



Landsea Green Group Co., Ltd.

Stock Code 股份代號:106

Annual Report 2018 年報

引領綠色生活









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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS EXECUTIVE DIRECTORS

Mr. Tian Ming (*Chairman and Chief Executive Officer*)  
Ms. Shen Leying (*Co-Chief Executive Officer*)  
Mr. Wang Lei (*Co-Chief Executive Officer*)  
Ms. Zhou Qin (*Vice President*)  
Mr. Xie Yuanjian (*Vice President*)

### NON-EXECUTIVE DIRECTOR

Mr. Zhou Yimin

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Xu Xiaonian  
Mr. Ding Yuan  
Mr. Lee Kwan Hung  
Mr. Chen Tai-yuan

### AUDIT COMMITTEE

Mr. Ding Yuan (*Committee Chairman*)  
Mr. Xu Xiaonian  
Mr. Lee Kwan Hung  
Mr. Zhou Yimin

### REMUNERATION COMMITTEE

Mr. Lee Kwan Hung (*Committee Chairman*)  
Mr. Tian Ming  
Ms. Zhou Qin  
Mr. Ding Yuan  
Mr. Xu Xiaonian

### NOMINATION COMMITTEE

Mr. Tian Ming (*Committee Chairman*)  
Mr. Zhou Yimin  
Mr. Xu Xiaonian  
Mr. Ding Yuan  
Mr. Lee Kwan Hung

### COMPANY SECRETARY

Ms. Chan Yuen Ying, Stella

### AUDITOR

PricewaterhouseCoopers

### 董事局 執行董事

田明先生(主席兼總裁)  
申樂瑩女士(聯席總裁)  
王磊先生(聯席總裁)  
周勤女士(副總裁)  
謝遠建先生(副總裁)

### 非執行董事

鄒益民先生

### 獨立非執行董事

許小年先生  
丁遠先生  
李均雄先生  
陳泰元先生

### 審核委員會

丁遠先生(委員會主席)  
許小年先生  
李均雄先生  
鄒益民先生

### 薪酬委員會

李均雄先生(委員會主席)  
田明先生  
周勤女士  
丁遠先生  
許小年先生

### 提名委員會

田明先生(委員會主席)  
鄒益民先生  
許小年先生  
丁遠先生  
李均雄先生

### 公司秘書

陳婉縈女士

### 核數師

羅兵咸永道會計師事務所

## PRINCIPAL REGISTRAR

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

## BRANCH REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

## PRINCIPAL BANKERS

Hang Seng Bank Limited  
The Hong Kong and Shanghai Banking Corporation Limited

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton, HM11  
Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 5103, 51/F., The Center  
99 Queen's Road Central  
Hong Kong

## STOCK CODE

Hong Kong Stock Exchange: 106

## WEBSITE

<http://www.landsea.hk>

## 主要過戶處

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

## 過戶分處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓1712–1716號舖

## 主要往來銀行

恒生銀行有限公司  
香港上海滙豐銀行有限公司

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton, HM11  
Bermuda

## 香港總辦事處及主要營業地址

香港  
中環皇后大道中99號  
中環中心51樓5103室

## 股份代號

香港聯合交易所：106

## 網址

<http://www.landsea.hk>



# MAJOR EVENTS AND ACCOLADES OF LANDSEA GREEN GROUP IN 2018

## 朗詩綠色集團2018年大事記與榮譽



### CORPORATE'S ACCOLADES OR AWARDS IN 2018

### 2018年公司的榮譽或獎項

- On 10 March, the Passive House developed by Landsea in Yanqing District, Beijing was awarded the PHI Plus Gold Certificate of Germany at the 22nd International Passive House Conference, becoming the first domestic project in China to receive this certification.
- On 21 March, Landsea Green Group was named among the "Top 100 PRC Real Estate Developers 2018" and "Top 10 PRC Real Estate Developers in Operating Performance 2018" (4th ranking) jointly nominated by China Real Estate Association and China Real Estate Appraisal Centre.
- On 19 April, Landsea Green Group was named among the "Top 100 Hong Kong Stocks 2017 — Top 10 Revenue Growth".
- On 22 April, Landsea U.S. Property won gold in the BIA Bay Area Awards.
- 3月10日，第22屆世界被動房大會上，朗詩北京延慶被動房榮獲德國PHI Plus金獎認證，是國內第一個獲此認證的項目。
- 3月21日，朗詩綠色集團被中國房地產業協會、中國房地產測評中心聯合評選為「2018中國房地產開發企業100強」並榮獲「2018中國房地產開發企業經營績效10強」第四名殊榮。
- 4月19日，朗詩綠色集團獲得「2017年港股100強 — 營業額增長10強」。
- 4月22日，朗詩美國地產獲得BIA金獎Bay Area Awards。





- On 17 May, Landsea Green Fir Investment captured three major awards at the 2nd “Annual Conference for Real Estate Equity Investment & REITs”: “TOP10 Real Estate Equity Investment Fund 2017”, “Most Sizeable Real Estate Merger & Acquisition Fund 2017” and “Best Rated Inventory Real Estate Investment Fund 2017”.
- On 25 May, Landsea China won the title of “Top 100 PRC Real Estate Listed Companies in terms of Comprehensive Strengths” for the second year in a row and ranked among the top three fastest-growing enterprises.
- On 15 October, Landsea Homes (U.S.) won SoCal Awards of South California.
- On 18 October, Landsea Homes (U.S.) won the Excellence in Home Building Awards.
- 5月17日，第二屆「地產股權投資&REITs年會」上，朗詩青杉資本斬獲三項大獎「2017年度TOP10房地產股權投資基金」、「2017年度最具規模房地產並購基金」及「2017年度最受市場認可存量地產投資基金」。
- 5月25日，朗詩蟬聯中國房地產上市公司綜合實力100強，發展速度前三甲。
- 10月15日，朗詩美國地產獲得南加州獎項SoCal Awards。
- 10月18日，朗詩美國地產獲得傑出住宅建築獎項Excellence in Home Building Awards。

# MAJOR EVENTS AND ACCOLADES OF LANDSEA GREEN GROUP IN 2018

## 朗詩綠色集團2018年大事記與榮譽



- On 25 October, Landsea was again named among the TOP30 in the "CITI index for Green Supply Chain" at the Green Supply Chain Forum 2018, being the only real estate developer included in the TOP30 of the year's "CITI index for Green Supply Chain".
- On 12 November, Landsea's "Green Supply Chain Initiative for the PRC Real Estate Industry" captured the "Outstanding Award for Corporate Social Responsibility Case Study in Corporate 'Social Value Co-Creation' 2018" in the 3rd "αi Social Value Co-Creation" nomination of outstanding cases in corporate social responsibility in the PRC.
- In December, 3 Landsea projects, namely, Xihua Mansion Chengdu, Le Mansion Hangzhou and 朗泓園 Tianjin, were named for the "Excellence Award for Pleasant Residential Communities" in the 15th Elite Awards.
- On 6 December, Landsea New Mansion came first globally to win the Health & Comfort Prize in the 6th Green Solutions Awards hosted by "Construction 21 International".
- 10月25日，2018年綠色供應鏈論壇上，朗詩再度入選「綠色供應鏈CITI指數」TOP30，是本年度「綠色供應鏈CITI指數」TOP30榜單中唯一入選的房地產企業。
- 11月12日，第三屆「αi社會價值共創」中國企業社會責任卓越案例評選中，朗詩的「中國房地產行業綠色供應鏈行動」斬獲2018年度企業「社會價值共創」社會責任案例卓越獎。
- 12月，成都朗詩熙華府、杭州朗詩樂府及天津朗泓園三個項目榮獲第15屆精瑞獎「美好社區優秀獎」。
- 12月6日，朗詩新西郊項目榮獲第六屆「Construction 21 國際」健康建築解決方案全球第一名。





## MAJOR EVENTS IN 2018

- On 11 January, Landsea signed an agreement with Pingan Real Estate for strategic cooperation in long-term rental apartments, marking the first cooperation with domestic insurance companies in respect of long-term rental apartments.
- In March, "Landsea Green Properties Co., Ltd" was officially renamed "Landsea Green Group Co., Ltd."
- On 21 March, Landsea Green Group signed a strategic cooperation agreement with Cinda.
- On 26 March, the "Product Launch Presentation for 4th-generation Urban Residential Units" hosted by Landsea Green Group was successfully held in Hangzhou.
- In April, Landsea Green Group completed its debut launch of green bonds, which were awarded the highest global green evaluation rank by S&P.
- On 2 April, the 14th "International Conference on Green and Energy-Efficient Building & New Technologies and Products Expo" was opened in Zhuhai.

## 2018 年大事記

- 1月11日，朗詩與平安不動產就長租公寓戰略合作簽約，是國內險資與長租公寓合作的首例。
- 3月，「朗詩綠色地產有限公司」正式更名為「朗詩綠色集團有限公司」。
- 3月21日，朗詩綠色集團與信達投資簽署戰略合作協議。
- 3月26日，朗詩綠色集團承辦「第四代城市住宅產品發布會」於杭州成功舉行。
- 4月，朗詩綠色集團首次發行綠色債券並獲標普全球最高等級綠色評級認證。
- 4月2日，第十四屆「國際綠色建築與建築節能大會暨新技術與產品博覽會」在珠海盛大啟幕。

# MAJOR EVENTS AND ACCOLADES OF LANDSEA GREEN GROUP IN 2018

## 朗詩綠色集團2018年大事記與榮譽



- On 26 April, Mr. Tian Ming, chairman of Landsea Green Group, officially assumed the position of the 10th rotating chair of CURA.
- On 5 June, the 6th "PRC Enterprise Green Pact Forum" co-hosted by Landsea Green Group was successfully held in Beijing.
- On 22 June, the "Landsea China ESG Development Index (ESGDI) — Official Edition" was announced.
- On 19 November, the headquarters of Landsea Green Group moved into Landsea Green Center.
- On 22 November, "Elite Space of Landsea Apartment (Sunland Shanghai)", being the first long-term rental apartment project developed through the strategic cooperation platform of Landsea Green Fir Investment and Pingan Real Estate, officially commenced operations.
- 4月26日，朗詩綠色集團董事長田明正式就任中城聯盟第十任輪值主席。
- 6月5日，朗詩綠色集團協辦第六屆「中國企業綠色契約論壇」在北京圓滿舉辦。
- 6月22日，「朗詩•中國ESG景氣指數正式版」發佈。
- 11月19日，朗詩綠色集團總部入駐朗詩綠色中心。
- 11月22日，朗詩青杉資本與平安不動產戰略合作平台首個長租公寓項目「朗詩寓森蘭店」正式開業。





- In December, Landsea's 鄰里薈 in Wuxi commenced operations in the Company's successful debut in community-oriented commercial developments.
- In December, approval was granted for the issuance of RMB5 billion shelf REITs on the Shanghai Stock Exchange on the back of the long-term rental apartment project jointly developed by Landsea Green Group and Pingan Real Estate Company Ltd., being the first of its kind in China.
- 12月，社區型商業首試告捷，朗詩鄰裡薈於無錫開業。
- 12月，朗詩綠色集團和平安不動產有限公司合作的中國首單合作型長租公寓儲架式REITs在上海交易所成功獲批發行，儲架規模達人民幣50億元。

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# CHAIRMAN'S STATEMENT

## 主席報告



I am pleased to present the business review for the year ended 31 December 2018 and the prospects for 2019 of Landsea Green Group Co., Ltd. ("Landsea" or the "Company") and its subsidiaries (collectively, the "Group").

本人欣然向各位股東提呈朗詩綠色集團有限公司（「朗詩」或「本公司」）連同其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度業務回顧與二零一九年展望。





## 2018 IN REVIEW

In 2018, China's economy was under increasing downward pressure, the real estate market had a pullback, notably showing a structural adjustment. Due to rapid changes in the market, the Company has not completely fulfilled the targets set up at the beginning of the year in terms of contracted sales amount and value of new projects, however, the Company has achieved satisfactory performance in net profit, net gearing ratio, cash flow, product differentiation, management and control model and team building.

## OPERATING RESULTS

During the period under review, the Group's profit for the year amounted to approximately RMB1.44 billion, representing an increase of 99.9% as compared to last year; the net core profit amounted to RMB1.27 billion, representing an increase of 36.1% as compared with the corresponding period of last year; the development management service fee income from independent third parties or cooperative partners amounted to approximately RMB1.00 billion, representing an increase of 32.8% as compared with the corresponding period of 2017, and the profit after tax for development management services was approximately RMB350 million, representing an increase of 11.7% as compared with the corresponding period of last year. In addition, for the year ended 31 December 2018, Landsea Group recorded contracted sales of approximately RMB38.15 billion, with contracted gross floor areas of approximately 1.965 million square meters. In 2018, the Group acquired a total of 28 projects, including 20 projects in the PRC and 8 projects in US.

## 二零一八年回顧

二零一八年，中國經濟下行壓力不斷加大，房地產高開低走，呈現出明顯的結構性調整的態勢。由於市場急劇變化，公司在合約銷售額、新增項目貨值等方面未能完全達成年初計劃，但是，在淨利潤、淨負債率、現金流、差異化產品能力、管控模式和團隊建設等方面，取得不俗的成績。

## 經營業績

回顧期內，本集團年度利潤約為人民幣14.4億元，同比增長約99.9%；核心淨利潤為人民幣12.7億元，比去年同期上升36.1%；向獨立第三方或合作方收取的項目開發服務費收入約為人民幣10.0億元，較二零一七年同期增長約32.8%，實現開發服務稅後利潤約為人民幣3.5億元，比去年同期上升11.7%。此外，朗詩集團截至二零一八年十二月三十一日止年度合同簽約銷售額約為人民幣381.5億元，合同簽約建築面積約為196.5萬平方米。二零一八年，本集團共獲取28個項目，其中中國20個，美國8個。

# CHAIRMAN'S STATEMENT

## 主席報告

### PRODUCT DIFFERENTIATION AND STANDARDISATION

Adhering to the core value of “building home for people” under the production principle of “building first, and the equipment second” (先上建築，後上設備), Landsea has carried out its construction projects by computer-aided model analysis and design optimisation, offering its customers residential products with the advantages of wellness, comfort, intelligence, energy-saving and environmental protection. During the period, the Company continued to enhance its capability of green differentiation products and effectively facilitated the standardisation of the four product lines, namely “Le Mansion”, “Xihua Mansion”, “Linglong” and “Future Block”.

The “Le Mansion” product line targets the top-tier customers with newly built green residence of high comfort, including villas and mansions in the CBD area;

The “Xihua Mansion” product line targets the upper-tier customers with newly built cluster-residence of high-comfort;

The “Linglong” product line targets middle-to-upper-tier customers with newly built cluster-residence of a unit-by-unit system;

“Future Block” targets the inelastic demand from middle-tier customers with complex residential communities newly built according to a green idea.

With regard to the above four product lines, the Company provided its staff with systematic product training, with a view to effectively improve the capability of product and development services of all operating units.

### 差異化產品綫及其標準化

朗詩秉承「為人造房」的核心價值理念，根據「先上建築，後上設備」的產品打造原則，對建築進行電腦模式分析和設計優化，為客戶提供健康、舒適、智能、節能、環保的住宅產品。期內公司持續打造綠色差異化產品能力，有效推動「樂府」、「熙華府」、「玲瓏郡」、「未來街區」四條產品綫的標準化工作。

樂府系，是面向頂級客群，採用戶式高舒適系統的綠色新建住宅，適用於別墅及類別墅或城市核心地段的集合式住宅；

熙華府系，是面向高端客群，採用集中式高舒適建築內環境系統的新建集合式住宅；

玲瓏郡系，是面向中高端客群，採用戶式建築內環境系統的新建集合式住宅；

未來街區，是面向中端剛需客群，採用綠色理念的新建集合式住宅。

針對上述四條產品綫，公司面向全員進行系統化的產品宣貫和培訓，有效提高各經營單位的產品能力和開發服務能力。



## EXTENSIVE EXPLORATION OF INNOVATIVE BUSINESS MODEL

The Company has determinedly executed its strategy of “product-differentiation, asset-light transformation and revenue-diversification” for transformation and upgrade, and explored all possibilities in innovative business, including newly developed green residential community, passive house (Northern China Passive House), residential rehabilitation (Shanghai Landsea New Mansion), public rehabilitation (China Europe International Business School Shenzhen Campus, New York Manhattan Synagogue Project), green office transformation (Landsea Green Centre in Shanghai) and commercial community (Wuxi Neighbourhood Union).

More importantly, the headquarters of Landsea have moved into Landsea Green Center (“LGC”) in Shanghai in 2018. Such integration of green architecture has demonstrated the application of old building rehabilitation and green office. Application for LEED and WELL Platinum Certification (U.S.), DGNB Certificate (Germany) and Green Building Evaluation Label (China three star) is in progress, and Landsea Green Centre is expected to become the first project with the four top eco-accreditations in the world.

Maximised competitiveness of product differentiation has prepared the flexibility for the Company to meet the changes in policies and market demands while staying in line with its strategies. Active implementation of the “asset-light” business model focusing on minority interests has secured projects with a majority of cooperative projects, with sources of revenue including income from development services, product integration and profit-sharing. The outstanding brand effect of “Landsea Product” and the core ability of product differentiation can attract financial institutions, well-known large and medium-sized enterprises to enter into strategic cooperation with the Company for advantages complementary to each other.

## 積極探索創新業務模式

公司堅決執行「產品差異化、資產輕型化、收益多樣化」的轉型升級戰略，在創新業務上進行諸多探索。包括各種新建綠色住宅小區、被動房（華北被動房）、住宅舊改（上海朗詩新西郊）、公建舊改（中歐國際工商學院深圳校區、紐約曼哈頓猶太教堂項目）、綠色辦公改造（上海朗詩綠色中心）、社區商業（無錫朗詩鄰里薈）等。

值得一提的是，二零一八年朗詩總部入駐位於上海的朗詩綠色中心（「LGC」），該項目對舊樓改造、綠色辦公作了深入應用，是綠色建築的集大成者，已啟動美國LEED和WELL雙鉑金認證、德國DGNB認證以及中國綠色建築三星認證工作，預計將成為全球唯一獲得四項頂級綠色認證的該類項目。

公司利用差異化產品的市場競爭優勢，在堅持既定戰略的同時分析政策變化及市場需求，積極實施以小股操盤為主的「資產輕型化」業務模式，所獲項目絕大部分為合作型項目，並且收益包括開發服務收入、產品整合收入，以及可能的超額分成。「朗詩出品」的出色品牌效應及差異化產品的核心能力，吸引眾多金融機構、知名大中型企業等與本公司開展優勢互補型的戰略合作。

# CHAIRMAN'S STATEMENT

## 主席報告

### PRUDENT AND STABLE BUSINESS STRATEGY

Amidst changes in the market in 2018, Landsea has, as always, maintained its operation stability with its prudent business strategy. In terms of investment, Landsea focused on metropolitan regions including Yangtze River Delta, Beijing-Tianjin-Hebei region and Chengdu-Chongqing region, as well as other second-tier cities, avoiding the most expensive piece of land. In terms of financing, the Company actively explored a wide range of financing approaches, including taking advantage of favorable market conditions to successfully issue the green bonds in an aggregated amount of US\$200 million in the first half of 2018, which received the world's highest rating in terms of green standard certification by S&P. We have also achieved breakthrough in asset securitization financing. Continuous optimisation of debt structure has reduced finance costs. A prudent strategy of operation that ensured sufficient cash flow and lower debt level has laid a solid foundation for healthy development.

The Group's "Green Fir Investment" has integrated the entire workflow of "financing, investment, management, exiting" of real estate funds, allowing the Group to carry out various innovative exploration and secure projects through different means including acquisition and merger of assets and equity and distressed assets package. As at 31 December 2018, Green Fir Investment managed assets of approximately RMB8.76 billion, firmly supporting the development of the core business.

In U.S, the Company expanded its presence into Phenix City, a new market with high growth potential in 2018, in addition to its unceasing development across East Coast and West Coast. A total of 16 projects in the U.S. provided Landsea Homes with increasing brand reputation as a Chinese real estate pioneer penetrating the U.S. market. During the period, our U.S. company recorded favourable results of operation with significant growth in revenue and profit by continuously implementing strategy of localization.

The Group's related business, such as long-term rental apartments, elderly care services, property management and design, have also yielded substantial growth through continuous exploration during the year.

### 審慎穩健經營

二零一八年市場急劇變化，朗詩一如既往地保持戰略定力，穩健經營。投資方面，聚焦長三角、京津冀、成渝等核心都市圈和二線核心城市，沒有拿一塊「地王」。融資方面，積極拓展多樣的融資手段，公司於二零一八年上半年抓住市場窗口於境外成功發行總額2億美元綠色債券，且為標普全球最高等級的綠色評級認證。資產證券化融資也取得重大突破。債務結構持續優化，融資成本降低。審慎穩健的經營策略，使得公司現金流頗為充裕，負債率較低，為未來發展奠定厚實基礎。

集團旗下「青杉資本」已打通地產基金「融、投、管、退」全流程，並在此基礎上進行豐富多樣的創新與探索，採用資產、股權收並購、困境資產包等方式獲取各類型項目。截止二零一八年十二月三十一日，青杉資本管理資產規模約為人民幣87.6億，有力支持了核心業務發展。

二零一八年，美國地產在深耕東、西海岸的基礎上，拓展高成長型的鳳凰城新市場。美國地產共計16個項目，Landsea Homes品牌知名度在美國穩步提升，朗詩是中國房企進入美國落地成功的佼佼者。期內美國公司繼續實施本土化戰略，穩健經營，收入和利潤均獲顯著增長。

集團旗下長租公寓、養老服務、物業管理、設計等相關業務，在本年度內持續探索，取得長足進步。



## CORPORATE CULTURE AND SUSTAINABLE DEVELOPMENT

With strong adherence to the core value of “people-oriented, positive and green”, Landsea stands firm against bribery and official embezzlement, with zero tolerance of corruption. During the period, a few cases of corruption was successfully prevented, protecting the interest of the Company.

Landsea has attached importance to the balance of environment, social and governance in order to substantiate the concept of sustainable development. Landsea has continued to encourage other domestic property development enterprises to participate in “China’s Real Estate Industry Green Supply Chain Action”, advocating “green procurement only”, with an aim to pursue a green value chain and encourage efficiency in resource use.

## OUTLOOK FOR 2019 LANDSCAPE ANALYSIS

The PRC’s economy has gradually entered a stage of development from high-speed growth to moderate speed of growth. The real estate industry has seen its turning point with the entering of new development stage due to the shift in modes of development. We have strong belief that our clear strategy, healthy corporate culture and competitiveness of product differentiation are the keys to seize better opportunities.

## 企業文化與可持續發展工作

朗詩堅持捍衛「人本、陽光、綠色」的核心價值觀，堅決打擊商業賄賂和職務侵佔行為，對貪污腐敗零容忍。期內嚴肅處理數起涉腐事件，維護了公司利益。

朗詩持續關注環境、社會、公司治理三個方面的平衡，積極踐行可持續發展理念。朗詩持續推動和倡導國內房地產企業加入「中國房地產行業綠色供應鏈行動」，實行「無綠色，不採購」，堅持綠色採購，綠化產業鏈，提高環境效益和資源利用效率。

## 二零一九年展望 形勢分析判斷

中國經濟已經從高速增長轉向中速增長，房地產的拐點已經到來。發展模式的轉換，亦將帶動房地產行業進入新的發展階段。我們堅信：憑藉清晰的戰略、健康的企業文化和差異化產品的競爭優勢，朗詩將迎來更好的發展機會。

# CHAIRMAN'S STATEMENT

## 主席報告

### FOCUSING ON GREEN DEVELOPMENT AND SEGREGATING INNOVATIVE BUSINESS

The market capitalisation of the Group has not been reflected in the capital market for years. In addition of product differentiation, revenue from development services and real estate business in the U.S., Landsea has broadwise and diversified innovative businesses with value creation, such as property management, long-term leasing, elderly care services and design. However, diversified business with perplexity may not be easy for the capital market to understand the Group, marketing expenses for the Group could be unduly high. Some of the Group's infant innovative business reduced the Groups' profit for the year and partially impaired the share price of the Company, it is apparently not in the interest of the shareholders of the Company. As such, we propose to segregate the innovative business at its initial stage from the real estate business in phases. Landsea Group Co. Ltd., the controlling shareholder of the Group, will be responsible for nurturing the innovative business and continue to promote healthy growth of such business. As such, the Company will focus on a clear green property development business line. Despite a loss for the year from the innovative business, the net return on assets remained above 30%. Upon the segregation of the non-property business, the profit margin, return on assets, net return on assets of the Company are expected to further improve.

The Company would like to unveil the profitability of Landsea to the market through the proposal and the reasons behind for segregating innovative business, i.e. competitiveness of product differentiation and revenue from light-asset services model thereon.

### ACKNOWLEDGEMENT

Landsea — an enterprise of humanity and idealism — has the vision of being an esteemed enterprise with continuous innovation, value for customers and adherence to green strategy. The continuous support from stakeholders and valuable contribution from the dedicated staff at all levels are essential to the strong development of the Group. On behalf of the Board, I would like to take this opportunity to extend our heartfelt gratitude to our staff, investors and business associates for their support. We will continuously create value for our customers, staff, shareholders, cooperative partners and other stakeholders.

### 聚焦綠色地產，剝離創新業務

多年來，本集團的市值並未得到資本市場的認同。朗詩不僅有差異化的產品，有開發服務收益，有美國地產業務，而且還有物業管理、長租、養老、設計等具有價值的縱向多元的創新業務。然而，過於複雜的多元化業務，也導致資本市場對本集團的理解困難，溝通成本過高。部分處於孵化期的創新業務壓低了本集團的年度利潤額，一定程度上影響了公司的股價，這顯然不符合本公司的股東利益。為此，我們擬制定一項剝離處於投入期的非地產創新業務的計劃，將分期實施。本集團的控股股東朗詩集團股份有限公司將承擔起創新業務的培育職能，繼續推動這些業務健康發展。本公司因此將成為一個業務清晰的專業化綠色地產公司。本年度儘管存在創新業務的虧損，本公司的淨資產收益率依然超過30%，剝離這些非地產業務後，本公司的利潤率、總資產收益率、淨資產收益率，預計同比將會有進一步的提升。

希望此舉有助市場充分認識本公司的盈利能力，並理解其背後的原因：朗詩差異化產品的市場競爭優勢，以及建立其上的輕資產開發服務模式。

### 致謝

朗詩是一家具有人文精神和理想主義氣質的公司。我們立志成為一家偉大的公司，持續不斷創新，為客戶創造價值，堅持綠色戰略，打造百年老店。本集團的持續穩健發展離不開社會各界的鼎力支持及全體員工的寶貴奉獻，我謹代表董事局向我們的全體員工、投資者及合作夥伴致以衷心的感謝。我們將持續為客戶、員工、股東、合作方及其他利益相關者創造價值。



# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### EXECUTIVE DIRECTORS

#### MR. TIAN MING (“MR. TIAN”)

Aged 58, was appointed as the Chairman of the Board and an executive Director on 31 July 2013. He is the chairman of the nomination committee and the sustainable development supervision committee, and a member of the remuneration committee of the Company. He is also the Chief Executive Officer of the Company. He has a Master of Business Administration from China Europe International Business School. Mr. Tian founded Landsea Group Co. Ltd. (朗詩集團股份有限公司) (“Landsea”) in 2001. He is now the largest shareholder and also the Chairman and President of Landsea and its subsidiaries (“Landsea Group”). Mr. Tian has 18 years’ extensive experience in the fields of competitive strategy, operation management and property investment and development. Committed to “green development” and “sustainability”, Mr. Tian is an advocator of environmental protection and pioneer of green technology and property in the industry.

Mr. Tian initiated the “Green Supply Chain Act of Real Estate Industry”, which aims to mitigate the negative effect of the industrial supply chain on the environment by promoting green procurement and facilitating the emission reduction of upstream suppliers.

#### MS. SHEN LEYING (“MS. SHEN”)

Aged 41, was appointed as an executive Director on 31 July 2013. She is also the Co-Chief Executive Officer and the Chief Financial Officer of the Company. Ms. Shen oversees the Group’s financial management, investment and financing as well as capital management functions, and also serves as the person-in-charge of the business department of Green Fir Investment of the Company. She obtained a Master’s degree of Media Communication from Shanghai University. Ms. Shen joined Landsea Group in 2011 and served as the general manager of Marketing and Sales Center, general manager of Nanjing property regional company, vice president of investment and financing, finance management, and legal in Landsea Group. Before joining Landsea Group, Ms. Shen had been working in Gallup Consulting for nine years and served in the positions such as research and consulting director, member of the Management Committee of Shanghai Office. Ms. Shen has more than 17 years’ experience in various areas including management consulting, market and customer strategy, property development management, investment and financing, financial management, etc.

### 執行董事

#### 田明先生(「田先生」)

現年58歲，於二零一三年七月三十一日獲委任為董事局主席兼執行董事。彼亦分別為本公司提名委員會及可持續發展督導委員會之主席，及薪酬委員會之成員。彼同時為本公司總裁。田先生持有中歐國際工商學院工商管理碩士學位。彼於二零零一年創辦朗詩集團股份有限公司(「朗詩」)，現為朗詩及其附屬公司(「朗詩集團」)第一大股東，亦是董事長兼總裁。田先生在競爭戰略、經營管理、房地產投資和開發方面具有十八年的豐富經驗。田先生篤信「綠色」和「可持續性」，是業界的「綠色佈道者」，是綠色科技地產行業的先鋒。

田先生主導發起「房地產行業綠色供應鏈行動」，旨在推動綠色採購，撬動上游供應商減少排放降低行業整體供應鏈對環境負面的影響。

#### 申樂瑩女士(「申女士」)

現年41歲，於二零一三年七月三十一日獲委任為執行董事。彼同時為本公司聯席總裁及首席財務官。申女士目前負責監管本集團之財務管理、投融資與資金管理職能，並兼任本公司青杉資本事業部負責人。彼為上海大學媒體傳播學碩士。申女士於二零一一年加入朗詩集團，曾任市場行銷中心總經理，南京地產區域公司總經理，集團投融資、財務、法務分管副總裁等職務。加入朗詩集團之前，申女士於蓋洛普(美國)諮詢公司(Gallup Consulting)服務九年，擔任研究諮詢總監、上海公司管理委員會委員等職務。申女士在管理諮詢、市場與客戶策略、房地產開發管理、房地產投融資管理及財務管理等多個不同領域擁有超過十七年經驗。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### MR. WANG LEI (“MR. WANG”)

Aged 40, was appointed as an executive Director and a Co-Chief Executive Officer on 23 November 2018. He is also the Chief Executive Officer of the China real estate division of the Company. He was appointed as the executive vice president and chief executive officer of Real Estates Division of Landsea Group on 9 May 2018. He had been the general manager of Shanghai regional properties company of the Group. He obtained a bachelor degree from Architectural Engineering Department of Tongji University and an EMBA master degree in China Europe International Business School. He had worked for Jingrui Properties (Group) Limited, China Overseas Land & Investment Limited as the regional general manager and project manager. He has extensive experience in construction management, project operational management and corporate governance in real estate industry.

### MS. ZHOU QIN (“MS. ZHOU”)

Aged 45, was appointed as a non-executive Director on 5 January 2015 and was re-designated as an executive Director on 15 August 2016. She is also a member of the remuneration committee of the Company. Ms. Zhou is also the Vice President and Chief International Business Officer of the Company. Ms. Zhou earned her Executive Master of Business Administration degree from China Europe International Business School in 2001 and MBA degree from Nanjing University. Ms. Zhou has nearly 23 years' experience in business development, investment and operation management in real estate. She joined Landsea Group in 2002 and served as the regional general manager in multiple locations, such as Nanjing, Suzhou and Shanghai. After that Ms. Zhou led Landsea Group's global strategic deployment while serving as the assistant to Chairman, general manager of Shanghai Landsea Architecture Technology Co., Ltd., and general manager of Landsea Architecture Design Institute.

Currently, Ms. Zhou is the vice president of Landsea Group and responsible for overseas business exploration. She played the fundamental role to facilitate Landsea Group's US business development and investment. Since 1 December 2014, she served on the board of directors in a Landsea Group's company in U.S.A. and also the chairman of its investment committee.

### 王磊先生(「王先生」)

現年40歲，於二零一八年十一月二十三日獲委任為執行董事及聯席總裁。彼同時為本公司中國地產事業部總裁。彼於二零一八年五月九日獲委任為朗詩集團常務副總裁，兼任地產事業部總裁。王先生曾任本集團上海地產公司總經理。他擁有同濟大學建築工程專業學士學位，及中歐國際工商學院EMBA碩士學位。王先生曾就職於景瑞地產(集團)股份有限公司，中國海外發展有限公司等企業，歷任區域總經理，專案經理等職。他在地產行業工程管理，專案開發運營及企業綜合治理等方面擁有豐富經驗。

### 周勤女士(「周女士」)

現年45歲，於二零一五年一月五日獲委任為非執行董事及於二零一六年八月十五日調任為執行董事。彼亦為本公司薪酬委員會成員。周女士同時為本公司副總裁及首席國際業務官。周女士於二零零一年畢業於中歐國際工商學院，並榮獲EMBA碩士學位。她也擁有南京大學MBA碩士學位。周女士在房地產業務開發，投資和運營管理方面擁有近二十三年的經驗。於二零零二年，彼加入朗詩集團，曾在南京、蘇州和上海等區域公司擔任總經理。隨後，周女士出任董事長助理，負責朗詩集團海外業務發展，期間曾兼任朗詩上海科技公司，設計院總經理等職務。

目前，周女士擔任朗詩集團副總裁，主要負責跨境業務拓展。她全程參與並領導了朗詩集團美國業務的開發和投資。自二零一四年十二月一日起，她出任朗詩美國公司董事並擔任董事會投資委員會主席。



### **MR. XIE YUANJIAN (“MR. XIE”)**

Aged 54, was appointed as an executive Director on 31 July 2013. He is also the Vice President and the Chief Technology Officer of the Company. He is a member of the sustainable development supervision committee of the Company. He has a Bachelor of Architecture from Logistical Engineering University of PLA, Masters of Business Administration in China Europe International Business School, and is a national first class registered architect and senior engineer. Mr. Xie joined Landsea Group in 2003 and served as the general manager of research and development and design institute, general manager of product center, and vice president of products in Landsea Group, where he had been in charge of the work related to green architectural products and technology for a long time. Mr. Xie has more than 21 years' working experience in the fields of architectural design and technology research and development.

### **NON-EXECUTIVE DIRECTOR MR. ZHOU YIMIN (“MR. ZHOU”)**

Aged 60, was appointed as a non-executive Director on 17 November 2015. He is a member of each of the audit committee and nomination committee of the Company. He is the chairman and chief executive officer of Ping An Real Estate Company Limited. Mr. Zhou joined Ping An Insurance (Group) Company of China, Ltd. in early 2010 after spending more than 12 years in Sun Hung Kai Properties Limited, one of the largest global real estate developers headquartered in Hong Kong. During his time at Sun Hung Kai Properties Limited, Mr. Zhou was the chairman of Sun Hung Kai Real Estate (Shanghai) Limited, overseeing its real estate business in the China market and the significant growth in its land bank and investment portfolio. Prior to his term at Sun Hung Kai Properties Limited, Mr. Zhou was the vice chairman of Chu Kong Shipping Enterprises (Group) Co., Ltd. (formerly known as 'Chu Kong Shipping Development Co., Ltd'), which was successfully listed on the Stock Exchange in 1997. Mr. Zhou has been a non-executive director of CIFI Holdings (Group) Co. Ltd. (Stock Code: 884) from December 2017 to November 2018, whose shares are listed on the Stock Exchange. Mr. Zhou graduated from Fudan University with a doctorate degree.

### **謝遠建先生(「謝先生」)**

現年54歲，於二零一三年七月三十一日獲委任為執行董事。彼現時亦為本公司之副總裁及首席技術官。彼為本公司可持續發展督導委員會之成員。彼為解放軍後勤工程學院建築學學士、中歐國際工商學院工商管理碩士、國家一級註冊建築師及高級工程師。謝先生於二零零三年加入朗詩集團，曾任研發設計院總經理、產品中心總經理及集團產品副總裁，長期負責綠色建築產品技術相關工作。謝先生在建築設計、技術研發方面擁有超過二十一年的工作經驗。

### **非執行董事 鄒益民先生(「鄒先生」)**

現年60歲，於二零一五年十一月十七日獲委任為非執行董事。彼分別為本公司審核委員會及提名委員會成員。彼為平安不動產有限公司之董事長及行政總裁。鄒先生於二零一零年初加入中國平安保險(集團)股份有限公司，此前，其曾於全球最大地產開發商之一，總部位於香港的新鴻基地產發展有限公司任職超過十二年。鄒先生於新鴻基地產發展有限公司任職期間，擔任新鴻基房地產(上海)有限公司之董事長，負責管理中國市場之房地產業務及土地儲備及投資組合之顯著增長。於新鴻基地產發展有限公司任職之前，鄒先生為珠江船務企業(股份)有限公司(前稱「珠江船務發展有限公司」)副主席，該公司於一九九七年成功於聯交所上市。鄒先生曾於二零一七年十二月至二零一八年十一月擔任在聯交所上市的旭輝控股(集團)有限公司(股票代码：884)的非執行董事。鄒先生畢業於復旦大學，擁有博士學位。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### MR. DING YUAN (“MR. DING”)

Aged 49, was appointed as an independent non-executive Director on 31 July 2013. He is the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of the Company. He has a PHD of Management Science from College of Business Administration, Bordeaux IV University in France. Mr. Ding used to serve as a tenured professor of Accounting and Management Control in HEC School of Management in France. Currently, he is the Vice President and Dean, Cathay Capital Chair in Accounting in China Europe International Business School and the associate editor of European Accounting Review. Mr. Ding is an independent non-executive director of Man Wah Holdings Limited, whose shares are listed on the main board of the Stock Exchange, and has been an independent non-executive director of Red Star Macalline Group Corporation Ltd, whose shares are listed on the main board of the Stock Exchange, from March 2012 to November 2018. He has also been an independent director of TCL Corporation (TCL集團股份有限公司), an A-share listed company from June 2008 to August 2014 as well as an independent director of MagIndustries Corp., a TSX listed company in Canada from July 2011 to June 2015. Mr. Ding has more than 21 years' experience in teaching and studying financial accounting, financial statement analysis, corporate governance and M&As.

#### MR. XU XIAONIAN (“MR. XU”)

Aged 65, was appointed as an independent non-executive Director on 31 July 2013. He is a member of each of the audit committee, the remuneration committee, the nomination committee and the sustainable development supervision committee of the Company. He obtained a PHD of Economics from University of California Davis in 1991. He was the managing director and head of research department in China International Capital Corporation Limited, and senior economist of Merrill Lynch (Asia Pacific) and consultant of World Bank. Currently, Mr. Xu serves as the professor of Economics and Finance in China Europe International Business School and his research areas include macroeconomics, finance, financial institutions and markets, transition economics and China's economic reforms. Mr. Xu is a famous Chinese economist and was granted the highest award of economics study in China, the “Sun Yefang Economic Science Award”. Mr. Xu has more than 33 years' experience in economics analysis.

### 獨立非執行董事

#### 丁遠先生(「丁先生」)

現年49歲，於二零一三年七月三十一日獲委任為獨立非執行董事。彼為本公司審核委員會主席及分別為提名委員會及薪酬委員會成員。彼持有法國波爾多第四大學企業管理學院管理科學博士。丁先生曾任法國HEC管理學院會計與管理控制專業終身教授。彼現任中歐國際工商學院副院長兼教務長，法國凱輝會計學教席教授，是《歐洲會計評論》副主編。丁先生在聯交所主板上市的敏華控股有限公司擔任獨立非執行董事，並自二零一二年三月至二零一八年十一月擔任紅星美凱龍家居集團股份有限公司的獨立非執行董事，其股份於聯交所主板上市。彼亦曾在二零零八年六月至二零一四年八月間出任A股上市公司TCL集團股份有限公司獨立董事，在二零一一年七月至二零一五年六月期間在加拿大TSX上市公司MagIndustries Corp.，擔任獨立董事。丁先生在財務會計、財務報表分析、公司管治、並購等方面累積超過二十一年的教學研究經驗。

### 許小年先生(「許先生」)

現年65歲，於二零一三年七月三十一日獲委任為獨立非執行董事。彼為本公司審核委員會、薪酬委員會、提名委員會及可持續發展督導委員會成員。彼於一九九一年獲得美國加州大學大衛斯分校經濟學博士學位。曾任中國國際金融有限公司董事總經理兼研究部主管、美林證券亞太高級經濟學家和世界銀行諮詢師。現任中歐國際工商學院經濟學和金融學教授，研究領域包括：宏觀經濟學、金融學、金融機構與金融市場、過渡經濟及中國經濟改革。許小年先生是中國著名經濟學家，曾獲中國經濟學界最高獎「孫冶方經濟科學獎」，累積逾三十年的經濟學研究經驗。



### MR. LEE KWAN HUNG (“MR. LEE”)

Aged 53, was appointed as an independent non-executive Director on 31 July 2013. He is a member of each of the audit committee and the nomination committee of the Company, and the chairman of the remuneration committee of the Company. He received his Bachelor of Laws (Honors) and Postgraduate Certificate in Laws from the University of Hong Kong in 1988 and 1989 respectively. He was then admitted as a solicitor in Hong Kong in 1991 and in England and Wales in 1997, and is currently a practicing lawyer. Mr. Lee is currently a consultant of Howse Williams. He was a senior manager of the Listing Division of the Stock Exchange from 1993 to 1994. Mr. Lee is experienced in IPOs and corporate financing, including assisting the listing of Country Garden Holdings Company Limited in Hong Kong. Mr. Lee is currently an independent non-executive director of each of Embry Holdings Limited, NetDragon Websoft Holdings Limited, Newton Resources Limited, Tenfu (Cayman) Holdings Company Limited, China BlueChemical Ltd., China Goldjoy Group Limited, FSE Service Group Limited (formerly known as FSE Engineering Holdings Limited), Red Star Macalline Group Corporation Ltd. and Ten Pao Group Holdings Limited, the shares of these companies are currently listed on the Stock Exchange. He was an independent non-executive director of each of Vestate Group Holdings Limited (formerly known as ‘Walker Group Holdings Limited’) and Futong Technology Development Holdings Limited, until his resignation on 1 April 2016 and 18 November 2017 respectively, the shares of these companies are listed on the Stock Exchange.

### 李均雄先生(「李先生」)

現年53歲，於二零一三年七月三十一日獲委任為獨立非執行董事。彼分別為本公司審核委員會及提名委員會成員，及本公司薪酬委員會主席。彼分別於一九八八年及一九八九年獲得香港大學的法學士(榮譽)學位及法律專業證書，其後於一九九一年取得香港執業律師資格，並於一九九七年取得英格蘭和威爾士執業律師資格，現為執業律師。李先生現為何韋律師行之顧問律師。彼曾於一九九三至一九九四年在聯交所上市科高級經理，李先生對股票上市、公司融資擁有豐富經驗，包括協助碧桂園控股有限公司來港上市之經驗。李先生目前為安莉芳控股有限公司、網龍網絡有限公司、新礦資源有限公司、天福(開曼)控股有限公司、中海石油化學股份有限公司、中國金洋集團有限公司、豐盛服務集團有限公司(前稱豐盛機電控股有限公司)、紅星美凱龍家居集團股份有限公司及天寶集團控股有限公司之獨立非執行董事，該等公司之股份於聯交所上市。彼曾任國投集團控股有限公司(前稱「盈進集團控股有限公司」)及富通科技發展控股有限公司的獨立非執行董事(該等公司的股份於聯交所上市)，直至其於二零一六年四月一日及二零一七年十一月十八日辭任為止。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### MR. CHEN TAI-YUAN (“MR. CHEN”)

Aged 43, was appointed as an independent non-executive Director on 22 March 2019. He is a tenured Full Professor of Accounting, and Associate Dean and the Director of MBA programs at the School of Business and Management at Hong Kong University of Science and Technology. He earned his Bachelor of Business Administration from National Cheng-Chi University (Taiwan), Master of Science from University of Illinois at Urbana Champaign, and P.H.D. in Accounting from University of Texas. His research interests are corporate governance, auditing, and earnings quality. His research has been published in top tier journals including *The Accounting Review*, *Journal of Accounting and Economics*, *Journal of Financial Economics*, *Journal of Financial and Quantitative Analysis*, and *Accounting Organizations and Society*. His article in *Journal of Accounting and Economics* (2007) (“JAE”) is one of the most cited JAE articles in the year. His research has been featured in *CFO.com*, *Accounting Today*, *Thomson Reuters* and *American Accounting Association’s* monthly newsletter. Mr. Chen has more than 10 years of experience of teaching financial and managerial accounting to MBA and EMBA students and in Executive Education programs. He has won numerous teaching awards including the Franklin Teaching Prize, the Best 10 Lecturers, and Faculty of the Year by EMBA students.

### 陳泰元先生(「陳先生」)

現年43歲，於二零一九年三月二十二日獲委任為獨立非執行董事。現為香港科技大學商學院會計學系終身正教授，商學院副院長及工商管理碩士中心主任。彼於台灣國立政治大學獲得工商管理學士學位、於美國伊利諾伊大學厄巴納－香檳分校獲得理學碩士學位及於德克薩斯州大學獲得會計學博士學位。其研究興趣主要為企業管治、審計及盈餘質量。其研究成果曾發表於*The Accounting Review*《會計研究》、*Journal of Accounting and Economics*《會計與經濟學雜誌》、*Journal of Financial Economics*《金融經濟學雜誌》、*Journal of Financial and Quantitative Analysis*《金融與定量分析雜誌》及*Accounting Organizations and Society*《會計、組織與社會》等國外頂級學術期刊。彼於二零零七年發表於*Journal of Accounting and Economics*《會計與經濟學雜誌》(「該刊」)的論文為該刊當年引用率最高的論文之一。其研究成果亦曾於*CFO.com*(首席財務官雜誌官網)、*Accounting Today*(今日會計)、*Thomson Reuters*(湯森路透)以及*American Accounting Association*(美國會計學會)的每月簡報中多次報導。陳先生擁有超過十年教授財務管理會計予工商管理碩士及高級管理人員工商管理碩士的經驗，以及高級管理人員教育的經驗。彼亦多次獲得教學獎項，其中包括「富蘭克林教學獎」、「十大傑出教師」及被高級管理人員工商管理碩士之學生評選為「年度最佳教授」。



## SENIOR MANAGEMENT

### MR. JOHN HO (“MR. HO”)

Aged 37, was appointed as the Vice President of the Company and the Chief Executive Officer of the Group in the United States on 18 March 2016. Mr. Ho graduated from USC Marshall School of Business and obtained bachelor degree in Business Administration. He worked in various international renowned real estate investment management and advisory firms including Colliers International, Jones Lang LaSalle. Mr. Ho served as a director, a vice president and the head of PRC business division in Jones Lang LaSalle, and was responsible for the provision of a wide range of services, such as acquisition, consultation, leasing and comprehensive investment management of real estate, to the PRC enterprises focusing on the expansion into the international market.

### MR. ZHANG LIN (“MR. ZHANG”)

Aged 41, was appointed as the General Manager of Long-term Rental Apartments Business Division on 12 October 2017. He was also appointed as the Vice President of the Company on 23 November 2018. Mr. Zhang had worked in the marketing and strategic management centres of the Group. He graduated from the East China Normal University and Shanghai Jiao Tong University and obtained a master degree in International Business Administration. He had worked in Budweiser and Shanghai Office of the Gallup Organization. He has extensive experience in strategic management in rental apartments industry and corporate governance.

### MR. JIANG CHAO (“MR. JIANG”)

Aged 41, was appointed as assistant to president and Chief Investment Officer of Lansea Group on 12 January 2017, and is also in charge of the strategic expansion centre. He was also appointed as the Vice President of the Company on 23 November 2018. He graduated from Shenyang Jianzhu University with specialisation in Real Estate Management. He has joined several enterprises including Longfor Group Holdings Limited and China Vanke Co., Ltd., and served as the person-in-charge of the investment centre and manager of the development department for regional projects of the group. He has extensive experience in real estate industry, land acquisition as well as project acquisitions and mergers.

## 高級管理人員

### JOHN HO 先生(「Ho 先生」)

現年37歲，於二零一六年三月十八日獲委任為本公司副總裁兼本集團美國公司首席執行官。Ho先生畢業於美國南加州大學馬歇爾商學院工商管理學院，工商管理學士。先後就職於高力國際、仲量聯行等國際知名房地產投資管理及諮詢公司。Ho先生在仲量聯行期間歷任總監、副總裁等職務，作為中國事業部負責人，負責為中國企業走出國門提供房地產收購、諮詢、租賃等全方位投資管理服務。

### 章林先生(「章先生」)

現年41歲，於二零一七年十月十二日獲委任為長租公寓事業部總經理。彼亦於二零一八年十一月二十三日獲委任為本公司副總裁。章先生曾先後供職於本集團市場客戶中心、戰略管理中心等。彼先後畢業於華東師範大學和上海交通大學，獲國際工商管理專業碩士學位。彼曾在百威啤酒、美國蓋洛普諮詢上海辦事處任職。彼在公寓行業戰略管理、企業綜合管理等有豐富經驗。

### 蔣超先生(「蔣先生」)

現年41歲，於二零一七年一月二十日獲委任為朗詩集團總裁助理，兼任首席投資官，分管戰略發展中心。彼亦於二零一八年十一月二十三日獲委任為本公司副總裁。彼畢業於沈陽建築大學房地產經營管理專業。彼曾就職於龍湖集團控股有限公司、萬科企業股份有限公司等企業，歷任集團投資中心負責人和區域項目發展部經理等職。彼在地產行業土地獲取、項目收併購方面擁有豐富的工作經驗。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### COMPANY SECRETARY

#### **Ms. Chan Yuen Ying, Stella**

Ms. Chan was appointed as company secretary and authorized representative of the Company on 1 November 2006. Ms. Chan is a fellow member of The Institute of Chartered Secretaries and Administrators and a fellow member of The Hong Kong Institute of Company Secretaries. She is also a member of the Hong Kong Institute of Directors. Ms. Chan has over 20 years' experience in handling listed company secretarial matters.

### 公司秘書

#### **陳婉縈女士**

陳女士於二零零六年十一月一日獲委任為本公司之公司秘書及授權代表。陳女士為英國特許秘書公會及香港特許秘書公會的資深會士。彼亦為香港董事學會之會員。陳女士擁有超過二十年處理上市公司秘書實務經驗。



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# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OVERALL PERFORMANCE

The Group continued to deepen the development strategy of “product-differentiation, asset-light transformation and revenue-diversification”. Leveraging its resource endowments, on-going optimisation of green products differentiation. Meanwhile, with the advantages of green diversification products, the Group actively expanded the asset-light business focusing on minority interests, and vigorously developed project development and management service business, with a view to achieve revenue-diversification.

In 2018, the Group’s return on equity (“ROE”) continued to increase to 30.3%, representing an increase of 10.8 percentage points as compared to last year. Basic earnings per share attributable to the shareholders of the company for the year was RMB0.27 (2017: RMB0.14), representing an increase of approximately 90.2% as compared to 2017. The increase in ROE and earnings per share was mainly attributable to the significant increase in net profit for the year. Meanwhile, thanks to the Group’s prudent financial strategy and management over debt and cash level, the closing net debt ratio for the year amounted to 34.0% (31 December 2017: 56.5%). The Group had sufficient cash and healthy liquidity. Cash-to-short-term borrowing ratio amounted to 8.7 times. The net profit of the Group for the year of 2018 amounted to approximately RMB1.44 billion, representing an increase of approximately 99.9% as compared with last year, with net profit margin of approximately 19.1% (2017: approximately 11.6%). The net core profit (i.e. net profit excluding exchange gain/loss and change of fair value on investment property) amounted to approximately RMB1.27 billion (2017: approximately RMB932.2 million), representing a significant increase of approximately 36.1% as compared with last year. Net core profit margin was approximately 16.8% (2017: approximately 15.0%). The increase in net profit and net profit margin were principally attributable to the significant improvement in gross profit margin of property development projects delivered during the year. At the same time, good progress in the high-margin segment of development and management services is also the essential factor contributing to a significant increase in net profit and net core profit margin.

### 整體表現

本集團繼續深化轉型升級，堅持「產品差異化、資產輕型化、收益多樣化」的發展戰略，運用自身資源稟賦，持續打造綠色產品差異化能力。同時，充分利用差異化的產品優勢，積極拓展並獲取了眾多以小股操盤為主的「資產輕型化」項目，並大力輸出項目開發管理服務業務，從而實現收益多樣性。

二零一八年，本集團股東權益報酬率持續提升至30.3%，較上年提升10.8個百分點，本公司股東應佔每股基本收益為人民幣0.27元（二零一七年：人民幣0.14元），較二零一七年上升約90.2%，股東權益報酬率和每股收益的提升主要得益於年度淨利潤的顯著提升；與此同時，得益於本集團審慎穩健的財務策略，對負債及現金安全的有效管控，年末淨負債率34.0%（二零一七年十二月三十一日：56.5%），現金充裕，現金短債比8.7倍，擁有良好的流動性；二零一八年度，本集團實現年度淨利潤約為人民幣14.4億元，比去年上升約99.9%，淨利潤率約19.1%（二零一七年：約11.6%），核心淨利潤（不包括匯兌損益及投資性物業公允價值變動的淨利潤）約為人民幣12.7億元（二零一七年：約為人民幣932.2百萬元），比去年顯著上升約36.1%，核心淨利潤率約16.8%（二零一七年：約15.0%）。淨利潤和淨利潤率的提升主要由於本年交付的地產開發項目毛利率顯著提升，同時高毛利率的開發管理服務業務進展順利也是助力淨利潤和核心淨利潤率顯著提升的重要因素。



For the year of 2018, the revenue recognised from the subsidiaries of the Group amounted to approximately RMB7.56 billion (2017: approximately RMB6.21 billion), revenue recognised from joint ventures and associates attributable to the Group amounted to RMB3.54 billion (2017: approximately RMB493.3 million), with an aggregate sales revenue recognised amounted to RMB11.10 billion, representing an increase of approximately 65.5% (2017: approximately RMB6.71 billion) as compared to last year. The revenue recognised from the provision of development and management services amounted to approximately RMB999.7 million (2017: approximately RMB752.6 million), representing an increase of approximately 32.8% as compared with the last year. In FY 2018, reporting segment profit before income tax arising from projects in relation to development and management services with independent third parties or cooperative partners amounted to approximately RMB456.8 million (2017: approximately RMB410.9 million), representing an increase of approximately 11.2%.

In FY 2018, "Landsea Products" recorded contracted sales of approximately RMB38.15 billion (including approximately RMB35.95 billion from the Group and a small amount of remaining projects entrusted by Landsea Group) (2017: approximately RMB32.05 billion), representing an increase of approximately 19.0% as compared with the year of 2017, with contracted gross floor areas of 1,964,658 square meters (including 1,846,575 square meters from the Group and a small amount of remaining projects entrusted by Landsea Group) (2017: 1,629,394 square meters), representing an increase of 20.6% as compared with the year of 2017.

二零一八年度，本集團附屬公司實現年度收入總額約為人民幣75.6億元（二零一七年：約為人民幣62.1億元），應佔合營及聯營公司權益已確認收入人民幣35.4億元（二零一七年：約為人民幣493.3百萬元），合計確認銷售收入人民幣111.0億元較去年上升約65.5%（二零一七年：約為人民幣67.1億元）；其中，開發管理服務收入約為人民幣999.7百萬元（二零一七年：約為人民幣752.6百萬元），比去年上升約32.8%。二零一八年度，實現了來自於獨立第三方或合作方之項目開發及管理服務除所得稅前分部利潤約為人民幣456.8百萬元（二零一七年：約為人民幣410.9百萬元），增長約11.2%。

二零一八年度，「朗詩出品」簽約銷售額約為人民幣381.5億元（包括本集團約為人民幣359.5億元及少量朗詩集團委託管理之尾盤項目）（二零一七年：約為人民幣320.5億元），較二零一七年年上升約19.0%。簽約建築面積為1,964,658平方米（包括本集團1,846,575平方米及少量朗詩集團委託管理之尾盤項目）（二零一七年：1,629,394平方米），較二零一七年年上漲20.6%。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS DEVELOPMENT

The Group achieved a satisfactory result in project expansion notwithstanding of the unfavourable market conditions. In FY2018, the Group secured a total of 28 projects of which 20 were in the PRC and 8 were in the United States. They were in Guangzhou, Hangzhou, Nanjing, Chengdu, Suzhou, Wuhan, Xian and other cities in the PRC as well as the first-tier cities of West Coast and East Coast in the United States among which 27 projects were under development for sale (including 18 projects in which the Group held equity interests and 9 development management projects by entrusted independent third parties) and 1 property held for rent.

In FY2018, the Group recorded an increase in the new project saleable gross floor area ("GFA") of 2,456,347 square meters ("sq. m.") and expected new project saleable value of approximately RMB38.77 billion, in which 1,604,111 sq.m. in new project construction GFA, 1,186,231 sq.m. in new project saleable GFA and approximately RMB22.10 billion of expected new project saleable value are recorded from the new project the Group held interest respectively. According to the Company's attributable equity interest in the new project, the Group recorded a new project construction GFA of 976,222 sq.m., new project saleable GFA of 734,525 square meters as well as expected new project saleable value of approximately RMB14.61 billion in FY2018. In FY2018, the Group obtained new entrusted development management projects with construction GFA of 1,869,189 sq.m., saleable GFA of 1,270,115 sq.m. and expected saleable value of approximately RMB16.67 billion. Approximately 80% of the new projects were obtained through mergers and acquisitions, entrusted development and in form of equity participation, which has effectively prevented the occurrence of record-high land prices.

### 業務發展

本集團在不利的市場環境下取得了不俗的項目拓展成績。於二零一八年度，本集團共獲取了28個項目，其中中國境內20個，美國8個，分別位於中國廣州、杭州、南京、成都、蘇州、武漢、西安等城市及美國西部和東部一線門戶城市；當中開發銷售型物業27個（其中本集團錄得權益項目18個，獨立第三方委託開發管理項目9個）及持有出租型物業1個。

於二零一八年度，本集團新增開發銷售型物業可售面積為2,456,347平方米，預計可售貨值約為人民幣387.7億元，其中本集團錄得權益項目新增建築面積為1,604,111平方米，可售面積為1,186,231平方米，預計可售貨值約為人民幣221.0億元。本集團應佔權益部分新增建築面積為976,222平方米，可售面積為734,525平方米，預計可售貨值約為人民幣146.1億元。於本年度本集團新增委託開發管理項目建築面積為1,869,189平方米，可售面積為1,270,115平方米，預計可售貨值約為人民幣166.7億元。新增項目當中約八成項目是通過收併購、委託開發及參股等形式獲取，有效避免了高價地王。



As at 31 December 2018, the Group had project reserves with saleable GFA of 6,719,580 square meters and expected saleable value of approximately RMB121.91 billion, in which total gross floor areas of 9,886,444 square meters, saleable GFA of 3,696,217 square meters and saleable value of approximately RMB69.31 billion secured for the equity-held projects, with saleable GFA of 1,463,534 square meters and saleable value of approximately RMB31.96 billion attributable to the Group. The Group had also acquired 32 development management projects by entrusted independent third parties, with saleable area of 3,023,363 square meters and expected sales amount of approximately RMB52.60 billion. The Group held the leased properties with total GFA of 109,362 square meters and the equity-held projects with GFA of 78,542 square meters.

The Group's property development business covers both PRC and the United States. In particular, the assets of the United States business accounted for approximately 22.7% of the Group's assets. In FY2018, the total contracted sales of the United States projects amounted to approximately RMB3.50 billion. The revenue from sale of properties of approximately RMB2.32 billion with sales areas of 57,887 sq.m. were recognised in the United States. The revenue from sale of lands of approximately RMB204.1 million with sales areas of 40,191 square meters were recognised in 2017 according to the percentage of completion during the year. In the future, Landsea will continue to spread its green ideas in the United States as it continues to deepen the development across East Coast and West Coast with an integration to high-growth markets.

"Green Fir Investment" is a property investment fund and platform of the Group. Currently, Green Fir Investment has established different kinds of fund and joint investment platforms with Cinda Investment and Pingan Real Estate respectively. It focused on the real estate inventory in both first-tier cities and strong second-tier cities and acquisition of distressed assets for creating comprehensive capabilities of fund raising, acquisition, reconstruction, asset management and fund withdrawal, exploring and practicing an integrated real estate fund model of "investment, financing, management and exiting" all-in-one. As at 31 December 2018, the management fund size of Green Fir Investment has reached RMB8.76 billion.

於二零一八年十二月三十一日，本集團擁有項目儲備可售面積為6,719,580平方米及預計可售貨值約為人民幣1,219.1億元，取得權益項目總建築面積為9,886,444平方米、可售面積為3,696,217平方米及預計可售貨值約為人民幣693.1億元。本集團應佔權益部分可售面積為1,463,534平方米及預計可售貨值約為人民幣319.6億元。本集團之獨立第三方委託開發管理項目共32個，可售面積3,023,363平方米，預計可售貨值約為人民幣526.0億元。本集團持有出租型物業總建築面積為109,362平方米，應佔權益部分建築面積為78,542平方米。

本集團地產開發業務布局中美兩地，其中，美國業務的資產配置約佔本集團的22.7%。於二零一八年度，美國之項目已錄得簽約銷售總計約為人民幣35.0億元。美國物業銷售收入約為人民幣23.2億元，對應確認銷售面積為57,887平方米。土地銷售收入約為人民幣204.1百萬元，對應確認銷售面積為40,191平方米，為二零一七年出售土地在本年按照完工百分比確認的收入。未來，美國地產將持續深耕東、西海岸，積極拓展高成長性的新市場，繼續傳播朗詩的綠色基因。

「青杉資本」是本集團旗下的地產基金平台。目前青杉資本已與信達投資、平安不動產等分別成立了不同主題的基金及聯合投資平台，針對於一線和強二線城市的存量物業以及困境資產併購，打造募資、收購、改造、資產管理、退出的綜合能力，探索和實踐投融管退一體化地產基金業務模式。截至二零一八年十二月三十一日，青杉資本管理的基金規模為人民幣87.6億元。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OPERATING INCOME AND GROSS PROFIT

For the year ended 31 December 2018, the Group's revenue was mainly derived from development and management services income of approximately RMB999.7 million (2017: approximately RMB753.2 million), income from sale of properties of approximately RMB6.41 billion (2017: approximately RMB5.43 billion) and rental and property management fee income of approximately RMB154.3 million (2017: approximately RMB34.8 million), which in aggregate was approximately RMB7.56 billion (2017: approximately RMB6.21 billion), representing an increase of approximately 21.7% as compared with the year of 2017. Total income from development and management services income increased by approximately 32.7% and sale of properties increased by approximately 18.1% respectively.

For the year ended 31 December 2018, the gross profit of the Group was approximately RMB2.15 billion (2017: approximately RMB1.52 billion), representing an increase of approximately 41.4% as compared with the year of 2017. The overall gross profit margin of the Group was approximately 28.5% (2017: approximately 24.5%), representing an increase of 4 percentage points as compared with the year of 2017. It was mainly due to an increase of approximately 32.7% in revenue from the development and management services with higher gross profit margins as compared with last year. The gross profit margin of joint ventures and associates was approximately 24.5% (2017: approximately 22.2%).

### PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY

For the year ended 31 December 2018, the profit attributable to the shareholders of the Company was approximately RMB1.11 billion (2017: approximately RMB580.5 million), representing a significant increase of approximately 91.7% as compared with the year of 2017. The net core profit attributable to the shareholders of the Company after deducting unrealized foreign exchange gains arising from foreign currency loans and current accounts between the subsidiaries of the Group during the year, as well as the gain on fair value changes, amounted to approximately RMB941.3 million (2017: approximately 791.9 million) representing an increase of approximately 18.9% as compared with the year of 2017.

### 經營收入及毛利

截至二零一八年十二月三十一日止年度，本集團之營業收入主要來自於開發及管理服務收入約為人民幣999.7百萬元(二零一七年：約為人民幣753.2百萬元)、物業銷售收入約為人民幣64.1億元(二零一七年：約為人民幣54.3億元)、以及租金及物業管理費收入約為人民幣154.3百萬元(二零一七年：約為人民幣34.8百萬元)，合計共約為人民幣75.6億元(二零一七年：約為人民幣62.1億元)，較二零一七年上升約21.7%。開發及管理服務收入總額上升約32.7%，物業銷售收入總額上升約18.1%。

截至二零一八年十二月三十一日止年度，本集團之毛利約為人民幣21.5億元(二零一七年：約為人民幣15.2億元)，較二零一七年上升約41.4%，本集團之整體毛利率約為28.5%(二零一七年：約24.5%)，較二零一七年上升4個百分點，主要來源於毛利率較高的開發管理服務收入較上年增加約32.7%。合營及聯營項目毛利率約24.5%(二零一七年：約22.2%)。

### 歸屬本公司股東的利潤

截至二零一八年十二月三十一日止年度，歸屬本公司股東的利潤約為人民幣11.1億元(二零一七年：約為人民幣580.5百萬元)，較二零一七年顯著增長約91.7%。扣除本年度本集團內部附屬公司之間外幣借款與外幣往來形成的未實現匯兌收益，公允價值變動收益後，歸屬本公司股東的核心淨利潤約為人民幣941.3百萬元(二零一七年：約為人民幣791.9百萬元)，較二零一七年上升約18.9%。

## CONTRACTED SALES AND PROPERTIES SOLD BUT NOT RECOGNISED

For the year of 2018, “Landsea Products” recorded contracted sales of approximately RMB38.15 billion (including the contracted sales of approximately RMB35.95 billion from the Group and a small amount of remaining projects entrusted by Landsea Group) (2017: RMB32.05 billion), representing an increase of approximately 19.0% as compared with the year of 2017. The contracted gross floor area of 1,964,658 square meters, representing an increase of approximately 20.6% as compared with the year of 2017 (including 1,846,575 square meters from the Group and a small amount of remaining projects entrusted by Landsea Group) (2017: 1,629,394 square meters), among which the total contracted sales of the property projects in which the Group held equity interests amounted to approximately RMB23.62 billion with contracted sales area of approximately 1,172,410 square meters, i.e. an average selling price of RMB20,146 per square meter. The contracted sales were mainly from the on-sale projects in Shanghai, Hangzhou, Nanjing, Chengdu, Tianjin, Suzhou etc. in the PRC and the first-tier portal cities in the United States. As at 31 December 2018, the Group’s accumulated areas of properties sold but not recognised were 1,655,467 square meters (2017: 1,430,000 square meters), amounting to approximately RMB29.66 billion (2017: approximately RMB28.46 billion), in which areas of properties sold but not recognised attributable to the Group were 656,458 square meters (2017: 440,000 square meters), amounting to approximately RMB12.26 billion (2017: approximately RMB9.17 billion).

## 簽約銷售及已售未入賬物業

二零一八年度，「朗詩出品」簽約銷售額約為人民幣381.5億元（包括本集團約為人民幣359.5億元簽約銷售額及少量朗詩集團委託管理之尾盤項目）（二零一七年：人民幣320.5億元），較二零一七年年上漲約19.0%。簽約建築面積為1,964,658平方米，較二零一七年年上漲約20.6%（包括本集團1,846,575平方米及少量朗詩集團委託管理之尾盤項目）（二零一七年：1,629,394平方米）。其中，本集團錄得物業銷售權益項目的簽約銷售總計約為人民幣236.2億元，簽約銷售面積為1,172,410平方米，均價為每平方米人民幣20,146元。合同銷售主要是來自中國上海、杭州、南京、成都、天津、蘇州等城市以及美國一線門戶城市的在售項目。於二零一八年十二月三十一日，本集團累計已售未入賬物業面積為1,655,467平方米（二零一七年：1,430,000平方米），金額約為人民幣296.6億元（二零一七年：人民幣284.6億元），其中，本集團應佔權益下的已售未入賬物業面積為656,458平方米（二零一七年：440,000平方米），金額約為人民幣122.6億元（二零一七年：人民幣91.7億元）。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Projects	Equity Holding	Contracted	Contracted Sales GFA	Average
		Sales Amounts		Contracted Sales
				Selling Price
				per Square Meter
				每平方米
項目	權益比例	合同銷售 金額 (RMB'000) (人民幣千元)	合同銷售 建築面積 (Square Meters) (平方米)	合同銷售 平均售價 (RMB) (人民幣元)
<b>Property sales</b>				
<b>物業銷售</b>				
1. Nanjing Youth Block 南京青春街區	100.0%	64,523	3,959	16,298
2. Nanjing Future Home 南京未來家	50.1%	52,361	4,890	10,707
3. Nanjing Poly Landsea Weilan 南京保利朗詩蔚藍	29.9%	57,910	1,367	42,372
4. Nanjing Landsea Xihua Mansion 南京熙華府	19.0%	452,500	5,188	87,213
5. Hefei Feidong Jade Garden 合肥肥東翡翠莊園	10.0%	370,883	19,659	18,866
6. Shangshi Landsea Future Block 上海朗詩未來街區	100.0%	166,612	7,018	23,741
7. Shanghai The Course of The Future 上海里程	100.0%	1,922	117	16,479
8. Shanghai New Mansion 上海新西郊	100.0%	572,558	6,022	95,076
9. Shanghai Changfenghui Silver Premier 上海長風滙銀銘尊	23.0%	610,116	12,349	49,408
10. Wuxi Tiancui 無錫天萃	100.0%	29,255	2,614	11,193
11. Suzhou Green County of Taihu 蘇州太湖綠郡	55.0%	2,067,080	116,378	17,762
12. Wuxi Luka Small Town 無錫綠卡小鎮	100.0%	9,535	616	15,471
13. Suzhou 8 Renmin Road 蘇州人民路8號	51.0%	730,931	13,635	53,608
14. Yixin Xindu Mansion 宜興新都府	26.0%	512,687	50,010	10,252
15. Hangzhou Mer De Fleus 杭州花漫里	100.0%	28,234	1,162	24,301

Projects	Equity Holding	Contracted Sales Amounts	Contracted Sales GFA	Average Contracted Sales Selling Price per Square Meter
				每平方米合同銷售平均售價
項目	權益比例	合同銷售金額 (RMB'000) (人民幣千元)	合同銷售建築面積 (Square Meters) (平方米)	合同銷售平均售價 (RMB) (人民幣元)
16. Hangzhou Xihua Mansion 杭州熙華府	49.0%	1,136,085	20,226	56,171
17. Hangzhou Le Mansion 杭州樂府	50.0%	1,448,129	31,017	46,689
18. Hangzhou Light of City 杭州城市之光	40.0%	1,410,611	72,627	19,423
19. Ningbo Crystal Apartment 寧波清澄寓	40.0%	201,069	14,046	14,315
20. Hangzhou Maple Union 杭州楓蔭	50.0%	306,319	18,563	16,501
21. Hangzhou Weilan Block 杭州蔚藍街區	20.0%	364,960	27,482	13,280
22. Chengdu Southern Gate Green 成都南門綠郡	25.0%	147,738	2,900	50,936
23. Chengdu Golden Sand City 成都金沙城	9.9%	2,594,764	142,249	18,241
24. Chengdu Future Home 成都未來家	50.0%	403,446	60,846	6,631
25. Chengdu Xihua Mansion 成都熙華府	33.0%	2,799,026	161,502	17,331
26. Chongqing Yue Mansion 重慶樂府	30.0%	534,261	39,233	13,618
27. Chengdu Landsea Cuiyue 成都朗詩萃樾	50.0%	23,388	1,690	13,839
28. Chengdu Shanglin Xihua Mansion 成都上林熙華府	100.0%	283,424	28,433	9,968
29. Tianjin Emerald Tsuen Wan 天津翡翠瀾灣	75.0%	1,452,823	102,459	14,180
30. Tianjin Cuiweilan Pavilion 天津翡微瀾閣	35.0%	487,539	35,855	13,598
31. Shijiazhuang Luquan Project 石家莊鹿泉項目	25.5%	412,970	53,960	7,653

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Projects	Equity Holding	Contracted	Contracted Sales GFA	Average
		Sales Amounts		Contracted Sales
				Selling Price
				per Square Meter
項目	權益比例	合同銷售 金額 (RMB'000) (人民幣千元)	合同銷售 建築面積 (Square Meters) (平方米)	每平方米 合同銷售 平均售價 (RMB) (人民幣元)
32. Suqian Weilan Elegant Yard 宿遷蔚藍雅苑	51.0%	384,678	38,114	10,093
33. Avora	51.0%	201,088	2,825	71,189
34. Brookhaven	100.0%	169,295	5,903	28,680
35. Copperleaf	100.0%	33,469	1,204	27,794
36. Echo	70.0%	810,143	15,234	53,180
37. Nexus	70.0%	692,296	13,062	53,022
38. Pierce Boston	25.0%	471,977	4,046	116,652
39. Sagebluff	100.0%	204,080	7,024	29,055
40. Siena	100.0%	332,822	8,005	41,575
41. Stoneyridge	100.0%	174,873	3,406	51,339
42. Westerly	100.0%	191,263	8,086	23,656
43. Windstone	100.0%	219,582	7,429	29,577
Contract sales of the Group held equity interest 本集團持有權益項目合約銷售	Total 總計	23,619,225	1,172,410	20,146



## RECOGNISED SALES OF PROPERTIES OF SUBSIDIARIES

For the year ended 31 December 2018, the Group recorded recognised revenue of approximately RMB7.56 billion (2017: approximately RMB6.21 billion), representing an overall increase of approximately 21.7%. In particular, the consolidated subsidiaries of the Group recognised revenue from sales of properties and total sales area were approximately RMB6.41 billion (2017: approximately RMB5.43 billion) and 255,254 square meters respectively, mainly attributable to Suzhou Green County of Taihu, Nanjing Youth Block, Shanghai New Mansion, Shanghai Future Block, Hangzhou Mer De Fleus Project, Wuxi Luka Small Town, Wuxi Landsea Tiancui in the PRC, and The Vale Project, IronRidge Project, Westerly Project, Stoneyridge Project and Aliso Ridge Project in the United States. The average selling price in the PRC was RMB16,589 per sq.m. while the average selling price in the United States was RMB40,102 per sq.m..

## RECOGNISED SALE OF PROPERTIES OF JOINT VENTURES AND ASSOCIATES ATTRIBUTABLE TO THE GROUP

For the year ended 31 December 2018, the recognised sales of joint ventures and associates attributable to the Group of approximately RMB3.54 billion (2017: approximately RMB493.3 million), represent an overall increase of approximately 617.4% and 114,503 sq.m. in gross floor areas attributable to the Group. Sales attributable to the Group is mainly generated from Nanjing Xihua Mansion, Nanjing Poly Landsea Weilan, Suzhou Renmin Road, Chengdu Southern Gate Green, Shanghai Changfenghui Silver Premier and Nanjing Future Home in the PRC, and Pierce Boston Project and Avora Project in the United States. The average selling price in the PRC regions was approximately RMB26,273 per sq.m. and the average selling price in the United States regions was approximately RMB84,929 per square meter.

