSE

7. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Current tax	即期稅項		
– PRC Enterprise Income Tax (“EIT”)	– 中國企業所得稅 (「企業所得稅」)	6,006	12,737
– Land Appreciation Tax (“LAT”)	– 土地增值稅(「土地增值稅」)	2,458	17,752
		8,464	30,489
Deferred tax	遞延稅項		
– Arising from fair value changes	– 產生自公平值變動	247,205	115,720
– Arising from deductible depreciation of investment properties in the PRC	– 產生自中國投資物業 可扣減折舊	16,437	14,913
		263,642	130,633
		272,106	161,122

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit of the companies incorporated in Hong Kong.

香港利得稅乃根據於香港註冊成立之公司之估計應課稅溢利按稅率16.5%計算。

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the Group’s PRC subsidiaries is 25%.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本集團中國附屬公司的稅率為25%。

Under the Provisional Regulations on LAT implemented upon the issuance of the Provisional Regulations of the PRC on January 27, 1995, all gains arising from transfer of real estate property in the PRC effective from January 1, 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including land costs, borrowings costs and all property development expenditures.

在根據一九九五年一月二十七日頒佈的《中華人民共和國土地增值稅暫行條例》而施行的暫行條例下，所有於一九九四年一月一日起轉讓中國房地產物業產生的收益均須以土地價值增值部分(即出售物業所得款項減可扣稅開支(包括土地成本、借貸成本及所有物業發展開支))按介乎30%至60%的累進稅率繳納土地增值稅。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

7. INCOME TAX EXPENSE (continued)

The subsidiaries in the USA are subject to Federal Income Tax of 21% (six months ended 30 June 2017: 35%) and State Tax of 8.8% on the taxable income. Certain subsidiaries are limited liability companies which are by default disregarded entities (i.e. viewed as divisions of the holding company) and taxed as part of their holding company for federal and state tax purposes.

No provision for income tax has been made as the Company and subsidiaries in Hong Kong and the USA incurred tax loss.

8. EARNINGS PER SHARE

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

7. 所得稅開支(續)

美國附屬公司須按聯邦所得稅21% (截至二零一七年六月三十日止六個月：35%) 及州稅8.8%繳付所得稅。若干附屬公司屬有限公司，本身不被視為實體 (即視為控股公司之分部)，就聯邦所得稅及州稅而言當作控股公司一部分計算稅項。

由於本公司及於香港及美國之附屬公司分別產生稅項虧損，因此並無就所得稅作出撥備。

8. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利根據以下資料計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the Period attributable to owners of Company)	計算每股基本盈利之盈利(本公司擁有人應佔期內溢利)	577,727	189,487
Effect of diluted potential ordinary shares:	攤薄潛在普通股之影響：		
Interest on convertible bonds	可換股債券利息	12,106	8,513
Interest on convertible securities	可換股證券利息	2,050	-
Change in fair value of convertible bonds designated at FVTPL	指定為按公平值計入損益之可換股債券公平值變動	(6,054)	2,488
Earnings for the purpose of diluted earnings per share	計算每股攤薄盈利之盈利	585,829	200,488

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

8. EARNINGS PER SHARE (continued)

8. 每股盈利(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 '000 千股 (Unaudited) (未經審核)	2017 二零一七年 '000 千股 (Unaudited) (未經審核) (Restated) (經重列)
Number of shares	股份數目		
Number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股數目	338,766	338,766
Effect of conversion of convertible bonds	轉換可換股債券之影響	30,000	25,856
Effect of conversion of convertible securities	轉換可換股證券之影響	353,591	-
Effect of share options	購股權之影響	33,877	-
Number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之普通股數目	756,234	364,622

For the six months ended 30 June 2017, the computation of diluted earnings per share did not assume the exercise of the Company's share options granted because the exercise price of those share options was higher than the average market price of shares.

截至二零一七年六月三十日止六個月，計算每股攤薄盈利並無假設行使本公司之已授出購股權，因為該等購股權之行使價高於股份平均市價。

9. DIVIDENDS

No dividends were paid, declared or proposed during the Period. The directors of the Company have determined that no dividend will be paid in respect of the Period.

