



ZH INTERNATIONAL HOLDINGS LIMITED

正恒國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

(Stock Code 股份代號：185)

ANNUAL REPORT
2018
年報



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Past Performance and Forward Looking Statements

The performance and the results of operations of ZH International Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") as set out in this annual report are historical in nature and past performance is not a guarantee of future performance. This annual report may contain forward-looking statements and opinions (including statements, figures, plans, images and other information) that involve risks and uncertainties. Actual results may also differ materially from expectations discussed in such forward-looking statements and opinions. Neither the Group nor any of its directors, employees or agents shall assume any obligations or liabilities in the event that any forward-looking statements or opinions does not materialise or turns out to be incorrect.

過往表現及前瞻性陳述

正恒國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)在本年報所載的業務表現及營運業績僅屬歷史數據，過往表現並不保證日後表現。本年報或載有前瞻性陳述及意見(包括陳述、數字、計劃、圖像及其他資料)而當中涉及風險及不明朗因素。實際業務表現可能與前瞻性陳述及意見中論及的預期表現有重大差異。本集團、及其任何董事、僱員、代理均不承擔倘因任何前瞻性陳述或意見不能實現或變得不正確而引致的任何責任。

CORPORATE PROFILE

公司簡介

The Company was founded in 1965 and has been listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 1972.

The headquarter of the Company is located in Hong Kong, and has offices in Japan and the United States (“U.S.” or “USA”). It also owns a sizeable portfolio of properties in Singapore, Hong Kong, Japan, the U.S. and the People’s Republic of China (“PRC” or “China”). The Group is principally engaged in property development, property investment and management, hotel operations and securities trading and investment in the PRC, Hong Kong and overseas. The Group is currently pursuing twin engines of growth – expansion in property development in the PRC and the Real Estate Investment Trust (“REIT”) ownership and management strategy (“REIT strategy”) in the U.S..

本公司於一九六五年成立，自一九七二年起於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司總部位於香港，辦事處遍佈日本及美國(「美國」)。其於新加坡、香港、日本、美國及中華人民共和國(「中國」)擁有規模龐大之物業組合。本集團主要於中國、香港及海外從事物業發展、物業投資及管理、酒店營運以及證券買賣及投資。本集團目前專注尋求發展兩個增長據點，即於中國進行之房地產發展擴張及於美國進行之房地產投資信託(「房地產投資信託」)擁有及管理策略(「房地產投資信託策略」)。



Zensun Jingkai Plaza 正商經開廣場

With the change of controlling shareholder of the Company since July 2015, a number of immediate benefits have been brought to the Group, such as (i) introduction of highly experienced new members to our management team and the board (“Board”) of directors of the Company (the “Directors”) in property development industry with decades of experience in China; (ii) provision for strong financial support for the growth of the Group; and (iii) engagement with certain qualified competent construction contractors for the property development projects of the Group. With the synergistic effects from these significant resources and networks in China, the Group expects to be able to leverage for its future development in the property development sector. From the midst of 2015 and up to 2018, the Group has successfully completed 77 land acquisitions for property development in the PRC business through listings for sale processes with different local governmental land bureaus in public auctions and counterparties in Henan Province, Beijing and Hubei Province, the PRC, and obtained financial support for property development of certain of these land parcels.

Following the Group’s strategy in expanding its business operation in the PRC, the Board will continue to identify new property development projects and bid for land use rights of selective land parcels in the PRC with focus on Zhengzhou City, Henan Province and other first and second tier cities in the PRC in the coming years.

With the Group’s continuous drives on REIT strategy, one of its U.S. REITs, Global Medical REIT, Inc. (“GMR”), successfully completed the offering of its share and migration listing from Over-The-Counter (“OTC”) to New York Stock Exchange (“NYSE”) in the U.S. during the year of 2016. The Group has continued providing REIT management services and receiving recurring management fees directly to and from GMR under the management agreement. In December 2018, the Group has increased its shareholding in GMR from approximately 12% to approximately 14% by way of share subscription in a GMR’s public offering.

Another U.S. REIT subsidiary, American Housing REIT, Inc. (“AHR”), owns a portfolio of single family rentals primarily in Texas, Florida and Georgia, USA. Further to the single-family housing, AHR have diversified its investment and successfully acquired two senior housing communities in order to seize the potential opportunity for the current strong demand on retirement communities and elderly care industry in the USA for higher-than-average annualised yield during the year of 2017.

The Company will make use of the Group’s financial, human and technological resources to enhance its portfolio, asset base, brand image as to creating new sustainable revenue streams and enhancing shareholder value.

隨著二零一五年七月之本公司控股股東變更，為本集團帶來多項即時裨益，如(i)為管理團隊及本公司董事(「董事」)會(「董事會」)引入經驗豐富之新成員(彼等於房地產發展行業之經驗豐富，於中國從業數十年；(ii)為本集團增長提供強而有力之財務支援；及(iii)為本集團物業發展項目聘請若干合資格建築承包商。憑藉該等於中國之重要資源及網絡產生之協同效應，本集團預期將能夠促進其於物業發展行業之未來發展。自二零一五年年中至二零一八年，本集團就於中國進行之房地產發展於公開拍賣會透過掛牌出售程序向不同地方政府土地部門及交易方成功完成77幅位於中國河南省、北京及湖北省之土地收購，並已就若干該等地塊之物業發展取得財務支援。

繼本集團於中國實施業務營運擴張策略之後，董事會於未來數年將繼續致力在河南省鄭州市及中國其他一綫及二綫城市物業新物業發展項目並競投中國其他經揀選地塊之土地使用權。

就本集團對房地產投資信託策略之持續推進，其中一個於美國上市之房地產投資信託Global Medical REIT, Inc.(「GMR」)已於二零一六年在美國成功完成發售其股份及由場外交易市場(「場外交易」)轉至紐約證券交易所(「紐約證券交易所」)上市。本集團按管理協議繼續直接向GMR提供房地產投資信託管理服務及自GMR收取經常性管理費。於二零一八年十二月，本集團於GMR公開發售中透過股權認購方式將其於GMR持股量由約12%增加至約14%。

另外一間為美國房地產投資信託附屬公司American Housing REIT, Inc.(「AHR」)，主要於美國德克薩斯州、佛羅裏達州及喬治亞州擁有單棟出租組合。除單棟出租單位外，AHR於二零一七年間將其投資多樣化並成功收購兩套長者住房社區，以把握美國當前退休群體及安老行業強勁需求之潛在機會，從而取得高於平均年化收益。

本公司將善用本集團之財務、人力及技術資源，以提升其投資組合、資產基礎及品牌形象去開闢可持續之新收益來源，藉以提高股東價值。

CHAIRMAN'S MESSAGE

主席致詞

Dear shareholders,

It is a great honor for me, on behalf of the Board, to present the annual results of the Group for the year ended 31 December 2018 (the "Year") to our shareholders.

謹致各位股東：

本人很榮幸代表董事會向各位股東報告本集團截至2018年12月31日止年度(「本年度」)業績。

張敬國先生

Mr. Zhang Jingguo

主席、執行董事兼行政總裁
*Chairman, Executive Director and
Chief Executive Officer*





Zhengzhou Zensun River Valley 鄭州正商河峪州

Looking back to 2018, the Group had made further development with high-quality construction achieving remarkable results as they were highly recognized by customers and business partners. During the financial year ended 31 December 2018, the Group recorded revenue of approximately RMB601.5 million, representing a decrease of approximately 45% over last year, and gross profit of approximately RMB275.1 million, representing a decrease of approximately 25% over last year. With the Group's prevailing development strategy of providing "High quality (高品質)" products to the customers, where most of the Group's property development projects are designed to be delivered with full refurbishment. As such, there was no delivery of newly completed property development projects for the Group in 2018 as a longer development schedule was required for full refurbishment arrangement. In spite of the decrease in the Group's revenue and gross profit in 2018, our management remains full confidence in our performance in 2019, as certain property projects are expected to be completed and delivered in the year of 2019.

回顧2018年，本集團實現了新的發展，高品質建設取得顯著成效，得到了更多客戶和同行的認可。截至2018年12月31日的財政年度內，本集團實現營業收入約人民幣6.015億元，較去年減少約45%，毛利收益約人民幣2.751億元，較去年減少約25%。為配合「高品質」產品的戰略發展，本集團的物業開發項目主要以精裝修交付，因而需要較長開發周期以致2018年本集團未有新項目交付。雖然本集團2018年的營業收入及毛利收益減少，但隨著本集團數個物業發展項目將預期於2019年陸續落成交付，管理層對2019年的業績滿懷信心。

CHAIRMAN'S MESSAGE

主席致詞

With our solid business foundation basis, the Group has successfully diversified its access in the capital market in 2018. In February 2018, the Group completed the private issuance of its first US\$200 million 7.5% bonds with tenure of 360-days in Hong Kong. Thereafter, in July 2018, the Group issued asset-backed securities which are backed by the account receivables for the balance payment of properties sold at the aggregate size of RMB1.6 billion in China with coupon rate of 7.2% and tenure of 30-months. These successful issuance not only represented the Group's new milestone achievement in the capital market, also revealed the investors' confidence in and support to our Group.

The PRC

At present, the economic development in China is facing with complicated internal and external situations. Though it is expected to have ease on real estate control policy, the overarching theme on "housing is for people to live in, not for speculation (房住不炒)", to establish long-term mechanism of housing control policies and to stabilize the development of the real estate market remains unchanged. As indicated by the government at the Central Economic Work Conference held at the end of 2018, apart from financial market, the real estate market was one of the important areas as to prevent and eliminate risks. The real estate industry is no longer experiencing a rapid growth after the current control policies on real estate were launched for over two years, being the longest-lasting control policies since the housing reform implemented in 1998. In light of increasingly excessive land supply and housing inventory in the real estate market, the soaring house prices and significant land appreciation will be rarely seen. By reference to the sales performance of the top 100 real estate developers in China, the threshold to and the concentration of real estate developers in all groups were further enhanced.

The Group continued with its strategy of and stepped up its efforts to the development and provide high-quality projects. The delivery of high-quality construction, premium ancillary facilities as well as excellent services have undergone drastic changes, enabling the Group to make some achievements and gain recognition from the customers and business partners. Therefore, the Group maintained satisfactory contracted sales performance despite tightening controls and increasingly fierce competitions. In addition, the Group has successfully proceeded projects with new breakthroughs. During 2018, the two projects acquired at Beilong Lake in Zhengzhou City marked the Group as a developer with the most residential projects at Beilong Lake, while the newly acquired project in Wuhan City, being selected another priority development cites, has laid a solid foundation for the Group's development in Wuhan. The abovementioned efforts reflected the Group's expansion strategy of "Focusing on cities based on Zhengzhou (立足鄭州，城市聚焦)", which is also a testament to the Group's capability to expand its presence and enhance its influence.

有賴堅實的業務基礎，本集團成功於2018年在資本市場上拓展了更多通道。本集團在2018年2月首次於香港完成以私募形式發行票息7.5%為期360天的2億美元債券；又於2018年7月於中國境內發行利率7.2%為期30個月總額人民幣16億元的購房尾款資產支持證券。這些發行標誌著本集團在資本市場邁進新的里程，同時也表現出投資者對本集團的信心和支持。

中國

當前，中國經濟發展面臨的內外部形勢錯綜複雜。估計房地產調控政策會有所放鬆，但「房住不炒」、建立房地產調控長效機制、穩定房地產市場發展的總體基調仍然不會改變。2018年底召開的中央經濟工作會議指出，要打好防範和化解重大風險攻堅戰，除了金融市場，房地產市場是一個重點需要防範和化解的風險。對於房地產行業來說，已告別高速增長階段，現行房地產調控已經持續了兩年多，為1998年房改以來持續時間最長的一輪調控。市場的供地量、庫存量越來越大，以前的房價暴漲、地價大幅升值的情況將難以再出現。從全國百強房企的銷售情況來看，各梯隊房企門檻、集中度進一步提升。

本集團持續實施高品質建設戰略，加大這方面的投入力度。高品質建造、高品質配套、高品質服務等各方面都發生了重大變化，取得一定成績，受到客戶和同行的肯定。儘管調控形勢嚴峻且競爭愈發激烈，本集團依然取得了優良的合同銷售成績。另外，本集團重大項目建設順利推進，取得新的突破。2018年內，本集團於鄭州市北龍湖拿下兩個項目，成為目前在北龍湖擁有住宅項目最多的開發商；而武漢則新增一個項目，夯實了武漢作為集團另一重點發展城市的基礎。這些都是本集團實施「立足鄭州，城市聚焦」發展戰略的體現，也是本集團開疆拓土，擴大影響力的有利證明。

During the Year, the Group cautiously acquired land backed with market analysis and risk assessment. For the Group's sustainable development and growth, the Group completed 51 land acquisitions at an aggregated consideration of approximately RMB1.37 billion, bringing an increment of aggregated GFA of approximately 4.89 million sq.m. to the land reserves.

To maintain the Group's healthy and sustainable development, our management team will continue to improve the efficient operating mechanism, and has adopted refined management and established standardized process and management system, resulting in an efficient value chain system from land acquisition, design, construction, sales to services. Our design department strictly adheres to the standardized and zero-defect-design principles. Meanwhile, our procurement department vigorously advocates our strategic cooperation with high-quality suppliers and strengthens its management to the suppliers to assure that our procurement requirements of each project are satisfied in a timely manner. The Group will continue to supervise projects and construction quality with high standard to achieve high-quality products. We will continue to improve the competitiveness of the Group and enhance the awareness and brand image of our properties in the PRC. By adhering to our core work plan of "High quality with business expansion (高品質、擴規模)", we are committed to establishing the Group's high-quality image and maximizing the Group's results of operations.

2019 is not only a year linking the past with the future for the Group, but also a year that the Group continued to deepen and promote high-quality construction. Our core work plan in 2019 is "transforming from the pursuit of speed-oriented quality to the pursuit of efficiency-oriented quality", meaning that we shall implement strict control of risks, promote reduction of waste and enhance efficiency and effectiveness on the premise of high-quality; ramp up our sales and recovery efforts; as well as preventing various risks with focus on the safeguard and elimination of investment-and-land-related risks. Confronted with the new situation and challenge, we are required to rigorously carry out the procedure to make investment decision and execute on a prudent basis, while intensifying the management and control over the construction process to ensure construction quality.

本年度內，本集團在土地獲取方面，以市場分析和風險評估為前提謹慎拿地。為保證集團持續穩定發展和增長，本集團於2018年成功以總代價約13.7億元人民幣完成51項土地收購，為土地儲備新增共約489萬平方米建築面積。

為維持本集團健康可持續的發展，管理團隊會繼續優化高效的運營機制，採用精益精細化管理，建立標準化、流程化的管理體系，並形成從土地獲取、設計、施工、銷售到服務的高效價值鏈體系。設計部門會嚴格執行標準化和設計零缺陷的原則。招採部門則會大力推進與優質供應商的戰略合作，加大對供應商的管理，針對項目採購需求確保各項採購需求及時到位。本集團將繼續高標準管理工程和施工質量，實現建造高品質。我們將繼續提升本集團競爭力，增強在中國的物業知名度與品牌形象，並堅持「高質量、擴規模」的總體工作思路，塑造本集團的高質量形象，最大化提高本集團的經營業績。

2019年是打造本集團承先啟後的一年，也是高品質建設持續深化推進的一年。2019年的總體工作思路是「由品質速度型向品質效益型轉變」，要在確保高品質的基礎上嚴格控制風險、減少浪費、提高效率 and 效益；加大銷售和回款力度；防範各類風險，重點是防範和化解投資及土地類風險。面對新的形勢和挑戰，我們必須在工作中嚴格執行投資決策流程，審慎投資；加強建設過程中各個細節管控，確保建造品質。

CHAIRMAN'S MESSAGE

主席致詞

The U.S.

In the U.S., the Group now owns interests in two REITs, namely GMR (listed on NYSE) and AHR, which are both managed by our 85%-owned Inter-American Management, LLC ("IAM"), led by a specialised team of highly experienced professionals with in-depth knowledge in the U.S. real estate market, and is committed to constantly exploiting potential business opportunities for the Group's U.S. operations.

GMR

GMR has been focusing on acquisition of state-of-the-art, purpose-built with contemporary technology, licensed and specialised medical facilities in the U.S., and currently owns 83 specialised medical and healthcare facilities, with approximately 2.08 million net leasable square feet. The Group expects that GMR will continue to grow rapidly with its robust property portfolio in the future years. Accordingly, the Group has subscribed approximately US\$10 million for additional equity interest in GMR in December 2018. This share subscription will increase the Group's sharing of the income growth of GMR, thus achieving the long-term capital appreciation for the Group's investment. As at 31 December 2018, the Group has approximately 14% equity interest in GMR, and receives management fee income through IAM based on 1.5% of the GMR's net assets annually and quarterly dividends. Under its prosperous operational performance, GMR will continue to accelerate its acquisition of potential medical projects in the future to enlarge its asset and capital base and gain recognition in the U.S. capital market. With expansion of GMR, our management company, IAM, will also enjoy higher management fee income.

AHR

AHR is currently 99%-controlled by the Group. Now, AHR owns two senior housing communities, namely Oxford Derby in Kansas and Oxford McKinney in Texas, and 16 single-family rentals in several states in the U.S.. We will closely monitor the local market environment and flexibly adjust the business strategy.

美國

美國方面，本集團目前持有兩家房地產投資信託的權益，即GMR及AHR，GMR於紐約證券交易所上市。此兩家房地產投資信託均由本集團持有85%權益的Inter-American Management, LLC（「IAM」）管理，IAM由管理經驗豐富並洞悉美國房地產市場的專業團隊所組成，致力為本集團的美國業務，不斷開拓潛在的發展商機。

GMR

GMR一直專注於在美國收購技術頂尖、持有牌照的專科醫療設施，目前擁有83項專科醫療及保健設施，可租賃淨面積約208萬平方尺。本集團預計GMR以其穩健物業組合將繼續其快速發展，並於未來幾年提升盈利，所以本集團於2018年12月以約1,000萬美元參與GMR的股權認購。股權認購有助提高本集團對GMR成長性收益之分享，從而讓本集團之投資達至長期資本增值。截至二零一八年十二月三十一日，本集團目前擁有GMR約14%的股權，並透過IAM按GMR淨資產的1.5%每年收取管理費用，以及每季度收取股息。GMR整體運營情況良好，未來將繼續加快速度籌劃收購合適的醫療項目，擴大其資產及資本規模，以獲得美國資本市場的青睞。在擴大GMR規模的過程中，同時我們的管理公司IAM也將享有更高的管理費收入。

AHR

AHR現由本集團控制其99%權益。現時，AHR擁有分別位於堪薩斯州的Oxford Derby及德克薩斯州的Oxford McKinney的養老地產物業，和分布於美國數個州份的16個單棟出租單位。我們將會密切注視當地市場環境，靈活調整業務策略。

Other Overseas Operations

The Group owns 28 SOHO portfolios of commercial and residential units and 5 quality residential property portfolios in Singapore for the purpose of rental and capital appreciation. We will regularly review the Singapore property market to explore business opportunities in the market and development opportunities in the foreseeable future. For the non-core Japan hotel business, the Group actively sought potential buyers to dispose of the hotels or operation in 2018 and completed the sale of The Hamilton Hotel located in Sapporo, Japan at consideration of JPY700 million in December 2018. The Group will reallocate net sales proceeds to suitable businesses so as to meet the development of the Group.

Appreciation

The Group experienced significant challenges and opportunities in 2018. The Group has been growing stronger in face of market regulation and fierce competitions and developed in a steady manner. On behalf of the Board, I would like to take this opportunity to express our wholehearted gratitude to all shareholders, partners and customers of the Company. In the future, we will stride ahead and operate our business diligently, in return, to enhance our profitability and dedicate to create the best returns to our shareholders and investors.

Mr. Zhang Jingguo

Chairman, Executive Director and Chief Executive Officer
Hong Kong, 28 March 2019

其他海外業務

本集團於新加坡擁有28個SOHO商住單位組合及5個優質住宅物業組合，作為出租及資本增值用途，我們將定期審視新加坡物業市場，以便在可見的將來探索市場商機及發展機會。就非核心日本酒店業務方面，2018年內本集團積極尋覓潛在買家以出售酒店或運營，並成功於12月以代價7億日元完成出售位於日本札幌的The Hamilton Hotel。本集團將重新配置淨出售款項到適當業務以配合集團發展。

致謝

2018年，本集團經歷了重大挑戰與機遇，在調控及激烈的競爭中愈戰愈勇，穩健發展。本人謹借此機會代表董事會向本公司全體股東、合作夥伴、客戶致以衷心的感謝。未來我們將闊步前行，用心經營，增強盈利能力，竭誠為我們的股東及投資者帶來最佳回報。

張敬國先生

主席、執行董事兼行政總裁
香港，二零一九年三月二十八日

HONG KONG AND OVERSEAS PROPERTY PORTFOLIO

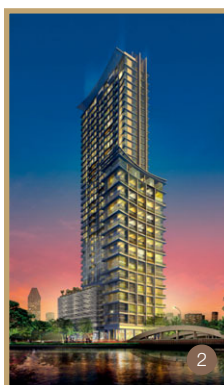
香港及海外物業組合

The Group owns a diverse range of residential, commercial properties and quality hotel located in Singapore, Japan, Hong Kong and the U.S..

本集團擁有不同類型的住宅、商務物業以及優質酒店，遍佈新加坡、日本、香港及美國。

SINGAPORE PROPERTIES

新加坡物業



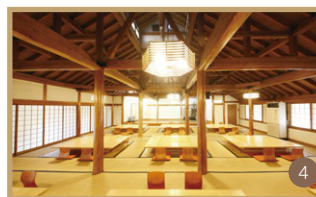
1. Dakota Residences
2&3. Southbank Soho

The Group's Singapore property portfolio is concentrated in locations near Mass Rapid Transit (MRT) stations, Singapore's railway system, ensuring convenience and connectivity. The Group owns a portfolio of SOHO units at Southbank which features high-ceilings and duplexes. These units are uniquely zoned for both residential and commercial uses and hence generate strong rental yield. The Group also owns a portfolio of residential properties at Dakota Residences adjacent to the Dakota MRT station.

本集團新加坡物業組合集中於新加坡地鐵站附近，交通方便完善。本集團在Southbank擁有SOHO單位組合，以高樓底及複式公寓為賣點。該等單位選址別具心思，可作住宅及商業用途，因此租金水平頗高。本集團在Dakota Residences擁有住宅物業組合，Dakota Residences毗鄰Dakota地鐵站。

JAPAN PROPERTIES

日本物業



1,2,3&4. Aizuya Inn

The Group currently owns one property in Japan – being Aizuya Inn, an authentic and traditional Japanese hot spring inn located at Nasu, Tochigi prefecture, a famous mountain resort area approximately two-hours drive from the Tokyo downtown. The Hamilton Sapporo Hotel previously owned by the Group was sold in December 2018.

本集團現時於日本擁有一個物業，Aizuya Inn，是日本正宗傳統溫泉旅館，位於檜木縣那須町，此處為著名居山度假村，距離東京市中心約兩小時車程。集團早前持有的The Hamilton Sapporo Hotel已於2018年12月售出。

HONG KONG PROPERTIES

In addition to some smaller properties, the Group owns two floors of the commercial building, Wyndham Place, a prime office building located in the Central district of Hong Kong – the central business district of the region. The Group currently uses a portion of one floor for its headquarters while leasing out the remaining portion.

除若干小型物業外，本集團於雲咸商業中心擁有兩層商業樓宇。該樓宇為香港中環主要辦公大樓，位於商業中心地帶。本集團現將其中一層的一部分作為總部，該層其餘部分及另一層作出租用途。

香港物業



U.S. PROPERTIES



1&2. Single Family Rentals



美國物業



3. Glen Carr House,
senior housing communities



4. Oxford Grand McKinney,
senior housing communities

The Group owns about 16 Single Family Rentals (“SFRs”) located in Texas, Florida and Georgia through its REIT subsidiary, AHR (with total lettable area of approximately 32,004 sq. ft.). These SFRs are carefully selected for their location, condition, tenant profile and potential for capital appreciation. Further to the SFRs, two senior housing communities (one in Texas and one in Kansas) with total area of approximately 98,700 sq.ft. were acquired by AHR’s subsidiary. The Group also owns freehold land parcels with approximately 273,200 sq. m. in California and two residential units situated on Wall Street in New York.

本集團透過其房地產投資信託附屬公司AHR擁有位於德克薩斯州、佛羅里達州及喬治亞州約16間單棟出租單位，可租賃面積合共約為32,004平方呎。我們考慮有關地點、環境、租戶背景及資本升值潛力後嚴選單位。除單棟出租單位，AHR之附屬公司收購了兩套長者住房宿舍（一套位於德克薩斯州、一套位於堪薩斯州），面積合共約98,700平方呎。本集團亦在加州擁有約273,200平方米之永久業權地塊，並在紐約華爾街擁有兩個住宅單位。





Part of the property projects in the PRC
於中國部份之物業項目

- 1 Zensun Voyage Garden
正商匯航佳苑
- 2 Zensun Fenghuashangjing
正商豐華上境
- 3 Zensun Shili Mountain
正商十里香山
- 4 Zensun Boya Court
正商博雅華庭
- 5 Zensun Voyage Mansion
正商匯航銘築
- 6 Zhengzhou Zensun River Valley
鄭州正商河峪州
- 7 Zensun South Longhu Valley-view Garden
正商南龍湖峪景佳苑
- 8 Zensun Grand Garden
正商明苑
- 9 Xuchang Zensun Orchids Mansion
許昌正商蘭亭華府
- 10 Zensun Yazhu Garden
正商雅築佳苑
- 11 Zensun Zhenruishangjing
正商禎瑞上境

PROPERTY DEVELOPMENT IN THE PRC AND PROJECT SUMMARY

在中國之物業發展及項目概要

As at 31 December 2018, the Group has two completed property projects and 26 on-going complex property projects on hand with 75 land parcels under development with total site area of approximately 3.45 million sq.m. and aggregated estimated GFA of approximately 9.11 million sq.m. in the PRC. Interests of all these property projects in the PRC are 100% attributable to the Group.

於二零一八年十二月三十一日，本集團於中國擁有兩個已落成物業項目及26個現行發展中綜合物業項目（合共75幅地塊），總佔地面積約為3,450,000平方米及估計總建築面積約為9,110,000平方米。

PROJECTS HIGHLIGHTS

項目精選

Zensun Smart City 正商智慧新城

Zhengzhou 鄭州



PROJECT DESCRIPTION 項目簡介

Site Area (approximately):

土地面積(約):
342,993 sq.m.
平方米

Total GFA (approximately):

總建築面積(約):
641,687 sq.m.
平方米

Architectural Form: Residential and commercial
建築形態: 住宅、商業

Estimated Completion Time: 4th quarter of 2020

預計竣工時間: 二零二零年第四季度

Zensun Smart City covers a total site area of approximately 9,000 mu, and will be developed into a quality town integrating ecology, health, wisdom and harmony. The first phase covers a total GFA of approximately 370,000 sq.m., and consists of 5 bungalows and 5 waterfront townhouses, with greening rate no less than 35%. The project is next to two main roads Central Avenue and Health Avenue, and adjacent to the county government central business district. It owns a lake park of approximately 1,000 mu, and will build a 40,000 sq.m. large-scale commercial complex integrating shopping, catering, leisure and entertainment. The project is close to Xinxiang County No. 1 High School and Xinxiang County Central Hospital, and has its own education and medical system as well as Grade-A property management system. With world's top living essence, it redefines the living height in Central China and creates the legendary taste of a town.

正商智慧新城總體規劃約9,000畝，整體打造成為集生態、健康、智慧、和諧於一體的品質大城。一期規劃總建築面積約37萬平方米，由5棟洋房和5棟濱水聯排組成，社區≥35%綠化率，項目鄰近中央大道與健康大道兩條城市主幹道，毗鄰縣政府中央商務區；坐擁千畝環湖公園；自建4萬平方米大型商業，集購物、餐飲、休閒、娛樂於一體；緊鄰新鄉縣一中、新鄉縣中心醫院，自身規劃教育與醫療體系；一級高質物業管理體系，以世界人居精粹，重新界定中原人居高度，築造一座城市的傳奇品味。

With concept of scientific planning, Zensun Smart City Community owns independent elevators and wide space between blocks, creating a luxury and leisurely living environment. Underground garage separates vehicles from people, which ensures the safety of both family members and vehicles. All houses are built based on humanization concept from the perspective of living comfort, and are equipped with central ventilation system for a healthy life. Various intelligent technologies are used, such as door lock system with triple functions of key, fingerprint and password, and video doorphone system, so as to build a comfortable living environment based on caring and humanistic philosophy.

正商智慧新城社區運用科學規劃理念，獨立電梯入戶設計，闊綽樓間距，奢享愜意悠閑；地下車庫、人車分流，保障家人和愛車安全無憂。且從居住舒適的角度出發，以人性化的理念築家，為健康生活而設的新風系統；具有鑰匙、指紋、密碼三重功能的入戶門鎖；樓宇可視對講系統等多重智慧科技，以貼心人文理念，用心呵護您的舒居生活。

Zensun Longhushangjing 正商瓏湖上境

Zhengzhou 鄭州



PROJECT DESCRIPTION

項目簡介

Site Area (approximately):

土地面積(約):
62,286 sq.m.
平方米

Total GFA (approximately):

總建築面積(約):
185,842 sq.m.
平方米

Architectural Form: Residential
建築形態: 住宅

Estimated Completion Time: 4th quarter of 2019

預計竣工時間: 二零一九年第四季度

As a masterpiece project of the Group, Zensun Longhushangjing ranks the top of Shangjing project series of the Group. Located at Beilong Lake in Zhengdong New District and the junction of Zhongyi Road and Chaoyang Road, the project enjoys the quintessential resources of the city. The project covers a total site area of 93 mu with plot ratio of 1.49. It has aggregate GFA of approximately 186,000 sq.m.. Designed by Australia PT Design, the project is inspired by the palace architectures of Ming and Qing Dynasty with respect to its construction and type, featuring squarish layout with a central axis, comprising 23 blocks of new Chinese-style 5-storey bungalows with lifts. The project provides units with GFA of approximately 142-209 sq.m., boasting health, intelligence, safety, quality, and culture. Featuring oriental elegant living style, the project is available for people living in central China.

正商瓏湖上境是本集團匠心升級之作，亦為本集團上境項目系列最高端的項目。專案擇址鄭東新區北龍湖，地處眾意路與朝陽路交會處，享一城精粹資源。項目總佔地面積約93畝，容積率1.49，總建築面積約18.6萬平方米。專案建築、戶型由澳大利亞柏濤擔綱設計，汲取明清皇宮建築精髓，九宮方正、前隱後尊，以中軸禮序格局，規劃23棟五層新中式電梯洋房。建築面積約142-209平方米大境府宅，匠造升級健康、智慧、安全、品質、人文五心正裝成品家，東方雅境生活，禮獻中原人仕。

Zensun River Home 正商家河家

Zhengzhou 鄭州



PROJECT DESCRIPTION

項目簡介

Site Area (approximately):

土地面積(約):
98,973 sq.m.
平方米

Total GFA (approximately):

總建築面積(約):
413,205 sq.m.
平方米

Architectural Form: Residential
建築形態: 住宅

Estimated Completion Time: 4th quarter of 2019

預計竣工時間: 二零一九年第四季度

Located in Huiji District in Zhengzhou City, Zensun River Home is situated at the administrative business center of north area in Zhengzhou, adjacent to many institutions such as government of Huiji District. The project is adjacent to Metro Line 2 and 3, surrounded by 2.83 million sq.m. of Huiji special commercial areas with facilities such as hospitals, schools, and leisure parks planned. The project enjoys convenient medical, commercial, recreational, and cultural facilities surrounded. The first phase of the project has planned aggregate GFA of approximately 413,000 sq.m. with plot ratio of 2.99 and greening ratio of 30%. Styled with English style architecture, the project comprises 9 blocks of bungalows with lifts and 13 blocks of high-rises, forming a match of low and high buildings with closed-circle design. At the entrance of every block, a small leisure plaza is set. Blossoming flowers, a large area of lawn, and lush trees bring you special mind experience when you come home every time.

正商家河家項目位於鄭州市惠濟區，地處鄭州北區的行政商務中心，緊鄰惠濟區政府等多家機關單位。項目臨近地鐵2、3號線，周邊還有283萬方的惠濟特色商業區，並規劃有醫院、學校、休閒公園等生活設施，周邊醫療商業、文娛配套及文化產業一應俱全，方便快捷。項目一期規劃總建築面積約41.3萬平方米，容積率為2.99，綠化率為30%，規劃產品風格為英倫建築風格，由9棟電梯洋房和13棟高層構成。洋房，高層高低配，圓合設計，每個單元門口都設有小型的主題休閒廣場，綻放的鮮花，和大面積的草坪及繁茂的樹林，讓您每一次回家都是一次心靈的旅行。

PROPERTY DEVELOPMENT IN THE PRC AND PROJECT SUMMARY

在中國之物業發展及項目概要

Zensun Voyage Garden 正商匯航佳苑

Zhengzhou
鄭州



PROJECT DESCRIPTION

項目簡介

Site Area (approximately):

土地面積(約):
86,623 sq.m.
平方米

Total GFA (approximately):

總建築面積(約):
435,723 sq.m.
平方米

Architectural Form: Residential and commercial
建築形態: 住宅及商業

Estimated Completion Time: 4th quarter of 2020 to 4th quarter of 2021
預計竣工時間: 二零二零年第四季度至二零二一年第四季度

Zensun Voyage Garden consists of 7 buildings with plot ratio of 2.99, covering 4 high-rise residential and supporting properties. The project is about 3.5 kilometres away from the East Square of the East High-speed Railway Station in terms of straight-line distance, and is located at the Hanghai East Road Station of Metro Line 3 (under construction), the first phase of which is expected to open at 2021. Without commercial planning, the community has a quiet environment with people separated from vehicles. The buildings adopt the new Asian Chinese architectural style, which implants traditional elements into modern building system to achieve perfect combination of landscaping and architecture and create a lifestyle that combines art and elegance. With municipal leisure park – “Valley of Wisdom” to the West, the project enables the residents to truly live in the forest and breathe fresh air among flowers.

正商匯航佳苑共7棟樓組成，容積率2.99，涵蓋4棟高層住宅和配套物業，項目距離高鐵東站東廣場直線距離約3.5公里，在建地鐵3號線(建設中)航海東路車站口，一期工程預計2021年通車；無商業規劃，環境安靜，社區人車分流，建築採用新亞洲中式建築風格，將傳統元素植入現代建築體系，景觀與建築的完美結合，塑造藝術與高雅完美結合的生活方式；西臨市政休閒公園—「智慧之谷」真正生活在森林裡，呼吸在花語裡。

Zensun Longshuishangjing 正商瓏水上境

Zhengzhou
鄭州



PROJECT DESCRIPTION

項目簡介

Site Area (approximately):

土地面積(約):
58,338 sq.m.
平方米

Total GFA (approximately):

總建築面積(約):
204,775 sq.m.
平方米

Architectural Form: Residential
建築形態: 住宅

Estimated Completion Time: 1st quarter of 2021
預計竣工時間: 二零二一年第一季度

Located at the southeast to the junction of Chaoyang Road and North 3rd Ring at Beilong Lake in Zhengdong New District, Zensun Longshuishangjing is the Group's second Shangjing project following Zensun Longhushangjing. The whole project covers a total site area of approximately 87 mu with plot ratio of 1.699 and greening ratio of 35%, comprising 18 blocks of 7-storey bungalows, 1 block of building for property use, and 1 kindergarten. With approximately 8,400 mu Beilong Lake to the north and approximately 770 mu East Cannel Park to the west, the project enjoys the first-tier biological resources. Upgraded based on the top decoration standard of Shangjing series, the project has adopted the international high-end decoration brands, creating an artistic living environment. Styled with new Chinese-style architecture, the project is available for elite living in central China.

正商瓏水上境是本集團繼正商瓏湖上境後匠心打造的第二座上境巨著，位於鄭東新區北龍湖朝陽路與北三環交會處東南角。整個項目總佔地面積約87畝，容積率為1.699，綠化率為35%，涵蓋18棟7F洋房、1棟物業用房和1所幼稚園。項目北臨約8400畝北龍湖，西接約770畝東運河公園，擁享北龍湖一線生態資源；在上境系鼎級裝修標準上再升級，集萃國際前端裝修品牌，聚合藝術級人居空間，以新中式大境府宅，禮獻中原精英人生。

PROPERTY DEVELOPMENT IN THE PRC AND PROJECT SUMMARY

在中國之物業發展及項目概要

PROJECT SUMMARY

項目概要

Project Number	Property Project	Location	Actual/ Estimated Completion Time	Interest attributable to the Group	Type	Total site area (sq.m.) Approximately	Total GFA (sq.m.) Approximately	Accumulated completed GFA (sq.m.) Approximately	Land Bank 土地儲備	
									GFA Under Development (sq.m.) Approximately	GFA Under Planning (sq.m.) Approximately
項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約

ACCUMULATED COMPLETED PROPERTY PROJECTS

累計已完成物業項目

1	Zensun Jingkai Plaza 正商經開廣場	North of Jingnan 2nd Road and east of Jingkai 9th Avenue, Zhengzhou City 鄭州市經南二路以北、經開第九大街以東	4th quarter of 2017 2017年第四季度	100%	Commercial 商業	47,736	292,835	292,835	-	-
2	Zensun Xinghan Garden 正商興漢花園	East of the intersection of Dahe Road and Guxu Road, Zhengzhou City 鄭州市大河路及古須路交叉口以東	4th quarter of 2017 2017年第四季度	100%	Residential 住宅	34,439	85,902	85,902	-	-

PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING

在建/籌劃中物業項目

3	Zensun Scholar Garden 正商書香銘築	The intersection of east to Sanglin East Road and north to Rui Feng Road, Zhengzhou City 鄭州市桑林東路東與瑞風路北交匯處	4th quarter of 2019 2019年第四季度	100%	Commercial 商業	25,357	143,371	-	143,371	-
4	Zensun Longhushangjing 正商龍湖上境	North of Chaoyang Road and east of Zhongyi Road, Zhengzhou City 鄭州市朝陽路以北、眾意路以東	4th quarter of 2019 2019年第四季度	100%	Residential 住宅	62,286	185,842	-	185,842	-
5	Zensun Voyage Mansion 正商匯航銘築	West of Jingkai 17th Avenue, north of Hanghai East Road, Zhengzhou City 鄭州市經開第十七大街以西、航海東路東以北	4th quarter of 2020 2020年第四季度	100%	Commercial 商業	55,631	279,396	-	279,396	-
6	Zhengzhou Zensun River Valley (Phase I) 鄭州正商河峪洲一期	North of Lvda Road and west of Yuxiu Road, Zhengzhou City 鄭州市綠達路以北、毓秀路以西	4th quarter of 2019 2019年第四季度	100%	Residential 住宅	94,426	300,681	-	300,681	-
	Zhengzhou Zensun River Valley (Phase II) 鄭州正商河峪洲二期	North of Lvda Road and east of Hongsong Road, and Wenyun Road, Zhengzhou City 鄭州市綠達路以北、紅松路以東、文雲路以東	4th quarter of 2020 2020年第四季度	100%	Residential & commercial 住宅、商業	117,087	391,823	-	307,638	84,185

PROPERTY DEVELOPMENT IN THE PRC AND PROJECT SUMMARY

在中國之物業發展及項目概要

Project Number	Property Project	Location	Actual/ Estimated Completion Time	Interest attributable to the Group	Type	Total site area (sq.m.) Approximately	Total GFA (sq.m.) Approximately	Accumulated completed GFA (sq.m.) Approximately	Land Bank 土地儲備	
									GFA Under Development (sq.m.) Approximately	GFA Under Planning (sq.m.) Approximately
項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約
PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING (Continued)										
在建/籌劃中物業項目(續)										
	Zhengzhou Zensun River Valley (Phase III)	North of Lvda Road, and east of Jinzun Road and South of Chunxi Road, east of Yuxiu Road, and west of Jinzun Road, Zhengzhou City	1st quarter of 2021 to 1st quarter of 2022	100%	Residential	135,308	310,702	-	230,735	79,967
	鄭州正商河峪三期	鄭州市綠連路以北、金樽路以東及鄭州市春熙路以南、毓秀路以東及金樽路以西	2021年第一季度至2022年第一季度		住宅					
7	Zensun River Home (Phase I)	South of Xincheng Road, east of Yule Road, Zhengzhou City	4th quarter of 2019	100%	Residential	98,973	413,205	-	413,205	-
	正商家河家(一期)	鄭州市新城路以南、娛樂路以東	2019年第四季度		住宅					
	Zensun River Home (Phase II)	South of Xinyun Road, east of Yule Road, Zhengzhou City	4th quarter of 2021	100%	Residential	84,310	312,830	-	150,742	162,088
	正商家河家(二期)	鄭州市幸運路以南、娛樂路以東	2021年第四季度		住宅					
	Zensun Jiahe Home (Phase I)	South of Xincheng Road, east of Xinxi Street and south of Xinyun Road and east of Nanbei Avenue, Zhengzhou City	3rd quarter of 2021 to 4th quarter of 2021	100%	Residential & commercial	173,983	674,894	-	566,375	108,519
	正商賈河家園(一期)	鄭州市新城路以南、新西街以東及鄭州市幸運路以南、南北大街以東	2021年第三季度至2021年第四季度		住宅、商業					
	Zensun Jiahe Home (Phase II)	South of Xinyun Road, west of Tianshan Road and east of Fengshi South Street, Zhengzhou City	4th quarter of 2021	100%	Residential & commercial	55,588	134,577	-	-	134,577
	正商賈河家園(二期)	鄭州市幸運路以南、天山路以西、豐碩南街以東	2021年第四季度		住宅、商業					
8	Zensun Prosperity Court	South of Shisu Road and east of Fengshuo South Road, Zhengzhou City	2nd quarter of 2020	100%	Residential	8,051	38,659	-	38,659	-
	正商啟盛華庭	鄭州市石蘇路以南、豐碩南路以東	2020年第二季度		住宅					
9	Zensun Grand Garden	Huafang Village & Xingong Village, Nanyuan County, Fengtai District, Beijing	2nd quarter of 2021	100%	Residential	41,314	171,252	-	171,252	-
	正商明苑	北京市豐台區南苑鄉槐房村及新官村	2021年第二季度		住宅					

Project Number	Property Project	Location	Actual/ Estimated Completion Time	Interest attributable to the Group	Type	Total site area (sq.m.) Approximately	Total GFA (sq.m.) Approximately	Accumulated completed GFA (sq.m.) Approximately	Land Bank 土地儲備	
									GFA Under Development (sq.m.) Approximately	GFA Under Planning (sq.m.) Approximately
項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約
PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING (Continued)										
在 建 / 籌 劃 中 物 業 項 目 (續)										
10	Zensun Yazhu Garden 正商雅築佳苑	5th Avenue District, Shunyi Newtown, Renhe Town, Shunyi District, Beijing 北京市順義區仁和鎮順義新城第五街區	2nd quarter of 2021 2021年第二季度	100%	Residential 住宅	41,170	135,392	-	135,392	-
11	Dengfeng Zensun City • Yu Garden 登封正商城•裕園	Southwest District of Intersection of Taihe Road and Zhengtong Road, Dengfeng City 登封市太和路與政通路交叉口西南區域	2nd quarter of 2020 2020年第二季度	100%	Residential & commercial 住宅、商業	46,899	125,655	-	125,655	-
	Dengfeng Zensun City • Xi Garden 登封正商城•禧園	Northeast corner of Intersection of Denggao Road and Fuyou Road, Dengfeng City 登封市登高公路與福佑路交叉口東北角	4th quarter of 2021 2021年第四季度	100%	Residential & commercial 住宅、商業	15,992	65,159	-	65,159	-
	Dengfeng Zensun City • Tai Garden 登封正商城•泰園	Northwest corner of Intersection of Denggao Road and Fuyou Road, Dengfeng City 登封市登高公路與福佑路交叉口西北角	4th quarter of 2021 2021年第四季度	100%	Residential & commercial 住宅、商業	32,986	131,509	-	131,509	-
	Dengfeng Zensun City • Xiang Garden 登封正商城•祥園	Northeast corner of Intersection of Hanque Road and Tianzhong Road, Dengfeng City 登封市漢關路與天中路交叉口東北角	2nd quarter of 2020 2020年第二季度	100%	Residential & commercial 住宅、商業	27,210	90,716	-	90,716	-
	Dengfeng Zensun City • He Garden 登封正商城•和園	Northeast corner of Intersection of Yinghe Road and Tianzhong Road, Dengfeng City 登封市穎河路與天中路交叉口東北角	2nd quarter of 2020 2020年第二季度	100%	Residential & commercial 住宅、商業	50,436	186,983	-	186,983	-
12	Voyage International Plaza (Phase I & II) 啟航國際廣場(一至二期)	South of Heshou Outer Ring Road and west of Shuanghe Lake 2nd Street, and East of Heshou Outer Ring Road and North of Wanhui Road, Zhengzhou City 鄭州市鶴首外環路以南、雙鶴湖二街以西及 望湖路以北、鶴首外環路以東	2nd quarter of 2021 to 4th quarter of 2021 2021年第二季度至 2021年第四季度	100%	Commercial 商業	21,916	94,894	-	57,440	37,454