## 附屬公司已確認物業銷售

截至二零一八年十二月三十一日止年度，本集團已確認收入約為人民幣75.6億元（二零一七年：約為人民幣62.1億元），整體上升約21.7%。其中，本集團合併範圍內附屬公司確認物業銷售收入及總銷售面積分別約為人民幣64.1億元（二零一七年：約為人民幣54.3億元）及255,254平方米，主要是來自中國地區的蘇州太湖綠郡、南京青春街區、上海新西郊、上海未來街區、杭州朗詩花漫里項目、無錫綠卡小鎮、無錫朗詩天萃和美國地區The Vale項目、IronRidge項目、Westerly項目、Stoneyridge項目和Aliso Ridge項目。其中中國地區平均銷售價格為每平方米人民幣16,589元，美國地區平均銷售價格為每平方米人民幣40,102元。

## 應佔合營及聯營公司已確認物業銷售

截至二零一八年十二月三十一日止年度，本集團應佔權益下合營及聯營公司已確認銷售收入約為人民幣35.4億元（二零一七年：約為人民幣493.3百萬元），整體上升約617.4%，權益銷售總面積為114,503平方米。應佔權益銷售主要來自中國地區的南京熙華府、南京保利朗詩蔚藍、蘇州人民路、成都朗詩南門綠郡、上海長風匯銀銘尊項目，南京未來家和美國地區Pierce Boston項目和Avora項目。其中中國地區平均銷售價格約為每平方米人民幣26,273元，美國地區平均銷售價格約為每平方米人民幣84,929元。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PROPERTY DEVELOPMENT AND MANAGEMENT SERVICES

Benefiting from the full commencement of “asset-light” strategy of the Group, the Group recorded property development and management services income of approximately RMB999.7 million (2017: approximately RMB753.2 million) for the year ended 31 December 2018, representing an overall increase of approximately 32.7%. Gross profit margin of property development and management services income was maintained at 55.0%.

### RENTAL AND MANAGEMENT FEE

For the year ended 31 December 2018, the Group recognised rental and management fee income of approximately RMB154.3 million (2017: approximately RMB34.8 million), representing an increase of approximately 342.9% as compared with the year of 2017.

### FAIR VALUE GAIN ON INVESTMENT PROPERTIES

The Group's investment properties included Landsea Tower in Shenzhen, Huafei Apartment in Nanjing, Neighbourhood Union in Wuxi located in the PRC. Leveraging prime location and quality property management services of investment properties, they maintained a high occupancy rate during the year. For the year ended 31 December 2018, the Group's fair value gain on the investment properties was approximately RMB7.4 million (2017: RMB28.9 million). The fair value of investment properties was determined by a competent independent valuer based on the property's current business model adopted by the Group and its expected income to be generated. As at 31 December 2018, Wuxi Neighbourhood Union has started to be leased out by the Group. Therefore, the Group reclassified that property from properties held for sale to investment property.

### SELLING EXPENSES

For the year ended 31 December 2018, the Group recorded selling expenses of approximately RMB244.0 million (2017: approximately RMB119.9 million), representing an increase of 103.5% as compared with the year of 2017. The increase in selling expenses was mainly attributable to an increase of 80.0% in contract sales from consolidated projects during this year as compared with last year, and the corresponding pre-project promotion fees and sales commissions increased accordingly.

### 項目開發及管理服務收入

得益於「資產輕型化」經營戰略的全面實施，截至二零一八年十二月三十一日止年度，本集團之項目開發及管理服務收入約為人民幣999.7百萬元（二零一七年：約為人民幣753.2百萬元），整體上升約32.7%。項目開發及管理服務毛利率維持在55.0%。

### 租金及管理費收入

截至二零一八年十二月三十一日，本集團確認租金及管理費收入人民幣154.3百萬元（二零一七年：約為人民幣34.8百萬元），較二零一七年增加約342.9%。

### 投資性物業公允價值利得

本集團的投資性物業為位於中國深圳市的朗詩大廈、南京市的華飛公寓及無錫鄰里薈。鑒於投資性物業之位置優勝及物業管理質素良好，於本年度出租率一直維持於高水平。截至二零一八年十二月三十一日止年度，本集團錄得投資性物業的公允價值利得約為人民幣7.4百萬元（二零一七年：人民幣28.9百萬元）。物業公允價值由合資格獨立評估師按現時本集團投資物業的業務模式及預期收入作出評估。截至二零一八年十二月三十一日，本集團已將無錫鄰里薈開始對外出租，因此本集團將該物業從開發產品劃分至投資性物業。

### 銷售費用

截至二零一八年十二月三十一日止年度，本集團的銷售費用約為人民幣244.0百萬元（二零一七年：約為人民幣119.9百萬元），較二零一七年上升約103.5%，銷售費用的增加主要由於本年併表項目合約銷售較上年增加80.0%，相應的項目前期推廣費和銷售佣金隨之增加。

## ADMINISTRATIVE EXPENSES

The Group continued to implement its strict budget management in 2018. For the year ended 31 December 2018, the Group recorded administrative expenses of approximately RMB568.9 million (2017: approximately RMB420.2 million), representing an increase of approximately 35.4% as compared with the year of 2017 and within the budget control. During the year, the number of employees of the Group increased by 26.2% as compared with the year of 2017, therefore the administrative expenses increased.

## OTHER GAINS

For the year ended 31 December 2018, the Group recorded other gains of approximately RMB374.1 million (2017: approximately RMB12.0 million) representing an increase of approximately 3,019.9% as compared to 2017. The increase was mainly attributable to unrealized foreign exchange gains of approximately RMB185.2 million (2017: foreign exchange losses of approximately RMB270.3 million) arising from foreign currency loans and current accounts between the subsidiaries of the Group during the year.

## FINANCE COSTS

For the year ended 31 December 2018, the Group recorded interest expense of approximately RMB672.2 million (2017: approximately RMB534.3 million). In particular, part of the finance costs recognised for advance receipts under the new revenue standard which is firstly adopted amounted to approximately RMB154.5 million (2017: Nil). This part of finance cost is initially capitalised to the property development and subsequently carried forward to cost of sales. Excluding such effect, the finance costs of the Group was approximately RMB517.7 million (2017: approximately RMB534.3 million) decreased by approximately 3.1% as compared with the year of 2017. Under the asset-light strategy, new projects of the Group mainly included non-consolidated projects of joint ventures and associates. As a result, the capitalized portion of interest payable has decreased, while the portion charged to finance costs recognized for the year has increased. The capitalization rate of interest expenses of 37.6% in FY2018 (2017: 53.4%). For the year ended 31 December 2018, the expensed finance costs of the Group were approximately RMB299.3 million (2017: approximately RMB238.9 million). For the year ended 31 December 2018, the interest income of the Group was approximately RMB160.6 million. Net finance costs of the Group were approximately RMB138.7 million (2017: approximately RMB93.8 million). As at 31

## 行政費用

本集團二零一八年繼續實施嚴格的預算管理，截至二零一八年十二月三十一日止年度，本集團的行政費用約為人民幣568.9百萬元（二零一七年：約為人民幣420.2百萬元），較二零一七年上升約35.4%，均在預算控制範圍內。本集團於本年度員工人數較二零一七年增加26.2%，故行政費用相應增加。

## 其他利得

截至二零一八年十二月三十一日止年度，本集團的其他利得約為人民幣374.1百萬元（二零一七年：約為人民幣12.0百萬元），較二零一七年上升約3,019.9%，其他利得的增加主要是由於本年度本集團內部附屬公司之間外幣借款與外幣往來形成的未實現匯兌收益人民幣185.2百萬元（二零一七年：匯兌虧損約為人民幣270.3百萬元）增加導致。

## 財務成本

截至二零一八年十二月三十一日止年度，本集團利息費用約為人民幣672.2百萬元（二零一七年：約為人民幣534.3百萬元），其中首次運用新收入準則下對預收賬款確認的融資費用約為人民幣154.5百萬元（二零一七年：零）。該部分融資費用先資本化至開發中房地產，後隨銷售結轉收入成本。扣除該影響後，本集團財務費用人民幣517.7百萬元較二零一七年人民幣534.3百萬元下降約3.1%。在資產輕型化戰略下，本集團新增項目主要為非併表的合營及聯營公司項目，故對外支付的利息可資本化的比重下降，計入到本年費用化財務成本的比重增加。二零一八年利息費用的資本化比例為37.6%（二零一七年：53.4%），截至二零一八年十二月三十一日止年度，本集團費用化的財務成本約為人民幣299.3百萬元（二零一七年：約為人民幣238.9百萬元）。截至二零一八年十二月三十一日止年度，本集團的利息收入約為人民幣160.6百萬元。淨財務成本約為人民幣138.7百萬元（二零一七年：約為人民幣93.8百萬元）。截至二零一八年十二月三十一日，表



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December 2018, the on-balance sheet weighted average finance costs was approximately and stayed at 7.4%, remained unchanged as compared to last year. The off-balance sheet weighted average finance cost was approximately 6.3% (mainly borrowings for property development) (31 December 2017: approximately 6.1%).

### TAXATION

For the year ended 31 December 2018, the Group recorded taxation charge of approximately RMB821.2 million (2017: approximately RMB406.6 million). The increase was mainly due to the significant increase of 99.9% in assessable profit of the Group during the year.

### EARNINGS PER SHARE

For the year ended 31 December 2018, the basic and diluted earnings per share attributable to the shareholders of the Company were RMB0.27 and RMB0.24 respectively (31 December 2017: RMB0.14 and RMB0.13 respectively) representing an increase of approximately 90.2% and 92.1% as compared with the year of 2017. The basic core earnings per share was RMB0.23 (31 December 2017: approximately RMB0.20), representing an increase of approximately 16.2% as compared with the year of 2017.

### LAND RESERVES

As at 31 December 2018, the Group had project reserves with total GFA of 15,709,907 sq.m., saleable GFA of 6,719,580 sq.m. and expected saleable value of approximately RMB121.91 billion. In terms of equity interests, the total GFA of the project reserves attributable to the Group were 4,435,863 sq.m., saleable GFA of 1,463,535 sq.m. and expected saleable value of approximately RMB31.96 billion. The Group had also acquired 32 development management projects by entrusted independent third parties, with saleable GFA of approximately 3,023,363 square meters and expected sales value of RMB52.60 billion.

內加權平均財務成本約為7.4%，與上年持平；表外加權平均融資成本為6.3%（主要為項目開發貸款）（二零一七年十二月三十一日：約為6.1%）。

### 稅項

截至二零一八年十二月三十一日，本集團的稅項支出約為人民幣821.2百萬元（二零一七年：約為人民幣406.6百萬元），其增加原因主要由於本集團於本年度的應稅利潤大幅上升99.9%所致。

### 每股收益

截至二零一八年十二月三十一日，本公司股東應佔每股基本收益及每股稀釋收益為人民幣0.27元及人民幣0.24元（二零一七年十二月三十一日：人民幣0.14元及人民幣0.13元），較二零一七年分別上升約90.2%和92.1%，每股核心基本收益為人民幣0.23元（二零一七年十二月三十一日：人民幣約為0.20元），較二零一七年上升約16.2%。

### 項目儲備

於二零一八年十二月三十一日，本集團擁有的項目儲備總建築面積15,709,907平方米及可售面積6,719,580平方米及預計可售貨值約為人民幣1,219.1億元，按權益計算，本集團應佔項目儲備總建築面積4,435,863平方米及可售面積1,463,535平方米及預計可售貨值約為人民幣319.6億元，本集團之獨立第三方委託開發管理項目共32個，可售面積約為3,023,363平方米，預計可售貨值為人民幣526.0億元。

Number 序號	Projects 項目	Equity Holding 權益比例	GFA for Future				Value Sold 已售貨值 (RMB'000) (人民幣千元)	GFA Sold 已售面積 (Square Meters) (平方米)	Saleable Value 可售貨值 (RMB'000) (人民幣千元)	Saleable GFA 可售面積 (Square Meters) (平方米)
			GFA	Developed GFA	Developing GFA	Development				
			總建築面積 (Square Meters) (平方米)	已竣工物業面積 (Square Meters) (平方米)	發展中物業面積 (Square Meters) (平方米)	未來發展物業面積 (Square Meters) (平方米)				
1	Shanghai Future Block 上海未來街區	100.0%	233,791	233,791	-	-	2,085,178	110,893	1,069,756	38,662
2	Hangzhou Mer De Fleus 杭州花漫里	100.0%	180,474	180,474	-	-	1,421,088	120,849	1,220	-
3	Shanghai The Course of The Future 上海里程	100.0%	106,622	106,622	-	-	1,314,401	79,500	42,983	1,477
4	Nanjing Youth Block 南京青春街區	100.0%	314,894	257,285	57,610	-	2,858,216	244,562	63,258	852
5	Nanjing Future Home 南京未來家	50.1%	133,530	133,530	-	-	959,316	109,579	9,756	-
6	Suzhou 8 Renmin Road 蘇州人民路8號	51.0%	85,983	85,983	-	-	1,729,628	54,592	317,532	9,961
7	Suzhou Green County of Taihu 蘇州太湖綠郡	55.0%	432,732	325,192	107,540	-	5,405,169	315,536	307,759	11,745
8	Wuxi Tiancui 無錫天萃	100.0%	48,772	48,772	-	-	494,072	34,681	11,565	312
9	Wuxi Luka Small Town 無錫綠卡小鎮	100.0%	139,689	133,919	-	5,770	691,504	93,451	103,608	5,770
10	Nanjing Poly Landsea Weilan 南京保利朗詩蔚藍	29.9%	250,567	104,271	146,296	-	5,554,535	195,384	115,166	2,142
11	Nanjing Landsea Xihua Mansion 南京熙華府	19.0%	201,116	178,725	22,391	-	5,502,760	149,295	105,470	3,178
12	Chengdu Southern Gate Green 成都南門綠郡	25.0%	235,149	151,020	84,129	-	2,546,501	151,552	252,941	4,215
13	Shanghai New Mansion 上海新西郊	100.0%	15,787	15,787	-	-	1,145,432	11,110	336,388	3,924
14	Hangzhou Xihua Mansion 杭州熙華府	49.0%	139,152	-	139,152	-	4,203,830	86,901	181,892	1,859
15	Hangzhou Le Mansion 杭州樂府	50.0%	80,602	-	80,602	-	2,565,314	53,523	119,166	1,316
16	Chengdu Golden Sand City 成都金沙城	9.9%	685,684	-	685,684	-	2,685,284	190,361	4,457,756	167,371
17	Tianjin Zhong Xin Eco-City Project 天津翡翠灣	75.0%	142,156	-	141,048	1,108	1,452,823	102,459	93,465	5,801
18	Tianjin Huoli Gang Project 天津活力港項目	35.0%	97,760	-	97,760	-	-	-	1,058,122	69,491
19	Tianjin Cuweilan Pavilion 天津翠微瀾閣	35.0%	59,332	-	59,332	-	487,539	35,855	119,170	6,282
20	Shanghai Changfenghui Silver Premier 上海長風匯銀絲尊	23.0%	18,875	18,875	-	-	889,575	16,877	67,227	1,529
21	Suzhou High-Speed Rail New Town Project 蘇州高鐵新城項目	51.0%	91,368	-	91,368	-	-	-	887,187	63,634
22	Wuhan Xudong Project 武漢徐東項目	30.0%	140,270	-	-	140,270	-	-	4,079,579	98,974
23	Chengdu Muhua Road Project 成都牧華路項目	4.9%	1,022,400	-	-	1,022,400	-	-	8,259,760	724,177

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Number 序號	Projects 項目	Equity Holding 權益比例	GFA				GFA for Future			
			GFA	Developed GFA	Developing GFA	Development	Value Sold	GFA Sold	Saleable Value	Saleable GFA
			(Square Meters) (平方米)	(Square Meters) (平方米)	(Square Meters) (平方米)	(Square Meters) (平方米)	(RMB'000) (人民幣千元)	(Square Meters) (平方米)	(RMB'000) (人民幣千元)	(Square Meters) (平方米)
24	Wuhan Landsea Yue Mansion 武漢朗詩悅府	5.0%	235,316	-	235,316	-	2,225,101	129,366	617,204	33,251
25	Changsha Lu Island 長沙麓島	1.0%	245,540	25,803	82,673	137,064	393,810	74,602	543,265	87,699
26	Chengdu Xihua Mansion 成都熙華府	33.0%	367,753	-	367,753	-	3,911,680	227,036	923,635	28,375
27	Hangzhou Maple Union 杭州楓蔭	50.0%	48,574	-	48,574	-	306,319	18,563	345,802	18,766
28	Hefei Wanxin's Hi-tech Court 合肥皖新高新麓院	25.0%	129,919	-	49,065	80,854	-	-	2,097,981	90,370
29	Hangzhou Light of City 杭州城市之光	40.0%	94,095	-	94,095	-	1,410,611	72,627	64,750	176
30	Ningbo Crystal Apartment 寧波清源寓	100.0%	94,282	-	94,282	-	201,069	14,046	944,831	58,764
31	Chengdu Future Home 成都未來家	50.0%	146,733	-	146,733	-	647,647	96,714	224,431	11,108
32	Chengdu Landsea Cuiyue 成都朗詩萃樾	50.0%	30,316	-	30,316	-	23,388	1,690	175,120	9,543
33	Xian Fengdong Jiapeng Project 西安灃東嘉麟項目	100.0%	85,104	-	-	85,104	-	-	749,715	57,345
34	Hefei Feidong Jade Garden 合肥肥東翡翠莊園	10.0%	57,398	-	57,398	-	-	-	626,546	40,422
35	Yixing Xindu Mansion 宜興新都府	26.0%	221,630	-	172,755	48,874	512,687	50,010	1,097,235	112,653
36	Suzhou Weilan Court 宿遷蔚藍溪苑	51.0%	224,663	-	122,061	102,602	-	-	1,585,524	161,276
37	Suzhou Weilan Elegant Court 宿遷蔚藍雅苑	51.0%	193,500	-	100,921	92,580	384,678	38,114	1,548,503	100,693
38	Chongqing Caijia Project 重慶樂府	30.0%	405,196	-	216,981	188,215	534,261	39,233	3,790,978	228,512
39	Hangzhou Weilan Block 杭州蔚藍街區	20.0%	108,993	-	108,993	-	364,960	27,482	731,428	55,078
40	Nanjing Lishui G06 Project 南京溧水 G06 項目	20.0%	209,516	-	209,516	-	-	-	3,174,352	151,153
41	Suzhou Liu Garden 蘇州留園	100.0%	12,485	-	12,485	-	-	-	288,000	7,311
42	Hangzhou Linglongyue 杭州玲瓏樾	30.0%	153,746	-	-	153,746	-	-	2,310,000	127,214
43	Chengdu Golden Mansion 成都金堂	51.0%	384,307	-	-	384,307	-	-	2,458,170	287,548
44	Chengdu Shanglin Xihua Mansion 成都上林熙華府	100.0%	265,743	-	101,884	163,859	283,424	28,433	3,738,307	163,913
45	Suzhou Henglong Project 蘇州亨逸項目	15.0%	129,571	-	58,572	70,999	-	-	2,683,000	87,604
46	Kunshan Huajiao Project 昆山花樵項目	51.0%	44,102	-	-	44,102	-	-	787,440	26,248
47	Kunshan Zhoushi Project 昆山周市項目	51.0%	42,683	-	-	42,683	-	-	797,616	27,504



Number 序號	Projects 項目	Equity Holding 權益比例	GFA for Future				Value Sold 已售貨值 (RMB'000) (人民幣千元)	GFA Sold 已售面積 (Square Meters) (平方米)	Saleable Value 可售貨值 (RMB'000) (人民幣千元)	Saleable GFA 可售面積 (Square Meters) (平方米)
			GFA	Developed GFA	Developing GFA	Development				
			總建築面積 (Square Meters) (平方米)	已竣工物業面積 (Square Meters) (平方米)	發展中物業面積 (Square Meters) (平方米)	未來發展物業面積 (Square Meters) (平方米)				
48	Shijiazhuang Luquan Project 石家莊鹿泉項目	25.5%	162,479	-	53,960	108,519	412,970	53,960	655,036	69,083
49	Nanjing Wangjiawan Project 南京王家灣項目	60.0%	144,677	-	-	144,677	-	-	1,873,557	72,484
50	Nanjing Haiyue Metropol 南京海玥名都	0.0%	278,748	278,748	-	-	9,558,941	205,135	76,650	-
51	Nanjing Landsea Golden Elephant Mangrove 南京朗詩金象紅樹林	0.0%	307,241	-	307,241	-	4,152,467	148,462	2,156,209	69,370
52	Nanjing Jiulonghu Plot C 南京九龍湖 C 地塊	0.0%	44,271	-	44,271	-	-	-	1,135,350	40,916
53	Nanjing Jiulonghu Plot A/B 南京九龍湖 A/B 地塊	0.0%	115,000	115,000	-	-	1,902,929	80,432	238,997	8,337
54	Changzhou Landsea Garden 常州朗詩園	0.0%	224,574	224,574	-	-	1,719,082	160,774	91,170	4,900
55	Hefei Wanxin's Green County 合肥皖新朗詩綠郡	0.0%	148,441	148,441	-	-	1,332,040	102,268	10,405	655
56	Wuxi Landsea New County 無錫朗詩新郡	0.0%	205,189	99,227	105,962	-	3,156,250	136,836	313,220	11,115
57	Baoding Xishanyue Project 保定溪山樾項目	0.0%	14,040	-	14,040	-	141,675	5,378	263,446	8,662
58	Wuzhong Hongzhuang Project in Suzhou 蘇州吳中紅莊項目	0.0%	130,001	-	122,242	7,759	348,135	13,941	770,360	28,163
59	Chengdu Landsea Yue Future Block 成都朗詩悅未來	0.0%	51,934	-	51,934	-	417,090	32,214	125,000	3,346
60	Century Landsea Green County in Yancheng Dongtai 鹽城東台朗詩世紀綠郡	0.0%	209,251	-	72,079	137,172	259,221	32,158	1,319,043	122,927
61	Nanjing Project G68 南京 G68 項目	0.0%	191,800	-	191,800	-	-	-	10,500,000	150,000
62	Wuxi New County Project 2A3 無錫新郡 2A3 項目	0.0%	268,752	-	-	268,752	-	-	3,911,600	188,000
63	Jiangyin Lingang Project 江陰臨港項目	0.0%	131,098	-	131,098	-	133,884	33,959	612,875	70,912
64	Beijing Kangzeyuan Project 北京康澤園項目	0.0%	45,860	-	-	45,860	-	-	1,013,000	33,998
65	Xuzhou Peixian Fankuai Road Project 徐州沛縣樊疇路項目	0.0%	433,433	-	-	433,433	-	-	2,031,528	333,498
66	Ma'anshan Xinhua Mansion 馬鞍山熙華府	0.0%	330,339	-	147,756	182,583	403,412	45,324	1,659,734	198,263
67	Jurong Wandu Linglongyue 句容萬都玲瓏樾	0.0%	192,905	-	192,905	-	580,055	34,026	1,211,876	81,587
68	Beijing Zhangjiakou Project 北京張家口項目	0.0%	128,446	-	-	128,446	-	-	966,684	75,699
69	Tangshan Yutian Project 唐山玉田項目	0.0%	134,625	-	-	134,625	-	-	774,146	124,046
70	Nanjing Jiangning Project G45 南京江寧 G45 項目	0.0%	132,555	-	132,555	-	-	-	2,300,000	105,000
71	Shangfang Project G22 in Nanjing Jiangning 南京江寧上坊 G22 項目	0.0%	101,138	-	-	101,138	-	-	2,546,455	75,324

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Number 序號	Projects 項目	Equity Holding 權益比例	GFA for Future				Value Sold 已售貨值 (RMB'000) (人民幣千元)	GFA Sold 已售面積 (Square Meters) (平方米)	Saleable Value 可售貨值 (RMB'000) (人民幣千元)	Saleable GFA 可售面積 (Square Meters) (平方米)
			GFA	Developed GFA	Developing GFA	Development				
			(Square Meters) (平方米)	(Square Meters) (平方米)	(Square Meters) (平方米)	(Square Meters) (平方米)				
72	Nanjing Landsea Linglongjun 南京朗詩玲瓏郡	0.0%	134,633	-	134,633	-	-	-	2,608,499	101,237
73	Siyang Wisdom City 泗陽智慧城	0.0%	206,398	-	-	206,398	-	-	1,470,000	206,398
74	Wuhan West Coast 武漢西海岸	0.0%	171,838	43,779	128,059	-	911,538	82,707	360,086	26,964
75	Jinan Zhangqiu Casting Centre 濟南章丘鑄鍛中心	0.0%	354,093	-	-	354,093	-	-	4,300,000	243,600
76	Rugao Landsea Golden City 如皋朗詩金鼎名城	0.0%	350,602	-	-	350,602	-	-	3,322,250	250,086
77	Wujiang Shangyi Motor City Phase II 吳江上億汽車城二期	0.0%	196,400	-	-	196,400	-	-	1,484,850	97,950
78	Xi'an Yannan 5th Road 西安雁南五路項目	0.0%	68,441	-	-	68,441	-	-	759,411	44,301
79	Changzhou Central Art Park 常州中央藝術公園	0.0%	140,912	-	-	140,912	-	-	2,231,000	103,072
80	Chengdu PAG Riverside Garden 成都PAG 水岸雅居	0.0%	188,652	-	188,652	-	-	-	807,550	106,727
81	Chengdu PAG Wulong Mountain Mansion 成都PAG 五龍山嶼府	0.0%	191,853	-	191,853	-	-	-	1,024,010	108,310
82	Avora	51.0%	31,776	16,930	14,846	-	553,721	7,612	1,184,030	12,474
83	The Westerly	100.0%	34,559	6,224	6,060	22,275	170,709	7,223	662,380	27,337
84	Pierce Boston	25.0%	39,202	39,202	-	-	2,586,545	33,264	60,681	780
85	Portola Center South (Iron Ridge)	100.0%	143,781	26,773	47,106	69,902	1,007,456	65,785	2,292,073	77,996
86	Stoney Ridge & Stoney Hill	100.0%	4,969	1,988	2,981	-	204,137	4,043	48,539	926
87	The Vale	70.0%	77,694	54,887	22,807	-	2,545,918	61,416	883,348	16,278
88	Sanctuary - Village II	100.0%	259,745	-	227,899	31,846	1,086,133	226,026	1,052,122	33,719
89	Siena	100.0%	12,079	-	12,079	-	310,979	7,479	196,982	4,599
90	Lido Villas	100.0%	4,350	-	4,350	-	-	-	401,255	4,350
91	Synagogue	90.0%	4,049	641	3,408	-	-	-	576,500	3,408
92	Abigail Place	100.0%	5,086	-	299	4,787	-	-	216,598	5,086
93	Catalina	100.0%	8,779	-	-	8,779	-	-	495,040	8,779
94	Sonora Crossing	100.0%	14,978	-	-	14,978	-	-	198,373	14,978
95	14th & 6th	95.0%	7,550	-	4,853	2,697	-	-	1,034,951	5,920
96	Tevelde	100.0%	110,248	-	-	110,248	-	-	1,899,154	110,248
97	Catalina II	100.0%	6,304	-	-	6,304	-	-	359,294	6,304
98	Deerlake	100.0%	15,640	-	-	15,640	-	-	446,208	15,640
99	Novato	100.0%	10,629	-	-	10,628	-	-	401,317	10,630
Total 合計			15,709,907	3,056,463	6,581,013	6,072,431	89,087,087	4,555,298	121,907,401	6,719,580
Of Which Subtotal of Equity-held Project 其中，持有權益項目小計			9,886,444	2,146,694	4,423,933	3,315,817	64,070,368	3,441,684	69,311,997	3,696,217
Subtotal of Entrusted Development and Management Project 委託開發管理項目小計			5,823,463	909,769	2,157,080	2,756,614	25,016,719	1,113,614	52,595,404	3,023,363

Projects 項目	Equity holding 權益比例	Status 狀態	Usage 用途	GFA 建築面積 (Squares Meters) (平方米)
Shanghai Huangxing Building 上海黃興大樓	100.0%	Under renovation 裝修改造	To be leased 擬出租	11,427
Shanghai Senlan Apartment* 上海森蘭公寓*	50.0%	Completed 竣工	Leasing 出租中	46,296
Nanjing Huafei Apartment 南京華飛宿舍	100.0%	Completed 竣工	Leasing 出租中	5,729
Shenzhen Landsea Tower 深圳朗詩大廈	100.0%	Completed 竣工	Leasing 出租中	23,736
Guangzhou Jiefang Tower* 廣州解放大廈*	33.3%	Completed 竣工	Leasing 出租中	11,507
Wuxi Neighbourhood Union 無錫鄰里薈	100.0%	Completed 竣工	Leasing 出租中	10,667
			Total 合計	109,362

\* The property is held by a joint venture of the Company

\* 該項目由本公司之合營公司持有

## LIQUIDITY AND FINANCIAL RESOURCES CASH POSITIONS

As at 31 December 2018, the Group's cash and cash equivalents and restricted cash amounted to approximately RMB5.95 billion (As at 31 December 2017: approximately RMB3.62 billion), representing an increase of 64.1%. As at 31 December 2018, the Group's current ratio (current assets divided by current liabilities) was approximately 1.5 times (As at 31 December 2017: 1.4 times).

## 流動資金及財務資源 現金狀況

於二零一八年十二月三十一日，本集團現金及現金等價物以及受限制現金約為人民幣59.5億元（於二零一七年十二月三十一日：約為人民幣36.2億元），上升64.1%。於二零一八年十二月三十一日，本集團的流動資產比率（流動資產除以流動負債）約為1.5倍（於二零一七年十二月三十一日：1.4倍）。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### INDEBTEDNESS

As at 31 December 2018, the total indebtedness of the Group amounted to approximately RMB7.02 billion (As at 31 December 2017: approximately RMB5.43 billion), representing an increase of 29.4%, mainly comprised shareholder's loans, secured bank loans, senior notes and EB-5 financing. As at 31 December 2018, total net debts<sup>#</sup> were approximately RMB1.62 billion (As at 31 December 2017: approximately RMB2.09 billion). As at 31 December 2018, the proportion of short-term debts was 9.7% (As at 31 December 2017: 40.0%) and long-term debts was 90.3% (As at 31 December 2017: 60.0%), with continuous optimisation of long and short-term debt structure.

Analysis of Indebtedness:

### 債務

於二零一八年十二月三十一日，本集團債務總計約為人民幣70.2億元（於二零一七年十二月三十一日：約為人民幣54.3億元），上漲29.4%。本集團的債務主要包括股東貸款、有抵押銀行借款、優先債券及EB-5融資。於二零一八年十二月三十一日，淨負債<sup>#</sup>總計約為人民幣16.2億元（於二零一七年十二月三十一日：約為人民幣20.9億元）。於二零一八年十二月三十一日，短期債務比例為9.7%（於二零一七年十二月三十一日：40.0%），長期債務比例為90.3%（於二零一七年十二月三十一日：60.0%），長短期債務結構得到持續優化。

債務分析：

		31 December 2018 二零一八年 十二月三十一日		31 December 2017 二零一七年 十二月三十一日	
		RMB'000 人民幣千元	Percentage 佔百分比	RMB'000 人民幣千元	Percentage 佔百分比
Analysis of indebtedness by currency:	總債務以結算貨幣分析：				
Denominated in RMB	以人民幣結算	3,508,890	49.95%	3,202,900	58.99%
Denominated in USD	以美元結算	3,169,781	45.12%	1,995,807	36.76%
Denominated in HK\$	以港元結算	345,924	4.93%	230,708	4.25%
		<b>7,024,595</b>	<b>100.00%</b>	<b>5,429,415</b>	<b>100.00%</b>
Analysis of indebtedness by maturity:	總債務以到期日分析：				
Within one year	第一年內	683,580	9.73%	2,174,458	40.05%
Between one and two years	第一年至兩年	4,441,395	63.23%	188,019	3.46%
Over two years	兩年以上	1,899,620	27.04%	3,066,938	56.49%
		<b>7,024,595</b>	<b>100.00%</b>	<b>5,429,415</b>	<b>100.00%</b>

<sup>#</sup> net debts = total debt less cash and cash equivalents (excluding restricted cash)

<sup>#</sup> 淨負債 = 債務總額減現金及現金等價物（不含受限資金）

## OFF-BALANCE SHEET EQUITY DATA

With the implementation of the asset-light strategy, the reserves of new projects of the Group primarily relates to joint ventures and associates accounted for using the equity method, the balance sheet information of which has not yet been included to the consolidated financial statements of the Group. As at 31 December 2018, cash and bank balance attributable to the Group in proportion to the equity in joint ventures and associates was approximately RMB1.91 billion (As at 31 December 2017: approximately RMB2.35 billion), while the balance of interest-bearing liabilities attributable to the Group in proportion to the equity in joint ventures and associates was approximately RMB2.19 billion (As at 31 December 2017: approximately RMB1.89 billion), and the net debt balance attributable to the Group in proportion to the equity in joint ventures and associates was RMB273.2 million (As at 31 December 2017: net cash balance attributed approximately RMB456.4 million).

## GEARING RATIOS

The Group has been working hard on optimizing its capital and debt structure. As at 31 December 2018, the on-balance sheet net debts to equity ratio<sup>#</sup> of the Group was approximately 34.0% (As at 31 December 2017: 56.5%), representing a decrease of 22.5 percentage point as compared with 31 December 2017. The off-balance sheet net debts as at 31 December 2018 was RMB273.2 million. The aggregate on-balance sheet and off-balance sheet net debts was RMB1.89 billion. The aggregate on-balance sheet and off balance sheet net debts to equity ratio was approximately 39.8% as at 31 December 2018 (As at 31 December 2017: 44.1%), representing a decrease of 4.3 percentage point as compared with 31 December 2017. The Group's debt to total assets ratio (total borrowings divided by total assets) was approximately 26.2% as at 31 December 2018 (As at 31 December 2017: 26.7%). In addition, the debt to assets ratio of the Group was 82.2% as at 31 December 2018 (As at 31 December 2017: 81.8%), which basically remained unchanged as compared with 31 December 2017. The management will continue to monitor the Group's capital and debt structure from time to time with an aim to mitigating its exposure to the risk of gearing.

<sup>#</sup> net debts to equity ratio = total debts less cash and cash equivalents (excluding restricted cash) divided by total equity

## 表外權益下數據

在資產輕型化戰略下，本集團新增項目儲備主要為權益法核算的合營及聯營公司項目，其資產負債信息未納入本集團綜合財務報表中。截至二零一八年十二月三十一日，本集團於合營及聯營公司按照權益比例應佔貨幣資金餘額約為人民幣19.1億元（於二零一七年十二月三十一日：約為人民幣23.5億元），於合營及聯營公司按照權益比例應佔有息負債餘額約為人民幣21.9億元（於二零一七年十二月三十一日：人民幣18.9億元），於合營及聯營公司按照權益比例應佔淨負債餘額約為人民幣273.2百萬元（於二零一七年十二月三十一日：應佔淨現金餘額約為人民幣456.4百萬元）。

## 負債比率

本集團一直努力優化資本及負債結構，於二零一八年十二月三十一日的表內淨負債與股本權益比率<sup>#</sup>約為34.0%（於二零一七年十二月三十一日：56.5%），與二零一七年十二月三十一日相比下降22.5個百分點。表外項目於二零一八年十二月三十一日的淨負債為人民幣273.2百萬元，表內和表外淨負債合計人民幣18.9億元，表內外淨負債合計值與股本權益比率約為39.8%（於二零一七年十二月三十一日：44.1%），與二零一七年十二月三十一日相比下降4.3個百分點。本集團負債資產比率（債務總額除以總資產）於二零一八年十二月三十一日約為26.2%（於二零一七年十二月三十一日：26.7%）。另外，本集團之資產負債率為82.2%（於二零一七年十二月三十一日：81.8%），與二零一七年十二月三十一日相比基本持平。管理層會經常性監控本集團資本及負債結構，以減低所承受的債務風險。

<sup>#</sup> 淨負債與股本比率 = 債務總額減現金及現金等價物（不含受限資金）除以股本權益總額

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### PLEDGE OF ASSETS OF THE GROUP

As at 31 December 2018, the bank loans of the Group were secured by one or a combination of the following items: investment properties, leasehold land payments, properties under development, properties held for sale, restricted cash and guarantees provided by controlling shareholders. Senior notes were guaranteed by certain subsidiaries of the Company. EB-5 loans are guaranteed by a subsidiary.

### FOREIGN EXCHANGE AND CURRENCY RISK

As at 31 December 2018, the Group's cash and cash equivalents and restricted cash were mainly denominated in Renminbi, Hong Kong dollar and United States dollar. The functional currency of the Group's subsidiaries in the United States is US dollar while that of the Hong Kong subsidiaries is Hong Kong dollar, and that of the domestic subsidiaries is Renminbi. As at 31 December 2018, the borrowing of RMB1.67 billion to the Group's subsidiary in the United States from the ultimate controlling shareholder was the long-term financial support to the Group. The amounts of RMB2.17 billion of the Group's Hong Kong subsidiary due to its PRC subsidiary were the internal funds transfer of the Group. The exchange rate changes in the said amounts resulted in exchange gains recorded by the Group of RMB185.2 million in FY2018 (2017: exchange losses of RMB270.3 million). The exchange gain or loss is unrealized profit or loss and hence no financial instrument is required for hedging purposes.

### INTEREST RATE RISK

As at 31 December 2018, the debts payable borne with fixed interest rate accounted for approximately 69.3% (As at 31 December 2017: 84.2%) of the total debts of the Group. In this regard, the exposure to interest rate risk was minimal. The Group will continue to monitor the trend of interest rates in the market closely and seek to adopt appropriate risk management measures for mitigating the exposure to the interest rate risk.

### 本集團資產抵押

於二零一八年十二月三十一日，本集團的銀行貸款由以下一種或幾種組合擔保：投資物業、租賃土地付款、開發中房地產、持作銷售物業、受限制現金及控股股東提供的擔保。優先債券由本公司之若干附屬公司擔保。EB-5貸款由一間附屬公司擔保。

### 外匯及外幣風險

於二零一八年十二月三十一日，本集團之現金及現金等價物及受限制現金以人民幣、港元及美元為主要幣值。本集團美國附屬公司記賬本位幣為美元，香港附屬公司記賬本位幣為港幣，境內附屬公司記賬本位幣為人民幣。截至二零一八年十二月三十一日，本集團美國附屬公司來自最終控股股東16.7億元人民幣借款，是控股股東對本集團之長期資金支持，本集團香港附屬公司應付境內附屬公司之款項21.7億元人民幣，是本集團內部資金往來，相應的匯率變動形成了本集團賬面匯兌收益人民幣185.2百萬元（二零一七年：匯兌虧損人民幣270.3百萬元），該匯兌收益或損失為未實現的匯兌損益。故本公司未採用任何金融工具作對沖用途。

### 利率風險

於二零一八年十二月三十一日，本集團固定利率的應付債務佔總借款約69.3%（於二零一七年十二月三十一日：84.2%），面對的利率波動風險較低。本集團將會密切監察市場利息趨向及會尋求合適的風險管理措施，以減低利率風險。



## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

On 8 February 2018, 廣州朗秀企業管理諮詢有限公司 (Guangzhou Langxiu Corporate Management Consulting Limited\*) ("Guangzhou Langxiu"), a wholly-owned subsidiary of the Company, completed the acquisition of the entire equity interest of 廣州建昭企業管理諮詢有限公司 (Guangzhou Jianzhao Corporate Management Consulting Limited\*), formerly known as 廣州市建昭置業有限公司 (Guangzhou Jianzhao Properties Company Limited\*) ("Guangzhou Jianzhao"), a company holding properties in Yuexiu District, Guangzhou at the consideration of RMB230,000,000 (subject to adjustment), and accepted the assignment of the loan at the consideration of RMB30,000,000. Guangzhou Jianzhao has become a wholly-owned subsidiary of the Company since then. For details of the transaction, please refer to the announcement of the Company dated 18 December 2017. In FY2018, new independent investors injected an aggregate of RMB88.4 million as capital into Jiaying Langrong Investment Partnership (Limited Partnership) ("Jiaying Langrong"), the immediate holding company of Guangzhou Langxiu. After such capital injection, Jiaying Langrong was held as to 66.6% by the investors and 33.4% by the Group. Jiaying Langrong, Guangzhou Langxiu and Guangzhou Jianzhao ceased to be subsidiaries of the Group. The capital injection did not constitute any notifiable transaction of the Company.

## 重大投資、重大收購及出售事項

於二零一八年二月八日，本公司之全資附屬公司廣州朗秀企業管理諮詢有限公司（「廣州朗秀」）完成以代價人民幣230,000,000元（可予調整）收購廣州建昭企業管理諮詢有限公司（前稱「廣州市建昭置業有限公司」）（「廣州建昭」，一間持有廣州越秀區物業之公司）全部股權，並接納以代價人民幣30,000,000元轉讓貸款。廣州建昭自此成為本公司之全資附屬公司。有關交易詳情，請參閱本公司日期為二零一七年十二月十八日之公告。於二零一八年度，新獨立投資者向廣州朗秀之控股公司——嘉興朗融投資合夥企業（有限合夥）（「嘉興朗融」）注入合共人民幣88.4百萬元。注資後，嘉興朗融由投資者持有66.6%及本集團持有33.4%，嘉興朗融、廣州朗秀及廣州建昭不再為本集團的附屬公司。注資並不會構成本公司任何須予公布的交易。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

On 7 February 2018, 上海朗青投資管理有限公司 (Shanghai Langqing Investment Management Limited\*) (“Shanghai Langqing”) and Nanjing Langming, wholly-owned subsidiaries of the Company, entered into the partnership property share transfer agreement with CITIC Capital Holdings Limited and 上海平安闔鼎投資管理有限責任公司 (Shanghai Pingan Heding Investment & Management Co., Ltd.\*) regarding the acquisition of the entire equity interest of 上海睿開投資合伙企業（有限合伙）(Shanghai Rui Kai Investment Partnership (limited partnership\*)) (“Partnership”) at an aggregate consideration of RMB221.0 million. The Partnership holds 100% equity interest in Best Benefit Limited (“Best Benefit”), and Best Benefit and the Company hold 61.54% and 38.46% equity interest of Silver Knight Global Limited (“Silver Knight”) respectively. Silver Knight is a special purpose vehicle incorporated for the purpose of holding and developing the properties in 中國上海市長寧區青溪路 770 弄 25 號 (No. 25, Alley 770, Qingxi Road, Changning District, Shanghai, the PRC\*). Upon completion of the acquisition on 13 February 2018, the Group holds the entire interest in Silver Knight. The transactions contemplated thereunder constitute a discloseable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. For further details, please refer to the announcement of the Company dated 7 February 2018.

於二零一八年二月七日，本公司全資附屬公司上海朗青投資管理有限公司（「上海朗青」）與南京朗銘與中信資本控股有限公司及上海平安闔鼎投資管理有限責任公司就收購上海睿開投資合夥企業（有限合夥）（「合夥企業」）全部股權訂立合夥企業財產份額轉讓協議，總代價為人民幣221.0百萬元。合夥企業持有Best Benefit Limited（「Best Benefit」）100%股權，而Best Benefit與本公司分別持有Silver Knight Global Limited（「Silver Knight」）61.54%及38.46%股權。Silver Knight為一間旨在為持有及開發位於中國上海市長寧區青溪路770弄25號之物業而註冊成立之特殊目的公司。於二零一八年二月十三日收購事項完成時，本集團持有Silver Knight全部權益。根據聯交所證券上市規則（「上市規則」）第14章，其項下擬進行交易構成本公司之須予披露交易。有關進一步詳情，請參閱本公司日期為二零一八年二月七日之公告。

On 28 June 2018, 杭州朗輝投資管理有限公司 (Hangzhou Langhui Investment Management Company Limited\*) (“Hangzhou Langhui”), a wholly-owned subsidiary of the Company, entered into the cooperation agreement with 杭州朗杉有限公司 (Hangzhou Langshan Company Limited\*) (“Hangzhou Langshan”), 杭州國俊資產管理有限公司 (Hangzhou Guojun Asset Management Company Limited\*) (“Hangzhou Guojun”) and 無錫萬都投資發展有限公司 (Wuxi Wandu Investment Development Company Limited\*) (“Wuxi Wandu”), pursuant to which Hangzhou Langhui agreed to sell and Hangzhou Guojun and Wuxi Wandu agreed to acquire 40% equity interest in Hangzhou Langshan at a consideration of RMB2.0 million and 40% of the loan owed by Hangzhou Langshan to Hangzhou Langhui at a consideration of RMB110.0 million. Upon completion of the disposal on 28 June 2018, Hangzhou Langshan was held as to 20%, 40% and 40% by Hangzhou Langhui, Hangzhou Guojun and Wuxi Wandu. Hangzhou Langshan holds 80% equity interest in 海寧朗宏房地產開發有限公司 (Haining Langhong Real Estate Development Company Limited\*), a company which holds a project in 編號為海國用(2014)第06540號《國有土地使用證》項下土地坐落於海寧市長安鎮仰山路東側、01省道北側 (the land parcel no. Haiguoyong (2014) 06540 under the Certificate for the Use of State-owned Land, located to the North of 01 provincial highway and East of Yangshan Road, Chang'an Township, Haining City\*), which is of commercial and residential use with land use right of 30,095 square meters. The transactions contemplated thereunder constitute a discloseable transaction under Chapter 14 of the Listing Rules. For further details, please refer to the announcement of the Company dated 28 June 2018.

於二零一八年六月二十八日，本公司全資附屬公司杭州朗輝投資管理有限公司(「杭州朗輝」)與杭州朗杉有限公司(「杭州朗杉」)、杭州國俊資產管理有限公司(「杭州國俊」)及無錫萬都投資發展有限公司(「無錫萬都」)訂立合作協議，據此，杭州朗輝同意出售而杭州國俊及無錫萬都同意收購杭州朗杉40%股權(代價為人民幣2.0百萬元)及杭州朗杉結欠杭州朗輝之40%貸款(代價為人民幣110.0百萬元)。於二零一八年六月二十八日出售事項完成時，杭州朗杉分別由杭州朗輝、杭州國俊及無錫萬都持有20%、40%及40%權益。杭州朗杉持有海寧朗宏房地產開發有限公司之80%股權，該公司持有一個編號為海國用(2014)第06540號《國有土地使用證》項下土地坐落於海寧市長安鎮仰山路東側、01省道北側，地類(用途)為商業、住宅用地，土地使用權面積30,095平方米之項目。根據上市規則第14章，其項下擬進行交易構成須予披露交易。有關進一步詳情，請參閱本公司日期為二零一八年六月二十八日之公告。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

On 29 June 2018, (1) 南京朗慶置業有限公司 (Nanjing Langqing Property Co., Ltd.\*) ("Nanjing Langqing"), an indirect wholly-owned subsidiary of the Company, 宿遷朗鑫置業有限公司 (Suqian Langxin Property Co., Ltd.\*) ("Project Company I") and 四川藍光和駿實業有限公司 (Sichuan BRC Hejun Industrial Co., Ltd.\*) ("Sichuan BRC") entered into the supplemental agreement to the equity transfer agreement dated 27 December 2017 to amend, among others, the equity interest in Project Company I to be sold to be 49% at a consideration of RMB105.8 million and the shareholder's loan to be provided to not exceeding RMB17.2 million, and (2) Nanjing Langqing, 宿遷朗詩置業有限公司 (Suqian Landsea Property Co., Ltd.\*) ("Project Company II") and Sichuan BRC entered into the supplemental agreement to equity transfer agreement dated 27 December 2017 to amend, among others, the equity interest in Project Company II to be sold to be 49% at a consideration of RMB91.0 million and the shareholder's loan to be provided to not exceeding RMB17.2 million. The transactions contemplated under the equity transfer agreement (as supplemented by the supplemental agreements) were completed on 29 June 2018. The Group recognized a gain on disposal of approximately RMB110.9 million. The transactions contemplated under the equity transfer agreement (as supplemented by the supplemental agreements) constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details, please refer to the announcements of the Company dated 27 December 2017 and 29 June 2018.

於二零一八年六月二十九日，(1)本公司間接全資附屬公司南京朗慶置業有限公司(「南京朗慶」)、宿遷朗鑫置業有限公司(「項目公司I」)及四川藍光和駿實業有限公司(「四川藍光」)就日期為二零一七年十二月二十七日之股權轉讓協議訂立補充協議，以修訂(其中包括)將予出售之項目公司I的股權為49%，代價為人民幣105.8百萬元，而將予提供之股東貸款為不超過人民幣17.2百萬元。及(2)南京朗慶、宿遷朗詩置業有限公司(「項目公司II」)及四川藍光就日期為二零一七年十二月二十七日之股權轉讓協議訂立補充協議，以修訂(其中包括)將予出售之項目公司II的股權為49%，代價為人民幣91.0百萬元，而將予提供之股東貸款為不超過人民幣17.2百萬元。股權轉讓協議經補充協議補充後項下擬進行之交易於二零一八年六月二十九日完成，本集團錄得出售收益約為人民幣110.9百萬元。股權轉讓協議經補充協議補充後項下之交易根據上市規則第14章構成本公司一項須予披露交易。有關詳情請參閱本公司日期為二零一七年十二月二十七日及二零一八年六月二十九日之公告。

On 19 July 2018, Hangzhou Langhui and 寧波金沃商業投資有限公司 (Ningbo Jinwo Commercial Investment Company Limited\*) (the “Subject Company”), indirect wholly-owned subsidiaries of the Company, entered into the investment agreement (the “Investment Agreement”) with 南京中駿達投資有限公司 (Nanjing Zhongjunda Investment Co., Limited\*) (“Zhongjunda Investment”), pursuant to which Hangzhou Langhui and Zhongjunda Investment agreed to cooperate in the development of the property development project on 寧波市江北區莊橋街道謝家村濱江 1#-1 地塊 (land parcel No. 1#-1 located in Xiejia Village, Zhuang Qiao Street, Binjiang, Jiangbei District, Ningbo City\*) held by the Subject Company, whereby Hangzhou Langhui conditionally agreed to sell and Zhongjunda Investment conditionally agreed to purchase 60% equity interest in the Subject Company at the consideration of RMB43,834,000, and Zhongjunda agreed to provide shareholder’s loan to the Subject Company of not exceeding RMB138,000,000. Upon completion of the transaction on 2 August 2018, the Subject Company accounted as a joint venture of the Company and its financial results no longer be consolidated to the financial statements of the Group. The transactions under the Investment Agreement constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details of the transaction, please refer to the announcement of the Company dated 19 July 2018.

於二零一八年七月十九日，本公司間接全資附屬公司杭州朗輝及寧波金沃商業投資有限公司（「標的公司」）與南京中駿達投資有限公司（「中駿達投資」）訂立投資協議（「投資協議」），據此，杭州朗輝及中駿達投資同意合作開發由標的公司持有寧波市江北區莊橋街道謝家村濱江 1#-1 地塊上之物業開發項目，而杭州朗輝有條件同意出售而中駿達投資有條件同意收購標的公司之 60% 股權，代價為人民幣 43,834,000 元，中駿達投資同意向標的公司提供股東貸款不超過人民幣 138,000,000 元。於二零一八年八月二日完成交易後，標的公司被視作本公司合營公司，其業績不再合併至本集團財務報表。投資協議項下之交易根據上市規則第 14 章構成本公司一項須予披露交易。交易的詳情請參閱本公司日期為二零一八年七月十九日的公告。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### GUARANTEE

The Group cooperates with various financial institutions to arrange mortgage loan facilities for the purchasers of its properties and provides guarantees to secure such purchasers' obligations of repayment. As at 31 December 2018, the outstanding guarantees amounted to approximately RMB2.11 billion (As at 31 December 2017: approximately RMB2.14 billion). Such guarantees will be discharged upon the earlier of (i) the issuance of the real estate ownership certificate; and (ii) the satisfaction of relevant mortgage loan by purchasers. In addition, the Group provided guarantees to LS-NJ Port Imperial LLC, 51% of which held by the Group, for its bank borrowing and LS-NJ Port Imperial EB5 Borrower LLC, a 51% joint venture of the Group, for its EB-5 loans as at 31 December 2018 amounted to RMB61.8 million and RMB122.5 million respectively. Such guarantee provided to LS-NJ Port Imperial LLC and LS-NJ Port Imperial EB5 Borrower LLC shall be discharged pursuant to the counter-indemnity provided by Landsea Group. Guarantee provided to Fenway Ventures Point Properties LLC by the Group were repaid during the year ended 31 December 2018.

As at 31 December 2018, there were certain corporate guarantees provided by the subsidiaries of the Group for each other in respect of their borrowings. The management considered that the subsidiaries had sufficient financial resources to fulfill their obligations.

Save as disclosed above, the Group had no material contingent liabilities as at 31 December 2018.

### SEGREGATING NON- PROPERTIES DEVELOPMENT-RELATED BUSINESS

With unanimous approval of all directors, the Company intends to segregate its non-properties development-related business, such as long-term rental apartments, property management and design, to its holding group in 2019. Upon such segregation, Landsea Green Group Co., Ltd., through streamlining its business, will focus on the core industry of green technology property and unleash the potential for profit margin of product differentiation, with a view to maximise returns for shareholders. While no legally binding agreement has been entered into at this stage, the Company will disclose further information as and when appropriate.

### 擔保

本集團與多家金融機構合作，為其物業買家安排按揭貸款融資並就該等買家之還款責任提供擔保。於二零一八年十二月三十一日，未了結擔保約人民幣21.1億元（二零一七年十二月三十一日：約人民幣21.4億元），擔保將於(i)發出房地產權證；及(ii)買家償還相關按揭貸款（以較早者為準）後解除。另外，本集團為LS-NJ Port Imperial LLC（本集團持有51%股權）之借款及LS-NJ Port Imperial EB5 Borrower LLC（本集團持有51%股權之合營企業）之EB-5貸款提供擔保，於二零一八年十二月三十一日的金額分別為人民幣61.8百萬元和人民幣122.5百萬元。對LS-NJ Port Imperial LLC及LS-NJ Port Imperial EB5 Borrower LLC的保證責任將根據朗詩集團的對應賠償保證解除。本集團為Fenway Ventures Point Properties LLC提供之擔保已於截至二零一八年十二月三十一日止年度償還。

於二零一八年十二月三十一日，本集團附屬公司就借款相互提供若干企業擔保。管理層認為附屬公司有足夠財務資源償付其債務。

除上述者外，於二零一八年十二月三十一日，本集團並沒有重大或然負債。

### 剝離非地產開發相關業務

經全體董事一致同意，本公司計劃於二零一九年將非地產開發相關業務剝離至控股集團，非地產開發相關業務包括長租公寓、物業管理、設計等，剝離之後，朗詩綠色集團將成為一個業務清晰的專業化綠色地產公司，聚焦綠色科技地產核心主業，釋放差異化產品核心能力的溢價空間，提升股東回報。目前尚未訂立任何具法律約束力的協議，本公司將會適時作進一步的信息披露工作。

## EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2018, the Group had 2,662 employees (As at 31 December 2017: 2,110) who were responsible for the managerial, administrative, technical and general functions in Hong Kong, the United States and the PRC. The increment levels of the employees' emolument, promotion and remuneration were determined with reference to their duties, performance and professional experience. Other employee benefits included mandatory provident fund scheme, insurance and medical coverage. According to the terms of the Share Option Scheme adopted on 25 April 2012 and the Share Award Scheme adopted on 2 July 2014, the Company will grant share options or awarded shares to the Group's management and staff based on their individual performance.

## EVENTS AFTER THE REPORTING PERIOD

On 24 January 2019, 蘇州朗敘管理諮詢有限公司 (Suzhou Langxu Management Consulting Co., Ltd.)\*, a wholly-owned subsidiary of the Company, and 無錫新力力創房地產開發集團有限公司 (Wuxi Xinli Lichuang Real Estate Development Group Co., Ltd.)\* jointly won the bid for the land piece XDG-2018-39, Wuxi Binhu District Xushe with a reserve price of approximately RMB1.66 billion. The plot ratio of the project is 1.01, the total construction area is 210,000 square meters, and the ground plot ratio-based floor area is 148,000 square meters, which is residential land.

## 僱員及薪酬政策

於二零一八年十二月三十一日，本集團於香港、美國及國內共聘用2,662名管理、行政、技術及一般員工(二零一七年十二月三十一日：2,110名)。本集團根據員工之職責、工作表現及專業經驗釐定僱員之酬金、晉升及薪酬調整幅度。其他員工福利包括供款的公積金、保險、醫療保障。根據於二零一二年四月二十五日採納的購股權計劃及於二零一四年七月二日採納的股份獎勵計劃的條款，本公司可根據本集團的個別管理層成員及員工的表現，授出購股權或獎勵性股份。

## 報告期後事項

於二零一九年一月二十四日，本公司之全資附屬公司－蘇州朗敘管理諮詢有限公司與無錫新力力創房地產開發集團有限公司聯合以底價約人民幣16.6億元，競得無錫濱湖區許舍XDG-2018-39號地塊。本項目容積率為1.01，總建築面積21萬平方米，地上計容建築面積14.8萬平方米，為居住用地。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

On 15 February 2019, 西安朗詩銘房地產開發有限公司 (Xi'an Langshiming Real Estate Development Co., Ltd.\*) ("Xi'an Langshiming"), a wholly-owned subsidiary of the Company, entered into the cooperation agreement with Bridge Trust Co., Ltd. ("Bridge Trust"), pursuant to which Xi'an Langshiming and Bridge Trust shall cooperate in the development of the land located at 中國西安市未央區北二環以南，文景路以東，國有土地使用權證編號為「西未國用(2013出)第161號」及「西未國用(2013出)第163號」(the land parcel no. Xiweiguoyong (2013) 161 and Xiweiguoyong (2013) 163 under the Certificate for the Use of State-owned Land, located to the south of North Second Ring and east of Wenjing Road\*) (the "Target Land") held by 西安名京房地產開發有限公司 (Xi'an Mingjing Real Estate Development Co., Ltd.\*) ("Xi'an Mingjing"). Xi'an Mingjing shall establish the Target Company to develop the project of the Target Land. After the setting up of the Target Company, Xi'an Mingjing shall transfer 100% equity interest of the Target Company to 西安朗詩意企業管理諮詢有限公司 (Xi'an Langshiyi Enterprise Management Consulting Co., Ltd.\*) ("Xi'an Langshiyi"). Bridge Trust shall establish a trust scheme to acquire the 49% equity interest in Xi'an Langshiyi held by Xi'an Langshiming with trust funds, and to carry out the Loan Financing. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back 49% equity interest to be acquired by Bridge Trust in Xi'an Langshiyi held by Xi'an Langshiming, and the loans obtained by Bridge Trust using the trust fund in the form of loans and transfer of loans to Xi'an Langshiyi and the target company to be established to develop the above land piece, pursuant to the agreed terms for a maximum amount of RMB600,000,000. For details of the transaction, please refer to the announcement of the Company dated 15 February 2019.

於二零一九年二月十五日，本公司之全資附屬公司西安朗詩銘房地產開發有限公司（「西安朗詩銘」）與百瑞信託有限責任公司（「百瑞信託」）訂立合作協議，據此，西安朗詩銘與百瑞信託合作開發西安名京房地產開發有限公司（「西安名京」）持有的地塊（中國西安市未央區北二環以南，文景路以東，國有土地使用權證編號為「西未國用(2013出)第161號」及「西未國用(2013出)第163號」）（「目標地塊」）。西安名京將設立目標公司以開發目標地塊項目，目標公司設立後，西安名京將向西安朗詩意企業管理諮詢有限公司（「西安朗詩意」）轉讓目標公司100%股權。百瑞信託設立信託計劃以信託資金收購西安朗詩銘持有的西安朗詩意49%股權，及進行債權融資。於滿足約定條件的情況下，西安朗詩銘同意按約定條件，對百瑞信託將收購的西安朗詩銘持有的西安朗詩意49%股權及百瑞信託將對西安朗詩意和目標公司以貸款、受讓債權等形式運用信託資金所取得的將予設立的債權進行回購，最高金額上限為人民幣600,000,000元，以開發上述地塊。交易的詳情請參閱本公司日期為二零一九年二月十五日的公告。

On 21 February 2019, Nanjing Langming, Xi'an Langshiming and 西安嘉鵬房地產開發有限公司 (Xi'an Jiapeng Real Estate Development Co., Ltd.\*) as project company ("Xi'an Jiapeng"), wholly-owned subsidiaries of the Company, entered into the cooperation framework agreement with 南京洛德德寧房地產投資合伙企業 (Nanjing Luode Dening Real Estate Investment Partnership (Limited Partnership)\*) ("Dening Fund"), pursuant to which Dening Fund agreed to invest in the property development project on 陝西省西安市未央區西戶鐵路以東、昆明路以北，宗地編號FD2-14-32 (land parcel No. FD2-14-32 located in the east of the Xihu Railway and the north of Kunming Road in Weiyang District, Xi'an City, Shaanxi Province\*) held by Xi'an Jiapeng through the acquisition of 70% equity interest in Xi'an Jiapeng at the consideration of RMB14,000,000 and provision of shareholder's loan to Xi'an Jiapeng in the amount of not exceeding RMB126,000,000. Upon completion of the transaction, Xi'an Jiapeng will be accounted as a joint venture of the Company and its financial results will no longer be consolidated to the financial statements of the Group. Upon fulfilling the agreed conditions, Xi'an Langshiming agreed to buy back the said 60% equity interest and shareholder's loan provided by Dening Fund for a maximum amount of RMB280,000,000. For details of the transaction, please refer to the announcement of the Company dated 21 February 2019.

於二零一九年二月二十一日，本公司之間接全資附屬公司南京朗銘、西安朗詩銘及西安嘉鵬房地產開發有限公司（「西安嘉鵬」，本公司之全資附屬公司，為項目公司）與南京洛德德寧房地產投資合伙企業（「德寧基金」）訂立合作框架協議，據此，德寧基金同意透過收購西安嘉鵬70%之股權投資於西安嘉鵬持有的陝西省西安市未央區西戶鐵路以東、昆明路以北，宗地編號FD2-14-32之房地產開發項目，代價為人民幣14,000,000元，並向西安嘉鵬提供股東貸款不超過人民幣126,000,000元。交易完成後，西安嘉鵬將被視作本公司合營公司，其財務業績將不再合併至本集團財務報表。於滿足約定條件下，西安朗詩銘同意對上述60%股權及德寧基金提供的股東貸款進行回購，最高金額上限為人民幣280,000,000元。交易的詳情請參閱本公司日期為二零一九年二月二十一日的公告。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company is committed to maintain corporate governance of high standards and quality procedures. The Company has put in place governance practices with emphasis on the integrity to shareholders and quality of disclosure, transparency and accountability to shareholders for the sake of maximizing returns to shareholders.

### CORPORATE GOVERNANCE PRACTICE

The Company has adopted the code provisions set out in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance.

Under CG code provision A.2.1 the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Following the resignation of Mr. Xiang Jiong, the former executive Director and Chief Executive Officer on 23 November 2018, Mr. Tian Ming, the Chairman of the Board and an executive Director has been appointed as Chief Executive Officer, and together with the two Co-Chief Executive Officers, namely Ms. Shen Leying and Mr. Wang Lei, who was appointed as an executive Director and Co-Chief Executive Officer on 23 November 2018, they jointly shared the roles of the chief executive officer. The Board believes that the present arrangement will not impair the balance of power and authority.

Save for the deviation as mentioned above, in the opinion of the Directors, the Company was in compliance with all the relevant code provisions under the CG Code during the year.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions.

The Company confirms that, having made specific enquiry of all Directors, all Directors have complied with the required standards as set out in the Model Code for the year ended 31 December 2018.

本公司致力維持高水準及具質素之企業管治程序。本公司已推行管治常規，特別注重對股東之誠信、資料披露質素、透明度及問責性，務求為股東帶來最大回報。

### 企業管治常規

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載的企業管治守則（「企業管治守則」）的守則條文，作為其本身的企業管治守則。

根據《企業管治守則》條文第A.2.1條，董事局主席與行政總裁之角色應有區分，並不應由一人同時兼任。於前執行董事兼總裁向炯先生於二零一八年十一月二十三日辭任後，董事局主席兼執行董事田明先生獲委任為總裁，連同於二零一八年十一月二十三日獲委任為執行董事兼聯席總裁的王磊先生及聯席總裁的申樂瑩女士，三人共同擔任總裁。董事局相信現行安排不會損害權力及職權平衡。

除上述偏離事項外，董事認為年內本公司一直遵守企業管治守則所有相關守則條文。

### 董事進行證券交易

本公司已採納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」），作為本公司有關董事進行證券交易的操守準則。

本公司向全體董事作出具體查詢後確認，全體董事於截至二零一八年十二月三十一日止年度一直遵守標準守則所載規定標準。

## BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company, and is responsible for setting up the overall strategy as well as reviewing the operation and financial performance of the Group. The Board reserved for its decision or consideration matters covering overall Group strategy, major acquisitions and disposals, annual budgets, annual and interim results, recommendations on Directors' appointment or re-appointment, approval of major capital transactions and other significant operational and financial matters. The management was delegated the authority and responsibility by the Board for the daily management of the Group. In addition, the Board has also delegated various responsibilities to the Board committees.

Further details of these committees are set out in this report.

The Board conducts at least four regular Board meetings a year at approximately quarterly intervals in addition to other Board meetings that are required for significant and important issues, and for statutory purposes. Appropriate and sufficient information is provided to Board members in a timely manner to keep them abreast of the Group's latest developments and thus can assist them in discharging their duties.

The Company Secretary is responsible for taking minutes of the Board meetings and drafts of which will be circulated to all Directors for their review, comments and approval after the meetings. The minutes books are kept by the Company Secretary and will be open for inspection by the Directors upon request. All Directors have access to the advice and service of the Company Secretary who is responsible to the Board for ensuring that the procedures are followed and that all applicable laws and regulations are complied with.

## 董事局

董事局負責領導及監控本公司，並負責制訂整體策略及檢討本集團之營運及財務表現。經董事局決定或考慮之事宜包括整體集團策略、重大收購及出售、年度預算、全年及中期業績、就董事委任或重新委任事宜提出建議、批准重大資本交易以及其他重大營運及財務事宜。董事局向管理層轉授權力及責任，以管理本集團之日常事務。此外，董事局亦將各種職責分派予董事委員會。

有關該等委員會之進一步詳情載於本報告內。

除就重大及重要事務以及法定目的舉行之其他董事局會議外，董事局每年至少舉行四次常規董事局會議，大約每季度舉行一次。董事局成員將適時獲發適當及充足資料，以便了解本集團最新發展，從而協助彼等履行職責。

公司秘書負責為董事局會議作記錄，並於會後將記錄稿件送交全體董事閱覽、修改及批准。會議記錄由公司秘書保存，可於董事要求下開放查閱。全體董事均可獲取公司秘書之意見及服務，而公司秘書須向董事局負責，以確保依循程序及遵守所有適用法律及規例。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMPOSITION OF THE BOARD

The Board currently consists of five executive Directors, one non-executive Director and four independent non-executive Directors:

#### EXECUTIVE DIRECTORS:

Mr. Tian Ming (*Chairman*)  
Ms. Shen Leying  
Mr. Wang Lei (appointed on 23 November 2018)  
Ms. Zhou Qin  
Mr. Xie Yuanjian

#### NON-EXECUTIVE DIRECTOR:

Mr. Zhou Yimin

#### INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Xu Xiaonian  
Mr. Ding Yuan  
Mr. Lee Kwan Hung  
Mr. Chen Tai-yuan (appointed on 22 March 2019)

To the best knowledge of the Company, there is no financial, business and family relationship among members of the Board. The biographies of the Directors are set out on pages 21 to 28 under the section headed "Biographical Details of Directors and Senior Management".

### DIRECTORS' TRAINING

According to the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

All Directors have participated in continuous professional development by attending seminars or in-house briefing relating to their role as director of the Company/taking part in business-related training/acting as speaker for seminars and refreshed their knowledge and skills and provided to the Company a record of training they received for the financial year ended 31 December 2018.

### 董事局之組成

董事局現由五名執行董事、一名非執行董事及四名獨立非執行董事組成：

#### 執行董事：

田明先生(主席)  
申樂瑩女士  
王磊先生(於二零一八年十一月二十三日獲委任)  
周勤女士  
謝遠建先生

#### 非執行董事：

鄒益民先生

#### 獨立非執行董事：

許小年先生  
丁遠先生  
李均雄先生  
陳泰元先生(於二零一九年三月二十二日獲委任)

據本公司所深知，各董事局成員之間概無任何財務、商業及家族關係。董事履歷載於第21至28頁「董事及高級管理人員簡介」一節。

### 董事培訓

根據企業管治守則之守則條文第A.6.5條，全體董事應參與持續專業發展以增進及重溫知識與技能，確保在具備全面資訊及切合所需之情況下對董事局作出貢獻。

截至二零一八年十二月三十一日止財政年度，全體董事透過出席彼等作為本公司董事之職務之相關研討會或內部簡報／參加業務相關培訓／擔任研討會之演講者參與持續專業發展以增進及重溫知識與技能，並已向本公司提供所接受之培訓記錄。

The Company has also continuously updated Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

本公司亦持續向董事提供有關上市規則及其他適用監管規定之最新發展資訊，以確保彼等遵從及關注良好企業管治常規。

The individual training record of each Director received for the year ended 31 December 2018 is summarized below:

截至二零一八年十二月三十一日止年度，各董事所接受之個人培訓記錄概述如下：

Name of Directors	Attending or participating in seminars/in-house briefing relevant to the business, regulatory updates and director's duties	董事姓名	出席或參與有關業務、最新監管情況及董事職責之研討會／內部簡報
<i>Executive Directors</i>		執行董事	
Mr. Tian Ming	✓	田明先生	✓
Ms. Shen Leying	✓	申樂瑩女士	✓
Mr. Wang Lei	✓	王磊先生	✓
Ms. Zhou Qin	✓	周勤女士	✓
Mr. Xie Yuanjian	✓	謝遠建先生	✓
<i>Non-executive Director</i>		非執行董事	
Mr. Zhou Yimin	✓	鄒益民先生	✓
<i>Independent Non-executive Directors</i>		獨立非執行董事	
Mr. Xu Xiaonian	✓	許小年先生	✓
Mr. Ding Yuan	✓	丁遠先生	✓
Mr. Lee Kwan Hung	✓	李均雄先生	✓

All the Directors also understand the importance of continuous professional development and are committed to participating in suitable training to develop and refresh their knowledge and skills.

全體董事亦深明持續專業發展之重要性，並積極參與合適培訓課程，以增進及重溫知識與技能。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under CG code provision A.2.1 the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Following the resignation of Mr. Xiang Jiong, the former executive Director and Chief Executive Officer on 23 November 2018, Mr. Tian Ming, the Chairman of the Board and an executive Director has been appointed as Chief Executive Officer, and together with the two Co-Chief Executive Officers, namely Ms. Shen Leying and Mr. Wang Lei, who was appointed as an executive Director and Co-Chief Executive Officer on 23 November 2018, they jointly shared the roles of the chief executive officer. The Board believes that the present arrangement will not impair the balance of power and authority, and the division of responsibilities is clearly established.

### APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The non-executive Directors of the Company are appointed for a specific term and they are also subject to the retirement by rotation at least once every three years in accordance with the Bye-Laws.

The Company has established the Nomination Committee with specific terms of reference, which is responsible for, among others, identifying suitable individuals to become Board members and reviewing the structure, size and diversity of the Board to complement the Company's corporate strategy.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

As required under Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed four independent non-executive Directors, of whom Mr. Xu Xiaonian, is a famous Chinese economist and was granted the highest award of economics study in China, the "Sun Yefang Economic Science Award". Mr. Xu has more than 30 years' experience in economics analysis.

Mr. Ding Yuan, is the Vice President and Dean, Cathay Capital Chair in Accounting in China Europe International Business School and the associate editor of European Accounting Review. He has more than 10 years' experience in teaching and studying financial accounting, financial statement analysis, corporate governance and M&As.

### 主席及總裁

根據《企業管治守則》條文第A.2.1條，董事局主席與行政總裁之角色應有區分，並不應由一人同時兼任。於前執行董事兼總裁向炯先生於二零一八年十一月二十三日辭任後，董事局主席兼執行董事田明先生獲委任為總裁，連同於二零一八年十一月二十三日獲委任為執行董事兼聯席總裁的王磊先生及聯席總裁的申樂瑩女士，三人共同擔任總裁。董事局相信現行安排不會損害權力及職權平衡，且職責已清晰劃分。

### 委任、重選及罷免董事

本公司按指定任期委任非執行董事，並規定彼等須根據細則至少每三年輪值退任一次。

本公司已成立提名委員會，並訂明具體職權範圍，負責（其中包括）物色合適人選加入董事局，以及配合本公司企業策略檢討董事局之架構、人數及成員多元化。

### 獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條之規定，本公司已委任四名獨立非執行董事，其中許小年先生為中國著名經濟學家，曾獲中國經濟學界最高殊榮「孫冶方經濟科學獎」，累積逾三十年經濟學研究經驗。

丁遠先生為中歐國際工商學院副院長兼教務長，法國凱輝會計學教席教授及《歐洲會計評論》副主編，於財務會計、財務報表分析、公司管治及併購方面累積逾十年教學研究經驗。

Mr. Lee Kwan Hung, is currently a practicing lawyer in Hong Kong. He was a senior manager of the Listing Division of the Stock Exchange from 1993 to 1994. Mr. Lee is experienced in IPOs and corporate financing.

Mr. Chen Tai-yuan is a tenured Full Professor of Accounting, and Associate Dean and the Director of MBA programs at the school of Business and Management at Hong Kong University of Science and Technology.

The Company has received from each of the independent non-executive Directors the annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent.

## BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy on 30 August 2013 (the “Board Diversity Policy”) which sets out the approach to achieve diversity on the Board. The Company recognises that increasing diversity at the Board level will support the attainment of the Company’s strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimum composition of the Board.

The Board delegated certain duties under the Board Diversity Policy to the Nomination Committee. The Nomination Committee will discuss and review the necessities to set measurable objectives for implementing the Board Diversity Policy from time to time to ensure their appropriateness and the progress made towards achieving those objectives will be ascertained.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

李均雄先生現為香港執業律師，曾於一九九三年至一九九四年出任聯交所上市科高級經理，具備首次公開發售及企業融資經驗。

陳泰元先生現為香港科技大學商學院會計學系終身正教授，商學院副院長及工商管理碩士中心主任。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。本公司認為，全體獨立非執行董事均為獨立人士。

## 董事局成員多元化政策

董事局於二零一三年八月三十日採納董事局成員多元化政策（「董事局成員多元化政策」），該政策載列達致董事局成員多元化的方法。本公司知悉董事局層面日益多元化將為達成本公司策略目標及可持續發展提供支持。本公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，務求達致董事局成員多元化。本公司決定董事局最佳成員組合時，亦將不時考慮其本身業務模式及具體需要。

董事局根據董事局成員多元化政策向提名委員會授予若干職權。提名委員會將不時討論及檢討為執行董事局成員多元化政策制定可計量目標的必要性，確保達成該等目標的合適性及進度。

提名委員會將（視適用情況而定）審閱董事局成員多元化政策，確保其不時持續有效。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### ATTENDANCE RECORD AT BOARD MEETINGS

During the year ended 31 December 2018, 5 Board meetings were held. All Directors are given an opportunity to include any matter in the agenda for regular Board meetings and are given sufficient time to review the documents and information to be discussed in Board meetings in advance.