9. 股息

於本期間內並無派付、宣派或建議任何股息。本公司董事已確定不會就本期間派付股息。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

10. INVESTMENT PROPERTIES

10. 投資物業

		Completed investment properties in the USA 位於美國 之已落成 投資物業 HK\$'000 千港元	Completed investment properties in the PRC 位於中國 之已落成 投資物業 HK\$'000 千港元	Investment properties under construction in the PRC 位於中國 之在建 投資物業 HK\$'000 千港元	Leasehold land for future development 用作 未來發展 之租賃土地 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At fair value	按公平值					
At 1 January 2017 (As originally stated)	於二零一七年一月一日(按原列)	186,095	-	2,782,571	-	2,968,666
Merger accounting restatement (note 3)	合併會計法重列(附註3)	-	13,759,498	-	130,016	13,889,514
At 1 January 2017 (Restated)	於二零一七年一月一日(經重列)	186,095	13,759,498	2,782,571	130,016	16,858,180
Additions	添置	210	-	1,402,535	-	1,402,745
Transfer	轉撥	-	2,373,488	(2,373,488)	-	-
Change in fair value included in profit or loss	計入損益之公平值變動	41,484	884,283	255,142	10,392	1,191,301
Effect of foreign exchange difference	外匯差額之影響	1,551	1,215,602	192,089	10,654	1,419,896
At 31 December 2017 (Restated)	於二零一七年十二月三十一日 (經重列)	229,340	18,232,871	2,258,849	151,062	20,872,122
Additions	添置	17,165	-	86,024	-	103,189
Transfer	轉撥	-	-	(206,175)	-	(206,175)
Change in fair value included in profit or loss	計入損益之公平值變動	15,365	722,970	224,607	-	962,942
Effect of foreign exchange difference	外匯差額之影響	971	(251,073)	(97,027)	(2,105)	(349,234)
At 30 June 2018 (Unaudited)	於二零一八年六月三十日 (未經審核)	262,841	18,704,768	2,266,278	148,957	21,382,844

The fair value of the Group's investment properties at 30 June 2018 have been arrived at on the basis of valuations carried out on those dates by Colliers International (Hong Kong) Company Limited and Los Angeles Valuation Group, Inc. (31 December 2017: Colliers International (Hong Kong) Company Limited, Cushman & Wakefield and Los Angeles Valuation Group, Inc.), independent qualified professional valuers not connected to the Group.

本集團投資物業於二零一八年六月三十日之公平值乃根據高力國際顧問(香港)有限公司及Los Angeles Valuation Group, Inc. (二零一七年十二月三十一日: 高力國際顧問(香港)有限公司、戴德梁行及Los Angeles Valuation Group, Inc.) (與本集團並無關連之獨立合資格專業估值師)於當日進行之估值達致。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

10. INVESTMENT PROPERTIES (continued)

Below are the valuation techniques used at 30 June 2018:

The values of the completed investment properties are derived from the capitalisation of net income method with due allowance for the reversionary income.

For investment properties under construction located in the PRC that are measured at fair value, residual method of valuation is adopted. The value is based on the development potential of the properties as if they were completed in accordance with the existing development controls at the date of valuation. The value has also taken into consideration all costs of development and allowance of profit required for the development, which duly reflected the risks associated with the development.

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Trade receivables	貿易應收賬款	65,913	57,523
Prepayment of business taxes and other PRC taxes	營業稅及其他中國稅項之預付款項	165,552	146,880
Prepayment for purchase of construction materials	購買建築材料之預付款項	1,159	25,224
Prepaid expense under ABS scheme	資產支持證券計劃項下預付開支	57,624	85,202
Prepayment for construction costs	建築成本之預付款項	28,304	19,542
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項	88,887	46,964
		407,439	381,335

Trade receivables represent rental receivables due from the tenants and property manager appointed by the Group. Rental and management fee from tenants are payable in accordance with the terms of relevant agreements. Pursuant to the agreement between the property manager and the Group, the property manager shall pay the rental collected on behalf of the Group to the Group within 30 days. At 30 June 2018 and 31 December 2017, these trade receivables are all aged within one year.

10. 投資物業(續)

以下為於二零一八年六月三十日使用之估值法：

已落成投資物業價值來自資本化淨收益及復歸收益之適當津貼。

位於中國的在建投資物業按公平值計量時，剩餘估值法獲採納。該等價值按物業之開發潛力，猶如物業根據估值日期之目前開發控制完成。該等價值亦計及所有開發成本及開發所需之溢利折現，充分反映與開發相關的風險。

11. 貿易及其他應收賬款、按金及預付款項

30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
65,913	57,523
165,552	146,880
1,159	25,224
57,624	85,202
28,304	19,542
88,887	46,964
407,439	381,335

貿易應收賬款為應收租戶及本集團委任之物業經理之租金。來自租戶之租金及管理費須根據有關協議之條款支付。根據物業經理與本集團之協議，物業經理應於30日內向本集團支付代表本集團收取之租金。於二零一八年六月三十日及二零一七年十二月三十一日，該等貿易應收賬款均於一年內到期。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. TRADE AND OTHER PAYABLES AND ACCRUALS