PROPERTY DEVELOPMENT IN THE PRC AND PROJECT SUMMARY

在中國之物業發展及項目概要

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									GFA Under Development (sq.m.) Approximately	GFA Under Planning (sq.m.) Approximately
項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約
PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING (Continued) 在建/籌劃中物業項目(續)										
13	Xuchang Zensun Scholar Mansion	North of Nongda Road, south of Gui Hua Nong Xuan Road and west of Gui Hua Han Lin Road, Jianan District, Xuchang City	4th quarter of 2020 2020年第四季度	100%	Residential 住宅	115,449	421,287	-	421,287	-
	許昌正商書香華府	許昌市建安區農大路以北、規劃農軒路以南及規劃漢林路以西								
14	Xuchang Zensun Golden Mile House	East of Laodong North Road and south of Gui Hua Zhou Zhuang Street, Jianan District, Xuchang City	4th quarter of 2021 2021年第四季度	100%	Residential 住宅	60,948	238,093	-	238,093	-
	許昌正商金域世家	許昌市建安區勞動北路以東、規劃周莊街以南								
15	Zensun Longshuishangjing	South of North 3rd Ring Road and east of Longhu Neihuan East Road, Zhengzhou City	1st quarter of 2021 2021年第一季度	100%	Residential 住宅	58,338	204,775	-	204,775	-
	正商龍水上境	鄭州市鄭東新區北三環路以南、龍湖內環東路以東								
16	Xinxiang Zensun Golden Mile House (Phase I)	South of Kelong Avenue and east of Xiner Street, Xinxiang City	2nd quarter of 2021 2021年第二季度	100%	Residential & commercial 住宅、商業	45,591	232,406	-	232,406	-
	新鄉正商金域世家(一期)	新鄉市科隆大道以南、新二街以東								
	Xinxiang Zensun Golden Mile House (Phase II)	West of Xinzhong Avenue, southeast corner of intersection of Hongyuan Street and Guihua Road, Xinxiang City	2nd quarter of 2021 2021年第二季度	100%	Residential & commercial 住宅、商業	36,712	176,469	-	176,469	-
	新鄉正商金域世家(二期)	新鄉市新中大道以西、鴻源街與規劃路交叉口東南角								
17	Zensun Voyage Garden (Phase I and II)	West of Jingkai 17th Avenue, south of Jingbei 4th Road, and north of Jingbei 1st Road, Zhengzhou City	4th quarter of 2020 to 4th quarter of 2021 2020年第四季度至 2021年第四季度	100%	Residential & commercial 住宅、商業	86,623	435,723	-	435,723	-
	正商匯航佳苑(一至二期)	鄭州市經開第十七大街以西、經北四路以南及經北一路以北								

Project Number	Property Project	Location	Actual/ Estimated Completion Time	Interest attributable to the Group	Type	Total site area (sq.m.) Approximately	Total GFA (sq.m.) Approximately	Accumulated completed GFA (sq.m.) Approximately	Land Bank 土地儲備	
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項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約
PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING (Continued)										
在建/籌劃中物業項目(續)										
18	Zensun South Longhu Valley-view Garden 正商南龍湖峪景佳苑	West of Guihua 3rd Road and north of reserve land of Government, Longhu Town, Xinzheng City 新鄭市龍湖鎮規劃三路以西、政府儲備土地以北	4th quarter of 2020 2020年第四季度	100%	Residential 住宅	43,470	184,115	-	184,115	-
19	Zensun South Longhu Valley-view Court 正商南龍湖峪景華庭	South of Guihua 1st Road, west of Qiushi Road, and west of reserve land of Government, Longhu Town, Xinzheng City 新鄭市龍湖鎮規劃一路以南、政府儲備土地以西及求實路以西	1st quarter of 2022 2022年第一季度	100%	Residential 住宅	92,321	276,963	-	-	276,963
20	Zensun Shili Mountain 正商十里香山	Zhaoling Village and Caodian Village, Mihe Town, Gongyi City 鞏義市米河鎮趙嶺村和草店村	4th quarter of 2020 2020年第四季度	100%	Residential, commercial, catering & public utility 住宅、商業、 餐飲、公共 設施	987,701	1,192,714	-	56,909	1,135,805
21	Xuchang Zensun Orchids Mansion 許昌正商蘭亭華府	South of Guihua Zhuyuan Street and east of Guihua Yongxian Road, Jianan District, Xuchang City 許昌市建安區規劃竹園街以南、規劃永翼路以東	2nd quarter of 2022 2022年第二季度	100%	Residential 住宅	62,832	174,777	-	-	174,777
22	Zensun Boya Court 正商博雅華庭	Northwest corner of Intersection of Tashan Road and National Highway 310, Xinyang City 鞏陽市塔山路與310國道交叉口西北角	4th quarter of 2021 2021年第四季度	100%	Residential 住宅	12,777	58,210	-	58,210	-
23	Zensun Zhenruishangjing 正商鎮瑞上境	East of Longteng 2nd Street, south of Ruyi River West 2nd Street, Zhengdong New District, Zhengzhou City 鄭州市鄭東新區龍騰二街以東、如意河西二街以南	2nd quarter of 2022 2022年第二季度	100%	Residential 住宅	68,819	103,228	-	51,893	51,335

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項目	物業項目	項目地址	實際/ 預計竣工時間	本集團 於項目中 的權益	用途	總佔地面積 (平方米) 約	總建築面積 (平方米) 約	累計已竣工 建築面積 (平方米) 約	發展中 建築面積 (平方米) 約	籌劃中 建築面積 (平方米) 約
PROPERTY PROJECTS UNDER DEVELOPMENT/PLANNING (Continued) 在建/籌劃中物業項目(續)										
24	Wuhan Zensun Scholar Mansion 武漢書香華府	West of the intersection of Chenggong Avenue and Maoxing Road, Caidian Street, Caidian District, Wuhan City 武漢市蔡甸區蔡甸街成功大道與茂興路交匯處以西	2nd quarter of 2021 2021年第二季度	100%	Residential 住宅	46,888	164,108	-	-	164,108
25	Zensun Yating Mansion 正商雅庭華府	South of Qiaohang Road (Xiangrui Road), east of Linghan Street (Zhenggang 7th Street), Airport Harbour Zone, Zhengzhou City 鄭州市航空港橋南(祥瑞路)以南、凌寒街(鄭港七街)以東	4th quarter of 2022 2022年第四季度	100%	Residential 住宅	54,298	146,603	-	-	146,603
26	Zensun Fenghuashangjing 正商豐華上境	South of Longhu Neihuan East Road, east of Chunlei Street, Zhengdong New District, Zhengzhou City 鄭州市鄭東新區龍湖內環東路以南、春蕾街以東	4th quarter of 2021 2021年第四季度	100%	Residential 住宅	45,505	77,358	-	-	77,358
27	Zensun Smart City 正商智慧新城	South of Health Avenue and west of Central Avenue, and Intersection of Central Avenue and Financial Road, Qiliying Town, Central District, Xinxiang County 新鄉縣七裡營鎮新鄉縣中心城區中央大道以西、規劃健康大道以北及新鄉縣七裡營鎮健康大道以南、中央大道以西及金融路以南及交叉口	4th quarter of 2020 2020年第四季度	100%	Residential & commercial 住宅、商業	342,993	641,687	-	77,789	563,898
28	Skyline Lake Court (Phase I and II) 雲湖上院(一至二期)	South of Baiyun Road, and east of Runan Road, and west of Dengfeng Road, Shangjie District, Zhengzhou City 鄭州市上街區白雲路以南、汝南路以東及登封路以西	2nd quarter of 2022 2022年第二季度	100%	Residential, commercial, 住宅、商業	97,995	195,989	-	-	195,989
Grand total	總計					3,530,358	9,490,782	378,737	5,718,419	3,393,626

The Group will continue expanding its property development in Henan Province and other first and second tier cities in the PRC.

本集團將繼續擴大於中國河南省及其他第一、第二線城市地產發展的業務。

REIT OWNERSHIP AND MANAGEMENT STRATEGY

房地產投資信託擁有及管理策略



The Company announced on 6 December 2013 a three-phases growth strategy (the “Growth Strategy”) as ascribed in our REIT Strategy, which involves (i) building up a portfolio through seeding and growing REITs in the U.S.; (ii) developing recurring management fees from direct management of these REITs; and (iii) raising capital through potential listings of these REITs.

The Company has so far seeded two REITs in U.S., AHR and GMR, both are managed by the U.S.-based company, IAM, a wholly-owned subsidiary of the 85%-owned Inter-American Group Holdings Inc. (“IA Group”) which is 85% owned by the Group, IAM earns recurring management fees of 1.5% of the REITs’ net assets under management. The remaining 15% stake of IA Group is owned by Mr. Jeffrey Busch, the Chief Executive Officer of IA Group who is a 30-year real estate veteran and previously served two U.S. Presidents, overseeing a yearly budget of over US\$3 billion to develop housing and commercial real estate for the U.S. Government.



IAM is the REIT management arm of IA Group, led by a specialised team of highly-experienced professionals with deep knowledge in the U.S. real estate, REITs, healthcare, management, logistics and business development.

IAM manages our Group’s seeded REITs – AHR and GMR – and plans to eventually manage other global REITs. IAM estimates to receive recurring management fees of 1.5% to 2.0% of assets under management, varying by each individual REIT and depending on their performance. Its REIT management strategy centres on systematising, and creating viable economies of scale, to effectively manage cash flow over the life cycles of a wide range of real estate holdings. IAM focuses on minimising operating expenses by optimising property evaluation and property management practices, through advanced online property tracking tools coupled with on-site evaluations. IAM sources prospective acquisitions based on the broad relationship network of IA Group’s U.S.-based executive team.

Led by our professional management team in IAM, GMR has been successfully completed offering of its shares and migration listing to NYSE in the U.S. during 2016.

於二零一三年十二月六日，本公司宣佈一項房地產投資信託策略之三線發展策略（「發展策略」），涉及(i)透過於美國開拓及發展房地產投資信託建立組合；(ii)直接管理該等房地產投資信託而建立經常性收入來源；及(iii)透過該等房地產投資信託之可能上市籌集資金。

本公司迄今已收納兩個美國房地產投資信託，即AHR及GMR，均由本集團擁有85%權益之Inter-American Group Holdings Inc.（美州集團控股公司）（「IA Group」）之全資附屬公司IAM管理，IAM就所管理房地產投資信託淨資產收取1.5%經常性管理費。IA Group餘下15%股份乃由IA Group行政總裁Jeffrey Busch先生擁有。Jeffrey Busch先生具備30年房地產行業經驗，曾為兩名美國總統服務，負責監管逾30億美元年度預算，為美國政府拓展住房及商用房地產行業。

IAM為IA Group旗下房地產投資信託管理分支，由具備深厚美國房地產、房地產投資信託、醫療、管理、物流及業務發展知識之資深專業團隊帶領。

IAM現時管理本集團所收納之房地產投資信託，即AHR及GMR，並策劃管理其他全球性房地產投資信託。IAM估計就所管理資產收取1.5%至2.0%經常性管理費，視乎各個別房地產投資信託及其表現而定。其房地產投資信託管理策略圍繞系統化管理，藉以產生切實可行之規模經濟，繼而於不同類別房地產資產週期有效管理現金流量。IAM透過先進網上物業追蹤工具及實地評估，最大程度優化物業評估及物業管理手法，盡量削減經營開支。IAM依據IA Group美國執行團隊之廣泛人際關係網絡，物色潛在收購目標。

在我們IAM專業管理團隊之帶領下，GMR已於二零一六年在美國成功完成發售其股份及轉至紐約證券交易所上市。

REIT OWNERSHIP AND MANAGEMENT STRATEGY

房地產投資信託擁有及管理策略



AHR is currently a U.S. REIT 99%-controlled and managed by IAM. The primary business strategy of AHR is to acquire and lease single-family homes as well-maintained investment properties to generate attractive risk-adjusted returns over the long-term. AHR consistently employs a disciplined and focused approach in evaluating available acquisition opportunities, and maximising the expected returns with the mix of rent yield and future potential appreciation in value. As at 31 December 2018, AHR owned a portfolio of about 16 single-family rentals (“SFRs”) primarily in Texas, Florida and Georgia in the U.S.

In view of our professional specialist management arm on the favourable potential prospect on retirement communities and elderly care industry in the U.S., the Group diversifies its current property portfolio from single family housing to senior housing in order to seize the industry potential. Two senior housing communities in Texas and Kansas in the U.S. were acquired in the first half of 2017. The Group believes that a diversified investment portfolio will generate a higher-than-average annualised yield and assist future capital fund raising.



GMR was previously a 99.9%-controlled U.S. OTC-listed REIT and managed by IAM. During 2016, GMR successfully completed the initial public offering of its common shares and migration listing from OTC to NYSE in the U.S.. As a result, the Group’s interest in GMR was diluted from 99.9% to 14.8%. Although GMR ceased to be a subsidiary of the Company and no longer controlled by the Group after the GMR offering, IAM has continued providing management services in return for receiving recurring management fee at 1.5% per annum of GMR’s net assets under the management agreement. IAM also continued managing various fund raising activities to increase the capital base of GMR, which in return, increase the recurring management fee income. In view of the business objectives, recent expansion plans and also the financial position of GMR, the Group expects that GMR will continue its rapid development with its sound and solid property portfolio and growth in profits in the next few years, thus, in December 2018, the Group has increased its shareholding in GMR from approximately 12% to approximately 14% by way of share subscription in a GMR’s public offering. The Board believes this will increase the Group’s sharing of the income growth of GMR and thereby achieve long-term capital appreciation of the Group’s investment. As at 31 December 2018, the Group had approximately 14% equity interests in GMR.

AHR為目前由本集團控制99%的美國房地產投資信託，由IAM管理。AHR之主要業務策略為收購及出租獨戶住宅作維護完善的投資物業，以獲取具吸引力之長期風險調整回報。AHR一貫審慎專注地評估可得收購機遇，最大限度提升預期回報，並綜合考慮租金收益及日後升值潛力。於二零一八年十二月三十一日，AHR主要於美國德克薩斯州、佛羅里達州及喬治亞州擁有約16間單棟出租單位（「單棟出租單位」）組合。

由於我們的專業專家管理分支看好美國退休群體及安老行業之潛在前景，為把握行業潛力，本集團將其現有物業組合從單棟出租單位分散至養老地產物業。於二零一七年上半年，本集團已收購位於美國德克薩斯州及堪薩斯州之兩套長者住房院舍。本集團相信，分散投資組合將產生高於平均水平之年度收益，並有助於未來之資本融資。

GMR為先前由本集團控制99.9%的美國場外交易上市房地產投資信託，由IAM管理。於二零一六年，GMR已在美國成功完成首次公開發售其普通股股份及由場外交易轉至紐約證券交易所上市。因此，本集團於GMR中擁有之權益由99.9%攤薄至14.8%。儘管於GMR發售後，GMR不再為本公司之附屬公司及不再由本集團控制，IAM按管理協議繼續提供管理服務，並每年按GMR淨資產之1.5%收取經常性管理費。IAM亦繼續管理不同集資活動以進一步提升GMR的資本基礎，從而提高經常性管理費收入。考慮到GMR之業務目標、近期擴張計劃以及財務狀況，本集團預計GMR以其穩健物業組合將繼續其快速發展，於未來幾年提升盈利，故此，於二零一八年十二月本集團於GMR公開發售中透過股權認購方式，將其於GMR持股量由約12%增加至約14%。董事會相信這樣本集團可提高對GMR成長性收益之分享，從而讓本集團之投資達至長期資本增值。於2018年12月31日，本集團擁有GMR約14%股權。

GMR holds a medical real estate portfolio and distribute dividends of US\$0.80 per share in 2018.

GMR's strategy is to acquire licensed, specialised medical healthcare facilities and lease those facilities to strong healthcare operators pursuant to long-term leases with contractual annual rent escalations. These leases are structured as triple net which require tenants to pay for all property operating expenses including property taxes, insurance, maintenance and capital expenditure. GMR looks for opportunities where healthcare operators wish to monetize their real estates.

GMR generally acquires properties on a long-term sale and leaseback basis which provides GMR with predictable growing rental income. GMR's in-depth experience and contacts within the health care real estate community enable GMR to source non-brokered investment opportunities off-market and on favourable terms. GMR is able to originate property acquisitions with healthcare operators directly by catering specifically to their capital, accounting, legal, regulatory, and strategic needs.

As of 31 December 2018, GMR's portfolio consisted of 83 facilities with an aggregate of (i) approximately 2.1 million net leasable square feet, (ii) approximately US\$50.2 million of annualized base rent, (iii) an approximate weighted average capitalization rate of 7.9% and (iv) approximately 10.1 years weighted average lease term remaining. During the Year, GMR completed 14 acquisitions of medical and healthcare facilities, encompassing an aggregate of 811,707 leaseable square feet, for an aggregate purchase price of US\$196.3 million with annualised base rent of US\$15.8 million and a weighted average capitalisation rate of 8.04%, enlarging its asset base. GMR continues to seek investment in primarily off-campus medical office buildings and purpose-built, licensed specialised medical facilities, such as surgery centers, specialty hospitals, and in-patient rehabilitation facilities to align the portfolio with contemporary trends in the delivery of demographically supported healthcare services. GMR targets secondary and tertiary markets with favourable demographic trends.

GMR擁有一個醫療設施組成之醫療房地產組合，其於2018年每股派發0.8美元的股息。

GMR之策略為收購持牌及專業醫療保健設施，以及長期及合約年租金上升的租約出租該等設施予強大保健服務營運商。此等租約結構為三重淨租約，其要求租戶支付所有物業營運開支包括物業稅、保險、維修費用及資本開支。GMR專注於尋找保健營運商有意將其房地產變賣的機會。

GMR一般按長期售後回租之基準收購物業，保障GMR可預測持續增長的租金收入。GMR於保健房地產領域之豐富經驗及人脈使GMR可按有利條款獲得場外非經紀投資機會。GMR可透過迎合其特定資本、會計、法律、法規及戰略需求，主動直接向保健營運商提出收購物業。

於二零一八年十二月三十一日，GMR之組合包括83項設施，合共(i)可租賃面積約2.1百萬平方呎；(ii)年化基本租金約50.2百萬元；(iii)加權平均資本化率約7.7%及(iv)加權平均餘下租期約10.1年。於本年度內，GMR完成14項醫療保健設施收購事項，可租賃總面積為811,707平方呎，總購買價格為196,300,000美元，年化基本租金為15,800,000美元，加權平均資本化率為8.04%，擴大了其資產基礎。GMR繼續主要物色投資於校外醫療辦公大樓及特定用途之持牌專業醫療設施(如手術中心、專科醫院及住院病人康復設施)，以使其組合符合時下趨勢提供廣受歡迎之保健服務。GMR瞄準具有良好人口趨勢的第二及第三級市場。

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Zhang Jingguo (*Chairman and
Chief Executive Officer*)

Zhang Guoqiang

Non-Executive Director

Huang Yanping

Independent Non-Executive Directors

Liu Da

Liu Qiao

Ma Yuntao

AUDIT COMMITTEE

Liu Da (*Chairman*)

Liu Qiao

Ma Yuntao

REMUNERATION COMMITTEE

Ma Yuntao (*Chairman*)

Zhang Jingguo

Liu Qiao

NOMINATION COMMITTEE

Liu Qiao (*Chairman*)

Zhang Jingguo

Liu Da

AUTHORISED REPRESENTATIVES

Zhang Jingguo

Zhang Guoqiang (appointed on
1 May 2018)

Chan Chi Keung (resigned on
1 May 2018)

JOINT COMPANY SECRETARIES

Kwok Pak Shing (appointed on
20 November 2018)

Yuen Ping Man

Chan Chi Keung (resigned on
1 May 2018)

AUDITOR

Ernst & Young (appointed on
7 December 2018)

Deloitte Touche Tohmatsu
(resigned on 29 November
2018)

SOLICITOR

Howse Williams

PRINCIPAL BANKERS

China Construction Bank (Asia)
Corporation Limited

Credit Suisse AG

DBS Bank (Hong Kong) Limited

East West Bank

Hang Seng Bank Limited

United Overseas Bank Limited

SHARE REGISTRAR

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

REGISTERED OFFICE

24th Floor
Wyndham Place
40-44 Wyndham Street
Central, Hong Kong

WEBSITE

www.zhsuccess.com*

STOCK CODE

Stock Exchange: 185

董事會 執行董事

張敬國

(*主席及行政總裁*)

張國強

非執行董事

Huang Yanping

獨立非執行董事

劉達

劉俏

馬運弢

審核委員會

劉達(*主席*)

劉俏

馬運弢

薪酬委員會

馬運弢(*主席*)

張敬國

劉俏

提名委員會

劉俏(*主席*)

張敬國

劉達

授權代表

張敬國

張國強(於2018年5月1日
獲委任)

陳志強(於2018年5月1日辭任)

聯席公司秘書

郭柏成(於2018年11月20日
獲委任)

源秉民

陳志強(於2018年5月1日辭任)

核數師

安永會計師行(於2018年12月
7日獲委任)

德勤•關黃陳方會計師行(於
2018年11月29日辭任)

律師

何韋律師行

主要往來銀行

中國建設銀行(亞洲)股份
有限公司

瑞士信貸銀行

星展銀行(香港)有限公司

華美銀行

恒生銀行有限公司

大華銀行有限公司

股份過戶登記處

卓佳準誠有限公司

香港

皇后大道東183號

合和中心22樓

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香港中環

雲咸街40-44號

雲咸商業中心

24樓

網址

www.zhsuccess.com*

股份代號

聯交所：185

* Information on the website does not form part of this annual report
網站內的資訊並不構成本年報一部份

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINAL RESULTS AND DIVIDEND

For the Year, the Group recorded a revenue of approximately RMB601.5 million and gross profit of approximately RMB275.1 million, with a decrease of 45% as compared to revenue of approximately RMB1,100.4 million and decrease of 25% as compared to gross profit of approximately RMB367.8 million in the corresponding period of 2017. Same as the year of 2017, both revenue and gross profit in the Year were primarily derived from the property development business in the PRC. The decrease in revenue and gross profit is due to the Group's prevailing development strategy of providing "High quality" products to the customers, where most of the Group's property development projects are designed to be delivered with full refurbishment. As such, there was no delivery of newly completed property development projects for the Group during the Year as a longer development schedule was required for the full refurbishment, as compared to two completed property projects were launched their first delivery in 2017.

The Group had net other gains of approximately RMB33.3 million during the Year, as compared to net other losses of approximately RMB4.1 million in 2017. The Group's net other gains during the Year were attributable to the increase in fair value of investment properties of approximately RMB17.9 million (2017: approximately RMB10.7 million), increase in financial assets at fair value through profit or loss of approximately RMB9.3 million (2017: decrease of approximately RMB12.1 million), and gain on disposal of subsidiaries of approximately RMB7.4 million mainly driven from the reclassification adjustments of previous exchange reserves for subsidiaries disposed of during the Year.

The Group's sales and marketing expenses increased by 136% from approximately RMB48.7 million during the year ended 31 December 2017 to approximately RMB114.9 million for the Year. The Group's administrative expenditure increased by 80% from approximately RMB72.1 million during the year ended 31 December 2017 to approximately RMB129.7 million for the Year. Such increases were in line with the magnified business expansion in the Group's property development business in the PRC during the Year with the increasing number of the Group's ongoing property development projects.

末期業績及股息

於本年度，本集團錄得收益約人民幣601,500,000元及毛利約人民幣275,100,000元，較二零一七年同期之收益約人民幣1,100,400,000元減少45%，以及較二零一七年同期之毛利約人民幣367,800,000元減少25%。與二零一七年相同，本年度之收益及毛利主要來自中國物業發展業務。收益及毛利減少乃由於本集團先前向客戶提供「高品質」產品的發展策略，其中本集團大部分物業發展項目指定為整裝交付。因此，鑒於整裝需更長發展時間，本集團於本年度內並無交付新落成物業發展項目，而二零一七年已啟動兩個已落成物業項目的首批交付。

本集團於本年度之其他收益淨額約為人民幣33,300,000元，而於二零一七年之其他虧損淨額則約為人民幣4,100,000元。本集團於本年度之其他收益淨額為投資物業公平值增加約人民幣17,900,000元（二零一七年：約人民幣10,700,000元）、按公平值計入損益之金融資產增加約人民幣9,300,000元（二零一七年：減少約人民幣12,100,000元）及受本年度已出售附屬公司以往匯兌儲備之重新分類調整所帶動導致出售附屬公司之收益約人民幣7,400,000元。

本集團之銷售及市場推廣費用由截至二零一七年十二月三十一日止年度約人民幣48,700,000元增加136%至本年度約人民幣114,900,000元。本集團之行政費用由截至二零一七年十二月三十一日止年度約人民幣72,100,000元增加80%至本年度約人民幣129,700,000元。隨著本集團持續進行之物業發展項目數量不斷增加，有關增加與本集團於本年度內對於中國之物業發展業務加大業務擴張相符。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's income tax expenses decreased from approximately RMB106.0 million during the year ended 31 December 2017 to approximately RMB30.0 million for the Year. The decrease was resulted from the decrease in PRC CIT and PRC LAT arising from the lower operating profits in property development business in the PRC during the Year and also offsetting effect with the PRC deferred taxation credits of approximately RMB63.2 million primarily attributable to the recognition of deferred tax assets for unused tax losses available for future utilisation.

As a result of the foregoing, the Group's profit attributable to owners of the Company for the Year amounted to approximately RMB30.0 million (2017: approximately RMB131.7 million).

The basic earnings per share for the Year was RMB0.49 cents (2017: RMB2.13 cents).

The Board does not recommend the payment of a dividend in respect of the Year (2017: Nil)

BUSINESS REVIEW

Property Development in the PRC

During the Year, the property development business in the PRC contributed revenue of approximately RMB521.8 million (2017: approximately RMB1,030.2 million) and segment profit of approximately RMB8.4 million (2017: approximately RMB234.3 million) to the Group. The decrease in segment revenue and segment profit was attributable to the decrease in delivery of the completed property development projects during the Year. During the Year, the Group maintained the delivery of the existing completed property units to the customers in accordance with the related terms of sales and purchase agreements. To align with the Group's prevailing development strategy of providing "High quality" products, the existing ongoing property development projects are designed to deliver with full refurbishment to the customers. As there was no delivery of newly completed property development projects during the Year, less properties were delivered and recognised for revenue.

本集團之所得稅開支由截至二零一七年十二月三十一日止年度約人民幣106,000,000元減少至本年度約人民幣30,000,000元。有關減少主要由於本年度內中國物業發展業務之經營溢利減少導致中國企業所得稅及中國土地增值稅減少，且亦抵銷了主要因可供日後動用之未動用稅項虧損確認遞延稅項資產引致之中國遞延稅項抵免額約人民幣63,200,000元之影響所致。

基於上述原因，本年度內本公司擁有人應佔本集團溢利約為人民幣30,000,000元(二零一七年：約人民幣131,700,000元)。

於本年度內，每股基本盈利為人民幣0.49分(二零一七年：人民幣2.13分)。

董事會並無建議派付本年度股息(二零一七年：無)。

業務回顧

中國物業發展

於本年度內，中國物業發展業務為本集團貢獻收益約人民幣521,800,000元(二零一七年：約人民幣1,030,200,000元)及分部溢利約人民幣8,400,000元(二零一七年：約人民幣234,300,000元)。分部收益及分部溢利的減少乃由於本年度交付的已落成物業發展項目減少所致。於本年度，本集團根據買賣協議之相關條款持續向客戶交付現有已落成物業單位。為符合本集團現時提供「高品質」產品的發展策略，現有進行中物業發展項目計劃以整裝形式交付予客戶。由於本年度沒有新落成的物業發展項目，故已交付確認為收益的物業減少。

The Group has adopted a concrete strategy for further expansion in property development business in the PRC and persisted continuing effort to expand the land reserves. During the Year, the Group has proactively and continuously attended different public auctions and successfully completed 51 land acquisitions through listings for sale processes with different local governmental land bureaus and independent third parties in the PRC. These 51 newly acquired land parcels have contributed total site area of approximately 2.31 million square meters and aggregate estimated GFA of approximately 4.89 million square meters in support of our land reserves in the PRC. These successful land bids and acquisitions further complemented the Group's strategy in expanding its business operation with focus in Zhengzhou City, Henan Province and other first and second tier cities in the PRC. As at 31 December 2018, the Group had two completed property projects and 26 on-going complex property projects on hand with 75 land parcels under development with total site area of approximately 3.45 million square meters and aggregate estimated GFA of approximately 9.11 million square meters in the PRC. The Group adopts a proactive strategy in project development business and will adjust its pace of business expansion and project development progress as and when appropriate.

Property Investment and/or Management in the USA on AHR and GMR

During the Year, the property investment and management in the USA on AHR and GMR through Inter-American Management, LLC ("IAM"), the 85%-owned REIT management arm of the Group, contributed revenue of approximately RMB46.6 million (2017: approximately RMB37.7 million) and segment profit of approximately RMB6.7 million (2017: segment loss of approximately RMB0.1 million) to the Group. The significant increase in segment revenue and segment profit was resulted from the increase in management fee income from the enlarged capital base of GMR through several fund raising campaigns in the second half of 2017 and the year of 2018.

Property Investment other than AHR

During the Year, the property investment other than AHR division contributed segment revenue of approximately RMB13.5 million (2017: approximately RMB13.1 million) and segment profit of approximately RMB17.2 million (2017: approximately RMB11.7 million) to the Group. The increase in segment profit was primarily attributable to the increase in fair value of investment properties during the Year of approximately RMB16.4 million as compared to approximately RMB7.9 million in 2017.

本集團已採納具體策略，進一步於中國擴展物業發展業務，並繼續努力擴充土地儲備。於本年度內，本集團不斷積極參與各項公開拍賣，並透過掛牌出售程序向中國不同地方政府土地部門及獨立第三方成功收購51幅土地。該等51幅新收購地塊總佔地面積約為2,310,000平方米，估計總建築面積約為4,890,000平方米，增加了我們於中國的土地儲備。該等土地的成功競標收購進一步補足本集團集中於河南省鄭州市及中國其他一二線城市擴大業務營運之策略。於二零一八年十二月三十一日，本集團於中國擁有二個已落成之物業項目及26個現行發展中綜合物業項目（共75幅地塊），總佔地面積約為3,450,000平方米及估計總建築面積約為9,110,000平方米。本集團在項目發展業務中採取主動模式，並將適時調整其業務擴張步伐及項目發展進程。

AHR及GMR於美國之物業投資及／或管理

於本年度內，透過Inter-American Management, LLC（「IAM」，由本集團擁有85%權益之房地產投資信託管理分支），於美國對AHR進行之物業投資及管理以及向GMR提供之物業管理為本集團貢獻收益約人民幣46,600,000元（二零一七年：約人民幣37,700,000元）及產生分部溢利約人民幣6,700,000元（二零一七年：分部虧損約人民幣100,000元）。分部收益及分部溢利大幅增加乃由於透過於二零一七年下半年及二零一八年進行數次集資活動擴大GMR之資本基礎而令管理費增加所致。

AHR以外之物業投資

於本年度內，AHR分部以外之物業投資為本集團貢獻分部收益約人民幣13,500,000元（二零一七年：約人民幣13,100,000元）及分部溢利約人民幣17,200,000元（二零一七年：約人民幣11,700,000元）。分部溢利增加乃主要由於本年度投資物業公平值增加約人民幣16,400,000元，而二零一七年增加約人民幣7,900,000元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Securities Trading and Investment

During the Year, the Group's securities business recorded segment revenue of approximately RMB15.8 million with segment profit of RMB25.0 million as compared to segment revenue of approximately RMB14.6 million with segment profit of approximately RMB3.0 million in 2017. The significant increment in segment profit mainly attributed by the increase in financial assets at fair value through profit or loss during the Year of approximately RMB9.3 million (2017: decrease in financial assets at fair value through profit or loss of approximately RMB12.1 million) and also the increase in dividend income arising from the additional equity investment in GMR made by the Group during the Year.

Hotel Operations

During the Year, revenue from the hotel operations division declined from approximately RMB4.9 million to approximately RMB3.7 million contributing to a segment loss of approximately RMB1.5 million as compared to segment loss of approximately RMB1.7 million in 2017.

FINANCIAL REVIEW

Liquidity and Capital Resources

Liquidity Position

As at 31 December 2018, the carrying amount of the Group's total cash and bank balances including pledged deposits and restricted bank balances was approximately RMB1,489.7 million (2017: approximately RMB946.8 million), representing an increase of approximately 57%. The total cash and bank balances were mainly denominated in Renminbi, Hong Kong dollars, US dollars, Singapore dollars and Japanese Yen.

As at 31 December 2018, certain bank balances and deposits of the Group were pledged to certain banks and financial institutions as securities for the bank and financial institutions facilities granted to the Group and also the mortgage loan facilities granted to the property buyers of the Group. The total pledged deposits was approximately RMB714.4 million as at 31 December 2018 (2017: approximately RMB99.2 million).

證券買賣及投資

於本年度內，本集團之證券業務錄得分部收益約人民幣15,800,000元，而分部溢利則約為人民幣25,000,000元，而二零一七年則錄得分部收益約人民幣14,600,000元及分部溢利約人民幣3,000,000元。分部溢利之顯著增加主要是由於本年度按公平值計入損益之金融資產增加約人民幣9,300,000元(二零一七年：按公平值計入損益之金融資產減少約人民幣12,100,000元)以及本年度本集團於GMR之額外股權投資產生的股息收入增加所致。

酒店業務

於本年度內，酒店業務分部之收益由約人民幣4,900,000元減少至約人民幣3,700,000元，亦導致分部虧損約人民幣1,500,000元(二零一七年：分部虧損約人民幣1,700,000元)。

財務回顧

流動資金及資金來源

流動資金狀況

於二零一八年十二月三十一日，本集團之現金及銀行結餘總額(包括已抵押按金及受限制銀行結餘)之賬面值增加約57%至約人民幣1,489,700,000元(二零一七年：約人民幣946,800,000元)。現金及銀行結餘總額主要以人民幣、港元、美元、新加坡元及日圓列值。

於二零一八年十二月三十一日，本集團若干銀行結餘及按金已抵押予若干銀行及金融機構，作為本集團獲授銀行及金融機構融資及本集團物業買家獲授按揭貸款融資之抵押。於二零一八年十二月三十一日，已抵押按金合共約為人民幣714,400,000元(二零一七年：約人民幣99,200,000元)。

Capital Structure, Borrowings and Charges on the Group's assets

The capital structure of the Group consists of net debt, which includes bank and other borrowings, loans from a related company, and amounts due to related companies, net of cash and cash equivalents, restricted bank balances and pledged deposits, and equity attributable to owners of the Company, comprising issued share capital and reserves. As at 31 December 2018, net debt and equity attributable to owners of the Company were approximately RMB24,260.5 million (2017: approximately RMB11,843.1 million) and approximately RMB1,128.6 million (2017: approximately RMB1,153.5 million), respectively. As at 31 December 2018, the Group's aggregate borrowings including bank and other borrowings, loans from a related company and amounts due to related companies amounted to approximately RMB25,750.2 million (2017: approximately RMB12,789.9 million), of which approximately RMB17,007.9 million (2017: approximately RMB8,920.8 million) are repayable within one year or on demand, and approximately RMB8,742.3 million (2017: approximately RMB3,869.1 million) are repayable after one year. The aggregate borrowings were mainly denominated in Renminbi, US dollars, Singapore dollars and Hong Kong dollars.

During the Year, the Company completed the issuance of bonds at principal amount of US\$200 million carrying interest of 7.5% per annum due on 31 January 2019 in accordance with the terms and conditions of the subscription agreement. The bonds were unsecured but guaranteed by a related company, in which ultimately controlled by Ms. Huang Yanping ("Ms. Huang"). The bonds proceeds was used for general corporate purposes of the Group. The bonds were subsequently redeemed in January 2019.

During the Year, the Group also completed the issuance of assets-backed securities through the establishment of P&A – Xinghan Zensun's Account Receivables for the Balance Payment of Properties Sold Asset-backed Securities Scheme at an aggregated size of RMB1,600 million. The assets-backed securities comprised two tranches, of which the senior tranche with an issued amount of RMB1,430 million carrying coupon rate of 7.2% per annum and the remaining subordinated tranche with an issued amount of RMB170 million with no explicit coupon rate but will receive the residual interests collected from the balance payment after the distribution to the senior tranche. The assets-backed securities are listed on the Shanghai Stock Exchange and has a thirty-month tenure and repayable on 31 January 2021. The assets-backed securities are unsecured but guaranteed by a related company, in which ultimately controlled by Ms. Huang. The securities proceeds was used for general corporate purposes of the Group.

本集團資產之資本架構、借貸及押記

本集團資本架構包括負債淨額，即包括銀行及其他借貸、來自一間關連公司之貸款及應付關連公司款項，減現金及現金等值項目、受限制銀行結餘及已抵押按金及本公司擁有人應佔股權，包括已發行股本及儲備。於二零一八年十二月三十一日，本公司擁有人應佔負債及權益淨額分別為約人民幣24,260,500,000元(二零一七年：約人民幣11,843,100,000元)及約人民幣1,128,600,000元(二零一七年：約人民幣1,153,500,000元)。於二零一八年十二月三十一日，本集團借貸總額包括銀行及其他借貸、來自一間關連公司之貸款及應付關連公司款項約人民幣25,750,200,000元(二零一七年：約人民幣12,789,900,000元)，其中約人民幣17,007,900,000元(二零一七年：約人民幣8,920,800,000元)須於一年內或按要求償還，而約人民幣8,742,300,000元(二零一七年：約人民幣3,869,100,000元)須於一年後償還。借貸總額主要以人民幣、美元、新加坡元及港元列值。

於本年度，本公司根據認購協議之條款與條件完成發行於二零一九年一月三十一日到期之本金額200,000,000美元債券，年息7.5厘。債券為無抵押，但由Huang Yanping女士(「Huang女士」)最終控股的關連公司擔保。債券所得款項已用作本集團之一般企業用途。債券隨後於二零一九年一月已贖回。

於本年度，本集團亦透過成立柏瑞愛建一興漢正商購房尾款資產支持專項計劃完成發行資產支持證券，總發行規模為人民幣1,600,000,000元。資產支持證券分為兩個份額發行，其中優先級份額發行金額為人民幣1,430,000,000元，年息7.2厘，而餘下次級份額發行金額為人民幣170,000,000元，無固定息率，惟會收取優先級份額分派後尾款的剩餘權益。資產支持證券於上海證券交易所上市，為期30個月，須於二零二一年一月三十一日償還。資產支持證券為無抵押，但由Huang女士最終控股的關連公司擔保。證券所得款項已用作本集團之一般企業用途。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In additions to the fixed rate bonds of 7.5% per annum and fixed rate senior tranche of assets-backed securities of 7.2% per annum, the Group's bank and other borrowings also carried fixed interest rates of 5.50% per annum and various floating interest rates linking up with international lending rates including Hong Kong Interbank Offered Rate, Singapore Dollar Swap Offered Rate, Singapore Interbank Offered Rate, London Interbank Offered Rate and the base lending rate of the People's Bank of China as at 31 December 2018. The Group's interest rate risk is mainly driven from the bank and other borrowings with floating interest rates. As at 31 December 2018, loans from a related company and the amounts due to related companies were interest-free (2017: except the amounts of approximately RMB25.9 million recorded in loans from a related company carried at a fixed interest rate at the lower of (i) 4% per annum or (ii) such other interest rate the Group is able to borrow in an amount equal to the relevant loan from a bank or a financial institution at the date of drawdown, the remaining amounts in loans from a related company and the amounts due to related companies were interest-free).

As at 31 December 2018, certain bank and financial institutions facilities granted to the Group together the mortgage loan facilities granted to the property buyers of the Group were secured by certain property, plant and equipment, investment properties, properties under development and pledged deposits with total carrying values of approximately RMB15,539.4 million (2017: RMB10,476.8 million). In addition, shares of certain subsidiaries of the Group are pledged to secure certain bank and financial institutions facilities granted to the Group as at 31 December 2018 and 2017. Certain bank and financial institutions facilities to the Group were guaranteed by related companies in which ultimately controlled by Ms. Huang and together with her spouse, Mr. Zhang. No assets of the Group was pledged to these related companies in respect of the guarantees.

The Group did not use any financial instruments for hedging purpose during the years ended 31 December 2018 and 2017.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. In view of the Group's expansion strategy, the Group has sourced funding from its related companies and continued to look for external financing sources. The Group's overall strategy remains unchanged from previous year.

於二零一八年十二月三十一日，除年息7.5厘的固定利率債券及年息7.2厘的固定利率優先級資產支持證券外，本集團之銀行及其他借貸亦附有固定年息5.50厘以及多項與香港銀行同業拆息、新加坡元掉期利率、新加坡銀行同業拆息、倫敦銀行同業拆息及中國人民銀行貸款基準利率等國際貸款利率掛鈎之浮動利率。本集團之利率風險主要來自附有浮動利率之銀行及其他借貸。於二零一八年十二月三十一日，來自一間關連公司之貸款及應付關連公司款項均為免息(二零一七年：除列作來自一間關連公司之貸款之款項約人民幣25,900,000元按下列較低者之固定利率計息外，餘下來自一間關連公司之貸款及應付關連公司款項均為免息：(i)年利率4厘或(ii)在提取日期本集團能夠向銀行或金融機構借入相等於有關貸款金額之其他利率)。

於二零一八年十二月三十一日，授予本集團之若干銀行及金融機構融資連同授予本集團物業買家之按揭貸款融資已由賬面總值約人民幣15,539,400,000元(二零一七年：人民幣10,476,800,000元)之若干物業、廠房及設備、投資物業、發展中物業及已抵押按金作抵押。此外，於二零一八年及二零一七年十二月三十一日，本集團若干附屬公司之股份已作抵押，以取得本集團所獲授之若干銀行及金融機構融資。本集團獲授之若干銀行及金融機構融資由Huang女士連同其配偶張先生最終控股之關連公司擔保。概無就該等擔保向該等關連公司抵押本集團資產。

截至二零一八年及二零一七年十二月三十一日止年度，本集團並無使用任何金融工具作對沖用途。

本集團管理資本乃為確保本集團實體能夠持續經營，同時透過優化債務與權益平衡為股東帶來最大回報。鑒於本集團之擴建策略，本集團由關連公司籌集資金來源及繼續尋求外部融資渠道。本集團整體策略與過去年度保持不變。

Key Financial Ratios

As at 31 December 2018, the Group recorded a current ratio of 1.3 (2017: 1.3) and a gearing ratio of approximately 61.3% (2017: approximately 63.9%). Gearing ratio is defined as the ratio of total borrowings less cash and cash equivalents, restricted bank balances and pledged deposits to total assets.

Capital Commitments

As at 31 December 2018, the capital commitments of the Group in connection with the property development expenditures was approximately RMB20,012.8 million (2017: approximately RMB3,379.6 million).

Contingent Liabilities

As at 31 December 2018, the Group had contingent liabilities relating to guarantees amounting to approximately RMB3,699.0 million (2017: approximately RMB986.3 million) in respect of mortgage facilities provided by certain banks in connection with the mortgage loans entered into by property buyers of the Group. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group would be responsible for repaying the outstanding mortgage principals together with the accrued interest thereon and any penalties owed by the defaulted buyers to the banks. The Group would be entitled to take over legal title to and possession of the related properties. These guarantees will be released upon the earlier of (i) the satisfaction of the mortgage loan by the property buyers; and (ii) the issuance of the property ownership certificate for the mortgage property and the completion of the deregistration of the mortgage. In the opinion of the Directors, no provision for the guarantee contracts was recognised in the financial statements for the Year as the default risk is low.

Foreign Exchange Exposure

The revenues, expenses, assets and liabilities are denominated substantially in Renminbi, Hong Kong dollars, US dollars, Singapore dollars and Japanese Yen in its respective group entities. Due to the currency peg of the Hong Kong dollars to the US dollars, the exchange rate between these two currencies has remained stable and thus the Group currently does not implement any hedging or other alternatives. Going forward, the Group may formulate a foreign currency hedging policy to provide a reasonable margin of safety for its exposure to Renminbi, Singapore dollars and Japanese Yen through transactions, assets and liabilities should the need arise.

主要財務比率

於二零一八年十二月三十一日，本集團錄得流動比率為1.3(二零一七年：1.3)，資產負債比率則為約61.3%(二零一七年：約63.9%)。資產負債比率定義為借貸總額減現金及現金等值項目、受限制銀行結餘及已抵押存款相對資產總值之比率。

資本承擔

於二零一八年十二月三十一日，本集團有關物業發展開支之資本承擔為約人民幣20,012,800,000元(二零一七年：約人民幣3,379,600,000元)。

或然負債

於二零一八年十二月三十一日，本集團就有關本集團物業之買家訂立之按揭貸款而由若干銀行提供之按揭融資之擔保擁有或然負債約人民幣3,699,000,000元(二零一七年：約人民幣986,300,000元)。根據擔保條款，倘該等買家拖欠按揭款項，本集團須負責支付失責買家欠付銀行的未償還按揭本金連同累計利息及任何罰款。本集團將有權接管相關物業的法定業權及擁有權。該等擔保將於以下較早者發生時解除：(i)物業買家償還按揭貸款；及(ii)就按揭物業發出物業所有權證並完成按揭的取消登記。董事認為，由於違約風險不大，故並無就擔保合約於本年度之財務報表作出撥備。

外匯風險

絕大部分之收益、開支、資產及負債於有關集團實體以人民幣、港元、美元、新加坡元及日圓列值。由於港元與美元掛鈎，故兩者之匯率保持穩定。因此，本集團現時並無進行任何對沖或其他類似活動。倘有需要，本集團將來可能制定外匯對沖政策，為涉及人民幣、新加坡元及日圓之交易、資產及負債所面對之外匯風險提供合理保障。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Venture and Future Plans for Material Investments or Capital Assets

- (a) On 22 January 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 50,920.98 sq.m. for residential use and commercial and financial use at a consideration of RMB1,146,000,000. This development project is expected to be completed no later than the fourth quarter of 2021.
- (b) On 22 January 2018, the Group has made three successful bids for land use rights of three land parcels in Xinzheng City, Henan Province, the PRC (i) with site area of 43,470.40 sq.m. for residential use at a consideration of RMB800,870,000; (ii) with site area of 46,805.08 sq.m. for residential use at a consideration of RMB1,024,160,000; and (iii) with site area of 45,515.87 sq.m. for residential use at a consideration of RMB995,490,000. These development projects are expected to be completed gradually and respectively no later than the fourth quarter of 2020 and the first quarter of 2022.
- (c) On 16 March 2018, the Group has made sixteen successful bids for land use rights of sixteen land parcels in Gongyi City, Henan Province, the PRC with total aggregate site area of approximately 743,799.14 sq.m. for residential use, commercial use and public facilities use at an aggregate consideration of RMB312,420,000. These development projects are expected to be completed gradually and no later than the fourth quarter of 2020.
- (d) On 10 April 2018, the Group has made two successful bids for land use rights of two land parcels in Zhengzhou City, Henan Province, the PRC (i) with site area of 79,585.58 sq.m. for residential use at a consideration of RMB635,420,000; (ii) with site area of 63,391.95 sq.m. for residential use at a consideration of RMB458,650,000. These development projects are expected to be completed no later than the fourth quarter of 2021.
- (e) On 12 April 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 84,309.66 sq.m. for residential use at a consideration of RMB610,070,000. This development project is expected to be completed no later than the fourth quarter of 2021.