Name of Directors	Number of meetings attended
<i>Executive Directors</i>	
Mr. Tian Ming (Chairman)	5/5
Mr. Xiang Jiong (Note 1)	5/5
Ms. Shen Leying	5/5
Mr. Wang Lei (Note 2)	N/A
Ms. Zhou Qin	5/5
Mr. Xie Yuanjian	4/5
<i>Non-executive Director</i>	
Mr. Zhou Yimin	5/5
<i>Independent Non-executive Directors</i>	
Mr. Xu Xiaonian	4/5
Mr. Ding Yuan	5/5
Mr. Lee Kwan Hung	5/5
Mr. Chen Tai-yuan (Note 3)	N/A

Notes:

1. Mr. Xiang Jiong resigned on 23 November 2018, and 5 Board meetings were held before his resignation.
2. Mr. Wang Lei was appointed on 23 November 2018, and no Board meeting was held after his appointment.
3. Mr. Chen Tai-yuan was appointed on 22 March 2019.

### 董事局會議出席記錄

截至二零一八年十二月三十一日止年度，董事局曾舉行5次會議。全體董事均有機會於董事局常規會議議程中加入任何擬議事宜，並獲提供充裕時間於董事局會議舉行前審閱將予討論之文件及資料。

董事姓名	出席會議次數
<i>執行董事</i>	
田明先生 (主席)	5/5
向炯先生 (附註1)	5/5
申樂瑩女士	5/5
王磊先生 (附註2)	不適用
周勤女士	5/5
謝遠建先生	4/5
<i>非執行董事</i>	
鄒益民先生	5/5
<i>獨立非執行董事</i>	
許小年先生	4/5
丁遠先生	5/5
李均雄先生	5/5
陳泰元先生 (附註3)	不適用

附註：

1. 向炯先生於二零一八年十一月二十三日辭任，其辭任前曾舉行5次董事局會議。
2. 王磊先生於二零一八年十一月二十三日獲委任，其委任後並無舉行董事局會議。
3. 陳泰元先生於二零一九年三月二十二日獲委任。

## ATTENDANCE RECORD AT GENERAL MEETINGS

During the financial year ended 31 December 2018, 3 general meetings of the Company were held, being the annual general meeting held on 28 May 2018 ("2018 AGM") and the special general meeting held on 28 February 2018 and 18 December 2018.

Name of Directors	Number of meeting attended
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### Executive Directors

Mr. Tian Ming (Chairman)	3/3
Mr. Xiang Jiong (Note 1)	2/2
Ms. Shen Leying	3/3
Mr. Wang Lei (Note 2)	1/1
Mr. Zhou Qin	3/3
Mr. Xie Yuanjian	3/3

### Non-executive Director

Mr. Zhou Yimin	1/3
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### Independent Non-executive Directors

Mr. Xu Xiaonian	1/3
Mr. Ding Yuan	2/3
Mr. Lee Kwan Hung	3/3
Mr. Chen Tai-yuan (Note 3)	N/A

#### Notes:

1. Mr. Xiang Jiong resigned on 23 November 2018, and 2 general meetings were held before his resignation.
2. Mr. Wang Lai was appointed on 23 November 2018, and 1 general meeting was held after his appointment.
3. Mr. Chen Tai-yuan was appointed on 22 March 2019.

The Board is responsible for maintaining an on-going dialogue with shareholders and in particular, uses annual general meetings or other general meetings to communicate with them and encourage their participation. The Chairman of the Board, the chairmen of the Audit Committee, the Nomination Committee and the Remuneration Committee attended the abovementioned three general meetings to answer questions and collect views of shareholders.

## 股東大會出席記錄

截至二零一八年十二月三十一日止財政年度，本公司曾舉行3次股東大會，即二零一八年五月二十八日舉行之股東週年大會（「二零一八年股東週年大會」）及二零一八年二月二十八日和二零一八年十二月十八日舉行之股東特別大會。

董事姓名	出席會議次數
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### 執行董事

田明先生（主席）	3/3
向炯先生（附註1）	2/2
申樂瑩女士	3/3
王磊先生（附註2）	1/1
周勤女士	3/3
謝遠建先生	3/3

### 非執行董事

鄒益民先生	1/3
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### 獨立非執行董事

許小年先生	1/3
丁遠先生	2/3
李均雄先生	3/3
陳泰元先生（附註3）	不適用

#### 附註：

1. 向炯先生於二零一八年十一月二十三日辭任，其辭任前曾舉行2次股東大會。
2. 王磊先生於二零一八年十一月二十三日獲委任，其委任後曾舉行1次股東大會。
3. 陳泰元先生於二零一九年三月二十二日獲委任。

董事局負責與股東持續保持對話，尤其藉股東週年大會或其他股東大會與股東溝通，並鼓勵股東參加。董事局主席以及審核委員會、提名委員會及薪酬委員會主席均已出席上述三次股東大會，解答股東疑問並收集股東意見。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES

The Board has established various committees under the Board, namely Audit Committee, Remuneration Committee, Nomination Committee, Executive Committee and the sustainable development supervision committee, to oversee different aspects of the Group's affairs and to assist in the execution of the Board's responsibilities.

### AUDIT COMMITTEE

The Company formulated written terms of reference for the Audit Committee in accordance with the requirements of the Stock Exchange and are aligned with the code provisions set out in the CG Code. The Audit Committee currently comprises one non-executive Director, Mr. Zhou Yimin, and three independent non-executive Directors, namely Mr. Ding Yuan (as chairman), Mr. Xu Xiaonian and Mr. Lee Kwan Hung. The terms of reference of the Audit Committee are currently made available on the websites of the Stock Exchange and the Company.

The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal of such auditor; reviewing the interim and annual reports and financial statements of the Group; and overseeing the Company's financial reporting system including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget, and to review the risk management and internal control systems.

The Audit Committee meets the external auditor regularly to discuss any area of concern during the audit. The Audit Committee reviews the interim and annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with reporting and accounting standards, the Listing Rules and the legal requirements in the review of the Company's interim and annual report.

During the year ended 31 December 2018, the Audit Committee held 2 meetings. Each committee meeting has supplied with the necessary financial information of the Group for members to consider, review and access significant issues arising from the work conducted.

### 董事委員會

董事局已成立多個董事局轄下委員會，包括審核委員會、薪酬委員會、提名委員會、執行委員會及可持續發展督導委員會，以監察本集團不同範疇之事務及協助董事局執行其職責。

### 審核委員會

本公司根據聯交所之規定，遵照企業管治守則所載守則條文制訂審核委員會之書面職權範圍。審核委員會目前由一名非執行董事鄒益民先生以及三名獨立非執行董事丁遠先生(主席)、許小年先生及李均雄先生組成。審核委員會之職權範圍現已刊載於聯交所及本公司網站。

審核委員會主要負責就委任、續聘及罷免外聘核數師、批准外聘核數師之酬金及委聘條款以及有關核數師辭任或罷免之任何問題向董事局提出建議；審閱本集團之中期報告、年報及財務報表；及監察本公司之財務匯報系統，包括資源充足性、負責本公司財務匯報之員工資格及經驗以及彼等之培訓安排及預算，以及檢討風險管理及內部監控系統。

審核委員會定期與外聘核數師會面，以討論審核過程中任何關注事宜。審核委員會向董事局提呈中期報告及年報前會先行審閱。審核委員會不僅關注會計政策及慣例變動之影響，於審閱本公司之中期報告及年報時亦著重是否已遵守申報及會計準則、上市規則及法例規定。

截至二零一八年十二月三十一日止年度，審核委員會曾舉行兩次會議。每次委員會會議均提供必要之本集團財務資料，以供委員會成員考慮、審閱及評估所進行工作產生之重大事宜。

Name of Members	Number of meetings attended	成員姓名	出席會議次數
Mr. Ding Yuan ( <i>Committee Chairman</i> )	2/2	丁遠先生 (委員會主席)	2/2
Mr. Xu Xiaonian	1/2	許小年先生	1/2
Mr. Lee Kwan Hung	2/2	李均雄先生	2/2
Mr. Zhou Yimin	1/2	鄒益民先生	1/2

During the year under review, the Audit Committee had performed the following work:

於回顧年內，審核委員會之工作如下：

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>— reviewed the annual results for the year ended 31 December 2017 and the interim results for the six months ended 30 June 2018;</li> </ul>  | <ul style="list-style-type: none"> <li>— 審閱截至二零一七年十二月三十一日止年度之全年業績及截至二零一八年六月三十日止六個月之中期業績；</li> </ul>       |
| <ul style="list-style-type: none"> <li>— discussed with the management of the Company over the completeness, fairness and adequacy of reporting and accounting standards and policies of the Group in the preparation of the 2018 interim and annual financial statements;</li> </ul> | <ul style="list-style-type: none"> <li>— 於編製二零一八年中期及全年財務報表時，與本公司管理層討論本集團之報告及會計準則及政策是否完整、公平及足夠；</li> </ul> |
| <ul style="list-style-type: none"> <li>— reviewed and discussed with the external auditor over the financial reporting of the Company;</li> </ul>   | <ul style="list-style-type: none"> <li>— 審閱本公司之財務報告事宜及與外聘核數師就有關事宜進行討論；</li> </ul>                         |
| <ul style="list-style-type: none"> <li>— recommended to the Board, for the approval by shareholders, of the re-appointment of the auditor;</li> </ul>   | <ul style="list-style-type: none"> <li>— 就重新委聘核數師向董事局提出建議，以待股東批准；</li> </ul>                              |
| <ul style="list-style-type: none"> <li>— reviewed the continuing connected transactions of the Group and relevant reports from external auditor; and</li> </ul>   | <ul style="list-style-type: none"> <li>— 審閱本集團的持續關連交易及外聘核數師的相關報告；及</li> </ul>                             |
| <ul style="list-style-type: none"> <li>— reviewed the risk management and internal control systems of the Group.</li> </ul>   | <ul style="list-style-type: none"> <li>— 檢討本集團之風險管理及內部監控系統。</li> </ul>                                    |



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### REMUNERATION COMMITTEE

The Company formulated written terms of reference for the Remuneration Committee in accordance with requirements of the Stock Exchange and are aligned with the code provisions set out in the CG Code. The Remuneration Committee shall comprise at least three members with majority of independent non-executive Directors, and an independent non-executive Director should take up the role of chairman of the Remuneration Committee. The Remuneration Committee currently comprises two executive Directors, Mr. Tian Ming and Ms. Zhou Qin, and three independent non-executive Directors, namely, Mr. Lee Kwan Hung (as chairman), Mr. Ding Yuan and Mr. Xu Xiaonian. The terms of reference of the Remuneration Committee are currently made available on the websites of the Stock Exchange and the Company.

The functions of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure on the remuneration packages for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives, to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, and to make recommendations to the Board on the remuneration of non-executive Directors.

### 薪酬委員會

本公司根據聯交所之規定，遵照企業管治守則所載守則條文制訂薪酬委員會之書面職權範圍。薪酬委員會至少須由三名成員組成，而當中大多數為獨立非執行董事，並由一名獨立非執行董事擔任薪酬委員會主席。薪酬委員會現由兩名執行董事田明先生及周勤女士，以及三名獨立非執行董事李均雄先生（主席）、丁遠先生及許小年先生組成。薪酬委員會之職權範圍現已刊載於聯交所及本公司網站。

薪酬委員會之職能為就全體董事及高級管理人員之薪酬政策及薪酬待遇架構以及制訂薪酬政策建立一套正式及透明程序向董事局提出建議；參考董事局之公司目標與宗旨以檢討及批准管理層薪酬建議；就個別執行董事及高級管理人員之薪酬待遇向董事局提出建議；及就非執行董事之薪酬向董事局提出建議。

During the year ended 31 December 2018, the Remuneration Committee held 1 meeting for reviewing the remuneration policies and structure of the Directors and senior management and recommended to the Board the proposed remuneration of the Directors and senior management; and consideration share award plan for the year 2018.

截至二零一八年十二月三十一日止年度，薪酬委員會曾舉行1次會議，以檢討本公司董事及高級管理人員之薪酬政策及架構及就董事及高級管理人員之建議薪酬向董事局提出建議，並審議二零一八年度之股份獎勵計劃。

Name of Members	Number of meeting attended	成員姓名	出席會議次數
Mr. Lee Kwan Hung ( <i>Committee Chairman</i> )	1/1	李均雄先生（委員會主席）	1/1
Mr. Tian Ming	1/1	田明先生	1/1
Mr. Xu Xiaonian	0/1	許小年先生	0/1
Mr. Ding Yuan	1/1	丁遠先生	1/1
Ms. Zhou Qin	1/1	周勤女士	1/1

During the year ended 31 December 2018, apart from the meeting held for the above, the Remuneration Committee by passing written resolutions made recommendation to the Board on the remuneration of the newly appointed Director.

截至二零一八年十二月三十一日止年度，除就上述事項舉行會議外，薪酬委員會亦通過書面決議案向董事局建議新委任董事之薪酬。

The emolument payable to Directors and senior management will depend on their respective contractual terms under the employment agreements, if any, and is fixed by the Board with reference to the recommendation of the Remuneration Committee, the performance of the Group, their duties and responsibilities, remuneration benchmark in the industry and the prevailing market conditions. Details of the remuneration of the Directors and senior management are set out in note 14 and note 15 to the consolidated financial statements.

應付董事及高級管理人員之酬金將視乎彼等各自之僱員協議（如有）所載合約條款，並由董事局經參考薪酬委員會之建議、本集團之表現、彼等之職責及責任、行業薪酬標準及當前市況而釐定。有關董事及高級管理人員之酬金詳情載於綜合財務報表附註14及附註15。

## NOMINATION COMMITTEE

The Company formulated written terms of reference for the Nomination Committee in accordance with requirements of the Stock Exchange and are aligned with the code provisions set out in the CG Code. The Nomination Committee shall comprise at least three members with a majority of independent non-executive Directors, and the Chairman of the Board or an independent non-executive Director should take up the role of chairman of the Nomination Committee.

## 提名委員會

本公司根據聯交所之規定，遵照企業管治守則所載守則條文制訂提名委員會之書面職權範圍。提名委員會至少須由三名成員組成，而當中大多數為獨立非執行董事，並由董事局主席或一名獨立非執行董事擔任提名委員會主席。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Nomination Committee currently consists of one executive Director, Mr. Tian Ming (as chairman), one non-executive Director, Mr. Zhou Yimin, and three independent non-executive Directors, namely, Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung. The terms of reference of the Nomination Committee are currently made available on the websites of the Stock Exchange and the Company.

The functions of the Nomination Committee are to review and monitor the structure, size and diversity of the Board and make recommendations on any proposed changes to the Board to complement the Group's strategy; to identify qualified individuals to become members of the Board; to assess the independence of independent non-executive Directors; and to make recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer.

To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:

- (a) participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
- (b) taking the lead where potential conflicts of interests arise;

提名委員會現由一名執行董事田明先生(主席)，一名非執行董事鄒益民先生以及三名獨立非執行董事許小年先生、丁遠先生及李均雄先生組成。提名委員會之職權範圍現已刊載於聯交所及本公司網站。

提名委員會之職能為檢討及監察董事局之架構、規模及組成；向董事局提出任何更改建議以配合本集團策略；物色合資格人選出任董事局成員；評估獨立非執行董事之獨立身分；及就委任或重選董事及董事(特別是主席及總裁)之繼任計劃向董事局提供建議。

為確保董事局的變更能夠在不受干擾的情況下進行，甄選、委任及重選董事的過程應為正式且審慎和具透明度，及有序地計劃繼承(如果認為有必要)，當中包括定期審查該計劃。任命新董事(額外董事或填補臨時空缺)或重新委任董事，均由董事局根據提名委員會對建議候選人的推薦意見作出決定。

考慮候選人是否符合資格建基於彼能否付出足夠時間和精力處理公司的事務，並有助於董事局的多元化以及有效執行董事局職責，尤其是以下責任：

- (a) 參加董事局會議並就公司策略、政策、績效、問責制、資源、主要任命和行為守則等問題作出獨立判斷；
- (b) 出現潛在利益衝突時發揮領導作用；

- |   |   |
|---|---|
| <p>(c) serving on the Audit Committee, and the Remuneration Committee and the Nomination Committee (in the case of candidate for non-executive Director) and other relevant Board committees, if invited;</p>   | <p>(c) 如為非執行董事候選人，倘受邀時，須在審核委員會，薪酬委員會和提名委員會和其他相關董事局委員會任職；</p>                      |
| <p>(d) bringing a range of business and financial experience to the Board, giving the Board and any committees on which he or she serves the benefit of his or her skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/committee meetings;</p> | <p>(d) 通過定期出席和參與董事局及其擔任成員的委員會會議並以其技能、專業知識、不同背景及資歷與多元化為董事局或任何委員會帶來一系列的商業和財務經驗。</p> |
| <p>(e) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;</p>  | <p>(e) 審核公司達成其協定的企業目標及宗旨的表現，並監督績效報告；</p>  |
| <p>(f) ensuring the committees on which he or she serves to perform their powers and functions conferred on them by the Board; and</p>  | <p>(f) 確保所服務的委員會履行董事局賦予他們的權力和職能；及</p>   |
| <p>(g) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate.</p>   | <p>(g) 須遵守董事局不時訂明或載於本公司的組織章程，或法例規定，或根據上市規則（如適用）之任何規定、指引及規例。</p>                   |

If the candidate is proposed to be appointed as an independent non-executive Director, his or her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an independent non-executive Director with such qualifications or expertise as required under Rule 3.10(2) of the Listing Rules.

如候選人建議委任為獨立非執行董事，其獨立性須按照（其中包括）上市規則第3.13條所列因素進行評估，惟受限於聯交所將不時作出的修訂。在適用的情況下，根據上市規則第3.10(2)條，須評估候選人的教育程度、資格和經驗以考慮彼是否備有適當的專業資格或與會計相關的財務管理專業知識，以填補獨立非執行董事的職位。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year ended 31 December 2018, the Nomination Committee held 1 meeting for reviewing the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) of the Board; to assess the independence of the independent non-executive Directors; and to consider the re-election of Directors before putting forth for discussion and approval by the Board.

截至二零一八年十二月三十一日止年度，提名委員會曾舉行一次會議，以於提交董事局討論及批准前，檢討董事局之架構、人數及成員多元化（包括（但不限於）性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期方面）；評估獨立非執行董事之獨立身分；及考慮董事重選事宜。

Name of Members	Number of meeting attended
Mr. Tian Ming ( <i>Committee Chairman</i> )	1/1
Mr. Zhou Yimin	1/1
Mr. Xu Xiaonian	0/1
Mr. Ding Yuan	1/1
Mr. Lee Kwan Hung	1/1

成員姓名	出席會議次數
田明先生（委員會主席）	1/1
鄒益民先生	1/1
許小年先生	0/1
丁遠先生	1/1
李均雄先生	1/1

During the year ended 31 December 2018, apart from the meeting held for the above, the Nomination Committee by passing written resolutions made recommendation to the Board on the nomination of new Director.

截至二零一八年十二月三十一日止年度，除就上述事項舉行會議外，提名委員會亦通過書面決議案向董事局建議提名新董事。

## CORPORATE GOVERNANCE FUNCTIONS

The corporate governance functions were performed by the Board.

## 企業管治職能

企業管治職能由董事局執行。

The corporate governance functions are to develop and review the Company's policies and practices on corporate governance to comply with the CG Code and other legal or regulatory requirements and make recommendations to the Board, to oversee the Company's orientation program for new Director, to review and monitor the training and continuous professional development of Directors and senior management, to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors, and to review the Company's disclosure in the Corporate Governance Report.

企業管治職能為制訂及檢討本公司企業管治政策及常規，以符合企業管治守則及其他法律或監管規定，並向董事局作出建議、監督本公司之新董事入職指引計劃、檢討及監督董事及高級管理人員之培訓及持續專業發展、制訂、檢討及監督僱員及董事適用之行為守則及遵例守則（如有）、以及檢討本公司於企業管治報告中之披露。

During the financial year ended 31 December 2018, the Board has reviewed the training and continuous professional development of Directors and senior management and reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

截至二零一八年十二月三十一日止財政年度，董事局已審閱董事及高級管理人員之培訓及持續專業發展，以及審閱本公司遵守企業管治守則之情況及於企業管治報告中之披露。

## EXECUTIVE COMMITTEE

The Company established an Executive Committee with all of the executive Directors as its members with written terms of reference.

The Executive Committee meets on ad hoc basis to exercise the powers, authorities and discretions of the Board in accordance with its written terms of reference.

## DIRECTORS' RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the financial statements of the Group and ensure that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the financial statements of the Group.

The responsibility statement of external auditor of the Company, PricewaterhouseCoopers, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 107 and 115.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any matters uncertainly relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

## AUDITOR'S REMUNERATION

For the year ended 31 December 2018, the remuneration paid/payable to the Company's auditor, PricewaterhouseCoopers is set out below:

## 執行委員會

本公司已設立執行委員會，由全體執行董事出任成員，並已制定書面職權範圍。

執行委員會按突發性需要召開會議，以根據其書面職權範圍行使董事局之權力、職責及酌情權。

## 董事編製財務報表之責任

董事確認彼等編製本集團財務報表之責任，並確保財務報表乃根據法例規定及適用之會計準則編製。董事亦確保準時刊發本集團之財務報表。

本公司之外聘核數師羅兵咸永道會計師事務所就本集團財務報表進行報告之責任聲明載於第 107 至 115 頁之獨立核數師報告內。

董事經作出一切合理查詢後確認，就彼等所深知、全悉及確信，彼等並不知悉任何可能對本公司持續經營能力造成重大疑慮之事宜或情況之不確定因素。

## 核數師酬金

截至二零一八年十二月三十一日止年度，已付／應付本公司核數師羅兵咸永道會計師事務所之酬金如下：

**RMB'000**  
**人民幣千元**

Services rendered by PricewaterhouseCoopers		羅兵咸永道會計師事務所提供之服務	
Audit services	核數服務		1,446
Non-audit services (Note)	非核數服務(附註)		953
			<u>2,399</u>

Note: non-audit services include services for reviewing the interim results of the Group for the six months ended 30 June 2018 and other non-audit services.

附註：非核數服務包括審閱本集團截至二零一八年六月三十日止六個月之中期業績之服務及其他非核數服務。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMPANY SECRETARY

The Company engages an external professional company secretarial services provider, Uni-1 Corporate Services Limited ("Uni-1"), to provide compliance and full range of company secretarial services to the Group in order to assist the Group to cope with the changing regulatory environment and to suit difference commercial needs.

Ms. Chan Yuen Ying, Stella ("Ms. Chan"), the representative of Uni-1, is the named Company Secretary of the Company. The biographical details of Ms. Chan are set out under the section headed "Biographical Details of Directors and Senior Management".

Mr. Liu Chao, the Board Secretary, is the primary point of contact at the Company for the Company Secretary.

According to the requirements of Rule 3.29 of the Listing Rules, Ms. Chan has taken no less than 15 hours of relevant professional training for the financial year ended 31 December 2018.

### DIVIDEND POLICY

The amount of any dividends that the Company may declare and pay in the future will be subject to the discretion of the Board and will be based upon the Group's overall results of operation, financial condition, working capital requirements, capital expenditure requirements, liquidity position, future expansion plans, amount of retained earnings, distributable reserves and any other conditions that the Directors consider relevant. Any declaration and payment of dividends may also be limited by restrictions under the laws of Bermuda, the Company's constitutional documents, the Listing Rules and any other applicable laws and regulations. The amounts of dividend distributions that the Group has declared and made in the past are not indicative of the dividends that the Company may pay in the future.

### 公司秘書

本公司委聘外聘專業公司秘書服務供應商統一企業服務有限公司(「統一企業」)為本集團提供合規及全面之公司秘書服務，以協助本集團應付不斷轉變之監管環境及迎合不同商業需求。

統一企業代表陳婉榮小姐(「陳小姐」)為本公司之署名公司秘書。陳小姐之履歷詳情載於「董事及高級管理人員簡介」一節。

本公司董事局秘書劉超先生為公司秘書於本公司之主要聯絡人。

根據上市規則第3.29條之規定，陳小姐於截至二零一八年十二月三十一日止財政年度已參與不少於十五小時之相關專業培訓。

### 股息政策

本公司日後可能宣派及派付的任何股息金額將由董事局酌情決定，並將基於本集團的整體經營業績、財務狀況、營運資金需求、資本開支要求、流動資金狀況、未來擴展計劃、留存收益、可分派儲備以及董事視為相關的任何其他條件得出。宣派及派付股息須遵守百慕達法例、本公司之憲章文件、上市規則及任何適用法律及規例之限制。本集團過往已宣派及作出的股息分派金額並不代表本公司日後可能支付的股息。

The Directors may recommend a payment of dividends after taking into account the general economic conditions, business cycle of the Group's business and any other internal and external factors that may affect the business and financial performance and position of the Group in addition to the above mentioned criteria. Any future declaration of dividends may or may not reflect the historical declarations of dividends and will be at the absolute discretion of the Directors.

The Board will review the Dividend Policy on a regular basis and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy from time to time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company.

## SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communications between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting.

## SHAREHOLDERS TO CONVENE A SPECIAL GENERAL MEETING

Shareholders may convene a special general meeting of the Company according to the provisions as set out in the Bye-Laws and the Companies Act of Bermuda. The procedures shareholders can use to convene a special general meeting are set out in the document entitled "Procedures for a Shareholder to Propose a Person for Election as a Director", which is currently available on the Company's website.

除上述準則外，董事在建議股息派發時將考慮一系列因素，包括整體經濟狀況，本集團業務的業務週期及可能影響本集團業務及財務表現及狀況的任何其他內部及外部因素。未來任何股息宣派可能會或可能不會反映過往的股息，並將由董事全權酌情決定。

董事局將定期檢討股息政策，並保留全權酌情決定權不時更新、修訂及／或修改該股息政策。股息政策並不屬於對本公司具法律約束力之承諾。

## 股東權利

本公司股東大會為股東及董事局提供溝通之機會。本公司股東週年大會須每年舉行一次，地點可由董事局釐定。股東週年大會以外之各股東大會均稱為股東特別大會。

## 股東召開股東特別大會

根據細則及百慕達公司法所載條文，股東可召開本公司股東特別大會。股東召開股東特別大會之程序現載於本公司網站內標題為「股東提名候選董事的程序」之文件內。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### PUTTING ENQUIRIES BY SHAREHOLDERS TO THE BOARD

To ensure effective communications between the Board and the shareholders and the investment community at large, the Company has adopted a set of shareholders communication policy (the "Policy") on 12 March 2012. Under the Policy, the Company's information shall be communicated to the shareholders and the investment community mainly through the Company's financial reports (interim reports and annual reports), and its corporate communications and other corporate publications on the Company's website and the Stock Exchange's website. Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available. Any such questions shall be first directed to the Company Secretary at the Company's principal place of business in Hong Kong.

### PROCEDURES FOR PUTTING FORWARD PROPOSALS BY SHAREHOLDERS AT SHAREHOLDERS' MEETING

The number of members necessary for a requisition for putting forward a proposal at a general meeting shall be:

- (a) any number of members holding not less than one-twentieth (5%) of the paid-up capital of the Company as at the date of the requisition carrying the right of voting at general meetings of the Company; or
- (b) not less than one hundred members.

A copy or copies of requisition signed by all requisitionists shall be deposited, with a sum reasonably sufficient to meet the Company's expenses in giving notice of the proposed resolution or circulating any necessary statement, at the Company's principal place of business in Hong Kong in the case of:

- (i) a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
- (ii) any other requisition, not less than one week before the meeting.

The Company will verify the requisition and upon confirming that the requisition is proper and in order, the Board will proceed with the necessary procedures.

### 股東向董事局提問

為確保董事局與股東及整體投資社群有效溝通，本公司已於二零一二年三月十二日採納一套股東溝通政策（「政策」）。根據政策，本公司之資料應主要透過本公司財務報告（中期報告及年報）以及其公司通訊及發佈於本公司及聯交所網站上之其他公司刊物傳遞予股東及投資社群。股東及投資社群可隨時要求索閱本公司可予公開之資料。任何該等疑問應首先呈遞予公司秘書，地點為本公司香港主要營業地點。

### 股東於股東大會上提呈決議案之程序

於股東大會上提呈決議案所需股東人數須為：

- (a) 於請求書日期持有賦予權利可於本公司股東大會投票之本公司繳足股本不少於二十分之一（5%）之任何股東人數；或
- (b) 不少於一百名股東。

所有請求人簽署之請求書副本或多份副本，連同合理足以支付本公司發出有關建議決議案之通告或傳閱任何必要聲明所需費用之款項，應於下列時間內遞交至本公司之香港主要營業地點：

- (i) 倘屬需發出決議案通告之請求書，須於有關會議舉行前不少於六個星期；及
- (ii) 倘屬任何其他請求書，須於有關會議舉行前不少於一個星期。

本公司將核實有關請求書，於確認有關請求屬合適及妥當後，董事局將繼續進行必要之程序。

## CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year.

## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board recognizes the importance of good communications with all shareholders. The Company's annual general meeting is a valuable forum for the Board to communicate directly with the shareholders. The Chairman of the Board as well as the chairman of each of the Audit Committee, the Nomination Committee and the Remuneration Committee together with the external auditor are present to answer shareholders' questions. The annual report together with annual general meeting circular is distributed to all the shareholders at least 20 clear business days before the annual general meeting.

## VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions set out in the notice of the 2019 annual general meeting will be voted by poll.

## RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the development and maintenance of risk management and internal control of the Company and evaluation of their effectiveness. The Company adopts a comprehensive risk management and internal control structure to handle and manage its risks. The Company has set up strict procedures to ensure that no assets would be subject to unauthorized use or disposal and appropriate accounting records are kept for the preparation of reliable financial reports in compliance with applicable laws and regulations.

## 憲章文件

於本年度，本公司之憲章文件並無變動。

## 與股東及投資者之溝通

董事局深明與全體股東維持良好溝通之重要性，本公司之股東週年大會提供寶貴機會讓董事局直接與股東溝通。董事局主席以及審核委員會、提名委員會及薪酬委員會主席，連同外聘核數師均會出席股東週年大會，解答股東提問。年報連同有關股東週年大會之通函於股東週年大會舉行前至少二十個工作天寄交全體股東。

## 以投票方式表決

根據上市規則第13.39(4)條，除主席以誠實信用原則決定容許純粹有關程序或行政事宜之決議案以舉手方式表決外，於股東大會上，股東所作任何表決必須以投票方式進行。因此，於二零一九年股東週年大會通告所載全部決議案將以投票方式表決。

## 風險管理及內部監控

董事局確認對本公司風險管理和內部監控之建立、維護，及審查其有效性負責。本公司採取全面的風險管理及內部監控架構以積極應對和管理風險。本公司設有嚴格的程序以保證資產在不會未經授權下使用或處置，存備適當的會計記錄為刊發可靠的財務報告，並遵守適用的法律法規。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Audit Committee is responsible for reviewing the risk management, internal control and financial control systems. It discusses with the management regarding the risk management and internal control systems to ensure they have performed their duties to establish effective risk management and internal control systems. The Audit Committee is also responsible for ensuring that the internal review function is adequately resourced and has appropriate stand within the Company, and reviewing the adequacy of qualifications and experience, training programs and relevant budgets of staff in charge of accounting, financial reporting and internal audit of the Company.

Based on the information and confirmation of the management and internal audit department, the internal control system of the Group covers all of its activities and transactions, and the management shall conduct regular risk assessment (at least annually) and monitor and report the progress of actions taken to cope with significant risks from time to time. The Audit Committee considers that, for the year ended 31 December 2018, the risk management and internal control systems of the Company were comprehensive and effective. The Company has set up a supervisory and audit office which carries out audit and supervisory work independently under the guidance and supervision of the Board, and directly reports to the Chairman of the Board and the Audit Committee. The accounting, financial reporting and internal audit personnel have sufficient qualifications and experience and have received adequate training within the review period.

### IMPROVING INTERNAL CONTROL MECHANISM

The Group has formulated the Manual of System Development Procedures of Landsea Green Properties (《朗詩綠色地產開發體系流程制度手冊》) (V3 version), which covers all important aspects including the project positioning, design management, cost management, project management, sales management, customer management, brand management, financial management, operation management and human resources, to optimize the internal control system and safeguard a stable operation and management. The Group has also formulated systems for specific business procedures based on the business lines, including the Management Measures on Project Design and Quality (《工程設計品質管制辦法》), to further improve the management of business risks and regulate the management of business processes.

審核委員會負責檢討風險管理、內部監控及財務監控系統。其與管理層討論風險管理及內部監控系統，確保管理層已履行職責，建立有效的風險管理及內部監控制度。審核委員會亦負責確保內部審閱功能在本公司內部有足夠資源運作，並且有適當的地位；審閱包括本公司在會計、財務報告及內部審核等職能方面員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

根據管理層及內部審核部門資料及確認，本集團內部監控制度涵蓋各項目活動及交易，在框架內管理層定期（惟不少於每年一次）進行風險評估及持續監控及呈報對重大風險採取行動的進展情況。審核委員會認為截至二零一八年十二月三十一日止年度，本公司的風險管理及內部監控制度全面有效。本公司設有監察審計室，在董事局的指導監督下，獨立開展審計監察工作，直接向董事局主席和審核委員會匯報。會計、財務報告及內部審核人員擁有足夠的資歷及經驗，在檢討期內獲得足夠的培訓。

### 完善內部監控機制

本集團制定了《朗詩綠色地產開發體系流程制度手冊》V3版，涵蓋了項目定位、設計管理、成本管理、工程管理、銷售管理、客戶管理、品牌管理、財務管理、運營管理、人力資源等所有重要方面，健全了內控管理體系，保障經營管理穩健運行；按業務條線，制定《工程設計品質管制辦法》等專業公司流程制度，進一步完善業務風險管理機制，規範業務流程管理。

## OPTIMIZING INTERNAL CONTROL MEASURES

Based on the characteristics of different risks and business segments, the Company adopts various specific measures in respect of market risk, financial risk, product risk, operational risk and information system security in order to enhance the internal control standards. The Company has also formulated the Cultural Strategy Handbook (《文化戰略手冊》), the Landsea Brand Handbook (《朗詩品牌手冊》) and the Staff Handbook to strengthen the behavioral management and regulatory guidance of staff.

## CLEARLY DEFINING AUTHORITY OF MANAGEMENT

Through a series of systemized and standardized measures including the revision of Handbook of Authorities and Responsibilities (《權責手冊》), the Company has strengthened the daily authorization management and the authorization system, which has laid the foundation of the existing authorization management system of the Company.

## HIGHLY EMPHASIZING PREVENTION AND CONTROL OF SIGNIFICANT RISKS

The Company attaches high importance in the prevention, control and investigation of significant risks. Pursuant to the principle of “Full Coverage and Comprehensive Investigation to Control Risk”, the Company conducts investigation with focuses on major areas including tender and procurement, housing maintenance and marketing, and implements rectification measures against each of the problems identified for effective prevention and solution.

## STRENGTHENING INTERNAL AUDIT AND RECTIFICATION

The internal audit department of the Company has conducted audit on the financial and internal control of the Company and its subsidiaries, including the financial management, budget management, cost management, procurement management and expense management, and provide advices on rectification and risk prevention aiming to improve systems, standardize procedures and optimize mechanisms. Improvement has been made in response to the rectifying opinions for the year.

## 健全內部監控措施

本公司就不同類型的風險特徵和業務領域，有針對性地在市場風險、財務風險、產品風險、運營風險、資訊系統安全等方面多措並舉，有的放矢地提升了內部控制水準；本公司還制定了《文化戰略手冊》、《朗詩品牌手冊》與《員工手冊》，加強員工行為管理和規範引導。

## 深入推進授權管理工作

本公司通過修訂、完善《權責手冊》等一系列制度化、規範化的措施，加強了日常授權管理，強化了授權體系建設，奠定本公司現行授權管理的制度基礎。

## 重視高風險領域防控

本公司高度重視高風險領域防控和排查工作，依據「全面覆蓋，逐一排查，控制風險」的原則開展排查，並圍繞招採、房修、營銷業務等重點領域，對發現的問題逐條落實整改，有效防範和化解問題的發生。

## 加強內部審核和問題整改

本公司內部審計部門對本公司及其附屬公司實施財務管理、預算管理、成本管理、採購管理、費用管理等財務及內控進行審計，從健全制度、規範流程、完善機制、優化系統等方面，提出整改和風險防範意見，本年度提出的整改意見均已改進。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### IMPROVING ANTI-CORRUPTION MECHANISM AND STRENGTHENING CASE MANAGEMENT

With strict legal compliance adhering to the core value of “people-oriented, positive and green”, all of the Company’s employees ought to develop sound legal awareness and act in compliance with laws and regulations. The Company has established the Code of Anti-corruption and set up the Work Ethics Committee as the highest executive function for the Group’s anti-corruption work, with duties mainly including promotion of anti-corruption measures, coordination of anti-corruption work and handling and making decisions in relation to relevant issues. The Work Ethics Committee is chaired by Mr. Tian Ming, the Chairman of the Board, with members comprising all executive Directors, senior management and staff representatives. The Company’s monitoring department is a dedicated function operating under the Work Ethics Committee to carry out investigation in corruption-related matters and reports directly to the Chairman of the Company. Cases will be filed, investigated and handled in an independent, objective and just manner. The Company has set up reporting email, reporting hotline and WeChat reporting platform, and announcements are made to the relevant internal and external units and personnel. The Company encourages autonym whistleblowing, and all such cases will be filed and investigated, while the whistleblowers will be informed of the result under various measures that safeguard their legal rights. The Company has zero tolerance towards corruption. Therefore, in the event of any corruption, the Company will impose penalty in accordance with the Code of Anti-corruption, including dismissal and reporting to judicial authority.

In addition, the Group regulates the handling and announcement of inside information as set out in the corporate responsibility policy and all subsidiary procedures in order to ensure that the inside information shall be kept confidential until disclosure with proper approval and the relevant information shall be announced in an effective and consistent manner.

### 健全反腐機制、強化案件處理

本公司秉承「人本、陽光、綠色」的核心價值觀，依法經營，公司所有員工應當樹立良好的法治意識，遵紀守法，本公司制定《反腐敗條例》，設有職業道德委員會作為本集團反腐敗工作的最高決策機構。職業道德委員會主要職能是推進本集團反腐敗制度建設、牽頭協調本集團反腐敗工作及對有關事項作出處理決定或進行裁決。職業道德委員會由董事局主席田明先生擔任主席，成員由全體執行董事、高級管理人員及員工代表組成。公司監察部門是職業道德委員會的工作機構，是開展反腐敗調查的專職部門，反腐敗工作直接向公司董事長彙報，舉報受理、調查和處置工作具有獨立性、客觀性和公正性。本公司設有舉報郵箱、舉報電話、微信舉報平台，並對內部和外部相關單位、人員進行公佈。本公司鼓勵實名舉報，所有實名舉報都會開展調查並以安全方式將調查意見回饋給舉報人，並採取多重措施保障實名舉報人的合法權益不受侵犯。本公司對腐敗始終堅持零容忍原則，對任何腐敗事件，一經發現，根據《反腐敗條例》進行處罰，包括辭退及移送司法機關處理。

此外，本集團對公司責任政策及各附屬程序所載的內幕消息的處理和發佈進行規範，以確保內幕消息在獲適當批准披露前一直保密，並確保有效及一致地發佈有關消息。

Appropriate policy and supervision have been designed and put in place to safeguard assets against unauthorized use or disposal, ensure compliance with relevant rules and regulations, maintain reliable financial and accounting records pursuant to applicable accounting standards and regulatory requirement on reporting and properly identify and manage the major risks which may affect the performance of the Group. The relevant system and internal control can only provide reasonable, but not absolute, assurance against material misstatement or loss as they are designed to manage rather than eliminate the risk of failure to achieve business targets.

The internal audit department of the Group carries out auditing work aiming to control risks. Its annual working plan covers all major works and procedures of the operational, business and service units of the Group and special review will be conducted in accordance with the requirement of the management. The results of audit shall be submitted to the Audit Committee. The internal audit department will review and follow up on issues raised during the audit to ensure effective implementation and regularly report the progress to the Audit Committee.

The internal audit department of the Group shall independently confirm to each of the Board, the Audit Committee and the administrative management of the Group that the internal control of the Group is sufficient and effective. The head of the internal audit department of the Group shall directly report to the chairman of the Audit Committee, the Chief Executive Officer and the Chief Financial Officer of the Group.

The management is responsible for the design, implementation and supervision of risk management and internal control system, and shall regularly report to the Board and/or the Audit Committee regarding the effectiveness of the relevant system.

For the year ended 31 December 2018, the internal control system of the Company was comprehensive and effective, and was neither subject to any significant or major internal control deficiency nor material issues which may affect the financial control, operational control, compliance control and risk management function of the Company.

適當的政策及監控經已訂立及制定，以確保資產不會在未經許可下使用或處置，依從及遵守相關規則及規例，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地識別及管理可能影響本集團表現的主要風險。有關系統及內部監控只合理而非絕對保證可防範重大失實陳述或損失，因為其目的均旨在管理，而非消除未能達成業務目標的風險。

本集團內部審計部門採納以風險控制為本的審核方法。集團內部審計部門的全年工作計劃，涵蓋本集團營運、業務及服務單位各項主要工作及程序，並按照管理層的要求進行特別檢討，而審核結果會交予審核委員會。內部審計部門會查察審核事務，並於其後跟進，力求妥善實行，並會定期向審核委員會匯報其進展。

本集團內部審計部門獨立向董事局、審核委員會及本集團行政管理人員保證本集團的內部監控充足並有效。本集團內部審計主管向本集團的審核委員會主席、總裁及首席財務官直接匯報。

管理層負責風險管理及內部監控系統的設計、執行及監察，並負責定期向董事局及／或審核委員會匯報有關系統的成效。

截至二零一八年十二月三十一日止年度，本公司內部監控制度完善有效，無重大或重要內部監控缺陷，亦無任何可能影響公司財務監控、運作監控、合規監控以及風險管理職能的重要事項。

# DIRECTORS' REPORT

## 董事局報告

The Directors present their annual report and the audited financial statements for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of the Company's principal subsidiaries are set out in note 42 to the financial statements respectively.

### RESULTS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of comprehensive income on pages 116 to 118.

The Directors recommended to the shareholders of the Company at the forthcoming annual general meeting of the Company to be held on Monday, 27 May 2019 ("AGM") the distribution of a final dividend of HK cents 4.5 per share out of contributed surplus of the Company for the year ended 31 December 2018.

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

### SHARE CAPITAL

Details of movements in the share capital for the year ended 31 December 2018 are set out in note 31 to the financial statements.

### SHARES ISSUED

During the year, an aggregate of 463,560,113 shares of HK\$0.01 each in the capital of the Company ("Shares") were allotted and issued at the issue price of HK\$0.9334 to Landsea International Holdings Limited ("Landsea International") on 19 November 2018 upon full conversion of the convertible perpetual convertible securities in an aggregate principal amount of HK\$432,687,009 issued by the Company to Landsea International on 29 January 2016 in accordance with the terms and conditions of the agreement in relation to acquisition of Epic China Limited dated 2 December 2015 entered into between Landsea International and the Company.

On 21 December 2018, 341,176,471 Shares were issued and allotted to Landsea International upon completion of the capitalization of the shareholder's loan in the outstanding principal amount of HK\$290 million provided by Landsea International to the Company.

董事謹提呈截至二零一八年十二月三十一日止年度之年報連同經審核財務報表。

### 主要業務

本公司為投資控股公司。本公司主要附屬公司之主要業務刊載於財務報表附註42。

### 業績

本集團截至二零一八年十二月三十一日止年度之業績刊載於第116至118頁之綜合全面收益表。

董事將於二零一九年五月二十七日(星期一)舉行之應屆本公司股東週年大會(「股東週年大會」)上向本公司股東建議自本公司實繳盈餘分派截至二零一八年十二月三十一日止年度末期股息每股4.5港仙。

概無任何有關本公司股東豁免或同意豁免任何股息之安排。

### 股本

截至二零一八年十二月三十一日止年度之股本變動詳情載於財務報表附註31。

### 已發行股份

年內，本公司根據Landsea International Holdings Limited(「Landsea International」)與本公司就收購Epic China Limited於二零一五年十二月二日訂立的協議條款及條件，於二零一八年十一月十九日悉數行使本公司於二零一六年一月二十九日向Landsea International發行本金總額432,687,009港元的可換股永久證券後，以發行價0.9334港元向Landsea International配發及發行本公司股本中合共463,560,113股每股面值0.01港元的股份(「股份」)。

於二零一八年十二月二十一日，本公司完成將Landsea International向本公司提供股東貸款未償還本金額290百萬港元資本化後，向Landsea International發行及配發341,176,471股份。

## DEBENTURES ISSUED

On 22 April 2018, the Company issued the US\$150 million 9.625% senior notes due 2020 in accordance to the purchase agreement dated 20 April 2018. On 18 May 2018, the Company issued an additional US\$50 million 9.625% senior notes due 2020.

## BUSINESS REVIEW

Particulars of a discussion and analysis on the activities specified in Schedule 5 to the Companies Ordinance (Chapter 622, Laws of Hong Kong) ("Companies Ordinance"), including a fair review of the Group's business, a discussion on the principal risks and uncertainties facing the Group, future development in the Company's business and analysis using financial key performance indicators, are set out in the sections headed "CHAIRMAN'S STATEMENT", "MANAGEMENT DISCUSSION AND ANALYSIS" and "CORPORATE GOVERNANCE REPORT" in this annual report. The above sections form an integral part of this directors' report.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The environmental policies and performance of the Company for the year ended 31 December 2018 are contained the information required under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") will be published on the Stock Exchange's website and the Company's website within three months after publication of the Company's 2018 annual report.

## COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Company was incorporated in Bermuda and therefore the Company is subject to relevant laws and regulations in Bermuda. In addition, the Company is registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and therefore is subject to the relevant provisions under the Companies Ordinance.

The Company is listed on the Stock Exchange and therefore the Company is subject to the governance of the Listing Rules including the disclosure requirements and corporate governance provisions therein.

## 已發行債券

於二零一八年四月二十二日，本公司根據日期為二零一八年四月二十日的購買協議發行本金額150百萬美元年利率9.625%於二零二零年到期的優先票據。於二零一八年五月十八日，本公司額外發行50百萬美元於二零二零年到期且票息為9.625%的優先票據。

## 業務回顧

就香港法例第622章公司條例（「公司條例」）附表5指定活動而進行之討論及分析之詳情，包括對本集團業務之中肯審視、對本集團所面對主要風險及不明朗因素之討論、本公司業務之未來發展以及利用財務主要表現指標進行之分析，已載於本年報之「主席報告」、「管理層討論及分析」及「企業管治報告」三節。上述章節構成本董事局報告之一部分。

## 環境政策及表現

本公司截至二零一八年十二月三十一日止年度的環境政策及表現載於香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄二十七規定的資料內，將於本公司二零一八年年報刊發後三個月內刊載於聯交所網站和本公司網站。

## 遵守相關法例及法規

本公司於百慕達註冊成立，故本公司須受百慕達相關法例及法規所規限。此外，本公司根據公司條例第16部註冊為非香港公司，故須受公司條例的相關條文所規限。

本公司於聯交所上市，故本公司須受上市規則（包括當中的披露規定及企業管治條文）所監管。



# DIRECTORS' REPORT

## 董事局報告

Under the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "SFO"), the Company is required to maintain a register of interests in shares and short positions and a register of directors' and chief executives' interests and short positions and is obliged to disclose price sensitive or inside information.

The Group is principally engaged in properties development in the PRC and the United States and therefore is subject to the relevant laws and regulations in the PRC and the United States.

### KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Company recognised that employees are our valuable assets. Thus, the Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard. The Group also understands that it is important to maintain good relationship with business partners and bank enterprises to achieve its long-term goals. Accordingly, the management have kept good communication, promptly exchanged ideas and shared business update with them when appropriate. During the year under review, there was no material and significant dispute between the Group and its business partners or bank enterprises.

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the shareholders entitled to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 21 May 2019 to Monday, 27 May 2019, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 20 May 2019.

根據香港法例第571章證券及期貨條例(「證券及期貨條例」)，本公司須存置股份權益及淡倉登記冊以及董事及主要行政人員的權益及淡倉登記冊，並須披露股價敏感資料或內幕消息。

本集團主要於中國及美國從事房地產開發，故須受中國及美國相關法例及法規所規限。

### 與僱員、客戶及供應商的重要關係

本公司明白，僱員是我們的寶貴資產。因此，本集團提供具有競爭力的薪酬待遇吸引和激勵僱員。本集團定期檢討僱員的薪酬待遇，並作出必要的調整以符合市場標準。本集團亦明白，為達致長期目標，須與商業夥伴和銀行企業維持良好的關係。因此，管理層與彼等保持良好溝通、及時交流意見並適時分享最新業務情況。於回顧年內，本集團與商業夥伴和銀行企業間概無任何重大糾紛。

### 暫停辦理過戶登記手續

為釐定有權出席股東週年大會並於會上投票之股東之身份，本公司之股份過戶登記將於二零一九年五月二十一日(星期二)至二零一九年五月二十七日(星期一)(包括首尾兩日)期間暫停，期間將不會進行股份過戶。所有股份過戶文件連同有關股票須於二零一九年五月二十日(星期一)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

For determining the entitlement of the shareholders to the proposed distribution, the register of members of the Company will be closed from Monday, 3 June 2019 to Wednesday, 5 June 2019, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed distribution, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited for registration not later than 4:30 p.m. on Friday, 31 May 2019.

## INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The Group revalued all of its investment properties at the year-end date. The net increase in fair value of RMB7,363,000 has been credited directly to the consolidated statement of comprehensive income.

Details of the movements in the investment properties and property, plant and equipment of the Group during the year are set out in notes 18 and 19 to the financial statements respectively.

## DISTRIBUTABLE RESERVES

As at 31 December 2018, the amount standing to the credit of the Company's share premium account in the amount of RMB824,366,000 may be distributable in the form of fully paid bonus shares. Under the laws of Bermuda, the Company's contributed surplus account may be distributed under certain circumstances, as at 31 December 2018, the balance of the account was RMB337,347,000.

## DIRECTORS AND SERVICE CONTRACTS

The Directors of the Company during the year and up to the date of this report were:

### EXECUTIVE DIRECTORS:

Mr. Tian Ming (*Chairman and Chief Executive Officer*)

Mr. Xiang Jiong (*Chief Executive Officer*)  
(*resigned on 23 November 2018*)

Ms. Shen Leying (*Co-Chief Executive Officer*)

Mr. Wang Lei (*Co-Chief Executive Officer*)  
(*appointed on 23 November 2018*)

Ms. Zhou Qin (*Vice President*)

Mr. Xie Yuanjian (*Vice President*)

為釐定股東獲享建議分派之權利，本公司之股份過戶登記將於二零一九年六月三日(星期一)至二零一九年六月五日(星期三)(包括首尾兩日)期間暫停，期間將不會進行股份過戶。為符合資格獲享建議分派，所有股份過戶文件連同有關股票須於二零一九年五月三十一日(星期五)下午四時三十分前，送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，以辦理登記手續。

## 投資性物業以及不動產、工廠及設備

本集團於年結日重估其全部投資性物業。公允價值增加淨額人民幣7,363,000元已直接計入綜合全面收益表。

本集團之投資性物業以及不動產、工廠及設備於年內之變動詳情分別刊載於財務報表附註18及19。

## 可供分派之儲備

於二零一八年十二月三十一日，本公司股份溢價賬內為數人民幣824,366,000元之進賬或可以繳足紅股之方式派發。根據百慕達法例，本公司之實繳盈餘為可於若干情況下分派，於二零一八年十二月三十一日，結餘為人民幣337,347,000元。

## 董事及服務合約

於本年度及截至本報告日期，本公司之董事如下：

### 執行董事：

田明先生(主席及總裁)

向炯先生(總裁)

(於二零一八年十一月二十三日辭任)

申樂瑩女士(聯席總裁)

王磊先生(聯席總裁)

(於二零一八年十一月二十三日獲委任)

周勤女士(副總裁)

謝遠建先生(副總裁)

# DIRECTORS' REPORT

## 董事局報告

### NON-EXECUTIVE DIRECTOR:

Mr. Zhou Yimin

### INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Xu Xiaonian

Mr. Ding Yuan

Mr. Lee Kwan Hung

Mr. Chen Tai-yuan (appointed on 22 March 2019)

In accordance with the Company's Bye-law 87, Mr. Tian Ming, Ms. Shen Leying and Mr. Xie Yuanjian will retire by rotation and, being eligible, offer themselves for re-election at the AGM.

In accordance with Bye-law 86(2), Mr. Chen Tai-yuan is subject to re-election at the AGM and, being eligible, offers himself for re-election.

Mr. Ding Yuan confirmed that he will retire at the AGM as he would like to spend more time pursuing his own business.

The Company entered into a service contract with (1) each of Mr. Tian Ming, Ms. Shen Leying and Mr. Xie Yuanjian, the executive Directors, on 11 November 2016 for a term of three years commencing each from 1 August 2016; (2) Ms. Zhou Qin, an executive Director, on 11 November 2016 for a term of three years commencing from 15 August 2016; and (3) Mr. Wang Lei, an executive Director, on 23 November 2018 for a term of three years commencing from 23 November 2018.

The Company entered into an appointment letter with each of Mr. Xu Xiaonian, Mr. Ding Yuan and Mr. Lee Kwan Hung, independent non-executive Directors, on 11 November 2016 for a term of three years commencing from 1 August 2016.

The Company also entered into an appointment letter with Mr. Zhou Yimin, a non-executive Director, on 17 November 2018 for a term of three years commencing from 17 November 2018.

The Company entered into an appointment letter with Mr. Chen Tai-yuan, an independent non-executive Director, on 22 March 2019 for a term of three years commencing from 22 March 2019.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

### 非執行董事：

鄒益民先生

### 獨立非執行董事：

許小年先生

丁遠先生

李均雄先生

陳泰元先生(於二零一九年三月二十二日獲委任)

依據本公司之細則第87條，田明先生、申樂瑩女士及謝遠建先生將於股東週年大會上輪值告退，惟符合資格並願意於大會上膺選連任。

根據細則第86(2)條，陳泰元先生須於股東週年大會上膺選連任，並合資格且願意膺選連任。

丁遠先生已確認彼將於股東週年大會上退任，以投放更多時間於其個人業務上。

本公司(1)於二零一六年十一月十一日與執行董事田明先生、申樂瑩女士及謝遠建先生簽訂服務合約，自二零一六年八月一日起開始為期三年；(2)於二零一六年十一月十一日與執行董事周勤女士簽訂服務合約，自二零一六年八月十五日起開始為期三年；及(3)於二零一八年十一月二十三日與執行董事王磊先生簽訂服務合約，自二零一八年十一月二十三日起開始為期三年。

本公司於二零一六年十一月十一日分別與獨立非執行董事許小年先生、丁遠先生及李均雄先生簽訂了委任函，自二零一六年八月一日起為期三年。

本公司亦與非執行董事鄒益民先生於二零一八年十一月十七日簽訂了委任函，年期為自二零一八年十一月十七日起計三年。

本公司亦與獨立非執行董事陳泰元先生於二零一九年三月二十二日簽訂了委任函，年期為自二零一九年三月二十二日起計三年。

概無董事與本公司或其任何附屬公司訂有本集團不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

## CHANGES OF INFORMATION IN RESPECT OF DIRECTORS

Below are the changes in Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules up to the date of this report.

## 有關董事的資料變動

下文根據上市規則第13.51B(1)條的規定披露截至本報告日期董事的資料變動。

Name of Director 董事名稱	Change(s) 變動
Mr. Zhou Yimin <i>Non-executive Director</i> 鄒益民先生 非執行董事	resigned as a non-executive Director of CIFI Holdings (Group) Co., Ltd. (a company listed on the Stock Exchange, Stock Code: 884) on 25 November 2018 於二零一八年十一月二十五日辭任聯交所上市公司旭輝控股（集團）有限公司（股份代號：884）的非執行董事
Mr. Ding Yuan <i>Independent non-executive Director</i> 丁遠先生 獨立非執行董事	resigned as an independent non-executive Director of Red Star Macalline Group Corporation Ltd. (a company listed on the Stock Exchange, Stock Code: 1528) on 28 November 2018 於二零一八年十一月二十八日辭任聯交所上市公司紅星美凱龍家居集團股份有限公司（股份代號：1528）的獨立非執行董事

## DIRECTOR'S AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2018, the interests and short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

## 董事及主要行政人員於股份、相關股份及債券之權益

於二零一八年十二月三十一日，董事或本公司主要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、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉；或根據證券及期貨條例第352條須記錄於該條例所述登記冊內之權益及淡倉；或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及聯交所之權益及淡倉如下：



# DIRECTORS' REPORT

## 董事局報告

### LONG POSITION IN ORDINARY SHARES OF HK\$0.01 EACH OF THE COMPANY

於本公司每股面值0.01港元普通股之好倉

Number of Shares held/Approximate percentage in total number of issued Shares

所持股份數目／佔已發行股份總數的概約百分比

Name of Director 董事姓名	Capacity 身份	Number of Shares held/Approximate percentage in total number of issued Shares 所持股份數目／佔已發行股份總數的概約百分比		
		Number of ordinary Shares 普通股數目	Number of derivative Shares 衍生股份數目	Total number of Shares 股份總數
Mr. Tian Ming ("Mr. Tian") 田明先生(「田先生」)	Interest of controlled corporations 受控制法團權益	3,116,146,678 (65.99%) (Notes 1 and 2) (附註1及2)	—	3,116,146,678 (65.99%)
	Beneficial owner 實益擁有人	7,220,000 (0.15%)	1,681,500 (0.04%) (Note 3) (附註3)	8,901,500 (0.19%)
Ms. Shen Leying 申樂瑩女士	Beneficial owner 實益擁有人	1,064,000 (0.02%)	1,150,500 (0.02%) (Note 3) (附註3)	2,214,500 (0.04%)
Mr. Wang Lei 王磊先生	Beneficial owner 實益擁有人	—	796,500 (0.02%) (Note 3) (附註3)	796,500 (0.02%)
Ms. Zhou Qin 周勤女士	Beneficial owner 實益擁有人	1,626,163 (0.03%)	885,000 (0.02%) (Note 3) (附註3)	2,511,163 (0.05%)
Mr. Xie Yuanjian 謝遠建先生	Beneficial owner 實益擁有人	1,064,000 (0.02%)	973,500 (0.02%) (Note 3) (附註3)	2,037,500 (0.04%)

Notes:

- (1) These include (i) 1,997,961,187 ordinary shares held through Greensheid Corporation ("Greensheid"); (ii) 313,448,907 ordinary shares held through Easycorps Group Limited ("Easycorps"); and (iii) 804,736,584 ordinary shares, including 463,560,113 derivative shares being converted upon exercise of conversion rights by Landsea International Holdings Limited ("Landsea International") into ordinary shares on 19 November 2018, held through Landsea International.
- (2) Greensheid is wholly-owned by Landsea International, which is in turn wholly-owned by Landsea Group. Mr. Tian is the controlling shareholder of Landsea Group. Easycorps is a company wholly and beneficially owned by Mr. Tian.
- (3) These are restricted shares granted according to the restricted share award scheme adopted by the Board on 2 July 2014.

Save as disclosed, as at 31 December 2018, none of the Directors and the chief executives of the Company and their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

## DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than those disclosed in the sections headed "Connected Transactions and Continuing Connected Transactions" below and "Related Party Transactions" in note 39 to the financial statements for the year ended 31 December 2018, no contracts of significance to which the Company or its subsidiaries were a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## DIRECTORS' INTERESTS IN A COMPETING BUSINESS

Each of the directors has confirmed that none of them is engaged in, or interested in any business which, directly or indirectly, competes or is likely to compete with the business of the Group.

附註：

- (1) 包括(i) 1,997,961,187股透過Greensheid Corporation (「Greensheid」) 所持有之普通股；(ii) 313,448,907股透過Easycorps Group Limited (「Easycorps」) 所持有之普通股；及(iii) 804,736,584股透過Landsea International Holdings Limited (「Landsea International」) 所持有之普通股，包括Landsea International於二零一八年十一月十九日行使兌換權兌換的463,560,113股衍生股份。
- (2) Greensheid由Landsea International全資擁有，而Landsea International由朗詩集團全資擁有。田先生為朗詩集團之控股股東。Easycorps為田先生全資實益擁有之公司。
- (3) 根據由董事局於二零一四年七月二日採納之限制性股份獎勵計劃授出之限制性股份。

除上文所披露者外，於二零一八年十二月三十一日，董事及本公司主要行政人員以及彼等各自之聯繫人概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文而被當作擁有或被視為擁有之權益及淡倉）；或根據證券及期貨條例第352條須記錄於該條例所述登記冊內之權益或淡倉；或根據標準守則須知會本公司及聯交所之權益或淡倉。

## 董事於重大合約之權益

除下文「關連交易及持續關連交易」及刊載於截至二零一八年十二月三十一日止年度之財務報表附註39「關聯方交易」兩節所披露者外，於本年度結束時或年內任何時間，本公司各董事概無在本公司或其附屬公司訂立之任何重大合約中直接或間接擁有任何重大權益。

## 董事於競爭業務中的權益

各董事確認，彼等概無從事任何與本集團業務直接或間接競爭或可能構成競爭的業務或於其中擁有權益。

# DIRECTORS' REPORT

## 董事局報告

### CONTROLLING SHAREHOLDER'S INTERESTS IN SIGNIFICANT CONTRACTS

Other than those disclosed in the sections headed "Connected Transactions and Continuing Connected Transactions" below and "Related Party Transactions" in note 39 to the financial statements for the year ended 31 December 2018, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholder or any of its subsidiaries entered into any contract of significance or any contract of significance for the provision of services by the controlling shareholders or any of its subsidiaries to the Company or any of its subsidiaries.

### CHARITABLE DONATIONS

During the year, the Group had charitable donation of RMB523,000 (2017: RMB150,000).

### EQUITY-LINKED AGREEMENTS

Save for the share option scheme and the restricted share award scheme of the Company as set out below in this report and also note 32 to the financial statements, other equity-linked agreement entered into by the Group during the year or subsisting at the end of the year are set out in the section headed "MANAGEMENT DISCUSSION AND ANALYSIS" and also note 33 to the financial statements.

### MANAGEMENT CONTRACTS

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

### 控股股東於重大合約之權益

除下文「關連交易及持續關連交易」及刊載於截至二零一八年十二月三十一日止年度之財務報表附註39「關聯方交易」兩節所披露者外，本公司或其任何附屬公司於年內概無與控股股東或其任何附屬公司訂立任何重大合約，或有關控股股東或其任何附屬公司就向本公司或本公司之任何附屬公司提供服務訂立任何重大合約。

### 慈善捐款

於本年度，本集團之慈善捐款為人民幣523,000元（二零一七年：人民幣150,000元）。

### 股票掛鈎協議

除本報告下文及財務報表附註32所載本公司的股份期權計劃及限制性股份獎勵計劃外，本集團於年內訂立或於年末續存的其他股票掛鈎協議載於「管理層討論及分析」一節及財務報表附註33。

### 管理合約

於本年度，概無訂立或存有有關本公司全部或任何重大業務的管理及行政的合約。

## RESTRICTED SHARE AWARD SCHEME

On 2 July 2014, the Board adopted a restricted share award scheme ("Share Award Scheme") as an incentive to recognise the contributions by employees and to give incentives to retain them for the continuing operation and development of the Group, as well as attract suitable personnel for further development of the Group. The Directors strongly believe that the continued success of the Group is closely tied with the commitment and efforts of the employees of the Group. The shares subject to restrictions ("Restricted Shares") can serve as an incentive to motivate them to further contribute to the Group. The Restricted Shares to be awarded will be with reference to the performance, operating and financial targets and other criteria determined by the Board from time to time. The Share Award Scheme is effective for a term of 10 years commencing on the date of adoption subject to any early termination as may be determined by the Board.

The summary of the principal terms and conditions of Share Award Scheme were set out in the Company's announcement dated 2 July 2014. As at 31 December 2018, an aggregate of 35,262,500 Restricted Shares were granted to reward the eligible awardees, details of which are set out as below:

## 限制性股份獎勵計劃

於二零一四年七月二日，董事局採納限制性股份獎勵計劃（「股份獎勵計劃」）以嘉許僱員之貢獻，激勵他們為本集團之持續經營和發展做出努力，並為本集團進一步發展吸引適合人才。董事確信，本集團之持續成功與本集團僱員之承擔及努力緊密相連。受限制股份（「限制性股份」）可以作為一種激勵以促使他們進一步對本集團作出貢獻。將予授出之限制性股份將參考表現、本集團經營及財務指標以及由董事局於任何時間確定之其他標準釐定。股份獎勵計劃由採納日期起生效，為期十年，除非經董事局決定提早終止。

股份獎勵計劃之主要條款及條件概要載列於本公司日期為二零一四年七月二日之公告內。於二零一八年十二月三十一日，已授出合共35,262,500股限制性股份獎勵合資格獲獎勵人士，詳情載列如下：

Awardees	Date of grant of Restricted Shares	Number of Restricted Shares Granted	Outstanding at 1 January 2018 於二零一八年一月一日的結餘	Distributed during the year 年內分配	Outstanding at 31 December 2018 於二零一八年十二月三十一日的結餘	Vesting conditions
獲獎勵人士	授予限制性股份日期	已授出 限制性股份數目				歸屬條件
<b>Directors</b>						(1) Subject to fulfillment of the year's preset performance, operation and financial targets at the discretion of the Board
<b>董事</b>						須符合董事局按其酌情權決定之年度預設表現、營運及財務目標
Mr. Tian Ming	19 November 2014	1,596,000	1,596,000	1,596,000	-	(2) After satisfying condition (1), a waiting period of two years is required.
田明先生	二零一四年十一月十九日					
	8 April 2016	1,681,500	1,681,500		1,681,500	在滿足第(1)個條件後，須經過兩年之等待期。
	二零一六年四月八日					
Ms. Shen Leying	19 November 2014	1,064,000	1,064,000	1,064,000	-	(2) After satisfying condition (1), a waiting period of two years is required.
申樂瑩女士	二零一四年十一月十九日					
	8 April 2016	1,150,500	1,150,500		1,150,500	在滿足第(1)個條件後，須經過兩年之等待期。
	二零一六年四月八日					



# DIRECTORS' REPORT

## 董事局報告

Awardees	Date of grant of Restricted Shares	Number of Restricted Shares Granted 已授出 限制性股份數目	Outstanding at 1 January 2018 於二零一八年一月一日的結餘	Distributed during the year 年內分配	Outstanding at 31 December 2018 於二零一八年十二月三十一日的結餘	Vesting conditions 歸屬條件
獲獎勵人士	授予限制性股份日期	限制性股份數目				歸屬條件
Mr. Wang Lei 王磊先生	8 April 2016 二零一六年四月八日	796,500	796,500	–	796,500	
Mr. Xie Yuanjian 謝遠建先生	19 November 2014 二零一四年十一月十九日	1,064,000	1,064,000	1,064,000	–	
	8 April 2016 二零一六年四月八日	973,500	973,500		973,500	
Ms. Zhou Qin 周勤女士	19 November 2014 二零一四年十一月十九日	620,000	620,000	620,000	–	
	8 April 2016 二零一六年四月八日	885,000	885,000		885,000	
Sub-total 小計			9,831,000	4,344,000	5,487,000	
Other Employees (including former Director) 其他僱員 (包括前董事)	19 November 2014 二零一四年十一月十九日	13,484,000	13,484,000	11,968,000	1,516,000	
	8 April 2016 二零一六年四月八日	11,947,500	11,947,500	–	11,947,500	
Sub-total 小計			25,431,500	11,968,000	13,463,500	
Total 總計		35,262,500	35,262,500	16,312,000	18,950,500	

### SPECIFIC PERFORMANCE OBLIGATION OF CONTROLLING SHAREHOLDER UNDER RULE 13.18 OF THE LISTING RULES

As at 31 December 2018, the Company did not have any disclosure obligations under Rule 13.18 of the Listing Rules.

### 控股股東根據上市規則第 13.18 條之特定履約責任

根據上市規則第 13.18 條，截至二零一八年十二月三十一日，本公司並無任何披露責任。

## SHARE OPTIONS

The share option scheme (the “Scheme”) was adopted and became effective upon passing relevant ordinary resolution at the annual general meeting of the Company held on 25 April 2012. Summary of the principal terms of the Scheme were set out in the circular to the Company’s shareholders on 22 March 2012. No share option was granted under the Scheme since its adoption.

## ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the sections headed “Share Options” and “Restricted Share Award Scheme” above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the Company’s Directors or chief executives to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors and chief executives, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

## 股份期權

根據在二零一二年四月二十五日舉行之本公司股東週年大會上通過有關普通決議，股份期權計劃（「該計劃」）獲採納並且已經生效。該計劃之主要條款概要載列於二零一二年三月二十二日致本公司股東之通函內。於採納後，並沒有根據該計劃授出股份期權。

## 購買股份或債券之安排

除上文「股份期權」及「限制性股份獎勵計劃」兩節所披露者外，本公司或其任何附屬公司於年內概無參與任何安排，致使本公司董事或主要行政人員可藉購買本公司或任何其他法團之股份或債券而獲益。

## 主要股東

於二零一八年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東登記冊顯示，除上文所披露有關若干董事及主要行政人員之權益外，以下股東已知會本公司其擁有本公司已發行股本之有關權益：

# DIRECTORS' REPORT

## 董事局報告

### ORDINARY SHARES OF HK\$0.01 EACH OF THE COMPANY

本公司每股面值0.01港元的普通股

		Number of Shares held/Percentage in total number of issued Shares 所持股份數目／佔已發行股份總數百分比			
Name of Shareholder 股東姓名／名稱		Long position/ Short position 好倉／淡倉	Number of ordinary Shares 普通股數目	Number of derivative Shares 衍生股份數目	Total 總額
Landsea Group Co., Ltd. (Note 1)	朗詩集團股份有限公司(附註1)	Long position 好倉	2,802,697,771 (59.35%)	–	2,802,697,771 (59.35%)
Landsea International (Note 1)	Landsea International(附註1)	Long position 好倉	2,802,697,771 (59.35%)	–	2,802,697,771 (59.35%)
Greensheid (Note 1)	Greensheid(附註1)	Long position 好倉	1,997,961,187 (42.31%)	–	1,997,961,187 (42.31%)
Easycorps	Easycorps	Long position 好倉	313,448,907 (6.63%)	–	313,448,907 (6.63%)
Ping An Insurance (Group) Company of China, Ltd. (Note 2)	中國平安保險(集團)股份有限公司 (附註2)	Long position 好倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
		Short position 淡倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
Ping An Life Insurance Company of China Ltd. (Note 2)	中國平安人壽保險股份有限公司 (附註2)	Long position 好倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
		Short position 淡倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)

		Number of Shares held/Percentage in total number of issued Shares 所持股份數目／佔已發行股份總數百分比		
Name of Shareholder 股東姓名／名稱	Long position/ Short position 好倉／淡倉	Number of ordinary Shares 普通股數目	Number of derivative Shares 衍生股份數目	Total 總額
Ping An Real Estate Company Ltd. (Note 2)	平安不動產有限公司(附註2) Long position 好倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
	Short position 淡倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
Pingan Real Estate Capital Ltd. (Note 2)	平安不動產資本有限公司(附註2) Long position 好倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
	Short position 淡倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
Fuji Investment Management Limited (Note 2)	富吉投資管理有限公司(附註2) Long position 好倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)
	Short position 淡倉	327,002,604 (6.92%)	–	327,002,604 (6.92%)

Notes:

附註：

(1) These include (i) 1,997,961,187 ordinary shares held through Greensheid; and (2) 804,736,584 ordinary shares, including 463,560,113 derivative shares being converted into ordinary shares on 19 November 2018 upon exercise of conversion rights attached to the convertible perpetual securities in an aggregate principal amount of HK\$432,687,009 by Landsea International, held through Landsea International, as well as 341,176,471 ordinary shares issued and allotted to Landsea International on 21 December 2018 for the capitalization of the outstanding principal amount of the loan of HK\$290 million provided by Landsea International to the Company.

Greensheid is wholly-owned by Landsea International, which is in turn wholly-owned by Landsea Group. Therefore, Landsea International is deemed to be interested in the shares held by Greensheid, and Landsea Group is deemed to be interested in the shares held by Landsea International and Greensheid pursuant to the SFO.

(1) 包括(i) 1,997,961,187股透過Greensheid所持有之普通股；及(2) 804,736,584股透過Landsea International所持有之普通股，包括Landsea International行使附於本金總額432,687,009港元可換股永久證券兌換權後於二零一八年十一月十九日兌換為普通股的463,560,113股衍生股份，以及就將Landsea International向本公司提供未償還本金額290百萬港元的貸款資本化，於二零一八年十二月二十一日向Landsea International發行及配發341,176,471股普通股。

Greensheid由Landsea International全資擁有，而Landsea International由朗詩集團全資擁有。因此，根據證券及期貨條例，Landsea International被視為於Greensheid持有之股份中擁有權益，而朗詩集團被視為於Landsea International及Greensheid持有之股份中擁有權益。



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(2) These include (i) 327,002,604 ordinary shares held by Fuji Investment Management Limited. Fuji Investment Management Limited is wholly-owned by Pingan Real Estate Capital Limited which in turn is wholly-owned by Ping An Real Estate Company Limited. Ping An Real Estate Company Limited is owned as to 49% by Ping An Life Insurance Company of China Ltd., which in turn is owned as to 99.51% by Ping An Insurance (Group) Company of China, Ltd. Therefore, each of Ping An Insurance (Group) Company of China, Ltd., Ping An Life Insurance Company of China Ltd., Ping An Real Estate Company Ltd. and Pingan Real Estate Capital Ltd. is deemed to be interested in the shares held by Fuji Investment Management Limited pursuant to the SFO. The convertible perpetual securities issued by the Company in an aggregate principal amount of HK\$130,000,000 were fully redeemed by the Company in whole amount. Therefore, upon such full redemption, the Pingan CPS have been cancelled by the Company.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the shares and underlying shares of the Company as at 31 December 2018.

### CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Details of the Group's related party transactions for the year ended 31 December 2018 are set out in Note 39 to the consolidated financial statements. Some of those transactions constituted connected transactions or continuing connected transactions and have complied with the relevant disclosure requirements under Chapter 14A of the Listing Rules.

#### CONNECTED TRANSACTIONS

For the year ended 31 December 2018, the Group has the following connected transaction:

(1) On 31 December 2015, the Company entered into the shareholder loan framework agreement ("Framework Agreement") with Landsea Group, pursuant to which Landsea Group agreed to grant shareholder loan(s) in an aggregate principal amount of not exceeding RMB4,000,000,000 (or Hong Kong Dollar equivalent) to the Company and/or its subsidiaries during the two-year period up to 31 December 2017 at an interest rate of 5.5% per annum and the amounts are interest free since 1 January 2018. As at 31 December 2018, Landsea International, a wholly-owned subsidiary of Landsea Group has granted an aggregate of RMB20,779,000 to the Company which remains outstanding at 31 December 2018.