12. 貿易及其他應付賬款及應計款項

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Construction cost payables	應付建築成本	997,155	990,367
Accrued construction costs	應計建築成本	1,455,862	1,519,354
Deposits received from suppliers/ contractors on contracts tendering	就合約投標已收供應商／承建商 之按金	30,757	14,835
Rental deposits	租賃按金	172,368	126,478
Interest payables	應付利息	122,899	135,667
Bills payable	應付票據	270,180	273,997
Other tax payables	應付其他稅項	47,389	62,225
Other payables and accruals	其他應付賬款及應計款項	183,188	149,321
Advanced receipts from tenants	租戶之預付款	-	57,484
Compensation for relocation to an independent third party	向一名獨立第三方的搬遷補償	42,559	43,160
Payable to a former shareholder of a subsidiary/a related company's ex-shareholder	應付一間附屬公司之前股東／ 一間關聯公司之前股東的款項	-	350,444
Penalties payable	應付罰款	74,367	60,330
		3,396,724	3,783,662

An aging analysis of the Group's construction payables at the end of each reporting period presented based on the invoice date is as follows:

於各報告期末，根據發票日期呈列的本集團建築應付賬款的賬齡分析如下：

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Within one year	一年內	95,495	167,446
Over one year but within three years	超過一年但三年內	148,257	30,173
Over three years	超過三年	753,403	792,748
		997,155	990,367

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. CONVERTIBLE BONDS

13. 可換股債券

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
At 1 January	於一月一日	451,873	444,518
Issue of convertible bonds	發行可換股債券	–	450,000
Expense on issue of convertible bonds	發行可換股債券支出	–	(10,968)
Repayment of convertible bonds	償還可換股債券	(80,000)	(385,000)
Interest charged during the period/year	期間／年度利息開支	38,282	50,416
Interest paid	已付利息	(25,944)	(100,104)
Change in fair value	公平值變動	(6,994)	3,011
At the end of the period/year	期／年末	377,217	451,873
Analysed for reporting purposes as:	就申報目的而作出的分析如下：		
Current liabilities	流動負債	120,704	77,167
Non-current liabilities	非流動負債	256,513	374,706
		377,217	451,873

On 26 January 2017, the Company issued convertible bonds to an independent third party in the principal amount of HK\$450,000,000 (“2017 Convertible Bonds”) with a maturity period of three years to 25 January 2020 (“Maturity Date”). Net proceeds from the issue shall be solely used to finance the repayment of the 2014 Convertible Bonds. The 2017 Convertible Bonds are denominated in HK\$ and bear interest at 8% per annum. The interests shall be payable semi-annually in arrears, commencing on 30 June 2017. In addition, on the dates when all or a portion of the outstanding 2017 Convertible Bonds were redeemed or if the 2017 Convertible Bonds have not been fully redeemed prior to Maturity Date, on such redemption date or on Maturity Date, as the case may be, the Company shall pay to the bondholders an additional interest in an amount equal to 1% per annum of the principal amount of the 2017 Convertible Bonds so redeemed or matured.

於二零一七年一月二十六日，本公司向一名獨立第三方發行本金額為450,000,000港元之可換股債券（「二零一七年可換股債券」），至二零二零年一月二十五日（「到期日」）為期三年。發行所得款項淨額僅用作撥付償付二零一四年可換股債券。二零一七年可換股債券以港元列值並以8%年利率計息。該利息自二零一七年六月三十日起計，每半年支付一次。此外，於尚未償還二零一七年可換股債券全部或部分贖回當日或倘二零一七年可換股債券於到期日前尚未悉數贖回，於有關贖回日期或到期日（視情況而定），本公司須向債券持有人支付按金額等同於所贖回或到期之二零一七年可換股債券本金額年利率1%之額外利息。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. CONVERTIBLE BONDS (continued)

Pursuant to the terms and conditions of the 2017 Convertible Bonds, the Company is required to repay certain amounts of the principal on the first and second anniversary of the date of issue of the 2017 Convertible Bonds. The Company may at any time on or after the date falling the eleventh calendar month after the date of issue and up to the Maturity Date by at least thirty days' notice in writing to the bond holders redeem the whole or part of the outstanding principal amount of the bonds, provided that the principal amount to be so redeemed on each occasion shall not be less than the lesser of (i) HK\$50,000,000; and (ii) 100% of the then outstanding principal amount of the 2017 Convertible Bonds. Details of the repayment terms and the conditions are set out in the Company's announcements dated 22 January 2017.

The 2017 Convertible Bonds with principal amount of HK\$450,000,000 can be converted into shares at a conversion price of HK\$3.90 per share up to an aggregate of 30,000,000 shares or a number of shares that represents 8.14% of the then issued share capital of the Company as enlarged by and immediately following the issue of shares upon such conversion, whichever is higher. The details of the terms of conversion and redemption and other terms of the 2017 Convertible Bonds are set out in the announcement issued by the Company on 22 January 2017. At 30 June 2018, the principal amount of CB with Conversion Feature was HK\$117,000,000 and Straight Note was HK\$253,000,000.

The 2017 Convertible Bonds are secured by the Company's shares held by China Lerthai Commercial Real Estate Holdings Limited and guaranteed by Mr. Yang.