所持重大投資、重大收購及出售附屬公司、聯營公司及合營企業以及重大投資或資本資產之未來計劃

- (a) 於二零一八年一月二十二日，本集團成功投得中國河南省鄭州市一幅佔地面積50,920.98平方米(為住宅、商業及金融用地)之地塊之土地使用權，代價為人民幣1,146,000,000元。預計該發展項目將於二零二一年第四季度前落成。
- (b) 於二零一八年一月二十二日，本集團成功投得中國河南省新鄭市之三幅地塊之土地使用權：(i)佔地面積43,470.40平方米(為住宅用地)，代價為人民幣800,870,000元；(ii)佔地面積46,805.08平方米(為住宅用地)，代價為人民幣1,024,160,000元；及(iii)佔地面積45,515.87平方米(為住宅用地)，代價為人民幣995,490,000元。預計該等發展項目將分別於二零二零年第四季度以及二零二二年第一季度前逐步落成。
- (c) 於二零一八年三月十六日，本集團十六次成功投得中國河南省鞏義市十六幅總佔地面積合共約743,799.14平方米(為住宅、商業及公共設施用地)之地塊之土地使用權，總代價為人民幣312,420,000元。預計該等發展項目將於二零二零年第四季度前逐步落成。
- (d) 於二零一八年四月十日，本集團兩次成功投得中國河南省鄭州市兩幅地塊之土地使用權：(i)佔地面積79,585.58平方米(為住宅用地)，代價為人民幣635,420,000元；(ii)佔地面積63,391.95平方米(為住宅用地)，代價為人民幣458,650,000元。預計該等發展項目將於二零二一年第四季度前落成。
- (e) 於二零一八年四月十二日，本集團成功投得中國河南省鄭州市一幅佔地面積84,309.66平方米(為住宅用地)之地塊之土地使用權，代價為人民幣610,070,000元。預計該發展項目將於二零二一年第四季度前落成。

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- (f) On 20 April 2018, the Group has made a successful bid for land use rights of one land parcel in Xuchang City, Henan Province, the PRC with site area of 62,832 sq.m. for residential use at a consideration of RMB284,500,000. This development project is expected to be completed no later than the fourth quarter of 2021.
- (f) 於二零一八年四月二十日，本集團成功投得中國河南省許昌市一幅佔地面積62,832平方米(為住宅用地)之地塊之土地使用權，代價為人民幣284,500,000元。預計該發展項目將於二零二一年第四季度前落成。
- (g) On 28 June 2018, the Group has made seven successful bids for land use rights for seven land parcels in Gongyi City, Henan Province, the PRC with total aggregate site area of approximately 243,903.45 sq.m. for residential use, commercial, accommodation and catering usage at an aggregate consideration of RMB134,890,000. These development projects are expected to be completed gradually and no later than the fourth quarter of 2020.
- (g) 於二零一八年六月二十八日，本集團七次成功投得中國河南省鞏義市七幅總佔地面積合共約243,903.45平方米(為住宅、商業及住宿餐飲用地)之地塊之土地使用權，總代價為人民幣134,890,000元。預計該等發展項目將於二零二零年第四季度前逐步落成。
- (h) On 14 August 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 68,818.90 sq.m. for residential use at a consideration of RMB2,480,000,000. This development project is expected to be completed no later than the second quarter of 2020.
- (h) 於二零一八年八月十四日，本集團成功投得中國河南省鄭州市一幅佔地面積68,818.90平方米(為住宅用地)之地塊之土地使用權，代價為人民幣2,480,000,000元。預計該發展項目將於二零二零年第二季度前落成。
- (i) On 24 August 2018, the Group has made two successful bids for land use rights of two land parcels in Zhengzhou City, Henan Province, the PRC (i) with site area of 44,426.12 sq.m. for residential use at a consideration of RMB241,640,000; (ii) with site area of 31,005.38 sq.m. for retail, wholesale, catering, hostel and commercial finance usages at a consideration of RMB270,960,000. These development projects are expected to be completed no later than the first quarter of 2022.
- (i) 於二零一八年八月二十四日，本集團兩次成功投得中國河南省鄭州市兩幅地塊之土地使用權：(i)佔地面積44,426.12平方米(為住宅用地)，代價為人民幣241,640,000元；(ii)佔地面積31,005.38平方米(為零售、批發、餐飲、旅館及商業金融用地)，代價為人民幣270,960,000元。預計該等發展項目將於二零二二年第一季度前落成。
- (j) On 30 August 2018, the Group has made a successful bid for land use rights of one land parcel in Wuhan City, Hubei Province, the PRC with site area of 46,888 sq.m. for residential use at a consideration of RMB656,440,000. This development project is expected to be completed no later than the second quarter of 2021.
- (j) 於二零一八年八月三十日，本集團成功投得中國湖北省武漢市一幅佔地面積46,888平方米(為住宅用地)之地塊之土地使用權，代價為人民幣656,440,000元。預計該發展項目將於二零二一年第二季度前落成。
- (k) On 31 August 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 54,297.57 sq.m. for residential use at a consideration of RMB746,300,000. This development project is expected to be completed no later than the fourth quarter of 2022.
- (k) 於二零一八年八月三十一日，本集團成功投得中國河南省鄭州市一幅佔地面積54,297.57平方米(為住宅用地)之地塊之土地使用權，代價為人民幣746,300,000元。預計該發展項目將於二零二二年第四季度前落成。

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| <p>(l) On 14 September 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 45,504.68 sq.m. for residential use at a consideration of RMB1,740,000,000. This development project is expected to be completed no later than the fourth quarter of 2021.</p> | <p>(l) 於二零一八年九月十四日，本集團成功投得中國河南省鄭州市一幅佔地面積45,504.68平方米(為住宅用地)之地塊之土地使用權，代價為人民幣1,740,000,000元。預計該發展項目將於二零二一年第四季度前落成。</p> |
| <p>(m) On 15 October 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 40,941.43 sq.m. for residential use at a consideration of RMB326,480,000. This development project is expected to be completed no later than the second quarter of 2022.</p> | <p>(m) 於二零一八年十月十五日，本集團成功投得中國河南省鄭州市一幅佔地面積40,941.43平方米(為住宅用地)之地塊之土地使用權，代價為人民幣326,480,000元。預計該發展項目將於二零二二年第二季度前落成。</p> |
| <p>(n) On 22 October 2018, the Group has made a successful bid for land use rights of one land parcel in Zhengzhou City, Henan Province, the PRC with site area of 14,646.68 sq.m. for residential use at a consideration of RMB114,320,000. This development project is expected to be completed no later than the second quarter of 2021.</p> | <p>(n) 於二零一八年十月二十二日，本集團成功投得中國河南省鄭州市一幅佔地面積14,646.68平方米(為住宅用地)之地塊之土地使用權，代價為人民幣114,320,000元。預計該發展項目將於二零二一年第二季度前落成。</p> |
| <p>(o) On 28 November 2018, the Group has made two successful bids for land use rights of two land parcels in Zhengzhou City, Henan Province, the PRC (i) with site area of 47,846.72 sq. m. at a consideration of RMB132,210,000; and (ii) with site area of 50,148.08 sq.m. at a consideration of RMB138,560,000. These two land parcels are for residential and commercial usages. These development projects are expected to be completed respectively no later than the second quarter of 2022.</p> | <p>(o) 於二零一八年十一月二十八日，本集團兩次成功投得中國河南省鄭州市兩幅地塊之土地使用權：(i)佔地面積47,846.72平方米，代價為人民幣132,210,000元；(ii)佔地面積50,148.08平方米，代價為人民幣138,560,000元。該等兩幅地塊均為住宅及商業用地。預計該等發展項目分別將於二零二二年第二季度前落成。</p> |
| <p>(p) On 30 November 2018, the Group has made three successful bids for land use rights of three land parcels in Xinxiang County, Henan Province, the PRC (i) with site area of 30,360.30 sq.m. for commercial usage at a consideration of RMB42,534,800; (ii) with site area of 66,051.30 sq.m. for residential and commercial usages at a consideration of RMB65,688,000; and (iii) with site area of 54,106.80 sq.m. for residential and commercial usages at a consideration of RMB53,809,300. These development projects are expected to be completed respectively no later than the fourth quarter of 2022.</p> | <p>(p) 於二零一八年十一月三十日，本集團成功投得中國河南省新鄉縣之三幅地塊之土地使用權：(i)佔地面積30,360.30平方米(為商業用地)，代價為人民幣42,534,800元；(ii)佔地面積66,051.30平方米(為住宅及商業用地)，代價為人民幣65,688,000元；及(iii)佔地面積54,106.80平方米(為住宅及商業用地)，代價為人民幣53,809,300元。預計該等發展項目將分別於二零二二年第四季度前落成。</p> |

- (q) On 3 December 2018, the Group has made two successful bids for land use rights of two land parcels in Xixiang County, Henan Province, the PRC (i) with site area of approximately 58,642 sq.m. at a consideration of RMB58,319,500; and (ii) with site area of 52,386.70 sq.m. at a consideration of RMB52,098,600. These two land parcels are for residential and commercial usages. These development projects are expected to be completed respectively no later than the fourth quarter of 2022.
- (r) On 16 December 2018, the Group has successfully increased its equity investment in GMR by subscribing 1,111,111 shares of new common stock of GMR in an underwritten public offering at a total subscription amount of approximately US\$10 million at the public offering price of US\$9 per GMR share by way of cash.
- (q) 於二零一八年十二月三日，本集團兩次成功投得中國河南省新鄉縣兩幅地塊之土地使用權：(i)佔地面積約58,642平方米，代價為人民幣58,319,500元；(ii)佔地面積52,386.70平方米，代價為人民幣52,098,600元。該等兩幅地塊均為住宅及商業用地。預計該等發展項目將分別於二零二二年第四季度前落成。
- (r) 於二零一八年十二月十六日，本集團透過於包銷公開發售中按每股GMR股份9美元之公開發售價以現金認購GMR 1,111,111股新普通股成功增加其於GMR之股權投資，認購總額為約10,000,000美元。

Employee and Remuneration Policy

Remuneration packages are generally structured with reference to prevailing market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. Apart from salary payments, there are other staff benefits including mandatory provident fund, medical insurance and performance-related bonuses. The Company has continued to receive the three awards issued by Mandatory Provident Fund Authority, namely, the Good MPF Employer Award for 2017-18 in recognition of the Company's compliance with employer's statutory obligations and provision of better retirement protection for employees, the "e-Contribution Award" and the "Support for MPF Management Award" for 2017-18 which the Company has adopted electronic means for MPF Administration, and has striven to encourage employees to actively manage their MPF. Moreover, the Company became a Signatory of the Good Employer Charter awarded by Labour Department in 2018 in recognition of the Company pledges to adopt employee-oriented good human resource management practices. The Company adopted a share option scheme on 28 August 2013 and share options may also be granted to eligible employees of the Group. Total staff related costs, including Directors' emoluments during the Year, amounted to approximately RMB67.8 million (2017: RMB33.6 million).

As at 31 December 2018, the Group had 319 employees.

僱員及薪酬政策

薪酬待遇一般參考現行市場條款及個人資歷制定。薪金及工資一般會每年根據表現評估及其他相關因素檢討。除薪金外，本集團另有其他員工福利，包括強積金、醫療保險及表現掛鈎花紅。本公司繼續獲得強制性公積金計劃管理局頒授的三個獎項，即為嘉許本公司履行僱主之法律責任及為僱員提供更佳退休保障的二零一七至一八年度「積金好僱主」獎，表揚本公司採用電子方式處理強積金行政事宜及致力鼓勵僱員積極管理其強積金的二零一七至一八年度「積金供款電子化獎」及「推動積金管理獎」。此外，本公司於二零一八年成為勞工處頒授「好僱主約章」之簽署機構，以嘉許本公司矢志採納關愛僱員的良好人力資源管理常規。本公司已於二零一三年八月二十八日採納購股權計劃，而本集團亦可向合資格僱員授出購股權。於本年度，員工相關成本總額（包括董事酬金）約為人民幣67,800,000元（二零一七年：人民幣33,600,000元）。

於二零一八年十二月三十一日，本集團有319名僱員。

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Outlook and Prospects

The Group will continue to be principally engaged in the business of property development, property investment and management and hotel operations and look for investment opportunities which strengthen profitability under the acceptable risk in Hong Kong, the PRC and overseas markets.

The Group will primarily finance the repayments on financial assistance from the controlling shareholder through proceeds from the pre-sale and sale of Group's properties, internally generated cash flows from other operations, and borrowings from commercial banks and financial institutions. Going forward, the Group believes our future fund needs in support of project construction and land acquisition activities will be satisfied by the above-mentioned sources and additional issuance of equity securities or other capital market instruments.

The Group seeks to manage the level of our liquid assets to ensure the availability of sufficient cash flows to meet any unexpected cash requirements arising from our business. The Group will also continue to assess available financial resources in support of our business needs on an ongoing basis and plan and adjust our development schedule or implement cost control measures if necessitated by our then-existing financial conditions and cash requirements.

The Group intends to continue to access existing capital resources, and to seek new sources of funding, to maintain and grow our business on a cost-effective basis.

The PRC

In accordance with the Group's latest development plan and schedule, there are four new property development projects currently under development, namely Zensun Scholar Garden, Zensun Longhushangjing, Zhengzhou Zensun River Valley and Zensun River Home going to launch their first delivery to customers upon completion. By adhering to the Group's core work plan for delivering "High quality" products, these property projects were among the Group's highlighted development projects and developed with deluxe design with full refurbishment. Revenue from the sale of properties are expected to be recognised upon its completion and delivery of the completed properties.

前景及展望

本集團將繼續主要從物業發展、物業投資及管理以及酒店業務等業務，並於香港、中國及海外市場尋求於可接受風險範圍內增強盈利能力之投資機會。

本集團將主要透過預售及銷售本集團物業所得款項、其他營運內部產生之現金流量以及來自商業銀行及金融機構之借貸，償還來自控股股東之財務資助。日後，本集團相信未來支持項目建設及土地收購活動之資金需求將以上述來源及額外發行股本證券或其他資本市場工具滿足。

本集團致力管理流動資產水平，以確保有充足現金流量應對業務所產生任何突如其來之現金需要。本集團亦將繼續評估可用財務資源以不斷支持我們業務需求，並計劃及調整我們之發展時間表，或因應我們當時現有財務狀況及現金需求推行成本控制措施。

本集團擬繼續使用現有資本資源，並尋求新資金來源，以具成本效益方式維持及發展我們之業務。

中國

根據本集團最新的發展規劃及時間表，目前有四個新發展中物業發展項目（即正商書香銘築、正商瓏湖上境、鄭州正商河峪洲及正商家河家）將於落成後首次向客戶交付。為堅持本集團交付「高品質」產品的核心工作計劃，該等物業項目均屬於本集團的精選發展項目，且按精裝修整裝開發。出售物業的收益預期將於其落成及交付落成物業時確認。

The brilliant successful land bids results during the Year complemented the Group's strategy and provided a strong support to the expanding land reserves for the Group's property development business in the PRC. Thus, the Board will continue to identify new property development projects and bid for land use rights of other selective land parcels in the PRC with a focus in Zhengzhou City, Henan Province and other first and second tier cities in the PRC in the coming few years.

In view of the above substantial growth in land reserves with the ongoing property development projects, it is anticipated that the demand for the respective construction work for the Group's properties projects on hand are rapidly and substantially increasing. In this regard, the Group will proactively seek for quality construction contractors which can offer the best and most favourable terms to cooperate so as to complement with the Group's expansion in property development operation in the PRC. In order to seize every cooperation opportunities with different quality and potential construction contractors without limits to cater the Group's growing needs and requirements, the Group renewed the master services agreement with Henan Zensun Corporate Development Company to engage their group members for their construction and development services on certain selected property projects during the Year. The renewed master services agreement was amended to extend its effective terms for three years from 1 January 2018 and continue up to and including 31 December 2020. The corresponding annual caps for transactions under the renewed master services agreement for the three financial years ending 31 December 2020 have also been approved during the Year for further increment accordingly. The approved annual cap for the transactions during the year ended 31 December 2018 was RMB1,133,000,000. Further information in respect of the 2018 Supplemental Agreement and revision of Annual Caps, is available in the Company's circular dated 22 November 2018.

Furthermore, the Company takes leverage on the PRC property development and investment experience of its management team to seek development in suitable projects with potential to deliver value to its shareholders. In addition to existing business partners, the Company will continue to seek potential partners' cooperation to explore capital resources, reduce capital investment at an early stage and facilitate project development. The management remains cautiously optimistic on the long-term prospects of the real estate industry and will expedite its property development and sales of its development projects in the PRC through making use of its own advantages and leveraging on the national network and business resources of Zensun. The synergistic effect brought by Zensun will improve the position of the Group in the real estate industry in the PRC.

本年度土地投標結果戰績輝煌，補足了本集團之策略，並對本集團於中國物業發展業務擴充土地儲備提供強大支持。因此，董事會於未來數年將繼續集中在河南省鄭州市及中國其他一、二線城市物色新物業發展項目並競投中國其他經揀選地塊之土地使用權。

鑒於上述持續物業發展項目之土地儲備大幅增長，預期本集團持有之物業項目對各項建築工程之需求迅速大幅增加。就此，本集團將積極尋求能夠提供最佳及最優惠條件之優質建築承包商進行合作，以配合本集團於中國拓展物業發展業務。為抓住與不同質素及潛在建築承包商之各種合作機會，以不受限制滿足本集團不斷增長之需求及要求，本集團重續與河南正商企業發展有限責任公司之主服務協議，以於本年度委聘其集團成員公司就若干選定物業項目提供建設及發展服務。經重續主服務協議作出修訂，將其有效期由二零一八年一月一日起延長三年，直至二零二零年十二月三十一日為止（包括當日）。經重續主服務協議項下交易於截至二零二零年十二月三十一日止三個財政年度之相應年度上限於本年度亦獲批准相應作出進一步上調。於截至二零一八年十二月三十一日止年度已審批之年度最高交易額為人民幣1,133,000,000元。有關二零一八年補充協議及年度上限修訂之進一步資料，可於本公司日期為二零一八年十一月二十二日之通函中查閱。

此外，本公司充分利用其管理團隊之中國物業發展及投資經驗，尋求發展具潛力之合適項目，回饋股東。除現有業務夥伴外，本公司將繼續尋覓潛在夥伴合作關係，以開拓本來源、減少前期資金投資及促進項目發展。管理層對房地產行業之長期發展前景保持謹慎樂觀態度，並將透過充分利用自身優勢及正商之全國網絡及業務資源，加快位於中國之發展項目之物業發展及銷售。正商帶來之協同效益有助提高本集團於中國房地產行業之地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The U.S.

As at 31 December 2018, the Group has approximately 14% equity interest in a NYSE-listed REIT, GMR and 99% equity interest in AHR, both are operated and managed by IAM, the 85%-owned REIT management arm of the Group, led by a specialised team of highly experienced professionals with deep knowledge in the USA real estate market.

1. GMR

The Group has continued providing REIT management services and receiving recurring management fees directly to and from GMR pursuant to the revised management agreement between GMR and IAM.

In the year of 2018, GMR completed 14 acquisitions of medical and healthcare facilities, encompassing an aggregate of 811,707 leaseable square feet, for an aggregate purchase price of US\$196.3 million with annualised base rent of US\$15.8 million and a weighted average capitalisation rate of 8.04%, enlarging its asset base. In connection with its acquisition business strategy, GMR also completed the launch of two public fund raising campaigns including issuance of common and preference shares for its capital. In view of GMR's rapid business expansion plans and its improving financial position, the Group has increased its shareholding in GMR from approximately 12% to approximately 14% by way of share subscription at public offering price in an underwritten public offering launched by GMR in December 2018. It is expected that with GMR's business plan, GMR would be able to further increase its capital base which in return increase the management fee income to be received from GMR. The Group's additional investment in GMR during the Year would also increase the sharing of income growth of GMR and thereby achieve long-term capital appreciation of the Group's investment.

2. AHR

AHR is currently 99%-controlled by the Company and owns a portfolio of single-family rentals primarily in Texas, Florida, Georgia and North Carolina. Further to the single-family housing, AHR have diversified its investment to senior housing communities in order to seize the potential opportunity for the current strong demand on retirement communities and elderly care industries in the USA for higher-than-average annualised yield.

美國

於二零一八年十二月三十一日，本集團當前擁有一項於紐約證券交易所上市之房地產投資信託GMR約14%股權及AHR 99%股權，均由IAM經營及管理，而IAM為本集團擁有85%權益之房地產投資信託管理分支，由具備深厚美國房地產市場知識之資深專業團隊帶領。

1. GMR

根據GMR與IAM訂立之經修訂管理協議，本集團繼續直接向GMR提供房地產投資信託管理服務並收取經常性管理費。

於二零一八年，GMR完成14項醫療保健設施收購事項，可租賃總面積為811,707平方呎，總購買價格為196,300,000美元，年化基本租金為15,800,000美元，加權平均資本化率為8.04%，擴大了其資產基礎。就其收購業務策略而言，GMR亦完成了兩項公開集資活動，包括就其資本發行普通股及優先股。考慮到GMR之快速業務擴張計劃及其不斷改善之財務狀況，本集團於GMR於二零一八年十二月推出之一個包銷公開發售中，按公開發售價以股份認購之方式將其於GMR之股權由約12%增加至約14%。透過GMR之業務計劃，預期GMR可進一步提升其資本基礎，從而提高將向GMR收取之管理費收入。本集團於本年度對GMR之額外投資亦將增加應佔GMR之收入增長，從而實現本集團投資之長期資本增值。

2. AHR

AHR現時由本公司控制99%權益，主要於德克薩斯州、佛羅里達州、喬治亞州及北卡羅萊納州擁有單棟出租單位組合。就單棟出租單位而言，為把握美國當前退休群體及安老行業所產生強勁需求之潛在機會，AHR已將其投資分散至長者住房院舍，以尋求高於平均年度收益。

Other operations

The Group will regularly review the Singapore property market to explore business opportunity in this market in the foreseeable future. For the non-core Japan hotel operations business, while the Group is seeking potential buyers to dispose the hotels or operation to enable the Group to deploy its resources in the most efficient way, it is actively seeking ways to enhance its overall profitability with a view to enabling the operation to be self-sustainable.

Overall

The Company will make use of the Group's financial, human and technological resources to enhance its portfolio, asset base and brand image in the PRC, USA and overseas with business growth opportunities.

其他業務

本集團將定期審查新加坡物業市場以於可見將來發掘該市場商機。就非核心日本酒店運營業務方面，本集團在尋覓潛在買家以出售酒店或運營以使本集團得以最有效方式配置資源，並積極尋求方法加強其整體盈利能力，達至自負盈虧。

概述

本公司將善用本集團之財務、人力及技術資源，以加強其於中國、美國及海外的投資組合、資產基礎及品牌形象，提高業務增長機會。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

ZHANG JINGGUO

Chairman, Executive Director and Chief Executive Officer

Mr. Zhang Jingguo, aged 56, is the Chairman, Executive Director and Chief Executive Officer of the Company and a member of each of the nomination committee and remuneration committee of the Company. Mr. Zhang is also a director of certain subsidiaries of the Company. He was appointed to the Board on 6 July 2015 following the change of controlling shareholder on 29 June 2015.

Mr. Zhang has approximately 25 years of experience in the real estate development industry in China. From July 1983 to April 1995, Mr. Zhang held various positions at the then Light Industry Bureau of Henan Province, the governmental authority in charge of the light industry in Henan Province, and its associated collectively-owned enterprises, including division chief, engineer and vice manager, where he was responsible for administrative management. From April 1995 to April 2001, he worked at Xingye Real Estate as general manager, where he was responsible for its overall operations. Mr. Zhang Jingguo and Ms. Huang Yanping cofounded a real estate company which has become one of the top 100 property development companies in China. Mr. Zhang has served as the Chairman and chief executive officer of this top 100 real estate company since 2001. Mr. Zhang is responsible for the overall strategic planning and general management of our Group and is instrumental to our growth and business expansion. Mr. Zhang is the spouse of Ms. Huang Yanping.

Mr. Zhang received a bachelor's degree in physics from Zhengzhou University in July 1983 and an Executive MBA degree from Guanghua School of Management, Peking University in July 2013. Mr. Zhang currently serves as senior consultant of Henan Real Estate Chamber of Commerce, vice-president of Industry & Commerce Association of Henan Province, graduate tutor of Zhengzhou University. During the years of 2015, 2016 and 2017, Mr. Zhang was named "Outstanding Real Estate Developer of Henan Province by Real Estate Association of Henan Province. Mr. Zhang received his senior engineer qualification from the People's Government of Henan Province in May 2012, he received his first class construction engineer qualification from the Ministry of Housing and Urban-Rural Development. Mr. Zhang is also currently a delegate of the 13th Henan Provincial People's Congress since January 2018.

Currently, Mr. Zhang is a non-executive director of Bank of Zhengzhou Co., Ltd., whose shares are listed on the Shenzhen Stock Exchange (Stock Code: 002936) and on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 6196) and, the Chairman Ex-officio and a director of Global Medical REIT, Inc., a listed company on the New York Stock Exchange (NYSE: GMRE) and an executive director and the Chairman of Zanyu Technology Group Co. Ltd., a listed company on the Shenzhen Stock Exchange (Stock Code: 002637).

張敬國

主席、執行董事兼行政總裁

張敬國先生，現年五十六歲，為本公司主席、執行董事兼行政總裁及提名委員會和薪酬委員會成員。張先生亦為本公司若干附屬公司的董事。彼於二零一五年六月二十九日控股股東變動後，於二零一五年七月六日獲任命進入董事會。

張先生於中國房地產開發行業擁有約二十五年經驗。自一九八三年七月至一九九五年四月期間，張先生曾擔任河南省輕工業廳（負責河南省輕工業之政府機關）及其相關集體所有制企業之多個職位，包括部門主管、工程師及副經理，負責行政管理。自一九九五年四月至二零零一年四月期間，彼於興業地產(Xingye Real Estate)擔任總經理，負責公司整體營運。張敬國先生與Huang Yanping女士共同創立一家房地產公司，該公司已成為中國物業開發百強公司之一。張先生自二零零一年起擔任該房地產百強公司的主席及行政總裁。張先生負責本集團之整體策略制定及一般管理，並幫助本集團業務增長及業務擴展。張先生為Huang Yanping女士之配偶。

張先生於一九八三年七月取得鄭州大學物理系理學學士學位，並於二零一三年七月取得北京大學光華管理學院高級管理人員工商管理碩士學位。張先生目前擔任河南省房地產商會高級顧問、河南省工商聯副主席及鄭州大學研究生導師。張先生於二零一五、二零一六及二零一七年連續三年被河南省房地產協會評為全省房地產開發先進個人。張先生自河南省人民政府取得高級工程師資歷，並於二零一二年五月被住房和城鄉建設部授予一級建造師資格。自二零一八年一月起，張先生亦為河南省第十三屆人民代表大會代表。

張先生目前為深圳證券交易所(股份代號：002936)及香港聯合交易所主板(股份代號：6196)上市公司鄭州銀行股份有限公司之非執行董事，紐約證券交易所上市公司 Global Medical REIT, Inc (NYSE股份代號：GMRE) 之聯席主席及董事以及深圳證券交易所上市公司贊宇科技集團股份有限公司(股份代號：002637)的執行董事及董事長。

HUANG YANPING

Non-Executive Director

Ms. Huang Yanping, aged 57, is the Non-Executive Director of the Company. Ms. Huang is also a director of certain subsidiaries of the Company. She was appointed to the Board on 27 July 2015 following the change of controlling shareholder on 29 June 2015.

Ms. Huang has over 17 years' experiences in the property development and investment industry in the PRC. Ms. Huang has been involved in the development of not less than 36 property development projects in Henan province, Shandong and Hainan province in China with a total gross floor area of not less than 14 million square meters. She is one of the founders of a real estate company which has become one of the top 100 property development companies in China.

Ms. Huang is the spouse of Mr. Zhang Jingguo, an executive Director. Ms. Huang is also the sole director of Joy Town Inc., an immediate shareholder of the Company. Ms. Huang set up a discretionary trust and act as settlor and protector of the discretionary trust, the trustee of which is Vistra Trust (Singapore) Pte Limited, the ultimate holding company of the Company.

ZHANG GUOQIANG

Executive Director

Mr. Zhang Guoqiang, aged 56, is an Executive Director of the Company. He was appointed to the Board on 27 July 2015 following the change of controlling shareholder on 29 June 2015.

Between August 1983 to October 1997, Mr. Zhang worked as a tutor at the Communication Command Academy of PLA, now known as the National Defence Information Academy of PLA. Between October 1997 to March 2003, Mr. Zhang served as the director of the marketing department of Wuhan Research Institute of Post & Telecommunications, also known as FiberHome Technologies Group, a product and solution provider in the field of information and telecommunications, where he was responsible for marketing. Prior to joining our Group, Mr. Zhang worked as a general manager at Nanjing North Road Technologies Co., Ltd., a coal analysis equipment manufacturer, from May 2003 to November 2005, where he was responsible for general management. Mr. Zhang joined the real estate company co-founded by Mr. Zhang Jingguo and Ms. Huang Yanping in 2006 and is responsible for the management of marketing centre and tendering and procurement centre. Mr. Zhang received a bachelor's degree in radio science from Zhengzhou University in July 1983. In 1988, Mr. Zhang received his lecturer qualification from the National Defence Information Academy of PLA and received his engineer qualification from Wuhan Research Institute of Post of Telecommunications.

HUANG YANPING

非執行董事

Huang Yanping女士，現年五十七歲，為本公司非執行董事。Huang女士亦為本公司若干附屬公司的董事。彼於二零一五年六月二十九日控股股東變動後，於二零一五年七月二十七日獲任命進入董事會。

Huang女士於中國物業發展及投資行業擁有逾十七年經驗。Huang女士一直在中國河南省、山東省及海南省參與不少於36項物業開發項目之發展工作，其總樓面面積不少於14,000,000平方米。彼為一家房地產公司之其中一名創辦人，該公司目前是中國物業開發百強公司之一。

Huang女士為執行董事張敬國先生之配偶。Huang女士亦為本公司直接股東Joy Town Inc.的唯一董事。Huang女士成立全權信託亦作為該全權信託的委託人及保護人，而公司的最終控股股東Vistra Trust (Singapore) Pte Limited為該全權信託的信託人。

張國強

執行董事

張國強先生，現年五十六歲，為本公司執行董事。彼於二零一五年六月二十九日控股股東變動後，於二零一五年七月二十七日獲任命進入董事會。

於一九八三年八月至一九九七年十月期間，張先生於中國人民解放軍通信指揮學院（現稱中國人民解放軍國防信息學院）擔任教員。於一九九七年十月至二零零三年三月期間，張先生擔任武漢郵電科學研究院（亦稱烽火科技集團，為一間信息及電子通訊行業之產品及解決方案供應商）市場部辦事處主任，負責營銷。加入本集團前，自二零零三年五月起至二零零五年十一月止期間，張先生曾擔任南京北路科技有限責任公司（一間煤炭分析設備製造商）總經理，負責綜合管理。張先生於二零零六年加入張敬國先生及Huang Yanping女士共同創立的房地產公司，負責營銷中心及招標以及採購中心的管理。張先生於一九八三年七月取得鄭州大學無線電理學學士學位。於一九八八年，張先生自中國人民解放軍通信指揮學院取得講師資格，並自武漢郵電科學研究院取得工程師資格。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

LIU DA

Independent Non-Executive Director

Mr. Liu Da, aged 43, was appointed as an independent Non-Executive Director on 27 July 2015.

Mr. Liu graduated from the University of International Business and Economics with a major in international business administration and obtained a bachelor's degree in economics. Mr. Liu is also a Certified Public Accountant (CPA) in China. Mr. Liu served as an audit manager and a senior audit manager of PricewaterhouseCoopers ("PwC") Guangzhou Office from 1998 to 2009 and Chicago Office from 2005 to 2007. Mr. Liu provided audit and consulting services to a number of global top 500 enterprises and overseas listed Chinese companies during his tenure of office in PwC. Mr. Liu was appointed as an executive director and the chief financial officer of the Landsea Green Properties Co., Ltd., a listed company on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 106) from 31 July 2013 to 5 January 2015 and was appointed as an independent non-executive director of Long Ji Tai He Holding Limited a listed company on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 1281) from 26 February 2015 to 16 October 2015. Currently, Mr. Liu is the managing partner of Key Wealth Capital Company Limited, providing financing and overseas mergers and acquisition services to Chinese enterprises.

MA YUNTAO

Independent Non-Executive Director

Mr. Ma Yuntao, aged 39, was appointed as an independent Non-Executive Director on 27 July 2015.

Mr. Ma has been serving at Jia Yuan Law Firm as a registered partner from July 2010 up to now, and became the managing partner and senior partner of China Overseas Financing Department (中國海外融資部門) in early 2014. He served at Commerce & Finance Law Offices from July 2002 to June 2010, engaging in securities business as to PRC laws. He acquired qualifications as a practicing solicitor in 2006 and registered as a partner at Commerce & Finance Law Offices in early 2010.

劉達

獨立非執行董事

劉達先生，現年四十三歲，於二零一五年七月二十七日獲委任為獨立非執行董事。

劉先生畢業於對外經濟貿易大學，國際商業管理專業，並獲經濟學學士。彼亦為中國註冊會計師。劉先生於一九九八年至二零零九年期間於普華永道會計師事務所（「普華永道」）廣州辦事處擔任審核經理及高級審核經理，並於二零零五年至二零零七年期間於芝加哥辦事處擔任審核經理及高級審核經理。劉先生於普華永道任職期間曾向數間名列世界500強企業及海外上市中國公司提供審核及諮詢服務。劉先生於二零一三年七月三十一日至二零一五年一月五日期間獲委任為香港聯合交易所主板上市公司朗詩綠色地產有限公司（股份代號：106）執行董事及首席財務官，並於二零一五年二月二十六日至二零一五年十月十六日獲委任為香港聯合交易所主板上市公司隆基泰和控股有限公司（股份代號：1281）獨立非執行董事。劉先生現在是愷華資本有限公司管理合夥人，為中國企業提供融資以及海外併購服務。

馬運弢

獨立非執行董事

馬運弢先生，現年三十九歲，於二零一五年七月二十七日獲委任為獨立非執行董事。

馬先生自二零一零年七月至今於嘉源律師事務所執業，為註冊合夥人，並自二零一四年初擔任中國海外融資部門主管合夥人及高級合夥人。彼自二零零二年七月至二零一零年六月於通商律師事務所執業，從事證券業中國法律業務，其於二零零六年取得律師執業資格，並於二零一零年初註冊為通商律師事務所合夥人。

Mr. Ma ran projects including the IPO project of China Resources Pharmaceutical Group Limited, a company listed in the Hong Kong Stock Exchange (Stock Code: 3320) which is principally engaging in the research and development, manufacturing, distribution and retail of a broad range of pharmaceutical and healthcare products, the privatization and delisting project of Hunan Nonferrous Metals Company Limited, a company formerly listed in Hong Kong Stock Exchange (Stock Code: 2626) which was principally engaged in nonferrous metallic mineral resources mining business, IPO project of Guorui Properties Limited, a company listed in Hong Kong Stock Exchange (Stock Code: 2329) which is principally engaged in real estate development, IPO project of Tianhe Chemicals Group Limited, a company listed in Hong Kong Stock Exchange (Stock Code: 1619) which is principally engaged in fluorochemical and chemical products production, IPO project of Poly Culture Group Corporation Limited, a company listed in Hong Kong Stock Exchange (Stock Code: 3636) which is principally engaged in culture industry involving theatre management, artwork auction and investment, IPO project of Kerry Logistics Network Limited, a company listed in Hong Kong Stock Exchange (Stock Code: 0636) which is principally engaged in logistics, IPO project of eprint Group Limited, a company listed in Hong Kong Stock Exchange (Stock Code: 1884) which is principally engaged in internet printing, spin-off listing in respect of Tonly Electronics Holdings Limited, a company listed in The Stock Exchange of Hong Kong Limited (Stock Code: 1249) which is principally engaged in production of electronics products of TCL Multimedia Technology Holdings Limited, a company listed in The Stock Exchange of Hong Kong Limited (Stock Code: 1070) which is principally engaged in production of electronics products, very substantial acquisition project of China Taiping Insurance Holdings Company Limited, a company listed in The Stock Exchange of Hong Kong Limited (Stock Code: 0966) which is principally engaged in insurance, and IPO project of China Aluminum International Engineering Corporation Limited, a company listed in The Stock Exchange of Hong Kong Limited (Stock Code: 2068) which is principally engaged in nonferrous engineering design and construction.

馬先生曾先後主辦華潤醫藥集團有限公司(於香港聯合交易所上市，股份代號：3320，主要從事研發、製造、分銷及零售種類繁多的醫藥及其他營養保健品)IPO專案、湖南有色股份有限公司(原於香港聯合交易所上市，股份代號：2626，主要從事有色金屬礦業資源開採業務)私有化及退市項目、國瑞置業有限公司(於香港聯合交易所上市，股份代號：2329，主要從事房地產開發業務)IPO專案、天合化工有限公司(於香港聯合交易所上市，股份代號：1619，主要從事氟化學工業及化工產品生產業務)IPO專案、保利文化集團股份有限公司(於香港聯交所上市，股份代號：3636，主要從事文化產業，包括劇院管理、藝術品拍賣及投資等業務)IPO專案、嘉里物流聯網有限公司(於香港聯合交易所上市，股份代號：0636，主要從事物流業務)IPO專案、eprint集團有限公司(於香港聯交所上市，股份代號：1884，主要從事互聯網列印服務業務)IPO專案、分拆通力電子控股有限公司(於香港聯合交易所上市，股份代號：1249，主要從事TCL多媒體科技控股有限公司(於香港聯合交易所上市，股份代號：1070，主要從事電子產品生產業務)電子產品生產業務)上市專案、中國太平保險控股有限公司(於香港聯合交易所上市，股份代號：0966，主要從事保險業務)非常重大收購專案及中鋁國際工程股份有限公司(於香港聯合交易所上市，股份代號：2068，主要從事有色金屬工程設計及施工業務)IPO專案等。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

LIU QIAO

Independent Non-Executive Director

Dr. Liu Qiao, aged 49, was appointed as an independent Non-Executive Director on 27 July 2015.

Dr. Liu is Professor of Finance and Dean at the Guanghua School of Management. He is a leading authority in the area of finance in China, and is recognized for his academic works in corporate finance, financial markets, and the Chinese economy.

Dr. Liu is the winner of Outstanding Youth Award of the National Science Foundation (2013), and was awarded “Li Yining Outstanding Service Award”, the highest award in the Guanghua School of Management in 2013. He is also the Ministry of Education “ChangJiang Scholar” Special Term Professor. Before he joined Guanghua in late 2010, Dr. Liu taught in the Faculty of Business and Economics, University of Hong Kong, and was tenured at University of Hong Kong. Dr. Liu also worked at McKinsey & Company’s Asia-Pacific Corporate Finance and Strategy Practice from 2001 to 2003, where he advised various multinational corporations (MNCs) and leading Asian companies on issues related to corporate finance and strategies. Dr. Liu holds a Doctor of Philosophy Degree in Economics from University of California at Los Angeles (UCLA) (2000), an Master of Arts in International Finance from the Graduate School of People’s Bank of China (1993), and a Bachelor of Science in Economics and Mathematics from the Renmin University of China (1991).

劉俏

獨立非執行董事

劉俏博士，現年四十九歲，於二零一五年七月二十七日獲委任為獨立非執行董事。

劉博士為北大光華管理學院金融學教授及院長。彼為中國金融領域的權威，其有關企業融資、金融市場及中國經濟的學術著作廣為人知。

劉博士為國家自然科學基金傑出青年獎(二零一三年)的得獎者，並於二零一三年獲頒北大光華管理學院最高榮譽「Li Yining Outstanding Service Award」。彼亦為教育部「長江學者」特聘教授。劉博士於二零一零年底加入光華前，於香港大學經濟及工商管理學院任教，於香港大學擁有終身教職。劉博士亦由二零零一年至二零零三年於麥肯錫亞洲企業金融及戰略部門任職，任內彼為不同跨國公司(跨國公司)及亞洲領先企業就有關企業財務及戰略問題提供意見。劉博士擁有加州大學洛杉磯分校(UCLA)(二零零零年)經濟學博士學位、中國人民銀行研究生部(一九九三年)國際金融碩士學位及中國人民大學(一九九一年)經濟應用數學學士學位。

Dr. Liu's primary academic research interests are in corporate finance, empirical asset pricing models, financial markets, and Chinese economy. He has published dozens of articles at leading academic journals including Journal of Financial Economics, Journal of Financial and Quantitative Analysis, Journal of Accounting Research, Management Science, Economic Journal, Journal of Corporate Finance, Journal of Accounting, Auditing, and Finance, Financial Analysts Journal, etc. He has co-edited a book on the Asian debt capital markets – "Asia's debt capital markets: prospects and strategies for development" (Springer, 2006). His co-authored book titled "Finance in Asia: Institutions, Markets, and Regulation," (with Paul Lejot and Douglas Arner) was released by Routledge in March 2013. Dr. Liu is the author of the Chinese bestseller "Big to Brilliant: the Second Long March of Corporate China." Dr. Liu is also the author of "Corporate China 2.0: The Great Shakeup" which was published by end of 2016. And his new book "Big to Brilliant 2.0: Reconstructing the underpinnings of China's High-Quality Development" has been published in 2018. Besides academic research, Dr. Liu also writes articles for leading business newspapers and magazines. His articles and views appear in the The Economist, Financial Times, CFO Magazine, 21st Century Business Herald, Caijing Magazine, New Fortune, The Asian Wall Street Journal and South China Morning Post.

Dr. Liu has extensive business experiences. Over the past ten years, he has conducted numerous consulting projects for leading Chinese firms and MNCs including PetroChina, Minsheng Bank, Mercedes Benz (China), Shenzhen Stock Exchange, among many others. Dr. Liu is the founder of Huaxinhui, a platform focusing on advising China's local governments on financing issues. He pioneers the practice of compiling balance sheets of local governments, and providing China's local governments with market-based credit ratings. He is a strong advocate of including local government credit rating as one major key performance indicator to cope with China's fast growing local government debts.

Dr. Liu is an independent non-executive director of both CSC Financial Co. Ltd. (stock code: 6066) since 20 August 2016 and China Merchants Bank Co. Ltd. (stock code: 3968) since 30 November 2018, the shares of both companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited, and an independent non-executive director of Beijing Capital Co. Ltd., a listed company on Shanghai Stock Exchange (stock code: 600008).

劉博士主要學術研究方向為企業融資、實證資產定價模型、金融市場及中國經濟。他曾於權威學術期刊發表數十篇文章，包括《金融經濟學期刊》、《金融與數量分析期刊》、《會計研究期刊》、《管理科學》、《經濟學期刊》、《企業金融》、《會計、審計和金融學期刊》、《金融分析師期刊》等。彼合作編撰關於亞洲債券市場書籍《Asia's debt capital markets: prospects and strategies for development》(Springer出版，2006)。彼所合作編撰的書籍《Finance in Asia: Institutions, Markets, and Regulation》(與Paul Lejot和Douglas Arner合著)由Routledge於二零一三年三月推出。劉博士為中國暢銷書《從大到偉大—中國企業的第二次長征》的作者。劉博士亦於二零一六年年年底出版英文專著《Corporate China 2.0: The Great Shakeup》。劉博士新作品《從大到偉大2.0：重塑中國高質量發展的微觀基礎》已於2018年出版。除學術研究外，劉博士亦為領先商業報紙及雜誌撰寫文章。其文章及觀點載於《經濟學人》、《金融時報》、《首席財務官》、《21世紀經濟報導》、《財經雜誌》(Caijing Magazine)、《新財富》、《亞洲華爾街日報》及南華早報。

劉博士擁有豐富商業經驗。於過去十年，彼為領先的中國公司及跨國公司進行多次諮詢項目，其中包括PetroChina、民生銀行、Mercedes Benz (China)及深圳證券交易所。劉博士為專注為中國地方政府融資問題提供諮詢的平台Huaxinhui的創辦人。彼開拓編纂地方政府資產負債表的慣例，為中國地方政府提供以市場為基礎的信用評級。彼堅定倡導包括地方政府信用評級作主要關鍵績效指標以應對快速增長的中國地方政府債務。

劉博士自2016年8月20日起出任中信建投證券股份有限公司(股份代號：6066)和自2018年11月30日起出任招商銀行股份有限公司(股份代號：3968)的獨立非執行董事，該等公司股份均於聯交所主板上上市，以及現時出任上海證券交易所上市公司北京首創股份有限公司(股份代號：600008)的獨立非執行董事。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

Mr. Kwok Pak Shing (Alex), aged 34, joined the Company in July 2018. Since 20 November 2018, Mr. Kwok is appointed as the Chief Financial Officer and a Joint Company Secretary of the Company. Mr. Kwok is responsible for the Group's strategic planning, corporate finance activities, oversight of financial reporting and investor relations.