(2) 包括(i)327,002,604股由富吉投資管理有限公司所持有的普通股。富吉投資管理有限公司由平安不動產資本有限公司全資擁有，而平安不動產資本有限公司由平安不動產有限公司全資擁有。平安不動產有限公司由中國平安人壽保險股份有限公司擁有49%，而中國平安人壽保險股份有限公司由中國平安保險(集團)股份有限公司擁有99.51%。因此，根據證券及期貨條例，中國平安保險(集團)股份有限公司，中國平安人壽保險股份有限公司、平安不動產有限公司及平安不動產資本有限公司各自被視為於富吉投資管理有限公司持有之股份中擁有權益。本公司發行本金總額130,000,000港元的可換股永久證券已悉數獲本公司贖回。因此，獲悉數贖回後，本公司已註銷平安可換股永久證券。

除上文所披露者外，於二零一八年十二月三十一日，本公司概無獲知會於本公司股份及相關股份之其他有關權益或淡倉。

### 關連交易及持續關連交易

本集團截至二零一八年十二月三十一日止年度的關聯方交易詳情載於綜合財務報表附註39。若干該等交易構成關連交易或持續關連交易並已遵守根據上市規則第14A章的相關披露規定。

#### 關連交易

截至二零一八年十二月三十一日止年度，本集團有以下關連交易：

(1) 於二零一五年十二月三十一日，本公司與朗詩集團簽訂股東貸款框架協議(「框架協議」)，朗詩集團同意在二零一七年十二月三十一日之前的兩年內向本公司及／或其附屬公司授出合共金額不超過人民幣4,000,000,000元(或等值港元)之股東貸款，按年利率5.5%計息及自二零一八年一月一日起不計息。於二零一八年十二月三十一日，朗詩集團全資附屬公司Landsea International向本公司授出合共人民幣20,779,000元，於二零一八年十二月三十一日仍未償還。

(2) Apart from the grant of shareholder's loan under the Framework Agreement above, Landsea Group has also granted to Landsea Holdings Corporation, an indirect wholly-owned subsidiary of the Company, certain loans in an aggregate principal amount of RMB1,665,000,000 with interest rate ranging from 5.294% to 6.6345% per annum repayable in 5 years from the respective date of drawdown. As at 31 December 2018, an aggregate of RMB1,665,000,000 remain outstanding.

(3) On 29 December 2017, 蘇州朗坤置業有限公司 (Suzhou Langkun Property Limited\*) ("Suzhou Langkun") entered into (i) two loan agreements (the "Loan Agreements I") with 江蘇國泰華鼎投資有限公司 (Jiangsu Guotai Huading Investment Company Limited\*) ("Jiangsu Huading"), being a 22.5% owner of Suzhou Langkun, in relation to the provision of a loan of RMB285,750,000 to Jiangsu Huading; and (ii) two loan agreements (the "Loan Agreements II") with 江蘇國泰紫金科技發展有限公司 (Jiangsu Guotai Zijin Technology Development Company Limited\*) ("Jiangsu Zijin"), being a 22.5% owner of Suzhou Langkun, in relation to the provision of loan of RMB285,750,000 to Jiangsu Zijin. The Loan Agreements I and Loan Agreements II are for a period from 31 December 2017 to 31 December 2018 at an annual interest rate of 4.35%.

Suzhou Langkun is owned as to 55% by the Group, and 22.5% each by Jiangsu Huading and Jiangsu Zijin, therefore, Jiangsu Huading and Jiang Zijin are regarded as connected persons at subsidiary level. The transactions contemplated under the Loan Agreements I and the Loan Agreements II constituted connected transactions for the Company at subsidiary level under Chapter 14A of the Listing Rules and are subject to notification and announcement requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

(2) 除根據上述框架協議授出股東貸款外，朗詩集團亦向本公司間接全資附屬公司Landsea Holdings Corporation授出本金總額為人民幣1,665,000,000元的若干貸款，該等貸款年利率介乎5.294%至6.6345%、須於各自支取日期起計5年內償還。於二零一八年十二月三十一日，總額人民幣1,665,000,000元仍未償還。

(3) 於二零一七年十二月二十九日，蘇州朗坤置業有限公司（「蘇州朗坤」）與(i)江蘇國泰華鼎投資有限公司（「江蘇華鼎」）（持有蘇州朗坤22.5%權益）簽訂兩份貸款協議（「貸款協議I」），內容有關向江蘇華鼎提供人民幣285,750,000元的貸款；及(ii)與江蘇國泰紫金科技發展有限公司（「江蘇紫金」）（持有蘇州朗坤22.5%權益）簽訂兩份貸款協議（「貸款協議II」），內容有關向江蘇紫金提供人民幣285,750,000元的貸款。貸款協議I及貸款協議II的年期為二零一七年十二月三十一日至二零一八年十二月三十一日，年利率為4.35%。

蘇州朗坤由本集團擁有55%權益，而江蘇華鼎與江蘇紫金則分別擁有其22.5%權益，因此，江蘇華鼎與江蘇紫金被視為於附屬公司層面的關連人士。根據上市規則第14A章，第一份貸款協議I與貸款協議II項下擬進行的交易構成本公司在附屬公司層面的關連交易並須遵守通知及公告的規定，惟可豁免根據上市規則第14A.101條的通函、獨立財務顧問及股東批准的規定。

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- (4) On 21 December 2018, Suzhou Langkun entered into the supplemental agreement to Loan Agreements I with Jiangsu Huading and supplemental agreement to Loan Agreements II with Jiangsu Zijin, pursuant to which Suzhou Langkun agreed to adjust certain terms under the Loan Agreements I and Loan Agreements II. The adjusted loan principal was up to RMB327,270,000 for a term extended from 31 December 2018 to 31 December 2021 at an interest rate of 4.35% per annum.

The transactions contemplated under the (i) Loan Agreements I and the Loan Agreements II, and (ii) the respective supplemental agreement to the Loan Agreements I and the Loan Agreements II constituted connected transactions for the Company at subsidiary level under Chapter 14A of the Listing Rules and are subject to notification and announcement requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

- (5) On 2 November 2018, the Company and Landsea International entered into the agreement pursuant to which Landsea International conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue 341,176,471 new Shares at the issue price of HK\$0.85 per Share for the capitalization of the outstanding principal amount of the shareholder loan of HK\$290 million provided by Landsea International to the Company ("Capitalization").

The Capitalization constitutes a non-exempt connected transaction for the Company under the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. At the special general meeting of the Company held on 18 December 2018, the Capitalization was approved by the independent shareholders by poll, and 341,176,471 new Shares were issued and allotted to Landsea International on 21 December 2018.

- (4) 於二零一八年十二月二十一日，蘇州朗坤與江蘇華鼎簽訂貸款協議I之補充協議以及貸款協議II之補充協議，據此，江蘇朗坤同意調整貸款協議I及貸款協議II的若干條款。經調整的貸款本金額為最高人民幣327,270,000元，年期由二零一八年十二月三十一日延長至二零二一年十二月三十一日，年利率為4.35%。

根據上市規則第14A章，(i)貸款協議I與貸款協議II；及(ii)貸款協議I與貸款協議II各自補充協議項下擬進行的交易構成本公司在附屬公司層面的關連交易並須遵守通知及公告的規定，惟可豁免根據上市規則第14A.101條的通函、獨立財務顧問及股東批准的規定。

- (5) 於二零一八年十一月二日，本公司與Landsea International訂立協議，據此，Landsea International有條件同意認購，而本公司有條件同意配發及發行341,176,471股新股份，發行價為每股股份0.85港元，旨在將Landsea International向本公司提供股東貸款的未償還本金290百萬港元資本化（「資本化」）。

資本化構成上市規則項下本公司的非豁免關連交易，並須遵守上市規則第14A章的報告、公告及獨立股東批准規定。於本公司二零一八年十二月十八日舉行的股東特別大會上，獨立股東以投票表決方式批准資本化，於二零一八年十二月二十一日，Landsea International獲發行及配發341,176,471股新股份。

On 24 December 2018, 上海朗蓉企業管理有限公司 (Shanghai Langrong Enterprise Management Co., Ltd.\*) (“Shanghai Langrong”), a wholly-owned subsidiary of the Company, and 南京朗詩長青藤養老服務有限公司 (Nanjing Landsea Ivy Senior Housing Service Co., Ltd.\*) as purchaser, a wholly-owned subsidiary of Landsea Group, entered into a share transfer agreement, pursuant to which Shanghai Langrong agreed to sell and Landsea Changqing agreed to purchase the entire equity interest in 朗詩常青藤養老服務(上海)有限公司 (Landsea Ivy Senior Housing Service (Shanghai) Co., Ltd.\*) to the purchaser at a consideration of RMB1.00. The transaction contemplated thereunder constituted a de minimis connected transaction under Chapter 14A of the Listing Rules.

## NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2018, the Group has the following non-exempt continuing connected transactions under Chapter 14A of the Listing Rules:

1. On 25 December 2017, the Company entered into the framework agreement in relation to the development and construction management services and sales agency services (“Project Management Services Agreement”) with Landsea Group, pursuant to which the Group shall provide development and construction management services and sales agency services to Landsea Group and its subsidiaries for term of three years commencing from 25 December 2017 to 24 December 2020 at an annual cap of RMB120 million per year.

The actual transaction amount under the Project Management Services Agreement for the year ended 31 December 2018 is approximately RMB23,238,000.

於二零一八年十二月二十四日，上海朗蓉企業管理有限公司(「上海朗蓉」，本公司全資附屬公司)與南京朗詩長青藤養老服務有限公司(作為買方，為朗詩集團全資附屬公司)訂立股權轉讓協議，據此，上海朗蓉同意出售且 Landsea Changqing 同意購買朗詩常青藤養老服務(上海)有限公司的全部股權，代價為人民幣1.00元。據此擬進行之交易構成上市規則第14A章項下的最低豁免水平的關連交易。

## 非豁免持續關連交易

截至二零一八年十二月三十一日止年度，本集團進行了以下上市規則第14A章界定的非豁免持續關連交易：

1. 於二零一七年十二月二十五日，本公司與朗詩集團訂立一份有關開發建設管理服務及銷售代理服務的框架協議(「項目管理服務協議」)。據此，本集團須於二零一七年十二月二十五日至二零二零年十二月二十四日的三年期間，為朗詩集團提供開發建設管理服務及銷售代理服務，年度上限為人民幣120百萬元。

截至二零一八年十二月三十一日止年度項目管理服務協議項下的實際交易金額為約人民幣23,238,000元。

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2. On 25 December 2017, the Company entered into the framework agreement in relation to the properties services and properties consulting services ("Properties Services and Consulting Agreement") with Landsea Group, pursuant to which Landsea Group or its subsidiaries shall provide to the Group properties services and properties consulting services for a fixed term of three years commencing from 1 January 2018 to 31 December 2020 at the respective annual caps at RMB7 million, RMB4 million and RMB4 million.

The actual transaction amount under the Properties Services and Consulting Agreement for the year ended 31 December 2018 is approximately RMB5,507,000.

3. On 13 February 2018, the Company entered into the green architecture technological services agreement with 上海朗綠建築科技股份有限公司 (Shanghai Landleaf Architecture Technology Co., Ltd.\*) ("Landleaf Architecture Technology") ("Architecture Technological Services Agreement"), pursuant to which Landleaf Architecture Technology shall provide green architecture technological services to the Group for a term of three years commencing from 13 February 2018 to 31 December 2020 at the respective annual caps of RMB70 million, RMB50 million and RMB50 million.

The actual transaction amount under the Architecture Technological Services Agreement for the year ended 31 December 2018 is approximately RMB19,832,000.

4. On 13 February 2018, the Company also entered into the decoration services agreement with Landsea Group ("Decoration Services Agreement"), pursuant to which the Group will entrust Landsea Group or its subsidiaries for the provision of decoration services during the development and construction process or operation process of the properties development projects of the Group for a term of three years commencing from 13 February 2018 to 31 December 2020 at the respective annual caps of RMB20 million, RMB20 million and RMB20 million.

The actual transaction amount under the Decoration Services Agreement for the year ended 31 December 2018 is approximately RMB7,043,000.

2. 於二零一七年十二月二十五日，本公司與朗詩集團訂立一份有關物業服務及物業諮詢服務的框架協議（「物業服務及諮詢協議」）。據此，朗詩集團或其附屬公司須由二零一八年一月一日起固定三年期間，為本集團提供物業服務及物業諮詢服務，直至二零二零年十二月三十一日為止，年度上限分別為人民幣7百萬元、人民幣4百萬元及人民幣4百萬元。

截至二零一八年十二月三十一日止年度物業服務及諮詢協議項下的實際交易金額為約人民幣5,507,000元。

3. 二零一八年二月十三日，本公司與上海朗綠建築科技股份有限公司（「朗綠建築科技」）訂立綠建技術服務協議（「綠建技術服務協議」），據此，朗綠建築科技將向本集團提供綠建技術服務，自二零一八年二月十三日起至二零二零年十二月三十一日止為期三年，各自的年度上限為人民幣70百萬元、人民幣50百萬元及人民幣50百萬元。

截至二零一八年十二月三十一日止年度綠建技術服務協議項下的實際交易金額為約人民幣19,832,000元。

4. 於二零一八年二月十三日，本公司亦與朗詩集團訂立裝飾裝修服務協議（「裝飾裝修服務協議」），據此，本集團將委託朗詩集團及其附屬公司就本集團的物業發展項目在開發建設或營運過程中提供裝飾裝修服務，自二零一八年二月十三日起至二零二零年十二月三十一日止為期三年，各自的年度上限為人民幣20百萬元、人民幣20百萬元及人民幣20百萬元。

截至二零一八年十二月三十一日止年度裝飾裝修服務協議項下的實際交易金額為約人民幣7,043,000元。



5. On 2 November 2018, the Company entered into the services framework agreement (“Services Framework Agreement”) with Landsea Group, pursuant to which the Group shall entrust Landsea Group or its subsidiaries to provide venues, facilities and equipment rental for application testing of green residential products and promotional display services for a term of three years from 1 January 2019 to 31 December 2021 at the respective annual caps of RMB12 million, RMB14 million and RMB16 million.

Mr. Tian Ming, Chairman and Chief Executive Officer of the Company, who is interested and deemed to be interests in approximately 66.18% of the issued share capital of the Company, is the ultimate controller of Landleaf Architecture Technology, and therefore, Landleaf Architect Technology is regarded as a connected person of the Company. The Architecture Technological Services Agreement constitutes continuing connected transaction of the Company and are subject to the reporting and announcement requirements but exempt from independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

Given Landsea Group is interested in approximately 59.35% of the issued share capital of the Company, Landsea Group is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Project Management Services Agreement, the Properties Services and Consulting Agreement and Decoration Services Agreement constitute continuing connected transactions of the Company and are subject to the reporting and announcement requirements but exempt from independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

The Company has engaged the auditor of the Company to report the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unmodified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this report in accordance with Rule 14A.56 of the Listing Rules.

5. 於二零一八年十一月二日，本公司與朗詩集團訂立服務框架協議（「服務框架協議」），據此，本集團將委託朗詩集團或其附屬公司提供場地、設施設備租賃進行綠色住宅產品的應用測試及宣傳展示服務，自二零一九年一月一日起至二零二一年十二月三十一日止為期三年，各自的年度上限為人民幣12百萬元、人民幣14百萬元及人民幣16百萬元。

本公司主席及總裁田明先生擁有及被視為擁有本公司已發行股本約66.18%之權益，田明先生為朗綠建築科技的最終控制人，故此朗綠建築科技被視為本公司關連人士。綠建技術服務協議構成本公司持續關連交易，須遵守上市規則第14A章的報告及公告規定，但獲豁免遵守獨立股東批准的規定。

鑑於朗詩集團擁有本公司已發行股本約59.35%的權益，根據上市規則第14A章，朗詩集團屬本公司的關連人士。因此，項目管理服務協議、物業服務及諮詢協議及裝飾裝修服務協議的交易構成本公司之持續關連交易，並須遵守申報及公告規定，但獲豁免遵守獨立股東批准的規定。

本公司已聘用本公司之核數師根據香港會計師公會頒佈的香港核證委聘準則第3000號（經修訂）「審核或審閱過往財務資料以外的核證工作」，並參考實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團之持續關連交易作出匯報。核數師已根據上市規則第14A.56條就本集團於本報告內所披露的持續關連交易的審查結果及結論，發出無保留意見的函件。

# DIRECTORS' REPORT

## 董事局報告

The independent non-executive Directors of the Company have reviewed the above continuing connected transactions and based on the unmodified letter issued by the auditor of the Company noted above, confirmed that the transactions have been entered into:

- (i) in the ordinary course and usual course of business of the Company;
- (ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Board would like to confirm that the connected transactions and the continuing connected transactions carried out during the year ended 31 December 2018 and as disclosed in this report have complied with the requirements in Chapter 14A of the Listing Rules.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's purchased from the five largest suppliers accounted for approximately 10.3% of the Group's total purchases and purchased from the largest supplier included therein accounted for approximately 2.8% of the Group's total purchases.

During the year, the Group's revenue from the five largest customers accounted for approximately 5.5% of the Group's total revenue and revenue from Landsea Group, being the largest customer included therein accounted for approximately 1.6% of the Group's total revenue.

Save as disclosed above, none of the Directors of the Company, their associates, nor any shareholder which to the best knowledge of the Directors owns more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers and suppliers.

本公司獨立非執行董事已審閱上述持續關連交易，並且基於上文所述由本公司核數師發出的無保留意見函件確認該等交易：

- (i) 於本公司日常業務過程中訂立；
- (ii) 按一般商業條款訂立，或如沒有足夠的可比較的交易以確定該等交易是否按一般商業條款進行時，則優惠條件不遜於提供給獨立第三方或（如適用）由獨立第三方提供的條款；及
- (iii) 按該等交易的相關協議訂立，條款屬公平合理，並符合本公司股東之整體利益。

董事局謹此確認截至二零一八年十二月三十一日止年度所進行的關連交易及持續關連交易以及本報告所披露者已遵守上市規則第14A章所載規定。

### 主要客戶及供應商

於本年度，本集團向五大供應商之採購佔本集團總採購額約10.3%，當中包括向最大供應商之採購，佔本集團總採購額約2.8%。

於本年度，本集團來自五大客戶之收入佔本集團總收入約5.5%，當中來自朗詩集團（最大客戶）之收入佔本集團總收入約1.6%。

除上文所披露者外，本公司董事、彼等之聯繫人或據董事所深知擁有本公司已發行股本超過5%之股東，概無於本集團五大客戶及供應商當中擁有任何實益權益。

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018, other than those purchased by the trustee for the Share Award Scheme.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance when the Report of the Board of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

## SUFFICIENT OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the year ended 31 December 2018.

## TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares. Intending holders and investors of the Company's shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications (including tax relief) of subscribing for, purchasing, holding, disposing of or dealing in shares. It is emphasized that none of the Company or its Directors or officers will accept any responsibility for any tax effect on, or liabilities of, holders of shares in the Company resulting from their subscription for, purchase, holding, disposal of or dealing in such shares.

## 購入、出售或贖回本公司上市證券

截至二零一八年十二月三十一日止年度，除受託人就股份獎勵計劃購入的本公司上市證券外，本公司或其任何附屬公司概無購入、出售或贖回本公司任何上市證券。

## 優先購買權

本公司之細則或百慕達法例概無有關優先購買權之規定，故本公司毋須按比例向現有股東發售新股。

## 獲准許彌償條文

本公司已就其董事及高級管理層可能面對進行企業活動所產生之法律訴訟，為董事及行政人員之職責作適當之投保安排。基於董事利益之獲准許彌償條文乃根據公司條例第470條規定於董事編製之董事局報告根據公司條例第391(1)(a)條獲通過時生效。

## 足夠公眾持股量

根據本公司可供公眾查閱資料及就董事所知悉，截至二零一八年十二月三十一日止年度，本公司一直維持足夠之公眾持股量。

## 稅務寬免

本公司並不知悉股東因其所持股份而獲得任何稅務寬免。本公司股份之準持有人及投資者如對認購、購買、持有、出售或買賣股份之稅務影響（包括稅務寬免）有任何疑問，務請諮詢其專業顧問。謹此強調，本公司或其董事或高級人員將一概不會就本公司股份持有人因認購、購買、持有、出售或買賣本公司股份而產生之稅務影響或承擔之責任向彼等負責。

# DIRECTORS' REPORT

## 董事局報告

### AUDITOR

The Company has not changed its external auditor during the past three years.

A resolution will be submitted to the AGM to re-appoint PricewaterhouseCoopers as auditor of the Company.

On behalf of the Board

**Landsea Green Group Co., Ltd.**

**Shen Leying**

*Director*

Hong Kong, 22 March 2019

### 核數師

本公司於過往三年概無更換外部核數師。

於股東週年大會上將會提呈決議案續聘羅兵咸永道會計師事務所為本公司核數師。

代表董事局

**朗詩綠色集團有限公司**

**申樂瑩**

*董事*

香港，二零一九年三月二十二日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



羅兵咸永道

**To the Shareholders of Landsea Green Group Co., Ltd.**  
(incorporated in Bermuda with limited liability)

致朗詩綠色集團有限公司股東  
(於百慕達註冊成立之有限公司)

### OPINION WHAT WE HAVE AUDITED

The consolidated financial statements of Landsea Green Group Co., Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 116 to 334, which comprise:

- the consolidated balance sheet as at 31 December 2018;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

### 意見 我們已審計的內容

朗詩綠色集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第116至334頁的綜合財務報表，包括：

- 於二零一八年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

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# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OUR OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### INDEPENDENCE

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Classification of Subsidiary, Joint Venture and Associate;
- Revenue recognition for development management service.

### 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

### 獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本年綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

從我們的審計中識別出的關鍵審計事項概述如下：

- 附屬公司、合營企業及聯營公司的分類；
- 開發管理服務收入確認。

## Key Audit Matter

### 關鍵審計事項

## How our audit addressed the Key Audit Matter

### 我們的審計如何處理關鍵審計事項

#### **Classification of Subsidiary, Joint Venture and Associate**

##### 附屬公司、合營企業及聯營公司的分類

Refer to note 4(a) (Classification of subsidiary, joint venture and associate), note 16 (Interests in associates), note 17 (Interests in joint ventures) and note 38 (Disposal of subsidiaries) of the consolidated financial statements.

請參閱綜合財務報表附註4(a)(附屬公司、合營企業及聯營公司的分類)、附註16(於聯營公司的權益)、附註17(於合營企業的權益)及附註38(出售附屬公司)。

The Group invests in certain properties projects with various other parties under various arrangements. According to the terms of these arrangements, the Group classifies the investments into subsidiary, joint venture or associate. As of 31 December 2018, the Group had investments in joint ventures and associates with carrying amount of RMB2,596.05 million and RMB1,315.71 million, respectively. At the same time, the Group has non-wholly owned subsidiaries with total non-controlling interest of RMB377.34 million. For the year ended 31 December 2018, the Group recognized gain from derecognition of subsidiaries due to loss of control while retained these investments as joint ventures and associates. These gains amounted to RMB150.10 million which represents 6.64% of profit before tax.

貴集團根據各項安排與不同其他各方投資若干物業項目。根據該等安排的條款，貴集團將該等投資分類為附屬公司、合營企業或聯營公司。於二零一八年十二月三十一日，貴集團擁有合營企業及聯營公司，賬面值分別為人民幣2,596.05百萬元及人民幣1,315.71百萬元。同時，貴集團擁有非全資附屬公司，其非控制性權益總額人民幣377.34百萬元。截至二零一八年十二月三十一日止年度，貴集團終止確認失去控制權的附屬公司而確認利得，該等投資保留為合營企業及聯營公司。其利得為人民幣150.10百萬元，相當於除稅前利潤的6.64%。

We understood, evaluated and tested the relevant control over the Group's classification of subsidiary, joint venture and associate.

我們瞭解、評估並檢驗貴集團附屬公司、合營企業及聯營公司的分類所用相關控制因素。

For material investments, individually or in aggregate, we challenged management's assessment and performed the following audit procedures:

就重大投資(個別或合計)而言，我們質疑管理層的評估，並進行以下審計程序：

We examined the legal documents associated with the investments, to determine the key terms, including rights of the investors, terms of shareholders' agreements, dispute resolution provisions, termination provisions, governance structures and profit-sharing arrangements, and assessed these key terms against the classification criteria.

我們審查與投資有關的法律文件，以釐定關鍵條款，包括投資者的權利、股東協議的條款、爭議解決條文、終止條文、管治架構及利潤分成安排，然後基於分類準則評估該等條款。

When there have been subsequent changes to the shareholders' agreements or governance structures, we assessed whether these changes would impact the initial assessments by management.

在股東協議或管治結構出現後續變動時，我們評估該等變動是否影響了管理層的初步評估。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Key Audit Matter

#### 關鍵審計事項

The classification and change of classification of the Group's investment involves significant judgement in determining the levels of control and influence based on a number of criteria. The classification has significant impact on the Group's consolidated statements of comprehensive income and consolidated balance sheet due to their effect on consolidation scope.

貴集團投資以按多項準則釐定不同層次的控制權及影響力進行分類及分類變動涉及重要判斷。分類因其在綜合範圍的影響使然，其對貴集團的綜合全面收益表及綜合資產負債表有重大影響。

We, therefore, consider classification of subsidiary, joint venture and associate a Key Audit Matter.

因此，我們認為附屬公司、合營企業及聯營公司的分類屬關鍵審計事項。

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

We sought for written confirmations or communicated verbally with co-operating parties, to confirm the contract clauses and completeness of contracts and agreements we obtained and whether there are any subsequent supplementary contracts and agreements or amendments.

我們通過書面確認或與合作方口頭溝通，尋求確認我們取得的合約及協議的條款及完整性，以及是否有後續補充合約及協議或修訂。

We assessed whether the considerations paid for acquisitions or received from disposals of investments represent the fair market value in an arm's length transactions when there was acquisition or disposal.

我們評估了於收購投資時支付或出售投資時收取的代價是否代表於收購或投資的公平交易中的公平市價。

We evaluated the adequacy of the Group's disclosures in respect of the classification and carrying values of subsidiary, joint venture, and associate against the accounting standards adopted by the Group.

我們評估了貴集團對附屬公司、合營企業及聯營公司的分類及其賬面值的披露依據以及貴集團採納的會計準則是否充分。

Based on our audit procedures performed, we consider the judgements made by management regarding the classification of subsidiary, joint venture and associate were supported by evidences we gathered.

基於我們執行的審計程序，我們認為管理層對附屬公司、合營企業及聯營公司的分類的判斷得到我們所收集憑證的支持。

## Key Audit Matter

### 關鍵審計事項

## How our audit addressed the Key Audit Matter

### 我們的審計如何處理關鍵審計事項

#### **Revenue recognition for development management services recognized over period**

##### **於期內確認的開發管理服務收入確認**

Refer to note 2.29 (a) (ii) (Accounting policy for revenue recognition of management services), note 4 (h) (Critical accounting estimates and judgements for revenue recognition for management services recognized over period) and note 5 (Revenue) of the consolidated financial statements.

請參閱綜合財務報表附註2.29(a)(ii) (管理服務收入確認的會計政策)、附註4(h) (於期內確認的管理服務費收入確認的關鍵會計估計及判斷)及附註5 (收入)。

For the year ended 31 December 2018, the Group recorded revenue from development management services recognized over period amounted to RMB394.28 million (note 5), representing approximately 5.2% of the Group's total revenue. 截至二零一八年十二月三十一日止年度，貴集團的於期內確認的開發管理服務收入為人民幣394.28百萬元(附註5)，相當於貴集團總收入約5.2%。

The Group provides development management services for fixed amount or variable amount and recognizes revenue from services over period of time. Significant accounting estimate is involved in the determination of progress towards complete satisfaction of performance, the cost budget and the projected sales and there is significant audit effort on revenue.

貴集團按固定及浮動金額提供開發管理服務，並於期內確認服務收入。釐定完工履約進度時涉及重大會計估計，包括成本預算及估計銷售額，該等收入相關審計工作量非常重大。

We, therefore, consider the revenue recognition for development management services recognized over period a Key Audit Matter.

因此，我們認為於期內確認的開發管理服務收入確認為關鍵審計事項。

We understood, evaluated and tested the controls over revenue recognition for development management services recognized over period.

我們了解、評估及檢驗於期內確認的開發管理服務收入確認所用控制因素。

We assessed if the estimate on progress towards complete satisfaction of performance obligation based on the Group's inputs is reasonable and consistently applied. In respect of cost incurred and cost to completion, we tested actual costs incurred to supporting evidence, performed site visit to project, and agreed cost to completion to approved budgets. We compared, with hindsight, the actual costs incurred with the budget of previous years to assess the reliability of the budget. 我們評估根據本集團的輸入資料計算的達成完工履約責任的進度估計是否合理且貫徹應用。關於已產生成本及竣工成本，我們檢查實際產生成本至支持性憑證，進行項目實地考察，並檢查竣工成本是否與獲批預算相符。我們以實際產生成本與過往年度的預算作事後比較，從而評估該預算的可靠性。

We assessed the reasonableness and sensitivity of management estimation for cost to completion with comparison to similar projects of the Group and actual costs variance to budget by stage.

我們通過比較貴集團的類似項目、各階段實際成本與預算之間的差異評估管理層對竣工成本之估計的合理性及敏感性。

For estimation in respect of projected sales, we compared projected sales volume and price to similar projects and available market data including registered selling prices for transaction, and also offer prices of properties nearby with similar characteristics.

預計銷售估計方面，我們比較類似項目的預計銷售額及價格和交易所定售價及特徵相若的鄰近物業報價等現有市場數據。

We considered the accounting estimates used in revenue recognition for development management services recognized over period were supported by the evidences we gathered.

我們認為我們所收集憑證能夠支持於期內確認的開發管理服務收入確認所採用的會計估計。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the chairman's statement and management discussion and analysis (but not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors and corporate governance report which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the corporate information, financial summary/financial review, financial highlights, breakdown of major properties, directors and senior management, report of the directors and corporate governance report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate action considering our legal rights and obligations.

### 其他信息

貴公司董事須對其他信息負責。其他信息包括我們於本核數師報告日期前取得的主席報告及管理層討論及分析所載信息(但不包括綜合財務報表及我們的核數師報告)，以及我們預期於該日後始獲提供的公司資料、財務概要／財務回顧、財務摘要、主要物業詳情、董事及高級管理層、董事局報告及企業管治報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀公司資料、財務概要／財務回顧、財務摘要、主要物業詳情、董事及高級管理層、董事局報告及企業管治報告時，倘我們認為當中有重大錯誤陳述，我們須與董事就該等事宜溝通，並應我們的法律權利及責任採取適當行動。



## RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

## 董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

## 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何法律責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Esmond S. C. Kwan.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 22 March 2019

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，則我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是關瑞翔。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零一九年三月二十二日

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			For the year ended 截至十二月三十一日止年度	
			31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
		Note 附註		
Revenue	收入	5	7,560,526	6,213,931
Cost of sales and services	銷售及服務成本	9	(5,406,474)	(4,690,410)
<b>Gross profit</b>	<b>毛利</b>		<b>2,154,052</b>	1,523,521
Other income	其他收益	7	171,562	150,704
Selling expenses	銷售費用	9	(243,990)	(119,889)
Administrative expenses	行政費用	9	(568,935)	(420,235)
Fair value gain on investment properties	投資性物業的公允價值利得	18	7,363	28,910
Other gains/(losses) — net	其他利得/(損失)淨額	8	374,110	11,991
<b>Operating profit</b>	<b>經營利潤</b>		<b>1,894,162</b>	1,175,002
Finance income	財務收入	10	23,750	10,120
Finance costs	財務費用	10	(323,018)	(249,045)
Finance costs — net	財務費用淨額	10	(299,268)	(238,925)
Share of net profit of associates	應佔聯營公司利得	16	408,854	169,453
Share of net profit of joint ventures	應佔合營企業利得	17	257,991	21,881
<b>Profit before income tax</b>	<b>除所得稅前利潤</b>		<b>2,261,739</b>	1,127,411
Income tax expenses	所得稅費用	11	(821,169)	(406,570)
<b>Profit for the year</b>	<b>年度利潤</b>		<b>1,440,570</b>	720,841

		For the year ended	
		截至十二月三十一日止年度	
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
<b>Other comprehensive (loss)/income</b>	<b>其他全面(虧損)/收益</b>		
<i>Items that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益的項目：</i>		
— Exchange difference on translation of foreign operations	— 換算海外業務產生的匯兌差額	<b>(126,796)</b>	145,300
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益的項目：</i>		
— Revaluation gain on the property transferring from property, plant and equipment to investment properties	— 自不動產、工廠及設備轉移至投資性物業的物業重估利得	<b>14,515</b>	—
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>本年度其他全面(虧損)/收益，扣除稅項</b>	<b>(112,281)</b>	145,300
<b>Total comprehensive income for the year</b>	<b>年度全面收益總額</b>	<b>1,328,289</b>	866,141
<b>Profit for the year attributable to:</b>	<b>年度利潤歸屬於：</b>		
— The shareholders of the Company	— 本公司股東	<b>1,112,774</b>	580,523
— Non-controlling interests	— 非控制性權益	<b>327,796</b>	140,318
		<b>1,440,570</b>	720,841



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		For the year ended 截至十二月三十一日止年度	
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
	Note 附註		
<b>Total comprehensive income for the year attributable to:</b>	<b>年度全面收益總額 歸屬於：</b>		
— The shareholders of the Company	— 本公司股東	<b>998,260</b>	744,968
— Non-controlling interests	— 非控制性權益	<b>330,029</b>	121,173
		<b>1,328,289</b>	866,141
<b>Earnings per share attributable to the shareholders of the Company for the year (expressed in RMB per share)</b>	<b>歸屬於本公司股東的年度每股收益 (以每股人民幣列示)</b>		
Basic earnings per share	每股基本收益	<b>RMB 人民幣元 0.27</b>	RMB 人民幣元 0.14
Diluted earnings per share	每股稀釋收益	<b>RMB 人民幣元 0.24</b>	RMB 人民幣元 0.13

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

上述綜合全面收益表應與隨附附註一併閱讀。

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 December 2018 於二零一八年十二月三十一日

			31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
	Note 附註			
<b>ASSETS</b>		<b>資產</b>		
<b>Non-current assets</b>		<b>非流動資產</b>		
Investment properties	18	投資性物業	505,630	319,830
Property, plant and equipment	19	不動產、工廠及設備	1,234,573	656,245
Intangible assets	20	無形資產	2,279	–
Interests in associates	16	於聯營公司的權益	1,315,706	983,077
Interests in joint ventures	17	於合營企業的權益	2,596,047	1,885,436
Trade and other receivables, prepayments and deposits	25	應收賬款及其他應收款、 預付款及訂金	2,168,445	1,552,361
Deferred income tax assets	30	遞延所得稅資產	352,469	237,735
Goodwill		商譽	9,460	9,460
			<b>8,184,609</b>	<b>5,644,144</b>
<b>Current assets</b>		<b>流動資產</b>		
Properties held for sale	21	持作銷售物業	876,881	847,831
Properties under development	23	開發中房地產	8,688,579	6,658,882
Inventories	22	庫存	116,561	52,069
Contract assets	5	合約資產	107,941	–
Trade and other receivables, prepayments and deposits	25	應收賬款及其他應收款、 預付款及訂金	2,676,639	3,493,788
Financial assets at fair value through profit or loss	26	按公允價值計入損益的 金融資產	176,809	–
Restricted cash	27	受限制現金	542,299	281,952
Cash and cash equivalents	27	現金及現金等價物	5,404,956	3,341,835
			<b>18,590,665</b>	<b>14,676,357</b>
<b>Total assets</b>		<b>總資產</b>	<b>26,775,274</b>	<b>20,320,501</b>

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 December 2018 於二零一八年十二月三十一日

		Note	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
<b>LIABILITIES</b>	<b>負債</b>			
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Trade and other payables	應付賬款及其他應付款	28	<b>2,829,643</b>	2,731,823
Borrowings	借款	29	<b>6,341,015</b>	3,254,957
Deferred income tax liabilities	遞延所得稅負債	30	<b>122,556</b>	75,537
			<b>9,293,214</b>	6,062,317
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其他應付款	28	<b>6,912,769</b>	4,064,098
Advanced proceeds received from customers	向客戶收取的預付款項		<b>13,869</b>	4,051,066
Contract liabilities	合約負債	5	<b>4,510,186</b>	–
Borrowings	借款	29	<b>683,580</b>	2,174,458
Current income tax liabilities	即期所得稅負債		<b>600,761</b>	270,499
			<b>12,721,165</b>	10,560,121
<b>Total liabilities</b>	<b>總負債</b>		<b>22,014,379</b>	16,622,438

			31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
			Note 附註	
EQUITY	權益			
Capital and reserves attributable to the shareholders of the Company	歸屬於本公司股東的資本及儲備			
Share capital	股本	31	38,702	31,800
Convertible perpetual securities	可換股永久證券	33	—	495,425
Reserves	儲備	34	4,344,853	2,964,716
			4,383,555	3,491,941
Non-controlling interests	非控制性權益	35	377,340	206,122
Total equity	總權益		4,760,895	3,698,063
Total liabilities and equity	總負債及權益		26,775,274	20,320,501

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述綜合資產負債表應與隨附附註一併閱讀。

The financial statements on pages 116 to 334 were approved by the Board of Directors on 22 March 2019 and were signed on its behalf.

第116至334頁所載的財務報表已於二零一九年三月二十二日經董事局批准，並由以下人士代表簽署。

**Zhou Qin**  
周勤  
Director  
董事

**Shen Leying**  
申樂瑩  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to the shareholders of the Company 歸屬於本公司股東					
		Share Capital (note 31)	Convertible Perpetual securities (note 33)	Reserves (note 34)	Total	Non-controlling interests (note 34)	Total equity
		股本 (附註 31)	可換股 永久證券 (附註 33)	儲備 (附註 34)	總計	非控制性 權益 (附註 34)	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2018 as originally presented</b>	於二零一八年一月一日， 按原先呈列	31,800	495,425	2,964,716	3,491,941	206,122	3,698,063
Changes in accounting policies	會計政策變動	-	-	(44,671)	(44,671)	(1,006)	(45,677)
<b>Restated balance at 1 January 2018</b>	二零一八年一月一日 經重列結餘	31,800	495,425	2,920,045	3,447,270	205,116	3,652,386
<b>Profit for the year</b>	年度利潤	-	-	1,112,774	1,112,774	327,796	1,440,570
<b>Other comprehensive loss</b>	其他全面虧損						
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	(129,029)	(129,029)	2,233	(126,796)
Revaluation gain on the property transferring from property, plant and equipment to investment properties	自不動產、工廠及設備轉移至投資性物業的物業重估利得	-	-	14,515	14,515	-	14,515
<b>Total comprehensive income for the year</b>	年度全面收益總額	-	-	998,260	998,260	330,029	1,328,289
Issue of ordinary shares as capitalisation of shareholder loans	就股東貸款資本化發行普通股	3,000	-	251,997	254,997	-	254,997
Shares held for share award scheme	就股份獎勵計劃而持有的股份	-	-	(17,486)	(17,486)	-	(17,486)
Contribution from non-controlling interests	非控制性權益注資	-	-	-	-	13,498	13,498
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	17,247	17,247
Distribution to non-controlling interests	向非控制性權益分派	-	-	-	-	(188,550)	(188,550)
Accrued distribution to holders of convertible perpetual securities	可換股永久證券持有人應計分派	-	29,599	(29,599)	-	-	-
Distributions to holders of convertible perpetual securities	向可換股永久證券持有人分派	-	(51,648)	-	(51,648)	-	(51,648)
Conversion of convertible perpetual securities to ordinary shares	將可換股永久證券兌換為普通股	3,902	(364,220)	360,318	-	-	-
Redemption of convertible perpetual securities	贖回可換股永久證券	-	(109,156)	-	(109,156)	-	(109,156)
Dividend declared	已宣派股息	-	-	(138,682)	(138,682)	-	(138,682)
<b>Subtotal of transactions with shareholders</b>	與股東交易小計	6,902	(495,425)	426,548	(61,975)	(157,805)	(219,780)
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	38,702	-	4,344,853	4,383,555	377,340	4,760,895



		Attributable to the shareholders of the Company 歸屬於本公司股東					Non-controlling interests (note 34) 非控制性權益 (附註 34)	Total equity 總權益 RMB'000 人民幣千元
		Share Capital (note 31) 股本 (附註 31) RMB'000 人民幣千元	Convertible Perpetual securities (note 33) 可換股永久證券 (附註 33) RMB'000 人民幣千元	Reserves (note 34) 儲備 (附註 34) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元			
Notes 附註								
<b>At 1 January 2017</b>	於二零一七年一月一日	31,800	484,204	2,384,652	2,900,656	152,060		3,052,716
<b>Profit for the year</b>	年度利潤	–	–	580,523	580,523	140,318		720,841
<b>Other comprehensive income</b>	其他全面收益							
Exchange differences on translation of foreign operations	換算海外業務產生的匯兌差額	–	–	164,445	164,445	(19,145)		145,300
<b>Total comprehensive income for the year</b>	年度全面收益總額	–	–	744,968	744,968	121,173		866,141
Shares held for share award scheme	就股份獎勵計劃持有的股份	–	–	(6,543)	(6,543)	–		(6,543)
Accrued distribution of holders of convertible perpetual securities	可換股永久證券持有人應計分派	33	–	19,679	(19,679)	–		–
Contribution from non-controlling interests	非控制性權益注資	35	–	–	–	24,674		24,674
Acquisition of subsidiaries	收購附屬公司	–	–	–	–	137,010		137,010
Transaction with non-controlling interests	與非控制性權益的交易	35	–	–	–	(134,044)		(134,044)
Distribution to non-controlling interests	向非控制性權益分派	35	–	–	–	(61,344)		(61,344)
Distributions to holders of convertible perpetual securities	向可換股永久證券持有人分派	33	–	(8,458)	(8,458)	–		(8,458)
Deemed disposal of subsidiaries	視作出售附屬公司	–	–	–	–	(33,407)		(33,407)
Dividend declared	已宣派股息	13	–	(138,682)	(138,682)	–		(138,682)
<b>Subtotal of transactions with shareholders</b>	與股東交易小計	–	11,221	(164,904)	(153,683)	(67,111)		(220,794)
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	31,800	495,425	2,964,716	3,491,941	206,122		3,698,063

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

上述綜合權益變動表應與隨附附註一併閱讀。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		For the year ended 截至十二月三十一日止年度	
	Note 附註	31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動的現金流量</b>		
Cash generated from operations	經營所得現金	36	2,526,325
Taxes paid	已付稅項		(675,417)
Interest paid	已付利息		(524,154)
<i>Net cash generated from operating activities</i>	<i>經營活動所得現金淨額</i>		1,326,754
<b>Cash flows from investing activities</b>	<b>投資活動的現金流量</b>		
Interest received	已收利息		94,489
Capital injection to joint ventures	於合營企業注資	17	(669,792)
Capital injection to associates	於聯營公司注資	16	(400)
Dividend from joint ventures	來自合營企業的股息	17	239,724
Dividend from associates	來自聯營公司的股息	16	33,200
Proceeds from disposal of subsidiaries, net of cash and cash equivalents	出售附屬公司所得款項， 扣除現金及現金等價物	38	134,268
Payment for acquisition of subsidiaries, net of cash and cash equivalents	就收購附屬公司付款， 扣除現金及現金等價物	37	(184,368)
Proceeds from disposal of joint ventures	出售合營企業所得款項	17	24,000
Purchases of property, plant and equipment	購買不動產、工廠及設備		(668,727)
Proceeds from disposal of property, plant and equipment	出售不動產、工廠及設備 所得款項		1
Development expenditure for internally generated software	內部開發軟件開發成本	20	(2,279)
Funding to related parties	向關聯方出資	39(f)	(1,872,775)
Collection of funding to related parties	收回向關聯方提供的資金	39(f)	1,892,797
Advance to non-controlling interests	向非控制性權益墊款		(49,550)
Collection of advance to non-controlling interests	收回向非控制性權益墊款		112,091
Lendings to third parties	貸款予第三方		–
Collection of lending to third parties	收回向第三方作出的借款		19,802
Acquisition of financial assets at fair value through profit or loss	收購按公允價值計入損益的 金融資產		(174,134)
Decrease in investing related restricted cash	投資相關受限制現金減少	27	(30,000)
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>		(1,101,653)

		For the year ended 截至十二月三十一日止年度		
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元	
	Note 附註			
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>			
Proceeds from borrowings	借款所得款項	29	6,248,362	2,887,033
Repayment of borrowings	償還借款	29	(4,789,111)	(2,319,051)
Proceeds from related parties	來自關聯方的所得款項	39(f)	2,320,053	2,080,044
Repayment to related parties	向關聯方還款	39(f)	(1,374,887)	(453,230)
Funding from non-controlling interests	來自非控制性權益的資金		3,373	17,813
Repayment of funding from non-controlling interests	向非控制性權益還款		(14,167)	(110,651)
Contribution from non-controlling interests	非控制性權益注資	35	13,498	24,674
Distribution to non-controlling interests	非控制性權益的分派	35	(188,550)	(61,344)
Dividends to shareholders of the Company	已付本公司股東的股息	13	(136,537)	(138,682)
Distributions to holders of convertible perpetual securities	可換股永久證券持有人的分派	33	(51,648)	(8,458)
Redemption of convertible perpetual securities	贖回可換股永久證券	33	(109,156)	—
Acquisition of additional interest in a subsidiary	收購一間附屬公司的額外權益		—	(81,900)
Increase in financing related restricted cash	融資相關受限制現金增加	27	(216,575)	(40,833)
Net cash generated from financing activities	融資活動所得現金淨額		1,704,655	1,795,415
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>		1,929,756	551,674
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		3,341,835	2,761,130
Effect of foreign exchange rate changes	外幣匯率變動影響		133,365	29,031
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日的現金及現金等價物</b>	27	5,404,956	3,341,835

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應與隨附附註一併閱讀。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 1 GENERAL INFORMATION

Landsea Green Group Co., Ltd. (the “Company”) was incorporated in Bermuda as an exempted company with limited liability. The addresses of its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and Unit 5103, 51/F., The Center, 99 Queen’s Road Central, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (“SEHK”).

The Company is an investment holding company. Details of the activities of its principal subsidiaries are set out in note 42 to the consolidated financial statements. The Company and its subsidiaries are referred to as the “Group” hereinafter. The Group is principally engaged in development and sales of properties, provision of management services and leasing of long-term rental apartments.

The immediate holding company and the ultimate controlling shareholder of the Company are Greensheid Corporation, a company established in the British Virgin Islands (the “BVI”) and 朗詩集團股份有限公司 (Landsea Group Co., Ltd. (“Landsea Group”)), a company established in the People’s Republic of China (the “PRC”), respectively.

The financial statements are presented in thousands of Renminbi (“RMB’000”) unless otherwise stated.

The financial statements were approved for issue by the board of directors on 22 March 2019.

### 1 一般資料

朗詩綠色集團有限公司(「本公司」)為於百慕達註冊成立的獲豁免有限公司。註冊辦事處地址及主要業務地點為Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda以及香港中環皇后大道中99號中環中心51樓5103室。本公司股份於香港聯合交易所有限公司(「香港聯交所」)上市。

本公司為投資控股公司，主要附屬公司的業務詳情載於綜合財務報表附註42。本公司及其附屬公司於下文統稱為「本集團」。本集團主要從事房地產開發與銷售、提供管理服務及出租長租公寓業務。

本公司的直系控股公司及最終控股股東分別為Greensheid Corporation(於英屬維爾京群島註冊成立的公司)及朗詩集團股份有限公司(「朗詩集團」，於中華人民共和國(「中國」)成立的公司)。

除非另有所指，否則本財務報表以人民幣千元(「人民幣千元」)呈報。

本財務報表經由董事局於二零一九年三月二十二日批准刊發。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 BASIS OF PREPARATION

#### (a) *Compliance with HKFRS and HKCO*

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") and disclosure requirements of Hong Kong Companies Ordinance Cap. 622.

#### (b) *Historical cost convention*

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets and investment properties measured at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

## 2 主要會計政策摘要

編製本綜合財務報表所應用的主要會計政策載於下文。除另有說明外，此等政策已於所列報的全部年度貫徹應用。

### 2.1 編製基準

#### (a) *遵守香港財務報告準則及香港公司條例*

本集團的綜合財務報表已按照香港財務報告準則（「香港財務報告準則」）及第622章香港公司條例的披露條文編製。

#### (b) *歷史成本慣例*

綜合財務報表已根據歷史成本慣例編製，惟若干金融資產及投資性物業按公允價值計量除外。

編製符合香港財務報告準則的財務報表須使用若干關鍵會計估計。管理層亦須在應用本集團會計政策過程中作出判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表作出重大假設及估計的範疇於附註4披露。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 BASIS OF PREPARATION (Continued)

#### (c) New and amended standards adopted by the Group

A number of new or revised standards, amendments and interpretations to existing standards are mandatory for the financial year beginning on 1 January 2018:

- HKFRS 9 — *Financial instruments* (“HKFRS 9”)
- HKFRS 15 — *Revenue from contracts with customers* (“HKFRS 15”)
- *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*
- *Annual improvements 2014–2016 cycle*
- *Amendments to HKFRS 40 — Transfers of investment Property, and*
- *HK (IFRIC) 22 Foreign Currency Transactions and Advance Consideration.*

The effects of the adoption of HKFRS 9 and HKFRS 15 are disclosed in note 2.2. The other standards, amendments and interpretations described above are either currently not relevant to the Group or had no material impact on the Group's financial performance and position.

## 2 主要會計政策摘要(續)

### 2.1 編製基準(續)

#### (c) 本集團採納的新訂及經修訂準則

多項新訂或經修訂準則、現有準則的修改及詮釋於二零一八年一月一日開始的財政年度強制生效：

- 香港財務報告準則第9號 — 金融工具(「香港財務報告準則第9號」)
- 香港財務報告準則第15號 — 與客戶的合約收益(「香港財務報告準則第15號」)
- 香港財務報告準則第2號(修改) — 以股份為基礎的支付交易的分類及計量
- 香港財務報告準則第4號(修改) — 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
- 二零一四年至二零一六年週期的年度改進
- 香港財務報告準則第40號(修改) — 轉讓投資性物業；及
- 香港(國際財務報告詮釋委員會)第22號外幣交易及預付代價。

採納香港財務報告準則第9號及香港財務報告準則第15號的影響於附註2.2披露。上文所述其他準則、修改及詮釋目前與本集團無關或對本集團的財務表現及狀況並無重大影響。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 BASIS OF PREPARATION (Continued)

#### (d) New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations to existing standards have been published that are not mandatory for the financial year beginning 1 January 2018 and relevant to the Group and have not been early adopted by the Group.

Standards, amendments and interpretations		Effective for annual periods beginning on or after
準則、修改及詮釋		於以下日期或之後開始的年度期間生效
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HK (IFRIC) 23 香港(國際財務報告詮釋委員會)第23號	Uncertainty over income tax treatments 具有不確定性的所得稅的處理	1 January 2019 二零一九年一月一日
Amendment to HKFRS 9 香港財務報告準則第9號(修改)	Prepayment features with negative compensation 提早還款特性及負補償	1 January 2019 二零一九年一月一日
Amendments to HKAS 28 香港會計準則第28號(修改)	Long-term Interests in Associates and Joint Ventures 於聯營公司及合營企業的長期權益	1 January 2019 二零一九年一月一日
Annual improvements to HKFRS 香港財務報告準則的年度改進	2015–2017 cycle (HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23) 二零一五年至二零一七年週期(香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號)	1 January 2019 二零一九年一月一日
Amendments to HKFRS 19 香港財務報告準則第19號(修改)	Plan amendment, curtailment or settlement 計劃修訂、縮減或結算	1 January 2019 二零一九年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2022 二零二二年一月一日
Amendments to HKFRS 10 and HKFRS 28 香港財務報告準則第10號及香港財務報告準則第28號(修改)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與聯營公司或合營企業之間的資產出售或出資	To be determined 待定

## 2 主要會計政策摘要(續)

### 2.1 編製基準(續)

#### (d) 尚未採納的新訂準則及詮釋

若干已頒佈但尚未於二零一八年一月一日開始的財政年度強制生效並與本集團有關且本集團並無提前採納的新會計準則、現有準則的修改及詮釋。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 BASIS OF PREPARATION (Continued)

#### (d) New standards and interpretations not yet adopted (Continued)

The Group has already commenced an assessment of the impact of these new standards or amendments, certain of which are relevant to the Group's operation. According to the preliminary assessment made by the directors, no significant impact on the financial performance and position of the Group is expected when they become effective with the exception of HKFRS 16.

##### *Nature of change*

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

##### *Impact*

The Group is the lessee of certain buildings which are currently classified as operating lease. The Group has set up a project team which has reviewed all of the Group's leasing arrangements over the last year in light of the new lease accounting rules in HKFRS 16. The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of RMB8,790,894,000, see note 41. Of these commitments, approximately RMB317,000 relate to short-term leases and low value leases which will both be recognized on a straight-line basis as expense in profit or loss. For the remaining lease commitments the Group expects to recognize right-of-use assets and lease liabilities of amount ranging from approximately RMB 5 billion to RMB 6.5 billion. Overall net assets before fair value adjustment made to right-of-use assets leased out as long-term apartments will be the same.

## 2 主要會計政策摘要(續)

### 2.1 編製基準(續)

#### (d) 尚未採納的新訂準則及詮釋(續)

本集團已開始評估該等新準則或修改的影響，其中部份與本集團的營運有關。根據董事作出的初步評估，除香港財務報告準則第16號外，預期該等準則或修改生效後將不會對本集團的財務表現及狀況帶來重大影響。

##### *變動性質*

香港財務報告準則第16號於二零一六年一月頒佈。由於經營及融資租賃的區分被移除，其將導致幾乎所有租賃均於承租人資產負債表中確認。根據新訂準則，資產(租賃項目的使用權)及支付租金的金融負債均獲確認，惟短期及低價值的租賃屬例外。

##### *影響*

本集團為若干樓宇的承租人，該等樓宇現分類為經營租賃。根據香港財務報告準則第16號內的新租賃會計規則，本集團已成立一個項目團隊審閱本公司去年的所有租賃安排。該準則將主要影響本集團有關經營租賃的會計處理。於報告日期，本集團擁有不可撤銷經營租賃承擔人民幣8,790,894,000元，詳見附註41。於該等承擔中，約人民幣317,000元為短期租賃及低價值租賃，均將以直線法於損益內確認為費用。至於其餘的租賃承擔，本公司預期確認使用權資產及租賃負債介乎人民幣50億元至人民幣65億元。對出租長租公寓使用權資產調整公允價值前的整體資產淨值將維持不變。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 BASIS OF PREPARATION (Continued)

#### (d) **New standards and interpretations not yet adopted** (Continued)

##### *Impact (Continued)*

The Group is the lessor of long-term rental apartments, most of which are held under operating lease. For right-of-use assets together with leasehold improvements leased out as long-term apartment, the Group will classify them as investment properties carried at fair value. The Group has already commenced an assessment of the fair value for the furnished right-of-use assets that meet the definition of investment property. However, some additional disclosures will be required from next year. No other major changes are expected related to the accounting treatment where the Group acts as a lessor.

##### *Date of adoption by Group*

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses). For leases previously accounted for as operating lease that will be accounted for as investment property using fair value model, the right-of-use asset will be measured at fair value at the date of initial application.

## 2 主要會計政策摘要(續)

### 2.1 編製基準(續)

#### (d) **尚未採納的新訂準則及詮釋(續)**

##### *影響(續)*

本集團為長租公寓的出租人，大部分長租公寓均根據經營租賃持有。本集團會將使用權資產及長租公寓租賃樓宇裝修分類為按公允價值入賬的投資性物業。本集團已開始評估符合投資性物業定義的裝修使用權資產的公允價值。然而，未來數年將須作出更多披露。預期並不會令本集團作為出租人的會計處理作出其他重大變動。

##### *本集團採納日期*

本集團將於準則於二零一九年一月一日強制採納當日採用準則。本集團擬應用簡化過渡法且不會就首次採納前之年度重列比較數字。使用權資產將於採用時按租賃負債的金額計量(經任何預付或應付租賃開支調整)。至於過往入賬為經營租賃且將使用公允價值模型入賬為投資性物業的租賃，使用權資產將於初始應用日期按公允價值計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of HKFRS 9 and HKFRS 15 on the Group's consolidated financial statements.

#### 2.2.1 Impact on the financial statements

The Group has elected to apply the practical expedients and the modified retrospective approach permitted under HKFRS 9 and HKFRS 15 respectively. The effects of adopting HKFRS 15 for uncompleted contracts with customers as at 31 December 2017 are adjusted at the opening balance of equity as at 1 January 2018 and prior period comparatives are not restated. In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated. Consequently, any adjustments to carrying amounts of financial assets or liabilities are recognized at the beginning of the current reporting period, with the difference recognized in opening retained earnings.

- (a) The following tables show the adjustments recognized for each financial statements line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更

本附註解釋採納香港財務報告準則第9號及香港財務報告準則第15號對本集團綜合財務報表造成的影響。

#### 2.2.1 對財務報表的影響

本集團已選擇分別應用香港財務報告準則第9號及香港財務報告準則第15號所允許的實務處理方法及經修訂追溯方法。本集團亦就採納香港財務報告準則第15號對於二零一七年十二月三十一日未完成與客戶之間的合約的影響於二零一八年一月一日的期初權益結餘進行調整，前期比較數字並無重列。根據香港財務報告準則第9號的過渡性條文，毋須重列比較數字。因此，金融資產或負債賬面值的任何調整均於本報告期初確認，而差異則於期初留存收益確認。

- (a) 下表顯示就各財務報表個別項目確認的調整。未受變動影響的項目則不包括在內。因此，所披露的小計及總計不能按所列數字重新計算。下文將根據準則更詳細解釋有關調整。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.1 Impact on the financial statements (Continued)

(a) (Continued)

			31 December 2017 as originally presented 二零一七年 十二月三十一日 原定呈列 RMB'000 人民幣千元	HKFRS 9 香港 財務報告 準則第9號 RMB'000 人民幣千元	HKFRS 15 香港 財務報告 準則第15號 RMB'000 人民幣千元	1 January 2018 Restated 二零一八年 一月一日 重列 RMB'000 人民幣千元
Consolidated balance sheet (extract)	綜合資產負債表 (摘錄)	Note 附註				
<b>Non-current assets</b>	<b>非流動資產</b>					
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、 預付款及訂金	2.2.2	1,552,361	(14,091)	–	1,538,270
Deferred income tax assets	遞延所得稅資產	2.2.2	237,735	13,139	–	250,874
Interests in joint ventures	於合營企業的權益	2.2.3	1,885,436	–	(165)	1,885,271
<b>Current assets</b>	<b>流動資產</b>					
Properties under development	開發中房地產	2.2.3	6,658,882	–	120,984	6,779,866
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、 預付款及訂金	2.2.2, 2.2.3	3,493,788	(31,708)	(225,267)	3,236,813
Contract assets	合約資產	2.2.2, 2.2.3	–	(6,758)	225,267	218,509
<b>Total assets</b>	<b>總資產</b>		<u>20,320,501</u>	<u>(39,418)</u>	<u>120,819</u>	<u>20,401,902</u>
<b>Current liabilities</b>	<b>流動負債</b>					
Advanced proceeds received from customers	向客戶收取的預付款項	2.2.3	4,051,066	–	(4,051,066)	–
Contract liabilities	合約負債	2.2.3	–	–	4,178,144	4,178,144
<b>Total liabilities</b>	<b>總負債</b>		<u>16,622,438</u>	<u>–</u>	<u>127,078</u>	<u>16,749,516</u>
<b>Equity</b>	<b>權益</b>					
Retained earnings	留存收益	2.2.2, 2.2.3	2,232,712	(39,418)	(5,253)	2,188,041
Non-controlling interests	非控制性權益	2.2.3	206,122	–	(1,006)	205,116
<b>Total equity</b>	<b>總權益</b>		<u>3,698,063</u>	<u>(39,418)</u>	<u>(6,259)</u>	<u>3,652,386</u>

## 2 主要會計政策摘要 (續)

### 2.2 會計政策變更 (續)

#### 2.2.1 對財務報表的影響 (續)

(a) (續)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.1 Impact on the financial statements (Continued)

- (b) The amount by each financial statements line items affected in the current year by the application of HKFRS 9 and HKFRS 15 is as follows:

		As at 31 December 2018 於二零一八年十二月三十一日			Amounts as reported 所呈報的金額 RMB'000 人民幣千元
Consolidated balance sheet (extract)	綜合資產負債表(摘錄)	Amounts without the adoption of HKFRS 9 and 15 採納香港財務報告準則第9號及第15號前所呈報的金額 RMB'000 人民幣千元	Effects of the adoption of HKFRS 9 採納香港財務報告準則第9號的影響 RMB'000 人民幣千元	Effects of the adoption of HKFRS 15 採納香港財務報告準則第15號的影響 RMB'000 人民幣千元	
<b>Non-current assets</b>	<b>非流動資產</b>				
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、預付款及訂金	2,189,920	(21,475)	-	2,168,445
Deferred income tax assets	遞延所得稅資產	341,106	11,363	-	352,469
<b>Current assets</b>	<b>流動資產</b>				
Properties under development	開發中房地產	8,631,499	-	57,080	8,688,579
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、預付款及訂金	2,808,556	(11,983)	(119,934)	2,676,639
Contract assets	合約資產	-	(11,993)	119,934	107,941
<b>Current liabilities</b>	<b>流動負債</b>				
Advanced proceeds received from customers	向客戶收取的預付款項	4,466,975	-	(4,453,106)	13,869
Contract liabilities	合約負債	-	-	4,510,186	4,510,186
<b>Equity</b>	<b>權益</b>				
Retained earnings	留存收益	3,112,121	(34,088)	-	3,078,033

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.1 對財務報表的影響(續)

- (b) 本年度因應用香港財務報告準則第9號及香港財務報告準則第15號而受影響的財務報表項目如下：

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.1 Impact on the financial statements (Continued)

(b) (Continued)

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.1 對財務報表的影響(續)

(b) (續)

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度			
Consolidated statement of comprehensive income (extract)	綜合全面收益表(摘錄)	Amounts without the adoption of HKFRS 9 and 15 採納香港財務 報告準則第9號 及第15號前 所呈報的金額 RMB'000 人民幣千元	Effects of the adoption of HKFRS 9 採納香港財務 報告準則第9號 的影響 RMB'000 人民幣千元	Effects of the adoption of HKFRS 15 採納香港財務 報告準則第15號 的影響 RMB'000 人民幣千元	Amounts as reported 所呈報的 金額 RMB'000 人民幣千元
Revenue	收入	7,336,019	-	224,507	7,560,526
Cost of sales and services	銷售及服務成本	(5,181,967)	-	(224,507)	(5,406,474)
Administrative expenses	行政費用	(576,041)	7,106	-	(568,935)
Income tax expenses	所得稅費用	(819,393)	(1,776)	-	(821,169)
Profit for the year:	年度利潤:				
— profit attribute to the shareholders of the Company	— 歸屬於本公司股東 的利潤	1,107,444	5,330	-	1,112,774

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption

HKFRS 9 replaces the provisions of HKAS 39 Financial Instruments (“HKAS 39”) that relate to the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. HKFRS 9 also significantly amends other standards dealing with financial instruments such as HKFRS 7 Financial Instruments – Disclosures.

The adoption of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognized in the consolidated financial statements. The new accounting policies are set out in note 2.18 below. The total impact on the Group’s retained earnings due to the impairment of financial instruments as at 1 January 2018 is as follows:

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響

香港財務報告準則第9號取代香港會計準則第39號金融工具(「香港會計準則第39號」)中涉及金融資產及金融負債的確認、分類及計量；金融工具的終止確認；金融資產的減值及對沖會計處理的條文。香港財務報告準則第9號亦對其他與金融工具相關的準則(例如香港財務報告準則第7號：金融工具 – 披露)作出重大修訂。

自二零一八年一月一日起採納香港財務報告準則第9號導致會計政策出現變動及對綜合財務報表的已確認金額作出調整。新訂會計政策載於下文附註2.18。於二零一八年一月一日，金融工具的減值對本集團留存收益的總影響如下：

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption (Continued)

## 2 主要會計政策摘要 (續)

### 2.2 會計政策變更 (續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響 (續)

		Note 附註	RMB'000 人民幣千元
<b>Opening retained earnings – under previous accounting policy (note 34)</b>	期初留存收益 – 根據過往會計政策 (附註34)		2,232,712
Increase in provision for contract assets	合約資產的撥備增加	(b),3.1(b)(i)	(6,758)
Increase in provision for trade receivables	應收賬款的撥備增加	(b),3.1(b)(i)	(8,659)
Increase in provision for deposits for purchase of land	購買土地的按金撥備增加	(b),3.1(b)(ii)	(2,121)
Increase in provision for amounts due from non-controlling interests	應收非控制性權益款項的撥備增加	(b),3.1(b)(ii)	(5,715)
Increase in provision for amounts due from related parties	應收關聯方款項的撥備增加	(b),3.1(b)(ii)	(29,304)
Increase in deferred income tax assets relating to impairment provision	與減值撥備有關的遞延所得稅資產增加		13,139
Adjustment to retained earnings from adoption of HKFRS 9	自採納香港財務報告準則第9號起對留存收益的調整		(39,418)
<b>Opening retained earnings – after HKFRS 9</b>	期初留存收益 – 香港財務報告準則第9號後		2,193,294



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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption (Continued)

(a) *Classification and measurement*

HKFRS 9 categorizes financial assets into three principal classification categories: measured at amortized cost, FVOCI and FVPL. These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial assets into the appropriate HKFRS 9 categories. The Group classifies all its financial assets into amortized cost which is the same under HKAS 39.

(b) *Impairment of financial assets*

The Group was required to revise its impairment methodology under HKFRS 9 for relevant financial assets. The impact of change in impairment methodology on the Group's retained earnings is disclosed in the table above.

Please refer to note 3.1 (b) for details about the calculation of expected credit losses.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響(續)

(a) *分類及計量*

香港財務報告準則第9號將金融資產分為三個主要類別：按攤銷成本計量、按公允價值計入其他全面收益及按公允價值計入損益。該等類別代替香港會計準則第39號的持至到期投資、貸款及應收款、可供出售金融資產及按公允價值計入損益之金融資產的類別。香港財務報告準則第9號下金融資產的分類以管理金融資產的業務模式及其合約現金流量特點為基礎。

於二零一八年一月一日(香港財務報告準則第9號的初始應用日期)，本集團管理層評估應就本集團所持有的金融資產採用何種業務模式，並已將其金融資產分類至香港財務報告準則第9號項下適當的類別。本集團將所有金融資產分類至按攤銷成本計量，與香港會計準則第39號相同。

(b) *金融資產減值*

本集團須根據香港財務報告準則第9號修訂有關金融資產的減值方法。減值方法變動對本集團留存收益的影響於上表披露。

計算預期信貸虧損的詳情載於附註3.1 (b)。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption (Continued)

- (c) *Accounting policies applied until 31 December 2017*

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

##### Classification

The Group classifies all its financial assets in the following categories as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the balance sheet date. These are classified as non-current assets. The Group's loans and receivables also include trade and other receivables, amounts due from related parties and non-controlling interests and cash and cash equivalents in the consolidated balance sheet.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響(續)

- (c) 二零一七年十二月三十一日前應用的會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不會重列比較資料。因此，所提供的比較資料繼續根據本集團過往應用的會計準則入賬。

##### 分類

本集團將以下類別的所有金融資產分類為貸款及應收款。分類取決於所收購的金融資產用途。管理層於初步確認時決定金融資產的分類。

貸款及應收款為具有固定或可確定付款額且在活躍市場上並無報價的非衍生金融資產。此等項目計入流動資產，惟於結算日結束後超過12個月結算或預期將於該等時間結算的金額則分類為非流動資產。本集團的貸款及應收款包括綜合資產負債表內的應收賬款及其他應收款、應收關聯方及非控制性權益款項以及現金及現金等價物。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption (Continued)

- (c) *Accounting policies applied until 31 December 2017 (Continued)*

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響(續)

- (c) 二零一七年十二月三十一日前應用的會計政策(續)

金融資產減值

本集團於各報告期末評估有否客觀證據證明某項金融資產或某組金融資產經已減值。倘因於初始確認資產後發生的一項或多項事件(「虧損事件」)而出現客觀減值證據，而該(等)虧損事件對一項金融資產或一組金融資產的估計未來現金流量造成能可靠估計的影響，該項金融資產或該組金融資產方視為減值及產生減值虧損。

減值的證據可能包括以下指標：債務人或一組債務人正處於重大財政困難、違約或拖欠利息或本金付款，彼等有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量有可計量的減少，例如欠款變動或與違約相關的經濟狀況。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.2 HKFRS 9 – Impact of adoption (Continued)

- (c) Accounting policies applied until 31 December 2017 (Continued)

Impairment of financial assets (Continued)

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated statement of comprehensive income.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.2 香港財務報告準則第9號 – 採納的影響(續)

- (c) 二零一七年十二月三十一日前應用的會計政策(續)

金融資產減值(續)

就貸款及應收款類別而言，虧損金額按資產賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)按金融資產原實際利率折現的現值兩者的差額計量。資產賬面值予以減少，而虧損金額於綜合全面收益表確認。倘貸款按浮動利率計息，則計量任何減值虧損的折現率乃根據合約釐定的現行實際利率。在實際操作上，本集團可能採用可觀察的市價以工具的公允價值為基準計量減值。

倘於其後期間減值虧損金額減少，而該減少可客觀地與確認減值後發生的事件(如債務人信貸評級改善)有關，則過往確認的減值虧損撥回於綜合全面收益表確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption

HKFRS 15 replaces the provisions of HKAS 18 Revenue (“HKAS 18”) and HKAS 11 Construction contracts (“HKAS 11”) that relate to the recognition, classification and measurement of revenue and costs.

The adoption of HKFRS 15 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognized in the consolidated financial statements. The new accounting policies are set out in note 2.29 below. In summary, the following adjustments were made to the amounts recognized in the consolidated balance sheet at the date of initial application (1 January 2018):

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響

香港財務報告準則第15號取代香港會計準則第18號「收入」(「香港會計準則第18號」)及香港會計準則第11號「建造合約」(「香港會計準則第11號」)中涉及收入和成本的確認、分類及計量的條文。

自二零一八年一月一日起採納香港財務報告準則第15號導致會計政策變動及對綜合財務報表確認的金額作出調整。新會計政策載於下文附註2.29。總括而言，已對首次應用日期(二零一八年一月一日)綜合資產負債表內確認的金額作出以下調整：

			31 December 2017 as previously stated 於二零一七年 十二月三十一日， 如先前呈列	Reclassifications under HKFRS 15 根據香港財務 報告準則第15號 重新分類	Adjustments under HKFRS 15 根據香港財務 報告準則第15號 作出調整	1 January 2018 restated 二零一八年 一月一日重列
	Note 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Interests in joint ventures	(a)	於合營企業的權益	1,885,436	-	(165)	1,885,271
Properties under development	(a), (c)	開發中房地產	6,658,882	-	120,984	6,779,866
Advanced proceeds received from customers	(b)	向客戶收取的預付款項	4,051,066	(4,051,066)	-	-
Contract liabilities	(b), (c)	合約負債	-	4,051,066	127,078	4,178,144
Trade and other receivables, prepayments and deposits	(b)	應收賬款及其他應收款、預付款及按金	3,493,788	(225,267)	-	3,268,521
Contract assets	(b)	合約資產	-	225,267	-	225,267
Retained earnings	(a)	留存收益	2,232,712	-	(5,253)	2,227,459
Non-controlling interests	(a)	非控制性權益	206,122	-	(1,006)	205,116



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

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

	Note 附註	RMB'000 人民幣千元
<b>Retained earnings – after HKFRS 9</b> (note 2.2.2)	<b>留存收益 – 香港財務報告 準則第9號後(附註2.2.2)</b>	<b>2,193,294</b>
Restatement of cost incurred to obtain a contract	(a)	(6,094)
Decrease in interests in joint ventures	(a)	(165)
Total equity adjustments from adoption of HKFRS 15	採納香港財務報告準則第15號 起對總權益的調整	(6,259)
Less: adjustment to non-controlling interests	減：對非控制性權益的調整	1,006
<b>Opening retained earnings – after HKFRS 9 and HKFRS 15</b>	<b>年初留存收益 – 香港財務報告 準則第9號及香港財務報告 準則第15號後</b>	<b>2,188,041</b>

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

對本集團二零一八年一月一日留存收益的影響如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

- (a) *Accounting for cost incurred to obtain a contract*

In prior reporting periods, costs amounting to RMB6,094,000 were capitalized. However, the costs were not incremental costs of obtaining a contract which should be expensed under HKFRS 15. The Group unified the accounting policy of the joint ventures, resulting in adjustment to interests in joint ventures of RMB165,000.

- (b) *Presentation of liabilities or assets related to contracts with customers*

Contract liabilities in relation to property development and sales contracts and management services contracts were previously included in “advanced proceeds received from customers” and were reclassified to “contract liabilities” under HKFRS 15. Contract liabilities with the amount of RMB4,430,387,000 as at 31 December 2018 (1 January 2018: RMB4,051,066,000), mainly consisted of prepayments received from sales of properties which the consideration received were in advance of performance obligation fulfilment.

Contract assets in relation to property development and sales contracts and management services contracts were previously included in “trade and other receivables, prepayments and deposits” and were reclassified to “contract assets” under HKFRS 15. Contract assets with the amount of RMB119,934,000 as at 31 December 2018 (1 January 2018: RMB225,267,000), mainly consisted of unbilled amounts resulting from sales of land located in the United States of America (“US”) where the revenue recognized exceeds the amounts billed to customers.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

- (a) *獲取合約產生的成本的會計處理*

於上個報告期間，獲取成本人民幣6,094,000元已撥充資本。然而，有關成本並非應根據香港財務報告準則第15號支銷的獲取合約的增加成本。本集團統一合營企業的會計政策，導致對於合營企業的權益作出調整人民幣165,000元。

- (b) *呈列與客戶合約有關的負債或資產*

與物業發展及銷售合約以及管理服務合約有關的合約負債先前計入「向客戶收取的預付款」，並根據香港財務報告準則第15號重新分類為「合約負債」。於二零一八年十二月三十一日的合約負債人民幣4,430,387,000元(二零一八年一月一日：人民幣4,051,066,000元)主要包括銷售物業收取的預付款，有關已收代價為履行履約責任的墊款。

與物業發展及銷售合約以及管理服務合約有關的合約資產先前計入「應收賬款及其他應收款、預付款及按金」，並根據香港財務報告準則第15號重新分類為「合約資產」。於二零一八年十二月三十一日的合約資產人民幣119,934,000元(二零一八年一月一日：人民幣225,267,000元)主要包括銷售美利堅合眾國(「美國」)土地的未開單款項，有關已確認收入超出向客戶開單的款項。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

(c) *Significant financing component*

In determining the transaction price, the Group adjusted the promised amount of consideration for the effects of time value of money considering the timing of payments agreed by the parties to the contract provides the Group with a significant benefit of financing. As at 1 January 2018, the Group capitalized finance cost, arising from significant financing component, amounting to RMB127,078,000. During the year ended 31 December 2018, an additional amount of RMB154,509,000 (note 10) was capitalized. At the same time, RMB224,507,000 were recognized as revenue and cost of sales simultaneously upon delivering of the relevant properties to customers.