The convertible bonds have been designated as financial liabilities at FVTPL as they contain more than one nonclosely related embedded derivatives. The fair value of the convertible bonds are determined by aggregating the fair value of (i) the Straight Note and (ii) CB with Conversion Feature. The fair value of the Straight Note was calculated as the present value of the contractually determined stream of future cash flows discounted at an interest rate which are determined by referencing the HK\$ Fund Note plus a credit spread by reference to the credit analysis of the Company and the market rate of comparable companies with similar credit ratio. The fair value of CB with Conversion Feature is determined using Binomial Option Pricing Model with the following key inputs.

13. 可換股債券(續)

根據二零一七年可換股債券之條款及條件，本公司須償付發行二零一七年可換股債券之第一及第二週年日之本金額之若干金額。本公司可自發行日期後滿第十一個曆月當日或之後直至到期日之間的任何時間，並向票據持有人發出最少三十日書面通知之情況下，本公司可贖回全部或部分未償還本金額的債券，惟於各情況下因此贖回之本金額不得少於下述較低者：(i) 50,000,000港元；及(ii) 二零一七年可換股債券之當時尚未償還本金額之100%。有關償還條款及條件載於本公司日期為二零一七年一月二十二日之公告。

本金額為450,000,000港元之二零一七年可換股債券可按換股價每股3.90港元轉換為股份，該等股份合共最多為30,000,000股股份或相當於緊隨因轉換而發行股份後及因此而經擴大之本公司當時已發行股本之8.14%之股份數目(以較高者為準)。有關二零一七年可換股債券之轉換及贖回條款以及二零一七年可換股債券之其他條款詳情載列於本公司於二零一七年一月二十二日刊發之公告。於二零一八年六月三十日，具轉換特徵之可換股債券之本金額為117,000,000港元及普通票據之本金額為253,000,000港元。

二零一七年可換股債券由中國勒泰商業地產控股有限公司持有之本公司股份作抵押及由楊先生擔保。

由於可換股債券包括一項以上非緊密關聯嵌入式衍生工具，因此被指定為按公平值計入損益之金融負債。可換股債券之公平值乃按(i) 普通票據及(ii) 具轉換特徵之可換股債券之公平值之總和釐定。普通票據公平值乃按經參考本公司信貸分析及相近信貸比率之可資比較公司之市場利率後之港元基金票據加信貸息差釐定之利率貼現之合約所釐定之未來現金流現值計算。具轉換特徵之可換股債券公平值乃使用二項式期權定價模式輸入以下主要數據釐定。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. CONVERTIBLE BONDS (continued)

Share price of the Company	本公司股價
Risk free rates	無風險利率
Discount rate	折讓率
Dividend yield	股息收益率
Option life	購股權年期
Volatility	波動性
Exercise price	行使價

The above risk free rates were determined with reference to yields of 0.57 years, 1.57 years HKMA Hong Kong Exchange Fund Bills available as of 30 June 2018 (31 December 2017: 0.07 years, 1.07 years, and 2.07 years HKD Hong Kong Sovereign). The expected volatility was determined based on the historical volatility of the Company's share price for the past 1.57 years (31 December 2017: 1.07 years and 2.07 years).

At 30 June 2018, an increase in discount rate would result in a decrease in the fair value of convertible bonds, and vice versa. If the discount rate is 10% higher and lower while all other variables are held constant, the carrying amount of the convertible bonds would decrease by approximately HK\$2,293,000 (six months ended 30 June 2017: HK\$7,781,000) and increase by approximately HK\$2,338,000 (six months ended 30 June 2017: HK\$8,069,000) respectively.

The fair values of convertible bonds at 30 June 2018 were arrived at on the basis of a valuation carried out on that dates by Colliers International (Hong Kong) Company Limited (31 December 2017: Asset Appraisal Limited), an independent qualified professional valuer not connected to the Group. They are categorised as Level 3 under the fair value hierarchy set out in HKFRS 13 Fair Value Measurement. Level 3 fair value measurements are those derived from valuation techniques that include inputs for that asset or liability that are not based on observable market data (unobservable inputs).

13. 可換股債券(續)

	At 30 June 2018 於二零一八年 六月三十日	At 31 December 2017 於二零一七年 十二月三十一日
	HK\$4.43 4.43港元	HK\$5.00 5.00港元
	1.57%–1.77%	1.00%–1.32%
	9.14%–9.34%	8.65%–8.97%
	0%	0%
	1.57 years 1.57年	2.07 years 2.07年
	28.98%	32.23%–33.66%
	HK\$3.90 3.90港元	HK\$3.90 3.90港元

上述無風險利率乃分別經參考於二零一八年六月三十日之香港金管局香港外匯基金票據之收益0.57年及1.57年釐定(二零一七年十二月三十一日：港元香港主權債券之收益0.07年、1.07年及2.07年)。預期波動性乃分別根據本公司過往1.57年(二零一七年十二月三十一日：1.07年及2.07年)股價之歷史波動性釐定。