Mr. Kwok has over 11 years of experience in accounting, auditing, financial management and corporate governance matters. Prior to joining the Company, Mr. Kwok worked as a manager at a reputable international accounting firm, and as the company secretary and financial controller in two listed companies in Hong Kong. Mr. Kwok is a member of the Hong Kong Institute of Certified Public Accountants and graduated from The Hong Kong Polytechnic University in 2006 with a degree of bachelor of arts in business studies.

Mr. Yuen Ping Man (Dickman), aged 55, is a joint Company Secretary and the Chief Operating Officer (Hong Kong) responsible for the Group's corporate secretarial functions and business operations.

Mr. Yuen has over 20 years of managerial experience in corporate secretarial, business development, human resources and general administration. Mr. Yuen was previously the chief operating officer of Xpress Finance Limited ("Xpress Finance"), a non-wholly owned subsidiary of the Company responsible for compliance, human resource, operations, sales and marketing, customer service and general administration of Xpress Finance. Prior to joining Xpress Finance in June 1997, Mr. Yuen worked in two listed groups and a financial institution in managerial position.

Mr. Yuen is a fellow member of the Institute of Chartered Secretaries and Administrators (U.K.) and of the Hong Kong Institute of Chartered Secretaries, a senior member of The Hong Kong Institute of Marketing, a professional member of the Hong Kong Institute of Human Resource Management, a member of the Hong Kong Securities and Investment Institute, the Chartered Institute of Marketing (U.K.), the Hong Kong Institute of Purchasing & Supply and Society of Registered Financial Planners.

Mr. Yuen holds a Master's Degree in Business Administration and is also a certified risk planner.

郭柏成先生，三十四歲，於2018年7月加入本公司，自2018年11月20日起獲委任為本公司首席財務總監及聯席公司秘書。郭先生負責本集團的策略統籌、企業融資活動、監督財務報告及投資者關係。

郭先生於會計、審計、財務管理及企業管治事宜方面擁有逾11年經驗。加入本公司前，郭先生曾於一家知名國際會計師事務所任職經理及兩家於香港上市的企業任職公司秘書及財務總監。郭先生為香港會計師公會會員。郭先生畢業於香港理工大學，彼於2006年取得文學士學位主修商業。

源秉民先生，現年五十五歲，為本集團之聯席公司秘書及首席營運總監(香港)，負責本集團之公司秘書事務及業務運作。

源先生積逾二十年之公司秘書、業務發展、人力資源及一般行政事務之管理經驗。源先生先前為本公司非全資附屬公司匯誠財務有限公司(「匯誠財務」)之營運總裁，負責匯誠財務之監察、人力資源、營運、市務及銷售、客戶服務及一般行政事務。於一九九七年六月加入匯誠財務前，源先生於兩間上市集團及一間財務機構任職管理層。

源先生為英國特許秘書及行政人員公會、香港特許秘書公會之資深會員、香港市務學會之高級會員、香港人力資源管理學會之專業會員、香港證券及投資學會、英國特許市務學會、香港物資採購與供銷學會及註冊財務策劃師協會會員。

源先生擁有工商管理碩士學位及亦為核准風險評估策劃師。

Ms. Leung Ka Ying (Priscilla), aged 32, joined the Company in April 2016 as Financial Controller and is responsible for overseeing the Group's financial reporting and financial management functions. Ms. Leung obtained her bachelor's degree in Business Administration in Professional Accountancy from the Chinese University of Hong Kong in 2008. She is a member of the Hong Kong Institute of Certified Public Accountants with over 8 years of experience in accounting, auditing and financial management. Prior to joining the Company, Ms. Leung worked as a manager in PricewaterhouseCoopers and finance manager of a Hong Kong listed group.

United States Management

Mr. Jeffrey Busch, aged 61, is the Chief Executive Officer of the Group's 85%-owned U.S. subsidiary, IA Group, and oversees all of IA Group's REIT management and real estate activities in the U.S.. Mr. Busch is also Chairman, President and the Chief Executive Officer of GMR, a company listed on the New York Stock Exchange (NYSE: GMRE).

Mr. Busch has more than two decades of real estate experience as a developer, manager and investor, and has held senior positions representing the U.S. government – he was appointed by two U.S. Presidents to serve in senior administration capacities, including Assistant Secretary of the U.S. Housing and Urban Development (“HUD”) agency, and as U.S. Ambassador to the United Nations in Geneva, Switzerland. At HUD, Mr. Busch oversaw an annual budget of over US\$3 billion used to develop housing and commercial real estate.

As a principal investor, Mr. Busch has developed properties valued at hundreds of millions of U.S. dollars in various real estate asset classes, including large-scale residential, commercial, hospitality, and retail projects.

Mr. Busch is a graduate of the New York University Stern School of Business, holds a Master of Public Administration from New York University, and also a Doctor of Jurist Prudence from Emory University.

梁家凝小姐，三十二歲，於二零一六年四月加入本公司為財務總監，負責本集團之財務報告及財務管理職能。梁小姐在二零零八年取得香港中文大學工商管理專業會計學之學士學位。彼為香港會計師公會會員，並於會計、審計及財務管理方面擁有逾8年經驗。於加入本公司前，梁小姐曾於羅兵咸永道會計師事務所擔任經理及一家香港上市集團任職財務經理。

美國管理層

Jeffrey Busch先生，現年六十一歲，為本集團擁有85%控股權之美國附屬公司IA Group之行政總裁，監管IA Group於美國之所有房地產投資信託管理及房地產活動。Busch先生亦為於紐約證券交易所上市的GMR，(NYSE股份代號：GMRE)之主席、總裁及行政總裁。

作為開發商、經理人及投資者，Busch先生積逾二十年房地產經驗，代表美國政府身兼多個要職－彼曾獲兩任美國總統委任，以高級管理身份出任，包括美國住房及城市發展(「住房及城市發展」)部之助理部長及美國駐瑞士日內瓦聯合國大使。於住房及城市發展，Busch先生監管用於開發住宅及商業房地產之年度預算逾30億美元。

作為主要投資者，Busch先生已開發價值億萬美元之各房地產資產類別物業，包括大型住宅、商業、酒店及零售項目。

Busch先生畢業於紐約大學斯特恩商學院(New York University Stern School of Business)，持有紐約大學公共管理碩士學位，並持有埃默里大學(Emory University)法律哲學博士學位。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

Mr. Robert J. Kiernan, aged 52, is the Chief Financial Officer of IA Group and GMR. Mr. Kiernan is a financial executive with 30 years of successful experience in financial accounting, reporting and management. He joined IA Group and GMR in August 2017 as its Chief Financial Officer. Mr. Kiernan's experience includes initial and secondary public offerings, business combinations, quarterly, annual and other filings with the United States Securities and Exchange Commission ("SEC"), and compliance with Sarbanes-Oxley internal control requirements. His extensive management and accounting experience has focused on the financial services industry, including broker dealers, mortgage REITs, and investment funds.

Prior to becoming IA Group's and GMR's Chief Financial Officer, Mr. Kiernan served as the Senior Vice President, Controller and Chief Accounting Officer of FBR & Co. ("FBR", NASDAQ: FBRC) commencing in October 2007. Prior to joining FBR, Mr. Kiernan served as the Senior Vice President, Controller and Chief Accounting Officer of Arlington Asset Investment Corp. ("Arlington Asset", NYSE: AI) commencing in April 2003. Prior to joining Arlington Asset, Mr. Kiernan was a senior manager in the assurance practice at Ernst & Young.

Mr. Kiernan holds a Bachelor of Science in Accounting, Mount St. Mary's University, Cum Laude (1987) and is a member of the American Institute of Certified Public Accountants.

Mr. Alfonso Leon, aged 43, is the Chief Investment Officer of IA Group and is responsible for investment strategy, acquisition execution, deal sourcing and investor relations.

Mr. Leon is a real estate finance executive with 18 years of acquisition and capital markets experience with approximately 200 completed transactions on behalf of institutional investors valued at US\$4.0 billion. Prior to joining GMR, Mr. Leon was a Senior Vice President with Cain Brothers & Company, a boutique health care investment banking firm based out of New York and San Francisco, within their real estate M&A and capital markets group. Mr. Leon joined Cain Brothers in 2005 and worked with leading clients across the health care spectrum including several health systems, multi-specialty physician groups, senior housing operators, NYSE-listed and non-traded private REITs, health care developers, and private equity investors. Prior to Cain Brothers, Mr. Leon was a real estate underwriter with LaSalle Investment Management, an international real estate investment advisor firm, within their North American acquisition group. Mr. Leon joined LaSalle in 2000 and acquired US\$800 million in multi-family, office, medical office, and industrial property on behalf of institutional investors that include the nation's largest pension funds and college endowments and sovereign wealth funds. LaSalle Investment Management is a subsidiary of global consultancy firm Jones Lang LaSalle (NYSE: JLL). The investment committee of JLL was headed by the CEO of JLL.

Robert J. Kiernan先生，52歲，為IA Group及GMR之首席財務總監。Kiernan先生為財務主管，於財務會計、申報及管理方面擁有30年成功經驗。彼於二零一七年八月加入IA Group及GMR，擔任其首席財務總監。Kiernan先生之經驗包括多個範疇：首次及第二市場公開發售、業務合併、向美國證券交易委員會進行季度、年度及其他備案程序以及遵守沙賓法案之內部監控規定。彼在金融服務業（包括經紀交易公司、按揭房地產投資信託及投資基金）擁有豐富之管理及會計經驗。

於成為IA Group及GMR之首席財務總監前，Kiernan先生曾自二零零七年十月起擔任FBR & Co.（「FBR」，納斯達克交易代號：FBRC）之高級副總裁、財務總監及首席會計師。於加入FBR前，Kiernan先生曾自二零零三年四月起擔任Arlington Asset Investment Corp.（「Arlington Asset」，紐約證券交易所交易代號：AI）之高級副總裁、財務總監及首席會計師。於加入Arlington Asset前，Kiernan先生曾於安永會計師事務所從事審計工作，擔任高級經理。

Kiernan先生持有聖瑪麗山大學頒發之會計學榮譽理學士學位（一九八七年），並為美國會計師公會之會員。

Alfonzo Leon先生，現年四十三歲，為IA Group之首席投資總監，負責投資策略、收購執行、交易發掘及投資者關係。

Leon先生為房地產金融行政人員，於收購及資本市場方面擁有18年經驗，代表價值40億美元之機構投資者完成近二百項交易。加入GMR（國際醫療房地產投資信託）前，Leon先生為Cain Brothers & Company（一間位於紐約及三藩市之精品保健投資銀行公司）之高級副總裁，任職於該公司之房地產併購及資本市場團隊。Leon先生於二零零五年加入Cain Brothers，與保健領域的眾多領先客戶合作，包括多個保健系統、多方面專業的醫師團體、護老院營運商、紐約證券交易所上市之房地產投資信託及非市場交易私人之房地產投資信託、保健開發商及私募基金投資等。加入Cain Brothers前，Leon先生為LaSalle Investment Management（一間國際房地產投資顧問公司）之房地產投資聯繫人，任職於該公司之北美收購團隊。Leon先生於二零零零年加入LaSalle，代表機構投資者（包括全國最大的養老基金及大學捐贈基金及主權財富基金）收購了價值8億美元之多戶型、辦公室、醫療辦公室及工業物業。LaSalle Investment Management為環球顧問公司仲量聯行（紐約證券交易所交易代號：JLL）之附屬公司。JLL之投資委員會由JLL之行政總裁領導。

Mr. Leon's experience includes managing commercial real estate transactions ranging from US\$5 million to US\$500 million, raising capital for developers for projects valued over US\$100 million, structuring joint ventures between developers and investors, completing large US\$100 million portfolio investment sales to health care REITs, structuring sale-leasebacks for physician groups, acquisitions and dispositions for separate and commingled funds, corporate real estate M&A, structuring credit tenant lease financing for investment grade health systems, and strategic real estate advisory for health systems. Mr. Leon's property type expertise within the health care sector includes medical office, outpatient facilities, surgical facilities, post-acute facilities, senior housing, and hospitals.

Mr. Leon received his Master's degree in real estate finance from The Massachusetts Institutes of Technology and his B.S. in Architecture from The University of Virginia.

Leon先生之經驗包括管理介乎5,000,000美元至500,000,000美元之商業房地產交易、為開發商就價值超過100,000,000美元之項目籌資、於開發商及投資者之間組建合營企業、完成向保健房地產投資信託銷售100,000,000美元之大額組合投資、為醫師團體構建售後回租、收購及處置個別及混合型基金、企業房地產併購、為投資級別保健系統構建信貸租戶租賃融資系統及為保健系統提供策略性房地產顧問業務。Leon先生於保健行業之物業類型專業知識包括醫療辦公室、門診設施、外科手術設施、急性病治療後設施、高級住宅及醫院。

Leon先生取得麻省理工學院房地產金融學碩士學位及弗吉尼亞大學建築學學士學位。

REPORT OF THE DIRECTORS

董事會報告書

The Directors present their annual report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and together with its subsidiaries engages in property development, property investment and management, hotel operations and securities trading and investment. The activities and particulars of the Company's principal subsidiaries are set out in note 43 to the consolidated financial statements.

An analysis of the Group's revenue and results by principal operating segments for the year is set out in the note 4 to the consolidated financial statements.

RESULTS AND DIVIDEND

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 97.

The Directors do not recommend the payment of a dividend in respect of the Year.

BUSINESS REVIEW

The Company was founded in 1965, with business focus on property development, property investment and management, hotel operations and securities trading and investment in Hong Kong, the PRC and overseas.

A detailed business review for the Year, including further discussions of important events occurred since the end of the financial year, likely future development of the Group's business and financial performance review with financial key performance indicators, are set out in "Chairman's Message" on pages 4 to 9, "Management Discussion and Analysis" on pages 27 to 41, "Financial Summary" on page 227, note 34 to the consolidated financial statements, respectively. These discussions form part of this Report of the Directors.

The Company will issue separately an Environmental, Social and Governance Report under Environmental, Social and Governance Reporting Guide as specified in Appendix 27 of the Listing Rules.

本公司董事謹此提呈本集團本年度之年報及經審核綜合財務報表。

主要業務

本公司乃投資控股公司連同其附屬公司主要從事物業發展、物業投資及管理、酒店業務及證券買賣及投資。本公司主要附屬公司之業務及詳情載於綜合財務報表附註43。

本集團於本年度主要經營分部之收益及業績分析載於綜合財務報表附註4。

業績及股息

本集團於本年度之業績載於第97頁之綜合損益賬。

董事不建議就本年度派付股息。

業務回顧

本公司於一九六五年成立，專注於香港、中國及海外物業開發、物業投資及管理、酒店營運以及證券買賣及投資。

本年度的詳細業務回顧包括本集團所面臨的主要風險及不明朗因素的進一步討論、自財政年度末以來發生的重大事項、本集團業務的可能未來發展及列有主要財務表現指標的財務表現回顧，分別載於第4至9頁「主席致詞」、第27至41頁「管理層討論及分析」、第227頁「財務概要」及綜合財務報表附註34。該等討論為本董事會報告書的組成部分。

本公司將根據上市規則附錄二十七的《環境、社會及管治報告指引》發佈一份獨立的環境、社會及管治報告。

Principal risks and uncertainties

Under our current risk management and internal control system, regular review of the principal risks and uncertainties that may affect the Group's financial condition, results of operations, business and prospects are maintained. There may be other risks and uncertainties further to the following key risk areas and uncertainties currently identified by the Group.

The Group's performance on businesses of property development in the PRC and property investment and/or management in the USA on AHR and GMR are susceptible to the macro-economic and industrial government policies and controls in the PRC and the USA. Any changes of these policies may penetrate into the overall national economic conditions, and influence changes in consumer confidence, consumption spending and preferences in property market in the PRC and also medical and healthcare services in the USA.

The Group's operation is also subject to certain risk factors pertaining to businesses of property development in the PRC, property investment and management in the USA and other regions. Lack of availability of potential land resources in the PRC, shortage of construction materials, equipment and skilled labour, default on the part of our customers, construction contractors, business partners and tenants, adverse weather conditions, other unexpected inadequacies or failure of internal process or other external factors may have various levels of the Group's operations.

The Group's financial risks and management are set out in note 34 to the consolidated financial statements.

In response to these possible risks and uncertainties, the Group continues to implement a series of internal control and strategies to adapt itself to cope with the possible risks and changes. The Group also develops and reviews strategies, policies and guidelines on risk control which enable the Group to monitor closely and formulate business strategies to respond to risk promptly and effectively. The Group also actively proposes measures to minimise any potential business impact on the Group from these possible risks and uncertainties.

主要風險及不明朗因素

在我們現行的風險管理及內部監控系統下，本集團對可能有影響其財務狀況、經營業績、業務及前景的主要風險及不明朗因素維持作出定期審視。除本集團認為之以下主要風險及不明朗因素外，可能會有其他風險及不確定性。

本集團於中國之物業發展及於美國AHR及GMR之物業投資及／或管理業務表現，容易受到中國及美國實施的宏觀經濟及行業政府政策及調控所影響。任何相關政策之轉變都可能滲透整體國家經濟狀況，引致在中國房地產市場以及美國醫療保健服務市場出現消費者信心、及消費支出及意向之轉變。

本集團的營運亦面對多項與中國之物業發展、於美國及其他地區之物業投資及管理相關業務的風險因素。於中國缺乏具潛力的土地資源、建築材料、設施及具技術員工之短缺、部分買家、工程承建商、商業伙伴及租戶出現違約、惡劣天氣情況、及其他意外發生內部程序不足或失誤以及其他外部因素均可能對本集團的營運業績造成負面影響。

本集團的財務風險及其管理載於綜合財務報表附註34。

為應對該等潛在風險及不明朗因素，本集團持續實際一系列內部監控政策及策略使其可應對每項潛在風險及不明朗因素。本集團亦制定及審閱對風險控制之策略、政策及指引，令本集團能夠密切監察並有效及迅速地制定應對風險之商業策略。本集團亦積極建議解決方案，減低因該等潛在風險及不明朗因素對本集團的任何潛在業務影響。

REPORT OF THE DIRECTORS

董事會報告書

Key stakeholder relationships

To build a solid foundation for the Group's sustainable development, the Group recognise its employees, customers and business partners being the key stakeholders and maintain a continuous dialogue with them. The Group is dedicated to establish a close and supporting relationship with its employees, provide quality products and services to customers and strengthen all kinds of cooperation with its business partners.

The Company provides a healthy and safe workplace, career development opportunities and competitive remuneration and benefits to employees on their qualifications in accordance with industry practise in the geographical locations in which they are located. To treasure its loyal and industrious staff members and improve their performance at their positions, different forms of rewards and compensation including salaries, provident fund, bonus, insurance coverage, or share options, etc, will be considered and reviewed on annual basis based on performance appraisals for eligible employees.

Maintaining close relationship with its customers as well as tenants are paramount to the long-term success for the Group. Interacting channels with customers and tenants are established to identify and respond to the dynamic market needs proactively, improve the quality of products and services to adhere to customers' needs and preference timely. In a long run, it fosters customer to enhance brand recognition on the Group with a trust-worthy basis.

The Group is also committed to develop fair and co-operating business partnership with suppliers and contractors to ensure stability of the Group's operation. Through a series of standardised procurement process including the tendering procedures, cost and quality of the procurement supply of the Group are able to be monitored, assessed and evaluated reasonably. The Group continuously upholds an effective communication with suppliers to deliver quality products and services to customers for the long-term sustainability.

主要利益相關人士關係

為就本集團可持續發展建立堅實基礎，本集團確認，其僱員、客戶及業務夥伴為主要利益相關人士，並與彼等保持持續緊密聯繫。本集團致力於與僱員建立緊密及相互支持的關係，為客戶提供高質量產品及服務，並加強與業務夥伴的全方位的合作關係。

本公司為員工提供健康安全的工作環境、事業發展機會及根據彼等所在的地理區域的行業慣例就其資質而言具競爭力的薪酬及福利。為珍惜忠誠及勤奮的員工及提升彼等於工作崗位的表現，本公司將考慮為合資格僱員提供不同形式的回報及薪酬，其包括薪金、公積金、花紅、保險保障或購股權等，並根據彼等的表現評估進行年度審閱。

與客戶及租客維持緊密關係對本集團的長期成功至關重要。與客戶及租客建立互動渠道以識別及主動應對動態市場需求，提升產品及服務質量以及時跟隨客戶的需求及愛好。長期以來，其有助增強客戶對本集團的品牌認知及信賴。

本集團亦致力於與供應商及承包商發展公平的業務合作關係，以確保本集團營運的穩定性。透過一系列標準化採購流程，包括招標程序，本集團的採購供應的成本及質量可被合理監控、評估及評核。本集團繼續堅持與供應商進行有效溝通，從而為長期可持續發展向客戶交付高質量產品及服務。

Compliance with laws and regulations

As far as the Company is aware of, the Group has complied with applicable laws and regulations promulgated by the relevant regulatory bodies which are significant to the operations of the Group.

Environmental policy

The Group is committed to the long-term sustainability of businesses and communities with which it engages. We pursue this business approach by managing our business prudently and executing management decisions with due care and attention to balance the sustainable business growth and environmental protection.

The Group endeavors to make improvements by promoting environmental friendly policies in the Group's operations and increasing the employee's awareness over environmental protection. By means of advocating eco-friendly and reusable materials, paper-recycling and energy saving measures on office equipment and appliances, it helps enhance efficient use of resources, energy efficiency and reduction of waste.

The Group is committed to act in an environmentally responsible manner to review its environmental protection policies and activities from time to time for implementation of any further measures and practices on environmental protection in the business operation.

MAJOR PROPERTIES

Particulars of the major properties of the Group at 31 December 2018 are set out in "Project Summary" on pages 17 to 22 and "Particulars of Major Investment Properties" on page 228.

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 14 and 15 respectively to the consolidated financial statements.

The Group's investment properties were revalued at the year end date. The revaluation resulted in an increase in fair value of approximately RMB17.9 million which has been credited to the consolidated statement of profit or loss.

SHARE CAPITAL

There were no changes in the number of the issued share during the year. Details of movement in the share capital of the Company during the Year are set out in note 29 to the consolidated financial statements.

遵守法律及法規

據本公司所知，本集團已遵守相關監管機構制定的對本集團的營運而言屬重大的適用法律及法規。

環境政策

本集團致力於業務及其營運所在的社區的長期可持續發展。我們透過對可持續業務增長及環境保護的平衡保持謹慎及關注，審慎管理我們的業務及執行管理決策，以求達致可持續發展的業務模式。

本集團於其營運過程中透過推進環境友好型政策努力作出改善及不斷增強僱員的環保意識。透過倡導使用環境友好型及可多次利用材料、紙循環利用及辦公室設備及機器的節能措施等多種措施，有助於加強資源有效使用、能源效率及減少浪費。

本集團致力於以環保負責任的方式行事，於業務營運中實施任何進一步環保措施及實踐時不時檢討其環保政策及活動。

主要物業

本集團於二零一八年十二月三十一日持有之主要物業詳情載於第17至22頁「項目概要」及第228頁「主要投資物業概要」。

本集團的物業、廠房及設備以及投資物業於年內的變動詳情分別載於綜合財務報表附註14及15。

本集團的投資物業已於年結日重估。因重估產生的公平值增加淨值約人民幣17,900,000元已列入綜合損益賬。

股本

本年度已發行股份數目概無變動。於本年度本公司之股本變動詳情載於綜合財務報表附註29。

REPORT OF THE DIRECTORS

董事會報告書

RESERVES

Movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 101.

Distributable reserves of the Company at 31 December 2018 amounted to approximately RMB199.8 million.

CHARITABLE DONATIONS

The charitable donations made by the Group during the Year amounted to approximately RMB2.1 million.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the articles of association of the Company or the laws of Hong Kong, which would oblige the Company to offer new shares to existing shareholders of the Company on a pro-rata basis.

FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 227.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company had not redeemed any of its listed securities during the Year. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the Year.

儲備

本集團於本年度之儲備變動情況載於第101頁之綜合權益變動表。

本公司於二零一八年十二月三十一日可供分派儲備約人民幣199,800,000元。

慈善捐獻

本年度內本集團慈善捐獻合共約人民幣2,100,000元。

優先購買權

本公司組織章程細則或香港法例概無有關優先購買權之條文，致使本公司須按比例向現有本公司之股東發售新股份。

財務概要

本集團過去五個財政年度之業績及資產及負債概要載於第227頁。

購買、出售或贖回上市證券

本公司於本年度內概無贖回任何上市證券。本公司及其任何附屬公司於本年度內概無購買或出售本公司任何上市證券。

DIRECTORS

(a) Directors of the Company

The Directors during the year and present Directors up to the date of this Report of the Directors are:

Executive Directors:

Zhang Jingguo (Chairman and Chief Executive Officer)

Zhang Guoqiang

Non-executive Director:

Huang Yanping

Independent non-executive Directors:

Liu Da

Liu Qiao

Ma Yuntao

In accordance with Articles 78 and 79 of the Company's Articles of Association and pursuant to code provision A.4.2 of Appendix 14 of the Listing Rules, Mr. Zhang Guoqiang and Mr. Liu Da will retire by rotation at the forthcoming annual general meeting of the Company to be held on 12 June 2019 (the "2019 AGM") and, being eligible, will offer themselves for re-election. Details of the Directors to be re-elected at the 2019 AGM are set out in the circular to the shareholders sent together with this annual report.

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

Each of the Directors has entered into a service agreement with the Company for a term of three years commenced on 28 August 2018.

No Director being proposed for re-election at the 2019 AGM has a service contract with the Company or any of its subsidiaries which are not determinable within one year without payment of compensation, other than normal statutory obligations.

The biographical details of the Directors and senior management of the Group are set out on pages 42 to 51.

董事

(a) 本公司董事

於本年度之董事及截至本董事會報告書日期之現任董事為：

執行董事：

張敬國 (主席及行政總裁)

張國強

非執行董事：

Huang Yanping

獨立非執行董事：

劉達

劉俏

馬運強

根據本公司組織章程細則第78及79條以及上市規則附錄十四守則條文第A.4.2條，張國強先生及劉達先生將於二零一九年六月十二日舉行之本公司應屆股東週年大會（「二零一九年股東週年大會」）上輪值告退，惟彼等合資格且願意重選連任為董事。有關於二零一九年股東週年大會上重選的董事之詳情載於隨本年度報告一併寄發予股東之通函內。

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，本公司認為所有獨立非執行董事均為獨立人士。

各董事與本公司訂立了任期由二零一八年八月二十八日起為期三年的服務協議。

概無擬於二零一九年股東週年大會上重選之董事與本公司或其任何附屬公司訂立不可於一年內毋須支付賠償（一般法定賠償除外）而可予終止之服務合約。

本集團董事及高級管理層之履歷詳情載於第42至51頁。

REPORT OF THE DIRECTORS

董事會報告書

(b) Directors of the Company's subsidiaries

The directors of the Company's subsidiaries during the year and until the date of this report of the Directors are:

Bai Mengjun	
Bie Sanjiang	
Chen Peini, Connie	(appointed on 1 October 2018)
Chen Weibing	
Feng Hongfeng	(appointed on 25 July 2018)
Guo Wei	
Huang Yanping	
Jeffrey Busch	
Lim Wei Jie	(resigned on 15 October 2018)
Liu Zhengqiang	
Meng Yuming	(appointed on 25 July 2018)
Wang Jinhu	
Xing Zhumei	(appointed on 25 July 2018)
Zhang Huiqi	
Zhang Guoqiang	(appointed on 28 September 2018)
Zhang Yong	(appointed on 25 July 2018)
Zhang Jingguo	
Zhao Weilin	(appointed on 18 April 2018)

(b) 本公司附屬公司之董事

於本年度及截至本董事會報告書日期，本公司附屬公司之董事為：

白孟軍	
別三江	
陳佩霓	(於二零一八年十月一日獲委任)
陳衛兵	
馮宏鋒	(於二零一八年七月二十五日獲委任)
郭偉	
Huang Yanping	
Jeffrey Busch	
Lim Wei Jie	(於二零一八年十月十五日辭任)
劉振強	
孟玉明	(於二零一八年七月二十五日獲委任)
王金虎	
行竹梅	(於二零一八年七月二十五日獲委任)
張惠琪	
張國強	(於二零一八年九月二十八日獲委任)
張勇	(於二零一八年七月二十五日獲委任)
張敬國	
趙維林	(於二零一八年四月十八日獲委任)

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in notes 9, 26 and 40 to the consolidated financial statements, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a Director or any entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the Year.

CONTRACT OF SIGNIFICANCE

Save as disclosed in notes 26 and 40 to the consolidated financial statements in relation to the financial assistance provided by the controlling shareholder of the Company to the Group and the transactions set out under sections headed "Related Party Transactions" and "Continuing Connected Transactions" and disclosed in note 44(c) to the consolidated financial statement, there was no contract of significance between the Company or any of its subsidiaries, and a controlling shareholder of the Company or any of its subsidiaries at the end of the year or at any time during the Year.

DIRECTORS EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration of the Directors, together with those of the five highest paid employees of the Group for the Year are set out in notes 9 and 10 to the consolidated financial statements.

董事於交易、安排或合約之權益

除於綜合財務報表附註9、26及40所披露者外，本公司、其控股公司、同系附屬公司或附屬公司概無訂立董事或任何與董事關連之實體直接或間接擁有重大權益且於年終或本年度內任何時間仍然生效之對本集團業務而言屬重要之交易、安排及合約。

重大合約

除於綜合財務報表附註26及40內容有關由本公司控股股東向本集團提供之財務資助所載於「關連人士交易」一節之交易、「持續關連交易」一節之交易以及於綜合財務報表附註44(c)之交易外，本公司或其任何附屬公司與本公司控股股東或其任何附屬公司於年終或本年度內任何時間概無訂立重大合約。

董事薪酬及五名最高薪員工

於本年度內，董事連同本集團五名最高薪員工薪酬的詳情載於綜合財務報表附註9及10。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in the ordinary shares of the Company ("Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or any interest or short positions which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or any interests and short positions which have to be notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 of the Listing Rules, were as follows:

Long positions

- (i) Interest in the Shares of the Company

董事及主要行政人員於證券之權益及淡倉

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於本公司之普通股股份（「股份」）股份、本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所之權益及淡倉（包括彼等根據證券及期貨條例該等條文被當作或視作擁有之權益及淡倉），或根據證券及期貨條例第352條須登記於該條例所述登記冊之任何權益或淡倉，或根據上市規則附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之任何權益及淡倉如下：

好倉

- (i) 於本公司股份中的權益

Name of Director 董事姓名	Capacity in which interests are held 權益持有者身份	Number of Shares held 所持股份數目	Approximate percentage of the issued share capital of the Company (%) 約佔本公司已發行股本百分比
Mr. Zhang Jingguo ("Mr. Zhang") 張敬國先生（「張先生」）	Spousal interest (Note 1) 配偶權益（附註1）	3,579,612,209	57.95
Ms. Huang Huang女士	Interest of controlled corporation (Note 2) 受控制法團權益（附註2）	3,579,612,209	57.95

Notes:

- (1) Mr. Zhang (Chairman, Chief Executive Officer and Executive Director of the Company) is the spouse of Ms. Huang, he is deemed to be interested in 3,579,612,209 Shares.

附註：

- (1) 張先生（本公司主席、行政總裁兼執行董事）為Huang女士之配偶，彼被視為於3,579,612,209股股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告書

(2) 3,579,612,209 Shares are directly held by Joy Town Inc., which are ultimately owned by a discretionary trust established by Ms. Huang Yanping as settlor and protector and Vistra Trust (Singapore) Pte Limited as trustee. Joy Town Inc. is wholly-owned by Zensun Group Limited. Zensun Group Limited is a wholly-owned subsidiary of Notable Reward Limited, which in turn is wholly-owned by Superior Glory Enterprises Limited and the entire issued share capital of Superior Glory Enterprises Limited is assets of the trust. Superior Glory Enterprises Limited, Notable Reward Limited, Zensun Group Limited and Joy Town Inc. are holding companies of the Company, each of them is an associated corporation of the Company under SFO.

(2) 3,579,612,209 股股份由 Joy Town Inc. 直接持有，其最終由 Huang Yanping 女士成立並作為委託人和保護人及由 Vistra Trust (Singapore) Pte Limited 作為受託人的全權信託所擁有。Joy Town Inc. 由正商集團有限公司 (Zensun Group Limited) 全資擁有。正商集團有限公司由 Notable Reward Limited 全資擁有，其為 Superior Glory Enterprises Limited 全資擁有，而 Superior Glory Enterprises Limited 全部已發行股份為全權信託的資產。Superior Glory Enterprises Limited，Notable Reward Limited，正商集團有限公司及 Joy Town Inc. 均為本公司之控股公司，且各自為證券及期貨條例項下本公司之相聯法團。

Long Positions

(ii) Interest in ordinary shares of associated corporations of the Company

好倉

(ii) 於本公司相聯法團普通股中的權益

Name of Director	Name of associated corporation	Capacity in which the interests are held	Number of share held	Approximate percentage of the issued share capital (%)
董事姓名	相關法團名稱	權益持有者身份	所持股份數目	約佔相聯法團已發行股本之百分比
Ms. Huang Huang女士	Superior Glory Enterprises Limited	Interest of controlled corporation (Note) 受控法團權益(附註)	1	100
Ms. Huang Huang女士	Notable Reward Limited	Interest of controlled corporation (Note) 受控法團權益(附註)	1	100
Mr. Zhang 張先生	Zensun Group Limited 正商集團有限公司	Interest of controlled corporation (Note) 受控法團權益(附註)	1	100
Ms. Huang Huang女士	Joy Town Inc.	Beneficial owner (Note) 實益擁有人(附註)	1	100

Note: 3,579,612,209 shares are directly held by Joy Town Inc., which are ultimately owned by a discretionary trust established by Ms. Huang Yanping as settlor and protector and Vistra Trust (Singapore) Pte Limited as trustee. Joy Town Inc. is wholly-owned by Zensun Group Limited. Zensun Group Limited is a wholly-owned subsidiary of Notable Reward Limited, which in turn is wholly-owned by Superior Glory Enterprises Limited and the entire issued share capital of Superior Glory Enterprises Limited is assets of the trust. Superior Glory Enterprises Limited, Notable Reward Limited, Zensun Group Limited and Joy Town Inc. are holding companies of the Company, each of them is an associated corporation of the Company under SFO.

Save as disclosed, as at 31 December 2018, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which: (a) were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 of the Listing Rules.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the section of "Share Option Scheme", at no time during the Year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and neither the directors nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

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.

附註: 3,579,612,209股股份由Joy Town Inc.直接持有，其最終由Haung Yanping女士成立並作為委託人和保護人及由Vistra Trust (Singapore) Pte Limited作為受託人的全權信託所擁有。Joy Town Inc.由正商集團有限公司(Zensun Group Limited)全資擁有。正商集團有限公司由Notable Reward Limited全資擁有，其為Superior Glory Enterprises Limited全資擁有，而Superior Glory Enterprises Limited全部已發行股份為全權信託的資產。Superior Glory Enterprises Limited、Notable Reward Limited、正商集團有限公司及Joy Town Inc.均為本公司之控股公司，且各自為證券及期貨條例項下本公司之相聯法團。

除上文披露者外，於二零一八年十二月三十一日，於最後可行日期，董事及本公司主要行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中，擁有(a)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彼等被當作或視作擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條須記入該條所述本公司登記冊之權益或淡倉；或(c)根據上市規則附錄十所載上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

購買股份或債券的安排

除「購股權計劃」一節所披露者外，本公司或其任何附屬公司於本年度內任何時間概無訂立任何安排，致使本公司董事可透過購買本公司或任何其他公司的股份或債券而獲益，亦無董事或任何彼等的配偶或十八歲以下子女擁有任何可認購本公司證券的權利，或已行使任何該等權利。

管理合約

於本年度內，概無訂立或訂有任何與本公司全部或任何重大業務有關之管理及行政合約。

REPORT OF THE DIRECTORS

董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, revenue attributable to the largest customer of the Group accounted to approximately 7.5% of the total revenue in the year and the five largest customers of the Group accounted for less than 30% of the Group's total revenue in the Year.

During the Year, purchases attributable to the largest supplier of the Group amounted to approximately 26.6% of the total purchases in the year and the five largest suppliers of the Group accounted for 58.1% of the Group's purchases in the Year.

Mr. Zhang Jingguo, being an executive Director, has beneficial interest in one of the five largest suppliers disclosed above during the Year. The transactions have been detailed under the below section headed "Continuing Connected Transactions".

Save as disclosed above, none of the Directors, their close associates or any shareholder (which to the knowledge of the Directors own more than 5.0% of the issued share capital of the Company) had an interest in these major customers or suppliers.

RELATED PARTY TRANSACTIONS

During the Year, certain Directors and companies controlled by certain Directors entered into transactions with the Group which are disclosed in notes 26 and 40 to the consolidated financial statements. Save as disclosed in the section headed "Continuing Connected Transactions", the Board confirmed that none of these related party transactions constitutes a discloseable connected transaction as defined under chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Pursuant to Chapter 14A of the Listing Rules, the following transactions are continuing connected transactions which are subject to the requirements under Chapter 14A of the Listing Rules.

主要客戶及供應商

於本年度內，來自本集團最大客戶收益佔年內總收益之約7.5%，而本集團五大客戶總收益佔本集團本年度內總收益少於30%。

於本年度內，自本集團最大供應商購買額佔年內總購買額之約26.6%，而自本集團五大供應商購買額佔本集團本年度內購買額之58.1%。

執行董事張敬國先生於本年度內於上文披露的五大供應商之一擁有實益權益。有關交易之詳情載於下文「持續關連交易」一節。

除上文披露者外，概無董事、彼等之緊密聯繫人士或任何股東（就董事所知擁有5.0%以上本公司已發行股本）於該等主要客戶或供應商中擁有任何權益。

關連人士交易

於本年度內，若干董事及若干董事控制之公司與本集團訂立多項交易（於綜合財務報表附註26及40披露）。除「持續關連交易」一節所披露者外，董事會確認，概無該等關連人士交易構成上市規則第14A章所界定之須予披露關連交易。

持續關連交易

根據上市規則第14A章，下列交易為須受上市規則第14A章之規定規限之持續關連交易。

In 2015, a master services agreement (“Master Services Agreement”) has been entered into between the Company and Henan Zensun Corporate Development Company Limited (“Zensun Development”), pursuant to which, Zensun Development has agreed to provide, or procure members of Zensun Development, its subsidiaries and or to control the composition of a major of the board of directors/ or any of its subsidiaries taken together are directly or interested so as to exercise or control 30% or more voting power (the “Zensun Development Group”) to provide construction and related ancillary services to the Group according to the definitive agreement(s) signed between Zensun Development Group and the Group from time to time. On 21 February 2017, the Company and Zensun Development entered into a supplemental agreement (the “2017 Supplemental Agreement”) to, among other matters, extend the effective term of the Master Services Agreement to 31 December 2019. On 11 October 2018, the Company entered into a supplemental agreement with Zensun Development (“2018 Supplemental Agreement”) to further amend the effective terms of the Master Services Agreement as amended by the 2017 Supplemental Agreement to be three years from 1 January 2018 and continue up to 31 December 2020. During the year of 2018, the revised annual caps for the transactions contemplated under the Master Services Agreement as amended by the 2017 Supplemental Agreement and 2018 Supplemental Agreement (the “Renewed 2018 Master Services Agreement”) for each of the financial years ended/ending 31 December 2018, 2019 and 2020 have been approved to be RMB1,133 million, RMB2,404 million and RMB1,534 million, respectively.

As Zensun Development is beneficially wholly-owned by Mr. Zhang and Mr. Zhang is an executive Director and the spouse of Ms. Huang, the non-executive Director and a controlling shareholder of the Company interested in approximately 57.95% of the issued share capital of the Company through a discretionary trust of which is set up and act as settlor and protector by Ms. Huang. The trustee of the discretionary trust is the ultimate holding company of the Company. Zensun Development is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions constitute continuing connected transactions of the Company under the Listing Rules.

For the Year, the annual cap (the “2018 Annual Cap”) approved for the continuing connected transactions between the Group and Zensun Development Group under the Renewed 2018 Master Services Agreement was RMB1,133 million and the actual transacted amounts were approximately RMB1,050.6 million which did not exceed the 2018 Annual Cap.

於二零一五年，本公司與河南正商企業發展有限責任公司（「正商發展」）簽訂主服務協議（「主服務協議」），據此正商發展已同意或促使正商發展、其附屬公司及／或合共直接或擁有權益致使可行使或控制行使30%或以上表決權之任何其他附屬公司（「正商發展集團」）根據正商發展集團與本集團不時簽訂之正式協議為本集團提供建設及相關輔助服務。於二零一七年二月二十一日，本公司與正商發展訂立一份補充協議（「2017年補充協議」），其中包括延長主服務協議之有效年期至二零一九年十二月三十一日。於二零一八年十月十一日，本公司與正商發展訂立一份補充協議（「2018年補充協議」），同意更改經2017年補充協議修訂之主服務協議的有效年期為三年由二零一八年一月起直至二零二零年十二月三十一日為止（包括當日）。於二零一八年度，經2017年補充協議及2018年補充協議修訂之主服務協議（「經重續2018年主服務協議」）項下擬進行之交易截至二零一八年、二零一九年及二零二零年十二月三十一日止財政年度之已修訂年度上限分別為人民幣1,133,000,000元、人民幣2,404,000,000元及人民幣1,534,000,000元。

正商發展由張先生全資實益擁有，而張先生為執行董事及Huang女士之配偶，Huang女士則為本公司之非執行董事兼控股股東，透過成立全權信託亦作為該全權信託的受託人及保護人於本公司已發行股本中擁有約57.95%權益。該全權信託的信託人為本公司的最終控股股東。因此，根據上市規則第14A章，正商發展為本公司之關連人士。因此，根據上市規則，該等交易構成本公司之持續關連交易。

於本年度內，本集團根據經重續2018年主服務協議與正商發展進行之持續關連交易之已批准年度上限（「2018年度上限」）為人民幣1,133,000,000元，而實際交易金額約為人民幣1,050,600,000元，概無超出2018年年度上限。

REPORT OF THE DIRECTORS

董事會報告書

The aforesaid continuing connected transactions have been reviewed by independent non-executive Directors of the Company. The independent non-executive Directors confirmed that the aforesaid continuing connected transactions of the Group for the Year have been entered into

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant agreements governing them and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the auditor of the Company to conduct certain procedures in respect of the continuing connected transactions of the Group in accordance with the Hong Kong Standard on Assurance Engagement 3000 (Revised) "Assurance Engagement 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 also issued an unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

In accordance with Hong Kong Standard on Assurance Engagement 3000 (Revised) "Assurance Engagement Other than Audits or Reviews of Historical Financial Information", the auditor has also reported to the Board that for the year ended 31 December 2018, nothing has come to their attention that the continuing connected transactions, which were governed by the Renewed 2018 Master Services Agreement, (i) have not received the approval of the Board; (ii) have not been entered into, in all material respects, in accordance with the relevant agreement governing such transactions; and (iii) have exceeded the relevant cap amount for the financial year ended 31 December 2018 as set out in the circular dated and published on 22 November 2018, by the Company in respect of the continuing connected transactions.