(d) *Accounting policies applied until 31 December 2017*

Revenue is measured at the fair value of the consideration received or receivable. The Group recognizes revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

(c) 重大融資部分

於釐定交易價格時，考慮到合約訂約方協定付款的時間為本集團提供重大融資利益，本集團就金錢時間價值的影響調整已承諾的代價金額。於二零一八年一月一日，本集團將重大融資部分所產生的財務費用人民幣127,078,000元撥充資本。截至二零一八年十二月三十一日止年度，額外款項人民幣154,509,000元(附註10)已撥充資本。與此同時，人民幣224,507,000元已於向客戶交付相關物業時同時確認為收入及銷售成本。

(d) 二零一七年十二月三十一日前應用的會計政策

收入按已收或應收代價的公允價值計量。當收入金額能夠可靠計量及未來經濟利益有可能流入實體時，本集團將確認收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

(d) *Accounting policies applied until 31 December 2017 (Continued)*

Revenue from sale of properties and lands held for sale in the ordinary course of business is recognised when all the following conditions are satisfied:

- (i) the Group has transferred to the buyer the significant risks and rewards of ownership of the properties, which is when the construction of relevant properties has been completed, upon delivery, and collectability of related receivables is reasonably assured;
- (ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

(d) 二零一七年十二月三十一日前應用的會計政策(續)

於日常業務過程中，當符合以下條件時，則會確認銷售持作銷售物業及土地的收入：

- (i) 本集團將物業擁有權的重大風險及回報轉移予買方，即相關物業的建築工程已竣工、於物業交付時及可合理確保能收取有關應收款時；
- (ii) 本集團並無保留一般與已售物業擁有權有關的持續管理權或實際控制權；
- (iii) 收入金額能夠可靠地計量；
- (iv) 與交易相關的經濟利益有可能流入本集團；及
- (v) 有關交易產生或將產生的成本能夠可靠地計量。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

(d) *Accounting policies applied until 31 December 2017 (Continued)*

Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated balance sheet under current liabilities.

Revenue from sales of land improvements is recognised by using the 'percentage-of-completion' method to determine the appropriate amount to recognise in a given period. The percentage of completion is established by reference to the costs incurred to date compared to the total costs to be incurred under the transaction. Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognized profits less recognized losses exceed progress billings, the surplus is treated as trade receivables. Where progress billings exceed contract costs incurred to date plus recognized profits less recognized losses, the surplus is treated as an amount advanced proceeds received from customers.

The Group provides property management services to its customers which including brand authorisation service, sales management service, green product integration service and development management services. The Group recognizes revenue on different types of service by reference to the service's stage of completion at the balance sheet date when the outcome of the rendering of services can be estimated reliably:

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

(d) 二零一七年十二月三十一日前應用的會計政策(續)

在符合上述收入確認條件前，向買方收取的按金及分期付款項計入綜合資產負債表的流動負債。

出售土地改進服務所得收入使用「完成百分比」法確認，以釐定於特定期間確認的合適款額。完成百分比乃參照迄今產生的成本相比根據交易將予產生的總成本確定。管理層於預期出現可預見虧損時計提撥備。倘迄今產生的合約成本加已確認利潤減已確認虧損超逾進度付款，盈餘款項視為應收賬款處理。倘進度付款超逾迄今產生的合約成本加已確認利潤減已確認虧損，盈餘款項視為來自客戶的預收款項處理。

本集團向客戶提供房地產管理服務，包括品牌授權服務、銷售管理服務、綠色產品集成服務及開發管理服務。當提供服務的結果能可靠估計時，本集團參考於結算日服務的完成階段確認各類服務的收入：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 CHANGES IN ACCOUNTING POLICIES

(Continued)

#### 2.2.3 HKFRS 15 – Impact of adoption (Continued)

(d) Accounting policies applied until 31 December 2017 (Continued)

- Revenue from brand authorisation, sales management service and green-technical system integration service fees is recognised in accounting period in which the services are rendered.
- Revenue from development management services associated with both floating and fixed fees is recognised by using the ‘percentage-of-completion’ method to determine the appropriate amount to recognise in a given period. The percentage of completion is established by reference to the costs incurred to date compared to the total costs to be incurred under the transaction. Where the outcome of a contract cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered. Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as trade receivables. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount advanced proceeds received from customers.

Rental income under operating leases is recognised on a straight-line method over the term of the relevant lease.

Decoration service income is recognised when the related services are provided.

## 2 主要會計政策摘要(續)

### 2.2 會計政策變更(續)

#### 2.2.3 香港財務報告準則第15號 – 採納的影響(續)

(d) 二零一七年十二月三十一日前應用的會計政策(續)

- 品牌授權、銷售管理服務及綠色技術系統集成服務費用的收入於提供服務的會計期間確認。
- 與浮動費用及固定費用有關的開發管理服務收入使用「完成百分比」法釐定特定期間確認的適當金額而確認。完成百分比乃參照迄今產生的成本相比根據交易將予產生的總成本確定。倘合約結果未能可靠計量，收益僅以已產生的開支符合資格收回者為限確認。管理層於預期出現可預見虧損時計提撥備。倘迄今產生的合約成本加已確認利潤減已確認虧損超逾進度付款，盈餘款項視為應收賬款處理。倘進度付款超逾迄今產生的合約成本加已確認利潤減已確認虧損，盈餘款項視為來自客戶的預收款項處理。

經營租賃的租金收益於相關租期以直線法確認。

裝飾服務收益於提供有關服務時確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 2.8).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated balance sheet, consolidated statement of comprehensive income and consolidated statement of changes in equity respectively.

### 2.4 ASSOCIATES

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note 2.6 below), after initially being recognized at cost.

## 2 主要會計政策摘要(續)

### 2.3 附屬公司

附屬公司指本集團對其擁有控制權的所有實體(包括特殊目的實體)。當本集團因參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過對該實體的權力影響該等回報時，本集團即控制該實體。附屬公司在控制權轉移至本集團當日起綜合入賬，並於控制權終止當日起不再綜合入賬。

本集團使用會計收購法為業務合併入賬(請參閱附註2.8)。

集團內公司間交易、結餘及集團公司間交易的未變現利得會予對銷。除非交易提供證據顯示所轉讓資產已減值，否則未變現虧損亦會對銷。附屬公司的會計政策已於必要時作出調整，確保與本集團所採納的政策一致。

附屬公司業績及權益內的非控制性權益分別於綜合資產負債表、綜合全面收益表及綜合權益變動表列示。

### 2.4 聯營公司

聯營公司指本集團對其有重大影響力但無控制權或共同控制權的所有實體，通常是本集團持有20%至50%之間的投票權。於聯營公司的投資於初始按成本確認後以權益會計法入賬(請參閱下文附註2.6)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 JOINT ARRANGEMENTS

Joint arrangements are classified as either joint ventures or joint operations depending on the contracted rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Interests in joint ventures are accounted for using the equity method (see note 2.6 below), after initially being recognized at cost in the consolidated balance sheet.

### 2.6 EQUITY ACCOUNTING

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of net loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.15.

## 2 主要會計政策摘要(續)

### 2.5 聯合安排

聯合安排分類為合營企業或合資營運，視各投資者的合約權利及義務而定。本集團已評估聯合安排的性質及釐定聯合安排為合營企業。

於聯合安排的投資於綜合資產負債表初始按成本確認後使用權益會計法入賬(請參閱下文附註2.6)。

### 2.6 權益會計法

根據權益會計法，投資初始按成本確認，隨後進行調整以確認本集團應佔該投資對象損益賬上的收購後損益，以及本集團應佔該投資對象於其他全面收益的其他全面收益變動。已收或應收聯營公司及合營企業的股息確認為削減投資的賬面值。

當本集團所佔以權益入賬投資的淨虧損相等於或超過其於該實體的權益(包括任何其他無抵押長期應收款)，本集團不會確認進一步虧損，除非其代表其他實體產生責任或作出付款則屬例外。

本集團與其聯營公司及合營企業交易的未變現利得會作出對銷，以本集團於該等實體的權益為限。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦會對銷。以權益入賬的投資對象的會計政策已於必要時作出變動，確保與本集團所採納的政策一致。

以權益入賬投資的賬面值根據附註2.15所述政策進行減值測試。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.7 CHANGES IN OWNERSHIP INTERESTS

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity shareholders of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling interests and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to shareholders of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable HKFRSs.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

## 2 主要會計政策摘要(續)

### 2.7 擁有權權益的變動

本集團視與非控制性權益進行不導致失去控制權的交易為與本集團權益股東進行的交易。擁有權權益的變動導致於控制性權益或非控制性權益的賬面值作出調整，以反映彼等於附屬公司的相關權益。非控制性權益調整的款額與已付或已收任何代價之間的差額於本公司股東應佔權益確認為獨立儲備。

當本集團因失去控制權、共同控制權或重大影響而不再將投資綜合入賬或以權益入賬，於實體的保留權益按在損益中的賬面值變動重新計量公允價值。該公允價值就其後聯營公司、合營企業或金融資產的保留權益的入賬而言成為初始賬面值。此外，先前於其他全面收益確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。此舉意味先前在其他全面收益確認的金額按適用香港財務報告準則規定／許可重新分類至損益或轉撥至另一類權益。

倘於合營企業或聯營公司的擁有權權益減少但仍保留共同控制權或重大影響，則僅先前已於其他全面收益內確認的按比例應佔金額會於適當情況下重新分類至損益。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former shareholders of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

## 2 主要會計政策摘要(續)

### 2.8 業務合併

會計收購法用於入賬所有業務合併，而不論所收購者為權益工具或是其他資產。就收購附屬公司轉讓的代價為：

- 所轉讓資產的公允價值
- 所收購業務的前股東所招致的負債
- 本集團所發行的股本權益
- 或然代價安排產生的任何資產或負債的公允價值，及
- 附屬公司任何之前既有的股本權益的公允價值。

於業務合併所收購的可識別資產及所承擔的負債及或然負債，除於有限的例外情況外，初步以彼等於收購日期的公允價值計量，本集團按個別收購基準，按公允價值或按非控制性權益應佔被收購實體的可識別淨資產比例確認在被收購實體的任何非控制性權益。

收購相關成本在產生時支銷。

以下超逾所收購可識別淨資產公允價值的部份

- 所轉讓的代價
- 於所收購實體的任何非控制性權益款額，及
- 於所收購實體的任何過往股本權益的收購日期公允價值



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 BUSINESS COMBINATIONS (Continued)

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

### 2.9 SEPARATE FINANCIAL STATEMENTS

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2 主要會計政策摘要(續)

### 2.8 業務合併(續)

入賬為商譽。倘該等款額低於所收購業務的可識別淨資產的公允價值，有關差額直接於損益確認為議價收購。

或然負債分類為權益或金融負債。分類為金融負債的款額其後按於損益確認的公允價值變動重新計量公允價值。

如業務合併分階段進行，收購方之前在被收購方持有股本權益於收購日期的賬面值，於收購日期重新計量公允價值。重新計量產生的任何盈虧在損益確認。

### 2.9 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括投資的直接應佔成本。附屬公司的業績由本公司按已收及應收股息入賬。

倘收到附屬公司投資的股息時，所收股息超過附屬公司於宣派股息期間的全面收益總額，或倘該投資於單獨財務報表內的賬面值超過投資對象淨資產(包括商譽)於綜合財務報表內的賬面值時，則須對該投資進行減值測試。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.10 SEGMENT REPORTING

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major business and service lines.

### 2.11 FOREIGN CURRENCY TRANSLATION

#### (a) *Functional and presentation currency*

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"), which is Hong Kong dollars (HK\$), Renminbi (RMB) and US dollars (US\$) respectively. The consolidated financial statements are presented in RMB.

#### (b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within "other gains/(losses) — net".

## 2 主要會計政策摘要(續)

### 2.10 分部報告

本集團根據定期向執行董事呈報的內部財務資料確定經營分部及編製分部資料，該等財務資料乃供執行董事決定分配資源至本集團各業務分部及檢討該等業務分部表現的基準。向執行董事呈報的內部財務資料的業務分部按本集團的主要業務及服務類別劃分。

### 2.11 外幣換算

#### (a) *功能及呈報貨幣*

綜合財務報表所列項目均以實體營運所在主要經濟環境的貨幣（「功能貨幣」）（即分別為港元、人民幣及美元）計量。綜合財務報表以人民幣呈報。

#### (b) *交易及結餘*

外幣交易採用交易日的現行匯率換算為功能貨幣。結算有關交易所產生的匯兌利得及虧損以及將外幣貨幣資產及負債以年終匯率換算所產生的匯兌利得及虧損一般於損益內確認。倘外幣交易與合資格現金流對沖及合資格投資淨額對沖有關或應佔外國業務淨資產的部份，則於權益列為遞延項目。

所有匯兌利得及虧損於綜合全面收益表的「其他利得／（虧損）淨額」呈列。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 FOREIGN CURRENCY TRANSLATION

(Continued)

#### (c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet are translated at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the shareholders of the Company are reclassified to profit or loss.

## 2 主要會計政策摘要(續)

### 2.11 外幣換算(續)

#### (c) 集團公司

功能貨幣有別於呈報貨幣的海外業務(概無來自嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況均按以下方式換算為呈報貨幣：

- 各資產負債表所呈列的資產與負債按該資產負債表日期換算；
- 各全面收益表的收益及費用按平均匯率換算，除非該平均匯率並非各交易日的現行匯率累積影響的合理約數，在此情況下，收益及費用按各交易日的匯率換算；及
- 所有由此產生的匯兌差額於其他全面收益內確認。

收購海外實體所產生的商譽及公允價值調整視作該海外實體的資產及負債，並按收市匯率換算。

於出售海外業務(即出售本集團於該海外業務的全部權益，或涉及失去包括海外業務的附屬公司的控制權的出售)時，就歸屬於本公司股東的業務於權益累計的所有匯兌差額重新分類至損益。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.12 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance, are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost of property, plant and equipment to their residual values using the straight-line method over their estimated useful lives:

Leasehold improvements	Over the lease terms
Furniture, fixtures and office equipment	3–10 years
Motor vehicles	5–10 years
Buildings	20 years

The assets' residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.15).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized as "other gains/(losses) — net" in the consolidated statement of comprehensive income.

## 2 主要會計政策摘要(續)

### 2.12 不動產、工廠及設備

不動產、工廠及設備按歷史成本減累計折舊及減值虧損列賬。資產成本包括購買價格及將資產達致運作狀況及地點以供擬定用途的任何直接應佔成本。

後續成本只有在該項目很可能為本集團帶來與之有關的未來經濟利益，且成本能可靠計量時，方會計入資產的賬面值或確認為一項單獨資產（倘適用）。所有其他成本（例如維修及保養費用）在產生的財政年度內於損益扣除。

不動產、工廠及設備的折舊採用以下估計可使用年期將成本按直線法分攤至剩餘價值計算：

租賃樓宇裝修	按租賃年期
傢俱、裝置及辦公設備	3至10年
汽車	5至10年
樓宇	20年

資產的剩餘價值及可使用年期在各報告期末進行檢討，並於適當時作出調整。

倘資產的賬面值高於其估計可收回金額，則即時將資產的賬面值撇減至其可收回金額（附註2.15）。

出售的利得或虧損按比較所得款與資產賬面值釐定，並在綜合全面收益表內確認為「其他所得／（虧損）淨額」。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.13 INVESTMENT PROPERTIES

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. It also include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statement of comprehensive income in fair value gains or losses on investment properties.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item as at the date of transfer is treated in the same way as a revaluation under HKAS 16. Any resulting increase in the carrying amount of the property is recognized in profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognized in other comprehensive income and increased directly to equity in revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in other comprehensive income against any previously recognized revaluation surplus, with any remaining decrease charged to profit or loss.

## 2 主要會計政策摘要(續)

### 2.13 投資性物業

投資性物業(主要包括租賃土地及樓宇)為持作獲得長期租金收益或作資本升值或為上述兩者且並非由本集團佔用的物業。投資性物業亦包括為日後作投資性物業用途而興建或發展的物業。

投資性物業初始按成本(包括相關交易成本及(如適用)借款成本)計量。於初始確認後,投資性物業按公允價值(即外部估值師於各報告日期所釐定的公開市值)列賬。公允價值按活躍市價得出,當中已就特定資產的性質、地點或狀況的任何差異作出調整(如必要)。倘並無有關資料,則本集團會使用其他估值法,如活躍程度較低市場的近期價格或折現現金流量預測。公允價值變動於綜合全面收益表以投資性物業公允價值利得或虧損確認。

倘擁有人佔用物業項目因用途改變而成為投資性物業,則項目於轉讓日期的賬面值與公允價值的差額按與根據香港會計準則第16號進行重估的相同方式處理。由此產生之物業賬面值增加於撥回過往減值虧損時於損益確認,而剩餘增加則於其他綜合收益確認及與權益直接相關之增加則於權益內重估盈餘確認。由此產生之物業賬面值減少初始於之前確認的重估盈餘於其他綜合收益扣除,而任何剩餘減少則於損益扣除。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 INTANGIBLE ASSETS

#### (a) Goodwill

Goodwill is measured as described in note 2.8. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 6).

#### (b) Software

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software

## 2 主要會計政策摘要(續)

### 2.14 無形資產

#### (a) 商譽

商譽如附註2.14所述計量。於收購附屬公司時所產生的商譽計入無形資產。商譽不會攤銷，但會每年進行減值測試，或倘出現商譽可能減值的事宜或情況的變動，則更頻密進行測試，並以成本減累計減值虧損入賬。出售一間實體的盈虧包括有關出售實體的商譽賬面值。

就減值測試而言，商譽被分配至現金產生單位。有關分配乃對預期能從產生商譽的業務合併獲益的該等現金產生單位或每組現金產生單位作出。每個或每組單位被識別為該商譽就內部管理而被監察的最低層，即營運分部(附註6)。

#### (b) 軟件

與維護軟件程式有關的成本於產生時確認為開支。當符合以下條件時，設計及測試由本集團控制的可識別及獨特軟件產品的直接應佔開發成本確認為無形資產：

- 完成該軟件以使其能使用，在技術上是可行的
- 管理層擬完成該軟件並將其使用或出售
- 有能力使用或出售該軟件

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.14 INTANGIBLE ASSETS (Continued)

#### (b) Software (Continued)

- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

#### (c) Research and development

Research expenditure and development expenditure that do not meet the criteria in (iii) above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

#### (d) Amortisation methods and periods

The group amortizes intangible assets with a limited useful life using the straight-line method over 10 years.

Software 10 Years

## 2 主要會計政策摘要(續)

### 2.14 無形資產(續)

#### (b) 軟件(續)

- 能顯示該軟件如何產生可能出現的未來經濟利益
- 有足夠的技術、財務及其他資源完成開發並可使用或出售該軟件，及
- 該軟件在開發期內的應佔開支能可靠地計量。

資本化為部分軟件的直接應佔成本包括僱員成本及相關經常性費用的合適部分。

已資本化的開發成本入賬為無形資產及由資產可供使用起攤銷。

#### (c) 研究及開發

不符合上述(iii)標準的研究開支及開發開支於產生時確認為開支。先前確認為開支的開發成本不會在後續期間確認為資產。

#### (d) 攤銷方法及年期

本集團使用直線法於有限可使用年期10年將無形資產攤銷。

軟件 10年

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill is not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## 2 主要會計政策摘要(續)

### 2.15 非金融資產的減值

商譽不會攤銷，但會每年進行減值測試，或倘出現商譽可能減值的事宜或情況的變動，則更頻密進行測試。其他資產在出現賬面值可能無法收回的事宜或情況的變動時進行減值測試。減值虧損按資產的賬面值超出可收回金額的差額確認。可收回金額以資產的公允價值減出售成本與使用價值兩者的較高者為準。就評估減值而言，資產按主要獨立於其他資產或各類資產的可分開識別現金流量的最低級別(現金產生單位)分組。已蒙受減值的非金融資產(商譽除外)在各報告期結束時均就減值是否撥回進行檢討。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.16 PROPERTIES UNDER DEVELOPMENT OR HELD FOR SALE

Properties under development and held for sale are stated at the lower of cost and net realizable value. Development cost of properties comprises cost of leasehold or freehold land payments, construction costs and borrowing costs incurred during the construction period. Upon completion, the properties are transferred to completed properties held for sale.

Net realizable value takes into account the price ultimately expected to be realized, less applicable variable selling expenses and the anticipated costs to completion.

Properties under development and held for sale are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

All land in the Mainland China is stated-owned or collectively-owned and no individual ownership right exists. Land use rights are acquired by the Group for development of properties. Land use rights held for development for sale are inventories and measured at lower of cost and net realizable value, of which those within normal operating cycle are classified as current assets and included in properties under development or held for sale, while those out of the normal operating cycle are classified as non-current assets. Land use rights fall within investment properties are classified as investment properties (note 2.13).

### 2.17 INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

## 2 主要會計政策摘要(續)

### 2.16 開發中房地產及持作銷售物業

開發中房地產及持作銷售物業按成本及可變現淨值兩者的較低者列賬。物業發展成本包括於施工期間產生的租賃土地或永久業權土地付款成本、建築成本及借款成本。於竣工時，物業會轉撥至持作銷售已落成物業。

可變現淨值按預期最終將予變現的價格減適用的變動銷售費用及估計竣工成本計量。

除非預期相關房地產開發項目施工期於正常營運週期之後結束，否則開發中及持作銷售物業分類為流動資產。

中國內地的所有土地均為國有或集體所有，不存在個人所有權。本集團收購土地使用權以開發物業。持作開發以供出售的土地使用權為存貨，按成本與可變現淨值的較低者計量，其中正常營運週期內的土地使用權分類為流動資產，計入開發中房地產或持作銷售物業，而於正常營運週期以外的土地使用權則分類為非流動資產。屬於投資性物業的土地使用權分類為投資性物業(附註2.13)。

### 2.17 庫存

庫存按成本及可變現淨值兩者的較低者列賬。成本以加權平均基準釐定。可變現淨值為在一般業務過程中的估計售價減適用的變動銷售費用。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 INVESTMENTS AND OTHER FINANCIAL ASSETS

#### (a) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income (OCI)), or through profit or loss, and
- those to be measured at amortized cost.

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

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

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

#### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 2 主要會計政策摘要(續)

### 2.18 投資及其他金融資產

#### (a) 分類

自二零一八年一月一日起，本集團將其金融資產分類為以下計量類別：

- 其後按公允價值(透過其他全面收益或透過損益)計量的金融資產，及
- 按攤銷成本計量的金融資產。

分類取決於本集團管理金融資產的商業模式及現金流的合約條款而定。

就按公允價值計量的資產而言，其盈虧於損益或其他全面收入列賬。至於並非持作買賣的權益工具投資，則取決於本集團有否於初始確認時不可撤銷地選擇將股權投資金融資產按公允價值計入其他全面收入列賬。

當且僅當管理該等資產的業務模式有變時，本集團方重新分類債務投資。

#### (b) 確認及折舊

金融資產的日常買賣於交易日(即本集團承諾購買或出售資產當日)確認。當收取金融資產現金流的權利已屆滿或已轉讓及本集團已轉移擁有權的幾乎所有風險及回報，則金融資產終止確認。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

#### (c) Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in "other gains/(losses) — net", together with foreign exchange gains and losses.

## 2 主要會計政策摘要(續)

### 2.18 投資及其他金融資產(續)

#### (c) 計量

初步確認時，本集團按公允價值加（倘屬並非按公允價值計入損益的金融資產）收購該金融資產的直接相關交易成本計量金融資產。按公允價值計入損益的金融資產的交易成本於損益支銷。

附帶嵌入衍生工具的金融資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

#### *債務工具*

其後計量債務工具視乎本集團管理資產及資產的現金流量特徵的業務模式。本集團將其債務工具分為三個計量類別：

- 攤銷成本：持作收合約現金流量的資產按攤銷成本計量，有關現金流量純粹指本金及利息付款。來自該等金融資產的利息收入按實際利率法計入其他收入。終止確認產生的收益或虧損於損益中直接確認，並連同外匯收益及虧損呈列於「其他收益／（虧損）淨額」。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

#### (c) Measurement (Continued)

##### Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in "other gains/(losses) — net". Interest income from these financial assets is included in "other income" using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains/(losses) — net".
- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized and presented net in profit or loss within "other gains/(losses) — net" in the period in which it arises.

## 2 主要會計政策摘要(續)

### 2.18 投資及其他金融資產(續)

#### (c) 計量(續)

##### 債務工具(續)

- 按公允價值計入其他全面收益：持作收回合約現金流量及出售金融資產的資產，倘該等資產現金流量僅指支付本金及利息，則按公允價值計入其他全面收益計量。賬面值的變動乃計入其他全面收益，惟於損益確認的減值收益或虧損、利息收入及外匯收益及虧損的確認除外。金融資產終止確認時，先前於其他全面收益確認的累計收益或虧損由權益重新分類至損益，並於「其他收益／(虧損)淨額」內確認。該等金融資產的利息收入乃按實際利率法計入「其他收入」。外匯收益及虧損於「其他收益／(虧損)淨額」內呈列。
- 按公允價值計入損益：倘資產不符合按攤銷成本計量或按公允價值計入其他全面收益的標準，會按公允價值計入損益計量。其後按公允價值計入損益計量的債務投資的收益或虧損於其產生期間於損益中確認及呈列為「其他收益／(虧損)淨額」。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 INVESTMENTS AND OTHER FINANCIAL ASSETS (Continued)

#### (c) Measurement (Continued)

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investments. Dividends from such investments continue to be recognized in profit or loss as "other income" when the Group's right to receive payments is established.

Changes in the fair value of financial assets carried at FVPL are recognized in "other gains/(losses) — net" in profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### (d) Impairment of financial assets

From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1 (b) details how the Group determines whether there has been a significant increase in credit risk.

For contract assets and trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see note 3.1(b) for further details.

## 2 主要會計政策摘要(續)

### 2.18 投資及其他金融資產(續)

#### (c) 計量(續)

##### 權益工具

本集團其後按公允價值計量所有股權投資。倘本集團管理層選擇於其他全面收益呈列股權投資的公允價值收益及虧損，則於終止確認有關投資後不會將公允價值收益及虧損後續重新分類至損益。當確立本集團收取有關投資股息的權利時，有關付款繼續於損益中確認為「其他收入」。

按公允價值計入損益的金融資產的公允價值變動於損益中確認為「其他收益／(虧損)淨額」(如適用)。按公允價值計入其他全面收益計量的股權投資的減值虧損(及減值虧損撥回)不會與公允價值其他變動分開呈報。

#### (d) 金融資產減值

自二零一八年一月一日起，本集團按前瞻性基準評估與按攤銷成本及按公允價值計入其他全面收益的債務工具有關的預期信貸虧損。應用的減值方法取決於信貸風險是否大幅增加。附註3.1 (b)詳述本集團如何釐定信貸風險是否大幅增加。

就合約資產及應收賬款而言，本集團應用香港財務報告準則第9號批准的簡化方法，其規定初始確認應收款時予以確認的預計可使用年期虧損，詳見附註3.1(b)。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in consolidated balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

### 2.20 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers arising from sales of properties or providing management services. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. See note 2.18 for further information about the Group's accounting for trade receivables and a description of the Group's impairment policies.

### 2.21 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Restricted cash is excluded from cash and cash equivalents.

## 2 主要會計政策摘要(續)

### 2.19 抵銷金融工具

當有合法可執行權利將已確認金額抵銷並有意按淨額基準結算或同時變現資產及結算負債時，金融資產及負債予以抵銷，並於綜合資產負債表以淨額報告。

### 2.20 應收賬款及其他應收款

應收賬款為銷售物業或提供管理服務而應收客戶的款項。倘應收賬款及其他應收款預期可於一年或以內(或倘時間更長，則在業務的正常營運週期)收款，則分類為流動資產。倘未能於一年或以內收款的，則呈列為非流動資產。

應收賬款及其他應收款初始按公允價值確認，其後則以實際利率法按攤銷成本計量，並須扣除減值撥備。有關本集團應收賬款的會計入賬及本集團減值政策的說明請參閱附註2.18。

### 2.21 現金及現金等價物

就現金流量表的呈列而言，現金及現金等價物包括手頭現金、銀行通知存款、其他原到期日為三個月或以內並可隨時轉換為已知金額的現金且不存在重大價值變動風險的短期高流通性投資。受限制現金不包括在現金及現金等價物內。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.22 SHARE CAPITAL

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issue of shares are deducted from share premium to the extent they are incremental costs directly attributable to the equity transaction.

### 2.23 TRADE AND OTHER PAYABLES

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within twelve months after the reporting period (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### 2.24 BORROWINGS AND BORROWING COSTS

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

## 2 主要會計政策摘要(續)

### 2.22 股本

普通股分類為權益。股本按已發行股份的面值釐定。

任何與發行股份有關的交易成本自股份溢價中扣除，惟以可直接歸屬於股權交易的增量成本為限。

### 2.23 應付賬款及其他應付款

應付賬款及其他應付款為在日常業務過程中向供應商購買商品或服務而應支付的債務。倘應付賬款及其他應付款於報告期後12個月內(或於正常業務經營週期(如較長))到期，則分類為流動負債。否則，分類為非流動負債。

應付賬款及其他應付款初始按公允價值確認，其後則以實際利率法按攤銷成本計量。

### 2.24 借款及借款成本

借款初始按公允價值(扣除已產生的交易成本)確認。借款其後按攤銷成本計量；所得款項(扣除交易成本)與贖回價值兩者間的任何差額於借款期間以實際利率法在損益確認。設立貸款融資支付的費用，於可能提取部分或所有融資時確認為貸款的交易成本。在此情況下，該費用會遞延至提取融資為止。倘若並無任何證據顯示將會提取部分或所有融資，則有關費用將資本化作流動資金服務的預付款項，並在融資相關期間攤銷。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.24 BORROWINGS AND BORROWING COSTS

(Continued)

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

## 2 主要會計政策摘要(續)

### 2.24 借款及借款成本(續)

當合約中規定的責任解除、取消或屆滿時，借貸從資產負債表中剔除。已消除或轉讓給另一方的金融負債的賬面值與已支付代價(包括已轉讓的非現金資產或所承擔的負債)之間的差額，在損益中確認為財務費用。

如金融負債的條款重新商討，而實體向債權人發行股權工具，以消除全部或部分負債(權益與債務掉期)，該項金融負債賬面值與所發行權益工具公允價值的差額在損益表中確認為收益或虧損。

除非本集團擁有無條件權利可將償還負債的日期遞延至報告期結束後至少12個月，否則借款分類為流動負債。

收購、建造或生產合資格資產直接應佔的一般及特定借款成本於須完成及預備資產作其擬定用途或銷售的期間資本化。合資格資產為必須經過頗長時間籌備以作預定用途或出售的資產。

就特定借貸，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借貸成本中扣除。

其他借貸成本在產生期內支銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 CURRENT AND DEFERRED INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

#### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax also includes Mainland China land appreciation tax which is levied on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including land cost, borrowing costs and all property development expenditures.

## 2 主要會計政策摘要(續)

### 2.25 即期及遞延所得稅

期內所得稅費用或抵免為本期間應課稅收入的應付稅項，乃基於按暫時性差額及未使用稅項虧損應佔的遞延稅項資產及負債變動而調整的各司法權區適用所得稅稅率計算。

即期及遞延稅項於損益中確認，惟其與於其他全面收益或直接於權益所確認項目有關者則除外。在此情況下，該稅項則於其他全面收益或直接於權益確認。

#### (a) 即期所得稅

即期所得稅費用按照本公司附屬公司及聯營公司經營及產生應課稅收入所在國家於結算日已頒佈或已大致頒佈的稅法計算。管理層就適用稅務法規有待詮釋的情況定期評估報稅狀況並於適當情況下基於預期向稅務機關支付的金額作出撥備。

即期所得稅亦包括中國土地增值稅（按土地價值的升幅徵收），即銷售物業所得款減可扣減開支，包括土地成本、借款成本及所有房地產開發支出。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 CURRENT AND DEFERRED INCOME TAX

(Continued)

#### (b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The deferred tax liability in relation to investment properties that are measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

## 2 主要會計政策摘要(續)

### 2.25 即期及遞延所得稅(續)

#### (b) 遞延所得稅

遞延所得稅利用負債法全數撥備資產和負債的稅基與資產和負債在綜合財務報表的賬面值的差額而產生的暫時性差額。然而，若遞延稅項負債來自對商譽的初始確認，則遞延稅項負債不予確認。倘遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅利潤或虧損，亦不予入賬。遞延所得稅採用在各報告期末已頒佈或實質上已頒佈，並在有關的遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率(及法例)而釐定。

與投資性物業有關並以公允價值計量的遞延稅項負債乃假設物業將通過出售全數收回而釐定。

遞延所得稅資產於有未來應課稅利潤可用於該等暫時差額及虧損時方予確認。

遞延稅項負債及資產不會就海外業務投資的賬面值與稅基之間的暫時性差額確認，而本公司可控制撥回暫時性差額的時間及該差額於可見將來可能不會撥回。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.25 CURRENT AND DEFERRED INCOME TAX

(Continued)

#### (b) **Deferred income tax** (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 2.26 EMPLOYEE BENEFITS

#### (a) **Employee leave entitlements**

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by the employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

#### (b) **Pension obligations**

The Group participates in defined contribution retirement benefit plans which are available to all relevant employees. These plans are generally funded through payments to schemes established by governments or trustee administered funds. A defined contribution plan is a pension plan under which the Group pays contributions on mandatory, contractual or voluntary basis into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior periods. The Group's contributions to the defined contribution plans are expensed as incurred and, in most cases, are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

## 2 主要會計政策摘要(續)

### 2.25 即期及遞延所得稅(續)

#### (b) **遞延所得稅(續)**

當有法定可執行權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項結餘涉及相同稅務機關，則可將遞延所得稅資產與負債互相抵銷。當實體擁有法定可執行抵銷權且有意按淨值結算或同時變現資產及結清負債，則將即期稅項資產與即期稅項負債抵銷。

### 2.26 僱員福利

#### (a) **僱員應享假期**

僱員獲享的年假在僱員可享有時確認。本集團會對僱員服務至結算日所累積的年假估算負債作出撥備。

僱員獲享的病假及產假直至僱員休假時方予確認。

#### (b) **退休金責任**

本集團針對全體相關僱員參與界定供款退休福利計劃。該等計劃一般以向政府成立的計劃或信託管理基金支付款項的方式運作。界定供款計劃指本集團以強制、合約或自願基準向獨立實體作出供款的退休金計劃。倘基金並無足夠資產就目前及過往期間的僱員服務向所有僱員支付福利，本集團並無法定或推定責任作出進一步供款。本集團向界定供款計劃所作的供款於發生時支銷，在大部分情況下，不會以沒收於供款悉數歸屬前離開計劃的僱員的供款方式扣減。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 EMPLOYEE BENEFITS (Continued)

#### (c) Bonus entitlements

The expected cost of bonus payments is recognized as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities of bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

#### (d) Restricted share award scheme

The Group operates a restricted share award scheme to recognise the contributions by employees. The fair value of the employee services received in exchange for the grant of restricted share is recognized as employee benefit expense.

The total amount to be expensed over the vesting period is determined by reference to the value of the restricted shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At each balance sheet date, the Group revises its estimates of the number of restricted share awards that are expected to be vested. It recognizes the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to other reserves.

## 2 主要會計政策摘要(續)

### 2.26 僱員福利(續)

#### (c) 應享花紅

支付花紅的預計成本，於因僱員提供服務而使本集團產生現有法定或推定責任，並能夠可靠估計時確認為負債。花紅計劃的負債預期將於十二個月內償付，並按償付時預期須予支付的金額計算。

#### (d) 限制性股份獎勵計劃

本集團設有限制性股份獎勵計劃，以確認僱員的貢獻。僱員提供服務以獲授限制性股份的公允價值確認為僱員福利費用。

於歸屬期內將予支銷的總金額參考獲授限制性股份的價值釐定：

- 包括任何市場表現情況；
- 不包括任何服務及非市場表現歸屬條件的影響；及
- 包括任何非歸屬條件的影響。

總費用於歸屬期內確認，歸屬期指將符合所有特定歸屬條件的期間。

於各結算日，本集團修訂對將予歸屬限制性股份獎勵數目的估計。本集團於損益內確認對原來估計作出修訂的影響(如有)，並在其他儲備內作出相應調整。



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.26 EMPLOYEE BENEFITS (Continued)

#### (d) **Restricted share award scheme** (Continued)

Employee share trust is established, for the purposes of awarding shares to eligible employees under the restricted share award scheme.

The employee share trust is administered by an independent trustee and is funded by the Group's cash contributions and recorded as contributions to employee share trusts, an equity component. The administrator of the employee share trust buys the Company's shares in the open market for award to employees.

Upon vesting, the corresponding awards in the share-based compensation reserve will be transferred to the employee share trust for shares awarded to employees.

### 2.27 PROVISIONS

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

## 2 主要會計政策摘要(續)

### 2.26 僱員福利(續)

#### (d) **限制性股份獎勵計劃**(續)

僱員股份信託乃為根據限制性股份獎勵計劃向合資格僱員授出獎勵股份而設。

僱員股份信託由獨立信託人管理，並由本集團以現金撥付供款，於權益入賬作僱員股份信託供款。僱員股份信託管理人於公開市場購入本公司股份以向僱員作出獎勵。

於歸屬時，以股份為基礎補償儲備內的相應獎勵轉撥至僱員股份信託，以向僱員作出股份獎勵。

### 2.27 撥備

當本集團因過往事件承擔現有法律或推定責任，而解除責任很有可能導致資源流出，且金額能夠可靠計算的情況下，方會確認撥備。概不會就未來經營虧損確認撥備。

倘承擔若干類似責任，於釐定解除責任會否導致資源流出時，將考慮整體責任類別。即使同類責任當中任何一項導致資源流出可能性甚低，亦會確認撥備。

撥備採用稅前利率按照預期結算有關責任所需的開支現值計量，該利率反映當時市場對貨幣時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息費用。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.28 FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under HKFRS 9, and
- the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the principles of HKFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognized as part of the cost of the investment.

## 2 主要會計政策摘要(續)

### 2.28 財務擔保合約

財務擔保合約於發出擔保時確認為金融負債。負債初步按公允價值計量，其後按以下之較高者計量：

- 根據香港財務報告準則第9號之預期信貸虧損模型釐定的金額；或
- 初步確認金額減(如適用)根據香港財務報告準則第15號所確認累計收入金額。

財務擔保的公允價值釐定為債務工具所需合約付款與無擔保情況下所須付款的現金流量差額現值，或第三方承擔責任而應付第三方的估計金額。

倘聯營公司的貸款或其他應付款擔保為無償提供，相關公允價值作為注資入賬，確認為投資成本一部分。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 REVENUE RECOGNITION

(a) The Group develops and sells properties, and provides management services to its customers. Revenues are recognized when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws and rules that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

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

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

## 2 主要會計政策摘要(續)

### 2.29 收入確認

(a) 本集團開發及銷售物業，並向客戶提供管理服務。收入於資產控制權轉移至客戶時確認。視乎合約條款及適用於合約的法律及規例，資產控制權可經過一段時間或於某一時間點轉移。倘本集團在履約過程中滿足下列條件，資產控制權將經過一段時間轉移：

- 提供全部利益，而客戶亦同步收到並消耗有關利益；或
- 創建並提升本集團履約時客戶所控制的資產；或
- 並無創建對本集團而言有其他用途的資產，而本集團可強制執行其權利收回累計至今已完成履約部份的款項。

倘資產控制權經過一段時間轉移，收入將於整個合約期間參考已完成履約責任的進度確認。否則，收入於客戶獲得資產控制權的時間點確認。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 REVENUE RECOGNITION (Continued)

#### (a) (Continued)

##### (i) *Property development and sales*

The Group develops and sells residential properties in Mainland China and US. Revenue is recognized at a point in time when the property is delivered to the customer, the customer has accepted the property in accordance with the sales contract, the acceptance provision have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Otherwise, revenue is recognized over the development period by reference to the costs incurred up to the end of reporting period as a percentage of the total expected costs to complete the contract. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by the Group.

##### (ii) *Management services*

The Group provides management services to its customers at fixed or variable amount. If the consideration is variable, revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The Group recognizes revenue from management services over period of time where the customer simultaneously receives and consumes the benefits provided by the Group or the Group has an enforceable right to payments for performance completed to date and the performance do not create an asset with an alternative use. Otherwise revenue was recognized at a point in time. For revenue recognized over period of time, the Group measures the progress towards complete satisfaction of performance obligation on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Where the outcome of a contract cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered. Provision is made for foreseeable losses as soon as they are anticipated by the Group.

## 2 主要會計政策摘要(續)

### 2.29 收入確認(續)

#### (a) (續)

##### (i) *物業發展及銷售*

本集團於中國內地及美國開發及銷售住宅物業。當物業交付予客戶時，客戶根據銷售合約接收物業，接收撥備已失效，或本集團有客觀證據證明所有接收條件已達成，則會將收入於某一時點確認。否則，收入會參照截至報告期末已產生成本佔預計完工總成本的百分比，於開發期間確認。倘情況有變，則會修訂收入、成本或完工進度的估計。估計收入或成本的增減會於本集團得悉導致修訂的情況發生期間於損益反映。

##### (ii) *管理服務*

本集團按固定及可變金額向客戶提供管理服務。倘代價可變，則只會在很大可能不會撥回重大金額的情況下確認收入。倘客戶同時收取並消耗本集團提供的利益或本集團就迄今已完成的履約擁有可執行的支付權利，且履約並無產生對本集團具有替代用途的資產，則本集團於一段時間確認管理服務收入，否則收入於某一時間點確認。就於一段期內確認的收入而言，本集團會計量截至報告期完工履約責任進度產生的實際成本佔各合約估計成本總額的百分比評估特定交易的完成情況。倘無法可靠計量合約的結果，則僅在所產生費用合資格收回的情況下確認收入。本集團預期產生可預見虧損時作出撥備。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.29 REVENUE RECOGNITION (Continued)

**(b) Contract costs — costs of obtaining a contract**

The costs of obtaining a contract with a customer are immaterial and are expensed when incurred.

**(c) Financing component**

The Group adjusts the transaction price for the time value of money where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year considering it provides a potential significant benefit. The transaction price is adjusted by the discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception.

**(d) Multiple performance obligations**

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

**(e) Contract assets and contract liabilities**

As agreed in the contracts, the customer pays fixed or variable amount based on a payment schedule. If the services or goods rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services or goods rendered, a contract liability is recognized. Any unconditional rights to consideration are presented separately as receivables.

## 2 主要會計政策摘要(續)

### 2.29 收入確認(續)

**(b) 合約成本 — 獲取合約的成本**

獲得客戶合約的成本並不重大，並於產生時入賬。

**(c) 融資部分**

倘向客戶轉移承諾的產品或服務至客戶付款的期間超過一年，本集團會就金錢時間值對交易價格作出調整，皆因當中有重大利益。交易價格會使用本集團與客戶於合約開始時另行進行金融交易的貼現率調整。

**(d) 多項履約責任**

倘合約涉及多項履約責任，交易價格將基於獨立售價分配至各項履約責任。倘有關數據不可直接觀察獲得，則基於預期成本加利潤率估算。

**(e) 合約資產及合約負債**

如合約內所擬定，客戶根據付款時間表支付固定或浮動金額。倘本集團提供的服務或產品超過付款，則確認合約資產。倘付款超過所提供的服務或產品，則確認合約負債。任何收取代價的無條件權利均另行呈列為應收款。



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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.30 INTEREST INCOME

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortized cost and financial assets at FVOCI calculated using the effective interest method is recognized in profit or loss as part of "other income".

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see note 10 below.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the expected credit loss).

### 2.31 DIVIDEND INCOME

Dividends are received from financial assets measured at FVPL and at FVOCI. Dividends are recognized as "other income" in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognized in OCI if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

## 2 主要會計政策摘要(續)

### 2.30 利息收益

以公允價值計量且其變動計入損益的金融資產的利息收入計入該等資產的公允價值淨利得／(損失)。

以攤攤成本計量的金融資產和按公允價值計入其他全面收益的金融資產的利息收入採用實際利率法計算，並計入損益內的「其他收益」。

出於現金管理目的而持有的金融資產的利息收入列示為財務收入，參見下文附註 10。

利息收入是用實際利率乘以金融資產賬面總額計算得出，後續已發生信用減值的金融資產除外。後續已發生信用減值的金融資產使用實際利率乘以金融資產（經扣除預期信貸虧損）的賬面淨值。

### 2.31 股息收益

股息來自按公允價值計入損益及按公允價值計入其他全面收益的金融資產。當確立收取付款的權利時會於損益將股息確認為「其他收入」。此做法亦適用於預先收購溢利的派付，除非清楚顯示股息是收回投資成本的一部分。在此情況下，倘股息有關按公允價值計入其他全面收益的投資，則於其他全面收益確認。然而，投資可能因此須接受減值測試。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.32 GOVERNMENT GRANTS

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants that become receivable as compensation for expenses or losses already incurred are recognized as income of the period in which they become receivable.

### 2.33 EARNINGS PER SHARE

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

#### (b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

## 2 主要會計政策摘要 (續)

### 2.32 政府補助

倘能合理保證可收到政府補助而本集團將遵循所有附帶條件時，則有關政府補助按公允價值確認。有關成本的政府補助遞延至政府補助與其擬補償的成本配對時，方於損益確認。就經已產生的開支或虧損而應收作為補償的政府補助在其成為應收的期間確認為收入。

### 2.33 每股收益

#### (a) 每股基本收益

每股基本收益乃：

- 歸屬於本公司股東的利潤(不包括除普通股以外的任何服務權益的成本)除以
- 財政年度已發行普通股的加權平均數(就年內已發行普通股的花紅部分作出調整及不包括庫存股份)。

#### (b) 稀釋每股收益

稀釋每股收益已就釐定每股基本收益使用的數字作出調整，當中包括：

- 與稀釋潛在普通股相關的稅後利息和其他融資成本，及
- 假設所有稀釋潛在普通股的轉換所額外發行普通股數量的加權平均數。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.34 LEASES

The Group leases certain properties. Leases of properties where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in finance lease liabilities. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (note 41). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term (note 18). The respective leased assets are included in the balance sheet based on their nature.

### 2.35 DIVIDEND DISTRIBUTION

Dividend distribution to the Shareholders of the Company is recognized as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Shareholders of the Company.

## 2 主要會計政策摘要(續)

### 2.34 租賃

本集團租賃若干物業。凡物業的擁有權所涉及的大部份風險及回報由本集團擁有的租賃，分類為融資租賃。融資租賃於租賃開始時按租賃物業的公允價值及最低租金付款的現值兩者中的較低者資本化。相應的租金責任(扣除融資費用)計入融資租賃負債。各租賃付款於負債及融資費用之間分配。融資費用於租賃期以固定利率將負債餘額自每個期間的損益表中扣除。倘未能合理確定本集團將於租期結束時取得擁有權，則根據融資租賃收購的不動產、工廠及設備於資產使用年期按資產使用年期與租期之間的較短者折舊。

凡擁有權所涉及大部分風險及回報由出租人保留的租賃，分類為經營租賃(附註41)。根據經營租賃所付租金在扣除來自出租人的任何優惠後，在租期以直線法在損益扣除。

倘本集團為出租人，來自經營租賃之租賃收入於租期內按直線法確認收入(附註18)。各出租資產根據其性質計入資產負債表。

### 2.35 股息分派

向本公司股東分派的股息於本公司股東批准股息的期間內，在本集團及本公司的財務報表內確認為負債。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.36 EQUITY INSTRUMENTS AND SHARES HELD FOR SHARE AWARD SCHEME

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs. Respective distributions if and when declared are treated as equity dividends.

Convertible perpetual securities issued by the Group that have the above characteristics are classified as equity instruments.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Shareholders of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Shareholders of the Company.

Shares held by the Company's Employee Share Trust are disclosed as treasury shares and deducted from equity attributable to the Shareholders of the Company.

## 2 主要會計政策摘要(續)

### 2.36 股本工具及為股份獎勵計劃持有之股份

股本工具為證明實體於扣減所有負債後的資產中擁有剩餘權益的任何合約。本集團所發行的股本工具按已收所得款項扣除直接發行成本確認。各自之分派於宣派時被視為權益股息。

本集團所發行的可換股永久證券具有上述特徵，故分類為股本工具。

倘任何集團公司購買本公司之權益工具（例如股份回購或以股份為基礎的支付），則所支付的對價（包括任何直接應佔的增加成本（扣除所得稅））乃從本公司股權持有人應佔權益中扣除，作為庫存股份，直至該等股份被註銷或重新發行為止。倘該等普通股其後被重新發行，則任何已收取的對價（扣除任何直接應佔的增加交易成本及相關所得稅影響）計入本公司股東應佔權益中。

本公司僱員股份信託持有之股份披露為庫存股份，於本公司股東應佔權益內扣除。

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.37 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognized but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

## 2 主要會計政策摘要(續)

### 2.37 或然負債及或然資產

或然負債指因過往事件可能引致的責任，其存在與否僅可透過日後會否發生一宗或多宗本集團不能完全控制的不明朗事件來確定。或然負債亦可能是過往事件所產生的現時責任，但由於可能無需消耗經濟資源或有關責任金額不能可靠計量而未有入賬。

或然負債不予確認，但會於綜合財務報表附註中披露。當消耗資源的可能性變動致使可能消耗資源，則會確認或然負債為撥備。

或然資產指因過往事件可能產生的資產，其存在與否僅可透過日後會否發生一宗或多宗本集團不能完全控制的不明朗事件來確定。

或然資產不予確認，但會於經濟利益可能流入時於綜合財務報表附註中披露。於基本確定流入時確認資產。



### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. According to the Group's risk management policies, the financial risks shall be assessed continuously by the management taking into account of the prevailing conditions of the financial market and other relevant variables to avoid excessive concentrations of risk. The Group has not used any derivatives or other instruments for hedging purpose. The most significant financial risks to which the Group is exposed to are described as below.

##### (a) Market risk

###### (i) Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group mainly operates and invests in Mainland China, Hong Kong and US and with most of the transactions denominated and settled in RMB, HK\$ and US\$ respectively. Foreign exchange risk mainly arises from certain borrowings and other current liabilities of the Company (with functional currency of HK\$) and other subsidiaries located in US (with functional currency of US\$) which are denominated in RMB.

At 31 December 2018, if RMB had weakened/strengthened by 5% against HK\$ and US\$, respectively, with all other variables held constant, pre-tax profit for the year ended 31 December 2018 would have been approximately RMB279,007,000 (2017: RMB215,142,000) higher/lower, mainly as a result of foreign exchange differences on translation of RMB denominated borrowings.

### 3 財務風險管理

#### 3.1 財務風險因素

本集團業務承受多種財務風險：市場風險（包括外匯風險及利率風險）、信貸風險及流動資金風險。根據本集團的風險管理政策，管理層應持續評估財務風險，透過考慮現行金融市況及其他相關變數以避免風險過度集中。本集團並無利用任何衍生或其他工具作對沖用途。本集團承受的最重大財務風險闡述如下。

##### (a) 市場風險

###### (i) 外匯風險

外幣風險指因外幣匯率變動而導致金融工具的公允價值或未來現金流量出現波動的風險。本集團主要在中國內地、香港及美國經營業務及投資，當中大部分交易分別以人民幣、港元及美元計值及結算。外匯風險主要因本公司（功能貨幣為港元）及位於美國的其他附屬公司（功能貨幣為美元）若干以人民幣計值的借款及其他流動負債而產生。

於二零一八年十二月三十一日，倘人民幣兌港元及美元的匯率分別貶值／升值5%，而所有其他變數維持不變，截至二零一八年十二月三十一日止年度除稅前利潤將增加／減少約人民幣279,007,000元（二零一七年：人民幣215,142,000元），主要因換算以人民幣計值的借款而產生的外匯差額所致。

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (a) Market risk (Continued)

###### (ii) Interest rate risk

The Group has no significant interest — bearing assets and liabilities other than bank deposits and borrowings. Bank balances and borrowings at floating rates expose the Group to cash flow interest rate risk. The Group's exposure to market risk for changes in interest rates relates primarily to bank balances which bear floating interest rates. Management monitors the interest rate risk and performs sensitivity analysis on a regular basis.

At 31 December 2018, if interest rates on bank balances and borrowings had been 50 basis points higher/lower with all other variables held constant, the Group's profit for the year would have been approximately RMB10,779,000 (2017: RMB7,240,000) lower/higher. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the balance sheet date.

##### (b) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The credit risk of the Group mainly arises from cash and cash equivalents, restricted cash, contract assets, trade and other receivables and deposits. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (a) 市場風險(續)

###### (ii) 利率風險

除銀行存款及借款外，本集團並無重大計息資產及負債。以浮動利率計息的銀行結餘與借款令本集團承受現金流量利率風險。本集團就利率變動承受的市場風險主要涉及以浮動利率計息的銀行結餘。管理層監控利率風險並定期進行敏感性分析。

於二零一八年十二月三十一日，倘銀行結餘及借款的利率上升／減少50個基點，而所有其他變數維持不變，本集團年度利潤將減少／增加約人民幣10,779,000元(二零一七年：人民幣7,240,000元)。敏感性分析乃假設結算日發生利率變動而釐定。

##### (b) 信貸風險

信貸風險指金融工具的交易對手未能根據金融工具的條款履行責任，令本集團蒙受財務損失的風險。本集團的信貸風險主要因現金及現金等價物、受限制現金、合約資產、應收賬款及其他應收款及存款而產生。該等結餘的賬面值即本集團就金融資產所承受的最大信貸風險。管理層已制定信貸政策並持續監控此等信貸風險。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

The credit risk on Group's cash and cash equivalents is limited because the counterparties are banks with high credit ratings. The credit risk on the Group's investments in debt instruments measured at FVPL is limited because the debt instruments are either bonds issued by policy bank or wealth management product managed by large multinational bank. In respect of contract assets, trade and other receivables and deposits, individual credit evaluations are performed on all debtors. These evaluations focus on the debtors' past history of making payments when due and current ability to pay, and take into account information specific to the debtors as well as pertaining to the economic environment in which the debtors operate. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers. The Group does not obtain collateral from customers or counterparties in respect of certain receivables.

The Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of properties for an amount up to 70% of the total purchase price of the property. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding amount under the loan and any interest accrued thereon. Under such circumstances, the Group is able to retain the customer's deposit and re-sell the property to recover any amounts paid by the Group to the bank. In this regard, the directors consider that the Group's credit risk is significantly reduced. Detailed disclosure of these guarantees is made in note 40.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

本集團現金及現金等價物的信貸風險有限，原因為交易對手均為擁有較高信用評級的銀行。本集團按公允價值計入損益的債務工具投資的信貸風險有限，因為債務工具為政策銀行發出的債券或大型跨國銀行管理的資產管理產品。就合約資產、應收賬款及其他應收款及存款而言，須對所有債務人進行個別信貸評估。該等評估主要針對債務人過往到期還款記錄及當前支付能力，並考慮債務人運營所在經濟環境的特定資料。鑑於所承受風險與眾多交易對手及客戶有關，故本集團並無重大集中信貸風險。本集團並無就若干應收款收取客戶或交易對手任何抵押品。

本集團一般為借取按揭貸款以撥資購買物業的客戶向銀行提供擔保，最高以物業總購買價的70%為限。倘買家於擔保期內拖欠償還按揭貸款，承保銀行可能要求本集團償還貸款結欠金額連同任何應計利息。於該等情況下，本集團有權沒收客戶按金並重售物業，以收回本集團應付予銀行的任何金額。就此而言，董事認為本集團的信貸風險已大大減少。有關該等擔保的詳情於附註40披露。

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

The Group provides guarantees in respect of related parties' borrowings to banks jointly with other investors of the related parity. Typically, the related party guaranteed by the Group is a property development or property holding entity which could liquidate or sell some or all of its assets to repay the borrowings immediately. In this regard, the directors consider that the Group's credit risk is significantly reduced. Detailed disclosure of these guarantees is made in note 40.

From 1 January 2018, the following credit risk modelling applies:

The Group has the following types of financial assets that are subject to expected credit loss model:

- Trade receivables
- Contract assets
- Amount due from related parties
- Amount due from non-controlling interests
- Other financial assets carried at amortized cost

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

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

本集團就有關關聯方借款與關聯方的其他投資者共同向銀行提供擔保。一般而言，本集團擔保的關聯方為物業開發或物業持有實體，可即時清盤或出售其部分或全部資產償還借款。在此方面，董事認為本集團的信貸風險可大幅減少。該等擔保的詳情載於附註40。

自二零一八年一月一日起，應用以下信貸風險模式：

本集團有以下應用預期信貸虧損模式的金融資產種類：

- 應收賬款
- 合約資產
- 應收關聯方款項
- 應收非控制性權益款項
- 其他按攤銷成本計量的金融資產

現金及現金等價物亦遵守香港財務報告準則第9號的減值規定，已識別之減值虧損並不重大。

本集團於初步確認資產時考慮違約概率，以及各報告期內信貸風險是否持續大幅增加。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information, which could include:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

##### (i) Contract assets and trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of lifetime expected credit loss provision for contract assets and trade receivables. To measure the expected credit losses, contract assets and trade receivables were grouped based on shared credit risk characteristics and the days past due.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

為評估信貸風險是否顯著增加，本集團將資產於報告日期發生的違約風險與初步確認日期的違約風險進行比較。其考慮所得合理且具支持性的前瞻資訊，包括：

- 內部信貸評級
- 外部信貸評級
- 預期導致借款人償還債務能力出現重大變動的商業、財務及經濟環境的實際或預期重大不利變動
- 借款人經營業績的實際或預期重大變動
- 同一借款人的其他金融工具的信貸風險顯著增加
- 借款人的預期業績及行為出現重大變動，包括借款人於本集團的付款狀況變動及借款人經營業績的變動。

##### (i) 合約資產及應收賬款

本集團根據香港財務報告準則第9號應用簡化方式就預期信貸虧損作出撥備，該準則允許就合約資產及應收賬款使用整個年期的預期信貸虧損撥備。為計量預期信貸虧損，合約資產及應收賬款根據共同信貸風險特徵及逾期日數分組。



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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

##### (i) Contract assets and trade receivables (Continued)

As at 31 December 2018, the expected credit loss provision was determined as follows. The expected credit loss provision below also incorporated forward-looking information.

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

##### (i) 合約資產及應收賬款(續)

二零一八年十二月三十一日，預期信貸虧損撥備如下。以下預期信貸虧損撥備包括前瞻性資料。

		Third parties 第三方							Total 總計
		Related parties 關聯方	Less than 1 year					More than 5 years 超過5年	
			1 year 少於1年	1-2 years 1至2年	2-3 years 2至3年	3-4 years 3至4年	4-5 years 4至5年		
31 December 2018 二零一八年 十二月三十一日									
Expected credit loss rate 預期信貸虧損率		1%	3%	10%	20%	50%	80%	100%	
Gross carrying amount 賬面總值									
— Contract assets — 合約資產		-	-	119,934	-	-	-	-	119,934
— Trade receivables — 應收賬款(附註25)		335,294	123,315	61,664	598	350	-	-	521,221
		335,294	123,315	181,598	598	350	-	-	641,155
Expected credit loss provision 預期信貸虧損撥備									
— Contract assets — 合約資產		-	-	(11,993)	-	-	-	-	(11,993)
— Trade receivables — 應收賬款		(3,353)	(3,699)	(6,166)	(120)	(175)	-	-	(13,513)
		(3,353)	(3,699)	(18,159)	(120)	(175)	-	-	(25,506)
Total contract assets and trade receivables	合約資產及應收賬款 總額	331,941	119,616	163,439	478	175	-	-	615,649

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

##### (i) Contract assets and trade receivables (Continued)

As at 1 January 2018, the expected credit loss provision was determined as follows. The expected credit loss provision below also incorporated forward-looking information.

1 January 2018	二零一八年一月一日	Related parties 關聯方	Third parties 第三方						Total 總計
			Less than 1 year 少於1年	1-2 years 1至2年	2-3 years 2至3年	3-4 years 3至4年	4-5 years 4至5年	More than 5 years 超過5年	
Expected credit loss rate	預期信貸虧損率	1%	3%	10%	20%	50%	80%	100%	
Gross carrying amount	賬面總值								
– Contract assets	– 合約資產	–	225,267	–	–	–	–	–	225,267
– Trade receivables	– 應收賬款	223,651	118,468	52,720	14,698	–	–	–	409,537
		223,651	343,735	52,720	14,698	–	–	–	634,804
Expected credit loss provision	預期信貸虧損撥備								
– Contract assets	– 合約資產	–	(6,758)	–	–	–	–	–	(6,758)
– Trade receivables	– 應收賬款	(2,237)	(3,553)	(5,271)	(2,940)	–	–	–	(14,001)
		(2,237)	(10,311)	(5,271)	(2,940)	–	–	–	(20,759)
Total contract assets and trade receivables	合約資產及應收賬款總額	221,414	333,424	47,449	11,758	–	–	–	614,045

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

##### (i) 合約資產及應收賬款 (續)

二零一八年一月一日，預期信貸虧損撥備如下。以下預期信貸虧損撥備包括前瞻性資料。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

##### (i) Contract assets and trade receivables (Continued)

The expected credit loss provision for contract assets and trade receivables as at 31 December 2018 reconciles to the opening expected credit loss provision are as follows:

		Contract assets 合約資產 RMB'000 人民幣千元	Trade receivables 應收賬款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Opening provision – under previous accounting policy</b>	<b>期初撥備 – 根據過往會計政策</b>			
		–	(5,342)	(5,342)
Amounts restated through opening retained earnings	透過期初留存收益重列金額	(6,758)	(8,659)	(15,417)
<b>Opening expected credit loss provision – HKFRS 9</b>	<b>期初預期信貸虧損撥備 – 香港財務報告準則第9號</b>	(6,758)	(14,001)	(20,759)
Additional provision – under previous accounting policy	額外撥備 – 根據過往會計政策	–	(1,374)	(1,374)
Recoveries – HKFRS 9 adjustment	收回 – 香港財務報告準則第9號調整	–	1,862	1,862
Additional expected credit loss provision – HKFRS 9 adjustment	額外預期信貸虧損撥備 – 香港財務報告準則第9號調整	(5,235)	–	(5,235)
<b>Closing expected credit loss provision as at 31 December 2018</b>	<b>於二零一八年十二月三十一日 期末預期信貸虧損撥備</b>	<b>(11,993)</b>	<b>(13,513)</b>	<b>(25,506)</b>

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

##### (i) 合約資產及應收賬款 (續)

合約資產及應收賬款於二零一八年十二月三十一日的預期信貸虧損撥備與期初預期信貸虧損撥備的對賬如下：

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

- (ii) Amounts due from related parties, non-controlling interests and other financial assets at amortized cost

The Group uses three categories for other receivables which reflect their credit risk and how the expected credit loss provision is determined for each of those categories. The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers both historical loss rates and forward-looking macroeconomic data. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category 類別	Group definition of category 本集團就類別所下定義	Basis for recognition of expected credit loss provision 確認預期信貸虧損撥備的基準	Expected credit loss rate 預期信貸虧損率
Stage one 第一階段	Customers have a low risk of default and a strong capacity to meet contractual cash flows 違約風險偏低及應付合約現金流量能力強勁的客戶	12 months expected credit losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime 12個月預期信貸虧損。倘資產的預期年期少於12個月，則預期虧損按預期年期計量	1%—3%
Stage two 第二階段	Receivables for which there is a significant increase in credit risk since initial recognition 自初步確認以來信貸風險大幅上升的應收款	Lifetime expected credit losses 年期預期信貸虧損	3%—10%
Stage three 第三階段	Receivables for which there is credit loss since initial recognition 自初步確認以來錄得信貸虧損的應收款	Lifetime expected credit losses 年期預期信貸虧損	10%—100%

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

- (ii) 應收關聯方款項、非控制性權益及按攤銷成本計量的其他金融資產

本集團就其他應收款採用三個類別，以反映其信貸風險及如何就各類釐定預期信貸虧損撥備。本集團透過適時就預期信貸虧損作出適當撥備，以將其信貸風險入賬。在計算預期信貸虧損率時，本集團考慮歷史虧損率及前瞻宏觀經濟數據。本集團預期信貸虧損模型的假設概要如下：

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

- (ii) Amounts due from related parties, non-controlling interests and other financial assets at amortized cost (Continued)

As at 31 December 2018, the Group provided for expected credit loss provision against other receivables as follows:

31 December 2018 二零一八年十二月三十一日	Category 類別	Expected credit loss rate 預期信貸虧損率	Estimated gross carrying amount at default 估計違約總賬面值 RMB' 000 人民幣千元	Expected credit loss provision 預期信貸虧損撥備 RMB' 000 人民幣千元	Carrying amount (net of impairment provision) 賬面值 (已扣減減值撥備) RMB' 000 人民幣千元
Amounts due from related parties 應收關聯方款項	Stage one 第一階段	1%	2,377,306	(23,773)	2,353,533
Amounts due from non-controlling interests 應收非控制性權益款項	Stage one 第一階段	1%	519,390	(5,194)	514,196
Deposits for purchase of land 購買土地的按金	Stage one 第一階段	1%	242,689	(2,427)	240,262
Others 其他	Stage one 第一階段	1%–3%	308,596	(7,721)	300,875
			<b>3,447,981</b>	<b>(39,115)</b>	<b>3,408,866</b>

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

- (ii) 應收關聯方款項、非控制性權益及按攤銷成本計量的其他金融資產 (續)

於二零一八年十二月三十一日，本集團就其他應收款計提預期信貸虧損撥備如下：



### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

- (ii) Amounts due from related parties, non-controlling interests and other financial assets at amortized cost (Continued)

As at 1 January 2018, the Group provided for expected credit loss provision against other receivables as follows:

1 January 2018 二零一八年一月一日	Category 類別	Expected credit loss rate 預期信貸虧損率	Estimated gross carrying amount at default 估計違約 總賬面值 RMB'000 人民幣千元	Expected credit loss provision 預期信貸虧損撥備 RMB'000 人民幣千元	Carrying amount (net of impairment provision) 賬面值 (已扣減減值撥備) RMB'000 人民幣千元
Amounts due from related parties 應收關聯方款項	Stage one 第一階段	1%	2,930,361	(29,304)	2,901,057
Amounts due from non-controlling interests 應收非控制性權益款項	Stage one 第一階段	1%	571,500	(5,715)	565,785
Deposits for purchase of land 購買土地的按金	Stage one 第一階段	1%	212,125	(2,121)	210,004
Others 其他	Stage one 第一階段	1%–3%	278,936	(7,436)	271,500
			<u>3,992,922</u>	<u>(44,576)</u>	<u>3,948,346</u>

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (b) 信貸風險 (續)

- (ii) 應收關聯方款項、非控制性權益及按攤銷成本計量的其他金融資產 (續)

於二零一八年一月一日，本集團就其他應收款計提預期信貸虧損撥備如下：

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (b) Credit risk (Continued)

- (ii) Amounts due from related parties, non-controlling interests and other financial assets at amortized cost (Continued)

The expected credit loss provision for amounts due from related parties, non-controlling interests and other financial assets at amortized cost as at 31 December 2018 reconciles to the opening expected credit loss provision are as follows:

	Amounts due from related parties	Amounts due from non-controlling interests	Deposits for purchase of land	Others	Total
	應收關聯方款項 RMB'000 人民幣千元	應收非控制性權益款項 RMB'000 人民幣千元	購買土地的按金 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Opening provision- under previous accounting policy	-	-	-	(7,436)	(7,436)
Amounts restated through opening retained earnings	(29,304)	(5,715)	(2,121)	-	(37,140)
Opening expected credit loss provision — HKFRS 9	(29,304)	(5,715)	(2,121)	(7,436)	(44,576)
Additional provision — under previous accounting policy	(4,733)	-	-	(285)	(5,018)
Recoveries — HKFRS 9 adjustment	10,264	521	-	-	10,785
Additional expected credit loss provision — HKFRS 9 adjustment	-	-	(306)	-	(306)
Closing expected credit loss provision at 31 December 2018	(23,773)	(5,194)	(2,427)	(7,721)	(39,115)

### 3 財務風險管理(續)

#### 3.1 財務風險因素(續)

##### (b) 信貸風險(續)

- (ii) 應收關聯方款項、非控制性權益及按攤銷成本計量的其他金融資產(續)

應收關聯方款項、非控制性權益及按攤銷成本計量的其他金融資產於二零一八年十二月三十一日的預期信貸虧損撥備與期初預期信貸虧損撥備的對賬如下：

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements have been for the payments of property development projects and operating expenses. The Group finances its working capital requirements mainly through internal resources and borrowings from shareholders, banks and other financial institutes. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient cash and cash equivalents and adequate credit facilities to meet its liquidity requirements in the short and long term.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows based on the earliest date on which the Group can be required to pay as of 31 December 2018.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 流動資金風險

審慎的流動資金風險管理指維持充足的現金及現金等價物，並透過充裕的信貸融資額度取得資金。

本集團的主要現金需求用於支付房地產開發項目及經營費用。本集團的營運資金需求主要透過內部資源及向股東、銀行及其他財務機構借款撥付。本集團的政策為定期監控當前及預期的流動資金需求，確保維持充足的現金及現金等價物及充裕的信貸額度，以滿足短期及長期的流動資金需求。

下表載列根據結算日至合約到期日的剩餘期限，按照相關到期組別劃分的本集團金融負債分析。表內披露的金額為於二零一八年十二月三十一日根據本集團可被要求的最早支付日期計算的合約未折現現金流量。

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### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 FINANCIAL RISK FACTORS (Continued)

##### (c) Liquidity risk (Continued)

		Less than 1 year or repayable on demand 少於一年或 按要求償還 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	Over 2 years 兩年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>				
Trade and other payables	應付賬款及其他應付款	6,973,115	1,024,894	1,880,468	9,878,477
Borrowings and interest thereon	借款及相關利息	1,175,125	4,715,095	2,004,384	7,894,604
Guarantee in respect of mortgage facilities for certain purchasers	就若干買家之按揭融資所提供擔保	591,253	1,453,048	66,132	2,110,433
Guarantee in respect of related parties' borrowings	就關聯方之借款提供擔保	61,770	–	122,508	184,278
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>				
Trade and other payables	應付賬款及其他應付款	3,856,198	521,436	2,291,850	6,669,484
Borrowings and interest thereon	借款及相關利息	2,495,178	362,004	3,175,999	6,033,181
Guarantee in respect of mortgage facilities for certain purchasers	就若干買家之按揭融資所提供擔保	685,369	1,280,692	174,537	2,140,598
Guarantee in respect of related parties' borrowings	就關聯方之借款提供擔保	105,889	124,427	–	230,316

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

##### (c) 流動資金風險 (續)

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 FAIR VALUE ESTIMATION

The different levels of valuation method for financial instruments carried at fair value are as follows:

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

### 3 財務風險管理(續)

#### 3.2 公允價值估計

下文載列利用估值法分析按公允價值入賬的金融工具之不同層級：

- (a) 相同資產或負債於活躍市場的報價(未經調整)(第1層)。
- (b) 除第1層所包括的報價外，就資產或負債可觀察的直接(即價格)或間接(即源自價格)輸入數據(第2層)。
- (c) 資產或負債並非依據可觀察市場數據的輸入數據(即不可觀察輸入數據)(第3層)。

		Note 附註	Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Financial assets at fair value through profit or loss</b>						
<b>按公允價值計入損益的金融資產</b>						
At 31 December 2018	於二零一八年十二月三十一日	26	125,669	-	51,140	176,809
At 31 December 2017	於二零一七年十二月三十一日	26	-	-	-	-
<b>Investment properties</b>						
<b>投資性物業</b>						
At 31 December 2018	於二零一八年十二月三十一日	18	-	-	505,630	505,630
At 31 December 2017	於二零一七年十二月三十一日	18	-	-	319,830	319,830



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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 FAIR VALUE ESTIMATION (Continued)

There were no transfers between level 1, level 2 and level 3 during the year ended 31 December 2018.

The fair value of financial instruments traded in active markets is based on quoted market prices as at 31 December 2018. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

As financial assets at fair value through profit or loss amounted to RMB125,669,000 is listed bonds traded in active market whose fair value is based on quoted market price as at 31 December 2018. Therefore, they are included in level 1.

The remaining financial assets at fair value through profit or loss, and investment properties held by the Group are not traded in active markets nor does the fair value determined by using valuation techniques that use observable market data. Therefore, they are included in level 3.

### 3 財務風險管理(續)

#### 3.2 公允價值估計(續)

截至二零一八年十二月三十一日止年度內，第一、二及三級間並無轉移。

在活躍市場買賣的金融工具的公允價值根據二零一八年十二月三十一日的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務或監管代理獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。

並非於活躍市場買賣的金融工具(例如場外衍生工具)的公允價值以估值技術計算。該等估值技術充分利用可獲得的可觀察市場數據，從而盡量減少依賴實體的特有估計數據。若按公允價值計量的工具所需的所有重大輸入數據均可從觀察取得，則該項工具會納入第二層。

若一項或多項重大輸入數據並非根據可觀察市場數據釐定，則該項工具會納入第三層。

由於按公允價值計入損益的金融工具人民幣125,669,000元為於活躍市場買賣的上市債券，公允價值根據二零一八年十二月三十一日的市場報價列賬，因此分類為第一級。

其餘按公允價值計入損益的金融工具及本集團持有的投資性物業並無於活躍市場買賣，亦無使用可觀察市場數據的估值技術釐定公允價值，因此分類為第三級。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.2 FAIR VALUE ESTIMATION (Continued)

As at 31 December 2018, fair value of the wealth management product was estimated based on the transaction price, as they were acquired close to year end. Accordingly, no quantitative information about significant unobservable inputs were disclosed.

See note 18 for disclosures of the investment properties that are measured at fair value.

The carrying amounts of the Group's other current financial assets and financial liabilities approximate their fair values due to their short maturities.

#### 3.3 CAPITAL RISK MANAGEMENT

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or obtain borrowings.

The Group monitors its capital structure on a basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents and restricted cash pledged for the Group's borrowing. Total capital is calculated as net debt plus total equity as shown in the consolidated balance sheet.

### 3 財務風險管理(續)

#### 3.2 公允價值估計(續)

於二零一八年十二月三十一日，資產管理工具的公允價值使用交易價格估計，因為乃於接近年底購入。因此，並無披露有無重大不可觀察輸入數據的量貨資料。

按公允價值計量的投資性物業的披露載於附註18。

由於本集團的其他流動金融資產及金融負債期限短，故賬面值與公允價值相若。

#### 3.3 資本風險管理

本集團的資本管理目標為：

- 確保本集團持續經營的能力；及
- 為股東提供理想回報。

為維持或調整資本架構，本集團或會調整向股東派付的股息金額、向股東退還資本、發行新股或取得借款。

本集團根據資產負債比率監控資本架構。該比率以債務淨額除以資本總額計算。債務淨額以借款總額減現金及現金等價物及已就本集團借款抵押的受限制現金計算。資本總額以債務淨額加綜合資產負債表所示的總權益計算。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.3 CAPITAL RISK MANAGEMENT (Continued)

The gearing ratios as at 31 December 2018 and 2017 were as follows:

### 3 財務風險管理(續)

#### 3.3 資本風險管理(續)

於二零一八年及二零一七年十二月三十一日的資產負債比率如下：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Borrowings (note 29)	借款(附註29)	<b>7,024,595</b>	5,429,415
Less: Cash and cash equivalents (note 27)	減：現金及現金等價物(附註27)	<b>(5,404,956)</b>	(3,341,835)
Restricted cash (note 27)	受限制現金(附註27)	<b>(268,866)</b>	(129,290)
Net debt	債務淨額	<b>1,350,773</b>	1,958,290
Total equity	總權益	<b>4,760,895</b>	3,698,063
Total capital	資本總額	<b>6,111,668</b>	5,656,353
Gearing ratio	資產負債比率	<b>22%</b>	35%

Restricted cash was pledged as securities for borrowings of the Group and the Group considers that such restricted cash should be included in the calculation of net debt in order to reflect an appropriate gearing ratio of the Group.