於二零一八年六月三十日，折讓率增加將導致可換股債券公平值減少，反之亦然。倘折讓率上升及下降10%，而其他可變值不變，可換股債券之賬面值將分別減少約2,293,000港元(截至二零一七年六月三十日止六個月：7,781,000港元)及增加約2,338,000港元(截至二零一七年六月三十日止六個月：8,069,000港元)。

可換股債券於二零一八年六月三十日之公平值乃根據高力國際顧問(香港)有限公司(二零一七年十二月三十一日：中誠達資產評估顧問有限公司)(與本集團概無關連之獨立合資格專業估值師)於該等日期之估值釐定。根據香港財務報告準則第13號公平值計量，彼等於公平值分級制中分類為第三級。第三級公平值計量衍生自資產或負債輸入數據並非根據可觀察市場數據(不可觀察輸入數據)的估值法。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

14. CONVERTIBLE SECURITIES

On 20 April 2018, the Company issued convertible securities to Mr. Yang with the principal amount of HK\$4,000,000,000 (“2018 Convertible Securities”) as consideration for the acquisition of the entire issued share capital of the Target Companies. The 2018 Convertible Securities has no maturity date, bears a coupon rate of 2% per annum and will cease to bear any coupon after the fifth anniversary of the date of issue. During the first five years, the coupon shall be accrued on the outstanding principal amount of the 2018 Convertible Securities and payable annually subject to the Company’s sole discretion to defer the coupon payment for a maximum period of 10 years from the dates when the relevant coupon fall due by giving notice to the holders. Details of the terms and the conditions of the 2018 Convertible Securities are set out in the Company’s circular dated 28 March 2018.

The 2018 Convertible Securities with principal amount of HK\$4,000,000,000 can be converted into shares at a conversion price of HK\$4.5 per share (subject to anti-dilution clauses) up to an aggregate of 888,888,888 shares. At 30 June 2018, the principal amount of the 2018 Convertible Securities was HK\$4,000,000,000.

The convertible notes are issued in HK\$. However, upon issuance of the 2018 Convertible Securities and throughout the period until maturity date, the 2018 Convertible Securities shall be translated at the exchange rate at the date of issuance of RMB1.00 = HK\$1.23965. Any payment in the event of redemption by the Company shall be made in RMB by reference to the exchange rate of RMB1.00 = HK\$1.23965. Any conversion shall be made by reference to the principal amounts stated in HK\$.

The 2018 Convertible Securities contain two components, liability (together with embedded derivative for early redemption right by the Company which is closely related to the host debt) and equity elements. At the date of the issuance, the fair value of the liability component is determined using the prevailing market interest rate of similar non-convertible debts and the fair value of the conversion option for the security holders to convert the notes into equity which is included in equity (equity component of 2018 Convertible Securities) is determined using the Binomial Model.

14. 可換股證券

於二零一八年四月二十日，本公司向楊先生發行本金額為4,000,000,000港元之可換股證券（「二零一八年可換股證券」）作為收購目標公司全部已發行股本之代價。二零一八年可換股證券無到期日，可換股證券每年票面息率2%，並將於發行日期五周年後不再附有任何票息。於首五年，票息按二零一八年可換股證券未償還本金金額累計並須每年支付，由本公司全權酌情決定於相關票息到期日期透過向持有人發出通知而延遲票息付款最多10年。二零一八年可換股證券之條款及條件詳情載於本公司日期為二零一八年三月二十八日之通函。

本金額為4,000,000,000港元之二零一八年可換股證券可按轉換價每股4.5港元轉換股份（須受反攤薄條款規限）合共最多888,888,888股股份。於二零一八年六月三十日，二零一八年可換股證券之本金額為4,000,000,000港元。

可換股票據按港元發行。然而，於二零一八年可換股證券發行後及於整個期間直至到期日，二零一八年可換股證券將按發行日人民幣1.00=1.23965港元之匯率兌換。倘本公司進行贖回，則任何款項將參照人民幣1.00=1.23965港元之匯率以人民幣進行支付。任何轉換將參照以港元計值之本金額進行。

二零一八年可換股證券有兩部分，即負債（連同與主負債緊密相連並附有本公司可行使提前贖回權利的嵌入式衍生工具）及權益兩個部份。於發行日期，負債部份之公平值乃利用類似非可換股債務的現行市場利率釐定，而為證券持有人兌換票據為股權之兌換期權之公平值（計入股權）（二零一八年可換股證券股權部分）乃利用二項式模式釐定。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

14. CONVERTIBLE SECURITIES (continued)

The fair values of the embedded derivative for conversion rights by the security holders at the date of the issuance are calculated using the Binomial Model. The inputs into the model were as follows:

		At 20 April 2018 於二零一八年 四月二十日
Share price of the Company	本公司股價	HK\$4.43 4.43港元
Risk free rates	無風險利率	2.10%
Dividend yield	股息收益率	0%
Volatility	波動性	48.66%
Exercise price	行使價	HK\$4.50 4.50港元

The fair values of the liability component and equity component for 2018 Convertible Securities at the date of the issuance were as follows:

		HK\$'000 千港元 (Unaudited) (未經審核)
Liability component	負債部分	87,951
Equity component	股權部分	3,961,106

The effective interest rate of the liability component is 11.81% for 2018 Convertible Securities at the date of the issuance.