上述持續關連交易已經本公司獨立非執行董事審閱。獨立非執行董事確認，本集團於本年度內之上述持續關連交易乃：

- (i) 於本集團一般及正常業務過程中訂立；
- (ii) 按一般商業條款訂立；及
- (iii) 根據規管該等交易之相關協議以及按屬公平合理，並符合本公司股東整體利益之條款訂立。

根據上市規則第14A.56條，本公司已委聘本公司核數師根據香港會計師公會頒佈之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之核證委聘」並參照實務說明第740號「關於香港上市規則規定所述持續關連交易之核數師函件」對本集團之持續關連交易展開若干工作。核數師亦已發出包括本集團根據上市規則第14A.56條披露之持續關連交易之發現及結論之無保留意見函件。本公司已向香港聯交所提供核數師函件之副本。

根據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之核證委聘」，核數師亦已向董事會報告，於截至二零一八年十二月三十一日止年度，概無有關受經重續2018年主服務協議規限之持續關連交易之下列事項須提請彼等垂注：(i)未取得董事會批准；(ii)於所有重大方面並未根據規管該等交易之相關協議訂立；及(iii)超出本公司於二零一八年十一月二十二日刊發之通函所載之有關持續關連交易於截至二零一八年十二月三十一日止財政年度之相關上限金額。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, according to the register of interest in Shares and underlying Shares and short positions kept by the Company pursuant to Section 336 of Part XV of the SFO and so far as is known to or can be ascertained after reasonable enquiries by the Directors, the persons (other than the Directors or chief executive of the Company) who were directly or indirectly interested in 5% or more in the Shares and underlying Shares of the Company are as follows:

Long positions in the Shares of the Company

主要股東

於二零一八年十二月三十一日，根據本公司遵照證券及期貨條例第XV部第336條存置之股份及相關股份權益及淡倉登記冊，以及據董事目前所知或於作出合理查詢後所確定，直接或間接擁有本公司股份及相關股份5%或以上權益之人士(董事或本公司主要行政人員除外)如下：

於本公司股份之好倉

Name of shareholder	Nature of interests	Number of Shares held	Approximate percentage of the issued share capital of the Company (%) 約佔本公司已發行股本百分比
股東名稱	權益性質	所持股份數目	
Vistra Trust (Singapore) Pte Limited	Trustee (Note 1) 信託人(附註1)	3,579,612,209	57.95
Superior Glory Enterprises Limited	Interest of controlled corporation (Note 1) 受控法團權益(附註1)	3,579,612,209	57.95
Notable Reward Limited	Interest of controlled corporation (Note 1) 受控法團權益(附註1)	3,579,612,209	57.95
Zensun Group Limited 正商集團有限公司	Interest of controlled corporation (Note 1) 受控法團權益(附註1)	3,579,612,209	57.95
Joy Town Inc.	Beneficial owner (Note 1) 實益擁有人(附註1)	3,579,612,209	57.95
Chan Heng Fai 陳恒輝	Beneficial owner (Note 2) 實益擁有人(附註2)	322,580,166	5.22
Chan Yoke Keow 陳玉嬌	Beneficial owner (Note 2) 實益擁有人(附註2)	322,580,166	5.22

REPORT OF THE DIRECTORS

董事會報告書

Notes:

1. These Shares are directly owned by Joy Town Inc., which are ultimately owned by a discretionary trust established by Ms. Huang Yanping as settlor and protector and Vistra Trust (Singapore) Pte Limited as trustee. Joy Town Inc. is wholly-owned by Zensun Group Limited. Zensun Group Limited is a wholly-owned subsidiary of Notable Reward Limited, which in turn is wholly-owned by Superior Glory Enterprises Limited and the entire issued share capital of Superior Glory Enterprises Limited is assets of the trust. Ms. Huang is a the sole director of Joy Town Inc. and Notable Reward Limited and Mr. Zhang is the sole director of Zensun Group Limited.
2. These Shares are owned by Chan Heng Fai and Chow Yoke Keow. Chan Heng Fai is the spouse of Chan Yoke Keow, they are deemed interest in the Shares held by each other.

Save as disclosed above, as at 31 December 2018, no person other than the Directors whose interests are set out in the above section headed "Directors' and Chief Executive's Interests and Short Positions in Securities", had registered an interest of 5% or more in the issued share capital of the Company, and short positions in the Shares and underlying Shares that was required to be recorded in the register of interest pursuant to Section 336 of Part XV of the SFO.

DIRECTORS' INTEREST IN A COMPETING BUSINESS

As at 31 December 2018, none of the Directors was interested in any business, which competed or was likely to compete, either directly or indirectly, with the Group's businesses except that Mr. Zhang and Ms. Huang are individually and collectively deemed interested in Zensun Development Group and Zensun International Holdings Company Limited and/or its subsidiaries and associated companies which are engaged in construction, property development and related business in the PRC.

As the Board is independent of the boards of these companies, the Company has therefore been capable of carrying on its businesses independently of, and at arm's length from, the above businesses.

附註：

1. 該等股份由Joy Town Inc.直接持有，其最終由Huang Yanping女士成立並作為委託人和保護人及由Vistra Trust (Singapore) Pte Limited作為受託人的全權信託所擁有。Joy Town Inc.由正商集團有限公司(Zensun Group Limited)全資擁有。正商集團有限公司由Notable Reward Limited全資擁有，其為Superior Glory Enterprises Limited全資擁有，而Superior Glory Enterprises Limited全部已發行股份為全權信託的資產。Huang女士均為Joy Town Inc.及Notable Reward Limited唯一董事而張先生為正商集團有限公司唯一董事。
2. 該等股份由陳恒輝及陳玉嬌擁有。陳恒輝為陳玉嬌之配偶，彼等被視作為於各自持有之股份中擁有權益。

除上文披露者外，於二零一八年十二月三十一日，除權益載於上文「董事及主要行政人員於證券之權益及淡倉」一節之董事外，概無任何人士登記擁有本公司已發行股本5%或以上權益及須根據證券及期貨條例第XV部第336條記入權益登記冊之股份及相關股份之淡倉。

董事於競爭業務之權益

於二零一八年十二月三十一日，除張敬國先生及Huang Yanping女士個別及共同被視作於中國從事建築、物業發展及相關業務之正商發展集團及正商國際控股有限公司及／或其附屬公司／聯營公司中擁有權益外，概無董事於直接或間接與本集團業務構成或可能構成競爭之任何業務中擁有權益。

由於董事會獨立於該等公司之董事會，故本公司能獨立於上述業務，按公平協商基準經營業務。

SHARE OPTION SCHEME

On 28 August 2013, a new share option scheme (the “2013 Scheme”) was adopted by the Company. The purpose of the 2013 Scheme is to motivate eligible persons who contribute to the success of the Group’s operations. The 2013 Scheme will remain in force for 10 years from that date, unless otherwise cancelled or amended. Eligible persons of the 2013 Scheme include (i) a director or proposed director (including an independent non-executive director) of any member of the Group; (ii) a direct or indirect shareholder of any member of the Group; (iii) a supplier of goods or services to any member of the Group; (iv) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (v) a person or entity that provides research, development or other technological support or any advisory, consultancy, professional services to any member of the Group; and (vi) a landlord or tenant (including a sub-tenant) of any member of the Group. Subject to the terms of the 2013 Scheme, the Board shall be entitled at any time during the life of the 2013 Scheme to offer the grant of any option to any eligible person as the Board may in its absolute discretion select and the basis of eligibility shall be determined by the Board from time to time.

Pursuant to the 2013 Scheme, the maximum number of shares in respect of which options may be granted is such number of shares which, when aggregated with shares subject to any other share option scheme(s), must not exceed 10% of the issued share capital of the Company from time to time. The maximum number of shares issuable under share options to each eligible person in the 2013 Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to the shareholders’ approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options) of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective 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 price of the Company’s shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to the shareholders’ approval in a general meeting.

購股權計劃

於二零一三年八月二十八日，本公司採納新購股權計劃（「二零一三年計劃」）。二零一三年計劃旨在激勵對本集團業務成就有所貢獻之合資格人士。除非另經註銷或修訂，否則二零一三年計劃將由該日起一直有效十年。二零一三年計劃之合資格人士包括(i)本集團任何成員公司之董事或候任董事（包括獨立非執行董事）；(ii)本集團任何成員公司之直接或間接股東；(iii)本集團任何成員公司之貨品或服務供應商；(iv)本集團任何成員公司之客戶、諮詢顧問、業務或合營企業伙伴、特許經營人、承包商、代理或代表；(v)向本集團任何成員公司提供研發或其他技術支持或任何顧問、諮詢顧問、專業服務之人士或實體；及(vi)本集團任何成員公司之業主或租戶（包括分租戶）。根據二零一三年計劃之條款，於二零一三年計劃有效期內任何時間，董事會有權向其全權酌情選擇之任何合資格人士提呈授出購股權，而合資格基準不時由董事會釐定。

根據二零一三年計劃，可能授出之購股權涉及之股份數目，與任何其他購股權計劃涉及之股份相加，最多不得超過本公司不時已發行股本之10%。於任何十二個月期間根據二零一三年計劃可向各合資格人士發行之股份數目上限，以本公司任何時間已發行股份1%為限。任何進一步授出超逾該限額之購股權須待股東於股東大會批准後，方可實行。

向本公司董事、主要行政人員或主要股東或彼等任何聯繫人士授出購股權，均須取得本公司獨立非執行董事之事先批准（為購股權承授人之任何獨立非執行董事除外）。此外，在任何十二個月期間，倘向本公司任何主要股東或獨立非執行董事或彼等任何聯繫人士授出任何超過本公司於任何時間已發行股份0.1%及總值超過5,000,000港元（根據本公司股份於授出日期之價格計算）之購股權，則須待股東於股東大會批准後，方可實行。

REPORT OF THE DIRECTORS

董事會報告書

The amount payable upon the acceptance of an option is HK\$1.00. The period within which an option must be exercised shall be such period as the Board may in its absolute discretion determine at the time of grant, save that such period shall not be more than 10 years commencing on the date of grant of an option.

The exercise price of the share options is determinable by the Board, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the grant, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of offer of the grant; and (iii) the nominal value of the Company's shares.

The total number of shares in respect of which options may be granted under the 2013 Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options vested immediately and may be exercised at any time not exceeding a period of 5 years from the date on which the share options is accepted.

During the Year, no share options under the 2013 Scheme were granted, exercised, cancelled or lapsed. As at the end of the reporting period, the Company has no outstanding share options under the 2013 Scheme.

As at the date of this report, the total number of shares available for issue under the 2013 Scheme is 617,681,996 shares, representing 10.0% of the share capital of the Company in issue at the date of this report.

EQUITY-LINKED AGREEMENT

Save as disclosed in the section headed "Share Option Scheme", no equity-linked agreement was entered into during the Year or subsisted at the end of the year.

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes for the employees of the Group are disclosed in the section headed "Other employee benefits – Retirement benefit schemes" set out in note 2.5 to the consolidated financial statements.

購股權獲接納時應付金額1.00港元。購股權之必須行使期限由董事會於授出購股權時全權酌情釐定，惟有關期限自購股權授出日期起計不得超過十年。

購股權之行使價由董事會釐定，惟不得低於以下各項之最高者：(i) 本公司股份於提呈授出日期(必須為交易日)於聯交所每日報價表所報收市價；(ii) 本公司股份於緊接提呈授出日期前五個交易日於聯交所每日報價表所報平均收市價；及(iii) 本公司股份面值。

與根據新購股權計劃可能授予之購股權有關之股份總數在未經本公司股東事先批准前，不允許超過本公司於任何時間點已發行股份10%。與於任何一年內授予或可能授予任何人士之購股權有關之已發行及將予發行股份數目在未經本公司股東事先批准前，不允許超過本公司於任何時間點已發行股份1%。購股權自購股權獲接納之日起不超過五年期間內任何時間即時歸屬並可能獲行使。

本年度內，二零一三年計劃項下之購股權概無獲授出、行使、註銷或失效。於報告期末，本公司二零一三年計劃項下概無尚未行使購股權。

於本報告日期，根據二零一三年計劃，可供發行之股份總數為617,681,996股，佔本報告日期本公司已發行股本之10.0%。

股權掛鈎協議

除「購股權計劃」一節所披露者外，本年度內概無訂立而於年終亦無存續之股權掛鈎協議。

退休福利計劃

本集團為僱員提供之退休福利計劃詳情於綜合財務報表附註2.5內「其他員工福利—退休福利計劃」一節披露。

CORPORATE GOVERNANCE

Detailed information on the Company's corporate governance practices is set out in the Corporate Governance Report on pages 72 to 88.

DIVIDEND POLICY

On 22 February 2019, the Company has adopted a dividend policy ("Dividend Policy"). The Company considers stable and sustainable returns to the shareholders of the Company to be its goal. According to the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, *inter alia*:-

- (i) the general financial condition of the Group;
- (ii) the Group's actual and future operations and liquidity position;
- (iii) the Group's expected working capital requirements and future expansion plans;
- (iv) the Group's debt to equity ratios and the debt level;
- (v) the retained earnings and distributable reserves of the Company and each of the members of the Group;
- (vi) the shareholders' and the investors' expectation and industry's norm;
- (vii) the general market conditions; and
- (viii) any other factors that the Board deems appropriate.

The declaration and payment of dividend by the Company is also subject to any restrictions under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Company's articles of association and any other applicable laws and regulations.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time.

The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

企業管治

有關本公司之企業管治常規詳細資料載於第72至88頁之企業管治報告內。

股息政策

本公司於二零一九年二月二十二日採納一項股息政策（「股息政策」）。本公司以提供穩定及可持續回報予本公司股東作為其目標。根據股息政策，在決定是否建議派發股息及釐定股息金額時，董事會將考慮（其中包括）：—

- (i) 本集團的一般財務狀況；
- (ii) 本集團的實際和未來營運及流動資金狀況；
- (iii) 本集團預期營運資金需求及未來擴展計劃；
- (iv) 本集團的負債對權益比率及債務水準；
- (v) 本公司及本集團各成員公司的保留盈餘和可供分派儲備；
- (vi) 股東及投資者的期望及行業的常規；
- (vii) 一般市場情況；及
- (viii) 董事會認為適當的任何其他因素。

本公司宣派及派付股息亦須遵守香港法例第622章公司條例及本公司組織章程細則及任何其他適用法律法規的任何限制。

董事會亦將持續檢討股息政策並保留其唯一及絕對酌情權隨時更新、修訂、修改及／或取消股息政策。

股息政策不會以任何方式構成本集團有關其未來股息的具法律約束力承諾及／或不會以任何方式令本公司有責任隨時或不時宣派股息。

REPORT OF THE DIRECTORS

董事會報告書

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Board on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Board after recommendation from the Remuneration Committee, having regard to the time commitment and responsibilities of the directors, the Company's operating results, individual performance and comparable market statistics.

PUBLIC FLOAT

As at the latest practicable date of prior to the issue of this annual report, the Company has maintained a sufficient public float as required under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

PERMITTED INDEMNITY

The Company's Articles of Association provides that Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

CHANGE IN INFORMATION OF DIRECTORS

On 29 October 2018, Mr. Zhang has been appointed as an executive director and Chairman of the Board of Zanyu Technology Co. Ltd., (stock code: 002637) a company whose shares are listed on the Shenzhen Stock Exchange.

On 30 November 2018, Dr. Liu Qiao has been appointed as an independent non-executive director of China Merchants Bank Co. Ltd. (stock code: 3968), a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Saved as disclosed above, during the Year, and as at the date of this report, there were no other changes to the Directors' information that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

酬金政策

本集團的僱員酬金政策由董事會按僱員的表現、資歷及能力而訂立。

董事酬金乃經薪酬委員會建議後，由董事會參照有關董事所付出的時間及職責、本公司的經營業績、個人表現以及可資比較的市場統計數據釐定。

公眾持股量

根據本公司公開可得資料及就董事所知悉，於刊發本年報前之最後可行日期，本公司已維持上市規則訂明之足夠公眾持股量。

獲准許的彌償

本公司之組織章程細則規定，董事有權從本公司的資產中獲得彌償保證，以就其作為董事招致或蒙受的一切損失或責任獲得彌償。本公司已於整個年度為董事及本集團高級職員投購合適的董事及高級職員責任險。

董事資料變動

於二零一八年十月二十九日，張先生獲委任於深圳證券交易所上市之贊宇科技集團股份有限公司(股份代號：002637)的執行董事及董事會主席。

於二零一八年十一月三十日，劉俏博士獲委任於香港交易所上市之招商銀行股份有限公司(股份代號：3968)的獨立非執行董事。

除上文所披露外，於本年度內且於本報告日期，概無根據上市規則第13.51B (1)條須予以披露之其他董事資料變更。

MATERIAL LITIGATION AND ARBITRATION

During the Year, the Company was not involved in any litigation, arbitration or claims of material importance and there was no litigation or claim of material importance which was known to the Directors to be pending or threatened by or against the Company.

IMPORTANT EVENTS SINCE THE YEAR END

Details of the important events since the year end are set out in note 44 to the consolidated financial statements.

ANNUAL GENERAL MEETING

The 2019 AGM will be held on 12 June 2019 and the notice of the 2019 AGM will be published and despatched in the manner as required by the Listing Rules and the Articles of Association of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders who are entitled to attend and vote at the 2019 AGM, the register of members of the Company will be closed from Wednesday, 5 June 2019 to Wednesday, 12 June 2019, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2019 AGM, unregistered holders of Shares should ensure that all transfers of Shares accompanied by the relevant Share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar, Tricor Friendly Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 4 June 2019.

AUDITOR

The consolidated financial statements have been audited by Ernst & Young, who retire and, being eligible, offer themselves for re-appointment at the 2019 AGM.

On behalf of the Board

ZHANG JINGGUO

Chairman, Executive Director
and Chief Executive Officer

28 March 2019

重大訴訟及仲裁

本年度內，本公司概無牽涉任何重大訴訟、仲裁或索償，而據董事所知，本公司亦無任何待決或面臨任何該等重大訴訟或索償。

年結後之重大事項

年結後之重大事項詳情載於綜合財務報表附註44。

股東週年大會

本公司將於二零一九年六月十二日舉行二零一八年股東週年大會，有關二零一九年股東週年大會之通告將按上市規則及本公司組織章程細則所規定之方式於適當時候刊發及寄發。

暫停辦理股份過戶登記手續

為釐定有權出席二零一九年股東週年大會及於會上表決之股東，本公司將於二零一九年六月五日(星期三)至二零一八年六月十二日(星期三)(包括首尾兩日)暫停辦理股東登記手續，期內不會辦理股份過戶登記手續。為符合資格出席二零一九年股東週年大會及於會上表決，未登記為股份持有人之人士務請於二零一九年六月四日(星期二)下午四時三十分前，將所有股份過戶文件連同有關股票及適當過戶表格交回本公司之股份登記處卓佳準誠有限公司之辦事處，地址為香港皇后大道東183號合和中心22樓，以便辦理登記手續。

核數師

安永會計師行已審核綜合財務報表，彼將於二零一九年股東週年大會上退任，並合資格且願意膺選連任。

代表董事會

張敬國

主席、執行董事
兼行政總裁

二零一九年三月二十八日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintain a high standard of corporate governance, formulate good corporate governance practice to improve accountability and transparency in operations, and strengthen the risk management and internal control systems of the Group from time to time so as to cope with the expectations of the shareholders of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all code provisions (“Code Provisions”) and, where applicable, the recommended best practices of the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Listing Rules throughout the year, save and except for the deviations from Code Provisions A.2.1 and C.2.5 of the CG Code as detailed below.

Pursuant to Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive of the Company should be segregated. The Company is of the view that it is in the best interest of the Company that Mr. Zhang, with his profound expertise in the property business, shall continue in his dual capacity as chairman and chief executive officer.

Pursuant to Code Provision C.2.5 of the CG Code, the Group should have an internal audit function. The Company conducted an annual review on the need for setting up an internal audit department. Given the Group’s simple operating structure, it was decided that the Board would be directly responsible and review on the adequacy and effectiveness of the risk management and internal control systems of the Group. During the Year, the Board, assisted with the Audit Committee, had conducted an annual review on the risk management and internal control systems of the Group, including the analysis and appraisal of its adequacy and effectiveness.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct for securities transactions by the Directors. The Company has made specific enquiries with all Directors and each of them confirmed that they have complied with the required standards set out in the Model Code during the Year.

本公司銳意維持高水準之企業管治，制訂良好之企業管治常規，致力改善營運之問責性及透明度，並不時加強本集團之風險管理及內部監控系統以達致本公司股東之期望。

企業管治常規

本公司已於本年度遵守上市規則附錄十四所載之原則，並已遵守當中所載企業管治守則（「企業管治守則」）之所有守則條文（「守則條文」）及（如適用）建議最佳常規，惟與企業管治守則之守則條文第A.2.1條及C.2.5條（如下文詳述）有所偏離。

根據企業管治守則之守則條文第A.2.1條，本公司主席及行政總裁之角色應作出區分。本公司認為，張先生擁有豐富物業業務經驗，應繼續出任主席兼行政總裁，此乃符合本公司之最佳利益。

根據企業管治守則之守則條文第C.2.5條，本集團應具備內部審核職能。本公司就是否需要建立內部審核部門進行年度檢討。鑑於本集團之營運結構簡單，決定由董事會直接負責檢討本集團之風險管理及內部監控系統之充足性及有效性。本年度內，董事會透過審核委員會對本集團之風險管理及內部監控系統已進行年度檢討，包括分析及評核其充足性及有效性。

董事及有關僱員進行證券交易之守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」），作為董事進行證券交易之行為守則。經本公司向全體董事作出具體查詢後，全體董事確認於本年度內一直遵守標準守則所載之規定準則。

The Company has adopted a code of conduct regarding securities transactions by the relevant employees of the Group who are considered likely to be in possession of unpublished inside information of the Company or its securities on no less exacting terms than the Model Code in relation to their dealings in the securities of the Company pursuant to Code Provision A.6.4 of the CG Code. To the best knowledge and belief of the Directors, all relevant employees have complied with the required standard of such code.

BOARD OF DIRECTORS

Overall Accountability

The Board is accountable to the Shareholders and in discharging its corporate accountability, every Director is required to pursue excellence in the interests of its shareholders and fulfill his fiduciary duties by applying the required level of skills, care and diligence to a standard in accordance with the statutory requirements.

Board Responsibilities and Delegation

The Board is responsible for formulating group policies and strategic business directions, and monitoring business performances through implementation of adequate risk management and internal control systems. The executive Directors are delegated with the authorities and responsibilities for the day-to-day management of the Group, operational and business decisions within the control and delegation framework of the Group. The non-executive Directors (including independent non-executive Directors) contribute valuable views, professional opinions and proposals for the Board's deliberation and decisions.

The duties of the Board in respect of the corporate governance functions include:

- (i) developing and reviewing the Company's policies and practices on corporate governance;
- (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management;
- (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;

根據企業管治守則之守則條文A.6.4條，本公司亦對被視為可能擁有未經發佈本公司或其證券內幕消息之本集團之有關僱員已採納一套證券交易操守守則，條款之嚴謹程度不遜於標準守則。據董事所深知及確信，所有有關僱員均遵守該守則規定之規定標準。

董事會

整體問責性

董事會須向股東負責，並履行其企業責任，每名董事須追求卓越，符合股東利益，按法規規定應用所需技能、謹慎且竭盡所能達成其誠信責任。

董事會之責任及授權

董事會負責制定集團政策及策略性業務方向，並透過實行充足的風險管理及內部監控系統監察業務表現。執行董事獲授予於本集團之監控及授權框架內對本集團進行日常管理及作出經營及業務決策之權力及責任。非執行董事(包括獨立非執行董事)貢獻寶貴見解、專業意見及建議，供董事會考慮及決策。

董事會在企業管治職能方面之責任包括以下各項：

- (i) 制定及檢討本公司企業管治之政策及常規；
- (ii) 檢討及監察董事及高級管理層之培訓及持續專業發展；
- (iii) 檢討及監察本公司遵守法律及法規規定之政策及常規；

CORPORATE GOVERNANCE REPORT

企業管治報告

(iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and

(v) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Board has delegated some of its functions to the board committees, details of which are set out below.

The Board reserves for its decisions all major matters of the Company, including appointment of new Directors, approval of financial statements, dividend policy, significant accounting policies, material contracts, significant appointments such as company secretary and external auditors, terms of reference of board committees, major corporate policies such as code of conduct, and other significant financial and operational matters.

The Board is also responsible for maintaining and reviewing the effectiveness of the risk management and internal control systems of the Group. It has carried out review of the existing implemented systems, including control measures of financial and operational compliance of the Group.

The Directors having material interest in the matter shall abstain from voting at such Board meeting and the INEDs with no conflict of interest shall attend at such meeting to deal with the matters. All Directors ensure that they can give sufficient attention to discharge their responsibilities to the affairs of the Company and the Directors have disclosed to the Company the identity and nature of offices held in any public organization and other significant commitments on an annual basis.

During the Year, regular Board meetings of the Company were held four times to review, consider and approve, among others, annual and interim results and to review the business operations, corporate governance and the effectiveness of internal control systems and risk management of the Group. At least 14 days' notice for each regular meeting is given to all Directors. All such minutes are kept by the company secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any Director. Apart from the regular Board meetings, the chairman also met with the INEDs without the presence of executive Directors during the Year.

(iv) 制定、檢討及監控行為守則及遵守適用於僱員及董事之手冊(如有);及

(v) 檢討本公司在遵守企業管治守則方面之合規情況並於企業管治報告中披露。

董事會已授權部分職能予董事會委員會，詳情載於下文。

董事會亦保留對本公司重大事宜之決定，包括委任新董事、批准財務報表、股息政策、重大會計政策、重大合約、如委任公司秘書及外聘核數師等重大委任、董事會委員會之職權範圍、主要公司政策如行為守則等，以及其他重大之財務及營運方面事宜。

董事會同時亦負責維持及審閱本集團之風險管理及內部監控系統的效能，並對現時實行之系統已進行審閱程序，其中包括審閱本集團之財務及營運合規性的監控措施。

對擁有重大利益的事宜，相關董事須於有關董事會上放棄投票，而沒有利益衝突的獨立非執行董事則須出席該會議以處理有關事宜。全體董事保證彼等可給予足夠重視以履行其對本公司事務之職責，董事每年向本公司披露於任何公共組織所擔任職位之身份及性質以及其他重大承擔。

於本年度內，本公司董事會舉行四次例會，以審閱、考慮及批准(其中包括)年度及中期業績，以及檢討本集團之業務運作、企業管治及內部監控制度之成效以及風險管理。每次舉行例會前，全體董事均會於至少十四日前獲發通知。所有有關會議記錄均由本公司之公司秘書保管，可供任何董事在發出合理通知後於任何合理時間查閱。除定期舉行董事會會議外，主席於本年度內亦已在執行董事缺席下與獨立非執行董事會面。

Liability Insurance for the Directors

The Company has arranged for appropriate liability insurance to indemnify its Directors against liabilities arising out of legal action on corporate activities. Such insurance coverage is reviewed on an annual basis.

Composition of the Board

As at 31 December 2018, the Board comprised six Directors including two executive Directors, one non-executive Director (“NED”) and three independent non-executive Directors (“INEDs”). The biographical details of the Directors and the senior management of the Group are set out on pages 42 to 51.

Mr. Zhang is the Chairman of the Board and Chief Executive Officer of the Company. He is primarily responsible for leadership and effective functioning of the Board, ensuring key issues are promptly addressed by the Board, as well as providing strategic direction of the Group, take primary responsibility for ensuring good corporate governance practices with necessary procedures established and also together with other executive Directors are responsible for the Group’s daily operations and the effective implementation of corporate strategy and policies.

Executive Directors

As at 31 December 2018, there were two executive Directors including Mr. Zhang and Mr. Zhang Guoqiang. Mr. Zhang is the spouse of Ms. Huang.

Non-executive Director

As at 31 December 2018 there was one NED, Ms. Huang. Ms. Huang is the spouse of Mr. Zhang.

Independent Non-executive Directors and their Independence

As at 31 December 2018, there were three INEDs including Dr. Liu Qiao, Mr. Liu Da and Mr. Ma Yuntao.

The Company has appointed a sufficient number of INEDs in accordance with Rules 3.10(1) and 3.10A of the Listing Rules. With Dr. Liu Qiao and Mr. Liu Da’s working experience and their academic background in finance and accounting, the Company considers that they are qualified persons with appropriate professional knowledge in accounting and finance as required by Rule 3.10(2) of the Listing Rules.

董事之責任保險

本公司已為董事安排合適的責任保險，以彌償其董事因企業活動的法律訴訟承擔責任。該等保險覆蓋的保障按年檢討。

董事會之組成

於二零一八年十二月三十一日，董事會合共有六名董事，包括二名執行董事、一名非執行董事（「非執行董事」）及三名獨立非執行董事（「獨立非執行董事」）。董事及本集團之高級管理層之履歷詳情載於第42至51頁。

張先生為董事會主席兼本公司行政總裁。彼主要負責董事會之領導及有效職能、確保董事會即時應對主要問題，並為本集團提供策略方向，同時亦主要負責確保已設立良好企業管治常規及所需程序，並連同其他執行董事負責本集團之日常營運及有效執行企業策略及政策。

執行董事

於二零一八年十二月三十一日，本公司有二名執行董事，包括張先生及張國強先生。張先生為Huang女士之配偶。

非執行董事

於二零一八年十二月三十一日，本公司有一名非執行董事Huang女士。Huang女士為張先生之配偶。

獨立非執行董事及彼等之獨立性

於二零一八年十二月三十一日，本公司有三名獨立非執行董事，包括劉俏博士、劉達先生及馬運強先生。

本公司已根據上市規則第3.10(1)及3.10A條委任足夠數目之獨立非執行董事。憑藉劉俏博士及劉達先生之工作經驗以及彼等於金融及會計之學歷，本公司認為彼等為上市規則第3.10(2)條規定於會計及金融具備合適專業知識之合資格人士。

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The Company has already received annual confirmation letters of independence from all the INEDs and each of them have declared fulfillment of all the guidelines for assessing independence in accordance with Rule 3.13 of the Listing Rules. Accordingly, the Board considers that all INEDs are independent as defined in the Listing Rules.

All the Directors, including the NED and INEDs, have entered into service agreements with the Company under which all Directors must retire by rotation at least once every three years, and no Director shall hold office for a continuous period in excess of three years, or past the third annual general meeting, following the Director's appointment or re-election, whichever is longer, without submitting himself/herself for re-election at the annual general meeting.

In compliance with Code Provision A.3.2 of the CG Code, an updated list of the Directors identifying their role and function are available on the websites of the Company (www.zhsuccess.com) and the Stock Exchange (www.hkex.com.hk). The Company will review the composition of the Board from time to time to ensure that the Board possesses the appropriate and necessary expertise, skill and experience to meet the needs of the Group's business and to enhance the shareholders' value.

DIRECTORS' TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors are encouraged to participate in continuous professional development so as to develop and refresh directors' knowledge and skills and to ensure that their contribution to the Board remains informed and relevant.

本公司已向所有獨立非執行董事取得年度獨立性之確認函件，而彼等各自均聲明已符合所有根據上市規則第3.13條評估獨立性之指引。因此，董事會認為所有獨立非執行董事均為上市規則所界定之獨立人士。

所有董事(包括非執行董事及獨立非執行董事)已與本公司訂立服務協議，據此，所有董事必須最少每三年輪席告退一次，於董事委任或膺選連任後，概無董事可未經於股東週年大會上膺選連任而持續連任超過三年，或通過第三屆股東週年大會，以較長者為準。

為遵守企業管治守則之守則條文第A.3.2條，列明其角色及職能之最新董事名單，可在本公司網站(www.zhsuccess.com)及聯交所網站(www.hkex.com.hk)查閱。本公司將不時檢討董事會之組成，確保董事會擁有適當及所需之專長、技能及經驗，以滿足本集團之業務需要，並提升股東價值。

董事之培訓及持續專業發展

所有董事均鼓勵參與持續專業發展，以發展及更新彼等的知識及技能，以確保彼等繼續在具備全面資訊及切合所需的情況下為董事會作出貢獻。

The Company regularly circulates training materials or briefings to all Directors in respect of the updates on, among other things, the Listing Rules, the SFO or guidelines, the Hong Kong Companies Ordinance and relevant financial or accounting standards which may be of the interest to Directors. During the year, all Directors have complied with the Code Provisions in relation to continuous professional development, apart from reading materials relevant to the Company's business, director's duties and responsibilities. Mr. Zhang Jingguo, Mr. Zhang Guoqiang, Ms. Huang Yanping, Dr. Liu Qiao, Mr. Liu Da and Mr. Ma Yuntao also attended and/or gave presentation in seminars/forums. The Company updates Directors constantly on the latest developments regarding the Group's business and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices. All Directors have provided to the Company with their training records on a regular basis, and such records have been maintained by the Company for accurate and comprehensive record keeping.

Board Committees

The Board has established three Board committees including the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee") and the nomination committee (the "Nomination Committee") to assume responsibilities for and to oversee particular aspects of the Company's affairs with respective terms of reference. Details of the board committees are discussed below.

All Board committees are provided with sufficient resources to discharge their duties and are empowered to obtain independent professional advice at the Company's expense in appropriate circumstances.

本公司定期向全體董事傳閱董事或會感興趣的培訓資料及簡報，內容有關(其中包括)上市規則、證券及期貨條例或其他有用指引，公司條例以及財務或會計準則的相關資訊。本年度內，除閱讀有關本公司業務、董事職務及責任之資料外，所有董事均已遵守有關持續專業發展之守則條文。張敬國先生、張國強先生、Huang Yanping女士、劉俏博士、劉達先生及馬運強先生亦有出席研討會/講座，及/或於研討會/講座上發表簡報。本公司就本集團業務及其他適用監管規定之最新進展，不斷向董事提供最新資訊，確保遵守及提升董事對良好企業管治常規的意識。全體董事會定期向本公司提供培訓記錄，而有關記錄會由本公司保存，藉以保留準確及完備的培訓記錄。

董事會委員會

董事會已成立三個董事會委員會包括審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)及提名委員會(「提名委員會」)，按各自職權範圍內，專責承擔本公司事務中特定範疇之職責，並就此進行監督。董事會委員會詳情於下文討論。

所有董事會委員會已獲提供充足資源，以履行其委員會的職責，且授權在合適的情況下諮詢獨立專業意見，費用由本公司承擔。

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企業管治報告

Attendance of Directors at various meetings

During the Year, details of the Directors' attendance in the following meetings are set out below:

董事於各個會議之出席率

於本年度內，董事就以下會議之出席率詳情載列如下：

Directors 董事	Number of meetings attended/Number of meetings held 出席會議次數/舉行會議次數					
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會	Extraordinary General Meeting 股東特別大會
Executive Directors 執行董事						
Mr. Zhang Jingguo 張敬國先生	4/4	N/A 不適用	1/1	1/1	1/1	1/1
Mr. Zhang Guoqiang 張國強先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	1/1
NED 非執行董事						
Ms. Huang Yanping Huang Yanping女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	1/1
INEDs 獨立非執行董事						
Dr. Liu Qiao 劉俏博士	4/4	2/2	1/1	1/1	1/1	1/1
Mr. Liu Da 劉達先生	4/4	2/2	N/A 不適用	1/1	1/1	1/1
Mr. Ma Yuntao 馬運弢先生	4/4	2/2	1/1	N/A 不適用	1/1	1/1

AUDIT COMMITTEE

The Audit Committee is primarily responsible for reviewing and monitoring the financial reporting, risk management and internal control systems of the Company, including reassessment of the financial and accounting policies, review of interim reports, annual reports and financial information, etc. In addition, the Audit Committee is responsible for making recommendations to the Board, to be put to its shareholders for approval at the annual general meeting ("AGM"), in relation to the appointment, re-appointment and removal of external auditor; review and supervision of the external auditor in respect of its independence and objectivity, the effectiveness of the audit procedures; formulation of policies on the provision of non-audit services by the external auditor; handling any issues related to the resignation or the removal of such auditor and the communication with the external auditor on auditing matters.

審核委員會

審核委員會主要負責審閱及監察本公司之財務報告、風險管理及內部監控系統，包括重新評估財務及會計政策、審閱中期報告、年度報告及財務資料等。此外，審核委員會負責向董事會就有關委聘、續聘及罷免外聘核數師於股東週年大會（「股東週年大會」）取得股東之批准、審閱及監督外聘核數師之獨立性及客觀性、其審核程序之有效性、制定外聘核數師提供之非審核服務之政策、處理有關核數師退任或罷免該核數師之有關事宜以及與外聘核數師就核數事宜溝通，作出建議。

As at 31 December 2018, the Audit Committee consisted of three members, namely, Mr. Liu Da, Dr. Liu Qiao and Mr. Ma Yuntao who all are INEDs. Mr. Liu Da is the chairman of the Audit Committee. In February 2019, the terms of reference of the Audit Committee was updated taking into consideration the revised Listing Rules effective from 1 January 2019. The most up-to-date version of the written terms of reference of the Audit Committee is available on the websites of the Company and the Stock Exchange.

During the Year, two Audit Committee meetings were convened. The Audit Committee had performed the followings tasks, among others:

- (i) reviewed the annual results for the year ended 31 December 2017 and interim results for the six months ended 30 June 2018;
- (ii) reviewed the appropriateness and effectiveness of risk management and internal control systems;
- (iii) discussed with the auditor of the Company and reviewed their audit findings;
- (iv) reviewed the auditor's remuneration;
- (v) reviewed all non-audit services provided by the auditors to determine the provision of such services would affect the independence of the auditors; and
- (vi) performed the corporate governance functions and reviewed the corporate governance policies and practices.

After due and careful consideration with all necessary financial information, and reports from management and the external auditors, the Audit Committee noted that no suspected fraud or irregularities, significant internal control deficiencies, or suspected infringement of laws, rules, or regulations had been found in respect of the Group, and concluded at the meeting held on 28 March 2019 that the risk management and internal control systems were adequate and effective.

於二零一八年十二月三十一日，審核委員會包括三名成員，即劉達先生、劉俏博士及馬運弢先生，彼等均為獨立非執行董事。劉達先生為審核委員會主席。因應於二零一九年一月一日生效之修訂上市規則，審核委員會職權範圍已於二零一九年二月更新。審核委員會書面職權範圍之最新版本可於本公司及聯交所網站查閱。

於本年度，審核委已舉行兩次會議。審核委員會已進行以下工作，其中包括：

- (i) 審閱截至二零一七年十二月三十一日止年度之年度業績及截至二零一八年六月三十日止六個月之中期業績；
- (ii) 檢討風險管理及內部監控系統之合適性及有效性；
- (iii) 與本公司之核數師討論及檢討其審核發現；
- (iv) 檢討核數師之薪酬；
- (v) 檢討所有由核數師提供之非審核服務以釐定所提供該等服務是否將影響核數師之獨立性；及
- (vi) 履行企業管治職能並檢討企業管治政策及常規。

審核委員會連同管理層及外聘核數師提交之財務資料及報告經審慎及周詳考慮後，獲悉並無發現本集團涉嫌詐騙或違規、嚴重內部監控不足或涉嫌違反法例、規則或規例之情況，並於二零一九年三月二十八日舉行之會議上總結內部監控系統屬充分且有效。

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On 28 March 2019, the Audit Committee meeting was convened to review the Group's consolidated financial statements for the year ended 31 December 2018, including the accounting principles and practices, in conjunction with the Company's external auditor. The Audit Committee endorsed the accounting treatment adopted by the Company, and the Audit Committee had to the best of its ability assured itself that the disclosure of the financial information in the Annual Report 2018 has complied with the applicable accounting standards and the Listing Rules and the Hong Kong Companies Ordinance. The Audit Committee therefore resolved to recommend for the Board's approval the consolidated financial statements for the year ended 31 December 2018.

The Audit Committee also recommended to the Board the re-appointment of Ernst & Young as the auditor of the Company and that the relevant resolution shall be put forth for it shareholders' consideration and approval at the 2019 AGM.

REMUNERATION COMMITTEE

The Remuneration Committee is mainly responsible for making recommendations on and approving the remuneration policy and structure and packages of the Directors and senior management to the Board. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as the prevailing market conditions. The human resources department is responsible for collection and administration of the human resources data for the Remuneration Committee's for consideration.

As at 31 December 2018, the Remuneration Committee consisted of three members, namely, Mr. Zhang Jingguo, Dr. Liu Qiao and Mr. Ma Yuntao. Dr. Liu Qiao and Mr. Ma Yuntao are INEDs while Mr. Zhang Jingguo is an executive Director. Mr. Ma Yuntao is the chairman of the Remuneration Committee. The most up-to-date version of the written terms of reference of the Remuneration Committee is available on the websites of the Company and the Stock Exchange.

During the Year, one Remuneration Committee meeting was held. The Remuneration Committee had reviewed and approved the remuneration of executive Directors, NED and INEDs.

於二零一九年三月二十八日，審核委員會舉行會議，聯同本公司外聘核數師審閱本集團截至二零一八年十二月三十一日止年度之綜合財務報表，包括本集團採納之會計原則及實務準則。審核委員會贊同本公司所採納之會計處理方式，並已盡力確保二零一八年年報披露之財務資料符合適用會計準則、上市條例及香港公司條例之規定。因此，審核委員會決議建議董事會批准截至二零一八年十二月三十一日止年度之綜合財務報表。

審核委員會亦向董事會建議聘任安永會計師行為本公司核數師，並建議將相關決議案於二零一九年股東週年大會上提交予股東考慮及批准。

薪酬委員會

薪酬委員會之主要負責就批准薪酬政策及架構以及董事及高級管理層之薪酬福利，向董事會提供建議。薪酬委員會亦負責設立具高透明度之程序以制訂有關薪酬政策及架構，確保概無董事或其任何聯繫人士將參與決定其本身之薪酬。有關薪酬將參考個人表現及本公司業績以及市場慣例及狀況釐定。人力資源部負責收集及處理人力資源數據，以供薪酬委員會考慮。

於二零一八年十二月三十一日，薪酬委員會包括三名成員，即張敬國先生、劉俏博士以及馬運強先生。劉俏博士以及馬運強先生均為獨立非執行董事，而張敬國先生則為執行董事。馬運強先生為薪酬委員會主席。薪酬委員會書面職權範圍之最新版本可於本公司及聯交所網站查閱。

於本年度內，薪酬委員會已舉行一次會議。薪酬委員會已檢討並批准執行董事、非執行董事及獨立非執行董事之薪酬。

Details of the Directors' remuneration are set out in note 9 to the consolidated financial statements. It was resolved by the Remuneration Committee of the Company and the Board on 20 August 2018, the Company entered into new service agreements with all the directors of the Company on 20 August 2018 with same terms as the existing service agreements.

NOMINATION COMMITTEE

The Nomination Committee is mainly responsible for reviewing the structure, size, diversity and composition of the Board regularly and make any changes to complement the Company's corporate strategy, including making recommendations on any proposed changes to the Board that assist complementation of the Company's corporate policy.

As at 31 December 2018, the Nomination Committee consisted of three members, namely, Mr. Zhang Jingguo, Dr. Liu Qiao and Mr. Liu Da. Mr. Zhang Jingguo is an executive Director while Dr. Liu Qiao and Mr. Liu Da are INEDs. Dr. Liu Qiao is the chairman of the Nomination Committee. In February 2019, the terms of reference of the Nomination Committee was updated taking into consideration of the revised Listing Rules effective from 1 January 2019. The most up-to-date version of the written terms of reference of the Nomination Committee is available on the websites of the Company and the Stock Exchange.

During the Year, one Nomination Committee meeting was held. The Board had reviewed the current structure and composition of the Board and recommended Mr. Zhang Jingguo and Dr. Liu Qiao to retire, and being eligible, offered themselves for re-election in the 2018 AGM pursuant to Articles 78 and 79 of the Articles of Association and Code Provision A.4.2 of the CG Code.

Under Article 78 of the Articles of Association, at each AGM, one-quarter of the Directors for the time being (or, if their number is not a multiple of four, the number nearest to one-fourth) shall retire from office by rotation. According to Article 83 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy or by way of addition to their number shall hold office only until the next following AGM, and shall then be eligible for re-appointment. Every Director shall be subject to retirement at least once every three years by rotation or offers himself for re-election.

董事薪酬之詳情載於綜合財務報表附註9。本公司薪酬委員會及董事會於二零一八年八月二十日議決，本公司與本公司全體董事於二零一八年八月二十日訂立新服務協議，條款與現有服務協議相同。

提名委員會

提名委員會主要負責檢討董事會之架構、規模、多元化及組成並作出任何可補足本公司之公司策略之變動，包括就任何董事會之建議變動提出意見，有助補足本公司之公司政策。

於二零一八年十二月三十一日，提名委員會包括三名成員，即張敬國先生、劉俏博士及劉達先生。張敬國先生為執行董事，而劉俏博士及劉達先生為獨立非執行董事。劉俏博士為提名委員會主席。因應於二零一九年一月一日生效之修訂上市規則，提名委員會職權範圍已於二零一九年二月更新。提名委員會書面職權範圍之最新版本可於本公司及聯交所網站查閱。

於本年度內，提名委員會已舉行一次會議。董事會已審閱董事會之現時架構及組成，並建議由張敬國先生及劉俏博士根據組織章程細則第78及79條及企業管治守則守則條文第A.4.2條退任，而彼等合資格且願意於二零一八年股東週年大會膺選連任。

根據組織章程細則第78條，於各股東週年大會上，當時四分之一董事（或倘其數目並非四之倍數，則為最接近四分之一之數目）須輪席告退。根據組織章程細則第83條，任何獲董事會委任以填補臨時空缺，或藉增設數目之方式委任之董事僅將持有職務至下屆股東週年大會為止，屆時彼將合資格重新委任。各董事將須最少每三年輪席告退或膺選連任一次。

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The Company notes increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives, sustainable and balanced development. In June 2014, the Company adopted a diversity policy ("Diversity Policy") which sets out the approach to diversify the Board. The nomination committee of the Company reviews and assesses Board composition on behalf of the Board and will recommend the appointment of new Director, when necessary, pursuant to the Diversity Policy.

In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service. The nomination committee of the Company will also consider factors based on the Company's business model, specific needs and meritocracy from time to time in determining the optimum composition of the Board.

During the period under review, the Board comprises six Directors, including two executive Directors, one NED and three INEDs, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of professional experience, skill and knowledge. Having reviewed the Diversity Policy and the Board's composition, the nomination committee of the Company is satisfied that the requirements set out in the Diversity Policy had been met.

REMUNERATION OF AUDITORS

For the year ended 31 December 2018, remuneration paid or payable to the Company's auditors, Ernst & Young for audit services was RMB1,450,000 and non-audit services was nil.

ACCOUNTABILITY AND AUDIT

Financial Statements and Financial Reporting

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with applicable accounting standards and Hong Kong Companies Ordinance.

The Directors also acknowledge their responsibilities to ensure that the announcements in relation to the consolidated financial statements on annual and interim results of the Group are published in a timely manner, within three months and two months respectively of the year end and the half-year period end.