受限制現金已就本集團借款作抵押，本集團認為，有關受限制現金應納入債務淨額的計算中，以反映本集團合適的資產負債比率。

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes judgements, estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### (A) CLASSIFICATION OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE

In the normal course of business, the Group develops properties together with other developers or institutions, through entering into co-operation agreements with these parties. The rights and obligations of the Group and the other parties are stipulated by respective co-operation agreements, article of associations of the project companies and etc. Due to the complexity of the arrangements, significant judgement is needed in determining whether the project company is subsidiary, joint venture or associate to the Group. The Group makes judgement based on the substance of the arrangements and the definition of subsidiary, joint venture and associate as disclosed in notes 2.3, 2.4 and 2.5.

### (B) ESTIMATES OF FAIR VALUE OF INVESTMENT PROPERTIES

The Group's investment properties are stated at fair value which is determined by independent professional valuers. Such valuation is made based on certain assumptions, which are subject to uncertainties and might materially differ from the actual results. In making the judgement, reasonable consideration has been given to the underlying assumptions that are mainly based on market conditions existing at the balance sheet date. These estimates are regularly compared to actual market data and actual transactions in the market.

## 4 關鍵會計估計及判斷

本集團作出有關未來情況的判斷、估計及假設，顧名思義，會計估計結果極少相等於有關實際結果。估計及假設很可能導致須對下一個財政年度的資產及負債賬面值作出重大調整，詳情如下：

### (A) 附屬公司、合營企業及聯營公司的分類

於一般業務過程中，本集團與其他發展商或機構透過與該等合作方訂立合作協議，共同開發房地產。本集團與其他方的權利及責任由各自之合作協議、項目公司之組織章程細則等訂明。鑑於該等安排之複雜性，釐定項目公司是否屬本集團之附屬公司、合營企業或聯營公司需要重大判斷。本集團乃基於該等安排之實質性及附屬公司、合營企業及聯營公司之定義作出判斷，見附註2.3、2.4及2.5。

### (B) 投資性物業的估計公允價值

本集團的投資性物業以獨立專業估值師所釐定的公允價值列賬。估值乃基於若干假設，其中涉及不確定因素，可能與實際結果相距甚遠。作出判斷時須主要根據結算日的市況對相關假設作出合理考慮。該等估計須定期與實際市場資料及實際交易情況作比較。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (C) NET REALIZABLE VALUE OF INVENTORY, PROPERTIES UNDER DEVELOPMENT AND HELD FOR SALE

The Group estimates the net realizable value of inventory, properties under development and held for sale based on the current market condition and the historical experience of selling properties and products of a similar nature. It could change significantly as a result of change in market conditions. Management reassesses these estimates at each balance sheet date.

#### (D) INCOME TAXES AND DEFERRED TAX

The Group is subject to income taxes in Mainland China, Hong Kong and US. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain in the ordinary course of business. The Group recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year when such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognized when the Group considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilized. When the expectations are different from the original estimates, such differences will impact the recognition of deferred income tax assets and income tax charges in the period in which such estimates are changed.

### 4 關鍵會計估計及判斷(續)

#### (C) 庫存、開發中房地產及持作銷售物業的可變現淨值

本集團根據當時市況及銷售同類物業及產品的過往經驗，估計存貨、開發中房地產及持作銷售物業的可變現淨值。市況可能造成重大變動。管理層於各結算日重新評估該等估計。

#### (D) 所得稅及遞延稅項

本集團須繳納中國內地、香港及美國所得稅。釐定所得稅撥備時，須作出重大判斷。在日常業務中有若干未能確定最終稅項的交易及計算。本集團按照額外稅項是否將會到期之估計確認預計稅務事宜之負債。倘該等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅及遞延稅項撥備。

與若干暫時差額及稅項虧損有關的遞延所得稅資產於管理層認為未來有可能出現應課稅利潤可用作抵銷該等暫時差額或稅項虧損時確認。當預期金額與原定估計有差異時，則該差異將於估計改變期間影響遞延所得稅資產的確認及所得稅費用。



## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

### (E) MAINLAND CHINA LAND APPRECIATION TAXES

The Group is subject to land appreciation taxes ("LAT") in Mainland China. However, the implementation and settlement of LAT varies among various tax jurisdictions in cities of Mainland China, and the Group has not finalized its LAT calculation and payments with local tax authorities in Mainland China for most of its property development projects. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The Group recognizes these liabilities based on its best estimates. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax expenses and provisions of LAT taxes in the period when such determination is made.

### (F) IMPAIRMENT OF INTERESTS IN ASSOCIATES AND JOINT VENTURES

The Group follows the guidance of HKAS 36 to identify any impairment indicator for interests in associate and joint ventures. This determination requires significant judgement. In making this judgement, the Group evaluates the fair value of an investment by taking into account a market participant's ability in such interests in its highest and best use or by selling it to another market participant that would invest in interests in its highest and best use. The Group considers the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

## 4 關鍵會計估計及判斷 (續)

### (E) 中國土地增值稅

本集團須繳納中國土地增值稅。然而，中國各城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而本集團尚未與中國地方稅務局落實大部份房地產開發項目土地增值稅的計算及付款方法。因此，釐定土地增值額及相關稅項時須作出重大判斷。本集團根據管理層作出的最佳估計確認該等負債。倘該等事宜的最終稅務結果有別於最初記錄的數額，則有關差額會影響釐定有關數額期間的所得稅費用及土地增值稅撥備。

### (F) 於聯營公司及合營企業的權益減值

本集團根據香港會計準則第36號的指引識別聯營公司及合營企業權益中的任何減值跡象。有關釐定須作出重大判斷。於作出判斷時，本集團會評估投資的公允價值，當中計及市場參與者能自最大限度於該權益達致最佳用途，或將該權益出售予將最大限度投資該權益達致最佳用途的另一市場參與者。本集團考慮投資對象的財政是否穩健及短期業務展望，包括行業及分部表現、技術變動及經營和融資現金流量等因素。

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### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (G) REVENUE RECOGNITION FOR PROPERTY DEVELOPMENT AND SALES

The Group develops and sells properties to its customers in different countries. Revenue from sales of properties is recognized over time when the Group's performance do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. The Group may not change or substitute the property unit or redirect the property unit for another use due to the contractual restrictions with the customer and thus the property unit does not have an alternative use to the Group. However, whether there is an enforceable right to payment depends on the terms of sales contract and the interpretation of applicable laws that apply to the contract. To assess the enforceability of right to payment, the Group has reviewed the terms of its contracts, the relevant local laws, the local regulators' views and obtained legal advice, when necessary, and a significant judgement is required.

For property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognized when the buyer obtains the physical possession or legal title of the completed property and the consideration amount is collected. The Group seldom provides long credit or payment terms to its property buyer.

### 4 關鍵會計估計及判斷(續)

#### (G) 物業發展及銷售的收入確認

本集團為不同國家的客戶開發及銷售物業。當本集團的履約並無產生對本集團具有替代用途的資產且本集團就迄今已完成的履約擁有可執行的支付權利時，則確認銷售物業的收入。由於與客戶的合約限制，本集團不得更改或替換物業單位，或改變物業單位的用途，因此本集團並不能將該物業單位用於其他用途。然而，本集團是否擁有可執行的支付權利，取決於銷售合約的條款和適用於該合約的適用法例詮釋。為評估支付權利的可執行性，本集團已審閱其合約條款、相關當地法例、當地監管機關意見以及於必要時取得法律意見，並須作出重大判斷。

就於一個時間點轉移物業控制權的房地產開發銷售合約而言，當買房者都獲得已完成的物業的實物所有權或法定所有權並收回對價時，本集團對收入進行確認。本集團很少向其物業買家提供長期的信貸或付款方式。

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

### (H) REVENUE RECOGNITION FOR MANAGEMENT SERVICES RECOGNIZED OVER PERIOD

The Group provides management services to its customers at fixed and variable amounts. If the consideration is variable, the Group estimates the amount of consideration to which it will be entitled in exchange for the promised services. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group recognizes revenue from management services associated with fixed and variable fees over time where the customer simultaneously receives and consumes the benefits provided by the Group or the Group has an enforceable right to payments for performance completed to date and the performance do not create an asset with an alternative use, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Where the outcome of a contract cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

### (I) IMPAIRMENT OF FINANCIAL ASSETS

The provision for expected credit loss for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the note 3.1 (b).

## 4 關鍵會計估計及判斷 *(續)*

### (H) 於一段時間確認的管理服務的收入確認

本集團按固定及可變金額向客戶提供管理服務。倘代價可變，本集團估計其有權收取的代價金額，以換取承諾服務。僅當可變代價的相關不確定因素其後得以解決，致使估計可變代價金額很大可能不會導致撥回已確認重大累計收入，則估計可變代價金額計入交易價格。

倘客戶同時收取並消耗本集團提供的利益或本集團就迄今已完成的履約擁有可執行的支付權利，且履約並無產生對本集團具有替代用途的資產，則本集團於一段時間確認與固定及可變費用相關的管理服務收入，並經參考截至報告期末產生的實際成本佔各合約估計成本總額的百分比評估特定交易的完成情況。

倘無法可靠計量合約的結果，則僅在所產生費用合資格收回的情況下確認收入。

### (I) 金融資產減值

金融資產預期信貸虧損撥備乃基於有關違約風險及預期虧損率的假設作出。於各報告期末，本集團根據其過往記錄、現時市況及前瞻性估計，通過判斷作出該等假設及選擇減值計算的輸入數據。有關主要假設及所用輸入數據的詳情於附註3.1 (b)披露。

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### 5 REVENUE

#### 5.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

### 5 收入

#### 5.1 客戶合約收入

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 RMB'000 人民幣千元
Revenue recognised at a point in time	於某一時間點確認的收入		
Property development and sales	房地產開發及銷售		
— Mainland China	— 中國	3,879,123	4,095,031
— US	— 美國	2,323,310	1,330,845
Management services (a)	管理服務(a)		
— Mainland China	— 中國	580,273	455,753
— US	— 美國	25,144	19,997
		<b>6,807,850</b>	<b>5,901,626</b>
Revenue recognised over period	於期內確認的收入		
Property development and sales	房地產開發及銷售		
— US	— 美國	204,118	—
Management services	管理服務		
— development management services (a)	— 開發管理服務(a)		
— Mainland China	— 中國	394,282	277,475
		<b>598,400</b>	<b>277,475</b>
Rental income	租金收入		
— Office investment properties	— 辦公投資性物業	28,826	26,548
— Long-term rental apartments	— 長租公寓	125,450	8,282
		<b>154,276</b>	<b>34,830</b>
		<b>7,560,526</b>	<b>6,213,931</b>

## 5 REVENUE (Continued)

### 5.1 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

- (a) Breakdown of the revenue from management services is as follows:

## 5 收入 (續)

### 5.1 客戶合約收入 (續)

- (a) 管理服務收入明細如下：

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Revenue from development management services	開發管理服務收入	419,426	297,472
Revenue from sales management services	銷售管理服務收入	383,513	281,572
Revenue from green product integration services	綠色產品整合服務收入	169,000	152,775
Revenue from brand authorisation services	品牌授權服務收入	27,760	21,406
		<b>999,699</b>	<b>753,225</b>

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### 5 REVENUE (Continued)

#### 5.2 ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

The Group has recognized the following assets and liabilities related to contracts with customers:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	1 January 2018 (note 2.2.3) 二零一八年 一月一日 (附註2.2.3) RMB'000 人民幣千元
Contract assets related to property development and sales	與房地產開發及銷售有關的合約資產	119,934	225,267
Less: Provision for bad debt (note 3.1(b)(i))	減：壞賬撥備(附註3.1(b)(i))	(11,993)	(6,758)
		107,941	218,509
Contract liabilities related to	與以下項目有關的合約負債		
— Property development and sales	— 房地產開發及銷售	4,456,933	4,156,608
— Management services	— 管理服務	53,253	21,536
		4,510,186	4,178,144

#### (a) Significant changes in contract assets and liabilities

Contract assets consist of unbilled amount resulting from property development and sales in US when revenue recognized over the development period by reference to the costs incurred up to the end of reporting period as a percentage of the total expected costs to complete the contract exceeds the amount billed to customers.

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

### 5 收入(續)

#### 5.2 與客戶合約有關的資產及負債

本集團已確認以下與客戶合約有關的資產及負債：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	1 January 2018 (note 2.2.3) 二零一八年 一月一日 (附註2.2.3) RMB'000 人民幣千元
Contract assets related to property development and sales	與房地產開發及銷售有關的合約資產	119,934	225,267
Less: Provision for bad debt (note 3.1(b)(i))	減：壞賬撥備(附註3.1(b)(i))	(11,993)	(6,758)
		107,941	218,509
Contract liabilities related to	與以下項目有關的合約負債		
— Property development and sales	— 房地產開發及銷售	4,456,933	4,156,608
— Management services	— 管理服務	53,253	21,536
		4,510,186	4,178,144

#### (a) 合約資產及負債重大變動

當於開發期間確認的收益(參照截至報告期末所產生成本佔合約完工預期總成本的百分比釐定)超過向客戶開單的金額，合約資產會包含美國房地產開發及銷售的未開單款項。

本集團根據與客戶於合約中訂立的收款時間表收取付款。付款一般於履行合約責任前預收，該等合約主要涉及於中國銷售物業。



## 5 REVENUE (Continued)

### 5.2 ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS (Continued)

#### (b) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities.

## 5 收入 (續)

### 5.2 與客戶合約有關的資產及負債 (續)

#### (b) 就合約負債確認的收益

下表列示本報告期間內已確認收益與轉結合約負債有關的部分。

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	年初計入合約負債結餘的已確認收益	
— Property development and sales	— 房地產開發及銷售	3,084,941
— Management services	— 管理服務	21,536
		<b>3,106,477</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 5 REVENUE (Continued)

#### 5.2 ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS (Continued)

##### (c) Contracted amounts to be recognized in future

###### (i) Property development and sales

The following table shows the contracted amounts to be recognized in future resulting from property development and sales.

Expected to be recognised within one year	預期於一年內確認
Expected to be recognised after one year	預期於一年後確認

###### (ii) Management services

Most of the management services are billed based on time incurred. As permitted by HKFRS 15, the unsatisfied contract amount was not disclosed.

##### (d) Contract cost

Costs directly attributable to obtaining a contract such as stamp duty and sales commissions are immaterial and expensed when they were incurred.

### 5 收入(續)

#### 5.2 與客戶合約有關的資產及負債(續)

##### (c) 將於未來確認的訂約金額

###### (i) 房地產開發及銷售

下表列示來自房地產開發及銷售的並將於未來確認的訂約金額。

31 December  
2018  
於  
二零一八年  
十二月三十一日  
RMB'000  
人民幣千元

1,998,099

2,458,834

4,456,933

###### (ii) 管理服務

大部分管理服務的發票均以提供服務的時間為基礎。因香港財務報告準則第15號所允許，未達成合約金額不予披露。

##### (d) 合約成本

取得合約所直接產生的成本(如印花稅及銷售佣金)於產生時入賬列為支出，金額並不重大。

## 6 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions. The reports are prepared on the same basis as consolidated financial statements.

The executive directors consider the business from services perspective and have identified the following operating segments:

- Property development and sales;
- Management services;
- Office property investment; and
- Long-term rental apartments.

The Group established the business of long-term rental apartments in late 2017. To better measure the performance, a separate segment is reported for the year ended 31 December 2018.

The executive directors assess the performance of operating segments based on a measure of segment revenue and segment profit.

Segment profit includes net profit from subsidiaries, share of net profit of joint ventures and associates. This represents the profit earned by each segment without allocation of interest income on bank deposits, corporate expenses and finance costs charged in the consolidated statement of comprehensive income. This is the measure reported to the management of the Group for the purposes of resource allocation and performance assessment.

## 6 分部資訊

管理層根據由經執行董事審閱及用作策略決定的報告釐定經營分部。該等報告乃根據此等綜合財務報表相同的基準編製。

執行董事從服務角度考慮業務，並確認以下經營分部：

- 房地產開發及銷售；
- 管理服務；
- 辦公物業投資；及
- 長租公寓。

本集團於二零一七年底設立長租公寓業務。為作出更佳表現計量，已就截至二零一八年十二月三十日止年度呈報獨立分部。

執行董事根據分部收入及分部利潤計量評估經營分部的表現。

分部利潤包括附屬公司純利、應佔合營企業及應佔聯營公司純利。分部利潤指各分部所賺取的利潤，惟不包括銀行存款利息收益、計入綜合全面收益表的公司費用及財務費用。本集團管理層根據所報告的計量分配資源和評估表現。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

The segment information provided to the executive directors for the reportable segments for the year ended 31 December 2018 is as follows:

### 6 分部資訊(續)

截至二零一八年十二月三十一日止年度，向執行董事提供的報告分部資訊如下：

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度				
		Property development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Management services 管理服務 RMB'000 人民幣千元	Office property investment 辦公物業 投資 RMB'000 人民幣千元	Long-term rental apartments 長租公寓 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (from external customers) (note 5)	分部收入(來自外部客戶)(附註5)					
— Revenue recognized at a point in time under HKFRS 15	— 根據香港財務報告準則第15號於某一時間點確認的收入	6,202,433	605,417	—	—	6,807,850
— Revenue recognized over period under HKFRS 15	— 根據香港財務報告準則第15號於期內確認的收入	204,118	394,282	—	—	598,400
— Rental income	— 租金收入	—	—	28,826	125,450	154,276
		<u>6,406,551</u>	<u>999,699</u>	<u>28,826</u>	<u>125,450</u>	<u>7,560,526</u>
Segment profit/(loss)	分部利潤/(虧損)	<u>2,465,355</u>	<u>456,816</u>	<u>26,116</u>	<u>(190,205)</u>	<u>2,758,082</u>
Depreciation of property, plant and equipment (note 19)	不動產、工廠及設備折舊(附註19)	(7,959)	(7,677)	(13)	(41,424)	(57,073)
Fair value gain on investment properties (note 18)	投資性物業的公允價值利得(附註18)	—	—	7,363	—	7,363
Share of net profit of associates (note 16)	應佔聯營公司純利(附註16)	408,854	—	—	—	408,854
Share of net profit of joint ventures (note 17)	應佔合營企業純利(附註17)	257,991	—	—	—	257,991
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>					
Segment assets	分部資產	21,628,232	3,424,012	515,642	1,207,388	26,775,274
Interests in associates (note 16)	於聯營公司的權益(附註16)	1,315,706	—	—	—	1,315,706
Interests in joint ventures (note 17)	於合營企業的權益(附註17)	2,596,047	—	—	—	2,596,047
Additions to non-current assets (excluding financial assets)	增加非流動資產(不包括金融資產)	75,178	6,831	190,352	494,046	766,407
Segment liabilities	分部負債	<u>19,496,811</u>	<u>2,081,024</u>	<u>73,569</u>	<u>362,975</u>	<u>22,014,379</u>

## 6 SEGMENT INFORMATION (Continued)

The segment information provided to the executive directors for the reportable segments for the year ended 31 December 2017 is as follows:

## 6 分部資訊(續)

截至二零一七年十二月三十一日止年度，向執行董事提供的報告分部資訊如下：

		For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度				
		Property development and sales 房地產開發 及銷售 RMB'000 人民幣千元	Management services 管理服務 RMB'000 人民幣千元	Office property investment 辦公物業 投資 RMB'000 人民幣千元	Long-term rental apartments 長租公寓 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (from external customers) (note 5)	分部收入(來自外部客戶) (附註5)	5,425,876	753,225	26,548	8,282	6,213,931
Segment profit/(loss)	分部利潤/(虧損)	1,113,465	410,885	45,511	(44,170)	1,525,691
Depreciation of property, plant and equipment (note 19)	不動產、工廠及設備折舊 (附註19)	(9,374)	(1,739)	(3)	(142)	(11,258)
Fair value gain on an investment property (note 18)	投資性物業的公允價值利得 (附註18)	–	–	28,910	–	28,910
Share of net profit of associates (note 16)	應佔聯營公司純利(附註16)	169,453	–	–	–	169,453
Share of net profit of joint ventures (note 17)	應佔合營企業純利(附註17)	21,881	–	–	–	21,881
<b>At 31 December 2017</b>		<b>於二零一七年十二月三十一日</b>				
Segment assets	分部資產	17,140,908	2,526,845	349,941	302,807	20,320,501
Interests in associates (note 16)	於聯營公司的權益(附註16)	983,077	–	–	–	983,077
Interests in joint ventures (note 17)	於合營企業的權益 (附註17)	1,885,436	–	–	–	1,885,436
Additions to non-current assets (excluding financial assets)	增加非流動資產 (不包括金融資產)	220,746	13,814	28,925	156,910	420,395
Segment liabilities	分部負債	15,772,957	662,542	83,313	103,626	16,622,438

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 6 SEGMENT INFORMATION (Continued)

The Group does not have any single customer which contributed to more than 10% of the Group's revenue. The Group's revenue from external customers and non-current assets are divided into the following geographical areas:

### 6 分部資訊(續)

本集團並無任何佔本集團收入10%以上的單一客戶。本集團來自外部客戶的收入及非流動資產乃按以下地理區域劃分：

		Revenue from external customers 外部客戶收入		Non-current assets 非流動資產	
		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元	31 December 2018 於二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Mainland China	中國	5,007,954	4,863,089	7,239,353	5,064,967
US	美國	2,552,572	1,350,842	463,253	578,475
Hong Kong (domicile)	香港(註冊地)	-	-	60	702
		<b>7,560,526</b>	<b>6,213,931</b>	<b>7,702,666</b>	<b>5,644,144</b>

The revenue information above is based on the location of the customers. Non-current assets information above is based on the location of the assets.

以上收入資訊乃按客戶所在位置而作出。以上非流動資產資訊乃按資產所在地而作出。



## 6 SEGMENT INFORMATION (Continued)

Reconciliation of segment profit to profit before income tax is as follows:

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度 RMB'000 人民幣千元
Segment profit	分部利潤	2,758,082	1,525,691
Finance costs, net (note 10)	財務費用淨額(附註10)	(299,268)	(238,925)
Unallocated corporate expenses	未分配公司費用	(197,075)	(159,355)
Profit before income tax	除所得稅前利潤	2,261,739	1,127,411

Reconciliations of segments' assets and liabilities to total assets and total liabilities are as follows:

		31 December 2018 二零一八年十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年十二月三十一日 RMB'000 人民幣千元
Segment assets	分部資產	26,775,274	20,320,501
Unallocated assets	未分配資產	—	—
Total assets	資產總值	26,775,274	20,320,501
Segment liabilities	分部負債	22,014,379	16,622,438
Unallocated liabilities	未分配負債	—	—
Total liabilities	負債總額	22,014,379	16,622,438

## 6 分部資訊(續)

分部利潤與除所得稅前利潤的對賬如下：

分部資產及負債與總資產及總負債的對賬如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 7 OTHER INCOME

### 7 其他收益

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Interest income from:	利息收益來自：		
— Amounts due from joint ventures and associates (note 39)	— 應收合營企業及聯營公司款項 (附註39)	105,735	105,402
— Amounts due from non-controlling interests	— 應收非控制性權益款項	22,338	23,764
— Loan to third parties and deposit paid for acquisition of an associate	— 應收第三方貸款及收購一間聯營公司所付按金	8,751	13,362
Government grants	政府補助	34,738	5,083
Sundry income	雜項收益	—	3,093
		<b>171,562</b>	<b>150,704</b>

### 8 OTHER GAINS/(LOSSES) — NET

### 8 其他利得／(損失)淨額

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Gain on disposal of subsidiaries (note 38)	出售附屬公司之利得(附註38)	166,822	285,619
Gain on re-measurement of existing interest in a joint venture upon conversion to a subsidiary (note 37)	於合營企業轉換為附屬公司後重新計量現有權益的收益 (附註37)	19,653	—
Gain on disposal of a joint venture	出售合營企業之利得	—	608
Loss on disposal of property, plant and equipment	出售不動產、工廠及設備之虧損	(10)	(2)
Net exchange gains/(losses)	匯兌利得／(虧損)淨額	185,188	(270,320)
Gain on FVPL (note 26 (b))	按公允價值計入損益的收益(附註26(b))	2,675	—
Others	其他	(218)	(3,914)
		<b>374,110</b>	<b>11,991</b>

## 9 EXPENSES BY NATURE

## 9 按性質分類的費用

		For the year ended <b>31 December 2018</b> 截至 二零一八年 十二月三十一日 止年度 <b>RMB'000</b> 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Employee benefit expenses	僱員福利費用		
Directors' remuneration (note 14)	董事薪酬(附註14)		
— Fees	— 袍金	<b>900</b>	900
— Salaries and allowances	— 薪金及津貼	<b>17,350</b>	15,324
— Retirement benefit scheme contributions	— 退休福利計劃供款	<b>482</b>	355
— Restricted share award (note 32 (b))	— 限制性股份獎勵(附註32(b))	<b>—</b>	—
		<b>18,732</b>	16,579
Other staff costs	其他職工費用		
— Wages, salaries and allowances	— 工資、薪金及津貼	<b>345,528</b>	218,675
— Retirement benefit scheme contributions	— 退休福利計劃供款	<b>41,114</b>	18,682
— Other staff benefit	— 其他職工福利	<b>34,016</b>	15,875
— Restricted share award (note 32 (b))	— 限制性股份獎勵(附註32(b))	<b>—</b>	—
		<b>420,658</b>	253,232

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 9 EXPENSES BY NATURE (Continued)

### 9 按性質分類的費用(續)

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 RMB'000 人民幣千元
Cost of property development and sales	房地產開發及銷售成本		
— Mainland China (a)	— 中國(a)	2,612,402	2,991,577
— US	— 美國	2,042,662	1,183,222
Cost of management services	管理服務成本		
— Mainland China	— 中國	479,647	391,784
Rental expense in respect of properties	物業租賃費用	196,079	47,447
Operating costs in respect of investment properties	投資性物業的營運費用	5,687	5,700
Other taxes	其他稅項	79,756	140,073
Advertising and promotion expenses	廣告及推廣費用	157,281	72,133
Legal and professional fees	法律及專業費用	55,310	25,216
Depreciation of property, plant and equipment (note 19)	不動產、工廠及設備折舊(附註19)	57,073	11,258
Provision for impairment of financial assets (note 3.1 (b) (ii))	金融資產減值撥備(附註3.1(b)(ii))	(714)	2,783
Auditor's remuneration	核數師薪酬		
— Audit services	— 審核服務	1,446	1,298
— Non-audit services	— 非審核服務	953	864
Provision for decline in the value of properties under development and held for sale (note 21 & 23)	開發中及持作銷售物業價值下跌撥備(附註21及23)	5,873	1,032
Others (b)	其他(b)	86,554	86,336
		<b>5,780,009</b>	<b>4,960,723</b>
		<b>6,219,399</b>	<b>5,230,534</b>
Representing:	指：		
Cost of sales and services	銷售及服務成本	5,406,474	4,690,410
Administrative expenses	行政費用	568,935	420,235
Selling expenses	銷售費用	243,990	119,889
		<b>6,219,399</b>	<b>5,230,534</b>

(a) Cost of property development and sales includes decoration materials used of RMB119,830,000 (2017: RMB4,788,000).

(b) Others include subsidiaries' statutory and non-statutory audit fee of RMB 4,059,000 to their respective auditors (2017: RMB 3,727,000).

(a) 房地產開發及銷售費用包括已用裝飾物料人民幣119,830,000元(二零一七年：人民幣4,788,000元)。

(b) 其他包括附屬公司向各核數師支付的法定及非法定審核費用人民幣4,059,000元(二零一七年：人民幣3,727,000元)。

## 10 FINANCE COSTS, NET

## 10 財務費用淨額

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Financial cost	財務費用		
— Bank borrowings	— 銀行借款	133,245	151,084
— Loans from the ultimate controlling shareholder (note 39)	— 來自最終控股股東的貸款 (附註 39)	95,483	126,888
— Senior private notes	— 優先私募債券	118,620	78,195
— EB-5 loans	— EB-5 貸款	20,327	21,626
— Loans from other financial institutes	— 其他融資機構的貸款	19,634	18,062
— Junior private notes	— 次級私募債券	—	14,942
— Interest expense on amounts due to related parties (note 39)	— 應付關聯方款項的利息費用 (附註 39)	61,954	99,275
— Sell and buy-back arrangement	— 出售及回購安排	45,538	9,733
— Discounted bank accepted notes	— 已貼現銀行承兌票據	15,529	4,380
— Loans from non-controlling interests	— 來自非控制性權益貸款	7,368	2,628
— Financing component of contracts with customers	— 客戶合約的融資部分	154,509	—
— Other finance charges	— 其他財務費用	—	7,518
		672,207	534,331
Less: interest capitalised	減：資本化利息	(349,189)	(285,286)
		323,018	249,045
Finance income	財務收益		
— Bank interest income	— 銀行利息收益	(23,750)	(10,120)
		299,268	238,925

The average interest rate of borrowing costs capitalized for the year ended 31 December 2018 was approximately 6.54% per annum (2017: 6.50%).

截至二零一八年十二月三十一日止年度，資本化借款費用的平均年利率約為6.54%（二零一七年：6.50%）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 11 INCOME TAX EXPENSE

### 11 所得稅費用

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Current income tax	即期稅項		
— Hong Kong profit tax (a)	— 香港利得稅(a)		
Tax expense for the year	年度稅項費用	—	1,770
— Mainland China enterprise income tax (b)	— 中國企業所得稅(b)		
Tax expense for the year	年度稅項費用	497,342	383,903
— US profit tax (d)	— 美國利得稅(d)		
Tax expense for the year	年度稅項費用	76,194	—
		573,536	385,673
Mainland China land appreciation tax (b)	中國土地增值稅(b)	393,938	103,087
Deferred income tax (note 30)	遞延所得稅(附註30)	(146,305)	(82,190)
		821,169	406,570

(a) Hong Kong profit tax has been provided at 16.5% (2017: 16.5%) on the assessable profits arising in Hong Kong for the year.

(b) The Group's subsidiaries in the Mainland China are subject to enterprise income tax at the rate of 25% (2017: 25%) for the year ended 31 December 2018, except for Shanghai Landsea Planning and Architectural Design Co., Ltd. (上海朗詩規劃建築設計有限公司) which enjoys a preferential income tax rate of 15% as approved by relevant tax authorities.

(a) 香港利得稅乃以本年度於香港產生的應課稅利潤按稅率16.5%(二零一七年: 16.5%)作出撥備。

(b) 截至二零一八年十二月三十一日止年度本集團的中國附屬公司須按25%(二零一七年: 25%)的稅率繳交企業所得稅。惟上海朗詩規劃建築設計有限公司經有關稅務部門批准享有15%的優惠所得稅稅率則除外。



## 11 INCOME TAX EXPENSE (Continued)

(b) (Continued)

Land appreciation tax in Mainland China is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and all property development expenditures. The tax is incurred upon transfer of property ownership.

As of 31 December 2018, the Group has unused tax losses RMB30,689,000 (2017: RMB31,298,000) available for offset against future profits for certain entities in Mainland China which have not been recognized due to the unpredictability of future profit streams. The tax losses would expire within five years.

(c) Under the Law of the Mainland China on Enterprise Income Tax (the "EIT Law") and implementation regulations of the EIT Law, a withholding tax at 10% is imposed for dividends distributed by a Mainland China-resident enterprise to its immediate holding company outside Mainland China for earnings generated beginning 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding company is established in Hong Kong according to the tax treaty arrangement between Mainland China and Hong Kong. The Group controls the dividend policies of subsidiaries in Mainland China. The directors of the Company confirmed that the remaining retained earnings of the Group's subsidiaries in Mainland China as at 31 December 2018 will not be distributed to its immediate holding company in the foreseeable future. As at 31 December 2018, deferred income tax liability of RMB354,702,000 (2017: RMB259,722,000) on the remaining unremitted distributable profit generated by the Group's subsidiaries in Mainland China attributable to its immediate holding company with the amount of RMB3,547,020,000 (2017: RMB2,597,218,000) was not recognized.

(d) In accordance with US tax law, the statutory tax rate for both federal and state tax purposes was 28.28%. This is then adjusted for items which are not assessable or deductible to arrive at an effective tax rate of 26.68%.

## 11 所得稅費用(續)

(b) (續)

中國土地增值稅以銷售物業所得款項減去可扣減開支(包括土地使用權及所有物業開發開支)的土地增值按介乎30%至60%的累進稅率徵收。土地增值稅於物業所有權轉移時產生。

於二零一八年十二月三十一日，由於若干中國實體的不可預見未來利潤流，故本集團並無確認可用作抵銷未來利潤的未動用稅項虧損人民幣30,689,000元(二零一七年：人民幣31,298,000元)。稅項虧損將於五年內屆滿。

(c) 根據中國企業所得稅法(「企業所得稅法」)及其實施條例，中國居民企業就二零零八年一月一日起產生的收益向其中國境外的直接控股公司派發的股息須繳納10%的預扣稅。根據中國與香港訂立的稅收協定安排，若直接控股公司成立於香港，可應用較低的5%預扣稅稅率。本集團控制中國附屬公司的股息政策。本公司董事確定本集團中國附屬公司於二零一八年十二月三十一日的留存收益將不會於可見未來分派予其直系控股公司。於二零一八年十二月三十一日，本集團並未就本集團中國附屬公司產生的其直系控股公司應佔餘下未匯出可供分配利潤金額人民幣3,547,020,000元(二零一七年：人民幣2,597,218,000元)確認遞延所得稅負債人民幣354,702,000元(二零一七年：人民幣259,722,000)。

(d) 根據美國稅務法律，有關聯邦稅及州稅的法定稅率為28.28%。該稅率其後會就毋須課稅或不可扣減項目調整至實際稅率26.68%。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 11 INCOME TAX EXPENSE (Continued)

Taxes on profit assessable elsewhere have been calculated at the applicable rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislations, interpretations and practices in respect thereof.

Reconciliation between profit before income tax and income tax expense is as follows:

### 11 所得稅費用(續)

其他地區應課稅利潤的稅項按本集團經營業務所在司法權區的現行適用稅率計算，並根據該等司法權區的現行法例、詮釋及慣例作出。

除所得稅前利潤與所得稅費用的對賬如下：

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	2,261,739	1,127,411
Mainland China land appreciation tax	中國土地增值稅	(393,938)	(103,087)
		<b>1,867,801</b>	<b>1,024,324</b>
Tax on profit before income tax, calculated at the rate of 25% (2017: 25%)	除所得稅前利潤的稅項，按稅率25% (二零一七年：25%) 計算	466,950	256,081
Effect of different tax rates of the Group's subsidiaries operating in other jurisdictions	於其他司法權區經營的本集團附屬公司不同稅率的影響	11,247	(248)
Tax effect of non-taxable income (i)	毋須課稅收益的稅務影響 (i)	(129,124)	(50,953)
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	22,235	29,175
Tax effect of unrecognized tax losses	未確認稅項虧損的稅務影響	53,804	52,900
Others (ii)	其他 (ii)	2,119	16,528
		<b>427,231</b>	<b>303,483</b>
Mainland China land appreciation tax	中國土地增值稅	393,938	103,087
		<b>821,169</b>	<b>406,570</b>

(i) Non-taxable income are mainly share of net profit of associates and joint ventures.

(ii) Others mainly represent tax effect of realization of unrecognized temporary difference in prior years.

(i) 毋須課稅收益主要為所分佔聯營公司及合營企業利得。

(ii) 其他主要指變現過往年度未確認暫時差額的稅務影響。

## 12 EARNINGS PER SHARE

### (A) BASIC EARNINGS PER SHARE

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

## 12 每股收益

### (A) 每股基本收益

每股基本收益乃按歸屬於本公司股東的利潤除以年度已發行普通股的加權平均數計算。

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Profit attributable to shareholders of the Company	歸屬於本公司股東的利潤	1,112,774	580,523
Accrued distribution of the convertible perpetual securities (note 14 & 33)	可換股永久證券的應計分派 (附註 14 及 33)	(29,599)	(19,679)
Profit used to determine basic earnings per share	用作釐定每股基本收益的利潤	1,083,175	560,844
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股的加權平均數 (千股)	3,981,529	3,917,571
— Basic Earnings per share	— 每股基本收益	RMB 人民幣 0.27 元	RMB 人民幣 0.14 元

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 12 EARNINGS PER SHARE (Continued)

#### (B) DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: convertible perpetual securities. The convertible perpetual securities are assumed to have been converted into ordinary shares.

### 12 每股收益(續)

#### (B) 每股稀釋收益

每股稀釋收益乃假設悉數轉換具稀釋影響的潛在普通股而調整已發行普通股的加權平均數計算。本公司有一類具稀釋影響的潛在普通股：可換股永久證券。假設可換股永久證券獲悉數轉換為普通股。

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 RMB'000 人民幣千元
Profit attributable to shareholders of the Company	歸屬於本公司股東的利潤	1,112,774	580,523
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股的加權平均數 (千股)	3,981,529	3,917,571
Adjustment for:	經以下各項調整：		
— Assumed conversion of convertible perpetual securities (in thousands)	— 假設轉換可換股永久證券 (千股)	586,646	660,530
Adjusted weighted average number of ordinary shares for diluted earnings per share (in thousands)	用作釐定每股稀釋收益的普通股經調整加權平均數 (千股)	4,568,175	4,578,101
— Diluted Earnings per share	— 每股稀釋收益	RMB 人民幣 0.24 元	RMB 人民幣 0.13 元

## 13 DIVIDEND

## 13 股息

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Final dividend for the year ended 31 December 2017 of RMB3.54 cents (2016: RMB3.54 cents) per fully paid share	截至二零一七年十二月三十一日 止年度末期股息每股繳足股份 人民幣3.54分(二零一六年： 人民幣3.54分)	138,682	138,682
Dividend of convertible perpetual securities	可換股永久證券股息	29,599	19,679
		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Proposed distribution of final dividend out of contributed surplus account of HK\$ cents 4.50 (equivalent to RMB cents 3.83) (2017: HK\$ cents 4.42 (equivalent to RMB cents 3.54)) per ordinary share	建議自實繳盈餘賬派發末期股息 每股普通股4.50港仙 (相當於人民幣3.83分) (二零一七年：4.42港仙 (相當於人民幣3.54分))	180,990	138,682

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 13 DIVIDEND (Continued)

A final dividend relating to the year ended 31 December 2017 amounted to RMB138,682,000 was fully paid on 15 June 2018.

The Board proposed to make a distribution out of contributed surplus account of HK\$ cents 4.50 (equivalent to RMB cents 3.83) (2017: HK\$ cents 4.42 cents (equivalent to RMB cents 3.54)) per ordinary share amounting to a total of RMB180,990,000. The proposed distribution is based on 4,722,307,545 (2017: 3,917,570,961) shares issued as at 22 March 2019. The proposed final dividend is not reflected as a dividend payable as of 31 December 2018, but will be recorded as a distribution for the year ending 31 December 2019.

The proposed distribution out of contributed surplus account is subject to the passing of an ordinary resolution for approving the distribution of final dividend out by the shareholders at the annual general meeting of the Company to be held on 27 May 2019.

### 13 股息(續)

截至二零一七年十二月三十一日止年度的末期股息人民幣138,682,000元已於二零一八年六月十五日全數派發。

董事局建議自實繳盈餘賬作出每股普通股4.50港仙(相當於人民幣3.83分)(二零一七年: 4.42港仙(相當於人民幣3.54分))的分派, 總金額為人民幣180,990,000元。建議分派乃根據二零一九年三月二十二日的已發行股份4,722,307,545股(二零一七年: 3,917,570,961股)釐定。擬派末期股息並不視為二零一八年十二月三十一日的應付股息, 但將列作截至二零一九年十二月三十一日止年度作出的分派。

建議自實繳盈餘賬作出的分派須待股東於二零一九年五月二十七日舉行的本公司股東週年大會通過批准自本公司實繳盈餘賬作出末期股息分派的普通決議案後, 方可作實。



## 14 BENEFITS AND INTERESTS OF DIRECTORS

### (A) DIRECTORS' EMOLUMENTS

The remuneration of each director is set out below:

For the year ended 31 December 2018:

## 14 董事福利及權益

### (A) 董事酬金

各董事的酬金載列如下：

截至二零一八年十二月三十一日止年度：

		Contribution				
		Salaries, allowances and bonus		to retirement and other benefits	Restricted share award	Total
		Fees	工資、津貼及花紅	退休供款及其他福利	限制性股份獎勵	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the year ended	截至二零一八年					
31 December 2018	十二月三十一日止年度					
Executive directors	執行董事					
Tian Ming	田明	-	4,786	143	-	4,929
Wang Lei (e)	王磊(e)	-	579	11	-	590
Shen Leying	申樂瑩	-	4,033	117	-	4,150
Xie Yuanjian	謝遠建	-	2,795	88	-	2,883
Zhou Qin	周勤	-	3,426	47	-	3,473
Xiang Jiong (f)	向炯(f)	-	1,731	76	-	1,807
Independent non-executive directors	獨立非執行董事					
Xu Xiaonian	許小年	300	-	-	-	300
Ding Yuan	丁遠	300	-	-	-	300
Lee Kwan Hung	李均雄	300	-	-	-	300
Non-executive directors	非執行董事					
Zhou Yimin	鄒益民	-	-	-	-	-
		900	17,350	482	-	18,732

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 14 BENEFITS AND INTERESTS OF DIRECTORS 14 董事福利及權益 (續)

(Continued)

#### (A) DIRECTORS' EMOLUMENTS (Continued)

#### (A) 董事酬金 (續)

		Fees	Salaries, allowances and bonus	Contribution to retirement and other benefits	Restricted share award	Total
		袍金	工資、津貼及花紅	退休供款及其他福利	限制性股份獎勵	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the year ended</b>	<b>截至二零一七年</b>					
<b>31 December 2017</b>	<b>十二月三十一日止年度</b>					
<b>Executive directors</b>	<b>執行董事</b>					
Tian Ming	田明	–	4,504	69	–	4,573
Xiang Jiong (f)	向炯 (f)	–	2,994	75	–	3,069
Shen Leying	申樂瑩	–	3,041	98	–	3,139
Xie Yuanjian	謝遠建	–	2,646	75	–	2,721
Zhou Qin	周勤	–	2,139	38	–	2,177
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Xu Xiaonian	許小年	300	–	–	–	300
Ding Yuan	丁遠	300	–	–	–	300
Lee Kwan Hung	李均雄	300	–	–	–	300
<b>Non-executive director</b>	<b>非執行董事</b>					
Zhou Yimin	鄒益民	–	–	–	–	–
		900	15,324	355	–	16,579

## 14 BENEFITS AND INTERESTS OF DIRECTORS 14 董事福利及權益(續)

(Continued)

### (A) DIRECTORS' EMOLUMENTS (Continued)

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the company or its subsidiary undertaking		Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the company or its subsidiary undertaking		Total	Total
已付予董事或董事應收董事在任酬金總額 (不論為公司或其附屬公司)		已付予董事或董事應收董事在任酬金總額 (有關管理公司或附屬公司事宜)		總計	總計
2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
18,732	16,579	4,805	–	23,537	16,579

### (B) DIRECTORS' RETIREMENT BENEFITS AND TERMINATION BENEFITS

None of the directors received or will receive any retirement benefits or termination benefits during the year (2017: Ditto).

### (C) CONSIDERATION PROVIDED TO THIRD PARTIES FOR MAKING AVAILABLE DIRECTORS' SERVICES

During the year ended 31 December 2018, the Company did not pay consideration to any third parties for making available directors' services (2017: Ditto).

### (B) 董事的退休福利及終止僱用福利

於本年度，概無董事已收取或將收取任何退休福利及終止僱用福利(二零一七年：相同)。

### (C) 就提供董事服務向第三方提供的代價

截至二零一八年十二月三十一日止年度，本公司概無就提供董事服務向任何第三方支付代價(二零一七年：相同)。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 14 BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

#### (D) INFORMATION ABOUT LOANS, QUASI-LOANS AND OTHER DEALINGS IN FAVOR OF DIRECTORS, CONTROLLED BODIES CORPORATE BY AND CONNECTED ENTITIES WITH SUCH DIRECTORS

There are no loans, quasi-loans and other dealing arrangements in favor of directors, controlled bodies corporate by and controlled entities with such directors (2017: Ditto).

(E) Appointed as an executive director on 23 November 2018.

(F) Resigned on 23 November 2018.

#### (G) DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: Nil).

### 14 董事福利及權益 (續)

(D) 有關以董事、其受控法團或其關連實體為受益人的貸款、準貸款及其他交易的資料

概無以董事、其受控法團或其關連實體為受益人的貸款、準貸款及其他交易安排(二零一七年：相同)。

(E) 於二零一八年十一月二十三日獲委任為執行董事。

(F) 於二零一八年十一月二十三日辭任。

#### (G) 董事於交易、安排或合約的重大權益

本公司概無訂立與本集團業務有關，而本公司董事直接或間接擁有重大權益且於年末或年內任何時間存在的重大交易、安排及合約(二零一七年：無)。

## 15 FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT'S EMOLUMENTS

The five individuals whose emoluments were the highest in the Group for the year included four existing (2017: Three) directors whose emoluments are reflected in the analysis presented in note 14.

The emoluments of the remaining one (2017: Two) individual during the year ended 31 December 2018 and 2017 were as follows:

Basic salaries, allowances and bonuses	基本工資、津貼及花紅
Contribution to retirement benefits schemes	退休福利計劃供款
Restricted share award	限制性股份獎勵

## 15 五名最高薪酬人士及高級管理層的薪酬

於本年度，本集團五位最高薪酬人士包括四名（二零一七年：三名）現任董事，其酬金於附註14的分析內反映。

截至二零一八年及二零一七年十二月三十一日止年度，餘下一名（二零一七年：兩名）人士的薪酬如下：

For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
4,840	9,788
97	148
—	—
4,937	9,936

The number of above remaining employees whose remuneration fee within the following band was as follows:

其薪酬在下列組別範圍內的上述其餘僱員數目：

		Numbers of individuals 僱員數目	
		2018 二零一八年	2017 二零一七年
RMB3,000,000 to RMB4,000,000	人民幣 3,000,000 元至 人民幣 4,000,000 元	—	—
RMB4,000,000 to RMB5,000,000	人民幣 4,000,000 元至 人民幣 5,000,000 元	1	1
RMB5,000,000 to RMB6,000,000	人民幣 5,000,000 元至 人民幣 6,000,000 元	—	1

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 15 FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT'S EMOLUMENTS

(Continued)

The senior management's emoluments(excluding the five highest paid individuals and directors) during the year ended 31 December 2018 and 2017 fell within the following bands:

### 15 五名最高薪酬人士及高級管理層的薪酬(續)

截至二零一八年及二零一七年十二月三十一日止年度，高級管理層的薪酬(五名最高薪酬人士及董事除外)在下列組別範圍內：

		Numbers of individuals 僱員數目	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
RMB0 to RMB1,000,000	人民幣0元至 人民幣1,000,000元	1	1
RMB1,000,000 to RMB2,000,000	人民幣1,000,000元至 人民幣2,000,000元	1	9
RMB2,000,000 to RMB3,000,000	人民幣2,000,000元至 人民幣3,000,000元	3	1
RMB3,000,000 to RMB4,000,000	人民幣3,000,000元至 人民幣4,000,000元	—	—



## 16 INTERESTS IN ASSOCIATES

## 16 於聯營公司的權益

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
At 1 January	於一月一日	983,077	744,099
Additions:	增加：		
— Additional investments in an existing associate	— 於現有聯營公司的 額外投資	400	4,000
— Subsidiaries becoming associates	— 附屬公司成為聯營公司	—	335,627
Share of net profit of associates (note 6)	應佔聯營公司純利(附註6)	408,854	169,453
Elimination of transactions with associates	對銷與聯營公司的交易	(46,418)	(198,102)
Reversal of recognized share of net loss of associates	撥回已確認應佔聯營公司淨虧損	2,993	—
Dividends from associates	來自聯營公司的股息	(33,200)	(72,000)
At 31 December	於十二月三十一日	1,315,706	983,077

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 16 INTERESTS IN ASSOCIATES (Continued)

Set out below are the associates of the Group as at 31 December 2018 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

### 16 於聯營公司的權益 (續)

下文所載為本集團於二零一八年十二月三十一日的聯營公司，而董事局認為該等公司對本集團屬重大。下文所列實體擁有僅包含本集團直接持有普通股的股本。註冊成立或註冊國家亦為其主要營業地點，而持股比例與持有投票權的比例相同。

		Place of business/country of incorporation 營業地點/ 註冊成立國家	% of ownership interest		Measurement method 計算方法	Carrying amount	
			31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日		31 December 2018 二零一八年十二月三十一日	31 December 2017 二零一七年十二月三十一日
Nanjing Aojian Properties Co., Ltd. ("Nanjing Aojian")	南京奧建置業有限公司 ([「南京奧建」])	Mainland China 中國	12.97	12.97	Equity method 權益法	403,020	225,123
Nanjing Xueheng Properties Co., Ltd. ("Nanjing Xueheng")	南京學衡置業有限公司 ([「南京學衡」])	Mainland China 中國	49.90	49.90	Equity method 權益法	476,221	305,877
Chengdu Chengfeng Enterprise Management and Consultant Limited ("Chengdu Chengfeng")	成都城峰企業管理諮詢有限公司 ([「成都城峰」])	Mainland China 中國	33.00	33.00	Equity method 權益法	198,784	214,389
Immaterial associates (c)	非重大聯營公司(c)					237,681	237,688
Total interests in associates	於聯營公司的總權益					1,315,706	983,077

None of the Group's associates has quoted price available.

本集團聯營公司並無可得報價。

## 16 INTERESTS IN ASSOCIATES (Continued)

### (A) COMMITMENTS AND CONTINGENT LIABILITIES IN RESPECT OF ASSOCIATES

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Commitments	承擔		
— Commitment to pay up the subscription capital	— 繳付認購資本的承擔	14,589	—

### (B) SUMMARIZED FINANCIAL INFORMATION FOR MATERIAL ASSOCIATES

The tables below provide summarized financial information for those associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Group's share of those amounts. They have been amended to reflect adjustments made when using the equity method, including fair value adjustments and modifications of differences in accounting policies adopted.

## 16 於聯營公司的權益 (續)

### (A) 關於聯營公司的承擔及或然負債

### (B) 重大聯營公司的財務資料概要

下表載列對本集團屬重大之聯營公司財務資料概要。所披露資料反映相關聯營公司的財務報表所呈列的數額，而非本集團所分佔有關數額。該等資料已修訂，從而反映使用權益法所作之調整，包括就採納的會計政策差異所作之公允價值調整及修改。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 16 INTERESTS IN ASSOCIATES (Continued)

#### (B) SUMMARIZED FINANCIAL INFORMATION FOR MATERIAL ASSOCIATES (Continued)

### 16 於聯營公司的權益 (續)

#### (B) 重大聯營公司的財務資料概要 (續)

		Nanjing Aojian 南京奧建		Nanjing Xueheng 南京學衡		Chengdu Chengfeng 成都城峰	
		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Current assets	流動資產						
Cash and cash equivalents	現金及現金等價物	385,008	976,803	1,030,688	1,027,249	1,196,231	802,316
Other current assets	其他流動資產	2,659,483	5,360,060	3,324,006	4,808,783	4,392,292	2,577,482
Total current assets	流動資產總值	3,044,491	6,336,863	4,354,694	5,836,032	5,588,523	3,379,798
Non-current assets	非流動資產	267	7,468	242	17,467	157,615	55,467
Current liabilities	流動負債						
Other current liabilities	其他流動負債	(1,092,823)	(4,378,232)	(3,375,274)	(5,205,934)	(5,056,977)	(1,652,506)
Total current liabilities	流動負債總額	(1,092,823)	(4,378,232)	(3,375,274)	(5,205,934)	(5,056,977)	(1,652,506)
Non-current liabilities	非流動負債						
Financial liabilities (excluding trade payables)	金融負債 (不包括應付賬款)	-	-	-	-	-	(1,069,440)
Total non-current liabilities	非流動負債總額	-	-	-	-	-	(1,069,440)
Net assets	資產淨值	1,951,935	1,966,099	979,662	647,565	689,161	713,319
The Group's share in %	本集團應佔 %	12.97%	12.97%	49.90%	49.90%	33.00%	33.00%
The Group's share	本集團應佔	253,166	255,003	488,851	323,135	227,423	235,395
Adjustments	調整	149,854	(29,880)	(12,630)	(17,258)	(28,639)	(21,006)
Carrying amount	賬面值	403,020	225,123	476,221	305,877	198,784	214,389
Revenue	收入	5,168,289	-	2,106,612	-	-	-
Income tax expense	所得稅費用	(264,189)	4,058	(110,699)	6,041	11,024	27,594
Profit/(loss) for the year	年度溢利/(虧損)	785,836	(12,175)	332,096	(18,233)	(24,159)	(82,512)
Adjustment	調整	75,974	-	4,628	-	(7,633)	-
The Group's share	本集團應佔	177,897	(1,579)	170,344	(9,098)	(15,605)	(27,229)

## 16 INTERESTS IN ASSOCIATES (Continued)

### (C) INDIVIDUALLY IMMATERIAL ASSOCIATES

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

## 16 於聯營公司的權益 (續)

### (C) 個別非重大聯營公司

除上文披露的聯營公司權益外，本集團亦擁有若干個別非重大聯營公司的權益，以權益法入賬。

	<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Aggregate carrying amounts of individually immaterial associates	<b>237,681</b>	237,688
	<b>For the year ended</b> 截至十二月三十一日止年度 <b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Aggregate amounts of the Group's share of net profit of individually immaterial associates	<b>76,218</b>	207,359

### (D) UNRECOGNIZED SHARE OF NET LOSS OF ASSOCIATES

### (D) 未確認應佔聯營公司淨虧損

	<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Aggregate unrecognized share of net loss of associates	<b>31,388</b>	50,197

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## 綜合財務報表附註

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### 17 INTERESTS IN JOINT VENTURES

### 17 於合營企業的權益

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 RMB'000 人民幣千元
At 1 January, as previously stated	於一月一日，按原先呈列	<b>1,885,436</b>	261,610
Adjustment on adoption of HKFRS 15, net of tax (note 2.2.1)	就採納香港財務報告準則第15號 作出調整，扣除稅項(附註2.2.1)	<b>(165)</b>	—
At 1 January, after the adoption of HKFRS 15	於一月一日，於採納香港財務報告 準則第15號之後	<b>1,885,271</b>	261,610
Additions:	增加：		
— Additional investments in existing joint ventures	— 於現有合營企業的額外投資	<b>669,792</b>	1,382,121
— Subsidiaries becoming joint ventures (note 38)	— 附屬公司成為合營企業 (附註38)	<b>303,877</b>	234,721
Disposals:	出售：		
— Disposal of joint ventures in subsidiaries	— 出售附屬公司的合營企業	<b>(143,216)</b>	—
— Partial disposal of shares of joint ventures	— 部分出售合營企業股份	<b>(24,000)</b>	(24,850)
Share of net profit of joint ventures (note 6)	應佔合營企業純利淨額(附註6)	<b>257,991</b>	21,881
Elimination of transactions with joint ventures	對銷與合營企業的交易	<b>(196,367)</b>	16,262
Reversal of recognized share of net loss of joint ventures	撥回已確認應佔合營企業淨虧損	<b>64,048</b>	—
Dividends from joint ventures	來自合營企業的股息	<b>(239,724)</b>	—
Exchange difference	匯兌差額	<b>18,375</b>	(6,309)
At 31 December	於十二月三十一日	<b>2,596,047</b>	1,885,436



## 17 INTERESTS IN JOINT VENTURES (Continued)

Set out below are joint ventures of the Group as at 31 December 2018 which, in the opinion of the directors, are material to the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

		Place of business/ country of incorporation 營業地點／ 註冊成立國家	% of ownership interest		Measurement method	Carrying amount	
			持有權益 %		計算方法	賬面值	
			31 December 2018 二零一八年 十二月三十一日	31 December 2017 二零一七年 十二月三十一日		31 December 2018 二零一八年 十二月三十一日	31 December 2017 二零一七年 十二月三十一日
Zhongcheng Qiannian Investment Company (Limited Partnership) ("Zhongcheng Qiannian")	上海中城乾念投資中心（有限合夥（「中城乾念」））	Mainland China 中國內地	50.00	50.00	Equity method 權益法	346,561	335,931
Jiaxin Langda II Investment Company (Limited Partnership) ("Jiaxin Langda II")	嘉興朗達二號投資合夥企業（有限合夥）（「嘉興朗達二號」）	Mainland China 中國內地	29.98	29.98	Equity method 權益法	604,352	513,446
LS-NJ Port Imperial JV LLC ("LS-NJ Port")	LS-NJ Port Imperial JV LLC（「LS-NJ Port」）	US 美國	51.00	51.00	Equity method 權益法	358,566	363,980
Immaterial joint ventures (d)	非重大合營企業（d）					1,286,569	672,079
Total interests in joint ventures	於合營企業的權益總額					2,596,048	1,885,436

None of the Group's joint ventures has quoted price available.

本集團合營企業並無可得報價。

## 17 於合營企業的權益 (續)

下文所載為本集團於二零一八年十二月三十一日的合營企業，而董事局認為該等實體對本集團屬重大。註冊成立或註冊國家亦為其主要營業地點，而持股比例與持有投票權的比例相同。

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### 17 INTERESTS IN JOINT VENTURES (Continued)

#### (A) COMMITMENTS AND CONTINGENT LIABILITIES IN RESPECT OF JOINT VENTURES

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Commitments	承擔		
— Commitment to pay up the subscription capital	— 繳付認購資本的承擔	1,738,467	—

#### (B) UNRECOGNIZED COMMITMENTS TO ACQUIRE JOINT VENTURE PARTNERS' OWNERSHIP INTERESTS

As of 31 December 2018, the Group has commitments to acquire certain joint venture partners' ownership interests in joint ventures at market price in the future upon fulfilling predetermined conditions.

These unrecognized commitments are disclosed below and were not recognized by the Group due to uncertainties of one or more particular events in the future which are not controlled by the Group.

### 17 於合營企業的權益 (續)

#### (A) 關於合營企業的承擔及或然負債

#### (B) 收購合營企業合夥擁有權益的未確認承擔

於二零一八年十二月三十一日，本集團承諾日後在達到若干條件後以市場價格收購合營企業的合營企業合夥擁有權益。

該等未確認承擔於下文披露，尚未由本集團確認，因為涉及一項或多項並非由本集團控制的未來事件不確定性影響。

**17 INTERESTS IN JOINT VENTURES** (Continued)  
**(B) UNRECOGNIZED COMMITMENTS TO ACQUIRE JOINT VENTURE PARTNERS' OWNERSHIP INTERESTS** (Continued)

**17 於合營企業的權益 (續)**  
**(B) 收購合營企業合夥擁有權益的未確認承擔 (續)**

	<b>% of ownership interest held by the Group</b> 本集團持有的擁有權益百分比	<b>% of ownership interest committed to acquire</b> 承諾收購的擁有權益百分比
南京朗潤房地產開發有限公司 Nanjing Langrun Real Estate Development Co., Ltd.*	50.10%	49.90%
合肥皖新朗詩文化投資有限公司 Hefei Wanxin Cultural Investment Co., Ltd. *	25.00%	24.00%
蘇州朗宏置業有限公司 Suzhou Langhong Property Limited*	51.00%	49.00%
杭州朗平置業有限公司 Hangzhou Langping Property Co., Ltd. *	50.00%	50.00%
成都朗輝企業管理諮詢有限公司 Chengdu Langhui Corporate Management and Consulting Co., Ltd. *	50.00%	50.00%
成都尚高投資有限公司 Chengdu Shanggao Investment Co., Limited*	50.00%	50.00%
重慶星德房地產開發有限公司 Chongqing Xingde Real Estate Development Co. Ltd. *	30.00%	70.00%

\* English translations are for identification purpose only

\* 英名名稱僅供識別。

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### 17 INTERESTS IN JOINT VENTURES (Continued)

#### (C) SUMMARIZED FINANCIAL INFORMATION FOR MATERIAL JOINT VENTURES

### 17 於合營企業的權益 (續)

#### (C) 重大合營企業的財務資料概要

		Zhongcheng Qiannian 中城乾念		Jiaxin Langda II 嘉興朗達二號		LS-NJ Port LS-NJ Port	
		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Current assets	流動資產						
Cash and cash equivalents	現金及現金等價物	7,438	17,830	345,983	17,431	54,679	101,418
Other current assets	其他流動資產	731,257	629,320	4,915,783	1,600,550	-	1,123,859
Total current assets	流動資產總值	738,695	647,150	5,261,766	1,617,981	54,679	1,225,277
Non-current assets	非流動資產	-	24,850	18,566	94,642	1,012,518	10,180
Current liabilities	流動負債						
Other current liabilities	其他流動負債	(13,613)	(139)	(2,445,897)	-	(30,006)	(127,840)
Total current liabilities	流動負債總額	(13,613)	(139)	(2,445,897)	-	(30,006)	(127,840)
Non-current liabilities	非流動負債						
Financial liabilities (excluding trade payables)	金融負債 (不包括應付賬款)	-	-	(750,000)	-	-	-
Other non-current liabilities	其他非流動負債	-	-	-	-	(404,656)	(412,075)
Total non-current liabilities	非流動負債總額	-	-	(750,000)	-	(404,656)	(412,075)
Net assets	資產淨值	725,082	671,861	2,084,435	1,712,623	632,535	695,542
The Group's share in %	本集團應佔 %	50.00%	50.00%	29.98%	29.98%	51.00%	51.00%
The Group's share	本集團應佔	362,541	335,931	624,914	513,444	322,593	354,726
Adjustment	調整	(15,980)	-	(20,562)	2	35,973	9,254
Carrying amount	賬面值	346,561	335,931	604,352	513,446	358,566	363,980
Revenue	收入	93,987	-	14	-	492,937	-
Income tax expense	所得稅費用	(885)	-	13,083	888	-	-
Profit/(loss) for the year	年度溢利/(虧損)	53,221	(139)	(53,861)	(2,655)	18,154	(4,684)
Adjustment	調整	(795)	-	(8,759)	-	-	-
The Group's share	本集團應佔	25,815	(70)	(24,907)	(796)	9,259	(2,389)

## 17 INTERESTS IN JOINT VENTURES (Continued)

### (D) INDIVIDUALLY IMMATERIAL JOINT VENTURES

In addition to the interests in joint ventures disclosed above, the Group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method.

## 17 於合營企業的權益 (續)

### (D) 個別非重大合營企業

除上文披露的合營企業權益外，本集團亦擁有若干個別非重大合營企業的權益，以權益法入賬。

		<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Aggregate carrying amounts of individually immaterial joint ventures	個別非重大合營企業的賬面總值	<b>1,286,569</b>	672,079
		<b>For the year ended</b> <b>31 December</b> <b>2018</b> 截至 二零一八年 十二月三十一日 止年度 <b>RMB'000</b> 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Aggregate amounts of the Group's share of net profit of individually immaterial joint ventures	本集團應佔個別非重大合營企業淨利潤總額	<b>247,824</b>	25,198

### (E) UNRECOGNIZED SHARE OF NET LOSS OF JOINT VENTURES

### (E) 未確認應佔合營企業淨虧損

		<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Aggregate unrecognized share of net loss of joint ventures	未確認應佔合營企業淨虧損總額	<b>25,947</b>	24,460

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### 18 INVESTMENT PROPERTIES

As at 31 December 2018, the Group held certain properties located in Mainland China. Changes to the carrying amount of investment properties in the consolidated balance sheet are summarized as follows:

### 18 投資性物業

於二零一八年十二月三十一日，本集團持有位於中國的若干物業。於綜合資產負債表的投資性物業賬面值變動概述如下：

		For the year ended 截至十二月三十一日止年度	
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日	319,830	290,920
Transfer from property, plant and equipment (a)	轉移自不動產、工廠及設備(a)	60,780	—
Transfer from properties held for sale (b)	轉移自持作銷售物業(b)	117,657	—
Fair value gain	公允價值利得	7,363	28,910
At 31 December	於十二月三十一日	505,630	319,830

For the year ended 31 December 2018, rental income and operating expense arising from leasing of investment properties are as follows:

截至二零一八年十二月三十一日止年度，租賃投資性物業產生的租金收入及經營費用如下：

		For the year ended 截至十二月三十一日止年度	
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
Rental income	租金收入	31,662	26,463
Direct operating expense from properties that generate rental income	來自產生租金收入的物業的直接經營費用	10,977	5,700
Direct operating expense from properties that did not generate income	來自不產生租金收入的物業的直接經營費用	1,471	—



## 18 INVESTMENT PROPERTIES (Continued)

The Group's rights on investment properties at its carrying amount is analyzed as follows:

## 18 投資性物業(續)

本集團於投資性物業的產權按其賬面值分析如下：

		<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
In Mainland China, held on:	在中國持有：		
Lease of 40–70 years	40至70年期租賃	<b>505,630</b>	319,830

(A) In June 2018, the Group commenced the leasing of an apartment building (Nanjing Huafei Apartment) located in Nanjing, Jiangsu Province, Mainland China, which represents a change in use of the apartment building. Accordingly the Group reclassified the apartment building from property, plant and equipment to investment property. As at the transfer date, the carrying amount and the fair value of the property is RMB41,427,000 (note 19) and RMB60,780,000 respectively. The difference between the carrying amount and the fair value at the transfer date was credited to other comprehensive income.

**(B)** In September 2018, the Group commenced the leasing of a commercial building (Landsea Neighborhood Union) located in Wuxi, Jiangsu Province, Mainland China, which represents a change in use of the commercial building. Accordingly the Group reclassified the commercial building from properties held for sale to investment property. As at the transfer date, the carrying amount and the fair value of the property is RMB117,657,000 and RMB117,700,000 (note 21) respectively. The difference between the carrying amount and the fair value at the transfer date was credited as fair value gain in the consolidated statement of comprehensive income.

(A) 二零一八年六月，本集團變更其一幢位於中國江蘇省南京的公寓樓宇（南京華飛公寓）的用途，並開始出租公寓。因此，本集團將公寓由不動產、工廠及設備重新分類至投資性物業。於轉移當日，物業之賬面值與公允價值分別為人民幣41,427,000元（附註19）及人民幣60,780,000元。於轉移日期賬面值與公允價值間之差額已計入其他全面收益。

(B) 二零一八年九月，本集團變更其一幢位於中國江蘇省無錫的商業樓宇（朗詩鄰里薈）的用途，並開始出租商業樓宇。因此，本集團將商業樓宇由持作銷售物業重新分類至投資性物業。於轉移當日，物業之賬面值與公允價值分別為人民幣117,657,000元及人民幣117,700,000元（附註21）。於轉讓日期賬面值與公允價值間之差額已計入綜合全面收益表內之公允價值利得。

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### 18 INVESTMENT PROPERTIES (Continued)

(C) Investment properties were valued at 31 December 2018 by an independent professionally qualified valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, who is a member of Hong Kong Institute of Surveyors and has appropriate qualifications and recent experiences in the valuation of similar properties.

(D) As at 31 December 2018, investment properties with carrying amount of RMB401,210,000 (2017: RMB319,830,000) was pledged as collateral for the Group's borrowings (note 29 (a) & (g)).

#### (E) FAIR VALUE HIERARCHY

Independent valuations of the Group's investment properties were performed by an independent and professionally qualified valuer to determine the fair value of investment properties as at 31 December 2018 and 2017.

As at 31 December 2018 and 2017, all of the Group's investment properties were within level 3 of the fair value hierarchy as valuations were arrived at by reference to certain significant unobservable inputs. There were no transfers between levels 1, 2 and 3 during the year.

#### **Valuation processes of the Group**

The Group's investment properties were valued at 31 December 2018 by an independent professionally qualified valuer who holds a recognized relevant professional qualification and has recent experiences in the locations and segments of the investment properties being valued. For all investment properties, their current use equates to the best use.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. Discussions of valuation processes and results were held between the finance department and the valuer at least once every six months.

### 18 投資性物業(續)

(C) 投資性物業由獨立專業合資格估值師仲量聯行企業評估及諮詢有限公司於二零一八年十二月三十一日進行估值，仲量聯行企業評估及諮詢有限公司乃香港測量師學會會員，並持有適當資格及擁有類似物業估值的近期經驗。

(D) 於二零一八年十二月三十一日，賬面值為人民幣401,210,000元(二零一七年：人民幣319,830,000元)的投資性物業已抵押作為本集團取得借款的抵押品(附註29(a)及(g))。

#### (E) 公允價值層級

本集團的投資性物業已由獨立專業合資格估值師進行獨立估值，以釐定投資性物業於二零一八年及二零一七年十二月三十一日的公允價值。

因估值參考若干重大不可觀察輸入數據後得出，於二零一八年及二零一七年十二月三十一日，本集團所有投資性物業均屬公允價值層級的第三級。年內第一、二及三級間並無轉移。

#### **本集團的估值流程**

本集團的投資性物業於二零一八年十二月三十一日由獨立專業合資格估值師進行估值，該估值師具有相關認可專業資格，對所估值的投資性物業所處位置和所屬類別有近期估值經驗。目前所有投資性物業均已達致最佳用途。

本集團財務部門有團隊審閱獨立估值師的估值，以便作出財務申報。財務部門及估值師每六個月最少舉行一次會議，以討論估值流程及結果。

## 18 INVESTMENT PROPERTIES (Continued)

### (E) FAIR VALUE HIERARCHY (Continued)

#### **Valuation processes of the Group (Continued)**

At the end of each reporting period, finance department:

- Verifies all major inputs in the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report;
- Holds discussions with the independent valuer.

#### **Valuation techniques**

In valuing the properties, income approach and discounted cash flow analysis ("DCF analysis") had been adopted by the Group. When using income approach, the Group takes into account the net rental income of the properties derived from its existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the fair value at an appropriate capitalization rate. DCF analysis involves discounting future cash flow of the property to its present value by using an appropriate discount rate with due allowance for the reversionary net income of the property, which is capitalized with a terminal capitalization rate. In the course of valuation, the Group assumed the property is available for lease. With regards to the existing market conditions, the incomes and expenses, stabilization period and rental growth for each component of the property are estimated to reflect the property performance in the market. Where appropriate, reference has also been made to the comparable sale transactions as available in the relevant market.

## 18 投資性物業(續)

### (E) 公允價值層級(續)

#### **本集團的估值流程(續)**

財務部門於每個報告期末：

- 核實獨立估值報告的全部主要輸入數據；
- 評估物業估值相較上一年度估值報告的變動；
- 與獨立估值師進行討論。

#### **估值方法**

對物業進行估值時，本集團採用收入法及現金流折現法。採用收入法時，本集團會計及自現有租約所獲取及／或於現有市場中可取得的物業租金收入淨額，並已就租賃的復歸潛在收益作出適當撥備，再將該租金收益淨額按適當的資本化比率資本化以釐定公允價值。現金流折現法牽涉使用合適貼現率將物業未來現金流量貼現至其現值，並就物業的復歸潛收入淨額作出適當撥備，使用最終資本化資進行資本化。在估值過程中，本集團假設物業可供出租。另外亦會估計當前市場狀況、收支、穩定期及物業各部分的租金增長，以反映物業在市場上的表現。有需要時亦會參考相關市場上的可比銷售交易。

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### 18 INVESTMENT PROPERTIES (Continued)

#### (E) FAIR VALUE HIERARCHY (Continued)

##### Valuation techniques (Continued)

Information about fair value measurements using significant unobservable inputs (level 3) is as follows:

Description	Fair value at		Valuation technique(s)	Unobservable inputs	Unobservable inputs (probability-weighted average)		Relationship of unobservable inputs to fair value
描述	公允價值		估值方法	不可觀察輸入數據	不可觀察輸入數據 (加權平均概率)		不可觀察輸入數據對公允價值的關係
	31 Dec 2018 二零一八年 十二月三十一日 (RMB'000) (人民幣千元)	31 Dec 2017 二零一七年 十二月三十一日 (RMB'000) (人民幣千元)			2018 二零一八年	2017 二零一七年	
Landsea Tower- commercial building 朗詩大廈一 商業樓宇	323,570	319,830	Term and reversionary method 年期及復歸法	Term yields 年期收益率	5.00%	5.50%	The higher the term yields, the lower the fair value 年期收益率越高，公允價值越低
				Reversionary yields 復歸收益率	5.50%	4.50%	The higher the reversionary yields, the lower the fair value 復歸收益率越高，公允價值越低
				Vacancy rate 空置率	5.00%	6.00%	The higher the vacancy rate, the lower the fair value 空置率越高，公允價值越低
				Average daily rental per square meter 每平方米 平均日租金	2.89	3.20	The higher the average daily rental per square meter, the higher the fair value 每平方米平均日租金越高， 公允價值越高
Nanjing Huafei Apartment 南京華飛公寓	64,360	n/a 不適用	DCF analysis 現金流折現法	Term yields 年期收益率	6.00%	n/a 不適用	The higher the term yields, the lower the fair value 年期收益率越高，公允價值越低
				Vacancy rate 空置率	10.00%	n/a 不適用	The higher the vacancy rate, the lower the fair value 空置率越高，公允價值越低
				Average daily rental per square meter 每平方米 平均日租金	3.47	n/a 不適用	The higher the average daily rental per square meter, the higher the fair value 每平方米平均日租金越高， 公允價值越高

### 18 投資性物業(續)

#### (E) 公允價值層級(續)

##### 估值方法(續)

有關使用重大不可觀察輸入數據進行的公允價值計量(第三級)的資料如下：

## 18 INVESTMENT PROPERTIES (Continued)

### (E) FAIR VALUE HIERARCHY (Continued)

#### Valuation techniques (Continued)

Description	Fair value at		Valuation technique(s)	Unobservable inputs	Unobservable inputs (probability-weighted average)		Relationship of unobservable inputs to fair value
描述	公允價值		估值方法	不可觀察輸入數據	不可觀察輸入數據 (加權平均概率)		不可觀察輸入數據對公允價值的關係
	31 Dec 2018 二零一八年 十二月三十一日 (RMB'000) (人民幣千元)	31 Dec 2017 二零一七年 十二月三十一日 (RMB'000) (人民幣千元)			2018 二零一八年	2017 二零一七年	
Landsea Neighbourhood Union 朗詩鄰里薈	117,700	n/a 不適用	Term and reversionary method 年期及復歸法	Term yields 年期收益率	5.00%	n/a 不適用	The higher the term yields, the lower the fair value 年期收益率越高，公允價值越低
Reversionary yields 復歸收益率				5.50%	n/a 不適用	The higher the reversionary yields, the lower the fair value 復歸收益率越高，公允價值越低	
Vacancy rate 空置率				5.00%	n/a 不適用	The higher the vacancy rate, the lower the fair value 空置率越高，公允價值越低	
Average daily rental per square meter 每平方米平均日租金				1.45	n/a 不適用	The higher the average daily rental per square meter, the higher the fair value 每平方米平均日租金越高，公允價值越高	

## 18 投資性物業 (續)

### (E) 公允價值層級 (續)

#### 估值方法 (續)

Unobservable inputs (probability-weighted average) 不可觀察輸入數據 (加權平均概率)			Relationship of unobservable inputs to fair value 不可觀察輸入數據 對公允價值的關係	
2018	2017			
二零一八年	二零一七年			
5.00%	n/a	The higher the term yields, the lower the fair value	不適用	年期收益率越高，公允價值越低
5.50%	n/a	The higher the reversionary yields, the lower the fair value	不適用	復歸收益率越高，公允價值越低
5.00%	n/a	The higher the vacancy rate, the lower the fair value	不適用	空置率越高，公允價值越低
1.45	n/a	The higher the average daily rental per square meter, the higher the fair value	不適用	每平方米平均日租金越高，公允價值越高

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### 19 PROPERTY, PLANT AND EQUIPMENT

### 19 不動產、工廠及設備

		Buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
		樓宇 RMB'000 人民幣千元	租賃樓宇 裝修 RMB'000 人民幣千元	傢俱、裝置 及辦公設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>At 1 January 2017</b>	<b>於二零一七年一月一日</b>					
Cost	成本	–	13,843	23,964	3,021	40,828
Accumulated depreciation	累計折舊	–	(11,673)	(6,353)	(1,732)	(19,758)
Net carrying amount	賬面淨值	–	2,170	17,611	1,289	21,070
<b>Year ended 31 December 2017</b>	<b>截至二零一七年十二月三十一日止年度</b>					
Opening net carrying amount	年初賬面淨值	–	2,170	17,611	1,289	21,070
Additions	增加	449,074 <sup>(a)</sup>	174,337 <sup>(b)</sup>	22,983	365	646,759
Depreciation	折舊	–	(5,213)	(5,632)	(413)	(11,258)
Disposals	出售	–	–	(23)	–	(23)
Exchange difference	匯兌差額	–	(61)	(232)	(10)	(303)
Closing net carrying amount	年末賬面淨值	449,074	171,233	34,707	1,231	656,245
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>					
Cost	成本	449,074	188,180	46,919	3,386	687,559
Accumulated depreciation	累計折舊	–	(16,947)	(12,212)	(2,155)	(31,314)
Net carrying amount	賬面淨值	449,074	171,233	34,707	1,231	656,245
<b>Year ended 31 December 2018</b>	<b>截至二零一八年十二月三十一日止年度</b>					
Opening net carrying amount	年初賬面淨值	449,074	171,233	34,707	1,231	656,245
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	325,881	–	–	–	325,881
Additions	增加	100,215	582,869 <sup>(b)</sup>	26,501	569	710,154
Depreciation	折舊	(1,791)	(44,556)	(9,667)	(1,059)	(57,073)
Disposals of subsidiaries (note 38)	出售附屬公司(附註38)	(325,880)	(34,045)	(146)	–	(360,071)
Disposals	出售	–	–	(11)	–	(11)
Transfer to investment properties (note 18)	轉移至投資性物業(附註18)	(41,427)	–	–	–	(41,427)
Exchange difference	匯兌差額	–	–	970	(95)	875
Closing net carrying amount	年末賬面淨值	506,072	675,501	52,354	646	1,234,573
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>					
Cost	成本	507,863	737,004	74,233	3,860	1,322,960
Accumulated depreciation	累計折舊	(1,791)	(61,503)	(21,879)	(3,214)	(88,387)
Net carrying amount	賬面淨值	506,072	675,501	52,354	646	1,234,573



## 19 PROPERTY, PLANT AND EQUIPMENT

(Continued)

- (a) For the year ended 31 December 2017, the Group acquired two buildings for self-use and management which both located in Shanghai at the cost of RMB322,960,000 and RMB126,114,000 respectively. As of 31 December 2018, the Group has obtained the title certificates for the two buildings. One of the buildings with a carrying amount of RMB175,389,000 has been put into use and another one was still under decoration and not yet ready for use as at 31 December 2018.
- (b) Additions of leasehold improvements were mainly decoration costs on leased properties to be used as long-term rental apartments.
- (c) As at 31 December 2018, property, plant and equipment with carrying amount of RMB502,576,000 (2017: Nil) was pledged as collateral for the Group's borrowings (note 29).