14. 可換股證券(續)

於發行日期證券持有人就兌換權嵌入式衍生工具之公平值利用二項式模式計算。模式輸入值如下：

		At 20 April 2018 於二零一八年 四月二十日
Share price of the Company	本公司股價	HK\$4.43 4.43港元
Risk free rates	無風險利率	2.10%
Dividend yield	股息收益率	0%
Volatility	波動性	48.66%
Exercise price	行使價	HK\$4.50 4.50港元

於發行日期二零一八年可換股證券負債部分及股權部分之公平值如下：

		HK\$'000 千港元 (Unaudited) (未經審核)
Liability component	負債部分	87,951
Equity component	股權部分	3,961,106

於發行日期二零一八年可換股證券負債部分實際利率為11.81%。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

14. CONVERTIBLE SECURITIES (continued)

The movement of the liability component of the 2018 Convertible Securities for the period is set out below:

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 January	於一月一日	–
Issue of convertible securities	發行可換股證券	87,951
Interest charged during the period	期間利息開支	2,050
Exchange adjustment	匯兌調整	(4,158)
At the end of the period	於期末	85,843

Since the date of the issuance up to the 30 June 2018, none of the 2018 Convertible Securities has been converted.

The fair value of the 2018 Convertible Securities at initial recognition were arrived at on the basis of a valuation carried out on those dates by Colliers International (Hong Kong) Company Limited, an independent qualified professional valuer not connected to the Group. They are categorised as Level 3 under the fair value hierarchy set out in HKFRS 13. Level 3 fair value measurements are those derived from valuation techniques that include inputs for that asset or liability that are not based on observable market data (unobservable inputs).

14. 可換股證券(續)

二零一八年可換股證券負債部分於期間變動如下：

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 January	於一月一日	–
Issue of convertible securities	發行可換股證券	87,951
Interest charged during the period	期間利息開支	2,050
Exchange adjustment	匯兌調整	(4,158)
At the end of the period	於期末	85,843

自發行日期起直至二零一八年六月三十日止，概無二零一八年可換股證券獲轉換。

二零一八年可換股證券於初步確認時之公平值乃基於高力國際物業顧問(香港)有限公司(與本集團並無關連的獨立合資格專業估值師)於該等日期進行的估值而釐定。根據香港財務報告準則第13號，彼等於公平值分級制中分類為第三級。第三級公平值計量衍生自資產或負債輸入數據並非根據可觀察市場數據(不可觀察輸入數據)的估值技巧。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

15. BANK AND OTHER BORROWINGS

15. 銀行及其他借款

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Secured bank borrowings with carrying amount repayable:	附可償還賬面值之已抵押銀行借款：		
Within one year	一年內	777,637	1,545,157
Within a period of more than one year but not exceeding two years	多於一年但少於兩年之期間內	1,514,461	1,801,676
Within a period of more than two years but not more than five years	多於兩年但少於五年之期間內	7,120,982	6,560,928
More than five years	多於五年	2,430,936	1,614,155
Other borrowings with carrying amount repayable:	附可償還賬面值之其他借款：		
More than five years	多於五年	182,221	181,140
Amounts shown under current liabilities	呈列於流動負債之金額	777,637	1,545,157

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

15. BANK AND OTHER BORROWINGS
(continued)

The range of effective interest rates per annum (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

15. 銀行及其他借款(續)

本集團借款的實際年利率(亦等於合約利率)範圍如下:

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Fixed rate borrowings	定息借款	3,431,908	3,597,946
Floating rate borrowings	浮息借款	8,594,329	8,105,110

The bank and other borrowings are:

- guaranteed by the related companies controlled by Mr. Yang and/or Mr. Yang and his spouse;
- personal guarantee provided by Mr. Yang;
- secured by the Group's certain investment properties under construction;
- secured by the Group's certain investment properties;
- pledged by equity and charged interest held by the Group; and
- secured by the assignment of all rents of certain investment properties located in the PRC and the US.