本公司視董事會層面日益多元化為支持其達致策略目標及可持續均衡發展的關鍵元素。於二零一四年六月，本公司採納多元化政策（「採納多元化政策」），載列達致董事會成員多元化的措施。本公司提名委員會代表董事會審核及評估董事會之成員組成，並在必要時根據多元化政策就委任新董事提供推薦意見。

本公司在設定董事會之成員組成時，會從多個方面考慮董事會成員多元化，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。在釐定董事會的最佳成員組成時，本公司提名委員會亦會根據本公司之業務模式、具體需求及任人唯賢原則不時考慮各項因素。

於回顧期間，董事會由六名董事組成，包括二名執行董事、一名非執行董事及三名獨立非執行董事，有助嚴格檢討及監控管理程序。不論在專業經驗、技能及知識方面，董事會亦由相當多元化的成員組成。

經審查多元化政策及成員組成後，本公司提名委員會信納多元化政策載述之各項規定均已達致。

核數師酬金

於截至二零一八年十二月三十一日止之年度，就財務審核服務已付或應付本公司之核數師安永會計師行之薪酬為人民幣1,450,000元，而就非核數服務之薪酬概無。

問責性及審核

財務報表及財務報告

董事知悉彼等有責任編製本集團之綜合財務報表，並根據適用會計準則及香港公司條例真實而公平地呈列。

董事亦知悉彼等有責任確保本集團就全年及中期業績之綜合財務報表之公告，分別於年結日後三個月及半年期結束後兩個月內儘快刊發。

The reporting responsibility of the external auditor of the Company on the consolidated financial statements of the Group are set out in “Independent Auditor’s Report” on pages 89 to 96.

Going Concern

The Directors, having made appropriate enquiries, do not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group’s ability to continue as a going concern. The Directors are of the view that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate for the Group to adopt the going concern basis in preparing the consolidated financial statements.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises its overall responsibilities for maintaining sound and effective risk management and internal control systems including a review on their effectiveness for achieving long-term sustainable development of the Group. The risk management and internal control systems, under a defined management structure with limits of authority, are designed for the Group to identify and manage the significant risks to pursue its business objectives, safeguard its assets against unauthorised use or disposition, enhance effectiveness and efficiency of its operations, ensure the maintenance of proper accounting records for reliable financial reporting, and ensure compliance with relevant laws and regulations. Such systems are designed to manage rather than eliminate risks of failure in the achievement of the Group’s business objectives and can only provide reasonable, but not absolute assurance against material misstatement or loss.

The Board is responsible for the determination of the Group’s risk profile within its acceptable tolerance levels in business operation, oversight of management in the design, implementation and monitoring of overall risk management process from risk identification, risk assessment, establishment of appropriate risk responses and regular risk evaluation and monitoring, so as to ensure the systems are effectively established and maintained.

本公司外聘核數師對本集團之綜合財務報表的申報責任載於第89頁至96頁的「獨立核數師報告」。

持續經營

經作出適當查詢後，董事並不知悉任何重大不明朗事件或情況可能會影響本集團持續經營的能力。董事認為本集團擁有足夠資源在可見未來繼續營運，因此本集團適宜採納持續經營基準編製綜合財務報表。

風險管理及內部監控系統

董事會全面負責維持本集團健全及有效之風險管理及內部監控系統，包括對其有效性作出檢討，有助本集團達致長期持續發展。於界定管理架構及其權限下，風險管理及內部監控系統旨在協助本集團識別及管理於實現業務目標所面對之重大風險、保障資產免於未經授權挪用或處置、確保維護妥當之會計記錄以作出可靠之財務申報，以及確保遵守相關法例及規例。該系統旨在管理而非消除未能實現業務目標之風險，並僅可就避免重大錯誤陳述或損失提供合理但並非絕對的保證。

董事會負責為本集團就其業務營運上的可承受程度而確立風險組合、監督管理層從風險識別、風險評估、制定合適的風險應對措施至定期風險檢討及監察的風險管理流程的設計、實施及監察，以確保有關系統可有效地制定及維持。

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The risk management process is structured from management of the Group from respective business functions at execution level to the Board, together assisted by the Audit Committee in decision-making and monitoring level. Management of the Group identifies, assesses and prioritises the key existing and potential risks through a detailed assessment process and determines the appropriate mitigation strategies and control measures in response of the identified risks. Ongoing evaluation and monitoring of the identified risks, respective measures, and results are carried out and reported to the Board regularly. The Board at decision-making level, assisted by the Audit Committee, reviews the risk appetite, risk management process and strategies and also the internal control systems and provide recommendations for any improvement on the systems in an ongoing basis to ensure risk management effectiveness.

The Company does not have an internal audit function and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness.

The Board has engaged an independent risk management and internal control review adviser ("the Adviser"), APAC Compliance Consultancy and Internal Control Services Limited, to conduct an annual review of the risk management and internal control systems of the Group for the year ended 31 December 2018. The scope of review was determined and approved by the Board, covering material controls on financial, operational, compliance aspects including review of risk management functions of the Group and the adequacy of resources, qualifications and experience of the staff in the Group's accounting and financial reporting functions and their training programs and budget. Findings and areas for improvement were reported to management and Audit Committee for evaluation the effectiveness of the risk management and internal control systems. The Board and the Audit Committee are of the view there are no material internal control defeats were identified by the Adviser during the course of review. With the discussion between management, the Adviser and the Audit Committee, the Board, with the concurrence of the Audit Committee, considered that the risk management and internal control systems of the Group are effective and adequate. The review of the risk management and internal control systems of the Group is an ongoing process and the Board maintains a continuing commitment to strengthen the Group's control environment and processes.

風險管理程序的架構由本集團各業務版塊之管理層作為執行層面，至董事會(透過及連同審核委員會)作為決策及監察層面所組成。本集團管理層通過周詳的評估程序對現有及潛在重要風險進行識別、評估及排序，並就已識別之風險制定合適的風險舒緩策略及監控方案。持續對已識別之風險、相應方案及控制結果進行檢討及監察，並定期向董事會作出匯報。董事會作為決策層面，透過及連同連同審核委員會，對風險組合、風險管理流程及策略以及內部控制系統持續進行檢討，及對系統作出任何改善建議，以確保風險管理之有效性。

本公司現時並無內部審核職能，及認為考慮目前本集團營運業務之規模、性質及複雜性，毋須即時於本集團內設立內部審核職能。本集團決定直接由董事會負責本集團之內部監控並審閱其效能。

董事會已委聘亞太合規顧問及內控服務有限公司擔任其風險管理及內部監控系統獨立顧問(「顧問」)，以對本集團截至二零一八年十二月三十一日止年度之風險管理及內部監控系統進行年度檢討。檢討範圍由董事會釐定及審批，覆蓋本集團於財務方面、營運方面、合規方面之所有重大監控，包括檢討本集團之風險管理職能、本集團於會計及財務匯報職能之員工的資源、資歷、經驗之充足性，以及其培訓課程及預算。檢討發現及改善建議已向管理層及審核委員會匯報，以對風險管理及內部監控系統之有效性進行檢討。董事會及審核委員會均認為顧問於檢討過程中並無發現重大內部監控不足。經過與管理層、審核委員會及顧問的討論，董事會(與審核委員會一致同意)認為本集團之風險管理及內部監控系統屬有效及充足。對於本集團之風險管理及內部監控系統的檢討為持續過程，董事會致力維持其持續承諾，以加強本集團之監控環境及程序。

The Company formulated the inside information policy. The Company regularly reminds the Directors and employees about due compliance with all policies regarding the inside information. Also, the Company keeps Directors, senior management and employees apprised of the latest regulatory updates. The Company shall prepare or update appropriate guidelines or policies to ensure the compliance with regulatory requirements. Procedures for collection, evaluation of information and the publication manner are in place to ensure timely reporting of the inside information to the Board and the stakeholders of the Group.

COMPANY SECRETARIES

As at 31 December 2018, the joint secretaries of the Company were Mr. Kwok Pak Shing and Mr. Yuen Ping Man. Both of them have confirmed that they have attended not less than 15 hours of relevant professional training during the Year.

SHAREHOLDERS AND INVESTOR RELATIONS

Communication Policy

The Board considers that having active communications with its shareholders and investors is important and this will enhance transparency and clarity in public disclosures by the Company. Any significant events of the Group fall to be disclosed will be published in a timely, accurate and complete manner through the websites of the Company and the Stock Exchange, so as to safeguard its shareholders' rights of information and participation. The Board considers that AGM is an important opportunity for direct communication with its shareholders. The notice of the AGM together with relevant documents will be sent out to its shareholders at least 20 business days prior to the date on which the AGM will be held. The notice contains details on the procedures for voting by poll as well as other relevant information related to the proposed resolutions.

AGM

The Board and senior management are well aware of their important tasks of acting on behalf of the interests of all its shareholders and raising the shareholders' returns. Last year's AGM at which the external auditors attended was convened on 12 June 2018. The Board encourages all its shareholders to participate in the forthcoming 2019 AGM where the members of the Board and external auditors will be present and communicate with its shareholders.

本公司已制定內部資料政策。本公司會定期提醒董事及員工審慎遵守所有有關內部資料的政策。另外，本公司會向董事、高級管理層及員工提供最新的監管要求。本公司會制定或更新合適的指引或政策，以確保符合相關的監管法定要求。對資料的收集、評估以及發佈的程序本集團均有概定程序，以確保內部資料能適時向董事會以及本集團之利益相關人士匯報。

公司秘書

於二零一八年十二月三十一日，本公司之聯席公司秘書為郭柏成先生及源秉民先生，彼等均已確認於本年度內曾參與不少於十五小時之相關專業培訓。

與股東及投資者之關係

溝通政策

董事會認為，積極與股東及投資者之溝通尤為重要，可讓本公司更透明清晰地向公眾作出披露。本集團任何須予披露之重大事項將以及時、準確且完整之方式於本公司及聯交所之網站刊載，以保障股東享有接收資訊及參與之權利。董事會認為股東週年大會乃與股東直接溝通之重要機會。股東週年大會通告連同有關文件將於股東週年大會召開日期前最少二十個營業日寄發予股東。通告載列有關以投票方式表決之程序詳情以及有關建議決議案之其他相關資料。

股東週年大會

董事會及高級管理層深知彼等之重要工作乃以全體股東之利益為前提行事，並為股東爭取更多回報。外聘核數師出席之上一年度股東週年大會已於二零一八年六月十二日召開。董事會鼓勵所有股東參與二零一九年股東週年大會，屆時董事會成員及外聘核數師將會出席並與股東溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders' Rights

(1) Procedures for shareholders to convene an extraordinary general meeting ("EGM")

Shareholders may request the Directors to convene an EGM of the company. The Directors are required to call an EGM if the Company has received requests to do so from shareholders representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings. Such request must state the general nature of the business to be dealt with at the EGM and may include the text of a resolution that may properly be moved and is intended to be moved at the EGM. The request may be sent to the Company in hard copy form or in electronic form and must be authenticated by the shareholder(s) making it.

The Directors are required to call an EGM within 21 days after the date on which the Directors become subject to the requirement. The EGM called must be held on a date not more than 28 days after the date of the notice convening the meeting.

If the Directors do not call an EGM, the shareholders who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call the EGM. The EGM must be called for a date not more than 3 months after the date on which the Directors become subject to the requirement to call the EGM.

(2) Procedures for putting forward proposals at shareholders' meeting

Eligible Shareholders (as defined below) may submit a written request to make proposals or move a resolution at the annual general meeting (the "Request"). "Eligible Shareholder(s)" means:

- (i) Shareholders representing at least 2.5% of the total voting rights of all the shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate; or
- (ii) at least 50 shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate.

股東權利

(1) 股東召開股東特別大會(「股東特別大會」)之程序

股東可要求董事召開本公司之股東特別大會。如公司收到佔全體有權在股東大會上表決的股東的總表決權最少5%的公司股東的要求，要求召開股東大會，則董事須召開股東特別大會。有關要求須述明有待在有關股東特別大會上處理的事務的一般性質；及可包含可在該股東特別大會上恰當地動議並擬在該股東特別大會上動議的決議的文本。有關要求可採用印本形式或電子形式並須經提出該要求的股東認證送交本公司。

董事須於他們受到召開股東特別大會的規定所規限的日期後的21日內，召開股東特別大會。股東特別大會須在召開股東特別大會的通知的發出日期後的28日內舉行。

如董事沒有召開股東特別大會，則要求召開股東大會的股東，或佔全體該等股東的總表決權過半數的股東，可自行召開股東特別大會。在董事受到召開股東特別大會的規定所規限的日期後的3個月內，有關股東特別大會須予召開。

(2) 於股東大會提呈建議之程序

合資格股東(定義見下文)可於年度股東大會遞交書面要求以提呈建議或動議決議案(「要求」)。「合資格股東」指：

- (i) 佔全體有權在該要求所關乎的周年股東大會上，就該決議表決的股東的總表決權最少2.5%的股東；或
- (ii) 最少50名有權在該要求所關乎的周年股東大會上就該決議表決的股東。

The Request may be sent to the Company (a) in hard copy form or in electronic form; (b) must identify the resolution of which notice is to be given; (c) must be authenticated by the shareholder(s) making it; and (d) must be received by the Company not later than (i) 6 weeks before the annual general meeting to which the requests relate; or (ii) if later, the time at which notice is given of that meeting.

The Company must then send a copy of the resolution at the Company's own expense to each shareholder entitled to receive notice of the annual general meeting (a) in the same manner as the notice of the meeting; and (b) at the same time as, or as soon as reasonably practicable after, it gives notice of the meeting.

An Eligible Shareholder may request the Company to circulate, to the shareholders entitled to receive notice of a general meeting, a statement of not more than 1,000 words with respect to (a) a matter mentioned in a proposed resolution to be dealt with at that meeting; or (b) other business to be dealt with at that meeting (the "Statement").

The expenses of the Company in circulating the Statement need not be paid by the Eligible Shareholders who requested the circulation of the statement if (a) the meeting to which the requests relate is an annual general meeting of the Company; and (b) requests sufficient to require the Company to circulate the statement are received in time to enable the company to send a copy of the statement at the same time as it gives notice of the meeting. Otherwise, (a) the expenses of the Company in circulating the Statement must be paid by the Eligible Shareholders who requested the circulation of the Statement unless the Company resolves otherwise; and (b) unless the Company has previously so resolved, it is not bound to comply with the circulation of the Statement unless there is deposited with or tendered to it, not later than 7 days before the meeting, a sum reasonably sufficient to meet its expenses in doing so.

(3) **Shareholders' enquiries to the Board**

A shareholder may send an enquiry to the Board at the registered office of the Company at 24th Floor, Wyndham Place, 40-44 Wyndham Street, Central, Hong Kong for the attention of the Board in written form, which shall state the nature of the enquiry and the reason for making the enquiry. In addition, shareholders can contact Tricor Friendly Limited, the share registrar of the Company, for any questions about their shareholdings.

有關要求(a)可採用印本形式或電子形式送交本公司；(b)須指出有待發出通知所關乎的決議；(c)須經所有提出該要求的股東認證；及(d)須不遲於(i)該要求所關乎的周年股東大會舉行前的6個星期之前；或(ii)(如在上述時間之後送抵本公司的話)該周年股東大會的通知發出之時，送抵本公司。

本公司須(a)按發出有關周年股東大會的通知的同樣方式；及(b)在發出該股東大會的通知的同時，或在發出該股東大會的通知後，在合理的切實可行的範圍內儘快，自費將該決議的通知的文本，送交每名有權收到該股東大會通知的股東。

合資格股東可要求本公司向有權收到該股東大會通知的股東傳閱一份字數不多於1,000字的陳述書(「陳述書」)，概述(a)擬在該股東特別大會上動議的決議所提及的事宜及(b)擬在該股東特別大會上處理的其他事項。

要求傳閱陳述書的合資格股東無需就要求傳閱以下陳述書支付本公司招致之傳閱費用：(a)有關要求所關乎的股東大會，是本公司的周年股東大會；及(b)本公司及時收到足以令本公司須傳閱該陳述書的要求，使本公司在發出該股東大會的通知的同時，能夠送交陳述書的文本。在其他情況下，要求傳閱陳述書的股東需支付本公司招致之傳閱費用，否則本公司無須遵守有關傳閱陳述書之規定，除非：(a)本公司通過決議，議決要求傳閱有關陳述書的股東無需支付本公司招致之傳閱費用；及(b)除非在不遲於有關股東大會前7日，本公司收到一筆按理足以支付本公司招致之傳閱費用的款項，或向本公司交出該筆款項(但如本公司先前已通過決議，議決要求傳閱有關陳述書的股東無需支付本公司之傳閱費用，則屬例外)。

(3) **股東向董事會查詢**

股東可向董事會作出書面查詢，送交本公司之註冊辦事處，地址為香港中環雲咸街40-44號雲咸商業中心24樓，並以董事會為收件人，並須註明查詢之性質及理由。此外，股東如對其持股量有任何疑問，可聯絡本公司之過戶登記處卓佳津誠有限公司。

CORPORATE GOVERNANCE REPORT

企業管治報告

CONSTITUTIONAL DOCUMENTS

There was no change in the Articles of Association of the Company during the Year. A copy of the latest version is available on the website of the Stock Exchange and the Company's website.

DISCLAIMER

The contents of the section headed "Shareholders' Rights" are for reference and disclosure compliance purposes only. The information does not represent and should not be regarded as legal or other professional advice from the Company to the shareholders. Shareholders should seek their own independent legal or other professional advice as to their rights as shareholders. The Company disclaims all liabilities and losses incurred by the shareholders in reliance on any contents of the section headed "Shareholders' Rights".

章程文件

於本年度內，本公司組織章程細則並無變動。最新版本之副本可於本公司及聯交所網站查閱。

免責聲明

「股東權利」一節之內容僅供參考及合規披露。該等資料並不代表且不應被視為由本公司向股東發出之法律或其他專業意見。股東須就其作為股東之權利自行尋求獨立法律或其他專業意見。本公司並不就股東因依賴「股東權利」一節所載任何內容而產生之責任及損失負責。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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Independent auditor's report
To the members of ZH International Holdings Limited
(Incorporated in Hong Kong with limited liability)

獨立核數師報告
致：正恒國際控股有限公司全體股東
(於香港註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of ZH International Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 97 to 226, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

意見

我們已審核載於第97頁至226頁正恒國際控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，此等財務報表包括於二零一八年十二月三十一日之綜合財務狀況報表及截至該日止年度之綜合損益賬、綜合全面收益賬、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及 貴集團截至該日止年度之綜合財務表現和綜合現金流量，並已按照香港公司條例之規定妥為編製。

意見之基礎

我們已根據香港會計師公會頒佈之香港審核準則(「香港審核準則」)進行審核。我們就該等準則承擔之責任在本報告核數師就審核綜合財務報表須承擔之責任一節中進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已履行守則中之其他專業道德責任。我們相信，我們所獲得之審核憑證能充足及適當地為我們的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

關鍵審核事項

Valuation of investment properties 投資物業之估值

As at 31 December 2018, investment properties amounted to approximately RMB646,620,000, which was material to the consolidated financial statements. To support management's assessment of the fair value of the properties, it is the Group's policy that property valuations are performed by an external appraiser at least once a year. The valuation of the properties involves significant judgement, is highly dependent on estimates and is based on a number of assumptions, such as estimated market rent, market yield and reversion yield.

於二零一八年十二月三十一日，投資物業約為人民幣646,620,000元，該數字對綜合財務報表而言屬重大。為支持管理層對物業公平值的評估，貴集團的政策是每年至少委聘外部估值師進行物業估值一次。物業估值涉及重大判斷，該判斷在很大程度上取決於估計，並以多項假設為基礎，例如估計市場租金、市場收益率及復歸收益率。

The accounting policies and disclosures of the valuation of investment properties are included in notes 2.5, 3 and 15 to the consolidated financial statements.

有關投資物業估值的會計政策及披露載於綜合財務報表附註2.5、3及15。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，對本期綜合財務報表之審核最為重要之事項。此等事項在我們審核整體綜合財務報表及出具意見時進行處理，而我們不會對該等事項提供單獨之意見。我們於審核中就下列各事項之處理方法描述載於下文。

我們已履行本報告核數師就審核綜合財務報表承擔之責任一節所述包括與該等事項有關之責任。相應地，我們之審核工作包括執行旨在回應對綜合財務報表重大錯誤風險評估之程序。我們審核程序之結果，包括為處理以下事項所履行之程序已為我們就隨附之綜合財務報表作出之審核意見提供基礎。

How our audit addressed the key audit matter

我們的審核如何處理關鍵審核事項

We considered the objectivity, independence and expertise of the external appraiser. We assessed the valuation approach and the key assumptions used in developing the valuation through the income approach or market approach, such as market rent, market yield and reversion yield. Our internal valuation specialists were involved to assist us in evaluating the techniques and key assumptions used in the calculation against valuation guidelines and industry practice.

我們已考慮外部估值師的客觀性、獨立性及專業知識。我們已評估透過收入法或市場法釐定估值時使用的估值方法及主要假設，例如市場租金、市場收益率及復歸收益率。內部估值專家參與協助我們對照估值指引及行業常規，評價估值計算中使用的技術及主要假設。

We also assessed the disclosures on the fair value measurement of investment properties.

我們亦評估有關投資物業公平值計量的披露。

Key audit matter (continued)
關鍵審核事項(續)

Assessment of net realisable values of properties under development and completed properties held for sale
評估發展中物業及持作出售之已完工物業之可變現淨值

As at 31 December 2018, the carrying amounts of properties under development and completed properties held for sale situated in the People's Republic of China (the "PRC") were approximately RMB29,777,845,000 and RMB934,671,000, respectively. The Group carried out assessment on the net realisable values at the end of the reporting period and compared them to the costs. The management estimates the total costs by reference to the budgeted costs and costs incurred and further costs to complete whereas the future selling prices were estimated by the management of the Group with reference to the recent selling prices of similar properties in the nearby or relevant locations.

於二零一八年十二月三十一日，位於中華人民共和國（「中國」）之發展中物業及持作出售之已完工物業之賬面值分別為約人民幣29,777,845,000元及人民幣934,671,000元。貴集團於報告期間結算日對可變現淨值進行評估並與成本比較。管理層經參考預算成本、已產生成本及完成所需的進一步成本而估計總成本。然而，未來售價乃貴集團管理層經參考鄰近或相關地點類似物業之近期售價估計而得出。

The related accounting policies and disclosures are included in notes 2.5, 3, 17 and 18 to the consolidated financial statements.

相關會計政策及披露載於綜合財務報表附註2.5、3、17及18。

How our audit addressed the key audit matter (continued)
我們的審核如何處理關鍵審核事項(續)

We obtained from the management of the Group an understanding of the management's process for performing impairment assessment of the properties under development and completed properties held for sale.

我們已就對發展中物業及持作出售之已完工物業進行減值評估之管理層程序向貴集團管理層取得了解。

We assessed whether the estimated selling prices were based on the existing contracts or comparable properties in the market.

我們已評估售價是否按現有合約或市場可比較物業進行估計。

We also compared the future selling prices of completed properties held for sale to the actual selling prices of properties sold subsequent to the end of the reporting period to evaluate the management's estimation.

我們亦比較持作出售之已落成物業之未來售價與於報告期間結算日後售出之物業之實際售價，評估管理層之估計。

Furthermore, we evaluated management's estimation methodology about future cost of completion of properties under development.

此外，我們已評估管理層對完成發展中物業之未來成本之估計方法。

We also assessed the disclosures on the assessment of net realisable values of properties under development and completed properties held for sale.

我們亦已評估有關評估發展中物業及持作出售之已完工物業之可變現淨值之披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter (continued) 關鍵審核事項(續)

Provision for land appreciation tax ("LAT") 土地增值稅(「土地增值稅」)撥備

The subsidiaries of the Company that are engaged in property development in the PRC are subject to LAT. LAT is levied on the sale of properties at progressive rates ranging from 30% to 60% based on the appreciation of land value. At the end of each reporting period, the management of the Group estimates the provision for LAT based on its understanding and interpretation of the relevant tax rules and regulations, and the estimated total sales of properties less total deductible expenditure, which include lease charges for land use rights, property development costs, borrowing costs and development expenditure. When the LAT is subsequently determined, the actual payments may be different from the estimates. For the year ended 31 December 2018, LAT provision of approximately RMB38,343,000 was recorded in the consolidated statement of profit or loss.

貴公司於中國從事物業發展之附屬公司須繳納土地增值稅。土地增值稅乃按土地價格增值額30%至60%之累進稅率對所銷售物業進行徵收。於各報告期間結算日，貴集團管理層根據相關稅務法律法規的規定及解釋、估計銷售物業總額減可扣減總費用(包括土地使用權租賃費用、物業開發成本、借貸成本及開發費用)對土地增值稅撥備進行估算。於土地增值稅匯算清繳時，實際應付稅金可能與估計金額存在差異。截至二零一八年十二月三十一日止年度，土地增值稅撥備約人民幣38,343,000元已於綜合損益賬入賬。

The accounting policies and disclosures for the provision for LAT are included in notes 3 and 11 to the consolidated financial statements.

有關土地增值稅撥備的會計政策及披露載於綜合財務報表附註3及11。

How our audit addressed the key audit matter (continued) 我們的審核如何處理關鍵審核事項(續)

We obtained an understanding of the key management controls related to LAT provision. We involved our internal tax specialists to assist us in the assessment of LAT provision prepared by the management, including the estimates and assumptions used by management. We also recalculated LAT provision by testing the underlying data, including estimated total sales, property development costs, borrowing costs and tax rates used to evaluate LAT provision.

我們已了解有關土地增值稅撥備的主要管理層控制措施。我們已邀請內部稅務專家協助我們評估管理層編製的土地增值稅撥備，包括管理層所採用之估計及假設。我們亦通過測試有關數據，包括估計總銷售額、物業開發成本、借貸成本及用於評估土地增值稅撥備的稅率來重新計算土地增值稅撥備。

We also assessed the relevant disclosures in the notes to the Group's financial statements.

我們亦已評估 貴集團財務報表附註內的相關披露。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual report, other than the consolidated financial statements and our auditor's report thereon.

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.

RESPONSIBILITIES OF THE DIRECTORS 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 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報所載其他資料

貴公司董事須對其他資料負責。其他資料包括載於年報之資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式之鑒證結論。

結合我們對綜合財務報表的審核，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況存有重大抵觸，或者似乎存在重大錯誤陳述之情況。基於我們已執行之工作，如果我們認為其他資料有重大錯誤陳述，我們須報告該事實。在此方面，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則以及香港公司條例之規定編製並且真實公平地列報綜合財務報表，並落實董事認為編製綜合財務報表屬必要之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核委員會協助貴公司董事履行監督貴集團的財務報告過程的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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 HKSAAs 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 HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.

核數師就審核財務報表須承擔之責任

我們之目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致之任何重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們依據香港公司條例第405條僅向全體股東報告我們之意見，除此之外不作其他目的。我們概不就本報告之內容對任何其他人士負責或承擔責任。

合理保證是高水平之保證，但不能保證按照香港審核準則進行之審核，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，則有關錯誤陳述可被視作重大。

在根據香港審核準則進行審核之過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 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，設計及執行審核程序以應對這些風險，以及取得充足和適當的審核憑證，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。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。

- 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.
- 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資料的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能對 貴集團持續經營的能力構成重大疑慮。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對綜合財務報表中的相關披露資料的關注。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核憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團中實體或業務活動的財務資料獲取充分、適當的審核憑證，以對綜合財務報表發表意見。我們負責 貴集團審核的方向、監督和執行。我們對審核意見承擔全部責任。

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.

我們與審核委員會溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括我們在審核期間識別出內部控制的任何重大缺陷。

我們亦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，並與他們溝通所有合理地被認為會影響我們獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 Siu Fung Terence Ho.

從與審核委員會溝通的事項中，我們決定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。我們會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，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是何兆烽。

Ernst & Young
Certified Public Accountants
Hong Kong

28 March 2019

安永會計師事務所
執業會計師
香港

二零一九年三月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2018

綜合損益賬

截至二零一八年十二月三十一日止年度

		Notes 附註	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 (Restated) (重列)
REVENUE	收益	5	601,470	1,100,419
Cost of sales	銷售成本		(326,329)	(732,614)
Gross profit	毛利		275,141	367,805
Other income	其他收入	5	25,078	4,110
Other gains and losses	其他收益及虧損	6	33,333	(4,064)
Administrative expenses	行政費用		(129,674)	(72,083)
Sales and marketing expenses	銷售及市場推廣費用		(114,909)	(48,725)
Finance costs	融資成本	7	(30,455)	(9,484)
Profit before tax	除稅前溢利	8	58,514	237,559
Income tax expense	所得稅開支	11	(30,022)	(105,957)
Profit for the year	年度溢利		28,492	131,602
Attributable to:	下列各方應佔：			
Owners of the Company	本公司擁有人		29,971	131,709
Non-controlling interests	非控股權益		(1,479)	(107)
			28,492	131,602
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股盈利			
Basic (RMB cents)	基本(人民幣分)	13	0.49	2.13
Diluted	攤薄		N/A不適用	N/A不適用

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2018

綜合全面收益賬

截至二零一八年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 (Restated) (重列)
Profit for the year	年度溢利	28,492	131,602
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	可能於其後期間重新分類至損益之其他全面虧損：		
Exchange difference on translation of foreign operations	換算海外業務之匯兌差額	(49,418)	(24,038)
Reclassification adjustments of exchange reserve for subsidiaries disposed of	已出售附屬公司匯兌儲備之重新分類調整	(7,237)	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	年內其他全面虧損(稅後)	(56,655)	(24,038)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	年內全面(虧損)/收益總額	(28,163)	107,564
Attributable to:	下列各方應佔：		
Owners of the Company	本公司擁有人	(24,901)	106,440
Non-controlling interests	非控股權益	(3,262)	1,124
		(28,163)	107,564

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2018

綜合財務狀況報表

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 (Restated) (重列)	1 January 2017 二零一七年 一月一日 RMB'000 人民幣千元 (Restated) (重列)
	Notes 附註				
NON-CURRENT ASSETS					
非流動資產					
Property, plant and equipment		物業、廠房及設備	14	23,126	19,824
Investment properties		投資物業	15	646,620	662,332
Deferred tax assets		遞延稅項資產	28	63,168	-
Pledged deposits		已抵押按金	16	33,915	52,772
					3,715
Total non-current assets		非流動資產總額		766,829	734,928
					543,817
CURRENT ASSETS					
流動資產					
Inventories		存貨		217	238
Completed properties held for sale		持作出售之已完工物業	17	934,671	1,246,635
Properties under development		發展中物業	18	29,777,845	12,038,415
Deposits and prepayments paid for land acquisitions		已付土地收購按金及預付款項	19	4,603,632	3,136,104
Accounts receivable, other receivables and other assets		應收賬款、其他應收款項及其他資產	20	1,175,439	199,334
Financial assets at fair value through profit or loss		按公平值計入損益之金融資產	21	232,532	145,913
Prepaid income tax and tax recoverable		預繳所得稅及可收回稅項	16	616,737	144,803
Pledged deposits		已抵押按金	16	680,450	46,457
Restricted bank balances		受限制銀行結餘	16	101,913	161,854
Cash and cash equivalents		現金及現金等值項目	16	673,412	685,710
				38,796,848	17,805,463
Investment properties classified as held for sale		分類為持作出售之投資物業	22	5,582	2,359
					37,781
Total current assets		流動資產總額		38,802,430	17,807,822
					2,768,138
CURRENT LIABILITIES					
流動負債					
Accounts payable, deposits received and accruals		應付賬款、已收按金及應計費用	23	1,271,149	1,852,834
Deposits and prepayments received and receipts in advance from property buyers		已收及預收物業買家之按金及預付款項		-	2,621,342
Contract liabilities		合約負債	24	11,304,291	-
Amounts due to related companies		應付關連公司款項	25	473,199	2,408,436
Loans from a related company		來自一間關連公司之貸款	26	12,876,310	2,650,862
Bank and other borrowings		銀行及其他借貸	27	3,658,396	3,861,469
Tax liabilities		稅項負債		109,621	122,051
				29,692,966	13,516,994
Total current liabilities		流動負債總額			2,124,070
				9,109,464	4,290,828
NET CURRENT ASSETS		流動資產淨值			644,068
				9,876,293	5,025,756
TOTAL ASSETS LESS CURRENT LIABILITIES		資產總值減流動負債			1,187,885

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2018

綜合財務狀況報表

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 (Restated) (重列)	1 January 2017 二零一七年 一月一日 RMB'000 人民幣千元 (Restated) (重列)
		Notes 附註			
NON-CURRENT LIABILITIES	非流動負債				
Rental deposits received	已收租賃按金	23	7,128	5,588	688
Loans from a related company	來自一間關連公司之貸款		-	-	98,098
Bank and other borrowings	銀行及其他借貸	27	8,742,329	3,869,149	42,428
Deferred tax liabilities	遞延稅項負債	28	5,324	7,134	10,350
Total non-current liabilities	非流動負債總額		8,754,781	3,881,871	151,564
Net assets	資產淨值		1,121,512	1,143,885	1,036,321
EQUITY	權益				
Equity attributable to owners of the Company	本公司擁有人 應佔權益				
Share capital	股本	29	587,529	587,529	587,529
Reserves	儲備	30	541,036	565,937	459,496
Non-controlling interests	非控股權益		1,128,565 (7,053)	1,153,466 (9,581)	1,047,025 (10,704)
Total equity	權益總額		1,121,512	1,143,885	1,036,321

Zhang Jingguo
張敬國
Director
董事

Zhang Guoqiang
張國強
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2018

綜合權益變動表

截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Capital reduction reserve*	PRC statutory reserve*	Property revaluation reserve*	Exchange reserve*	Retained profits*	Total	Non-controlling interests	Total equity
		股本	資本削減儲備賬*	中國法定儲備*	物業重估儲備*	外匯儲備*	保留溢利*	總計	非控股權益	權益總額
		RMB'000	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	人民幣千元
		(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
		(重列)	(重列)	(重列)	(重列)	(重列)	(重列)	(重列)	(重列)	(重列)
				(note 30)	(note 30)	(note 30)				
				(附註30)	(附註30)	(附註30)				
At 1 January 2017	於二零一七年一月一日	587,529	119,330	-	13,861	42,262	284,043	1,047,025	(10,704)	1,036,321
Profit/(loss) for the year	年度溢利/(虧損)	-	-	-	-	-	131,709	131,709	(107)	131,602
Other comprehensive income/(loss) for the year:	年內其他全面收益/(虧損):									
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	(25,268)	-	(25,268)	1,230	(24,038)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	-	-	-	-	(25,268)	131,709	106,441	1,123	107,564
Transfer to PRC statutory reserve	轉撥至中國法定儲備	-	-	4,644	-	-	(4,644)	-	-	-
At 31 December 2017	於二零一七年十二月三十一日	587,529	119,330	4,644	13,861	16,994	411,108	1,153,466	(9,581)	1,143,885
At 1 January 2018 (Restated)	於二零一八年一月一日(重列)	587,529	119,330	4,644	13,861	16,994	411,108	1,153,466	(9,581)	1,143,885
Profit/(loss) for the year	年度溢利/(虧損)	-	-	-	-	-	29,971	29,971	(1,479)	28,492
Other comprehensive loss for the year:	年內其他全面虧損:									
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	(47,635)	-	(47,635)	(1,783)	(49,418)
Reclassification adjustments of exchange reserve for foreign subsidiaries disposed of	已出售海外附屬公司匯兌儲備之重新分類調整	-	-	-	-	(7,237)	-	(7,237)	-	(7,237)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	-	-	-	-	(54,872)	29,971	(24,901)	(3,262)	(28,163)
Transfer to PRC statutory reserve	轉撥至中國法定儲備	-	-	32,592	-	-	(32,592)	-	-	-
Capital contribution from non-controlling shareholders	來自非控股股東之供款	-	-	-	-	-	-	-	6,000	6,000
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	(210)	(210)
At 31 December 2018	於二零一八年十二月三十一日	587,529	119,330	37,236	13,861	(37,878)	408,487	1,128,565	(7,053)	1,121,512

* These reserve accounts comprise the consolidated reserves of RMB541,036,000 (2017: RMB565,937,000 (restated)) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況報表內之綜合儲備人民幣541,036,000元(二零一七年: 人民幣565,937,000元(重列))。

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2018

綜合現金流量表

截至二零一八年十二月三十一日止年度

	Notes 附註	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 (Restated) (重列)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		58,514	237,559
Adjustments for:			
(Increase)/decrease in fair value of financial assets at fair value through profit or loss		(9,329)	12,072
Increase in fair value of investment properties		(17,865)	(10,703)
Gain on disposal of subsidiaries		(7,447)	-
Loss/(gain) on disposal of property, plant and equipment		210	(22)
Depreciation of property, plant and equipment		2,730	922
Interest income		(23,874)	(3,989)
Impairment losses on accounts receivable and other receivables		779	580
Finance costs		30,455	9,484
		34,173	245,903
Decrease/(increase) in financial assets at fair value through profit or loss		120	(399)
Decrease/(increase) in inventories		21	(60)
Increase in accounts receivable, other receivables and other assets		(652,495)	(148,520)
Decrease/(increase) in restricted bank deposits from presale proceeds of properties		59,941	(137,172)
Increase in properties under development		(16,946,614)	(10,667,271)
Decrease/(increase) in completed properties held for sale		311,964	(1,246,635)
Increase in deposits and prepayments paid for land acquisitions		(1,467,528)	(2,213,104)
(Decrease)/increase in accounts payable, deposits received and accruals		(583,940)	1,690,059
Increase in deposits received and receipts in advance from property buyers		8,407,852	1,814,020
Cash used in operating activities		(10,836,506)	(10,663,179)
Tax paid		(579,488)	(78,512)
Net cash flows used in operating activities		(11,415,994)	(10,741,640)

		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 (Restated) (重列)
	Notes 附註		
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Interest received	已收利息	22,742	3,989
Purchase of investment properties	購入投資物業	-	(185,714)
Purchases of items of property, plant and equipment	購入物業、廠房及設備項目	(6,573)	(3,275)
Proceeds from disposal of investment properties	出售投資物業所得款項	61,047	76,697
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	242	60
Release of pledged deposits	解除已抵押按金	47,383	3,303
Placement of pledged deposits	存放已抵押按金	(662,519)	(91,074)
Purchase of a debt investment at amortised cost	購入按攤銷成本計算之債務投資	(323,257)	-
Purchase of financial assets at fair value through profit or loss	購入按公平值計入損益之金融資產	(68,778)	-
Net cash used in investing activities	投資活動所用現金淨額	(929,713)	(196,014)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
New bank and other borrowings raised	新增銀行及其他借貸	11,424,756	8,138,391
Repayment of bank and other borrowings	償還銀行及其他借貸	(6,850,201)	(585,366)
Interest paid	已付利息	(541,269)	(75,138)
Repayment to related companies	償還關連公司款項	(1,935,237)	(43,771)
Advance from related companies	預收關連公司款項	-	2,382,805
Loans repaid to a related company	償還一間關連公司貸款	(1,143,322)	(8,321,754)
Loans received from a related company	收取一間關連公司貸款	11,368,124	9,925,548
Capital contribution from non-controlling shareholders	來自非控股股東之供款	6,000	-
Net cash flows from financing activities	融資活動所得現金流量淨額	12,328,851	11,420,715
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 (減少)/增加淨額	(16,856)	483,061
Cash and cash equivalents at beginning of year	於年初之現金及現金等值項目	685,710	206,305
Effect of foreign exchange rate changes, net	外匯匯率變動影響淨額	4,558	(3,656)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年末之現金及現金等值項目	673,412	685,710
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況報表內列賬之現金及現金等值項目	673,412	685,710

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2018

綜合財務報表附註

二零一八年十二月三十一日

1. CORPORATE INFORMATION

ZH International Holdings Limited (the “Company”) is a public limited liability company incorporated in Hong Kong with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at 24th Floor, Wyndham Place, 40-44 Wyndham Street, Central, Hong Kong. In the opinion of the directors of the Company, the immediate holding company of the Company is Joy Town Inc., a private limited liability company incorporated in the British Virgin Islands (“BVI”). The ultimate holding company of the Company is Vistra Trust (Singapore) Pte Limited, a private limited liability company incorporated in Singapore, as trustee of a discretionary trust which is set up by Ms. Huang Yanping (“Ms. Huang”), a non-executive director of the Company. Ms. Huang is the settlor and protector of the discretionary trust. Mr. Zhang Jingguo (“Mr. Zhang”), the Chairman and an executive director of the Company is the spouse of Ms. Huang.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 43. The Company and its subsidiaries are hereinafter collectively referred to as the Group.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司資料

正恒國際控股有限公司(「本公司」)為在香港註冊成立之上市公司，其股份在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處位於香港中環雲咸街40-44號雲咸商業中心24樓。本公司董事認為，本公司之直接控股公司Joy Town Inc.為於英屬處女群島(「英屬處女群島」)註冊成立之有限私營公司。本公司之最終控股公司為Vistra Trust (Singapore) Pte Limited為於新加坡註冊成立之有限私營公司，作為Huang Yanping女士(「Huang女士」，本公司非執行董事)設立之全權信託之信託人。Huang女士為全權信託之授出人及保護人。本公司主席及執行董事張敬國先生(「張先生」)為Huang女士之配偶。

本公司為一間投資控股公司。其附屬公司主要業務載於附註43。本公司及其附屬公司以下統稱本集團。

2.1 編製基準

該等財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」，包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)及香港公司條例編製。彼等已根據歷史成本法編製，惟已按公平值計量之投資物業及按公平值計入損益之金融資產除外。除另有說明外，該等財務報表乃以人民幣(「人民幣」)呈列，所有金額均約整至最近接之千位數。

綜合基準

綜合財務報表包括本集團截至二零一八年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制的實體(包括結構實體)。本集團因參與投資對象而可以或有權獲得不定回報，且可透過對投資對象行使權力改變回報(即本集團運用既有權利現時可以左右投資對象有關業務)時，視為擁有控制權。

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

如本公司直接或間接擁有投資對象投票權或類似權利不過半數，本集團衡量是否對投資對象有權力時，會考慮所有相關事實及情況，包括：

- (a) 投資對象其他投票權持有人的合約安排；
- (b) 其他合約安排的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司使用與本公司一致的會計政策編製同一報告期間的財務報表。附屬公司的業績自本集團取得控制權之日起綜合入賬，並持續綜合入賬至有關控制權終止當日為止。

損益及其他全面收益的各組成部分會歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益結餘為負數。本集團成員公司之所有公司間有關交易之資產及負債、權益、收入、開支及現金流量於綜合賬目時全數抵銷。

倘事實及情況顯示上文所述三項控制因素之一項或多項出現變化，本集團會重新評估其是否控制投資對象。於一間附屬公司之擁有權權益變動，惟並無失去控制權，則以權益交易入賬。

倘本集團失去對一間附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計換算差額；及確認(i)所收代價之公平值、(ii)所保留任何投資之公平值及(iii)損益賬中任何因此產生之盈餘或虧損。先前於其他全面收益表內確認之本集團應佔部份重新分類為損益或保留溢利(視何者屬適當)，基準與倘若本集團直接出售有關資產或負債所需者相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2018

綜合財務報表附註

二零一八年十二月三十一日

2.2 CHANGE IN PRESENTATION CURRENCY OF THE CONSOLIDATED FINANCIAL STATEMENTS

The functional currency of the Company is Hong Kong dollars ("HK\$"), which was the presentation currency of the consolidated financial statements of the Group in prior financial years. During the year, having considered that (i) most of the Group's transactions are denominated and settled in RMB; and (ii) the change in the presentation currency could also reduce the impact of any fluctuations in the exchange rate of HK\$ against RMB, which is not due to the operations and beyond the control of the Group, on the consolidated financial statements of the Group, in order to enable the shareholders of the company to have a more accurate picture of the Group's financial performance, the board of directors (the "Board") of the Company considers that it is more appropriate to use RMB as its presentation currency for its consolidated financial statements.

The change of presentation currency has been accounted for in accordance with HKAS 21 The Effects of Changes in Foreign Exchange Rates and such change has been applied retrospectively in accordance with HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The following methodology was used to re-present the comparative figures as at 1 January 2017 and 31 December 2017 and for the year ended 31 December 2017 in RMB, which were originally reported in HK\$:

- (a) Income and expenses were translated at the average exchange rates prevailing for the respective reporting period.
- (b) Assets and liabilities were translated at the closing exchange rates at the end of the reporting period.
- (c) Share capital and reserves were translated at the applicable historical exchange rates.
- (d) All resulting exchange differences were recognised in other comprehensive income.

Accordingly, the change in presentation currency resulted in the exchange reserve of the Group from changing its originally reported carrying amount of approximately HK\$(61,509,000) and HK\$2,524,000 to approximately RMB42,262,000 and RMB16,994,000 as at 1 January 2017 and 31 December 2017, respectively.