## 19 不動產、工廠及設備(續)

- (a) 截至二零一七年十二月三十一日止年度，本集團收購兩項位於上海的自用及管理樓宇，成本分別為人民幣322,960,000元及人民幣126,114,000元。於二零一八年十二月三十一日，本集團已取得兩項樓宇之業權證明書。一幢賬面值人民幣175,389,000元的樓宇經已投入使用，另一樓宇正進行裝修，於二零一八年十二月三十一日仍未供使用。
- (b) 租賃樓宇裝修的增加主要為租賃物業的裝飾成本，有關物業將用作長租公寓。
- (c) 於二零一八年十二月三十一日，賬面值為人民幣502,576,000元(二零一七年：無)的不動產、工廠及設備已抵押作為本集團取得借款的抵押品(附註29)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 20 INTANGIBLE ASSETS

### 20 無形資產

		Intangible assets 無形資產 RMB'000 人民幣千元
<b>At 1 January 2018</b>	<b>於二零一八年一月一日</b>	
Opening net carrying amount	年初賬面淨值	—
Additions — internal development (a)	添置 — 內部開發 (a)	2,279
Amortization charge	攤銷	—
Closing net carrying amount	年末賬面淨值	2,279
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	
Cost	成本	2,279
Accumulated amortization	累計攤銷	—
Net carrying amount	賬面淨值	2,279

(a) The Group internally designed softwares further to be used in its long-term rental apartment business. As of 31 December 2018, the development is still in progress and not yet ready for use.

(a) 本集團的內部開發軟件將用於其長租公寓業務。於二零一八年十二月三十一日仍在開發，尚未投入使用。

## 21 PROPERTIES HELD FOR SALE

Analysis of properties held for sale is as follows:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Properties held for sale:	持作銷售物業：		
— Mainland China	— 在中國大陸	882,923	830,982
— US	— 在美國	—	20,038
		882,923	851,020
Less: provision for decline in the value of properties held for sale	減：持作銷售物業價值下跌撥備	(6,042)	(3,189)
		876,881	847,831

Movements of properties held for sale are as follows:

持作銷售物業的變動如下：

		For the year ended 截至十二月三十一日止年度	
		31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
As at 1 January	於一月一日	851,020	397,490
Transfer from properties under development (note 23)	轉移自開發中房地產 (附註23)	4,684,794	4,987,120
Transfer to investment properties (note 18)	轉移至投資性物業(附註18)	(117,657)	—
Cost of property development and sales (note 9)	房地產開發及銷售成本 (附註9)	(4,535,234)	(4,533,590)
As at 31 December	於十二月三十一日	882,923	851,020

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 21 PROPERTIES HELD FOR SALE (Continued)

All of the properties held for sale are within normal operating cycle and hence included under current assets. The amounts of properties held for sale expected to be recovered after more than one year is RMB67,083,000 (2017: RMB31,060,000).

Movements of provision for decline in the value of properties held for sale are as follows:

As at 1 January	於一月一日
Provision during the year	年內撥備
As at 31 December	於十二月三十一日

For the year ended 31 December 2018, the Group recognized impairment losses of RMB2,853,000 (2017: RMB1,032,000) on properties held for sale (note 9).

As at 31 December 2018, properties held for sale with carrying amount of RMB52,630,000 (2017: RMB526,511,000) were mortgaged as collateral for the Group's borrowings (note 29).

### 21 持作銷售物業(續)

所有持作銷售物業均於正常經營週期內持有，故列作流動資產。預期將於超過一年收回的持作銷售物業數額為人民幣67,083,000元(二零一七年：人民幣31,060,000元)。

持作銷售物業價值下跌撥備變動如下：

For the year ended  
截至十二月三十一日止年度

31 December 2018 二零一八年 RMB'000 人民幣千元	31 December 2017 二零一七年 RMB'000 人民幣千元
3,189	2,157
2,853	1,032
6,042	3,189

截至二零一八年十二月三十一日止年度，本集團就持作銷售物業確認減值虧損人民幣2,853,000元(二零一七年：人民幣1,032,000元)(附註9)。

於二零一八年十二月三十一日，賬面值為人民幣52,630,000元(二零一七年：人民幣526,511,000元)的持作銷售物業已按揭作為本集團取得借款的抵押品(附註29)。

## 22 INVENTORIES

## 22 庫存

		<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Decoration materials	裝飾物料	<b>116,561</b>	52,069

The cost of inventories included in cost of property development and sales amounted to RMB119,830,000 for the year ended 31 December 2018 (2017: RMB4,788,000) (note 9).

截至二零一八年十二月三十一日止年度，計入房地產開發及銷售成本的庫存費用為人民幣119,830,000元(二零一七年：人民幣4,788,000元)(附註9)。

## 23 PROPERTIES UNDER DEVELOPMENT

## 23 開發中房地產

		<b>31 December</b> <b>2018</b> 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Properties under development located in:	開發中房地產位於：		
— Mainland China	— 中國內地	<b>4,506,998</b>	3,277,259
— US	— 美國	<b>4,184,601</b>	3,381,623
		<b>8,691,599</b>	6,658,882
Less: provision for decline in the value of properties under development	減：開發中房地產價值下跌撥備	<b>(3,020)</b>	—
		<b>8,688,579</b>	6,658,882
Amount comprises:	款項包括：		
— Land payments	— 土地付款	<b>4,824,473</b>	3,849,021
Leasehold land, Mainland China	中國內地土地使用權	<b>3,029,651</b>	2,179,574
Freehold land, US	美國永久業權土地	<b>1,794,822</b>	1,669,447
— Development expenditures and improvements	— 開發支出及改進服務	<b>3,071,764</b>	2,097,565
— Interest capitalized	— 利息資本化	<b>795,362</b>	712,296
		<b>8,691,599</b>	6,658,882

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 23 PROPERTIES UNDER DEVELOPMENT

(Continued)

Movements of properties under development are as follows:

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
As at 1 January	於一月一日	6,658,882	10,379,261
Additions	增加	4,787,294	5,958,140
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	2,692,768	—
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	(762,551)	(4,691,399)
Transfer to properties held for sale (note 21)	轉移至持作銷售物業(附註21)	(4,684,794)	(4,987,120)
As at 31 December	於十二月三十一日	8,691,599	6,658,882

All of the properties under development are within normal operating cycle and hence included under current assets. The amount of properties under development expected to be completed after more than one year is RMB1,660,010,000 (2017: RMB3,005,694,000). The remaining balance is expected to be completed within one year.

As at 31 December 2018, properties under development with carrying amount of RMB3,033,882,000 (2017: RMB2,138,953,000) were mortgaged as collateral for the Group's borrowings (note 29).

### 23 開發中房地產(續)

開發中房地產的變動如下：

所有開發中房地產均於正常經營週期內持有，故列作流動資產。預期將於超過一年竣工的開發中房地產數額為人民幣1,660,010,000元(二零一七年：人民幣3,005,694,000元)。餘額為預期一年內完成之款項。

二零一八年十二月三十一日，賬面值為人民幣3,033,882,000元(二零一七年：人民幣2,138,953,000元)的開發中房地產按揭作為本集團的借款抵押品(附註29)。



## 23 PROPERTIES UNDER DEVELOPMENT

(Continued)

On 11 October 2017, certain subsidiary of the Group signed an agreement with a third party at a consideration of RMB869,586,000 to sell a parcel of leasehold land located in Tianjin, Mainland China. As at 31 December 2018, RMB600,000,000 had been received and were recorded as contract liabilities, related leasehold land with carrying amount of RMB194,379,000 was pledged for the third party's borrowing. The disposal of the leasehold land has not been completed as at 31 December 2018.

Certain subsidiary of the Group located in US entered into sell and buy-back agreements with a third party, whereby properties under development were sold and the Group has the option to repurchase the properties under development on a predetermined schedule at a nominated value. Such properties under development are not derecognized, considering the borrowing substance of the arrangements. However, the asset is restricted under the agreement as the title of freehold land has been transferred to the third party. As at 31 December 2018, properties under this restriction amounted to US\$66,254,000 (equivalent to RMB454,713,000) (2017: US\$104,656,000 (equivalent to RMB683,843,000)), and related borrowing amounted to US\$41,667,000 (equivalent to RMB285,967,000) (2017: US\$41,374,000 (equivalent to RMB270,345,000)) (note 29).

## 23 開發中房地產(續)

於二零一七年十月十一日，本集團一間附屬公司與一名第三方簽訂協議，以代價869,586,000元出售一塊位於中國天津的土地使用權。於二零一八年十二月三十一日，已收取人民幣600,000,000元並入賬為合約負債，且賬面價值為人民幣194,379,000元的有關租賃土地已就該第三方的借款作抵押。該租賃土地出售事項於二零一八年十二月三十一日尚未完成。

有本集團美國附屬公司與一名第三方訂立出售及買回購安排，據此開發中房地產獲出售及本集團有選擇權按名義價值在預訂時間表購回該開發中房地產。有關開發中房地產因安排的借款性質而沒有取消確認。然而，由於永久業權土地已轉至該第三方，故資產須受該協議限制。於二零一八年十二月三十一日，受此限制之房地產價值66,254,000美元(相等於人民幣454,713,000元)(二零一七年：104,656,000美元(相等於人民幣683,843,000元))，及相關借款為41,667,000美元(相等於人民幣285,967,000元)(二零一七年：41,374,000美元(相等於人民幣270,345,000元))(附註29)。

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### 24 FINANCIAL INSTRUMENTS BY CATEGORY

The Group hold the following financial instruments as at the respective balance sheet date as follows:

### 24 分類呈列的金融工具

本集團於以下各結算日持有下列金融工具：

			31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Notes 附註				
<b>Financial assets*</b>	<b>金融工具*</b>			
Financial assets at amortised cost	按攤銷成本計量之金融資產			
Trade receivables	應收賬款	25	507,708	629,462
Amounts due from related parties	應收關聯方款項	25	2,353,533	2,930,361
Amounts due from non-controlling interests	應收非控制性權益款項	25	514,196	571,500
Other receivables	其他應收款	25	300,875	271,500
Deposits for purchase of land	收購土地按金	25	240,262	212,125
Restricted cash and cash and cash equivalents	受限制現金以及現金及現金等價物	27	5,947,255	3,623,787
			<b>9,863,829</b>	<b>8,238,735</b>
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產	26	176,809	—
<b>Financial liabilities</b>	<b>金融負債</b>			
Financial liabilities at amortised cost	按攤銷成本計量之金融負債			
Trade and other payables**	應付賬款及其他應付款**	28	9,283,959	6,509,619
Borrowings	借款	29	7,024,595	5,429,415
			<b>16,308,554</b>	<b>11,939,034</b>

\* See note 2.2 for details about the impact from changes in accounting policies.

\*\* Excluding non-financial liabilities

\* 會計政策變動的影響詳情載於附註2.2。

\*\* 不包括非金融負債。

The Group's exposure to various risks associated with the financial instruments is disclosed in note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

本集團承受有關金融工具的各種風險於附註3披露。報告期末承受的信貸風險上限為上述各級金融資產的賬面值。

## 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

## 25 應收賬款及其他應收款、預付款及按金

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in non-current assets:	計入非流動資產：		
Prepayments	預付款		
— Prepayments for acquisition of subsidiaries	— 收購附屬公司的預付款	3,539	55,539
— Value added tax ("VAT") to be offset (b)	— 待抵扣增值稅(b)	—	1,000
		<b>3,539</b>	56,539
Amounts due from related parties (note 39)	應收關聯方款項(附註39)	1,631,495	1,370,535
Less: provision for bad debt (note 3.1 (b) (ii))	減：壞賬撥備(附註3.1 (b) (ii))	(16,315)	—
		<b>1,615,180</b>	1,370,535
Amounts due from non-controlling interests (d)	應收非控制性權益款項(d)	515,965	—
Less: provision for bad debt (note 3.1 (b) (ii))	減：壞賬撥備(附註3.1 (b) (ii))	(5,160)	—
		<b>510,805</b>	—
Other receivables	其他應收款		
— Lendings to third parties (e)	— 向第三方作出的借款(e)	27,652	113,460
— Deposits for property maintenance (g)	— 物業維護按金(g)	12,385	12,385
		<b>40,037</b>	125,845
Less: provision for bad debt (note 3.1 (b) (ii))	減：壞賬撥備(附註3.1 (b) (ii))	(1,116)	(558)
		<b>38,921</b>	125,287
		<b>2,168,445</b>	1,552,361

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### 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

### 25 應收賬款及其他應收款、預付款及按金(續)

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in current assets:	計入流動資產：		
Trade receivables (a)	應收賬款(a)		
— Related parties (note 39)	— 關聯方(附註39)	335,294	223,651
— Third parties	— 第三方	185,927	411,153
		521,221	634,804
Less: provision for bad debt	減：壞賬撥備		
— Related parties (note 3.1 (b) (i))	— 關聯方(附註3.1 (b) (i))	(3,353)	—
— Third parties (note 3.1 (b) (i))	— 第三方(附註3.1 (b) (i))	(10,160)	(5,342)
		(13,513)	(5,342)
		507,708	629,462
Prepayments	預付款		
— Prepaid taxes (b)	— 預付稅項(b)	177,738	139,534
— Prepaid VAT and other surcharges (b)	— 預付增值稅及其他附加費(b)	208,947	152,596
— Prepayments for rental fee (c)	— 預付租金費用(c)	309,131	59,916
— Prepayments for land bidding	— 預付土地按金	89,439	—
— Other prepayments	— 其他預付款	139,716	22,616
		924,971	374,662
Amounts due from related parties (note 39)	應收關聯方款項(附註39)	745,811	1,559,826
Less: provision for bad debt (note 3.1 (b) (ii))	減：壞賬撥備(附註3.1 (b) (ii))	(7,458)	—
		738,353	1,559,826

## 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

## 25 應收賬款及其他應收款、預付款及 按金(續)

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Amounts due from non-controlling interests (d)	應收非控制性權益款項(d)	3,425	571,500
Less: provision for bad debt (note 3.1(b)(ii))	減：壞賬撥備(附註3.1(b)(ii))	(34)	—
		3,391	571,500
Deposits for purchase of land (f)	購買土地的按金(f)	242,689	212,125
Less: provision for bad debt (note 3.1(b)(ii))	減：壞賬撥備(附註3.1(b)(ii))	(2,427)	—
		240,262	212,125
Other receivables	其他應收款		
— Deposits for apartments rental	— 公寓租金按金	85,002	33,483
— Deposits for building construction	— 樓宇建築按金	2,284	20,540
— Deposits in housing fund	— 住房公積金按金	16,874	18,712
— Lendings to third parties (e)	— 向第三方借貸(e)	104,894	—
— Others	— 其他	59,505	80,356
		268,559	153,091
Less: provision for bad debt (note 3.1(b)(ii))	減：壞賬撥備(附註3.1(b)(ii))	(6,605)	(6,878)
		261,954	146,213
		2,676,639	3,493,788

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### 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

#### (A) TRADE RECEIVABLES

### 25 應收賬款及其他應收款、預付款及 按金 (續)

#### (A) 應收賬款

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Trade receivables from property development and sales	房地產開發及銷售應收賬款	88,913	263,339
Trade receivables from management services	管理服務應收賬款	432,308	371,465
		521,221	634,804
Less: provision for bad debt (note 3.1(b)(i))	減：壞賬撥備(附註3.1(b)(i))	(13,513)	(5,342)
		507,708	629,462



## 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

### (A) TRADE RECEIVABLES (Continued)

The aging analysis of the current trade receivables based on invoice date is as follows:

Related parties	關聯方
— Less than one year	— 少於一年
— One to two years	— 一至兩年
— Two to three years	— 兩至三年
Third parties	第三方
— Less than one year	— 少於一年
— One to two years	— 一至兩年
— Two to three years	— 兩至三年
— Three to four years	— 三至四年

The credit terms granted to customers of purchasing properties are generally ranging from 30 days to 60 days, while for the customers to whom the Group provides management services, decoration services and sales land, the credit terms are one year.

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in note 3.1 (b) (i).

## 25 應收賬款及其他應收款、預付款及按金(續)

### (A) 應收賬款(續)

根據即期發票日期的應收賬款的賬齡分析如下：

31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
290,912	213,869
35,738	9,782
8,644	—
335,294	223,651
123,315	343,735
61,664	52,720
598	14,698
350	—
185,927	411,153
521,221	634,804

授予客戶購買物業的信貸期一般介乎30日至60日，而本集團向客戶提供管理服務、裝飾服務及土地銷售方面授予客戶的信貸期為一年。

有關應收賬款減值及本集團信貸風險的資料請參閱附註3.1 (b) (i)。

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### 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

- (B) Effective from 1 May 2016, the Group's subsidiaries in Mainland China are subject to VAT for its sales of properties. The applicable tax rate is 10% (11% before 1 May 2018) under normal VAT arrangement and is 5% for qualified old projects with a simplified method. Input VAT under normal VAT arrangement is deductible and is recorded as "prepayments — VAT to be offset" when there is a debit balance.

The Group's subsidiaries in Mainland China which develop properties for sale are subjected to prepayment of VAT at the rate of 3% on advance collected from customers. Such prepayments are recorded as "prepayments — prepaid VAT and other surcharges".

These subsidiaries are also subjected to prepayments of EIT and land appreciation tax on expected profit margin and land appreciation tax based on advance collected from customers together. Such prepayments are recorded as "prepayments — prepaid tax".

- (C) Prepayments for rental fee are mainly related to rental paid to landlord in advance for long-term rental apartments. The term of prepaid rents is usually less than one year.
- (D) In January 2018, 中福頤養(天津)置業有限公司 (Zhongfuyiyang (Tianjin) Real Estate Co., Ltd.) ("Zhongfuyiyang"), an indirect non-wholly owned subsidiary of the Group signed an agreement with its owners, pursuant to which Zhongfuyiyang would advance loan to its owners on pro-rata basis according to their respective shareholding interest in Zhongfuyiyang. The loan is unsecured, repayable within two years and Zhongfuyiyang shall charge an annual interest rate ranging from 4.35% to 6.50% per annum on the actual amounts of drawdown. As at 31 December 2018, the outstanding amounts due from the non-controlling shareholders of Zhongfuyiyang amounted to RMB29,154,000.

### 25 應收賬款及其他應收款、預付款及按金(續)

- (B) 自二零一六年五月一日起，本集團的中國附屬公司須就其物業銷售繳納增值稅。根據一般增值稅安排的適用稅率為10%（二零一八年五月一日前為11%），而合資格舊有項目則以簡易方法徵收5%稅率。如存在借方餘額，根據一般增值稅安排的投入增值稅可予扣減並入賬為「預付款 — 待抵扣增值稅」。

本集團開發銷售物業的中國附屬公司須就收取客戶的墊款預付3%的增值稅。該等款項入賬為「預付款 — 預付增值稅及其他附加費」。

該等附屬公司亦須就預期利潤及預繳企業所得稅及土地增值稅，及根據預收客戶的款項預繳土地增值稅。該等預付款入賬為「預付款 — 預付稅項」。

- (C) 預付租金主要涉及就待用作長租公寓支付予業主的預付租金。預付租金的年期一般少於一年。
- (D) 於二零一八年一月，本公司間接非全資附屬公司中福頤養(天津)置業有限公司（「中福頤養」）與其擁有人簽訂協議，據此，中福頤養按擁有人各自於中福頤養的股權按比例向彼等提供貸款。貸款為無抵押，須於兩年內償還，而中福頤養須按4.35%至6.50%的年利率根據支取的實際金額計息。於二零一八年十二月三十一日，應收中福頤養非控股股東的未償還款項達人民幣29,154,000元。

## 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

### (D) (Continued)

In December 2018, 蘇州朗坤置業有限公司 (Suzhou Langkun Real Estate Co., Ltd.) ("Suzhou Langkun"), an indirect non-wholly owned subsidiary of the Company, entered into the supplemental agreement with its owners, pursuant to which Suzhou Langkun agreed to extend the loan term from 31 December 2018 to 31 December 2021. The loan is unsecured, repayable within three years, and Suzhou Langkun shall charge an annual interest rate of 4.35% per annum on the actual amounts of drawdown. As at 31 December 2018, the outstanding amounts due from the non-controlling shareholders of Suzhou Langkun amounted to RMB486,811,000.

The remaining amounts are interest-free and repayable on demand.

(E) The balances of lendings to third parties generate interest ranging from 7.75% to 14.00% per annum. Of the total lendings to third parties, RMB87,651,000 (2017: RMB66,443,000) was secured by the equity securities of two companies which hold properties in Mainland China.

(F) As at 31 December 2018, deposits for purchase of land are mainly related to acquisition of land use right upon successfully bidding at the land auctions. The relevant land use right certificates have not been obtained at 31 December 2018.

## 25 應收賬款及其他應收款、預付款及按金(續)

### (D) (續)

於二零一八年十二月，本公司間接非全資附屬公司蘇州朗坤置業有限公司(「蘇州朗坤」)與其擁有人訂立補充協議，據此蘇州朗坤同意將貸款限期由二零一八年十二月三十一日延長至二零二一年十二月三十一日。貸款為無抵押，須於三年內償還，而蘇州朗坤須按4.35%的年利率根據支取的實際金額計息。於二零一八年十二月三十一日，應收蘇州朗坤非控股股東的未償還款項達人民幣486,811,000元。

餘下款項免息及於催繳時償還。

(E) 貸款予第三方的結餘產生年利率介乎7.75%至14.00%的利息。貸款予第三方的總額人民幣87,651,000元(二零一七年：人民幣66,443,000元)以兩家於中國內地持有物業的公司的股權證券抵押。

(F) 於二零一八年十二月三十一日，購買土地的按金主要有關於在土地拍賣成功競投後獲得土地使用權。於二零一八年十二月三十一日，尚未獲得相關土地使用權證明書。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

- (G) Deposits for property maintenance are repayable within two to eight years from the end of the year.

As at 31 December 2018, the carrying amounts of trade and other receivables, prepayments and deposits (netting off provision for bad debt) were denominated in below currencies:

### 25 應收賬款及其他應收款、預付款及按金(續)

- (G) 物業維護按金於年末起計2至8年內償還。

於二零一八年十二月三十一日，應收賬款及其他應收款、預付款及按金(扣除壞賬撥備)的賬面值以以下貨幣計值：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
RMB	人民幣	4,339,020	4,546,667
US\$	美元	492,507	495,530
HK\$	港元	13,557	3,952
		<b>4,845,084</b>	<b>5,046,149</b>

## 25 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

(G) (Continued)

The fair value of trade and other receivables, prepayments and deposits (netting off provision for bad debt) are as follows:

## 25 應收賬款及其他應收款、預付款及按金(續)

(G) (續)

應收賬款及其他應收款、預付款及按金(扣除壞賬撥備)的公允價值如下：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in non-current assets:	計入非流動資產：		
Prepayments	預付款	3,539	56,539
Amounts due from related parties	應收關聯方款項	1,615,180	1,370,535
Amounts due from non-controlling interests	應收非控制性權益款項	510,805	—
Other receivables — deposits for property maintenance	其他應收款 — 物業維護按金	8,593	8,597
Other receivables — lendings to third parties	其他應收款 — 向第三方作出的借款	27,652	113,460
		<b>2,165,769</b>	1,549,131
Included in current assets:	計入流動資產：		
Trade receivables	應收賬款	507,708	629,462
Prepayments	預付款	924,971	374,662
Amounts due from related parties	應收關聯方款項	738,353	1,559,826
Amounts due from non-controlling interests	應收非控制性權益款項	3,391	571,500
Deposits for purchase of land	購買土地的按金	240,262	212,125
Other receivables	其他應收款	261,954	146,213
		<b>2,676,639</b>	3,493,788

The fair values of deposits for property maintenance are based on cash flows discounted using a rate based on the borrowing rate of 4.75% to 4.90%. The fair values are within level 2 of the fair value hierarchy.

物業維護按金的公允價值使用借貸利率4.75%至4.90%貼現的現金流得出。公允價值於公允價值層級的第二級。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 26 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

#### (A) CLASSIFICATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies 1) debt investments that do not qualify for measurement at either amortized cost or fair value through other comprehensive income ("FVOCI"); 2) equity investments that are held for trading or for which the Group has not elected to recognize FVOCI as financial assets at fair value through profit or loss ("FVPL").

Financial assets measured at FVPL included following:

Current assets	流動資產
Listed bonds	上市債券
Wealth management products	資產管理產品

### 26 按公允價值計入損益的金融資產

#### (A) 按公允價值計入損益的金融資產之分類

本集團將以下金融工具按公允價值計入損益(「按公允價值計入損益」): 1) 不符合按攤銷成本計量或按公允價值計入其他全面收益(「按公允價值計入其他全面收益」)的債務投資; 2) 本集團並未選擇確認按公允價值計入其他全面收益的持作交易權益投資。

按公允價值計入損益的金融資產包括:

31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
125,669	—
51,140	—
176,809	—

#### (B) AMOUNTS RECOGNIZED IN PROFIT OR LOSS

During the year, the following gain was recognized in profit or loss:

Fair value gain on financial assets at fair value through profit or loss (listed bonds) (note 8)	按公允價值計入損益的金融資產的公允價值利得(上市債券)(附註8)
--	----------------------------------

#### (B) 於損益確認的金額

年內, 以下利得計入損益:

For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
2,675	—



## 26 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

### (C) RISK EXPOSURE AND FAIR VALUE MEASUREMENT

Information about the Group's exposure to risks associated with FVPL is provided in note 3.2. For information about methods and assumptions used in determining fair value, please refer to note 3.2.

## 26 按公允價值計入損益的金融資產 (續)

### (C) 風險及公允價值計量

本集團有關按公允價值計入損益的風險資料載於附註3.2。釐定公允價值所用的方法及假設之資料載於附註3.2。

## 27 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

## 27 受限制現金以及現金及現金等價物

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Restricted cash	受限制現金		
— Restricted for project developments	— 限制為項目發展	66,847	82,662
— Restricted under escrow account for investments	— 限制於託管賬戶下投資	40,000	70,000
— Deposits as security for property purchasers' Mortgage loans	— 物業買家按揭貸款的擔保存款	166,228	67,698
— Pledged for discounted bank accepted notes	— 作為已貼現銀行承兌的抵押	85,000	45,000
— Pledged for the Group's bank borrowings (note 29)	— 作為本集團銀行借款的抵押 (附註29)	183,866	7,291
— Others	— 其他	358	9,301
		<b>542,299</b>	<b>281,952</b>
Cash and cash equivalents	現金及現金等價物	<b>5,404,956</b>	<b>3,341,835</b>

The carrying amounts of restricted cash and cash and cash equivalents approximate their fair values.

受限制現金以及現金及現金等價物的賬面值與其公允價值相若。

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### 27 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS (Continued)

The carrying amounts of restricted cash and cash and cash equivalents were denominated in below currencies:

RMB	人民幣
US\$	美元
HK\$	港元

Cash and cash equivalents held in Mainland China are subject to exchange control regulations, which provide for restrictions on exporting capital out, other than through dividends. The cash balance included in the consolidated financial statements to which these restrictions apply is RMB5,013,942,000 (2017: RMB3,113,890,000).

Restricted cash which pledged as securities for borrowings of the Group was RMB268,866,000.

### 27 受限制現金以及現金及現金等價物 (續)

受限制現金及現金及現金等價物的賬面值按以下貨幣列值：

31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
5,008,955	3,127,073
920,273	492,066
18,027	4,648
<b>5,947,255</b>	<b>3,623,787</b>

於中國內地持有之現金及現金等價物受外匯管制規例所規管，當中規管資金出口的限制（不包括股息）。綜合財務報表內適用該等限制的現金結餘為人民幣5,013,942,000元（二零一七年：人民幣3,113,890,000）。

作為本集團借款抵押的受限制現金為人民幣268,866,000元。

## 28 TRADE AND OTHER PAYABLES

## 28 應付賬款及其他應付款

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in non-current liabilities:	計入非流動負債：		
— Amounts due to related parties (note 39)	— 應付關聯方款項(附註39)	2,804,826	2,714,606
— Warranty accrual	— 應計保修費用	24,817	—
— Amounts due to non-controlling interests (a)	— 應付非控制性權益款項(a)	—	17,217
		<b>2,829,643</b>	<b>2,731,823</b>
Included in current liabilities:	計入流動負債：		
— Amounts due to related parties (note 39)	— 應付關聯方款項(附註39)	2,908,526	2,044,080
— Payables for construction materials and services	— 應付工程物料及服務款項	1,964,956	1,162,081
— Amounts due to non-controlling interests (a)	— 應付非控制性權益款項(a)	410,045	18,110
— Interest payable	— 應付利息	348,592	235,257
— Deposits received from rental and construction services	— 租賃及工程服務已收按金	348,045	190,115
— Amounts due to a joint venture partner (b)	— 應付合營夥伴款項(b)	320,000	—
— Accruals for staff costs	— 應計職工費用	252,813	159,949
— Value added tax and other tax payables	— 增值稅及其他應付稅項	180,823	126,353
— Consideration payables (c)	— 應付代價(c)	141,667	92,144
— Other payables	— 其他應付款	37,302	36,009
		<b>6,912,769</b>	<b>4,064,098</b>

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### 28 TRADE AND OTHER PAYABLES (Continued)

- (a) As of 31 December 2018, current amounts due to non-controlling interests include RMB388,859,000 bearing interest at 4.65% per annum and the remaining amounts are interest-free.

As of 31 December 2017, non-current amounts due to non-controlling interests bear interest at 10.00% per annum. Current amounts due to non-controlling interests are interest-free.

All amounts due to non-controlling interests are unsecured.

- (b) As of 31 December 2018, the amount of due to joint venture partner includes RMB120,000,000 bearing interest ranging from 6.00% to 8.00%. The remaining amount is interest-free and was subsequently repaid on 2 January 2019.
- (c) As of 31 December 2018, consideration payables are mainly related to payables for acquisition of investments, of which RMB89,523,000 was due to the former shareholders of 成都海興冷業貿易股份有限公司 (Chengdu Haixing Cold Industry Trading Co., Ltd.) ("Chengdu Haixing"). The remaining amount, RMB52,144,000 was due to the former shareholder of 武漢朗泓置業有限公司 (Wuhan Langhong Real Estate Co., Ltd.).

### 28 應付賬款及其他應付款(續)

- (a) 二零一八年十二月三十一日，應付非控制性權益款項的流動部分包括以年利率4.65%計息的人民幣388,859,000元，其餘結餘免息。

二零一七年十二月三十一日，應付非控制性權益款項的非流動部分以年利率10.00%計息。應付非控制性權益款項的流動部分免息。

所有應付非控制性權益款項均無抵押。

- (b) 二零一八年十二月三十一日，應付合營夥伴款項包括以年利率6.00%至8.00%計息的人民幣120,000,000元。其餘結餘免息，且其後已於二零一九年一月二日償還。
- (c) 二零一八年十二月三十一日，應付代價主要涉及收購投資的應付款，當中人民幣89,523,000應付成都海興冷業貿易股份有限公司(「成都海興」)的前股東。其餘金額人民幣52,144,000元應付武漢朗泓置業有限公司的前股東。

## 28 TRADE AND OTHER PAYABLES (Continued)

As at 31 December 2018, the carrying amounts of trade and other payables approximate their fair values.

As at balance sheet date, the aging analysis of the payables for construction materials and services based on invoice date is as follows:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Less than one year	少於一年	1,808,395	1,035,053
One to two years	一至兩年	145,160	30,933
Two to three years	兩至三年	11,401	5,865
Over three years	三年以上	–	90,230
		<b>1,964,956</b>	<b>1,162,081</b>

As at balance sheet date, the carrying amounts of trade and other payables were denominated in below currencies:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
RMB	人民幣	8,974,693	6,096,059
US\$	美元	734,738	680,894
HK\$	港元	32,981	18,968
		<b>9,742,412</b>	<b>6,795,921</b>

## 28 應付賬款及其他應付款(續)

於二零一八年十二月三十一日，應付賬款及其他應付款的賬面值與其公允價值相若。

於各結算日，根據發票日期的應付工程物料及服務款項之賬齡分析如下：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
		1,808,395	1,035,053
		145,160	30,933
		11,401	5,865
		–	90,230
		<b>1,964,956</b>	<b>1,162,081</b>

於各結算日，應付賬款及其他應付款的賬面值按以下貨幣列值：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
RMB	人民幣	8,974,693	6,096,059
US\$	美元	734,738	680,894
HK\$	港元	32,981	18,968
		<b>9,742,412</b>	<b>6,795,921</b>

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### 29 BORROWINGS

### 29 借款

		31 December 2018 二零一八年十二月三十一日		31 December 2017 二零一七年十二月三十一日	
		Current 流動 RMB'000 人民幣千元	Non-current 非流動 RMB'000 人民幣千元	Current 流動 RMB'000 人民幣千元	Non-current 非流動 RMB'000 人民幣千元
Secured	有抵押				
– Bank borrowings (a)	– 銀行借款(a)	266,597	1,224,335	1,098,218	672,233
– Senior private notes (c)	– 優先私募債券(c)	–	–	659,534	–
– Sell and buy-back arrangements (note 23)	– 出售及回購安排(附註23)	–	285,967	–	270,345
– Discounted bank accepted notes (f)	– 已貼現銀行承兌票據(f)	316,983	–	–	–
– Loans from other financial institutions (g)	– 來自其他金融機構的貸款(g)	–	310,306	–	–
Total secured borrowings	有抵押借款總額	583,580	1,820,608	1,757,752	942,578
Unsecured	無抵押				
– Bank borrowings (a)	– 銀行借款(a)	100,000	859,772	–	126,045
– Guaranteed senior notes (d)	– 有擔保優先債券(d)	–	1,380,523	–	–
– Loans from the ultimate controlling shareholder (b)	– 來自最終控股股東的貸款(b)	–	1,665,000	–	1,665,000
– EB-5 loans (e)	– EB-5貸款(e)	–	575,112	–	521,334
– Discounted bank accepted notes (f)	– 已貼現銀行承兌票據(f)	–	–	90,000	–
– Loans from other financial institutions (g)	– 來自其他金融機構的貸款(g)	–	40,000	326,706	–
Total unsecured borrowings	無抵押借款總額	100,000	4,520,407	416,706	2,312,379
Total borrowings	借款總額	683,580	6,341,015	2,174,458	3,254,957

Borrowings carry interest ranging from 3.19% to 13.50% (2017: 4.75% to 8.00%) per annum.

借款按年利率介乎3.19%至13.50%(二零一七年:4.75%至8.00%)計息。



## 29 BORROWINGS (Continued)

The movements in borrowings of the Group are analyzed as follows:

## 29 借款(續)

本集團借款變動分析如下：

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
At 1 January	於一月一日	5,429,415	6,083,341
Proceeds from borrowings	借款所得款項	6,248,362	2,887,033
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	296,198	–
Repayments of borrowings	償還借款	(4,789,111)	(2,319,051)
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	(255,400)	(1,259,440)
Exchange difference	匯兌差額	95,131	37,532
At 31 December	於十二月三十一日	7,024,595	5,429,415

At end of reporting period, the carrying amounts of borrowings were denominated in the following currencies:

於報告期末，借款的賬面值按以下貨幣列值：

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
RMB	人民幣	3,508,890	3,202,900
US\$	美元	3,169,781	1,995,807
HK\$	港元	345,924	230,708
		7,024,595	5,429,415

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### 29 BORROWINGS (Continued)

The Group's borrowings are repayable as follows as at each balance sheet date:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	683,580	2,174,458
Between one and two years	一至兩年	4,441,395	188,019
Between two and five years	兩至五年	1,899,620	3,066,938
		<b>7,024,595</b>	<b>5,429,415</b>

- (A) Bank borrowings are jointly secured by:
- (i) restricted cash with carrying amount of RMB183,866,000 (2017: RMB7,291,000) (note 27);
  - (ii) properties under development with carrying amount of RMB3,033,882,000 (2017: RMB2,138,953,000) (note 23);
  - (iii) investment properties of the Group with carrying amount of RMB323,570,000 (2017: RMB319,830,000) (note 18)
  - (iv) guarantee provided by the ultimate holding company;
  - (v) equity interest of certain subsidiaries of the Group (note 42);
  - (vi) property, plant and equipment with carrying amount of RMB502,576,000 (2017: Nil) (note 19);
  - (vii) No property held for sale is mortgaged as collateral for the Group's bank borrowing (2017: RMB526,511,000) (note 21).

Bank borrowings carry interest ranging from 3.19% to 8.60% (2017: 4.75% to 8.00%) per annum.

### 29 借款(續)

於各結算日，借款應於下列時間償還：

- (A) 銀行借款以下列各項作共同抵押：
- (i) 受限制現金，賬面值為人民幣183,866,000元(二零一七年：人民幣7,291,000元)(附註27)；
  - (ii) 開發中房地產，賬面值為人民幣3,033,882,000元(二零一七年：人民幣2,138,953,000元)(附註23)；
  - (iii) 本集團投資性物業，賬面值為人民幣323,570,000元(二零一七年：人民幣319,830,000元)(附註18)；
  - (iv) 最終控股公司所提供的擔保；
  - (v) 本集團若干附屬公司的股權(附註42)。
  - (vi) 不動產、工廠及設備，賬面值為人民幣502,576,000元(二零一七年：無)(附註19)；
  - (vii) 無持作銷售物業為本集團銀行借款作抵押(二零一七年：人民幣526,511,000元)(附註21)。

銀行借款按年利率介乎3.19%至8.60%(二零一七年：4.75%至8.00%)計息。

## 29 BORROWINGS (Continued)

### (B) THE LOANS FROM THE ULTIMATE CONTROLLING SHAREHOLDER

The loans from the ultimate controlling shareholder are unsecured and carry interest ranging from 5.30% to 5.65% (2017: 5.30% to 6.60%) per annum.

### (C) SENIOR PRIVATE NOTES

Senior private notes of the Company matured and were repaid on 30 April 2018.

### (D) GUARANTEED SENIOR NOTES

Guaranteed senior notes issued by the Company in 2018 were listed on the Singapore Exchange Securities Trading Limited on 25 April 2018 and will mature on 25 April 2020, with 9.625% per annum paid semi-annually in arrears. All of the guaranteed senior notes are subject to the fulfilment of covenants relating to certain of the Company's debt servicing financial indicators. The Company regularly monitors its compliance with these covenants. As at 31 December 2018, none of the covenants had been breached. All guaranteed senior notes are guaranteed by certain subsidiaries of the Company (note 42).

At any time, the Company will be entitled at its option to redeem the senior notes in whole but not in part, at a redemption price equal to 100% of the principal amount of the senior notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time the Company may redeem up to 35% of the aggregate principal amount of the senior notes with the proceeds from sales of certain kinds of capital stocks of the issuer at a redemption price of 109.625% of the principal amount of the senior notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, subject to certain conditions.

## 29 借款(續)

### (B) 來自最終控股股東的貸款

來自最終控股股東的貸款為無抵押，並按年利率5.30%至5.65%（二零一七年：5.30%至6.60%）計息。

### (C) 優先私募債券

本公司優先私募債券已於二零一八年四月三十日到期及支付。

### (D) 有擔保優先債券

本公司於二零一八年度發行的有擔保優先債券於二零一八年四月二十五日於新加坡證券交易所上市，並將於二零二零年四月二十五日到期，年利率9.625%，每半年後繳支付一次。全部有擔保優先債券均受達成本公司若干債務服務財務指標的契諾所限。本公司會定期監察其遵守該等契諾的情況。於二零一八年十二月三十一日，並無違反該等契諾。所有有擔保優先債券均由本公司若干附屬公司擔保（附註42）。

本公司將有權隨時選擇贖回全部（而非部分）優先票據，贖回價相等於優先票據本金額100%另加截至但不包括贖回日期的溢價以及應計及未付利息（如有）。

本公司可隨時及不時以銷售發行人若干種類股本的所得款項贖回優先票據本金總額最多35%，贖回價相等於所贖回優先票據本金額109.625%另加截至但不包括贖回日期的應計及未付利息（如有），惟須受若干條件所規限。

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### 29 BORROWINGS (Continued)

#### (E) EB-5 LOANS

EB-5 Loans represent loans from third parties and carry interest of 4.00% (2017: 3.60% to 4.00%) per annum and are guaranteed by Landsea Holdings Corporation, an indirect subsidiary of the Company. The balances are repayable ranging from 24 July 2020 to 29 June 2023 (2017: 3 January 2020 to 31 March 2021).

#### (F) DISCOUNTED BANK ACCEPTED NOTES

Discounted bank accepted notes are secured by restricted cash with carrying amount of RMB85,000,000 (note 27).

#### (G) LOANS FROM OTHER FINANCIAL INSTITUTIONS

Loans from other financial institutions carry interest from 8.00% to 11.50% (2017: 8.00%) per annum. The balance is repayable from 6 July 2020 to 27 December 2020.

Loans from other financial institutions are jointly secured by:

- (i) properties held for sale with carrying amount of RMB52,630,000 (2017: Nil) (note 21);
- (ii) investment properties of the Group with carrying amount of RMB77,640,000 (2017: Nil) (note 18);
- (iii) guarantee provided by Nanjing Langming Properties Group Limited ("Nanjing Langming"), an indirect subsidiary of the Company.

### 29 借款(續)

#### (E) EB-5 貸款

EB-5 貸款指來自第三方的貸款，年利率為4.00%(二零一七年：3.60%至4.00%)並由Landsea Holdings Corporation(本公司間接附屬公司)擔保。結餘須於二零二零年七月二十四日至二零二三年六月二十九日(二零一七年：二零二零年一月三日至二零二一年三月三十一日)期內償還。

#### (F) 已貼現銀行承兌票據

已貼現銀行承兌票據以賬面值為人民幣85,000,000元的受限制現金抵押(附註27)。

#### (G) 來自其他金融機構的貸款

來自其他金融機構的貸款年息為8.00%至11.50%(二零一七年：8.00%)。結餘須於二零二零年七月六日至二零二零年十二月二十七日償還。

來自其他金融機構的貸款以以下項目共同擔保：

- (i) 賬面值為人民幣52,630,000元(二零一七年：零)的持作銷售物業(附註21)；
- (ii) 本集團賬面值為人民幣77,640,000元(二零一七年：零)的投資性物業(附註18)；
- (iii) 本公司之間接附屬公司南京朗銘地產集團有限公司(「南京朗銘」)提供的擔保。

## 29 BORROWINGS (Continued)

(H) Fair values of the borrowings are not materially different to the carrying amounts. Since either the interests on those borrowings are close to current market rates or borrowings are of a short term nature. The carrying amounts and fair values of the non-current borrowings are as follows:

		31 December 2018 二零一八年十二月三十一日		31 December 2017 二零一七年十二月三十一日	
		Carrying amounts 賬面值 RMB'000 人民幣千元	Fair values 公允價值 RMB'000 人民幣千元	Carrying amounts 賬面值 RMB'000 人民幣千元	Fair values 公允價值 RMB'000 人民幣千元
Bank borrowings (ii)	銀行借款 (ii)	2,084,107	2,084,107	798,278	798,278
Guaranteed senior notes (i) (ii)	有擔保優先債券 (i)(ii)	1,380,523	1,352,229	–	–
Sell and buy-back arrangements (note 23) (ii)	出售及回購安排 (附註23) (ii)	285,967	285,967	270,345	270,345
Loans from the ultimate controlling shareholder (ii)	來自最終控股股東的貸款 (ii)	1,665,000	1,665,000	1,665,000	1,665,000
EB-5 loans (ii)	EB-5 貸款 (ii)	575,112	575,112	521,334	521,334
Loans from other financial institutions (ii)	來自其他金融機構的貸款 (ii)	350,306	350,306	–	–

- (i) These guaranteed senior notes are listed on Singapore Exchange and the fair value are determined based on quoted price and are categorized within Level 1 of the fair value hierarchy.
- (ii) Fair values of bank borrowings, sell and buy-back arrangements, loans from the ultimate controlling shareholder, EB-5 loans and loans from other financial institutions are based on discounted cash flows and current borrowing rate and are categorized within Level 2 of the fair value hierarchy.

## 29 借款 (續)

(H) 借貸的公允價值與賬面值並無重大分別，原因為該等借貸的利息與當前市場利率相近，或借貸年期短。非流動借貸的賬面值及公允價值如下：

- (i) 此等有擔保優先債券於新加坡交易所上市，該公允價值基於公開市場報價計算得出，並分類為公允價值層級內的第1層。
- (ii) 銀行借款、出售及回購安排、來自最終控股股東的貸款、EB-5貸款及來自其他金融機構的貸款的公允價值使用折現現金流量及流動借貸利率計量，並分類為公允價值層級內的第2層。

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### 30 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The net amounts are as follows:

		31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元
Deferred income tax liabilities to be settled after one year	將於超過一年後結算的遞延所得稅負債	122,556	75,537
Deferred income tax assets:	遞延所得稅資產：		
— to be recovered within one year	— 將於一年內收回	103,183	108,463
— to be recovered after one year	— 將於超過一年後收回	249,286	129,272
		352,469	237,735
Deferred income tax assets, net	遞延所得稅資產淨額	229,913	162,198

As at 31 December 2018, deferred income tax assets were offset against deferred income tax liabilities with the amount of RMB103,692,000 (2017: RMB57,911,000).

### 30 遞延所得稅

當有合法可強制執行權利將現有稅項資產與現有稅項負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與負債互相抵銷。淨值如下：

於二零一八年十二月三十一日，遞延所得稅資產及遞延所得稅負債人民幣103,692,000元（二零一七年：人民幣57,911,000元）已獲抵銷。



### 30 DEFERRED INCOME TAX (Continued)

The movements in deferred income tax, net are as follows:

### 30 遞延所得稅(續)

遞延所得稅淨值變動如下：

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
At 1 January 2018 as originally present	於二零一八年一月一日，按原先呈列	162,198	100,759
Changes in accounting policies (note 2.2.1)	會計政策變動(附註2.2.1)	13,139	—
Restated balance at 1 January 2018	二零一八一月一日經重列結餘	175,337	100,759
Credited to profit or loss (note 11)	在損益抵免(附註11)	146,305	82,190
Charged to other comprehensive income	在其他全面收益支銷		
— Transfer from property, plant and equipment to investment properties	— 由不動產、工廠及設備轉移至投資性物業	(4,838)	—
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	42,029	(19,555)
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	(129,829)	—
Currency translation differences	貨幣換算差額	909	(1,196)
At 31 December	於十二月三十一日	229,913	162,198

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### 30 DEFERRED INCOME TAX (Continued)

The movements in the deferred income tax liabilities, prior to offsetting, are as follows:

### 30 遞延所得稅(續)

抵銷前的遞延稅項負債變動如下：

		Revaluation of investment properties	Difference in capitalized interests	Accelerated tax depreciation	Unrealized exchange gains	Re- measurement gain	Change in fair value of identified assets upon acquisition of subsidiaries	Others	Total
		投資性 物業重估 RMB'000 人民幣千元	資本化 利息差額 RMB'000 人民幣千元	加速 稅項折舊 RMB'000 人民幣千元	未變現 匯兌利得 RMB'000 人民幣千元	重新 計量利得 RMB'000 人民幣千元	收購附屬公司 後所識別 資產的 公允價值變動 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	52,851	42,525	875	62,346	-	-	-	158,597
Credited/(Charged) to profit or loss	在損益抵免/(支銷)	7,228	16,369	235	(58,940)	14,747	-	-	(20,361)
Currency translation differences	貨幣換算差額	-	(2,960)	(51)	(1,777)	-	-	-	(4,788)
At 31 December 2017	於二零一七年十二月三十一日	60,079	55,934	1,059	1,629	14,747	-	-	133,448
At 1 January 2018	於二零一八年一月一日	60,079	55,934	1,059	1,629	14,747	-	-	133,448
(Charged)/Credited to profit or loss (note 11)	在損益(支銷)/抵免(附註11)	(1,746)	2,658	3,102	34,707	13,335	(34,765)	415	17,706
Credited to other comprehensive income	在其他全面收益抵免								
— Transfer from property, plant and equipment to investment property	— 由不動產、工廠及設備 轉移至投資性物業	4,838	-	-	-	-	-	-	4,838
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	-	-	-	-	133,747	-	133,747
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	-	-	-	-	-	(66,409)	-	(66,409)
Currency translation differences	貨幣換算差額	-	2,780	53	85	-	-	-	2,918
At 31 December 2018	於二零一八年十二月三十一日	63,171	61,372	4,214	36,421	28,082	32,573	415	226,248

### 30 DEFERRED INCOME TAX (Continued)

The movements in the deferred income tax assets, prior to offsetting, are as follows:

### 30 遞延所得稅(續)

抵銷前的遞延稅項資產變動如下：

		Temporary difference on unrealized profit of intercompany transactions 公司間交易的 未變現利潤的 暫時差額 RMB'000 人民幣千元	Tax losses 稅項虧損 RMB'000 人民幣千元	Temporary difference on recognition of revenues and cost of sales 確認收入與 銷售費用 的暫時差額 RMB'000 人民幣千元	Provision for bad debt and accrued expenses 壞賬及應計 費用撥備 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	72,291	76,058	51,257	59,750	–	259,356
Credited/(Charged) to profit or loss	在損益抵免/(支銷)	36,045	14,208	(15,665)	27,241	–	61,829
Disposal of subsidiaries	出售附屬公司	–	(19,442)	–	(113)	–	(19,555)
Currency translation differences	貨幣換算差額	–	(2,911)	–	(3,073)	–	(5,984)
At 31 December 2017	二零一七年 十二月三十一日	108,336	67,913	35,592	83,805	–	295,646
At 1 January 2018	於二零一八年一月一日	108,336	67,913	35,592	83,805	–	295,646
Changes in accounting policies (note 2.2.1)	會計政策變動 (附註2.2.1)	–	–	–	13,139	–	13,139
Restated balance at 1 January 2018	二零一八一月一日 經重列結餘	108,336	67,913	35,592	96,944	–	308,785
Credited to profit or loss (note 11)	在損益抵免(附註11)	22,331	43,596	37,656	57,696	2,732	164,011
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	(17,030)	(7,350)	–	–	–	(24,380)
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	–	–	–	3,918	–	3,918
Currency translation differences	貨幣換算差額	–	1,354	–	2,473	–	3,827
At 31 December 2018	於二零一八年 十二月三十一日	113,637	105,513	73,248	161,031	2,732	456,161

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### 31 SHARE CAPITAL AUTHORIZED SHARES

The Company has authorized shares of 6,000,000,000 shares of HK\$0.01 each as at 1 January 2017, 1 January 2018 and 31 December 2018.

### ISSUED SHARES

### 31 股本 法定股份

本公司於二零一七年一月一日、二零一八年一月一日及二零一八年十二月三十一日有6,000,000,000股每股0.01港元的法定股份。

### 已發行股份

		Number of ordinary shares  普通股數目 '000 千股	Nominal value of ordinary shares  普通 股面值 HK\$'000 千港元	Equivalent nominal value of ordinary shares  普通股 等額面值 RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：			
Ordinary shares of HK\$0.01 each At 1 January 2018	每股面值0.01港元的普通股 於二零一八年一月一日	3,917,571	39,176	31,800
Conversion of convertible perpetual securities (note 33 (b), (b))	兌換可換股永久證券 (附註33 (b)、(b))	463,560	4,635	3,902
Issue of new shares for capitalization of shareholder's loans (a), (b)	就股東貸款資本化發行 新股 (a)、(b)	341,176	3,412	3,000
At 31 December 2018	於二零一八年十二月三十一日	4,722,307	47,223	38,702

### 31 SHARE CAPITAL (Continued) ISSUED SHARES (Continued)

- (a) On 21 December 2018, the Company completed the issuing of 341,176,471 ordinary shares of HK\$0.01 each at a price of HK\$0.85 per share to Landsea International Holdings Limited ("Landsea International") to capitalize shareholder loans of HK\$290,000,000 (equivalent to RMB254,997,000). Accordingly, 341,176,471 ordinary shares of HK\$0.01 each were issued at a premium of HK\$0.84 each and the total premium of HK\$286,588,000 (equivalent to RMB251,997,000) was credited to share premium (note 34).

The issue price represents the closing price of HK\$0.85 per Share as quoted on SEHK at 2 November 2018, being the date of the agreement signed.

- (b) The capitalization and conversion shares rank pari passu in all respects among themselves and with the shares in issue on the date of allotment and issue of the capitalization and conversion shares.

### 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (A) SHARE OPTIONS

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 25 April 2012, the current share option scheme (the "Scheme") was adopted by the Company. Since the adoption of the Scheme, no further options can be granted under the old scheme.

The Company operates the Scheme for the purpose of providing incentives and reward to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the directors (including executive and non-executive directors), other employees, suppliers, customers, person or entity providing research, development and other technical support, investee entity and any professional advisor and business consultant of the Group from time to time determined by the directors as having contributed or who may contribute to the development and growth of the Group. The Scheme is effective on 30 April 2012 and unless otherwise terminated, remains in force for 10 years from that date.

### 31 股本(續) 已發行股份(續)

- (a) 二零一八年十二月二十一日，本公司完成以每股0.85港元的價格發行341,176,471股每股面值0.01港元的普通股予Landsea International Holdings Limited(「Landsea International」)，以將290,000,000港元(相當於人民幣254,997,000元)股東貸款資本化。因此，341,176,471股每股面值0.01港元的普通股以溢價每股0.84港元發行，並將溢價總額286,588,000港元(相當於人民幣251,997,000元)計入股份溢價(附註34)。

發行價相當於股份於二零一八年十一月二日(即協議簽訂之日期)於聯交所之收市價每股0.85港元。

- (b) 資本化及換股股份將於各個方面於彼此之間及與資本化及換股股份獲配發及發行當日已發行股份享有同等地位。

### 32 股份期權及限制性股份獎勵計劃

#### (A) 股份期權

根據於二零一二年四月二十五日舉行的本公司股東週年大會上通過的普通決議案，本公司採納目前的股份期權計劃(「該計劃」)。自採納該計劃以來，概無按舊計劃授出其他股份期權。

本公司設立該計劃，旨在嘉獎及酬謝推動本集團業務成功的合資格參與者。該計劃的合資格參與者包括董事(包括執行及非執行董事)、其他僱員、供應商、客戶、提供研發及其他技術支援的人士或實體、投資對象實體以及本集團不時的任何專業顧問及業務顧問(董事認為對本集團發展及增長曾經或可能作出貢獻者)。該計劃於二零一二年四月三十日生效，而除非以其他方式終止，否則將自該日起10年期間內有效。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (Continued)

#### (A) SHARE OPTIONS (Continued)

Unless approved by shareholders of the Company, shares which may be issued upon exercise of all options to be granted under the Scheme or any other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption.

Unless approved by shareholders of the Company, total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant including both exercised and unexercised options under the Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the shares of the Company in issue on the date of grant. Any further grant of share options in excess of this limit is subject to shareholder's approval in a general meeting.

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company must not exceed 30% of the shares in issue from time to time. No options may be granted under any share option schemes of the Company if this will result in the limit being exceeded.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is a proposed grantee of the share options). In addition, any share options granted to substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the official closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

### 32 股份期權及限制性股份獎勵計劃 (續)

#### (A) 股份期權 (續)

除非獲本公司股東批准，否則因行使按該計劃或本公司採納的任何其他股份期權計劃將予授出的所有股份期權而可予發行的股份總數，不得超過本公司於採納日期已發行股份的10%。

除非獲本公司股東批准，於任何十二個月期間，各參與者按該計劃或本公司採納的任何其他股份期權計劃獲授的股份期權(包括已行使及尚未行使)行使時，已發行及將予發行的本公司股份總數，不得超過本公司於授出日期已發行股份的1%。如進一步授出的股份期權涉及的股份數目超逾此上限，須在股東大會上獲股東批准。

因行使按該計劃及本公司的任何其他計劃已授出但尚未行使的所有股份期權而可予發行的股份總數，不得超過不時已發行股份的30%。如授出股份期權將導致超逾此上限，則不得根據本公司任何股份期權計劃授出股份期權。

向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授出股份期權，必須獲得獨立非執行董事(不包括任何屬股份期權建議承授人的獨立非執行董事)的事先批准。此外，倘在任何十二個月期間向本公司主要股東或獨立非執行董事或彼等任何聯繫人士授出的任何股份期權超過本公司任何時間已發行股份的0.1%，或總值(按本公司股份於授出日期的正式收市價計算)超過5,000,000港元，則必須經股東於股東大會上事先批准。



## 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (Continued)

### (A) SHARE OPTIONS (Continued)

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of nominal consideration of HK\$1 in total by the grantee. An option may be exercised in accordance with the terms of the Scheme and the terms of grant which shall not be more than 10 years from the date of grant.

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheet issued by the SEHK on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the SEHK for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company on the date of grant. The subscription price will be determined by the board of directors at the time the option is offered to the participants.

The scheme limit under the Scheme is 198,660,605 shares, representing 10.0% of the issued share capital of the Company on 25 April 2012, being the adoption date of the Scheme and approximately 4.21% of the issued share capital of the Company on 22 March 2019, being the date of the annual general meeting.

#### **The Scheme**

There was no outstanding share option under the Scheme as at 31 December 2018 and 31 December 2017.

## 32 股份期權及限制性股份獎勵計劃 (續)

### (A) 股份期權 (續)

授出股份期權的要約由提呈要約當日起計21日內可供接納，惟承授人須支付合共1港元的名義代價。於授出日期起計不超過10年內，股份期權可按該計劃的條款及授出條款行使。

因行使股份期權將予發行的本公司股份的認購價不得低於以下各項中的較高數值：(i) 本公司股份於授出日期在香港聯交所發出的每日報價表所示的收市價；(ii) 本公司股份於緊接授出日期前五個營業日在香港聯交所發出的每日報價表所示的收市價平均值；及(iii) 本公司股份於授出日期的面值。董事局將於向參與者提呈股份期權時釐定認購價。

根據該計劃，計劃上限為198,660,605股，相當於本公司於二零一二年四月二十五日（即該計劃獲採納日期）已發行股本的10.0%及本公司於二零一九年三月二十二日（即股東週年大會日期）已發行股本約4.21%。

#### **該計劃**

於二零一八年十二月三十一日及二零一七年十二月三十一日，該計劃下並無尚未行使的股份期權。

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### 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (Continued)

#### (B) RESTRICTED SHARE AWARD SCHEME

On 2 July 2014, the Group adopted a share award scheme (the "Share Award Scheme") as an incentive to recognize the contributions by employees and to give incentives in order to retain them for the continuing operation and development of the Group, as well as to attract suitable personnel for further development of the Group.

Pursuant to the Share Award Scheme, existing shares of the Company will be purchased or new shares will be subscribed for restricted shares ("Restricted Shares") by a trustee appointed by the Company and be held on trust for the relevant grantees until such shares are vested with the relevant grantees in accordance with the rules of the Share Award Scheme. The Restricted Shares will be awarded with reference to the performance, operating and financial targets and other criteria determined by the Board from time to time.

- (i) The movements of shares held for Share Award Scheme by the trustee are as follows:

### 32 股份期權及限制性股份獎勵計劃 (續)

#### (B) 限制性股份獎勵計劃

於二零一四年七月二日，本集團採納股份獎勵計劃（「股份獎勵計劃」），作為獎勵以嘉許僱員所作出的貢獻，激勵並挽留彼等為本集團的持續經營及發展付出努力，並為本集團進一步發展吸引適合人才。

根據股份獎勵計劃，本公司所委任的受託人將購買本公司現有股份或認購新股份作為限制性股份（「限制性股份」），並以信託方式代相關承授人持有，直至有關股份根據股份獎勵計劃的規則歸屬於相關承授人為止。限制性股份將參考董事局不時釐定的表現、經營及財務目標以及其他標準予以授出。

- (i) 受託人就股份獎勵計劃持有的股份變動如下：

Restricted Shares	限制性股份	For the year ended 31 December 2018 截至二零一八年 十二月三十一日止年度		For the year ended 31 December 2017 截至二零一七年 十二月三十一日止年度	
		Number of shares 股份數目 '000 千股	Employee share trust reserve 僱員股份 信託儲備 RMB'000 人民幣千元	Number of shares 股份數目 '000 千股	Employee share trust reserve 僱員股份 信託儲備 RMB'000 人民幣千元
At 1 January	一月一日	66,296	35,450	53,944	28,907
Acquisition of shares	收購股份	23,412	19,631	12,352	8,578
Dividends received (a)	已收股息(a)	—	(2,145)	—	(2,035)
Distribution to employees	分派予僱員	(16,312)	(9,966)	—	—
At 31 December	十二月三十一日	73,396	42,970	66,296	35,450

## 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (Continued)

### (B) RESTRICTED SHARE AWARD SCHEME

(Continued)

(i) The movements of shares held for Share Award Scheme by the trustee are as follows: (Continued)

(a) Dividends of granted Restricted Shares received by the trustee are payable when these shares are distributed to the relevant grantees. Other dividends received by the trustee become part of the trust fund. All these dividends received by the trustee are treated as a deduction of employee share trust reserve.

(ii) Movement of share based compensation reserve is as follows:

## 32 股份期權及限制性股份獎勵計劃 (續)

### (B) 限制性股份獎勵計劃 (續)

(i) 受託人就股份獎勵計劃持有的股份變動如下：(續)

(a) 受託人收取已授出限制性股份的股息於該等股份分派予相承授人時應付。受託人收取的其他股息會成為信託基金的一部分。受託人收取的所有該等股息會視作扣減僱員股份信託儲備處理。

(ii) 股權報酬儲備變動如下：

		For the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
At 1 January	一月一日	19,800	19,800
Distribution to employees	分派予僱員	(9,966)	—
At 31 December	十二月三十一日	9,834	19,800

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### 32 SHARE OPTIONS AND RESTRICTED SHARE AWARD SCHEME (Continued)

#### (B) RESTRICTED SHARE AWARD SCHEME

(Continued)

Details of the Restricted Shares granted by the Company are as follows:

Name of employees		Fair value per share (HK\$) 每股 公允價值 (港元)	Outstanding at 1 January 2018 於二零一八年 一月一日 尚未行使	Granted during the year 本年度授出	Distributed during the year 年內分派	Outstanding at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
<b>Directors</b>	<b>董事</b>					
Tian Ming	田明	0.69	3,277,500	–	(1,596,000)	1,681,500
Wang Lei appointed as an executive director on 23 November	王磊(於十一月二十三日 獲委任為執行董事)	0.69	796,500	–	–	796,500
Shen Leying	申樂瑩	0.69	2,214,500	–	(1,064,000)	1,150,500
Xie Yuanjian	謝遠建	0.69	2,037,500	–	(1,064,000)	973,500
Zhou Qin	周勤	0.69	1,505,000	–	(620,000)	885,000
			9,831,000	–	(4,344,000)	5,487,000
<b>Other employees</b>	<b>其他僱員</b>					
In aggregate	總計	0.69	25,431,500	–	(11,968,000)	13,463,500
			35,262,500	–	(16,312,000)	18,950,500

The outstanding Restricted Shares had been fully vested as of 31 December 2016.

No expenses (2017: nil) was recognized by the Group as there was no additional share based compensation during the year.

### 32 股份期權及限制性股份獎勵計劃 (續)

#### (B) 限制性股份獎勵計劃 (續)

本公司所授出限制性股份的詳情如下：

Name of employees		Fair value per share (HK\$) 每股 公允價值 (港元)	Outstanding at 1 January 2018 於二零一八年 一月一日 尚未行使	Granted during the year 本年度授出	Distributed during the year 年內分派	Outstanding at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
<b>Directors</b>	<b>董事</b>					
Tian Ming	田明	0.69	3,277,500	–	(1,596,000)	1,681,500
Wang Lei appointed as an executive director on 23 November	王磊(於十一月二十三日 獲委任為執行董事)	0.69	796,500	–	–	796,500
Shen Leying	申樂瑩	0.69	2,214,500	–	(1,064,000)	1,150,500
Xie Yuanjian	謝遠建	0.69	2,037,500	–	(1,064,000)	973,500
Zhou Qin	周勤	0.69	1,505,000	–	(620,000)	885,000
			9,831,000	–	(4,344,000)	5,487,000
<b>Other employees</b>	<b>其他僱員</b>					
In aggregate	總計	0.69	25,431,500	–	(11,968,000)	13,463,500
			35,262,500	–	(16,312,000)	18,950,500

於二零一六年十二月三十一日，尚未行使的受限制股份已全數歸屬。

年內本集團並無額外股權報酬，故概無確認任何支出(二零一七年：無)。

### 33 CONVERTIBLE PERPETUAL SECURITIES

The movements of convertible perpetual securities are as follows:

### 33 可換股永久證券

可換股永久證券的變動載列如下：

		<b>Fuji convertible perpetual securities</b>	<b>Landsea International convertible perpetual securities</b>	<b>Total</b>
		<b>富吉可換股 永久證券</b>	<b>Landsea International 可換股永久證券</b>	<b>總計</b>
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(a)	(b)	
At 1 January 2017	於二零一七年一月一日	110,054	374,150	484,204
Distribution accrued	應計分派	8,458	11,221	19,679
Distribution paid	已付分派	(8,458)	–	(8,458)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	110,054	385,371	495,425
Distribution accrued	應計分派	23,281	6,318	29,599
Distribution paid	已付分派	(24,179)	(27,469)	(51,648)
Redemption	贖回	(109,156)	–	(109,156)
Conversion to ordinary shares	轉為普通股	–	(364,220)	(364,220)
At 31 December 2018	於二零一八年十二月三十一日	–	–	–

- (a) In November 2015, the Company entered into an agreement with Fuji Investment Management Limited (“Fuji”) pursuant to which the investor agreed to subscribe for convertible perpetual securities issued by the Company with an aggregate principal amount of HK\$130,000,000 (equivalent to RMB109,200,000).

- (a) 於二零一五年十一月，本公司與富吉投資管理有限公司（「富吉」）訂立協議，據此，投資者同意認購本公司所發行本金額合共130,000,000港元（相當於人民幣109,200,000元）的可換股永久證券。

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### 33 CONVERTIBLE PERPETUAL SECURITIES

(Continued)

(a) (Continued)

Distribution shall be payable on the convertible perpetual securities to the investor semi-annually in arrear at the following rate of distribution:

- (i) 7.5% per annum in respect of the period from the subscription completion date to the third anniversary of the subscription completion date; and
- (ii) 13.5% per annum after the third anniversary of the subscription completion date.

The convertible perpetual securities do not have a fixed maturity date and may be converted into ordinary shares of the Company at any time at the option of the investor at an initial conversion price of HK\$0.7508 per share subject to certain anti-dilutive adjustments.

The Company may, at its discretion, elect to defer (in whole or in part) any distribution unless certain compulsory distribution payment events have occurred and redeem or purchase the convertible perpetual securities i) for taxation reasons; ii) on the third anniversary of the subscription completion date; and iii) upon certain events as set out in the agreement.

On 18 November 2018, the Company elected to redeem the convertible perpetual securities on the third anniversary of the subscription completion date at the principal amount of HK\$130,000,000 (equivalent to RMB109,156,000) and its unpaid accrued interests.

### 33 可換股永久證券(續)

(a) (續)

須每半年以後付形式按以下分派息率向投資者作出可換股永久證券的分派：

- (i) 認購完成日期起至認購完成日期第三週年期間的年息率為7.5%；及
- (ii) 認購完成日期第三週年後的年息率為13.5%。

可換股永久證券並無固定到期日，投資者可選擇隨時按初步兌換價每股0.7508港元（可作出若干反稀釋調整）兌換為本公司普通股。

除非發生若干強制分派支付事件，否則本公司可 i) 就稅務原因；ii) 於認購完成日期第三週年；及 iii) 按協議所載的若干事件，酌情選擇遞延（全部或部分）分派及贖回或購買可換股永久證券。

二零一八年十一月十八日，本公司選擇於認購完成日期三週年贖回可換股永久證券的本金額130,000,000港元（相當於人民幣109,156,000元）及其未支付應計利息。



### 33 CONVERTIBLE PERPETUAL SECURITIES

(Continued)

- (b) In January 2016, the Company issued convertible perpetual securities to Landsea International with an aggregate principal amount of HK\$432,687,009 (equivalent to RMB363,847,000) to acquire Epic China.

The convertible perpetual securities do not have a fixed maturity date and may be converted into ordinary shares of the Company at any time at the option of Landsea International at an initial conversion price of HK\$0.9334 per share subject to certain anti-dilutive adjustment.

Distribution shall be payable on the convertible perpetual securities to Landsea International semi-annually in arrear at 3% per annum of distribution.

The Company may, at its sole discretion, elect to defer (in whole or in part) any distribution and redeem or purchase the convertible perpetual securities: i) for taxation reasons; ii) on or after the third anniversary of the acquisition date.

The convertible perpetual securities issued to Landsea International did not trigger the conversion price adjustment of the convertible perpetual securities issued to the investor.

On 19 November 2018, the Company and Landsea International agreed to covert the convertible perpetual securities into 463,560,113 ordinary shares of the Company at the price of HK\$0.9334 per share. The convertible perpetual securities were de-recognized and par value of HK\$4,635,000 (equivalent to RMB 3,902,000) (note 31) were recorded as share capital and the difference of HK\$428,051,000 (equivalent to RMB 360,318,000) were recorded as share premium.