銀行及其他借款為:

- 由楊先生及/或楊先生及其配偶控制的關聯公司擔保;
- 由楊先生提供的個人擔保;
- 由本集團若干在建投資物業作抵押;
- 由本集團若干投資物業作抵押;
- 由本集團所持的股本權益及押記權益作抵押; 及
- 由轉讓位於中國及美國的若干投資物業的所有租金作抵押。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

16. SHARE CAPITAL

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Issued and fully paid ordinary shares At 1 January 2017, 31 December 2017 and 30 June 2018 (Unaudited)	已發行及繳足普通股 於二零一七年一月一日、 二零一七年十二月三十一日及 二零一八年六月三十日 (未經審核)	338,765,987	498,548

17. PERPETUAL CAPITAL INSTRUMENTS

On 30 June 2018, certain wholly-owned subsidiaries of the Company have entered into several supplemental loan agreements (the “Perpetual Loan Agreements”) with the related companies controlled by Mr. Yang, pursuant to which the loans bear interest at 8%–10% per annum. Interest payments on the loans are paid annually on or before 31 December and can be deferred at the discretion of the Group. The related companies could not request for repayment of the principal and accrued interest save and except for when the Group elects to repay the principal and accrued interest at its sole discretion, or in the event of liquidation.

Under the Perpetual Loan Agreement, no guarantee of any kind is required to be given by any member of the Group to either the related companies for the loans.

18. LOANS FROM RELATED COMPANIES

The related companies are controlled by Mr. Yang, the controlling shareholder of the Company. The loans are unsecured, interest bearing at 8% – 10% per annum and is repayable in full on the day falling 36 months from the date on which the loans are drawn down. On 30 June 2018, certain wholly-owned subsidiaries of the Company have entered into the Perpetual Loan Agreements with these related companies. Upon the effective of Perpetual Loan Agreements, the loans from related companies do not have fix repayment date and reclassified as “Perpetual Capital Instruments” in the condensed consolidated statement of financial position. Please refer to note 17 for more details.

16. 股本

17. 永續資本工具

於二零一八年六月三十日，本公司若干全資附屬公司已與楊先生控制之相關公司訂立若干補充貸款協議（「永續債協議」），據此貸款年利率為8%至10%。每年於十二月三十一日或之前支付貸款利息，且本集團可自行酌情遞延。相關公司不能要求償還本金及應計利息（本集團自行決定選擇償還本金及應計利息或清算除外）。

根據永續債協議，本集團任何成員概不被要求為任何相關公司就貸款提供任何形式擔保。

18. 來自關聯公司之貸款

該等關聯公司由本公司控股股東楊先生控制。該等貸款無抵押、按年息率8%至10%計息並須自貸款提取之日起計滿36個月當日全額償還。於二零一八年六月三十日，本公司若干全資附屬公司已與該等關聯公司訂立永續債協議，於永續債協議生效後，來自關聯公司之貸款無固定還款日期及於簡明綜合財務狀況報表內重新分類為「永續資本工具」。更多詳情請參閱附註17。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

19. COMMITMENTS

As of the end of the reporting period, the Group had the following commitments:

19. 承擔

於報告期末，本集團持有下列之承擔：

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Capital commitments	資本承擔		
Development costs for investment properties under construction or development	在建或開發中投資物業之開發成本	548,759	766,334
Acquisition of property, plant and equipment	收購物業、廠房及設備	-	1,266
		548,759	767,600
Other commitment	其他承擔		
Development costs for properties under development held for sale	開發中待售物業之開發成本	521,555	519,039

20. CONTINGENT LIABILITIES

20. 或然負債

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 (Restated) (經重列)
Guarantees given to banks in favour of its customers in respect of mortgage loans provided by the banks	就銀行提供之按揭貸款向銀行作出以其客戶為受益人之擔保	1,256,466	669,431
Financial guarantees given to banks in favour of its related parties	就向銀行作出以其關聯方為受益人之財務擔保	248,262	251,769
Financial guarantees given to banks in favour of its third parties	就向銀行作出以其第三方為受益人之財務擔保	662,032	671,384
		2,166,760	1,592,584

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

20. CONTINGENT LIABILITIES (continued)

The guarantees are given to banks with respect to loans procured by the purchasers of the Group's properties. Such guarantees will be released by banks upon the delivery of the properties to the purchasers and completion of the registration of the mortgage with the relevant mortgage registration authorities or settlement of the outstanding mortgage loans. In the opinion of the directors of the Company, the fair values of the financial guarantee contracts are not significant as the possibility of default by the relevant purchasers is remote 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 the condensed consolidated financial statements for these guarantees.

The guarantees are secured by the Group's pledged bank deposits amounting to HK\$25,515,000 (31 December 2017: HK\$24,373,000).

The Group issued financial guarantees to banks in respect of banking facilities granted to related parties and third parties. The amount disclosed above represents the aggregate amounts that could be required to be paid if the guarantees were called upon in entirety. In the opinion of the Directors, the fair values of the financial guarantee contracts are not significant as the possibility of default by the relevant related parties is remote. Accordingly, no provision has been made in these condensed consolidated statement of financial position for these guarantees.