2.2 綜合財務報表呈列貨幣之變動

本公司之功能貨幣為港元(「港元」)，其為本集團於過往財政年度之綜合財務報表之呈列貨幣。年內，經考慮(i)本集團大部分交易乃以人民幣列值及結算；及(ii)呈列貨幣變動亦可能減低港元兌人民幣之任何匯率波動(並非由於業務及本集團無法控制所致)對本集團綜合財務報表之影響，為使本公司股東更準確了解本集團之財務表現，本公司董事會(「董事會」)認為，使用人民幣作為其綜合財務報表之呈列貨幣更為妥當。

呈列貨幣之變動已根據香港會計準則第21號外匯匯率變動之影響予以列賬，而有關變動已根據香港會計準則第8號會計政策、會計估計變動及錯誤追溯應用。

下列方法用來以人民幣呈列二零一七年一月一日、二零一七年十二月三十一日及截至二零一七年十二月三十一日止年度之比較數字(原先以港元呈報)：

- (a) 收入及費用乃按有關報告期間之現行平均匯率換算。
- (b) 資產及負債乃按於報告期間末之期末匯率換算。
- (c) 股本及儲備乃按適用過往匯率換算。
- (d) 所有產生之匯兌差額於其他全面收益確認。

因此，呈列貨幣之變動導致本集團外匯儲備於二零一七年一月一日及二零一七年十二月三十一日之原先呈報賬面值分別由約(61,509,000)港元及2,524,000港元變更為約人民幣42,262,000元及人民幣16,994,000元。

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers</i>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to HKFRS 1 and HKAS 28

Except for the amendments to HKFRS 2, amendments to HKFRS 4 and *Annual Improvements 2014-2016 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

- (a) HKFRS 9 Financial Instruments replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Group has recognised the transition adjustments against the applicable opening balances at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

2.3 會計政策及披露之變動

本集團已就本年度之財務報表首次採納下列新訂及經修訂香港財務報告準則。

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號修訂本	澄清香港財務報告準則第15號客戶合約收益
香港（國際財務報告詮釋委員會）—詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號修訂本	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號修訂本	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具
香港會計準則第40號修訂本	轉讓投資物業
二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號及香港會計準則第28號修訂本

除香港財務報告準則第2號修訂本、香港財務報告準則第4號修訂本及二零一四年至二零一六年週期之年度改進與編製本集團財務報表無關外，新訂及經修訂香港財務報告準則之性質及影響載述如下：

- (a) 於二零一八年一月一日或之後開始的年度期間，香港財務報告準則第9號金融工具已取代香港會計準則第39號金融工具：確認及計量，引入所有三個範疇的金融工具會計處理：分類及計量、減值及對沖會計處理。

本集團已確認於二零一八年一月一日之適用期初結餘之過渡調整。因此，比較資料並無重列及將繼續根據香港會計準則第39號呈報。

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2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (continued)

Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the statement of financial position, including the effect of replacing HKAS 39's incurred credit loss calculations with HKFRS 9's expected credit losses ("ECLs").

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 January 2018 is as follows:

2.3 會計政策及披露之變動(續)

(a) (續)

分類及計量

以下資料載列採納香港財務報告準則第9號對財務狀況報表的影響，包括香港財務報告準則第9號預期信貸虧損(「預期信貸虧損」)取代香港會計準則第39號已產生信貸虧損計算的影響。

於二零一八年一月一日，香港會計準則第39號項下的賬面值與香港財務報告準則第9號項下所呈報的結餘之對賬如下：

		HKAS 39 measurement 香港會計準則第39號計量		HKFRS 9 measurement 香港財務報告準則第9號計量		
		Category 類別	Amount 金額 RMB'000 人民幣千元	ECLs 預期信貸虧損 RMB'000 人民幣千元	Amount 金額 RMB'000 人民幣千元	Category 類別
Financial assets	金融資產					
Accounts receivable	應收賬款	L&R ¹	68,681	-	68,681	AC ²
Financial assets included in other receivables and other assets	計入其他應收款項及其他資產之金融資產	L&R	14,436	-	14,436	AC
Pledged deposits	已抵押按金	L&R	99,229	-	99,229	AC
Restricted bank balances	受限制銀行結餘	L&R	161,854	-	161,854	AC
Cash and cash equivalents	現金及現金等值項目	L&R	685,710	-	685,710	AC
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	FVPL ³	145,913	-	145,913	FVPL
			1,175,823	-	1,175,823	

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (continued)

Classification and measurement (continued)

		HKAS 39 measurement 香港會計準則第39號計量		HKFRS 9 measurement 香港財務報告準則第9號計量		
		Category 類別	Amount 金額 RMB'000 人民幣千元	ECLs 預期信貸虧損 RMB'000 人民幣千元	Amount 金額 RMB'000 人民幣千元	Category 類別
Financial liabilities	金融負債					
Accounts payables	應付賬款	AC	210	-	210	AC
Financial liabilities included in deposits received and accruals	計入已收按金及應計費用之金融負債	AC	1,839,773	-	1,839,773	AC
Amounts due to a related company	應付一間關連公司之款項	AC	2,408,436	-	2,408,436	AC
Loans from a related company	來自一間關連公司之貸款	AC	2,650,862	-	2,650,862	AC
Bank and other borrowings	銀行及其他借貸	AC	7,730,618	-	7,730,618	AC
			14,629,899	-	14,629,899	

- ¹ L&R: Loans and receivables
² AC: Financial assets or financial liabilities at amortised cost
³ FVPL: Financial assets at fair value through profit or loss

Impairment

There was no significant impact by replacing the aggregate opening impairment allowances under HKAS 39 with ECL allowances under HKFRS 9 on financial instruments as at 1 January 2018. Further details of the Group's accounting policy for impairment of financial assets are disclosed in note 2.5.

Impact on reserves and retained profits

There was no impact of transition to HKFRS 9 on reserves and retained profits.

2.3 會計政策及披露之變動(續)

(a) (續)

分類及計量(續)

		HKAS 39 measurement 香港會計準則第39號計量		HKFRS 9 measurement 香港財務報告準則第9號計量		
		Category 類別	Amount 金額 RMB'000 人民幣千元	ECLs 預期信貸虧損 RMB'000 人民幣千元	Amount 金額 RMB'000 人民幣千元	Category 類別
Financial liabilities	金融負債					
Accounts payables	應付賬款	AC	210	-	210	AC
Financial liabilities included in deposits received and accruals	計入已收按金及應計費用之金融負債	AC	1,839,773	-	1,839,773	AC
Amounts due to a related company	應付一間關連公司之款項	AC	2,408,436	-	2,408,436	AC
Loans from a related company	來自一間關連公司之貸款	AC	2,650,862	-	2,650,862	AC
Bank and other borrowings	銀行及其他借貸	AC	7,730,618	-	7,730,618	AC
			14,629,899	-	14,629,899	

- ¹ L&R: 貸款及應收款項
² AC: 按攤銷成本計算之金融資產或金融負債
³ FVPL: 按公平值計入損益之金融資產

減值

香港財務報告準則第9號項下之預期信貸虧損撥備取代香港會計準則第39號項下之合共年初減值撥備對於二零一八年一月一日之金融工具並無重大影響。有關本集團金融資產減值之會計政策之進一步詳情披露於附註2.5。

對儲備及保留溢利之影響

香港財務報告準則第9號之過渡條文對儲備及保留溢利並無影響。

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2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (b) HKFRS 15 and its amendments replace HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 5 to the financial statements. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.5 to the financial statements.

The Group has adopted HKFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 January 2018.

The cumulative effect of the initial application of HKFRS 15 was recognised as an adjustment to the opening balance as at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 11, HKAS 18 and related interpretations.

2.3 會計政策及披露之變動(續)

- (b) 香港財務報告準則第15號及其修訂本取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋，適用於所有因客戶合約而產生的收益（少數例外情況除外）。香港財務報告準則第15號建立一個新的五步模式，以對客戶合約產生之收益進行列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務作交換而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量及確認收益提供一個更加結構化之方法。該準則亦引入廣泛之定性及定量披露規定，包括分拆總收益，關於履行責任、不同期間之合約資產及負債賬目結餘的變動以及主要判斷及估計之資料。有關披露載於財務報表附註5。由於應用香港財務報告準則第15號，本集團已於財務報表附註2.5變更有關收益確認的會計政策。

本集團透過採納修改後之追溯調整法採納香港財務報告準則第15號。根據此方法，準則可在初步應用當日應用於所有合約或僅應用於當日尚未完成之合約。本集團已選擇對於二零一八年一月一日未完成之合約應用準則。

首次應用香港財務報告準則第15號之累計影響乃確認為對於二零一八年一月一日期初結餘之調整。因此，比較資料並無重列及繼續根據香港會計準則第11號、香港會計準則第18號及相關詮釋呈報。

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) (continued)

Set out below are the amounts by which each financial statement line item was affected as at 1 January 2018 as a result of the adoption of HKFRS 15:

		Notes 附註	1 January 2018 Increase/ (decrease) 二零一八年 一月一日 增加/(減少) RMB'000 人民幣千元
Assets	資產		
Properties under development	發展中物業	(i)	16,415
Total assets	總資產		16,415
Liabilities	負債		
Deposits and prepayments received and receipts in advance from property buyers	已收及預收物業買家之按金及預付款項	(iii)	(2,621,342)
Contract liabilities	合約負債	(i), (iii)	2,637,757
Total liabilities	總負債		16,415

Set out below are the amounts by which each financial statement line item was affected as at 31 December 2018 as a result of the adoption of HKFRS 15. The adoption of HKFRS 15 has had no impact on other comprehensive income or the Group's operating, investing and financing cash flows. The first column shows the amounts recorded under HKFRS 15 and the second column shows what the amounts would have been had HKFRS 15 not been adopted:

2.3 會計政策及披露之變動(續)

(b) (續)

下文載列財務報表各項目因採納香港財務報告準則第15號而於二零一八年一月一日受影響之金額：

		Notes 附註	1 January 2018 Increase/ (decrease) 二零一八年 一月一日 增加/(減少) RMB'000 人民幣千元
Assets	資產		
Properties under development	發展中物業	(i)	16,415
Total assets	總資產		16,415
Liabilities	負債		
Deposits and prepayments received and receipts in advance from property buyers	已收及預收物業買家之按金及預付款項	(iii)	(2,621,342)
Contract liabilities	合約負債	(i), (iii)	2,637,757
Total liabilities	總負債		16,415

下文載列財務報表各項目因採納香港財務報告準則第15號而於二零一八年十二月三十一日受影響之金額。採納香港財務報告準則第15號並無對其他全面收益或本集團之經營、投資及融資現金流量產生影響。第一欄列示根據香港財務報告準則第15號記錄之金額，而第二欄則顯示倘沒有採納香港財務報告準則第15號時本應有的金額：

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2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) (continued)

Items of consolidated statement of financial position as at 31 December 2018:

2.3 會計政策及披露之變動(續)

(b) (續)

於二零一八年十二月三十一日之綜合財務狀況報表項目：

		Amounts prepared under 根據下列各項編製之金額			
		HKFRS 15 香港財務報告 準則第15號	Previous HKFRS 以往香港財務 報告準則	Increase/ (decrease) 增加/(減少)	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
		Notes 附註			
Assets		資產			
Deferred tax assets	遞延稅項資產	(iv)	63,168	78,442	(15,274)
Properties under development	發展中物業	(i)	29,777,845	29,502,748	275,097
Accounts receivable, other receivables and other assets	應收賬款、其他應收款項及 其他資產	(ii)	1,175,439	1,114,345	61,094
Total assets	總資產		39,569,259	39,248,342	320,917
Liabilities		負債			
Deposits and prepayments received and receipts in advance from property buyers	已收及預收物業買家之 按金及預付款項	(iii)	-	11,029,194	(11,029,194)
Contract liabilities	合約負債	(i), (iii)	11,304,291	-	11,304,291
Total liabilities	總負債		38,447,747	38,172,650	275,097
Net assets	資產淨值		1,121,512	1,075,692	45,820
Equity		權益			
Retained profits	保留溢利	(iv)	408,487	362,667	45,820
Total equity	權益總額		1,121,512	1,075,692	45,820

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) (continued)

Items of consolidated statement of profit or loss for the year ended 31 December 2018:

Sales and marketing expenses	銷售及市場推廣開支
Income tax expense	所得稅開支

The nature of the adjustments as at 1 January 2018 and the reasons for the changes in the statement of financial position as at 31 December 2018 are described below:

(i) **Financing component**

Before adoption of HKFRS 15, proceeds received from customers for pre-sold properties were presented as deposits and prepayments received and receipts in advance from property buyers and no interests were accrued on the advances received. Under HKFRS 15, for contracts where the period between the payment by the customer and the transfer of the promised property is more than one year, the transaction price and the amount of revenue from the sales of completed properties is adjusted for the effects of a financing component, if significant. Accordingly, the adoption of HKFRS 15 resulted in the increase of properties under development and contract liabilities of RMB16,415,000 as at 1 January 2018, respectively.

As at 31 December 2018, the adoption of HKFRS 15 resulted in respective increases in properties under development and contract liabilities of RMB275,097,000.

2.3 會計政策及披露之變動(續)

(b) (續)

截至二零一八年十二月三十一日止年度之綜合損益賬項目：

Notes 附註	Amounts prepared under 根據下列各項編製之金額		
	HKFRS 15 香港財務報告 準則第15號 RMB'000 人民幣千元	Previous HKFRS 以往香港財務 報告準則 RMB'000 人民幣千元	Increase/ (decrease) 增加/(減少) RMB'000 人民幣千元
(ii)	114,909	176,003	(61,094)
(iv)	30,022	14,748	15,274

於二零一八年一月一日作出調整之性質以及於二零一八年十二月三十一日之財務狀況報表之變動原因載列如下：

(i) **融資部分**

於採納香港財務報告準則第15號前，預售物業已收客戶所得款項呈列為已收及預收物業買家之按金及預付款項及已收預付款項不計利息。根據香港財務報告準則第15號，就客戶支付款項與轉讓約定物業之期間超過一年之合約，來自銷售已竣工物業之交易價格及收益金額就融資部分的影響(倘重大)予以調整。因此，採納香港財務報告準則第15號導致發展中物業及合約負債於二零一八年一月一日分別增加人民幣16,415,000元。

於二零一八年十二月三十一日，採納香港財務報告準則第15號導致發展中物業及合約負債各自增加人民幣275,097,000元。

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2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) (continued)

(ii) *The incremental costs of obtaining contracts*

Before the adoption of HKFRS 15, the Group recognised the costs for obtaining a contract in selling and marketing expenses in the statement of profit or loss when incurred. Under HKFRS 15, the incremental costs for obtaining a contract was recognised to the extent that the Group expects to recover. As at 31 December 2018, the Group recognised incremental costs of obtaining contracts as assets amounting RMB61,094,000, which were recorded in accounts receivable, other receivables and other assets.

(iii) *Proceeds from customers of pre-sold properties*

Before the adoption of HKFRS 15, the Group recognised proceeds from customers of pre-sold properties as deposits and prepayments received and receipts in advance from property buyers. Under HKFRS 15, the amount is classified as contract liabilities. Accordingly, the Group reclassified deposits and prepayments received and receipts in advance from property buyers of RMB2,621,342,000 to contract liabilities as at 1 January 2018.

As at 31 December 2018, the adoption of HKFRS 15 resulted in a decrease of deposits and prepayments received and receipts in advance from property buyers of RMB11,029,194,000 and an increase of contract liabilities of RMB11,304,291,000, respectively.

(iv) *Other adjustments*

In addition to the adjustments described above, other items of the financial statements such as tax were adjusted as necessary. Retained profits were adjusted accordingly.

2.3 會計政策及披露之變動(續)

(b) (續)

(ii) 取得合約之增量成本

於採納香港財務報告準則第15號前，本集團於取得合約之成本產生時於損益賬之銷售及市場推廣開支確認。根據香港財務報告準則第15號，取得合約之增量成本以本集團預期收回之程度確認。於二零一八年十二月三十一日，本集團確認取得合約之增量成本為人民幣61,094,000元之資產，入賬為應收賬款、其他應收款項及其他資產。

(iii) 預售物業之客戶所得款項

於採納香港財務報告準則第15號前，本集團確認預售物業之客戶所得款項為已收及預收物業買家之按金及預付款項。根據香港財務報告準則第15號，該款項分類為合約負債。因此，本集團將於二零一八年一月一日之已收及預收物業買家之按金及預付款項人民幣2,621,342,000元重新分類為合約負債。

於二零一八年十二月三十一日，採納香港財務報告準則第15號導致已收及預收物業買家之按金及預付款項減少人民幣11,029,194,000元及合約負債增加人民幣11,304,291,000元。

(iv) 其他調整

除以上所述之調整外，財務報表其他項目(如稅項)已於需要時進行調整。保留溢利已相應作出調整。

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- (c) Amendments to HKAS 40, clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments have had no impact on the financial position or performance of the Group.
- (d) HK(IFRIC)-Int 22, provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

2.3 會計政策及披露之變動(續)

- (c) 香港會計準則第40號修訂本澄清實體應將物業(包括在建或發展中物業)轉入或轉出投資物業的時間。該等修訂指明,物業用途只於該物業符合或不再符合投資物業之定義且有證據證明用途發生變動時才會發生變動。僅憑管理層對物業用途之意向改變不足以證明其用途有所變動。該等修訂並無對本集團的財務狀況或表現產生任何影響。
- (d) 香港(國際財務報告詮釋委員會)一詮釋第22號為實體以外幣收取或支付預付代價及確認非貨幣資產或負債的情況下,在採納香港會計準則第21號時,應如何釐定交易日期提供指引。該詮釋釐清,就釐定於初步確認有關資產、開支或收入(或其中部分)所用的匯率時,交易日期為實體初步確認因支付或收取預付代價而產生的非貨幣資產(如預付款項)或非貨幣負債(如遞延收入)之日。倘確認有關項目存在多筆預付款項或預收款項,實體須就每筆預付代價款項或收取預付代價款項釐定交易日期。由於本集團就釐定首次確認非貨幣資產或非貨幣負債所適用之交易率之會計政策與詮釋所提供之指引一致,故詮釋對本集團之財務報表並無影響。

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2.4 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, which have been issued but are not yet effective, in the financial statements:

Amendments to HKFRS 3	<i>Definition of a Business</i> ²
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 16	<i>Leases</i> ¹
HKFRS 17	<i>Insurance Contracts</i> ³
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ²
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> ¹
Amendments to HKAS 28	<i>Long-term interests in Associates and Joint Ventures</i> ¹
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> ¹
Annual Improvements 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 ¹

- 1 Effective for annual periods beginning on or after 1 January 2019
- 2 Effective for annual periods beginning on or after 1 January 2020
- 3 Effective for annual periods beginning on or after 1 January 2021
- 4 No mandatory effective date yet determined but available for adoption

Except for HKFRS 16 as described below, the directors of the Group considered that the application of the other new and revised HKFRSs will not have a material impact on the Group's consolidated financial results.

2.4 已頒佈但尚未生效之香港財務報告準則

本集團並無於財務報表應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第3號修訂本	<i>業務之定義</i> ²
香港財務報告準則第9號修訂本	<i>具有負補償的提早還款特性</i> ¹
香港財務報告準則第10號及香港會計準則第28號修訂本	<i>投資者與其聯營公司或合營企業之間之資產出售或注入</i> ⁴
香港財務報告準則第16號	<i>租賃</i> ¹
香港財務報告準則第17號	<i>保險合約</i> ³
香港會計準則第1號及香港會計準則第8號修訂本	<i>重大性定義</i> ²
香港會計準則第19號修訂本	<i>計劃修訂、削減或結算</i> ¹
香港會計準則第28號修訂本	<i>於聯營公司及合營企業之長期權益</i> ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	<i>所得稅處理之不確定性</i> ¹
二零一五年至二零一七年週期之年度改進	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號修訂本 ¹

- 1 於二零一九年一月一日或之後開始之年度期間生效
- 2 於二零二零年一月一日或之後開始之年度期間生效
- 3 於二零二一年一月一日或之後開始之年度期間生效
- 4 並未釐定強制生效日期，但可提早採納

除下文所述香港財務報告準則第16號外，本集團董事認為應用其他新訂及經修訂香港財務報告準則將對本集團綜合財務業績不會產生重大影響。

2.4 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

HKFRS 16 replaces HKAS 17 Leases, HK(IFRIC)-Int 4 Determining whether an Agreement contains a lease, HK(SIC)-Int 15 Operating leases – Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. HKFRS 16 requires lessees and lessors to make more extensive disclosures than under HKAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt HKFRS 16 from 1 January 2019.

2.4 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定一項安排協議是否包含一項租賃、香港準則詮釋委員會–詮釋第15號經營租賃–優惠、香港準則詮釋委員會詮釋第27條評估法律形式為租賃之交易實質。該準則規定了租賃確認、計量、列報和披露的原則，並要求承租人除低價值資產租賃和短期租賃兩類可選擇豁免確認租賃資產和負債的情形外，均應確認租賃資產和負債。在租賃開始日，承租人將支付租金的義務確認為一項負債(即租賃負債)，並確認一項資產代表在租賃期內使用相關資產的權利(即使用權資產)。除非使用權資產符合香港會計準則第40號投資物業的定義，或者與應用重估模型的物業、廠房及設備類別有關，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及使用權資產的折舊開支。承租人亦將須於發生若干事件時重新計量租賃負債，例如因租賃期變更或用於釐定未來租賃付款的指數或比率變更而引致該等付款變更。承租人一般將重新計量租賃負債的數額確認為使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理。出租人將繼續使用與香港會計準則第17號相同的分類原則將所有租賃分類，並將之分為經營租賃及融資租賃。香港財務報告準則第16號規定承租人及出租人作出比根據香港會計準則第17號更廣泛的披露。承租人可選擇利用全面追溯或經修改追溯方法應用該準則。本集團將由二零一九年一月一日起採用香港財務報告準則第16號。

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2.4 ISSUED BUT NOT YET EFFECTIVE HKFRSs (CONTINUED)

The Group plans to adopt the transitional provisions in HKFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying HKAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application.

The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application. During 2018, the Group has performed a detailed assessment on the impact of adoption of HKFRS 16. The Group has estimated that right-of-use assets of RMB7,141,000 and lease liabilities of RMB7,141,000 will be recognised at 1 January 2019.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fair value measurement

The Group measures its investment properties and financial assets at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2.4 已頒佈但尚未生效之香港財務報告準則(續)

本集團計劃採用香港財務報告準則第16號中的過渡條文，以將初始採用的累積影響確認為對保留盈利於二零一九年一月一日年初餘額的調整，且不會重列比較數字。此外，本集團計劃對過往應用香港會計準則第17號時識別為租賃的合約應用新規定，並按餘下租賃付款的現值(利用初始應用當日的本集團遞增借貸利率貼現)計量租賃負債。使用權資產將按租賃負債的金額計量，並按緊接初始應用日期前有關於財務狀況報表確認的租賃的任何預付或應計租賃付款金額調整。

本集團計劃使用該準則所允許有關租賃結束日為由初始應用日期起計12個月內的租賃合約的例外情況。於二零一八年，本集團已對採用香港財務報告準則第16號的影響進行詳細評估。本集團已估計於二零一九年一月一日將確認使用權資產人民幣7,141,000元及租賃負債人民幣7,141,000元。

2.5 主要會計政策概要

公平值計量

本集團於各報告期間結算日計量按公平值計量投資物業及按公平值計入損益之金融資產。公平值為市場參與者於計量日期在有序交易中出售資產所收取或轉讓負債所支付的價格。公平值計量乃基於假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場的情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入的市場。資產或負債的公平值乃假設市場參與者以最佳經濟利益行事，按照其於為資產或負債定價時所使用的假設計量。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.5 主要會計政策概要(續)

公平值計量(續)

非金融資產的公平值計量須計及市場參與者自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者，以產生的經濟效益的能力。

本集團採用適用於當時情況且具備充分數據以供計量公平值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有公平值於本財務報表計量或披露的資產及負債乃基於對公平值計量整體而言屬重大的最低層級輸入數據按以下公平值層級分類：

第一級 – 基於相同資產或負債於活躍市場的報價(未經調整)

第二級 – 基於對公平值計量而言屬重大的最低層級輸入數據可觀察(直接或間接)的估值方法

第三級 – 基於對公平值計量而言屬重大的最低層級輸入數據不可觀察的估值方法

就按經常性基準於本財務報表確認的資產及負債而言，本集團透過於各報告期間結算日重新評估分類(基於對公平值計量整體而言屬重大的最低層輸入數據)確定是否發生不同層級轉移。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, (only if there are revalued assets in the financial statements) unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.5 主要會計政策概要(續)

非金融資產減值

倘有跡象顯示出現減值或需就資產(不包括存貨、金融資產、投資物業及非流動資產/分類為持作出售之出售組別)進行年度減值測試,則會估計該資產之可收回金額。資產之可收回金額為該資產或現金產生單位之使用價值及其公平值減銷售成本(以較高者為準),並就個別資產而確定,除非有關資產並無產生在頗大程度上獨立於其他資產或資產類別之現金流入,在此情況下,可收回金額就資產所屬之現金產生單位而確定。

減值虧損僅於資產之賬面值超逾其可收回金額時確認。於評估使用價值時,估計未來現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損於產生期間內在損益賬中與已減值資產功能一致之支出類別內扣除。

於各報告期末須評估有否跡象顯示過往確認減值虧損不再存在或已減少。如有該跡象存在,則會估計可收回金額。過往確認之資產(商譽除外)減值虧損,僅會於用以釐定該資產可收回金額之估計改變時撥回,惟撥回後之金額不得高於假設過往年度並無就資產確認減值虧損而釐定之賬面值(扣除任何折舊/攤銷)。該項減值虧損的回撥於發生時計入損益賬(只要財務報表內有重估資產),惟倘若資產按重估價值列賬,則按照該重估資產之相關會計政策處理減值虧損的回撥。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.5 主要會計政策概要(續)

關連人士

任何人士倘符合以下情況即被認為屬本集團之關連人士：

- (a) 該方為一名人士或該名人士之近親，而該名人士
 - (i) 於本集團擁有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之高級管理人員之一；

或

- (b) 該方為一個實體並符合以下任何一項條件：
 - (i) 該實體及本集團為同一集團之成員公司；
 - (ii) 一個實體為另一實體（或該另一實體之母公司、附屬公司或同系附屬公司）之聯營公司或合營企業；
 - (iii) 該實體及本集團為同一第三方之合營企業；
 - (iv) 一個實體為一名第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體乃為本集團或與本集團有關連之實體之僱員福利而設之離職後福利計劃；
 - (vi) 該實體由(a)所界定之人士控制或共同控制；
 - (vii) 於(a)(i)所界定之人士對該實體有重大影響力或為該實體（或該實體之母公司）之高級管理人員之一；及
 - (viii) 該實體，或其所屬集團之任何成員公司，向本集團或本集團之母公司提供主要管理人員服務。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Land and buildings and hotel	Over the shorter of the lease terms or 2%
Leasehold improvement	Over the shorter of the lease terms or 6.67% to 20%
Furniture, office equipment and motor vehicles	20%-25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.5 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目成本包括其購買價及將資產達至營運狀況及地點以作擬定用途之任何直接應佔成本。

物業、廠房及設備項目開始運作後產生之支出，如維修及保養費用等，一般於產生期間在損益中扣除。倘符合確認標準，主要檢查之開支於資產賬面值中資本化為重置成本。倘物業、廠房及設備之重要部份須不時更換，則本集團將該等部份確認為具有特定使用年期之個別資產及作出相應折舊。

折舊乃以直線法按每項物業、廠房及設備項目之估計可使用年期撇銷其成本至其剩餘價值計算。就此採用之主要年率如下：

永久業權土地	並無折舊
土地及樓宇以及酒店	租賃年期或2%之較短者
租賃物業裝修	租賃年期或6.67%至20%之較短者
傢俬、辦公設備及汽車	20%-25%

倘物業、廠房及設備項目各部份之可使用年期不同，則該項目的成本按合理基準於各部份之間分配，而各部份乃分別折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度末予以檢討，並適時作出調整。

初始確認的物業、廠房及設備項目(包括任何重大部分)於出售或預期使用或出售不會再產生未來經濟利益時終止確認。於資產終止確認年度在損益內確認的任何出售或報廢產生的收益或虧損，乃有關資產出售所得款項淨額與其賬面值的差額。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

Properties under development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realisable value.

Properties under development are classified as current assets unless those will not be realised in the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Completed properties held for sale

Completed properties held for sale are stated in the statement of financial position at the lower of cost and net realisable value. Cost is determined by an apportionment of the total costs of land and buildings attributable to the unsold properties. Net realisable value takes into account the price ultimately expected to be realised, less estimated costs to be incurred in selling the properties.

2.5 主要會計政策概要(續)

投資物業

投資物業指持作賺取租金收入及／或資本增值的土地及樓宇權益(包括符合投資物業定義的物業經營租賃的租賃權益)，但不包括用作生產或作供應貨品或提供服務或作行政管理用途或持作日常業務過程中出售的土地及樓宇權益。該等物業初步按成本(包括交易成本)計量。初始確認後，投資物業按公平值列賬，以反映報告期間結算日的市況。

投資物業公平值變動產生的收益或虧損計入其產生年度的損益賬。

報廢或出售投資物業產生的任何收益或虧損於報廢或出售年度的損益賬確認。

發展中物業

發展中物業擬持作竣工後出售。

發展中物業按成本及可變現淨值的較低者列賬，成本包括土地成本、建築成本、借貸成本、專業費用與於發展期內產生與該等物業直接相關的其他成本。

除非發展中物業不會於正常營運周期內變現，否則其分類為流動資產。物業於竣工時轉至持作出售之已完工物業。

持作出售之已完工物業

持作出售之已完工物業乃按成本與可變現淨值的較低者於財務狀況報表列賬。成本乃按未出售物業應佔土地及樓宇總成本的分攤比例釐定。可變現淨值計及最終預期將變現的價格減去銷售該物業時將產生的估計成本。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

2.5 主要會計政策概要(續)

租賃

資產所有權的絕大部分回報及風險仍歸出租人所有的租賃列賬為經營租賃。倘本集團為出租人，本集團根據經營租賃出租的資產計入非流動資產，而經營租賃項下應收租金在租期內以直線法計入損益賬。倘本集團為承租人，則經營租賃項下的應付租金扣除出租人給予的優惠後在租期內以直線法自損益賬內扣除。

經營租賃項下的預付土地租金初步按成本列賬，其後在租期內以直線法確認。當租金在土地及樓宇元素間無法可靠分配時，全部租金會作為融資租賃計入物業、廠房及設備的土地及樓宇成本。

投資及其他金融資產(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策)

初始確認及計量

於初始確認時，金融資產以按公平值計量計入其他全面收益及按公平值計入損益之方式進行分類，其後則按攤銷成本計量。

金融資產於初始確認時之分類取決於取決於金融資產之合約現金流量特徵及本集團管理金融資產之業務模式。若不計及應收賬款(並不包含重大融資部分或本集團就此應用不調整重大融資部分的影響的切實權益法)，本集團初步按公平值加交易成本(倘金融資產並非按公平值計入損益)計量金融資產。根據下文「收益確認(自二零一八年一月一日起適用)」所載之政策，應收賬款(並不包含重大融資部分或本集團就此應用切實權益法)乃按根據香港財務報告準則第15號釐定之交易價格計量。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.5 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策)(續)

初始確認及計量(續)

為使金融資產按攤銷成本或按公平值計入其他全面收益進行分類及計量，須就未償還本金產生純粹為支付本金及利息(「純粹為支付本金及利息」)的現金流量。

本集團管理金融資產之業務模式指本集團管理其金融資產以產生現金流量之方法。該業務模式釐定現金流量是否將因收取合約現金流量、出售金融資產或兩者產生。

所有常規買賣之金融資產概於交易日(即本集團承諾購買或出售該資產之日期)予以確認。常規買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

後續計量

金融資產按其分類之後續計量如下：

按攤銷成本計量之金融資產(債務工具)

倘符合以下兩個條件，本集團按攤銷成本計量金融資產：

- 金融資產於旨在持有金融資產以收取合約現金流量之業務模式中持有。
- 金融資產之合約條款於特定日期就未償還本金產生純粹為支付本金及利息之現金流量。

按攤銷成本列賬之金融資產其後使用實際利率發計量，並可能受減值影響。當終止確認、修訂或減值時，收益及虧損於損益中確認。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.5 主要會計政策概要(續)

投資及其他金融資產(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策)(續)

按公平值計入損益之金融資產

按公平值計入損益之金融資產包括持作買賣之金融資產、於初始確認時指定為按公平值計入損益之金融資產或須強制按公平值計量之資產。倘收購金融資產之目的是為在短期內出售或購回，則該等資產分類為持作買賣。除非衍生工具(包括獨立嵌入式衍生工具)指定為有效對沖工具，否則其亦分類為持作買賣。含有並非純粹為支付本金及利息之現金流量之金融資產乃按公平值計入損益進行分類及計量，而不論其業務模式為何。儘管有按攤銷成本或按公平值計入損益進行分類之債務工具之標準(載於上文)，惟於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值計入損益。

按公平值計入損益之金融資產按公平值於財務狀況報表列賬，而公平值變動則於損益賬中確認。

此類別包括本集團並無不可撤銷地選擇按公平值計入其他全面收益之方式進行分類之衍生工具及股權投資。分類為按公平值計入損益之金融資產之股權投資股息亦於支付權利確立時在損益賬中確認為其他收入。與股息相關之經濟利益可能將流入本集團及股息金額能夠可靠計量。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets is as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition (applicable before 1 January 2018)" below.

2.5 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前適用之香港會計準則第39號項下之政策)

初始確認及計量

於初始確認時，金融資產乃分類為按公平值計入損益之金融資產、貸款及應收款項及可供出售金融投資，或分類為於有效對沖中被指定為對沖工具之衍生工具(如適用)。金融資產於初始確認時以公平值加收購金融資產應佔交易成本計算，惟按公平值計入損益之金融資產除外。

所有常規買賣之金融資產概於交易日(即本集團承諾購買或出售該資產之日期)予以確認。常規買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

後續計量

金融資產之後續計量如下：

按公平值計入損益之金融資產

按公平值計入損益之金融資產包括持作買賣之金融資產及於初始確認時指定為按公平值計入損益之金融資產。倘收購金融資產之目的是為在短期內出售，則該等資產分類為持作買賣。除非衍生工具(包括獨立嵌入式衍生工具)根據香港會計準則第39號被定義為有效對沖工具，否則其亦分類為持作買賣。

按公平值計入損益之金融資產按公平值列入財務狀況報表，正面公平值變動淨額於損益賬內列作其他收入及收益，而負面公平值變動淨額則列作融資成本。該等公平值變動淨額不包括該等金融資產所賺取的任何股息或利息，其根據下文「收益確認(於二零一八年一月一日前適用)」所載之政策確認。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

2.5 主要會計政策概要(續)

投資及其他金融資產(於二零一八年一月一日前適用之香港會計準則第39號項下之政策)(續)

按公平值計入損益之金融資產(續)

於初始確認時指定為按公平值計入損益之金融資產乃於初始確認日期及僅於符合香港會計準則第39號之準則之情況下被指定。

貸款及應收款項

貸款及應收款項為具有固定或可確定付款，但在活躍市場中無報價之非衍生金融資產。於初始計量後，該等資產其後以實際利息法扣除任何減值撥備後按攤銷成本計量。攤銷成本計及任何收購折讓或溢價，且包括為實際利率的組成部分之費用或成本。實際利率攤銷乃計入損益之其他收入。減值產生之虧損乃於損益的貸款融資成本及應收款項的其他開支中確認。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets (policies under HKFRS 9 applicable from 1 January 2018 and policies under HKAS 39 applicable before 1 January 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.5 主要會計政策概要(續)

終止確認金融資產(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策及於二零一八年一月一日前適用之香港會計準則第39號項下之政策)

金融資產或(如適用)一項金融資產的一部分或一組同類金融資產的一部分主要在下列情況將終止確認(即自本集團綜合財務狀況報表移除):

- 收取該項資產所得現金流量的權利已屆滿;或
- 本集團已轉讓收取該項資產所得現金流量的權利,或已透過一項「轉付」安排,承擔在未有嚴重延誤的情況下,向一名第三方支付所有已收現金流量的責任;及(a)本集團已轉讓該項資產的絕大部分風險及回報,或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產的控制權。

倘本集團已轉讓其從一項資產收取現金流量之權利或已訂立一項轉付安排,其將評估是否保留資產擁有權之風險及回報及保留程度。倘其並無轉讓或保留該項資產的絕大部份風險及回報,且並無轉讓該項資產的控制權,本集團將繼續確認該已轉讓資產,惟以本集團持續參與者為限。於該情況下,本集團亦確認一項相關負債。已轉讓之資產及相關負債乃按反映本集團已保留權利及責任之基準計量。

本公司就已轉讓資產作出保證之持續參與,乃以該項資產之原賬面值及本集團或須償還之代價數額上限(以較低者為準)計算。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.5 主要會計政策概要(續)

金融資產減值(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策)

本集團就所有並非以按公平值計入損益之方式持有之債務工具確認預期信貸虧損撥備。預期信貸虧損乃按根據合約到期之合約現金流量與本集團預期將收取之所有現金流量之間之差額計算，並按原有實際利率之約數進行折現。預期現金流量將包括出售所持抵押品或其他信貸提升措施(屬於合約條款之一部分)所產生之現金流量。

通用方法

預期信貸虧損分兩個階段確認。就初始確認以來信貸風險並無大幅增加的信貸敞口而言，會為未來十二個月(十二個月預期信貸虧損)可能發生的違約事件所產生之信貸虧損計提預期信貸虧損撥備。就初始確認以來信貸風險大幅增加之信貸敞口而言，須就預期於敞口之餘下年期產生之信貸虧損計提減值撥備，不論違約的時間(全期預期信貸虧損)。

於各報告日期，本集團會評估金融工具的信貸風險自初始確認以來是否大幅增加。於作出評估時，本集團會比較金融工具於報告日期之違約風險與金融工具於初始確認日期之違約風險，並會考慮毋須耗費不當成本或精力即可獲得之合理及有理據資料(包括過往及前瞻性資料)。

於合約付款逾期90天時，本集團視金融資產出現違約。然而，於若干情況下，在計及本集團持有之任何信貸措施前，倘內外部資料顯示本集團不大可能悉數收回尚未收回合約款項，則本集團亦可視金融資產出現違約。倘合理預期不會收回合約現金流量，則會撇銷金融資產。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

General approach (continued)

Other than accounts receivable with no significant financial component, financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For accounts receivable that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For accounts receivable that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

2.5 主要會計政策概要(續)

金融資產減值(自二零一八年一月一日起適用之香港財務報告準則第9號項下之政策)(續)

通用方法(續)

除並無重大財務部分之應收賬款外，按攤銷成本計量之金融資產須根據通用方法計量減值，其亦於計量預期信貸虧損之下列階段內進行分類，惟應用簡化方法(如下文詳述)之應收賬款除外：

第1階段 – 自初始確認以來，信貸風險並無顯著增加，且其虧損撥備按相當於十二個月預期信貸虧損之金額計量之金融工具

第2階段 – 自初始確認以來，信貸風險顯著增加，但並非屬信貸減值金融資產且其虧損撥備按相當於全期預期信貸虧損之金額計量之金融工具

第3階段 – 於報告日期出現信貸減值(但未購買或產生信貸減值)且其虧損撥備按相當於全期預期信貸虧損之金額計量之金融資產

簡化方法

就並不包含重大融資部分或本集團就此應用不調整重大融資部分的影響的切實權宜法，本集團會應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並不追蹤信貸風險之變動，而是在每個報告日確認基於全期預期信貸虧損之減值虧損。本集團已建立基於過往信貸虧損經驗之撥備矩陣，並就應收賬款及經濟環境特定之前瞻性因素作出調整。

對於含有重大融資部分及應收租賃之應收賬款，本集團會選擇採用簡化方法計算具有上述政策之預期信用損失作為其會計政策。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor 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 reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.5 主要會計政策概要(續)

金融資產減值(於二零一八年一月一日前適用之香港會計準則第39號之政策)

本集團於各報告期末評估是否存在客觀證據表明一項金融資產或一組金融資產出現減值。如果資產初始確認後發生的一項或多項事件對金融資產或金融資產組的估計未來現金流量的影響能可靠地估計，則存在減值。減值證據可包括債務人或一組債務人發生重大財務困難，拖欠利息或本金的支付、彼等很可能破產或進行其他財務重組，以及有可觀察數據表示估計未來現金流量出現可量度的減少，例如與拖欠相聯繫的欠款或經濟狀況的改變。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先單獨評估具個別重要性的金融資產或整體評估不具個別重要性的金融資產是否存在減值。如果本集團決定並無客觀證據表明個別評估的金融資產(不論是否具有重要性)出現減值，則會將該資產包括在一組信用風險特徵相似的金融資產，並集體評估減值。個別評估減值並確認或繼續確認減值的資產不會包括在集體減值評估中。

所辨認的任何減值虧損的金額乃按資產賬面值與估計未來現金流量之現值(不包括尚未發生的未來信用虧損)之差額計算。估計未來現金流量之現值利用金融資產原本實際利率(即於初步確認時計算之實際利率)折現。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss.

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payables, amounts due to related companies, loans from a related company, bank and other borrowings, and financial liabilities in deposits received and accruals.

2.5 主要會計政策概要(續)

金融資產減值(於二零一八年一月一日前適用之香港會計準則第39號之政策)(續)

按攤銷成本列賬之金融資產(續)

資產之賬面值透過利用撥備賬而減少，虧損之金額在損益中確認。利息收入繼續按減少後的賬面值累計，利率為量度減值虧損時用以將未來現金流量貼現的利率。當並無實際跡象顯示可於未來收回及所有抵押已解除或已轉入本集團，貸款及應收款項及任何相關撥備會一併撇銷。

倘於隨後期間，估計減值虧損之金額由於減值確認後發生的事件增加或減少，則透過調整撥備賬以增加或減少之前確認的減值虧損。如因撇銷金額其後收回，則收回金額會計入損益內之其他支出。

金融負債(於二零一八年一月一日起適用之香港財務報告準則第9號及於二零一八年一月一日前適用之香港會計準則第39號之政策)

初始確認及計量

金融負債於初始確認時分類為貸款及借款或應付款項(如適用)。

初始確認時，所有金融負債均按公平值確認，而貸款及借款以及應付款項則扣除直接應佔交易成本確認。

本集團金融負債包括應付賬款、應付關連公司款項、來自一間關連公司之貸款、銀行及其他借貸以及已收按金及應計費用中的金融負債。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement

The subsequent measurement of financial liabilities is as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Financial guarantee contracts (policies under HKFRS 9 applicable from 1 January 2018)

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018)"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2.5 主要會計政策概要(續)

金融負債(於二零一八年一月一日起適用之香港財務報告準則第9號及於二零一八年一月一日前適用之香港會計準則第39號之政策)(續)

其後計量

金融負債的其後計量如下：

貸款和借款

初始確認後，附息貸款及借款其後以實際利率法按攤銷成本計量，惟倘貼現之影響並不重大，於此情況下，則按成本列賬。倘負債被終止確認，則盈虧在損益中透過實際利率法攤銷程式確認。

攤銷成本計算時會考慮任何收購折讓或溢價以及構成實際利率整體部份的費用或成本。實際利率法攤銷包括在損益內的財務費用。

財務擔保合約(於二零一八年一月一日起適用之香港財務報告準則第9號之政策)

本集團發出的財務擔保合約為要求付款以彌償擔保持有人因指定債務人未能按照債務工具條款於到期時付款而招致的損失的合約。財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)根據「金融資產減值(於二零一八年一月一日起適用之香港財務報告準則第9號之政策)」所載政策釐定之預期信貸虧損撥備；及(ii)初始確認的金額減(若適用)累計已確認收入金額。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018) (continued)

Financial guarantee contracts (policies under HKAS 39 applicable before 1 January 2018)

A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.5 主要會計政策概要(續)

金融負債(於二零一八年一月一日起適用之香港財務報告準則第9號及於二零一八年一月一日前適用之香港會計準則第39號之政策)(續)

財務擔保合約(於二零一八年一月一日前適用之香港會計準則第39號之政策)

財務擔保合約初始按公平值確認為負債，並就直接歸屬於發出該擔保的交易成本作出調整。初始確認後，本集團按以下兩者中的較高者計量財務擔保合約：(i)償還報告期末的現有責任所須開支的最佳估計金額；及(ii)初始確認的金額減(若適用)累計攤銷。

終止確認金融負債(於二零一八年一月一日起適用之香港財務報告準則第9號及於二零一八年一月一日前適用之香港會計準則第39號之政策)

倘金融負債下的義務被解除、取消或到期，則本集團終止確認負債。

當現有金融負債被來自同一放債人的另一項條款迥異的金融負債取代，或現有負債的條款大部分被修訂時，該項交換或修訂會視作終止確認原有負債及確認新負債，各自的賬面金額差額於損益賬確認。

抵銷金融工具(於二零一八年一月一日起適用之香港財務報告準則第9號及於二零一八年一月一日前適用之香港會計準則第39號之政策)

倘現時存在一項可在法律上強制執行的權利，可抵銷已確認金額，且有意以淨額結算或同時變現資產及償付債務，則金融資產與金融負債可予抵銷，並將淨金額列入綜合財務狀況報表。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

2.5 主要會計政策概要(續)

存貨

存貨以成本與可變現淨值兩者之較低者列賬。存貨成本按先進先出之基準釐定，而在製品及製成品的成本則包括直接材料、直接人工及適當的間接費用部分。可變現淨值乃基於估計售價扣除直至完成及出售時將產生的任何估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時兌換為已知數額現金、價值變動風險不大、一般於收購後三個月內到期的短期高度流通投資（須按要求償還並構成本集團現金管理重要部分）。

就綜合財務狀況報表而言，現金及等同現金項目包括用途不受限制的手頭現金及銀行存款（包括定期存款以及現金類似性質資產）。

撥備

當因過往發生的事件而產生目前的債務（法定或推定），並可能導致日後須流出資源以清償債務時，本集團會確認撥備，惟債務的金額須能夠可靠地估計。

當貼現的影響重大時，本集團會就撥備確認的金額為預期清償債務所需的未來開支於報告期末的現值。因時間流逝而產生的已貼現現值金額增加計入損益賬的融資成本。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the country in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.5 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅會於損益外確認，即於其他全面收益或直接於權益確認。

即期稅項資產及負債乃根據於報告期末已頒佈或實質上已頒佈的稅率(及稅法)，並考慮本集團業務所在國家的現有詮釋及慣例，按預期自課稅機關退回或支付予課稅機關的金額計量。

遞延稅項就於報告期末資產與負債的稅基及作財務申報用途的賬面金額兩者間的所有暫時差額以負債法計提撥備。

遞延稅項負債乃就所有應課稅暫時差額確認，惟：

- 遞延稅項負債乃因一項交易(並非業務合併)中最初確認商譽或資產或負債而產生，且於交易時並無對會計溢利或應課稅溢利或虧損構成影響除外；及
- 就與於附屬公司、聯營公司及合營企業的投資有關的應課稅暫時差額而言，暫時差額的撥回時間可以控制及暫時差額有可能不會於可預見未來撥回除外。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.5 主要會計政策概要(續)

所得稅(續)

遞延稅項資產就所有可扣減暫時差額及未被動用稅項抵免與任何未被動用稅項虧損的結轉確認。遞延稅項資產僅在可能有未來應課稅溢利以動用可扣減暫時差額及結轉的未被動用稅項抵免及未被動用稅項虧損時，方可確認，惟：

- 遞延稅項資產與於一項交易(並非業務合併)中最初確認資產或負債時產生而於交易時並無對會計溢利或應課稅溢利或虧損構成影響的可扣減暫時差額有關除外；及
- 就與於附屬公司的投資有關的可扣減暫時差額而言，遞延稅項資產僅以暫時差額有可能於可預見未來撥回及可能有未來應課稅溢利以動用暫時差額為限確認。

本集團於各報告期末檢討遞延稅項資產的賬面金額，並於不再可能有足夠應課稅溢利動用全部或部分資產時作調減。未確認的遞延稅項資產會於各報告期末重新評估，並於可能有足夠應課稅溢利收回全部或部分遞延稅項資產時確認。

遞延稅項資產與負債以變現資產或清還負債的期間的預期適用稅率，按於報告期末已頒佈或實質上已頒佈的稅率(及稅法)計量。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Revenue recognition (applicable from 1 January 2018)

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.5 主要會計政策概要(續)

所得稅(續)

倘及僅倘本集團有在法律上可強制執行的權利抵銷即期稅項資產與即期稅項負債，且遞延稅項資產及遞延稅項負債涉及同一課稅機關就同一應課稅實體徵收的所得稅，或涉及就有意於各個預期清償大額遞延稅項負債或收回大額遞延稅項資產的未來期間以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體徵收的所得稅，則遞延稅項資產及遞延稅項負債會作抵銷。

政府補助

政府補助於能合理確定將能收取補助及將符合所有附帶條件時按公平值確認。當補助與支出項目有關時，會於補助擬補償的成本支銷的期間內按有系統基準確認為收入。

收益確認(於二零一八年一月一日起適用)

客戶合約收益

來自客戶合約的收益乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素其後得到解決時，確認的累積收益金額極有可能不會發生重大收益回撥。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

Revenue is measured at the fair value of the consideration received or receivable for the sale of properties and services provided in the ordinary course of the Group's activities. Revenue is shown net of taxes.