### 33 可換股永久證券 (續)

- (b) 於二零一六年一月，本公司向Landsea International發行本金額合共432,687,009港元(相當於人民幣363,847,000元)的可換股永久證券，以收購Epic China。

可換股永久證券並無固定到期日，Landsea International可選擇隨時按初步兌換價每股0.9334港元(可作出若干反稀釋調整)兌換為本公司普通股。

須每半年以後付形式按3%的年派息率向Landsea International作出可換股永久證券的分派。

本公司可 i) 就稅務原因；ii) 於收購日期第三週年或之後，酌情選擇遞延(全部或部分)分派及贖回或購買可換股永久證券。

向Landsea International發行可換股永久證券並無導致調整發行予投資者的可換股永久證券之兌換價。

於二零一八年十一月十九日，本公司與Landsea International協議將可換股永久證券以每股0.9334港元兌換為463,560,113股本公司普通股。可換股永久證券終止確認，面值4,635,000港元(相當於人民幣3,902,000元)(附註31)入賬為股本，差額428,051,000港元(相當於人民幣360,318,000元)入賬為股份溢價。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 34 RESERVES

## 34 儲備

				Share based		Capital						
		Merger	Share	Translation	compensation	Employee	redemption	Statutory	Other	Contributed	Retained	
		Reserve	premium	reserve	reserve	share trust	reserve	reserve	reserve	surplus	earnings	Total
					股權	僱員	資本					
		合併儲備	股份溢價	折算儲備	報酬儲備	股份信託	贖回儲備	法定儲備	其他儲備	實繳盈餘	留存收益	總計
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2017</b>	於二零一七年一月一日	(83,396)	712,051	(284,150)	19,800	(28,907)	23,185	125,149	24,426	114,711	1,761,783	2,384,652
<b>Profit for the year</b>	年度利潤	-	-	-	-	-	-	-	-	-	580,523	580,523
<b>Other comprehensive income:</b>	其他全面收益：	-	-	-	-	-	-	-	-	-	-	-
Exchange difference arising from translation of foreign operations	換算海外業務產生的匯兌差額	-	-	164,445	-	-	-	-	-	-	-	164,445
<b>Total comprehensive income for the year</b>	年度全面收益總額	-	-	164,445	-	-	-	-	-	-	580,523	744,968
Shares held for Share Award Scheme	就股份獎勵計劃持有的股份	32 (b)	-	-	-	(6,543)	-	-	-	-	-	(6,543)
Accrued distribution to holders of convertible perpetual securities	可換股永久證券持有人應計分派	33	-	-	-	-	-	-	-	-	(19,679)	(19,679)
Dividend declared to ordinary shareholder	向普通股股東宣派股息		-	-	-	-	-	-	-	(138,682)	-	(138,682)
Transfer to statutory reserve	轉撥至法定儲備	(b)	-	-	-	-	-	89,915	-	-	(89,915)	-
Share premium reduction	削減股份溢價	(a)	-	(500,000)	-	-	-	-	-	500,000	-	-
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	(83,396)	212,051	(119,705)	19,800	(35,450)	23,185	215,064	24,426	476,029	2,232,712	2,964,716

### 34 RESERVES (Continued)

### 34 儲備(續)

			Merger reserve	Share premium	Translation reserve	Share based compensation reserve	Employee share trust	Capital redemption reserve	Statutory reserve	Other reserve	Contributed surplus	Revaluation gain on the property transferring from property, plant and equipment to investment properties	Retained earnings	Total
		Note	合併儲備 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	折算儲備 RMB'000 人民幣千元	股權報酬儲備 RMB'000 人民幣千元	僱員股份信託 RMB'000 人民幣千元	資本贖回儲備 RMB'000 人民幣千元	法定儲備 RMB'000 人民幣千元	其他儲備 RMB'000 人民幣千元	實繳盈餘 RMB'000 人民幣千元	重估利得 RMB'000 人民幣千元	留存收益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日		(83,396)	212,051	(119,705)	19,800	(35,450)	23,185	215,064	24,426	476,029	-	2,232,712	2,964,716
Changes in accounting policies	會計政策變動	2.2	-	-	-	-	-	-	-	-	-	-	(44,671)	(44,671)
Restated balance at 1 January 2018	二零一八年一月一日經重列結餘		(83,396)	212,051	(119,705)	19,800	(35,450)	23,185	215,064	24,426	476,029	-	2,188,041	2,920,045
Profit for the year	年度利潤		-	-	-	-	-	-	-	-	-	-	1,112,774	1,112,774
Other comprehensive income:	其他全面收益：													
Revaluation gain on the property transferring from property, plant and equipment to investment properties	自不動產、工廠及設備轉移至投資性物業的物業重估利得	18	-	-	-	-	-	-	-	-	-	14,515	-	14,515
Exchange difference arising from translation of foreign operations	換算海外業務產生的匯兌差額		-	-	(129,029)	-	-	-	-	-	-	-	-	(129,029)
Total comprehensive income for the year	年度全面收益總額		-	-	(129,029)	-	-	-	-	-	-	14,515	1,112,774	998,260
Shares held for Share Award Scheme	就股份獎勵計劃持有的股份	32 (b)	-	-	-	-	(17,486)	-	-	-	-	-	-	(17,486)
Employee share based compensation	僱員股權報酬	32 (b)	-	-	-	(9,966)	9,966	-	-	-	-	-	-	-
Issue of ordinary shares as capitalisation of shareholder loans	就股東貸款資本化發行普通股	31	-	251,997	-	-	-	-	-	-	-	-	-	251,997
Conversion of convertible perpetual securities	兌換可換股永久證券	33	-	360,318	-	-	-	-	-	-	-	-	-	360,318
Accrued distribution of holders of convertible perpetual securities	可換股永久證券持有人應計分派	33	-	-	-	-	-	-	-	-	-	-	(29,599)	(29,599)
Dividend declared to ordinary shareholder	向普通股股東已宣派股息	13	-	-	-	-	-	-	-	-	-	-	(138,682)	(138,682)
Transfer to statutory reserve	轉撥至法定備	(b)	-	-	-	-	-	-	54,501	-	-	-	(54,501)	-
At 31 December 2018	於二零一八年十二月三十一日		(83,396)	824,366	(248,734)	9,834	(42,970)	23,185	269,565	24,426	476,029	14,515	3,078,033	4,344,853

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### 34 RESERVES (Continued)

- (a) Pursuant to a resolution passed at the annual general meeting held on 10 June 2017, an amount of RMB500,000,000 was transferred from the share premium account to the contributed surplus account. Under the Companies Act 1981 of Bermuda, a company may make distributions to its shareholders out of the contributed surplus under certain circumstances.
- (b) In accordance with the Laws of Mainland China on Enterprises Operated Exclusively with Foreign Capital and the Articles of Association of the Group's subsidiaries incorporated in Mainland China, an appropriation to statutory reserves has to be made prior to profit distribution to the owners. The appropriation to statutory reserve of these foreign investment enterprises shall be no less than 10% of the net profit until the accumulated appropriation exceeds 50% of the registered capital.

### 34 儲備(續)

- (a) 根據於二零一七年六月十日舉行之股東週年大會通過的決議案，人民幣500,000,000元由股份溢價賬劃撥至實繳盈餘賬。根據百慕達一九八一年公司法，公司可在若干情況下以實繳盈餘向股東作出分派。
- (b) 根據中國內地外商獨資企業法及本集團於中國內地註冊成立的附屬公司的組織章程細則，向擁有人作出利潤分派前，須對法定儲備作出分配。該等外資企業分配至法定儲備的金額不得少於純利的10%，直至累計分配超過註冊資本的50%為止。

### 35 NON-CONTROLLING INTERESTS

### 35 非控制性權益

		For the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
At 1 January as originally stated	於一月一日，按原先呈列	206,122	152,060
Adjustment on adoption of HKFRS 15, net of tax (note 2.2.1)	就採納香港財務報告準則第15號 作出調整，扣除稅項(附註2.2.1)	(1,006)	—
Restated balance at 1 January 2018	二零一八年一月一日經重列結餘	205,116	152,060
Profit for the year	年度利潤	327,796	140,318
Acquisition of additional interests in subsidiaries	收購附屬公司額外權益	—	(134,044)
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	17,247	137,010
Deemed disposal of subsidiaries	視作出售附屬公司	—	(33,407)
Contribution from non-controlling interests	非控制性權益注資	13,498	24,674
Distribution to non-controlling interests	向非控制性權益分派	(188,550)	(61,344)
Exchange differences	匯兌差額	2,233	(19,145)
At 31 December	於十二月三十一日	377,340	206,122

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### 36 CASH FLOW INFORMATION

#### (A) CASH GENERATED FROM OPERATIONS

Reconciliation of profit before income tax to cash generated from operations is as follows:

### 36 現金流量資料

#### (A) 經營所得現金

除所得稅前利潤與經營所得現金的對賬如下：

		For the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	2,261,739	1,127,411
Adjustments for:	調整：		
Interest income (note 7 & 10)	利息收益(附註7及10)	(160,574)	(10,120)
Depreciation of property, plant and equipment (note 19)	不動產、工廠及設備的折舊(附註19)	57,073	11,258
Fair value gain on investment properties (note 18)	投資性物業的公允價值利得(附註18)	(7,363)	(28,910)
Interest expense (note 10)	利息費用(附註10)	323,018	249,045
Gain on disposal of subsidiaries (note 8)	出售附屬公司的利得(附註8)	(166,822)	(285,619)
Gain on disposal of a joint venture (note 8)	出售一間合營企業的利得(附註8)	—	(608)
Share of net profit of associates (note 16)	應佔聯營公司純利(附註16)	(408,854)	(169,453)
Elimination of transactions with associates (note 16)	與聯營公司對銷交易(附註16)	46,418	—
Share of net profit of joint ventures (note 17)	應佔合營企業純利(附註17)	(257,991)	(21,881)
Elimination of transactions with joint ventures (note 17)	與合營企業對銷交易(附註17)	196,367	—
Loss on disposal of property, plant and equipment (note 8)	出售不動產、工廠及設備的虧損(附註8)	10	2
Gain on re-measurement of existing interest in a joint venture upon conversion to a subsidiary (note 8)	於轉換至一間附屬公司時重新計量於合營企業現有權益的利得(附註8)	(19,653)	—
Provision for decline in the value of properties under development and held for sale (note 9)	開發中房地產及持作銷售物業價值下跌撥備(附註9)	5,873	1,032
Gain on FVPL (note 8)	按公平值計入損益的利得(附註8)	(2,675)	—
Provision for impairment of financial assets (note 9)	金融資產減值撥備(附註9)	(714)	2,783
Operating profit before movements in working capital	除營運資本變動前的經營利潤	1,865,852	874,940
Increase in properties held for sale	持作銷售物業增加	(149,560)	(453,540)



**36 CASH FLOW INFORMATION** (Continued)  
**(A) CASH GENERATED FROM OPERATIONS**  
(Continued)

**36 現金流量資料(續)**  
**(A) 經營所得現金(續)**

		For the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Decrease in properties under development	開發中房地產減少	326,246	1,430,029
Increase in inventories	庫存增加	(64,492)	(28,559)
Increase in trade and other receivables, prepayments and deposits	應收賬款、其他應收款、預付款及按金增加	(680,232)	(1,882,707)
Decrease in contract assets	合約資產減少	105,333	—
Increase in trade and other payables	應付賬款及其他應付款增加	1,662,806	2,413,636
Increase in contract liabilities	合約負債增加	27,963	—
Increase/(Decrease) in advanced proceeds received from customers	向客戶收取的預付所得款項增加／(減少)	13,869	(873,739)
Increase in restricted cash	受限制現金增加	(13,772)	(25,397)
Increase in employee share trust	僱員股份信託增加	(19,631)	(6,543)
Operating profit after movements in working capital	除營運資金變動後的經營利潤	3,074,382	1,448,120
Acquisition of assets and liabilities through acquisition of subsidiary (note 37 (b))	通過收購附屬公司收購資產及負債(附註37(b))	(548,057)	—
<b>Net cash generated from operations</b>	<b>經營所得現金淨額</b>	<b>2,526,325</b>	<b>1,448,120</b>

**(B)** Non-cash investing and financing activities disclosed in other notes are:

- Conversion of convertible perpetual securities — note 33 (b)
- Issue of new shares for capitalization of shareholder's loans — note 31 (a)

**(B)** 於其他附註披露的非現金投資及融資活動為：

- 兌換可換股永久證券— 附註33 (b)
- 就股東貸款資本化發行新股—附註31 (a)

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 36 CASH FLOW INFORMATION (Continued)

#### (C) NET DEBT RECONCILIATION

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flow will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

### 36 現金流量資料(續)

#### (C) 淨負債的對賬

下表載列本集團自融資活動所產生負債的變動(包括現金及非現金變動)詳情。自融資活動所產生的負債為本集團於綜合現金流量表分類為融資活動所得現金流量的現金流量或未來現金流量。

		Borrowings	Amounts due to non-controlling interest	Amounts due to related parties	Total
		借款	應付非控制性權益款項	應付關聯方款項	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2017	於二零一七年一月一日	6,083,341	211,492	2,112,472	8,407,305
Cash flows	現金流量	567,982	(92,837)	2,646,214 <sup>(i)</sup>	3,121,359
Disposal of subsidiaries	出售附屬公司	(1,259,440)	(83,328)	–	(1,342,768)
Exchange difference arising from translation of foreign operations	換算海外業務所產生匯兌差額	24,026	–	–	24,026
Accrual of interest	應計利息	13,506	–	–	13,506
As at 31 December 2017	於二零一七年十二月三十一日	5,429,415	35,327	4,758,686	10,223,428
As at 1 January 2018	於二零一八年一月一日	5,429,415	35,327	4,758,686	10,223,428
Cash flows	現金流量	1,459,251	(14,193) <sup>(ii)</sup>	1,136,474 <sup>(i)</sup>	2,581,532
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	296,198	384,365	–	680,563
Disposal of subsidiaries (note 38)	出售附屬公司(附註38)	(255,400)	–	–	(255,400)
Capitalization of shareholder loans	股東貸款資本化	–	–	(254,997)	(254,997)
Exchange difference arising from translation of foreign operations	換算海外業務所產生匯兌差額	95,131	–	–	95,131
Accrual of interest	應計利息	–	4,546	73,188	77,734
As at 31 December 2018	於二零一八年十二月三十一日	7,024,595	410,045	5,713,351	13,147,991

### 36 CASH FLOW INFORMATION (Continued)

#### (C) NET DEBT RECONCILIATION (Continued)

- (i) The cash flows include financing cash inflow of RMB945,166,000 (2017: RMB1,626,814,000) and operating cash inflow of RMB191,308,000 (2017: RMB1,019,400,000).
- (ii) The cash flows include financing cash outflow of RMB10,794,000 (2017: Nil) and operating cash inflow of RMB3,399,000 (2017: Nil).

### 37 ACQUISITION OF SUBSIDIARIES

#### (A) BUSINESS COMBINATION

On 7 February 2018, the Group acquired 100% equity interest in 上海睿開合夥企業 (有限合夥) (Shanghai Rui Kai investment partnership (limited partnership)) (“Rui Kai”) and 61.54% equity interest in Silver Knight Global Limited (“SK”) from a third party at a total consideration of RMB221,010,000. After the acquisition, SK which the Group held 38.46% before the transaction became a wholly owned subsidiary of the Group. The carrying amount of 38.46% equity interest held by the Group before the acquisition was Nil.

On 8 February 2018, the Group acquired 100% equity interest in Guangzhou Jian Zhao Enterprise Management Co., Ltd. (“GZJianZhao”) from a third party at a consideration of RMB230,000,000.

### 36 現金流量資料(續)

#### (C) 淨負債的對賬(續)

- (i) 現金流量包括融資現金流入人民幣 945,166,000 元(二零一七年：人民幣 1,626,814,000 元)及經營現金流入人民幣 191,308,000 元(二零一七年：人民幣 1,019,400,000 元)。
- (ii) 現金流量包括融資現金流出人民幣 10,794,000 元(二零一七年：零)及經營現金流入人民幣 3,399,000 元(二零一七年：零)。

### 37 收購附屬公司

#### (A) 業務合併

於二零一八年二月七日，本集團向一名第三方收購上海睿開合夥企業(有限合夥)(「睿開」)100%股權及 Silver Knight Global Limited(「SK」)61.54%股權，總代價為人民幣 221,010,000 元。收購後，SK(本集團於交易前持有 38.46%)成為本集團全資附屬公司。收購前本集團所持有 38.46% 股權的賬面值為零。

於二零一八年二月八日，本集團向一名第三方收購 Guangzhou Jian Zhao Enterprise Management Co., Ltd. (「廣州建昭」)100%股權，代價為人民幣 230,000,000 元。

Purchase consideration 購買代價		Rui Kai 睿開 RMB'000 人民幣千元	SK SK RMB'000 人民幣千元	GZJianZhao 廣州建昭 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
— Cash considerations	— 現金代價	189,525	31,485	208,000	429,010
— Other receivables	— 其他應收款	—	—	22,000	22,000
— Re-measurement of interest in joint ventures	— 重新計量於合營企業的權益	—	19,653	—	19,653
Total consideration transferred	已轉移總代價	189,525	51,138	230,000	470,663

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 37 ACQUISITION OF SUBSIDIARIES (Continued)

#### (A) BUSINESS COMBINATION (Continued)

The assets and liabilities recognized as a result of these acquisitions are as follows:

### 37 收購附屬公司 (續)

#### (A) 業務合併 (續)

因收購而確認的資產及負債如下：

		Rui Kai 睿開 RMB'000 人民幣千元	SK SK RMB'000 人民幣千元	GZJianZhao 廣州建昭 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	1,178	237,852	5,612	244,642
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、 預付款及按金	188,347	31,953	445	220,745
Properties under development (note 23)	開發中房地產(附註23)	—	846,296	—	846,296
Property, plant and equipment (note 19)	不動產、工廠及設備 (附註19)	—	—	325,881	325,881
Deferred income tax assets	遞延所得稅資產	—	2,397	—	2,397
Trade and other payables	應付賬款及其他應付款	—	(404,381)	(35,529)	(439,910)
Contract liabilities	合約負債	—	(299,443)	—	(299,443)
Borrowings	借款	—	(296,198)	—	(296,198)
Deferred income tax liabilities	遞延所得稅負債	—	(67,338)	(66,409)	(133,747)
Net identifiable assets acquired at fair value	按公允價值所收購的可 識別淨資產	189,525	51,138	230,000	470,663
Less: non-controlling interests	減：非控制性權益	—	—	—	—
Add: goodwill	加：商譽	—	—	—	—
Total acquired net assets at fair value	按公允價值所收購的 淨資產總值	189,525	51,138	230,000	470,663
Cash (outflow)/inflow on acquisitions	收購的現金(流出)/流入				
Total considerations settled by cash	現金支付的總代價	(189,525)	(31,485)	(208,000)	(429,010)
Cash acquired in the subsidiaries acquired	收購所收購附屬公司 的現金	1,178	237,852	5,612	244,642
Cash (outflow)/inflow on acquisitions	收購的現金(流出)/流入	(188,347)	206,367	(202,388)	(184,368)

### 37 ACQUISITION OF SUBSIDIARIES (Continued)

#### (A) BUSINESS COMBINATION (Continued)

The acquired business contributed revenues of RMB690,274,000 and profit of RMB20,453,000 to the Group for the period from 7 February to 31 December 2018.

If the acquisition had occurred on 1 January 2018, consolidated pro-forma revenue for the year ended 31 December 2018 would have been the same and profit for the year ended 31 December 2018 would have RMB12,513,000 lower. These amounts have been calculated using the subsidiaries' results and adjusting them for:

- differences in the accounting policies between the Group and the subsidiaries', and
- additional cost of sales that would have been charged assuming the fair value adjustments to properties under development had applied from 1 January 2018, together with the consequential tax effects.

#### (B) ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

On 7 July 2018, the Group acquired 99.59% equity interest in Chengdu Haixing from multiple third parties at a total consideration of RMB688,190,000. After the acquisition, Chengdu Haixing became a partially owned subsidiary of the Group.

On 10 Sept 2018, the Group acquired 60% equity interest in 南京王家灣物流中心有限責任公司 (Nanjing Wangjiawan Logistics Center Co., Ltd.) ("Wangjiawan") from a third party at a total consideration of RMB21,580,000. After the acquisition, Wangjiawan became a partially owned subsidiary of the Group.

### 37 收購附屬公司(續)

#### (A) 業務合併(續)

被收購業務在二零一八年二月七日至二零一八年十二月三十一日期間向本集團貢獻收入人民幣690,274,000元及利潤人民幣20,453,000元。

如果收購在二零一八年一月一日已發生，截至二零一八年十二月三十一日年度的合併備考收入會相同，截至二零一八年十二月三十一日年度的利潤會減少人民幣12,513,000元。該等金額由經以下調整後的附屬公司經營業績得出：

- 本集團和附屬公司之間的會計政策差異，及
- 假設從二零一八年一月一日起對開發中房地產進行公允價值調整，則可能增加的額外銷售成本，以及相應的稅收影響。

#### (B) 通過收購附屬公司收購資產及負債

二零一八年七月七日，本集團從多個第三方收購成都海興99.59%權益，總代價為人民幣688,190,000元。收購後，成都海興成為本集團非全資附屬公司。

二零一八年九月十日，本集團從一名第三方收購南京王家灣物流中心有限責任公司(「王家灣」)60%權益，總代價為人民幣21,580,000元。收購後，王家灣成為本集團非全資附屬公司。

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### 37 ACQUISITION OF SUBSIDIARIES (Continued)

#### (B) ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

(Continued)

The assets and liabilities recognized as a result of these acquisitions are as follows:

### 37 收購附屬公司 (續)

#### (B) 通過收購附屬公司收購資產及負債 (續)

因收購而確認的資產及負債如下：

		Chengdu Haixing 成都海興 RMB'000 人民幣千元	Wangjiawan 王家灣 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	67,469	4,763	72,232
Trade and other receivables, prepayments and deposits	應收賬款及其他應收款、 預付款及訂金	367	2,137	2,504
Properties under development (note 23)	開發中房地產 (附註23)	1,296,733	549,739	1,846,472
Deferred income tax assets	遞延所得稅資產	–	1,521	1,521
Trade and other payables	應付賬款及其他應付款	(673,519)	(517,515)	(1,191,034)
Contract liabilities	合約負債	–	(4,636)	(4,636)
		691,050	36,009	727,059
Less: non-controlling interests	減：非控制性權益	(2,860)	(14,387)	(17,247)
Total acquired net assets	收購的總資產	688,190	21,622	709,812
Total consideration	總代價	688,190	21,622	709,812
Net cash outflow on acquisitions	收購的現金淨流出			
Total considerations settled by cash	現金支付的總代價	(688,190)	(21,622)	(709,812)
Cash acquired in the subsidiaries acquired	收購所收購附屬公司的現金	67,469	4,763	72,232
Consideration payable (note 28)	應付代價 (附註28)	89,523	–	89,523
Net cash outflow on acquisitions	收購的現金淨流出	(531,198)	(16,859)	(548,057)

In the opinion of the directors of the Company, acquisition of such subsidiaries does not constitute a business. Therefore, the transaction was determined by the directors of the Company to be acquisition of assets and liabilities through acquisition of subsidiary rather than a business combination as defined in HKFRS 3 (Revised) Business Combination.

本公司董事認為收購該等附屬公司並不構成業務。因此本公司董事將交易界定為通過收購附屬公司收購資產及負債，而非香港財務報告準則第3號(修改)業務合併界定的業務合併。



### 38 DISPOSAL OF SUBSIDIARIES PARTIAL DISPOSAL

On 29 June 2018, the Group disposed of two property development companies ("Su Qian") by reducing equity interests from 100.00% to 51.00% respectively at a total consideration of RMB196,801,000, and retained Su Qian as joint ventures.

On 19 July 2018, the Group disposed of a wholly owned property development company ("Ningbo") by selling 60% equity interests at a consideration of RMB43,834,000.

#### DEEMED DISPOSAL

On 30 April 2018, the Group lost control of a wholly owned subsidiary, namely, Jiaxing Langrong Investment Partnership (Limited Partnership) ("Jiaxing Langrong"), pursuant to capital injection by new investors and the Group at the amount of RMB29,000,000 and RMB79,000,000, respectively. After such capital injection, Jiaxing Langrong became a joint venture of the Group.

The Group also disposed of certain subsidiaries in year 2018, which were considered not significant to the Group.

(a) Summaries of these disposals are as follows:

### 38 出售附屬公司 部分出售

二零一八年六月二十九日，本集團出售兩家物業開發公司（「宿遷」），將權益由100.00%削減至51.00%，總代價為人民幣196,801,000元，並保留宿遷作合營企業。

二零一八年七月十九日，本集團出售全資物業開發公司（「寧波」），方法為出售60%權益，代價為人民幣43,834,000元。

#### 視作出售

於二零一八年四月三十日，根據新投資者及本集團分別注資人民幣29,000,000元及人民幣79,000,000元，本集團失去對全資附屬公司嘉興朗融投資合夥企業（有限合夥）（「嘉興朗融」）的控制權。注資後，嘉興朗融成為本集團的合營企業。

本集團亦於二零一八年出售若干對本集團並不重大的附屬公司。

(a) 有關出售摘要如下：

		Gain on disposal of subsidiaries	Net cash inflow/ (outflow) from disposal of subsidiaries 出售附屬公司 現金流入／ (流出)淨額 RMB'000 人民幣千元
Disposal of Suqian	出售宿遷	110,851	96,226
Disposal of Ningbo	出售寧波	30,521	40,322
Deemed disposal of Jiaxing Langrong	視作出售嘉興朗融	3,378	(5,690)
Disposal of others	出售其他	22,072	3,410
		<u>166,822</u>	<u>134,268</u>

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### 38 DISPOSAL OF SUBSIDIARIES (Continued)

#### DEEMED DISPOSAL (Continued)

(b) Net assets disposed with reconciliation of disposal gain and cash inflow are as follows:

### 38 出售附屬公司(續)

#### 視作出售(續)

(b) 出售之淨資產與出售利得及現金流入對賬如下：

		Disposal of subsidiaries to joint ventures 出售附屬公司為合營企業					Total disposal of a subsidiary 出售一家附屬公司總額	Total
		Su Qian 宿遷 RMB'000 人民幣千元	Jiaxing Langrong 嘉興朗融 RMB'000 人民幣千元	Ningbo 寧波 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元		
<b>Net assets disposed of comprise:</b>	<b>所出售淨資產包括：</b>							
– Properties under development (note 23)	– 開發中房地產(附註23)	505,694	–	256,857	–	762,551	–	762,551
– Cash and cash equivalents	– 現金及現金等價物	100,575	5,690	3,512	118	109,895	472	110,367
– Trade and other receivables, prepayments and deposits	– 應收賬款及其他應收款、預付款及按金	5,830	9,163	23,439	306,236	344,668	33,240	377,908
– Interests in joint ventures	– 於合營企業的權益	–	–	–	143,216	143,216	–	143,216
– Deferred income tax assets	– 遞延所得稅資產	6,370	784	11,452	1,360	19,966	4,414	24,380
– Property, plant and equipment (note 19)	– 不動產、工廠及設備(附註19)	103	325,880	27	–	326,010	34,061	360,071
– Trade and other payables	– 應付賬款及其他應付款	(237,970)	(44,083)	(252,752)	(451,275)	(986,080)	(88,914)	(1,074,994)
– Borrowings	– 借款	(100,000)	(155,400)	–	–	(255,400)	–	(255,400)
– Deferred income tax liabilities	– 遞延所得稅負債	–	(66,409)	–	–	(66,409)	–	(66,409)
		<u>280,602</u>	<u>75,625</u>	<u>42,535</u>	<u>(345)</u>	<u>398,417</u>	<u>(16,727)</u>	<u>381,690</u>
Recognition of interest in joint ventures (i)	確認合營企業權益(i)	194,652	79,003	29,222	1,000	303,877	–	303,877
Cash consideration received	已收取的現金代價	196,801	–	43,834	4,000	244,635	–	244,635
		<u>391,453</u>	<u>79,003</u>	<u>73,056</u>	<u>5,000</u>	<u>548,512</u>	<u>–</u>	<u>548,512</u>
Gain on disposal of subsidiaries	出售附屬公司的利得	<u>110,851</u>	<u>3,378</u>	<u>30,521</u>	<u>5,345</u>	<u>150,095</u>	<u>16,727</u>	<u>166,822</u>
Net cash inflow arising on the disposals:	出售產生的淨現金流入：							
Total consideration settled by cash	現金代價總額	196,801	–	43,834	4,000	244,635	–	244,635
Less: Cash and cash equivalents in the disposed subsidiaries	減：所出售附屬公司的現金及現金等價物	(100,575)	(5,690)	(3,512)	(118)	(109,895)	(472)	(110,367)
Net cash inflow arising on the disposals	出售產生的淨現金流入：	<u>96,226</u>	<u>(5,690)</u>	<u>40,322</u>	<u>3,882</u>	<u>134,740</u>	<u>(472)</u>	<u>134,268</u>

(i) Included in gain on disposal of subsidiaries is re-measurement gain of interest in joint ventures of RMB46,387,000.

(i) 出售附屬公司之利得包括合營企業權益重新計量利得人民幣46,387,000元。

### 39 RELATED PARTY BALANCES AND TRANSACTIONS

In addition to those related party balances and transactions elsewhere disclosed in the consolidated financial statements, the Group had the following significant balances and transactions:

#### (A) AMOUNTS DUE FROM RELATED PARTIES

### 39 關聯方結餘及交易

除該等綜合財務報表另有披露外，本集團擁有下列重大關聯方結餘及交易：

#### (A) 應收關聯方款項

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in non-current assets (note 25):	計入非流動資產(附註25)：		
— Associates (i)	— 聯營公司(i)	278,162	285,364
— Joint ventures (ii)	— 合營企業(ii)	1,353,333	1,085,171
		<b>1,631,495</b>	1,370,535
Included in current assets (note 25):	計入流動資產(附註25)：		
— Associates (i)	— 聯營公司(i)	89,209	768,465
— Joint ventures (ii)	— 合營企業(ii)	656,091	791,361
— Ultimate controlling shareholder and its fellow subsidiaries	— 最終控股股東及其同系 附屬公司	511	—
		<b>745,811</b>	1,559,826

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (A) AMOUNTS DUE FROM RELATED PARTIES

(Continued)

- (i) As of 31 December 2018, non-current amounts due from associates generate interest at 8.00% per annum. Current amounts due from associates include RMB83,541,000 generating interest at 14.00% per annum and the remaining amounts are interest-free.

As of 31 December 2017, non-current amounts due from associates generate interest at 8.00% per annum. Current amounts due from associates include RMB204,104,000 generating interest at 14.00% per annum and the remaining amounts are interest-free.

- (ii) As of 31 December 2018, non-current amounts due from joint ventures generate interest ranging from 5.00% to 13.00% per annum. Current amounts due from joint ventures include RMB226,570,000 generating interest ranging from 6.5% to 12% per annum and the remaining amounts are interest-free.

As of 31 December 2017, non-current amounts due from joint ventures generate interest ranging from 5.00% to 12.00% per annum. Current amounts due from joint ventures include RMB159,000,000 generating interest ranging from 5.00% to 12.00% per annum and the remaining amounts are interest-free.

All amounts due from related parties are unsecured.

The carrying amounts of amounts due from related parties approximate their fair values.

### 39 關聯方結餘及交易 (續)

#### (A) 應收關聯方款項 (續)

- (i) 於二零一八年十二月三十一日，應收聯營公司非流動款項按年利率8.00%計息。應收聯營公司流動款項包括人民幣83,541,000元，按14.00%年利率計息，其餘免息。

於二零一七年十二月三十一日，應收聯營公司非流動款項按年利率8.00%計息。應收聯營公司流動款項包括人民幣204,104,000元，按14.00%年利率計息，其餘免息。

- (ii) 於二零一八年十二月三十一日，應收合營企業非流動款項按介乎5.00%至13.00%年利率計息。應收合營企業流動款項包括人民幣226,570,000元，按年利率6.5%至12%計息，其餘免息。

截至二零一七年十二月三十一日，應收合營企業非流動款項按介乎5.00%至12.00%年利率計息。應收合營企業流動款項包括人民幣159,000,000元，按介乎5.00%至12.00%年利率計息，餘下結餘為免息。

所有應收關聯方款項為無抵押。

應收關聯方款項的賬面值與其公允價值相若。

**39 RELATED PARTY BALANCES AND TRANSACTIONS** (Continued)  
**(B) AMOUNTS DUE TO RELATED PARTIES**

**39 關聯方結餘及交易 (續)**

**(B) 應付關聯方款項**

	<b>31 December</b> <b>2018</b> 於二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in non-current liabilities (note 28): 計入非流動負債(附註28)：		
— Associates (i) 一 聯營公司(i)	<b>1,581,829</b>	1,761,220
— Joint ventures (ii) 一 合營企業(ii)	<b>1,222,997</b>	763,474
— Ultimate controlling shareholder and its fellow subsidiaries (iii) 一 最終控股股東及其同系附屬公司(iii)	<b>—</b>	189,912
	<b>2,804,826</b>	2,714,606
Included in current liabilities (note 28): 計入流動負債(附註28)：		
— Associates (i) 一 聯營公司(i)	<b>2,175,106</b>	298,200
— Joint ventures(ii) 一 合營企業(ii)	<b>676,754</b>	25,398
— Ultimate controlling shareholder and its fellow subsidiaries (iii) 一 最終控股股東及其同系附屬公司(iii)	<b>56,666</b>	1,720,482
	<b>2,908,526</b>	2,044,080

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (B) AMOUNTS DUE TO RELATED PARTIES

(Continued)

- (i) As of 31 December 2018, non-current amounts due to associates are interest-free. Current amounts due to associates include RMB736,360,000 bearing interest at 5.70% per annum and the remaining amounts are interest-free.

As of 31 December 2017, non-current amounts due to associates are interest-free. Current amounts due to associates includes RMB293,700,000 bearing interest at 8.50% per annum and the remaining amounts are interest-free.

- (ii) As of 31 December 2018, both non-current and current amounts due to joint ventures are interest-free.

As of 31 December 2017, non-current amounts due to joint ventures include RMB315,230,000 bearing interest ranging from 6.00% to 7.50% per annum and the remaining amounts are interest-free. Current amounts due to joint ventures are interest-free.

- (iii) As of 31 December 2018, current amount due to ultimate controlling shareholder and its fellow subsidiaries are interest-free.

As of 31 December 2017, non-current amounts due to ultimate controlling shareholder and its fellow subsidiaries bear interest at 5.50% per annum. Current amounts due to ultimate controlling shareholder and its fellow subsidiaries are interest-free.

All amounts due to related parties are unsecured.

### 39 關聯方結餘及交易 (續)

#### (B) 應付關聯方款項 (續)

- (i) 截至二零一八年十二月三十一日，應付聯營公司非流動款項為免息。應付聯營公司流動款項包括人民幣736,360,000元，按年利率5.70%計息，其餘免息。

截至二零一七年十二月三十一日，應付聯營公司非流動款項為免息。應付聯營公司流動款項包括人民幣293,700,000元，按年利率8.50%計息，其餘免息。

- (ii) 截至二零一八年十二月三十一日，應付合營企業非流動款項及流動款項均為免息。

截至二零一七年十二月三十一日，應付合營企業非流動款項包括人民幣315,230,000元，按年利率6.00%至7.50%計息，其餘免息。應付合營企業流動款項為免息。

- (iii) 截至二零一八年十二月三十一日，應付最終控股股東及其同系附屬公司流動款項免息。

截至二零一七年十二月三十一日，應付最終控股股東及其同系附屬公司非流動款項按年利率5.50%計息。應付最終控股股東及其同系附屬公司流動款項為免息。

所有應付關聯方款項為無抵押。



### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (C) TRADE RECEIVABLES

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Included in current assets (note 25):	計入流動資產(附註25)		
— Joint ventures	— 合營企業	211,615	158,065
— Associates	— 聯營公司	108,867	65,586
— Ultimate controlling shareholder and its fellow subsidiaries	— 最終控股股東及其同系 附屬公司	14,812	—
		335,294	223,651
		(3,353)	—
Less: provision for bad debt (note 3.1(b)(i))	減：壞賬撥備(附註3.1(b)(i))	331,941	223,651

#### (D) BORROWINGS

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
— Ultimate controlling shareholder (note 29)	— 最終控股股東(附註29)	1,665,000	1,665,000

#### (E) GUARANTEE

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
— Guarantee in respect of related parties' borrowings (note 40)	— 就關聯方借款提供擔保 (附註40)	184,278	230,316

### 39 關聯方結餘及交易(續)

#### (C) 應收賬款

#### (D) 借款

#### (E) 擔保

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (F) RELATED PARTY TRANSACTIONS

##### (i) Funding with related parties

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度			
		Funding to related parties 向關聯方提供資金		Collection of funding to related parties 向關聯方收回資金	
		Operating 經營	Investing 投資	Operating 經營	Investing 投資
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Associates	聯營公司	19	42,000	280,306	157,000
Joint ventures	合營企業	1,856,146	1,830,775	1,460,784	1,735,797
Ultimate controlling shareholder and its fellow subsidiaries	最終控股股東及其同系 附屬公司	511	-	-	-
		<u>1,856,676</u>	<u>1,872,775</u>	<u>1,741,090</u>	<u>1,892,797</u>

  

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度			
		Proceeds from related parties 向關聯方收取資金		Repayment to related parties 向關聯方償還資金	
		Operating 經營	Financing 融資	Operating 經營	Financing 融資
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Associates	聯營公司	1,369,803	438,080	86,600	32,000
Joint ventures	合營企業	2,117,434	674,000	1,481,847	200,000
Ultimate controlling shareholder and its fellow subsidiaries	最終控股股東及其同系 附屬公司	5,866,725	1,207,973	7,530,540	1,142,887
		<u>9,353,962</u>	<u>2,320,053</u>	<u>9,098,987</u>	<u>1,374,887</u>

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (F) RELATED PARTY TRANSACTIONS (Continued)

##### (i) Funding with related parties (Continued)

		For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度			
		Funding to related parties 向關聯方提供資金		Collection of funding to related parties 向關聯方收回資金	
		Operating 經營	Investing 投資	Operating 經營	Investing 投資
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Associates	聯營公司	570,022	285,364	2,801	468,849
Joint ventures	合營企業	656,567	38,955	–	809,404
		1,226,589	324,319	2,801	1,278,253

		For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度			
		Proceeds from related parties 向關聯方收取資金		Repayment to related parties 向關聯方償還資金	
		Operating 經營	Financing 融資	Operating 經營	Financing 融資
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Associates	聯營公司	737,492	485,838	–	253,000
Joint ventures	合營企業	290,000	561,734	–	94,870
Ultimate controlling shareholder and its fellow subsidiaries	最終控股股東及其同系附屬公司	–	1,032,472	8,092	105,360
		1,027,492	2,080,044	8,092	453,230

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

#### (F) RELATED PARTY TRANSACTIONS (Continued)

##### (ii) Management services, other income and finance cost

### 39 關聯方結餘及交易 (續)

#### (F) 關聯方交易 (續)

##### (ii) 管理服務、其他收益及融資成本

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Management services income from associates and joint ventures (a)	來自聯營公司及合營企業之管理服務收益(a)	548,884	421,983
Management services income from fellow subsidiaries of the ultimate controlling shareholder (b)	來自最終控股股東的同系附屬公司之管理服務收益(b)	23,238	612
Interest income on amounts due from associates (note 7)	應收聯營公司款項之利息(附註7)	36,085	52,454
Interest income on amounts due from joint ventures (note 7)	應收合營企業款項之利息(附註7)	69,650	52,948
Purchase from fellow subsidiaries of ultimate controlling shareholder (c)	從最終控股股東的同系附屬公司購買(c)	32,382	—
Interest expense on loans from the ultimate controlling shareholder (note 10) (d)	來自最終控股股東之貸款利息費用(附註10)(d)	95,483	126,888
Interest expense on loans from fellow subsidiaries of the ultimate controlling shareholder (note 10)	來自最終控股股東的同系附屬公司之貸款利息費用(附註10)	27,963	58,098
Interest expense on loans from joint ventures (note 10)	來自合營企業之貸款利息費用(附註10)	15,448	29,789
Interest expense on loans from associates (note 10)	來自聯營公司之貸款利息費用(附註10)	18,543	11,388

## 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (F) RELATED PARTY TRANSACTIONS (Continued)

#### (ii) Management services, other income and finance cost (Continued)

- (a) During the year ended 31 December 2018, the Group continuously provided management services to its associates and joint ventures. The prices of these services are based on the prevailing market prices of similar services.
- (b) Pursuant to the management services agreement entered into between the Group and its ultimate controlling shareholder, the Group provided certain development management services and sales management services to fellow subsidiaries of the ultimate controlling shareholder during the year ended 31 December 2018. These transactions constitute continuing connected transactions of the Group under Chapter 14A of the Listing Rules and such transactions have complied with the relevant disclosure requirements under Chapter 14A of the Listing Rules.

The prices of these services are based on the prevailing market prices of similar services provided by the Group to independent third parties.

- (c) During the year ended 31 December 2018, the Group purchased certain green architecture technological products and services, decoration services, property services and properties consulting service from fellow subsidiaries. The prices of products and services were based on the prevailing market prices of similar products and services.
- (d) The ultimate holding company provided interest bearing loans to the Group during the year. The interest expense on loans is based on prevailing market interest rate and is exempted from the reporting and disclosure requirement pursuant to Rule 14A.90 of the Listing Rules.

## 39 關聯方結餘及交易 (續)

### (F) 關聯方交易 (續)

#### (ii) 管理服務、其他收益及融資成本 (續)

- (a) 截至二零一八年十二月三十一日止年度，本集團持續向聯營公司及合營企業提供管理服務，該等服務以類似服務之現行市價為定價基準。
- (b) 根據本集團與最終控股股東訂立之項目管理服務協議，截至二零一八年十二月三十一日止年度本集團向最終控股股東的同系附屬公司提供若干項目開發管理、銷售管理服務。根據上市規則第14A章，該等交易屬於本集團之持續關連交易，而該等交易已遵守上市規則第14A章所載相關披露規定。

該等服務以本集團向獨立第三方提供類似服務之現行市價為定價基準。

- (c) 截至二零一八年十二月三十一日止年度，本集團向同系附屬公司購買若干綠色建築技術產品及服務、裝飾服務、物業服務與物業諮詢服務。該等產品及服務以類似產品及服務之現行市價為定價基準。
- (d) 年內，最終控股公司向本集團提供計息貸款。貸款利息費用乃按現行市場利率計算，並根據上市規則第14A.90條獲豁免遵守申報及披露規定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

- (G) Included in employee benefit expenses are key management personnel compensations which comprises the following categories:

### 39 關聯方結餘及交易 (續)

- (G) 僱員福利費用包括涵蓋以下類別之主要管理人員補償：

		For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元	For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	37,681	42,641
Contributions to retirement benefits schemes	退休福利計劃供款	1,110	1,267
Restricted share award	限制性股份獎勵	—	—
		<b>38,791</b>	<b>43,908</b>

### (H) TRANSACTIONS DISCLOSED IN OTHER NOTES ARE:

- Conversion of convertible perpetual securities — note 33 (b)
- Issue of new shares for capitalization of shareholder loans — note 31 (a)
- Disposal of 朗詩常青藤養老服務(上海)有限公司 ("Landsea Ivy Senior housing Service (Shanghai) Co., Ltd.") to a fellow subsidiary of the ultimate controlling shareholder at the consideration of RMB1 — note 38.

### (H) 於其他附註披露的交易為：

- 兌換可換股永久證券 — 附註33 (b)
- 就股東貸款資本化發行新股 — 附註31 (a)
- 出售朗詩常青藤養老服務(上海)有限公司予最終控股股東的一家同系附屬公司，代價為人民幣1元 — 附註38。



## 40 CONTINGENT LIABILITIES GUARANTEE

## 40 或然負債 擔保

	<b>31 December</b> <b>2018</b> 於 二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元	31 December 2017 於 二零一七年 十二月三十一日 RMB'000 人民幣千元
Guarantee in respect of mortgage facilities for certain purchasers (a)	<b>2,110,433</b>	2,140,598
Guarantee in respect of related parties' borrowings (b)	<b>184,278</b>	230,316
	<b>2,294,711</b>	2,370,914

(a) The Group cooperated with various financial institutions to arrange mortgaged loan facilities for the purchasers of its properties and provided guarantees to secure such purchasers' obligation of repayments. Such guarantees will be released by banks upon earlier of the issuance of the real estate ownership certificate and the satisfaction of relevant mortgaged loan. In the opinion of directors of the Company, the fair value of the financial guarantee contracts is not significant.

(b) As at 31 December 2018, the Group provided guarantees to LS-NJ Port Imperial LLC, a 51% joint venture of the Group, for its bank borrowing with the amount of RMB61,770,000 and LS-NJ Port Imperial EB5 Borrower LLC, a 51% joint venture of the Group, for its EB-5 loans with the amount of RMB122,508,000. Obligation under the guarantees provided to LS-NJ Port Imperial LLC and LS-NJ Port Imperial EB5 Borrower LLC shall be discharged pursuant to the counter-indemnity provided by Landsea Group Co., Ltd. Bank borrowing and EB-5 Loan of Fenway Ventures Point Properties LLC, which guaranteed by the Group were repaid during the year ended 31 December 2018.

(a) 本集團與多家金融機構合作，為其物業買家安排按揭貸款融資並就該等買家之還款責任提供擔保。有關擔保將於獲發房地產擁有權證或償還按揭貸款（以較早者為準）後由銀行解除。本公司董事認為，財務擔保合約之公允價值並不重大。

(b) 於二零一八年十二月三十一日，本集團為LS-NJ Port Imperial LLC（為本集團之51%合營企業）之銀行借款提供擔保，金額為人民幣61,770,000元。本集團同時為LS-NJ Port Imperial EB5 Borrower LLC（為本集團之51%合營企業）之EB-5貸款提供擔保，金額為人民幣122,508,000元。對LS-NJ Port Imperial LLC及LS-NJ Port Imperial EB5 Borrower LLC的保證責任將根據朗詩集團股份有限公司的對應賠償保證解除。由本集團提供擔保的Fenway Ventures Point Properties LLC銀行借款及EB-5貸款已於截至二零一八年十二月三十一日止年度償還。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 41 COMMITMENTS

#### (A) OPERATING LEASE ARRANGEMENTS

##### *The Group — As lessee*

At the reporting date, the Group had the outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

		31 December 2018 於 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於 二零一七年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	353,434	82,756
Later than one year but no later than five years	一年後但不超過五年	2,833,078	763,080
Over five years	超過五年	5,604,382	1,549,378
		<b>8,790,894</b>	<b>2,395,214</b>

##### *The Group — As lessor*

The Group leases its investment properties under operating lease arrangements, with lease terms ranging from one to twenty years, and with an option to renew the lease terms at the expiry date or at the date as mutually agreed between the Group and respective tenants. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

### 41 承擔

#### (A) 經營租賃安排

##### *本集團 — 作為承租人*

於報告日期，本集團根據不可撤銷經營租賃之未償未來最低租賃付款承擔如下：

	31 December 2018 於 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於 二零一七年 十二月三十一日 RMB'000 人民幣千元
Within one year	353,434	82,756
Later than one year but no later than five years	2,833,078	763,080
Over five years	5,604,382	1,549,378
	<b>8,790,894</b>	<b>2,395,214</b>

##### *本集團 — 作為出租人*

本集團根據經營租賃安排出租其投資性物業，租期介乎一至二十年，可選擇於屆滿日期或本集團與各租戶互相協定之日期續租。此外，租賃條款一般規定租戶支付保證金及根據當時現行市況定期調整租金。

## 41 COMMITMENTS (Continued)

### (A) OPERATING LEASE ARRANGEMENTS

(Continued)

#### The Group – As lessor (Continued)

At the reporting date, the Group has contracted with tenants for the following future minimum lease payments:

		31 December 2018 於 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於 二零一七年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	136,612	34,449
Later than one year but no later than five years	一年後但不超過五年	114,978	66,158
Over five years	超過五年	36,158	18,723
		<b>287,748</b>	119,330

### (B) CAPITAL COMMITMENTS

As at 31 December 2018, the Group had the following capital commitments:

		31 December 2018 於 二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於 二零一七年 十二月三十一日 RMB'000 人民幣千元
Contracted but not provided for:	已訂約但未撥備		
— Development expenditure	— 開發支出	567,194	1,534,328
— Purchase of freehold land	— 購買永久業權土地	863,122	854,724
— Renovation expenditure	— 裝修支出	316,795	84,527
		<b>1,747,111</b>	2,473,579

## 41 承擔 (續)

### (A) 經營租賃安排 (續)

#### 本集團 — 作為出租人 (續)

於報告日期，本集團有以下與租戶訂約之未來最低租賃付款：

### (B) 資本承擔

於二零一八年十二月三十一日，本集團之資本承擔如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 42 PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries are as follows:

### 42 主要附屬公司

本公司主要附屬公司詳情如下：

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法律實體類別	Particulars of issued share capital 已發行股本詳情	Ownership interests held by the Group 本集團持有的擁有權權益		Principal activities and place of operation 主要業務 及經營地點
			31 December 2018 於二零一八年 十二月三十一日 (%)	31 December 2017 於二零一七年 十二月三十一日 (%)	
Cathay Holdings Limited 國泰集團有限公司 (c)	Hong Kong 香港	2 shares of HK\$1 each 2股，每股1港元	100	100	Investment holding 投資控股
China Information Industry Limited 中國資訊產業有限公司 (c)	Hong Kong 香港	2 shares of HK\$1 each 2股，每股1港元	100	100	Investment holding 投資控股
Dawning Information Industry (Shenzhen) Limited 曙光資訊產業(深圳)有限公司(b)	Mainland China 中國內地	HK\$152,120,000 152,120,000港元	100	100	Property leasing and building management 房地產租賃及樓宇管理
GOI Limited (c)	Hong Kong 香港	2 shares of HK\$1 each 2股，每股1港元	100	100	Investment holding 投資控股
Green Future Holdings Limited 綠色未來控股有限公司 (c)	Hong Kong 香港	1 share of HK\$1 1股，每股1港元	100	100	Investment holding 投資控股
Green Homeland Limited 綠色家園有限公司 (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Green Theme Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
New Phenomenon Technology Limited (c)	BVI 英屬維爾京群島	1 share of US\$1 1股，每股1美元	100	100	Investment holding 投資控股
Aqua Sky Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Easy Shine Global Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Green Era Limited (c)	BVI 英屬維爾京群島	1 share of US\$1 1股，每股1美元	100	100	Investment holding 投資控股
Power Sky Enterprises Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Prosperous Eagle Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Landsky Investment Holdings Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股
Landliving Investment Holdings Limited (c)	Hong Kong 香港	1 share of HK\$1 each 1股，每股1港元	100	100	Investment holding 投資控股

## 42 PRINCIPAL SUBSIDIARIES (Continued)

## 42 主要附屬公司 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法律實體類別	Particulars of issued share capital 已發行股本詳情	Ownership interests held by the Group 本集團持有的擁有權權益		Principal activities and place of operation 主要業務 及經營地點
			31 December 2018 於二零一八年 十二月三十一日 (%)	31 December 2017 於二零一七年 十二月三十一日 (%)	
Hangzhou Langhong Property Limited 杭州朗宏置業有限公司**	Mainland China 中國內地	RMB100,000,000 人民幣100,000,000元	100	100	Property development 房地產開發
Chengdu Langming Property Limited 成都朗銘置業有限公司**	Mainland China 中國內地	RMB8,000,000 人民幣8,000,000元	100	100	Property development 房地產開發
Shanghai Langming Property development Limited 上海朗銘房地產開發有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Property development 房地產開發
Suzhou Langkun Property Limited 蘇州朗坤置業有限公司**	Mainland China 中國內地	RMB100,000,000 人民幣100,000,000元	55	55	Property development 房地產開發
Shanghai Langxin Properties Development Limited 上海朗信房地產開發有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Property development 房地產開發
Wuxi Langhua Development Co., Ltd. 無錫朗華置業有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Property development 房地產開發
Nanjing Landsea Investment Management Limited 南京朗詩投資管理有限公司**	Mainland China 中國內地	RMB200,000,000 人民幣200,000,000元	100	100	Investment holding 投資控股
Shanghai Landsea Investment Management Limited 上海朗詩投資管理有限公司**	Mainland China 中國內地	US\$5,000,000 5,000,000美元	100	100	Investment holding 投資控股
Asia Pacific Business Link Limited 亞太經貿聯合有限公司	Hong Kong 香港	2 shares of HK\$1 each 2股、每股1港元 9,670,000 shares of US\$1 each 9,670,000股 每股1美元	100	38	Property development 房地產開發
Nanjing Langming Properties Group Limited 南京朗銘地產集團有限公司**	Mainland China 中國內地	RMB1,250,000,000 人民幣1,250,000,000元	100	100	Investment holding 投資控股
Zhongfuyiyang (Tianjin) Real Estate Co., Ltd. 中福頤養(天津)置業有限公司**	Mainland China 中國內地	RMB100,000,000 人民幣100,000,000元	75	75	Property development 房地產開發
Nanjing Langqing Property Limited 南京朗慶置業有限公司**	Mainland China 中國內地	HK\$1,124,980,000 1,124,980,000港元	100	100	Property development 房地產開發
Nanjing Landsea Construction and Decoration Limited 南京朗詩建築裝飾有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Decoration and design 裝飾及設計

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 42 PRINCIPAL SUBSIDIARIES (Continued)

### 42 主要附屬公司 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法律實體類別	Particulars of issued share capital 已發行股本詳情	Ownership interests held by the Group 本集團持有的擁有權權益		Principal activities and place of operation 主要業務 及經營地點
			31 December 2018 於二零一八年 十二月三十一日 (%)	31 December 2017 於二零一七年 十二月三十一日 (%)	
Zhejiang Langyue Construction and Decoration Limited 浙江朗悅建築裝飾有限公司**	Mainland China 中國內地	RMB10,000,000 人民幣10,000,000元	100	100	Decoration and design 裝飾及設計
Wuxi Minglang Property Limited 無錫明朗置業有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Property development 房地產開發
Shanghai Langqing Investment Management Limited 上海朗青投資管理有限公司**	Mainland China 中國內地	RMB17,183,252 人民幣17,183,252元	100	100	Investment holding 投資控股
Nanjing Xinbeisheng Investment Management Co., Ltd. 南京鑫貝盛投資管理有限公司**	Mainland China 中國內地	Nil 無	100	100	Property leasing and building management 房地產租賃及樓宇管理
Nanjing Bozhixin Investment Management Limited 南京博之鑫投資管理有限公司**	Mainland China 中國內地	RMB17,880,000 人民幣17,880,000元	100	100	Investment holding 投資控股
Nanjing Xinhuisheng Investment Management Limited 南京鑫輝盛投資管理有限公司**	Mainland China 中國內地	RMB8,000,000 人民幣8,000,000元	60	60	Investment holding 投資控股
Hangzhou Langhui Investment Management Limited 杭州朗輝投資管理有限公司**	Mainland China 中國內地	RMB5,000,000 人民幣5,000,000元	100	100	Investment holding 投資控股
Beijing Landsea Investment Limited 北京朗詩投資管理有限公司	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	100	Property development 房地產開發
Shanghai Langzhi Property Limited 上海朗智置業有限公司**	Mainland China 中國內地	RMB8,000,000 人民幣8,000,000元	100	100	Property development 房地產開發
Hangzhou Langyu Investment Management Co. LTD. 杭州朗寓投資管理有限公司**	Mainland China 中國內地	RMB200,000,000 人民幣200,000,000元	100	100	Leasing 租賃
Chengdu Haixing Cold Industry Trading Co., Ltd. 成都海興冷業貿易股份有限公司**(b)	Mainland China 中國內地	RMB12,079,000 人民幣12,079,000元	99.59	NA 不適用	Property development 房地產開發
Ningbo Landsea Enterprise Management Consulting Co., Ltd. 寧波朗詩企業管理諮詢有限公司**	Mainland China 中國內地	Nil 無	100	NA 不適用	Investment holding 投資控股



## 42 PRINCIPAL SUBSIDIARIES (Continued)

## 42 主要附屬公司 (續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法律實體類別	Particulars of issued share capital 已發行股本詳情	Ownership interests held by the Group 本集團持有的擁有權權益		Principal activities and place of operation 主要業務 及經營地點
			31 December 2018 於二零一八年 十二月三十一日 (%)	31 December 2017 於二零一七年 十二月三十一日 (%)	
Shanghai Shanglv Marketing Planning Co., Ltd. 上海尚綠市場營銷策劃有限公司**	Mainland China 中國內地	RMB10,000,000 人民幣10,000,000元	100	100	Marketing 營銷
Nanjing Wangjiawan Logistics Center Co., Ltd. 南京王家灣物流中心有限責任公司**	Mainland China 中國內地	RMB106,116,346 人民幣106,116,346元	60	NA 不適用	Investment holding 投資控股
Suzhou Langheng Real Estate Co., Ltd. 蘇州朗恒置業有限公司**	Mainland China 中國內地	RMB50,000,000 人民幣50,000,000元	100	NA 不適用	Investment holding 投資控股
Shanghai Langkun Business Management Co., Ltd. 上海朗昆企業管理有限公司**	Mainland China 中國內地	Nil 無	100	100	Investment holding 投資控股
Wuhan Lvshanghexin Marketing Planning Co., Ltd. 武漢綠尚禾信市場營銷策劃有限公司**	Mainland China 中國內地	Nil 無	100	NA 不適用	Marketing 營銷
Shanghai Landsea Apartment Industry Development Co., LTD. 上海朗詩寓實業發展有限公司**	Mainland China 中國內地	RMB500,000,000 人民幣500,000,000元	100	NA 不適用	Leasing 租賃
Nantong Diding Business Management Co., Ltd. 南通帝鼎企業管理有限公司**(b)	Mainland China 中國內地	Nil 無	100	100	Property leasing and building management 房地產租賃及樓宇管理
Shanghai Langsong Industrial Co. LTD. 上海朗松實業有限公司(b)	Mainland China 中國內地	RMB120,000,000 人民幣120,000,000元	100	100	Property leasing and building management 房地產租賃及樓宇管理
Landsea Holdings Corporation	US 美國	US\$158,873,331 158,873,331美元	100	100	Investment holding 投資控股
SF Vale LLC (a)	US 美國	US\$9,000,000 9,000,000美元	5	5	Investment holding 投資控股
LS- Jordan Ranch LLC	US 美國	US\$19,900,870 19,900,870美元	100	100	Real estate development and sales US 房地產開發及銷售－美國
LS-LA Simi LLC	US 美國	US\$21,786,756 21,786,756美元	100	100	Real estate development and sales US 房地產開發及銷售－美國

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 42 PRINCIPAL SUBSIDIARIES (Continued)

### 42 主要附屬公司(續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點 及法律實體類別	Particulars of issued share capital 已發行股本詳情	Ownership interests held by the Group 本集團持有的擁有權權益		Principal activities and place of operation 主要業務 及經營地點
			31 December 2018 於二零一八年 十二月三十一日 (%)	31 December 2017 於二零一七年 十二月三十一日 (%)	
LS-OC Portola LLC	US 美國	US\$102,849,956 102,849,956美元	100	100	Real estate development and sales US 房地產開發及銷售－美國
LS-Walnut Creek LLC	US 美國	US\$12,945,233 12,945,233美元	100	100	Real estate development and sales US 房地產開發及銷售－美國
LS-NJ Port Imperial LLC	US 美國	US\$96,335,191 96,335,191美元	100	100	Real estate development and sales US 房地產開發及銷售－美國
LS-Sunnyvale LLC	US 美國	US\$133,269,944 133,269,944美元	71	71	Real estate development and sales US 房地產開發及銷售－美國
Epic China Limited (c)	BVI 英屬維爾京群島	US\$50,000 50,000美元	100	100	Investment holding 投資控股
Landsea Equity LLC	US 美國	US\$ 51,900,000 51,900,000美元	100	100	Investment holding 投資控股

# Limited liability company registered in Mainland China

\* English translations are for identification purpose only

(a) The Group is the only managing member of the Company.

(b) The equity interests of these subsidiaries are pledged for bank borrowings of the Group. (note 29).

(c) The guaranteed senior notes (note 29) are irrevocably, fully and unconditionally guaranteed on a senior basis by these subsidiaries (each and collectively).

# 於中國內地註冊之有限公司

\* 僅供識別

(a) 本集團為該公司唯一管理成員。

(b) 此等附屬公司的權益已作為本集團銀行借款的抵押(附註29)。

(c) 有擔保優先債券(附註29)由此等附屬公司(個別及共同)不可撤回、悉數及無條件優先擔保。

### 43 SUMMARIZED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The total non-controlling interests as at 31 December 2018 were approximately RMB377,340,000 (2017: RMB206,122,000), of which approximately were RMB253,294,000 (2017: RMB231,637,000) attributed as below for Suzhou Langkun Property Limited.

### SUMMARIZED STATEMENTS OF BALANCE SHEET

### 43 具重大非控制性權益附屬公司的財務資料摘要

於二零一八年十二月三十一日的總非控制性權益約為人民幣377,340,000元(二零一七年：人民幣206,122,000元)，其中蘇州朗坤置業有限公司應佔約人民幣253,294,000元(二零一七年：人民幣231,637,000元)，各項目分析如下。

### 資產負債表摘要

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Current	流動		
Assets	資產	3,196,179	2,350,624
Liabilities	負債	(2,180,341)	(1,816,969)
Total current net assets	流動淨資產總值	1,015,838	533,655
Non-current	非流動		
Assets	資產	7,037	9,094
Liabilities	負債	(460,000)	(28,000)
Total non-current net assets	非流動淨資產總值	(452,963)	(18,906)
Net assets	資產淨值	562,875	514,749
Accumulated non-controlling interest	累計非控制性權益	253,294	231,637

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43 SUMMARIZED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (Continued)

#### SUMMARIZED STATEMENTS OF COMPREHENSIVE INCOME

### 43 具重大非控制性權益附屬公司的財務資料摘要(續)

#### 全面收益表摘要

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
Revenue	收入	1,599,387	1,254,315
Profit before income tax	除所得稅前利潤	558,449	428,632
Income tax expense	所得稅費用	140,322	99,932
Total profit	利潤總額	418,127	328,700
Total comprehensive income for the year	年內全面收益總額	418,127	328,700
Total comprehensive income attributable to non-controlling interest	非控制性權益應佔全面收益總額	210,207	147,915
Distribution to non-controlling interests	向非控制性權益分派	188,550	—

**43 SUMMARIZED FINANCIAL INFORMATION  
ON SUBSIDIARIES WITH MATERIAL NON-  
CONTROLLING INTERESTS** (Continued)  
**SUMMARISED STATEMENTS OF CASH FLOWS**

**43 具重大非控制性權益附屬公司的財  
務資料摘要 (續)**

**現金流量表摘要**

		<b>For the year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 RMB'000 人民幣千元</b>	<b>For the year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 RMB'000 人民幣千元</b>
Net cash generated from operating activities	經營活動所得現金淨額	<b>757,798</b>	240,717
Net cash (used in)/generated from investing activities	投資活動所(用)／得現金淨額	<b>(24)</b>	25,190
Net cash used in from financing activities	融資活動所用現金淨額	<b>(20,723)</b>	(313,045)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額	<b>737,051</b>	(47,138)
Cash and cash equivalents at 1 January	一月一日現金及現金等價物	<b>121,472</b>	168,610
Effect of currency translation on cash and cash equivalents	現金及現金等價物貨幣換算的影響	<b>—</b>	—
Cash and cash equivalents at 31 December	十二月三十一日現金及現金等價物	<b>858,523</b>	121,472

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY BALANCE SHEET OF THE COMPANY

### 44 本公司資產負債表及儲備變動

#### 本公司資產負債表

		31 December 2018 於二零一八年 十二月三十一日 RMB'000 人民幣千元	31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	406,621	399,089
Investments in joint ventures	於合營企業之投資	–	129,701
		<b>406,621</b>	<b>528,790</b>
<b>Current assets</b>	<b>流動資產</b>		
Other receivables, prepayments and deposits	其他應收款、預付款及按金	4,709,898	4,405,661
Cash and cash equivalents	現金及現金等價物	28,485	8,823
		<b>4,738,383</b>	<b>4,414,484</b>
Total assets	資產總值	<b>5,145,004</b>	<b>4,943,274</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款	2,663,973	2,817,125
Borrowings	借款	142,297	1,002,958
		<b>2,806,270</b>	<b>3,820,083</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Borrowings	借款	1,584,149	213,990
Total liabilities	總負債	<b>4,390,419</b>	<b>4,034,073</b>

**44 BALANCE SHEET AND RESERVE  
MOVEMENT OF THE COMPANY** (Continued)  
**BALANCE SHEET OF THE COMPANY** (Continued)

**44 本公司資產負債表及儲備變動** (續)

本公司資產負債表 (續)

		<b>31 December</b> <b>2018</b> 於二零一八年 十二月三十一日 <b>RMB'000</b> 人民幣千元		31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元
<b>Equity</b>	<b>權益</b>			
Share capital	股本		<b>38,702</b>	31,800
Convertible perpetual securities	可換股永久證券	(a)	–	495,425
Reserves	儲備	(b)	<b>715,883</b>	381,976
<b>Total equity</b>	<b>總權益</b>		<b>754,585</b>	909,201
<b>Total liabilities and equity</b>	<b>總負債及權益</b>		<b>5,145,004</b>	4,943,274

The balance sheet of the Company was approved by the Board of Directors on 22 March 2019 and was signed on its behalf.

本公司資產負債表已於二零一九年三月二十二日經董事局批准，並由以下人士代表簽署。

**Zhou Qin**  
周勤  
Director  
董事

**Shen Leying**  
申樂瑩  
Director  
董事



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### BALANCE SHEET OF THE COMPANY (Continued)

#### (a) Convertible perpetual securities and reserves movement of the Company

### 44 本公司資產負債表及儲備變動(續)

#### 本公司資產負債表(續)

#### (a) 本公司可換股永久證券及儲備變動

		Convertible perpetual securities 可換股 永久證券 RMB'000 人民幣千元	Reserves 儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
			(b)	
<b>At 1 January 2017</b>	於二零一七年一月一日	484,204	856,598	1,340,802
Exchange difference arising from translation of foreign operation	換算海外業務所產生匯兌差額	—	(76,929)	(76,929)
Loss for the year	年度虧損	—	(232,789)	(232,789)
<b>Total comprehensive loss for the year</b>	年度全面虧損總額	—	(309,718)	(309,718)
Issuance of shares	發行股份			
Shares held for restricted share award scheme	為限制性股份獎勵計劃而持有之股份	—	(6,543)	(6,543)
Accrued distribution to holders of convertible perpetual securities	可換股永久證券持有人應計分派	19,679	(19,679)	—
Distributions to holders of convertible perpetual securities	可換股永久證券持有人分派	(8,458)	—	(8,458)
Dividend	股息	—	(138,682)	(138,682)
<b>Subtotal of transaction with shareholders</b>	與股東交易小計	11,221	(164,904)	(153,683)
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	495,425	381,976	877,401

**44 BALANCE SHEET AND RESERVE  
MOVEMENT OF THE COMPANY (Continued)**  
**BALANCE SHEET OF THE COMPANY (Continued)**

**(a) Convertible perpetual securities and reserves  
movement of the Company (Continued)**

**44 本公司資產負債表及儲備變動(續)**

**本公司資產負債表(續)**

**(a) 本公司可換股永久證券及儲備變動(續)**

		Convertible perpetual securities 可換股 永久證券 RMB'000 人民幣千元	Reserve 儲備 RMB'000 人民幣千元 (b)	Total 總計 RMB'000 人民幣千元
<b>At 1 January 2018</b>	於二零一八年一月一日	<b>495,425</b>	<b>381,976</b>	<b>877,401</b>
Exchange difference arising from translation of foreign operation	換算海外業務所產生匯兌差額	-	21,838	21,838
Loss for the year	年度虧損	-	(114,479)	(114,479)
<b>Total comprehensive loss for the year</b>	<b>年度全面虧損總額</b>	<b>-</b>	<b>(92,641)</b>	<b>(92,641)</b>
Shares held for restricted share award scheme	為限制性股份獎勵計劃而 持有之股份	-	(17,486)	(17,486)
Issue of ordinary shares as capitalisation of shareholder loans	就股東貸款資本化發行普通股	-	251,997	251,997
Accrued distribution to holders of convertible perpetual securities	可換股永久證券持有人應計分派	29,599	(29,599)	-
Distributions to holders of convertible perpetual securities	可換股永久證券持有人分派	(51,648)	-	(51,648)
Conversion of convertible perpetual securities	轉換可換股永久證券	(364,220)	360,318	(3,902)
Redemption of convertible perpetual securities	贖回可換股永久證券	(109,156)	-	(109,156)
Dividend declared	已宣派股息	-	(138,682)	(138,682)
<b>Subtotal of transaction with shareholders</b>	<b>與股東交易小計</b>	<b>(495,425)</b>	<b>426,548</b>	<b>(68,877)</b>
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	<b>-</b>	<b>715,883</b>	<b>715,883</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

#### BALANCE SHEET OF THE COMPANY (Continued)

(b) Reserves movement of the Company

### 44 本公司資產負債表及儲備變動(續)

#### 本公司資產負債表(續)

(b) 本公司儲備變動

		Share premium	Translation reserve	Share based compensation reserve	Employee share trust	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	折算儲備	股權報酬儲備	僱員股份信託	資本贖回儲備	實繳盈餘	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2017</b>	<b>於二零一七年一月一日</b>	712,051	118,314	19,800	(28,907)	23,185	114,711	(102,556)	856,598
Exchange difference arising from translation of foreign operation	換算海外業務所產生匯兌差額	-	(76,929)	-	-	-	-	-	(76,929)
Loss for the year	年度虧損	-	-	-	-	-	-	(232,789)	(232,789)
<b>Total comprehensive loss for the year</b>	<b>年度全面虧損總額</b>	-	(76,929)	-	-	-	-	(232,789)	(309,718)
Shares held for restricted share award scheme	為限制性股份獎勵計劃而持有之股份	-	-	-	(6,543)	-	-	-	(6,543)
Accrued distribution to holders of convertible perpetual securities	可換股永久證券持有人應計分派	-	-	-	-	-	-	(19,679)	(19,679)
Share premium reduction	削減股份溢價	(500,000)	-	-	-	-	500,000	-	-
Dividend declared	宣派股息	-	-	-	-	-	(138,682)	-	(138,682)
Subtotal of transaction with shareholders	與股東交易小計	(500,000)	-	-	(6,543)	-	361,318	(19,679)	(164,904)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	212,051	41,385	19,800	(35,450)	23,185	476,029	(355,024)	381,976

**44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)**  
**BALANCE SHEET OF THE COMPANY (Continued)**  
**(b) Reserves movement of the Company (Continued)**

**44 本公司資產負債表及儲備變動 (續)**

**本公司資產負債表 (續)**  
**(b) 本公司儲備變動 (續)**

		Share premium	Translation reserve	Share based compensation reserve	Employee share trust	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	折算儲備	股權報酬儲備	僱員股份信託	資本贖回儲備	實繳盈餘	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 1 January 2018</b>	於二零一八年一月一日	212,051	41,385	19,800	(35,450)	23,185	476,029	(355,024)	381,976
Exchange difference arising from translation of foreign operation	換算海外業務所產生匯兌差額	-	21,838	-	-	-	-	-	21,838
Loss for the year	年度虧損	-	-	-	-	-	-	(114,479)	(114,479)
<b>Total comprehensive loss for the year</b>	年度全面虧損總額	-	21,838	-	-	-	-	(114,479)	(92,641)
Issue of ordinary shares as capitalisation of shareholder loans	就股東貸款資本化發行普通股	251,997	-	-	-	-	-	-	251,997
Conversion of convertible perpetual securities	轉換可換股永久證券	360,318	-	-	-	-	-	-	360,318
Shares held for restricted share award scheme	為限制性股份獎勵計劃而持有之股份	-	-	-	(17,486)	-	-	-	(17,486)
Employee share based compensation	僱員股權報酬	-	-	(9,966)	9,966	-	-	-	-
Accrued distribution of holders of convertible perpetual securities	可換股永久證券持有人應計分派	-	-	-	-	-	-	(29,599)	(29,599)
Dividend	股息	-	-	-	-	-	(138,682)	-	(138,682)
<b>Subtotal of transaction with shareholders</b>	與股東交易小計	612,315	-	(9,966)	(7,520)	-	(138,682)	(29,599)	426,548
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	824,366	63,223	9,834	(42,970)	23,185	337,347	(499,102)	715,883

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 45 SUBSEQUENT EVENTS

- (i) On 15 February 2019, the Group entered into a cooperation agreement with Bridge Trust Co., Ltd. ("Bridge Trust") to cooperate in the development of a parcel of land. According to the agreement, Bridge Trust will acquire 49% interests in the project company currently wholly owned by the Group and will provide funding to the project company in the form of equity and loan with the amount not exceeding RMB300,000,000, and the Group will buy back the equity and the loan with a maximum amount of RMB600,000,000.
- (ii) On 21 February 2019, the Group entered into a cooperation agreement with 南京洛德德寧房地產投資合伙企業 (Nanjing Luode Dening Real Estate Investment Partnership (Limited Partnership) ("Dening Fund")) to cooperate in the development of a parcel of land. According to the agreement, Dening Fund will acquire 70% interests in the project company currently wholly owned by the Group at a consideration of RMB14,000,000 and will provide shareholder's loan not exceeding RMB126,000,000, and the Group will buy back the equity and the loan with a maximum amount of RMB280,000,000.

### 45 報告期後事項

- (i) 於二零一九年二月十五日，本集團與百瑞信託有限責任公司（「百瑞信託」）訂立合作協議，合作開發目標地塊。根據該協議，百瑞信託將收購本集團目前全資擁有的項目公司的49%股權，並將以不超過人民幣300,000,000元的股權及貸款，向項目公司提供資金，而本集團將以上限人民幣600,000,000元回購股權及貸款。
- (ii) 於二零一九年二月二十一日，本集團與南京洛德德寧房地產投資合伙企業（「德寧基金」）訂立合作協議，合作開發目標地塊。根據該協議，德寧基金將收購本集團目前全資擁有的項目公司的70%股權，代價為人民幣14,000,000元，並將提供股東貸款不超過人民幣126,000,000元，而本集團將以上限人民幣280,000,000元回購股權及貸款。

# FINANCIAL SUMMARY

## 財務摘要

		Year ended 31st December 截至十二月三十一日止年度				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元 (Restated) (經重列)	2014 二零一四年 RMB'000 人民幣千元
<b>Results</b>	<b>業績</b>					
Revenue*	收入 *	<b>7,560,526</b>	6,213,931	4,845,008	1,792,791	703,826
Profit before income tax*	除所得稅前利潤 *	<b>2,261,739</b>	1,127,411	832,467	663,990	419,517
Income tax expense*	所得稅費用 *	<b>(821,169)</b>	(406,570)	(225,631)	(184,261)	(119,367)
Profit for the year	年度利潤	<b>1,440,570</b>	720,841	606,836	479,729	300,150
Attributable to:	歸屬於：					
The shareholder of the Company	本公司股東	<b>1,112,774</b>	580,523	595,439	485,079	301,590
Non-controlling interest	非控制性權益	<b>327,796</b>	140,318	11,397	(5,350)	(1,440)
		<b>1,440,570</b>	720,841	606,836	479,729	300,150

\* Including continuing and discontinued operations

\* 包括持續及非持續經營

		At 31st December 於十二月三十一日				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元 (Restated) (經重列)	2014 二零一四年 RMB'000 人民幣千元
Assets and liabilities	資產及負債					
Total assets	總資產	<b>26,775,274</b>	20,320,501	18,007,126	14,140,916	8,989,167
Total liabilities	總負債	<b>(22,014,379)</b>	(16,622,438)	(14,954,410)	(12,182,757)	(7,607,922)
		<b>4,760,895</b>	3,698,063	3,052,716	1,958,159	1,381,245
Attributable to:	歸屬於：					
The shareholder of the Company	本公司股東	<b>4,383,555</b>	3,491,941	2,900,656	1,917,949	1,335,685
Non-controlling interest	非控股性權益	<b>377,340</b>	206,122	152,060	40,210	45,560
		<b>4,760,895</b>	3,698,063	3,052,716	1,958,159	1,381,245

# PARTICULARS OF INVESTMENT PROPERTIES

## 投資性物業詳情

### INVESTMENT PROPERTIES HELD FOR RENTAL PURPOSE 持作租賃之投資性物業

Location 地點	Approximately gross floor area 大約建築面積 (square meters) (平方米)	Nature of property 物業性質	Attributable interest of the Group 本集團應佔權益	Lease term 租約年期
Landsea Tower, Keji South 12 Road, Shenzhen High-Tech Park, Nanshan District, Shenzhen City, The PRC 中國 深圳市 南山區 深圳高新技術園區科技南十二路 朗詩大廈	17,836	Commercial  商業	100%	Medium-term lease  中期租約
Nanjing Huafei Apartment, Block 11 Zhangying Estate Huadian Road, Qixia District, Nanjing City, Jiangsu Province, The PRC 中國 江蘇省 南京市 棲霞區 華電路長營村 11 棟 南京華飛公寓	5,729	Apartment  公寓	100%	Medium-term lease  中期租約
Landsea Neighbourhood Union, Southwest side B of intersection of Yunhe West Road and Ningjia Road, New District, Wuxi City, Jiangsu Province, The PRC 中國 江蘇省 無錫市 新區 運河西路與寧嘉路交叉口 西南側 B 朗詩鄰里薈	15,439	Commercial  商業	100%	Medium-term lease  中期租約





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