20. 或然負債(續)

就本集團物業買方促成之貸款向銀行作出擔保。向買方交付物業及於有關按揭登記管理局完成按揭登記或清償尚未償還之按揭貸款後，相關擔保將由銀行解除。本公司董事認為，由於有關買方違約的可能性甚微，且倘出現付款違約，相關物業之可變現淨值能夠彌補尚未清償之按揭本金連同應計利息與處罰，故金融擔保合約之公平值並不重大。因此，並未於簡明綜合財務報表就相關擔保作出撥備。

本集團已抵押銀行存款抵押之擔保為25,515,000港元(二零一七年十二月三十一日：24,373,000港元)。

本集團就授予關聯方及第三方的銀行融資發出財務擔保予銀行。上文披露的金額指倘擔保全數收回則可能需支付的總金額。董事認為，財務擔保合約的公平值並不重大，乃由於相關關聯方欠款可能性極低。因此，概無就該等擔保於該等簡明綜合財務狀況表作出撥備。

Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

21. MATERIAL RELATED PARTY TRANSACTIONS

During the period, the Group had the following transaction with related parties:

21. 重大關聯方交易

於期內，本集團與關聯方進行以下交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
Interest expense on loans from related companies	來自關聯公司貸款之利息支出	45,067	7,486

22. EVENTS AFTER THE REPORTING PERIOD

Conversion of the 2018 Convertible Securities

On 26 July 2018, the Company received the conversion notices from the security holders to exercise the conversion rights attached to the 2018 Convertible Securities for the principal amount of HK\$250 million and HK\$730 million respectively. An aggregate of 217,777,777 conversion shares at the price of HK\$4.5 per conversion share were allotted and issued on 26 July 2018. After the allotment and issue of the conversion shares, an aggregate principal amount of HK\$3,020 million of the 2018 Convertible Securities remains outstanding.

Details of the conversion are set out in the Company's announcement dated 26 July 2018.

22. 報告期後事項

轉換二零一八年可換股證券

證券持有人於二零一八年七月二十六日就行使本金金額分別為2億5,000萬港元及7億3,000萬港元之二零一八年可換股證券所附帶之轉換權向本公司發出轉換通知，合共217,777,777股換股股份已於二零一八年七月二十六日按每股換股股份4.5港元之換股價予以配發及發行。於配發及發行換股股份後，合共本金金額3億2,000萬港元之二零一八年可換股證券尚未行使。

轉換之詳情載於本公司日期為二零一八年七月二十六日之公告。

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

22. EVENTS AFTER THE REPORTING PERIOD (continued)

Application for the issuance of ABS

On 30 July 2018, a wholly-owned subsidiary of the Company, Tangshan Oceancity Real Estate Development Company Limited (唐山遠洋城房地產開發有限公司), has made the application of the issuance of ABS on Shanghai Stock Exchange. The completion of ABS is subject to regulatory approval and market conditions. The underlying assets of the ABS is Tangshan Pelagic Mall located in Tangshan, PRC. The ABS will be issued to qualified investors in PRC.

Details of the transaction are set out in the Company's announcement dated 30 July 2018.

Transfer of properties

Pursuant to the ruling made by Hebei Shijiazhuang Intermediate People's Court on 17 July 2018, Shijiazhuang Lerthai Real Estate Development Company Limited ("SJZ Property Development", 石家莊勒泰房地產開發有限公司), a wholly-owned subsidiary of the Company, would transfer certain investment properties held by it to a creditor, China Railway Construction Group Co., Ltd., to offset the construction fees and accumulated interests payable of approximately RMB436 million due to the creditor. The book value of the captioned investment properties as at 30 June 2018 was approximately RMB320 million according to the unaudited accounts of SJZ Property Development.

Details of the transaction are set out in the Company's announcement dated 13 August 2018.

22. 報告期後事項(續)

申請發行資產擔保證券

本公司之全資附屬公司唐山遠洋城房地產開發有限公司已於二零一八年七月三十日向上海證券交易所提交發行資產擔保證券的申請。完成資產擔保證券取決於監管批准及市場狀況。資產擔保證券之標的物業為位於中國唐山的唐山遠洋城。資產擔保證券將向中國合格投資者發行。

交易之詳情載於本公司日期為二零一八年七月三十日之公告。

轉讓物業

根據河北省石家莊市中級人民法院於二零一八年七月十七日作出之裁定，石家莊勒泰房地產開發有限公司(「石家莊勒泰房地產開發」，本公司的全資附屬公司)將轉讓其所持若干投資物業予債權人(中鐵建設集團有限公司)以抵償所欠債權人之建築費及應付累計利息約人民幣4億3,600萬元。石家莊勒泰房地產開發的未經審核賬目所示所述投資物業於二零一八年六月三十日的賬面淨值約為人民幣3億2,000萬元。

交易之詳情載於本公司日期為二零一八年八月十三日之公告。



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