(a) *Sales of properties*

Revenue from sales of properties in the ordinary course of business is recognised at a point in time when the purchaser obtains the physical possession or the legal title of the completed property and the Group has the present right to payment and the collection of the consideration is probable.

(b) *Property management services*

Revenue from the provision of property management services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

2.5 主要會計政策概要(續)

收益確認(於二零一八年一月一日起適用)(續)

客戶合約收益(續)

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收益按應收款項的現值計量，使用貼現率折現，該貼現率將反映在本集團與客戶在合同開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為本集團提供了一年以上的重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上累計的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用香港務報告準則第15號中實際權宜之計，不會對重大融資部分的影響作出調整。

就於本集團日常業務過程中出售物業及提供服務而言，收益按已收或應收代價之公平值計量。收益於扣除稅項後列賬。

(a) *物業銷售*

就於日常業務過程中出售物業而言，收益於買方獲得竣工物業的實際所有權或法定業權、本集團現時擁有要求付款權及代價有可能收回時確認。

(b) *物業管理服務*

就提供物業管理服務而言，收益按直線基準於計劃期間確認，原因是客戶同時間收取及消費本集團提供的利益。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from contracts with customers (continued)

(c) *Hotel operations*

Revenue from hotel operations is recognised when the relevant services are provided.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.5 主要會計政策概要(續)

收益確認(於二零一八年一月一日起適用)(續)

客戶合約收益(續)

(c) *酒店營運*

就酒店營運而言，收益於提供相關服務時確認。

其他來源收益

租金收入於租期內按時間比例基準確認。

股息收入於股東收取派付的權利獲確定、與股息有關的經濟利益可能流向本集團及股息金額能可靠計量時確認。

其他收入

利息收入按累計基準使用實際利息法確認，當中採用將金融工具預期年期或更短期間(如適用)內的估計未來現金收入準確貼現至金融資產賬面淨額的利率。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (applicable before 1 January 2018)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) Sales of properties

Revenue is recognised when the amount of revenue can be reliably measured; when it is probably that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of properties in the ordinary course of business is recognised when properties are delivered, and when all the following criteria are met:

- the significant risks and rewards of ownership of the properties are transferred to buyers;
- neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties are retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Payments received from purchasers prior to this stage are recorded as deposits and prepayments received and receipts in advance from property buyers under current liabilities.

2.5 主要會計政策概要(續)

收益確認(於二零一八年一月一日前適用)

收入於經濟利益可能流向本集團並能可靠地計量時，按下列基準確認：

(a) 物業銷售

倘收益款項能可靠計量、未來經濟利益可能流入本集團，且符合下列所述本集團各業務的特定標準時，方會確認收益。

於日常業務過程中銷售物業之收益於交付物業並符合下列全部條件時確認：

- 物業擁有權之重大風險及回報已轉讓予買方；
- 再有如業主的方式持續參與管理亦不再保留對物業的實際控制；
- 收益金額能可靠計量；
- 交易相關經濟利益可能會流入本集團；及
- 交易相關的已產生或將產生成本能可靠計量時確認。

於此階段前自買方收取之款項乃記錄為流動負債下已收及預收物業買家之按金及預付款項。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (applicable before 1 January 2018)

- (b) Property management fee income is recognised in profit or loss when the services are rendered;
- (c) Revenue from hotel operations is recognised when the relevant services are provided;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) dividend income, when the shareholders' right to receive payment has been established; and
- (f) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.5 主要會計政策概要(續)

收益確認(於二零一八年一月一日前適用)

- (b) 物業管理費用收入於提供相關服務時於損益確認；
- (c) 酒店業務收益於提供相關服務時確認；
- (d) 租金收入於租期內按時間基準確認；
- (e) 股息收入於股東收取派付的權利確定時確認；及
- (f) 利息收入按應計基準使用實際利息法確認，當中採用將金融工具預期年期或更短期間(如適用)內的估計未來現金收入準確貼現至金融資產賬面淨額的利率。

合約負債(於二零一八年一月一日起適用)

合約負債指本集團因已向客戶收取代價(或已到期代價款項)，而須向客戶轉讓貨品或服務的責任。倘客戶於本集團將貨品或服務轉讓予客戶前支付代價，則於作出付款或付款到期時(以較早者為準)確認合約負債。合約負債於本集團履行合約時確認為收益。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract costs (applicable from 1 January 2018)

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised. Other contract costs are expensed as incurred.

Other employee benefits

Retirement benefit schemes

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong under the rules and regulations of the Mandatory Provident Fund Schemes Authority. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. Contributions are made based on a percentage of the participating employees' relevant income from the Group and are charged to the profit or loss as they become payable in accordance with the rules of the MPF Scheme. When an employee leaves the MPF Scheme, the mandatory contributions are fully vested with the employee.

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a pension scheme (the "Pension Scheme") operated by the local municipal government. This subsidiary is required to contribute certain percentage of its payroll costs to the Pension Scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the Pension Scheme.

2.5 主要會計政策概要(續)

合約成本(於二零一八年一月一日起適用)

除資本化為存貨、物業、廠房及設備以及無形資產的成本外，倘符合下列全部標準，履行客戶合約產生的成本資本化為資產：

- (a) 有關成本與實體可明確識別之合約或預期合約有直接關係。
- (b) 有關成本令實體將用於履行(或持續履行)日後履約責任之資源得以產生或有所增加。
- (c) 有關成本預期可收回。

資本化合約成本與資產相關收益的確認模式一樣系統化地攤銷並於損益賬扣除。其他合約成本於產生時支銷。

其他僱員福利

退休福利計劃

本集團根據強制性公積金計劃管理局之規則及規例為全體香港合資格僱員提供強制性公積金計劃(「強積金計劃」)。強積金計劃資產與本集團資產分開持有，由受託人管理之基金持有。按照參與僱員從本集團所得相關收入之百分比供款，由彼等根據強積金計劃規則應付並於損益扣除。當僱員退出強積金計劃時，強制性供款全數歸僱員所有。

本集團於中國內地經營的附屬公司的僱員被要求參與地方政府營辦的退休金計劃(「退休金計劃」)。附屬公司須將其一定比例的薪金成本向該退休金計劃供款。根據退休金計劃規則須支付的供款於損益賬列賬。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially 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 capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. No final dividend was proposed for the year ended 31 December 2018.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.5 主要會計政策概要(續)

借貸成本

與收購、建造或生產需要長時間方能達致擬定用途或銷售之合資格資產直接有關之借貸成本，均資本化為該等資產成本的一部分，直至該等資產可大致上作擬定用途或銷售為止。將特定借貸用以支付合資格資產前就該等借貸所作暫時投資賺取之投資收入，從資本化借貸成本中扣除。所有其他借貸成本於其產生期間支銷。借貸成本包括利息及實體產生之有關資金借貸的其他成本。

股息

末期股息於股東在股東大會上批准時確認為負債。截至二零一八年十二月三十一日止年度並無提呈派付任何末期股息。

中期股息同時提呈及宣派，原因是本公司組織章程大綱及細則授予董事宣派中期股息的權利。因此，中期股息於提呈及宣派後即時確認為負債。

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2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

The Company's functional currency is Hong Kong dollars. These financial statements are presented in RMB. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item.

2.5 主要會計政策概要(續)

外幣

本公司的功能貨幣為港元。該等財務報表以人民幣呈列。本集團各實體釐定其各自之功能貨幣，各實體財務報表所載項目使用功能貨幣計量。本集團實體所列外幣交易初步使用交易日期其各自的功能貨幣匯率入賬。以外幣計值的貨幣資產及負債按於報告期末的外幣匯率進行換算。貨幣項目結算或換算產生的差額於損益賬確認。

貨幣項目結算或換算產生的差額於損益賬確認，惟就指定作為對沖本集團的海外業務投資淨額一部分的貨幣項目則除外。該等貨幣項目於其他全面收益確認，直至投資淨額已出售，此時累算金額乃重新分類至損益賬。就該等貨幣項目匯兌差額應佔的稅項支出及抵免亦計入其他全面收益內。

按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公平值計量之非貨幣項目採用計量公平值當日之匯率換算。兌換非貨幣項目產生及按公平值計量之損益之處理方式與確認該項目公平值變動產生之損益相符。

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB, including United States dollars ("USD"), Singapore dollars ("SGD") and Japanese Yen ("JPY"). As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2.5 主要會計政策概要(續)

外幣(續)

於終止確認涉及預付代價的非貨幣資產或非貨幣負債時，為了確定相關資產、開支或收入於初始確認時的匯率，初始交易日期為本集團初始確認預付代價產生的非貨幣資產或非貨幣負債的日期。倘支付或收受多項預付代價，則本集團就支付或收受每項預付代價確定交易日期。

若干海外附屬公司之功能貨幣為人民幣以外之貨幣，包括美元(「美元」)、新加坡元(「新加坡元」)及日圓(「日圓」)。於報告期末，該等實體之資產與負債，按報告期末之匯率換算為人民幣，其損益賬則按本年度之加權平均匯率換算為人民幣。

因此而產生之匯兌差額於其他全面收益確認，並於外匯變動儲備中累計。出售外國業務時，就該項外國業務確認之其他全面收益部份，會在損益賬中確認。

任何因收購外國業務引起之商譽及任何由於收購所得之資產及負債面值金額之公平值調整均視為外國業務之資產及負債及以收市價換算。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流動日之匯率換算為人民幣。於年內產生之海外附屬公司經常性現金流量乃以年內之加權平均匯率換算為人民幣。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Deferred tax on investment properties

For the purposes of measuring deferred taxes arising from investment properties that are using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties – senior housing communities located in the United States of America (the "USA") – are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time rather than through sale whereas those situated in Hong Kong and Singapore and residential homes located in the USA are not held under such a business model. Therefore, the presumption that the carrying amounts of investment properties are recovered entirely through sale is rebutted for properties of senior housing communities but is not rebutted for properties located in Hong Kong and Singapore and residential homes located in the USA. The Group has not recognised any deferred taxes on changes in fair value of these investment properties located in Hong Kong and Singapore as the Group is not subject to any income taxes on disposal of these investment properties.

3. 重大會計判斷及估計

編製本集團之財務報表時，管理層須作出會影響收益、開支、資產及負債之呈報金額，及其隨附披露以及或然負債披露之判斷、估計及假設。然而，有關該等假設及估計之不確定因素可導致於日後須對受影響之資產或負債賬面值作出重大調整。

判斷

於應用本集團會計政策之過程中，除涉及估計之判斷外，管理層亦作出以下對於財務報表中確認之金額構成最重大影響之判斷：

於投資物業之遞延稅項

就以公平值模型計量之投資物業產生之遞延稅項而言，本公司董事已審閱本集團之投資物業組合，總結為本集團位於美利堅合眾國（「美國」）之投資物業－長者住房院舍以商業模式（其目標是隨時間而非透過銷售消耗投資物業所包含之絕大部分經濟利益）持有，而該等位於香港及新加坡之投資物業及位於美國之住宅單位則並非以該商業模式持有。因此，就長者住房院舍之物業而言，透過出售全部回收投資物業賬面值之假定被推翻，惟就位於香港及新加坡之物業及位於美國之住宅單位而言，假定則不被推翻。由於本集團出售該等位於香港及新加坡之投資物業時毋須繳納任何所得稅，故本集團並無就該等投資物業之公平值變動確認任何遞延稅項。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2018 was RMB57,299,000 (2017: Nil). The amount of unrecognised tax losses in the PRC at 31 December 2018 was RMB45,961,000 (2017: RMB61,155,000). Further details are contained in note 28 to the financial statements.

3. 重大會計判斷及估計(續)

估計不明朗因素

有關未來之主要假設及於報告期間結算日估計不明朗因素(會導致下個財政年度內之資產及負債賬面值出現大幅調整之重大風險)之其他主要來源載述如下。

非金融資產減值(商譽除外)

本集團於各報告期間結算日評估所有非金融資產有否任何減值跡象。非金融資產會於有跡象顯示可能無法收回賬面值時進行減值測試。當資產或現金產生單位之賬面值超出其可收回金額(即其公平值減銷售成本及其使用價值的較高者)時，則存在減值。公平值減出售成本乃基於同類資產按公平協商基準進行的具約束力的銷售交易的可用數據，或可觀察市價減出售資產之遞增成本而計算。計算使用價值時，管理層須估計資產或現金產生單位之預計未來現金流量，並選用合適的貼現率以計算該等現金流量之現值。

遞延稅項資產

遞延稅項資產就未動用稅項虧損予以確認，惟以可能出現應課稅溢利將可用以抵銷有關可動用之虧損為限。在釐定可予以確認之遞延稅項資產金額時，須根據日後應課稅溢利可能出現之時間及水平以及未來稅項規劃策略作出重大管理判斷。於二零一八年十二月三十一日，有關已確認稅項虧損之遞延稅項資產賬面值為人民幣57,299,000元(二零一七年：無)。於二零一八年十二月三十一日，於中國之未確認稅項虧損為人民幣45,961,000元(二零一七年：人民幣61,155,000元)。進一步詳情載於財務報表附註28。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the dates of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The carrying amount of investment properties at 31 December 2018 was RMB646,620,000 (2017: RMB662,332,000). Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are given in note 15 to the financial statements.

PRC corporate income tax ("CIT")

The Group is subject to corporate income taxes in the PRC. As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realise.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

投資物業公平值之估計

當活躍市場上缺乏相似物業之現價時，本集團會參考不同資料來源，包括：

- (a) 在活躍市場上不同性質、條件或地點之物業現價，並作出調整以反映該等差異；
- (b) 在較為不活躍市場上相似物業之現價，並作出調整以反映該等價格自交易日以來經濟狀況任何變動對該等價格之影響；及
- (c) 基於未來現金流量之可靠估計之貼現現金流量預測，並根據任何現有租約及其他合約之條款，以及(如可能)外部證據，例如同地地點及狀況的類似物業的現行市場租金，並使用貼現率反映現時市場對現金流量之金額及時間之不確定性評估。

於二零一八年十二月三十一日，投資物業賬面值為人民幣646,620,000元(二零一七年：人民幣662,332,000元)。進一步詳情(包括計量公平值採用之主要假設及敏感度分析)載於財務報表附註15。

中國企業所得稅(「企業所得稅」)

本集團須繳納中國企業所得稅。由於地方稅務局尚未落實與所得稅相關的若干事宜，故於釐定將作出之所得稅撥備時，須根據目前已頒佈之稅務法律、法規及其他相關政策作出客觀估計及判斷。倘此等事宜之最終稅務結果有別於原先記錄之金額，則有關差額將影響變現差額期間之所得稅及稅務撥備。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

PRC land appreciation tax ("LAT")

The Group is subject to LAT in the PRC. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for all its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the differences realise.

Net realisable value assessment of properties under development and completed properties held for sale

The Group carried out assessment on net realisable value of properties under development and completed properties held for sale at each end of each reporting period and compared the costs and its net realisable value. The net realisable value is the estimated future selling price less estimated cost of completion or the estimated costs necessary to make the sale (if any). The estimated future selling prices are estimated by management with reference to the Group's pre-sale selling prices and the recent selling prices of similar properties in the nearby or relevant locations. The management also estimated the future selling expenses and the expected costs to completion by reference to the actual selling expenses of the Groups' completed projects, adjusted by certain current market data, the legal and regulating framework and general market condition. The Group's properties under development and completed properties held for sale are all situated in the PRC, details of which are set out in the consolidated statement of financial position and notes 17 and 18. At 31 December 2018, the carrying amounts of properties under development and completed properties held for sale were approximately RMB29,777,845,000 (2017: RMB12,038,415,000) and RMB934,671,000 (2017: RMB1,246,635,000), respectively, which are expected to be recovered through future sales and stated at the lower of cost and net realisable value. All of the properties under development and completed properties held for sale are expected to be recovered higher than the cost and hence no write down to net realisable value was required at the year ended 31 December 2018. When there is any decrease in net realisable value of the properties and it is lower than the cost of the properties, loss will be recognised on the properties under development and completed properties held for sale in the consolidated statement of profit or loss.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

中國土地增值稅(「土地增值稅」)

本集團須繳納中國土地增值稅。土地增值稅撥備根據管理層對中國相關稅務法律及法規所載規定的理解所作之最佳估計而計提。實際土地增值稅負債須待物業發展項目竣工後由稅務機關釐定。本集團尚未就其全部物業發展項目與稅務機關落實其土地增值稅之計算及付款。最終結果可能與初步入賬之金額不同，而差額將會影響差額變現期間之土地增值稅開支及相關撥備。

發展中物業及持作出售之已完工物業之可變現淨值評估

本集團於各報告期間結算日對發展中物業及持作出售之已完工物業之可變現淨值進行評估並對比成本與其可變現淨值。可變現淨值乃按估計未來售價減估計完成成本或出售所需之估計成本(如有)計算。估計未來售價乃由管理層經參考本集團之預售價及於附近或相關地點之類似物業之近期售價後估計得出。管理層亦已參考本集團竣工項目所需的實際銷售開支對未來銷售開支及預期完工成本進行估計，有關實際銷售開支已根據若干現有市場數據、法律及監管體制以及整體市況作出調整。本集團之發展中物業及持作出售之已完工物業均位於中國，其詳情載於綜合財務狀況報表以及附註17及18。於二零一八年十二月三十一日，發展中物業及持作出售之已完工物業之賬面值分別約人民幣29,777,845,000元(二零一七年：人民幣12,038,415,000元)及人民幣934,671,000元(二零一七年：人民幣1,246,635,000元)預期可透過未來銷售予以收回，並按成本及可變現淨值兩者之較低者列賬。截至二零一八年十二月三十一日止年度，所有發展中物業及持作出售之已完工物業預期將以高於成本之價格收回，故毋須撇減至可變現淨值。倘物業之可變現淨值出現任何減少並低於物業之成本，則將就發展中物業及持作出售之已完工物業於綜合損益賬確認虧損。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Contingent liabilities

As at 31 December 2018, the Group had contingent liabilities relating to guarantees amounting to approximately RMB3,699,022,000 (2017: RMB986,319,000) in respect of mortgage facilities provided by certain banks in connection with the mortgage loans entered into by property buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these property buyers, the Group would be responsible for repaying the outstanding mortgage principals together with accrued interests thereon and any penalties owed by the defaulted buyers to the banks. The Group would be entitled to take over legal title to and possession of the related properties. These guarantees will be released upon the earlier of (i) the satisfaction of the mortgage loan by the buyers of the property; and (ii) the issuance of the property ownership certificate for the mortgage property and the completion of the deregistration of the mortgage. In the opinion of the directors of the Company, no provision for the guarantee contracts was recognised in the consolidated financial statements for the year ended 31 December 2018 as the default risk is low. Should the actual outcome be different from expected, provision for losses will be recognised in the consolidated financial statements.

Provision for expected credit losses on accounts receivable and other receivables

The Group uses a provision matrix to calculate ECLs for accounts receivable and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The expected loss rate is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

或然負債

於二零一八年十二月三十一日，本集團就有關本集團物業之物業買家訂立之按揭貸款而由若干銀行提供之按揭融資之擔保擁有或然負債約人民幣3,699,022,000元(二零一七年：人民幣986,319,000元)。根據擔保條款，倘該等物業買家拖欠按揭款項，本集團須負責支付失責買家欠付銀行的未償還按揭本金連同累計利息及任何罰款。本集團將有權接管相關物業的法定業權及擁有權。該等擔保將於以下較早者發生時解除：(i)物業買家償還按揭貸款；及(ii)就按揭物業發出物業所有權證並完成按揭的取消登記。本公司董事認為，由於違約風險不大，故並無就擔保合約於截至二零一八年十二月三十一日止年度之綜合財務報表作出撥備。倘實際結果與預期不同，則將於綜合財務報表確認虧損撥備。

應收賬款及其他應收款項之預期信貸虧損撥備

本集團使用撥備矩陣計算應收賬款及其他應收款項之預期信貸虧損。撥備率乃基於具有類似虧損模式之多個客戶分部組別(即地理位置、產品類別、客戶類別及評級)之逾期天數釐定。

預期虧損率初步基於本集團之過往觀察所得違約率。本集團將調整矩陣，藉以按前瞻性資料調整過往信貸虧損經驗。例如，倘預測經濟狀況(即國內生產總值)預期將在未來一年內惡化，可能導致製造業之違約次數增加，則會調整過往違約率。於各報告日期，過往觀察所得違約率會予以更新，並分析前瞻性估計之變動。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Provision for expected credit losses on accounts receivable and other receivables (continued)

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's accounts receivable and other receivables is disclosed in note 20 to the financial statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

- (a) Property development in the PRC
- (b) Property investment and management in the USA in American Housing REIT, Inc. ("AHR") and property management in the USA provided to Global Medical REIT, Inc. ("GMR")
- (c) Property investment other than AHR
- (d) Securities trading and investment
- (e) Hotel operations

The Group has property investment and/or management businesses in Hong Kong, the USA, Singapore and Japan. Other than AHR which is operated in the USA, the property investment businesses in other regions are evaluated together and assessed as one operating segment by the management.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

應收賬款及其他應收款項之預期信貸虧損撥備(續)

過往觀察所得違約率、經濟狀況預測及預期信貸虧損之間的相關性評估為一個重要估計。預期信貸虧損金額對環境及經濟狀況預測之變動極為敏感。本集團之過往信貸虧損經驗及經濟狀況預測亦或不能代表客戶未來的實際違約。有關本集團應收賬款及其他應收款項之預期信貸虧損之資料於財務報表附註20中披露。

4. 經營分部資料

為進行管理，本集團根據其產品及服務成立業務分部，其五個可報告經營分部如下：

- (a) 於中國之物業發展
- (b) 於美國對美洲房地產投資信託(「AHR」)進行之物業投資及管理以及向國際醫療房地產投資信託(「GMR」)提供之物業管理
- (c) AHR以外之物業投資
- (d) 證券買賣及投資
- (e) 酒店業務

本集團於香港、美國、新加坡及日本擁有物業投資及／或管理業務。除於美國經營的AHR外，其他地區之物業投資業務乃由管理層一併估值，並作為一個經營分部予以評估。

4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料(續)

Segment revenue and segment results (continued)

分部收益及分部業績(續)

		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 (Restated) (重列)
<i>Segment assets</i>	<i>分部資產</i>		
Property development in the PRC	於中國之物業發展	38,122,867	17,569,460
Property investment and management in the USA in AHR and property management provided to GMR	於美國對AHR進行之物業投資及 管理以及向GMR提供之物業管理	253,750	285,254
Property investment other than AHR	AHR以外之物業投資	503,032	466,559
Securities trading and investment	證券買賣及投資	237,705	149,365
Hotel operations	酒店業務	7,541	6,764
		39,124,895	18,477,402
Unallocated assets	未分配資產	444,364	65,348
		39,569,259	18,542,750
<i>Segment liabilities</i>	<i>分部負債</i>		
Property development in the PRC	於中國之物業發展	37,753,219	17,022,000
Property investment and management in the USA in AHR and property management provided to GMR	於美國對AHR進行之物業投資及 管理以及向GMR提供之物業管理	109,183	102,135
Property investment other than AHR	AHR以外之物業投資	145,730	142,878
Hotel operations	酒店業務	603	635
		38,008,735	17,267,648
Unallocated liabilities	未分配負債	439,012	131,217
		38,447,747	17,398,865

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

Other segment information

For the year ended 31 December 2018

4. 經營分部資料(續)

其他分部資料

截至二零一八年十二月三十一日止年度

	Property development in the PRC	Property management provided to GMR 於美國對 AHR 進行之物業投資及管理以及向 GMR 提供之物業管理	Property investment and management in the USA in AHR and property management other than AHR	Property investment other than AHR	Securities trading and investment	Hotel operations	Segment total	Unallocated	Total
	於中國之物業發展	GMR 提供之物業管理	AHR 以外之物業投資	證券買賣及投資	酒店業務	分部總額	未分配	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	
Additions to investment properties and property, plant and equipment	投資物業及物業、廠房及設備之添置	5,057	1,516	-	-	-	6,573	-	6,573
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,251	110	71	-	150	3,582	368	3,950
Impairment losses on accounts receivable and other receivables	應收賬款及其他應收款項減值虧損	-	779	-	-	-	779	-	779
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	-	-	-	-	7,447	7,447
Increase in fair value of investment properties	投資物業之公平值增加	-	1,451	16,414	-	-	17,865	-	17,865
Increase in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值增加	-	-	-	9,329	-	9,329	-	9,329

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Other segment information (continued)

For the year ended 31 December 2017 (Restated)

4. 經營分部資料(續)

其他分部資料(續)

截至二零一七年十二月三十一日止年度(重列)

		Property investment and management in the USA in AHR and property management provided to GMR 於美國對AHR進行之物業投資及管理以及向GMR提供之物業管理	Property investment other than AHR AHR以外之物業投資	Securities trading and investment 證券買賣及投資	Hotel operations 酒店業務	Segment total 分部總額	Unallocated 未分配	Total 總計	
		Property development in the PRC 於中國之物業發展	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	RMB'000 人民幣千元	RMB'000 人民幣千元	
Additions to investment properties and property, plant and equipment	投資物業及物業、廠房及設備之添置	2,885	185,781	16	-	307	188,989	-	188,989
Depreciation of property, plant and equipment	物業、廠房及設備折舊	157	90	105	-	138	490	432	922
Impairment losses on accounts receivable and other receivables	應收賬款及其他應收款項減值虧損	-	129	451	-	-	580	-	580
Increase in fair value of investment properties	投資物業之公平值增加	-	2,770	7,933	-	-	10,703	-	10,703
Decrease in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值減少	-	-	-	(12,072)	-	(12,072)	-	(12,072)

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

Hong Kong	香港
The PRC	中國
The USA	美國
Singapore	新加坡
Japan	日本

The geographical locations of revenue from external customers are based on the geographical markets of the customers, locations of properties and investments. The geographical locations of the non-current assets, excluding deferred tax assets and financial instruments, are based on the geographical locations of the assets.

Information about major customers

During the years ended 31 December 2018 and 2017, no single customer has contributed 10% or more of the Group's total revenue.

4. 經營分部資料(續)

地區資料

Revenue from external customers 來自外部客戶收益		Non-current assets 非流動資產	
2018	2017	2018	2017
二零一八年	二零一七年	二零一八年	二零一七年
RMB'000	RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元 (Restated)	人民幣千元	人民幣千元 (Restated)
	(重列)		(重列)
2,115	2,489	114,848	95,800
522,481	1,030,225	4,608	2,802
62,692	52,414	233,017	236,607
7,340	7,157	310,365	299,729
6,842	8,134	6,908	47,218
601,470	1,100,419	669,746	682,156

來自外部客戶收益之地理區域乃基於客戶地區市場、物業及投資之所在地而釐定。非流動資產(遞延稅項資產及金融工具除外)之地理區域乃基於有關資產之地理區域而釐定。

有關主要客戶之資料

截至二零一八年及二零一七年十二月三十一日止年度，概無單一客戶貢獻本集團總收益10%或以上。

5. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

5. 收益及其他收入

收益分析如下：

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重列)
<i>Revenue from contracts with customers</i>	<i>客戶合約收益</i>		
Sales of properties in the PRC	於中國出售物業	521,832	1,030,225
Property management services	物業管理服務	29,330	21,043
Hotel operations	酒店業務	3,708	4,882
		554,870	1,056,150
<i>Revenue from other sources</i>	<i>其他收益來源</i>		
Rental income	租金收入	30,844	29,683
Dividend income from financial assets at fair value through profit or loss	按公平值計入損益之 金融資產之股息收入	15,756	14,586
		601,470	1,100,419

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5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2018

Segments	分部
Type of goods or services and geographical markets	商品或服務之類別及區域市場
Sale of properties in the PRC	於中國出售物業
Property management services in the USA	於美國之物業管理服務
Hotel services and consumptions in Japan	於日本之酒店服務及消費
Total revenue from contracts with external customers	外部客戶合約收益總額
Timing of revenue recognition	收益確認時間
Goods transferred at a point in time	於某一時間點轉讓貨物
Services transferred over time	隨時間轉讓服務
Total revenue from contracts with external customers	外部客戶合約收益總額

5. 收益及其他收入(續)

客戶合約收益

(i) 收益分拆資料

截至二零一八年十二月三十一日止年度

Sales of properties in the PRC 於中國 出售物業 RMB'000 人民幣千元	Property management services 物業管理服務 RMB'000 人民幣千元	Hotel operations 酒店業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
521,832	–	–	521,832
–	29,330	–	29,330
–	–	3,708	3,708
521,832	29,330	3,708	554,870
521,832	–	–	521,832
–	29,330	3,708	33,038
521,832	29,330	3,708	554,870

5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers (continued)

(i) *Disaggregated revenue information (continued)*

Revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

Sale of properties in the PRC

(ii) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of properties

The performance obligation is satisfied upon delivery of the properties and advanced payments are required pursuant to the terms of sale and purchase agreements.

Rendering of services (property management services and hotel operations)

The performance obligation is satisfied over time as services are rendered and bills are issued when services are delivered.

5. 收益及其他收入(續)

客戶合約收益(續)

(i) 收益分拆資料(續)

於本報告期間確認並計入報告期初之合約負債之收益如下：

於中國出售物業

(ii) 履約責任

有關本集團履約責任之資料概述如下：

物業銷售

履約責任乃於交付物業後獲履行，且須根據買賣協議條款預付款項。

提供服務(物業管理服務及酒店業務)

履約責任乃於已提供服務並在交付服務後獲出具賬單時隨時間履行。

2018
二零一八年
RMB'000
人民幣千元

213,452

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5. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers (continued)

(ii) Performance obligations (continued)

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2018 are as follows:

Within one year
More than one year

5. 收益及其他收入(續)

客戶合約收益(續)

(ii) 履約責任(續)

於二零一八年十二月三十一日，分配至餘下履約責任(未履行或部分未履行)之交易價格如下：

一年內
超過一年

2018
二零一八年
RMB'000
人民幣千元

10,578,454
4,353,269

14,931,723

An analysis of other income is as follows:

Interest income
Government grants
Others

利息收入
政府資助
其他

其他收入之分析如下：

2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元
	(Restated)
	(重列)

23,874	3,989
1,000	-
204	121

25,078	4,110
---------------	-------

6. OTHER GAINS AND LOSSES

6. 其他收益及虧損

		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 (Restated) (重列)
Increase in fair value of investment properties (note 15)	投資物業之公平值增加(附註15)	17,865	10,703
Increase/(decrease) in financial assets at fair value through profit or loss	按公平值計入損益之金融資產增加/(減少)	9,329	(12,072)
Exchange loss, net	匯兌虧損淨額	(319)	(2,529)
Impairment loss on accounts receivable and other receivable	應收賬款及其他應收款項減值虧損	(779)	(580)
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(210)	22
Gain on disposal of subsidiaries	出售附屬公司之收益	7,447	-
Others	其他	-	392
		33,333	(4,064)

7. FINANCE COSTS

7. 融資成本

		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 (Restated) (重列)
Interests on:	下列各項之利息：		
Bank and other borrowings	銀行及其他借貸	546,308	85,591
Loans from a related company	來自一間關連公司之貸款	646	6,730
		546,954	92,321
Interest arising from revenue contracts	合約收益產生之利息	258,682	-
Less: Capitalised in properties under development	減：於發展中物業資本化	(775,181)	(82,837)
		30,455	9,484

Borrowing costs have been capitalised at rates ranging from 4.35% to 8.50% (2017: 4.00% to 7.43%) per annum.

已資本化之借貸成本乃源自年利率介乎4.35厘至8.50厘(二零一七年：4.00厘至7.43厘)之借貸。

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8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

8. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)下列各項：

		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 (Restated) (重列)
Cost of properties sold	已售物業成本	316,904	721,216
Cost of services	服務成本	9,425	11,398
Total employee benefit expenses:	僱員福利開支總額：		
Directors' emoluments (note 9)	董事薪酬(附註9)	1,383	1,561
Other staff:	其他員工：		
Salaries and other benefits	薪金及其他福利	62,859	31,112
Retirement benefit scheme contributions	退休福利計劃供款	3,516	939
		67,758	33,612
Less: Capitalised in properties under development	減：於發展中物業資本化	(11,902)	(2,541)
		55,856	31,071
Auditor's remuneration	核數師薪酬	1,450	1,426
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,730	922
Minimum lease payments under operating leases for land and buildings	根據經營租賃有關土地及樓宇之最低租金	5,617	1,601
Interest income	利息收入	23,874	3,989
Gross rental income from investment properties	投資物業租金收入總額	30,844	29,683
Less: Direct operating expenses incurred for:	減：所產生之直接經營開支：		
– investment properties generated rental income	– 為產生租金收入之投資物業	(5,535)	(6,497)
– investment properties that did not generate rental income	– 為並無產生租金收入之投資物業	(76)	(337)
		(5,611)	(6,834)
		25,233	22,849

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

9. 董事及主要行政人員薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部披露之年內董事及主要行政人員薪酬如下：

		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
			(Restated)
			(重列)
Fees	袍金	609	621
Other emoluments:	其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	748	859
Retirement benefit scheme contributions	退休福利計劃供款	26	81
		1,383	1,561

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9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

9. 董事及主要行政人員薪酬(續)

		Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	Fees	薪金、津貼 及實物福利	退休福利 計劃供款	總計
	袍金 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
2018				
<i>Executive directors:</i>				
Mr. Zhang*		-	-	-
Mr. Zhang Guoqiang		748	26	774
<i>Non-executive director:</i>				
Ms. Huang		-	-	-
<i>Independent non-executive directors:</i>				
Mr. Liu Da		203	-	203
Dr. Liu Qiao		203	-	203
Mr. Ma Yuntao		203	-	203
		609	26	1,383

9. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

9. 董事及主要行政人員薪酬(續)

		Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
	Fees 袍金 RMB'000 人民幣千元 (Restated) (重列)	RMB'000 人民幣千元 (Restated) (重列)	RMB'000 人民幣千元 (Restated) (重列)	RMB'000 人民幣千元 (Restated) (重列)
2017				
<i>Executive directors:</i>	<i>二零一七年 執行董事：</i>			
Mr. Zhang*	張先生*	-	-	-
Mr. Zhang Guoqiang	張國強先生	-	77	832
Mr. Eric Jackson Chang**	張世澤先生**	-	4	108
<i>Non-executive director:</i>	<i>非執行董事：</i>			
Ms. Huang	Huang女士	-	-	-
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>			
Mr. Liu Da	劉達先生	207	-	207
Dr. Liu Qiao	劉俏博士	207	-	207
Mr. Ma Yuntao	馬運弢先生	207	-	207
		621	81	1,561

* Mr. Zhang is also the chief executive of the Company.

** Mr. Eric Jackson Chang resigned as executive director on 1 April 2017.

There was no arrangement under which the directors waived or agreed to waive any remuneration during the reporting period (2017: Nil).

* 張先生亦為本公司行政總裁。

** 張世澤先生於二零一七年四月一日辭任執行董事。

報告期間內概無董事據此豁免或同意豁免任何薪酬的安排(二零一七年：無)。

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10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year were neither director nor chief executive of the Company (2017: Nil), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the five (2017: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

10. 五名最高薪人士

年內五名最高薪人士並非本公司董事亦非主要行政人員(二零一七年：無)，有關彼等薪酬之詳情載於上文附註9。有關年內五(二零一七年：五)名最高薪人士(並非本公司董事亦非主要行政人員)薪酬之詳情如下：

		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 (Restated) (重列)
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	8,592	6,707

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

酬金介乎下列組別之最高薪人士(非董事及非主要行政人員)之人數如下：

		2018 二零一八年	2017 二零一七年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	3
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	3	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	-
		5	5

11. INCOME TAX EXPENSE

11. 所得稅開支

		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 (Restated) (重列)
Current tax – change for the year	本期稅項 – 年內開支		
– Hong Kong Profits Tax	– 香港利得稅	–	–
– PRC CIT	– 中國企業所得稅	45,376	62,167
– PRC LAT	– 中國土地增值稅	38,343	44,301
– Overseas Corporate Income Tax	– 海外企業所得稅	10,094	534
Underprovision in prior years	過往年度撥備不足		
– Overseas Corporate Income Tax	– 海外企業所得稅	105	60
		93,918	107,062
Deferred tax (note 28)	遞延稅(附註28)	(63,896)	(1,105)
		30,022	105,957
Total tax charge for the year	年內稅項開支總額	30,022	105,957

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profits generated in Hong Kong for both years.

由於本集團於兩個年度內均無於香港產生應課稅溢利，因此並無於綜合財務報表就香港利得稅作出撥備。

PRC CIT is calculated at the applicable income tax rate of 25% on the assessable profits for both years.

中國企業所得稅兩個年度按應課稅溢利之25%適用所得稅率計算。

PRC LAT 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.

中國土地增值稅乃按土地價格增值額30%至60%的累進稅率徵收，增值額為銷售物業所得款項減除土地使用權費用及所有物業發展開支等應扣除開支的餘額。

The subsidiaries in the USA are generally subject to Federal Income Tax Rate at 21% (2017: at a maximum tax rate of 35%) and State Income Tax ranging from 3% to 8.25% (2017: 3% to 8.25%) on the taxable income. Certain of these subsidiaries retained with undistributed income are also entitled to an additional personal holding company tax at 20% on the taxable income. Certain subsidiaries are limited liability companies which are by default disregarded entities (i.e. viewed as divisions of the holding company) and would be taxed as part of their holding company for federal tax purposes.

於美國之附屬公司一般需就應課稅收入按21%(二零一七年：最高稅率35%)之聯邦所得稅稅率及介乎3%至8.25%(二零一七年：3%至8.25%)之州所得稅支付稅項。預留未分派收入之若干該等附屬公司亦需就應課稅收入之20%支付個人控股公司附加稅。若干附屬公司屬有限公司，本身不被視為實體(即視為控股公司之分部)，將就聯邦稅而言當作控股公司一部分計算稅項。

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11. INCOME TAX EXPENSE (CONTINUED)

Income tax expense for the year is reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

		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 (Restated) (重列)
Profit before tax	除稅前溢利	58,514	237,559
Tax at the domestic income tax rate of 25% (2017: 25%)	按本地所得稅稅率25% (二零一七年：25%) 計算之稅項	14,629	59,390
Effect of different tax rates on operations in other jurisdictions	在其他司法權區營運 稅率不同之影響	2,175	250
Tax effect of expenses not deductible for tax purpose	不可扣稅支出之稅務影響	3,325	7,275
Tax effect of income not taxable for tax purpose PRC LAT	毋須課稅收入之稅務影響 中國土地增值稅	(17,509)	(7,341)
Tax effect of PRC LAT	中國土地增值稅之稅務影響	(9,586)	(11,075)
Tax effect of temporary differences not recognised	未確認暫時差額之稅務影響	8,238	(779)
Tax effect of tax losses not recognised	未確認之稅項虧損之稅務影響	6,823	17,280
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	(16,521)	(3,404)
Under provision in prior years	過往年度撥備不足	105	60
Income tax expenses for the year	年內所得稅開支	30,022	105,957

11. 所得稅開支(續)

年內所得稅開支與綜合損益賬所示除稅前溢利對賬如下：

12. DIVIDENDS

The Directors do not recommend the payment of a dividend in respect of the year (2017: Nil).

12. 股息

董事不建議就本年度派付股息(二零一七年：無)。

13. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share is based on:

Earnings

Profit attributable to owners of the Company used in the basic earnings per share calculation

盈利

本公司擁有人應佔溢利，用於計算每股基本盈利

Shares

Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation

股份

年內已發行普通股加權平均數，用於計算每股基本盈利

No diluted earnings per share was presented for the years ended 31 December 2018 and 2017 as the Group had no potentially dilutive ordinary shares in issue during these years.

13. 本公司擁有人應佔每股盈利

每股基本盈利乃按以下資料計算：

	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 (Restated) (重列)
	29,971	131,709
	2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
	6,176,820	6,176,820

由於本集團於截至二零一八年及二零一七年十二月三十一日止年度並無潛在攤薄已發行普通股，故該兩個年度概無呈列每股攤薄盈利。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Land and buildings	Hotel	Leasehold improvement	Furniture, office equipment and motor vehicles	Total
		土地及樓宇 RMB'000 人民幣千元	酒店 RMB'000 人民幣千元	租賃 物業裝修 RMB'000 人民幣千元	傢俬、辦公室 設備及汽車 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2018	於二零一八年一月一日	12,969	7,336	2,058	6,618	28,981
Additions	添置	-	-	-	6,573	6,573
Disposal	出售	-	-	-	(947)	(947)
Exchange realignment	匯兌調整	710	605	103	208	1,626
At 31 December 2018	於二零一八年 十二月三十一日	13,679	7,941	2,161	12,452	36,233
Accumulated depreciation:	累計折舊：					
At 1 January 2018	於二零一八年一月一日	3,516	1,098	1,652	2,891	9,157
Depreciation provided during the year	年內折舊撥備	263	90	72	3,525	3,950
Disposal	出售	-	-	-	(495)	(495)
Exchange realignment	匯兌調整	202	95	79	119	495
At 31 December 2018	於二零一八年 十二月三十一日	3,981	1,283	1,803	6,040	13,107
Net carrying amount:	賬面淨值：					
At 1 January 2018	於二零一八年一月一日	9,453	6,238	406	3,727	19,824
At 31 December 2018	於二零一八年 十二月三十一日	9,698	6,658	358	6,412	23,126

14. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

14. 物業、廠房及設備(續)

		Land and buildings	Hotel	Leasehold improvement	Furniture, office equipment and motor vehicles	Total
		土地及樓宇 RMB'000 人民幣千元 (Restated) (重列)	酒店 RMB'000 人民幣千元 (Restated) (重列)	租賃 物業裝修 RMB'000 人民幣千元 (Restated) (重列)	傢俬、辦公室 設備及汽車 RMB'000 人民幣千元 (Restated) (重列)	總計 RMB'000 人民幣千元 (Restated) (重列)
Cost:	成本：					
At 1 January 2017	於二零一七年一月一日	13,950	7,542	1,911	4,121	27,524
Additions	添置	-	-	211	3,064	3,275
Disposal	出售	-	-	-	(473)	(473)
Exchange realignment	匯兌調整	(981)	(206)	(64)	(94)	(1,345)
At 31 December 2017	於二零一七年 十二月三十一日	12,969	7,336	2,058	6,618	28,981
Accumulated depreciation:	累計折舊：					
At 1 January 2017	於二零一七年一月一日	3,503	1,040	1,580	2,929	9,052
Depreciation provided during the year	年內折舊撥備	269	90	115	448	922
Disposal	出售	-	-	-	(435)	(435)
Exchange realignment	匯兌調整	(256)	(32)	(43)	(51)	(382)
At 31 December 2017	於二零一七年 十二月三十一日	3,516	1,098	1,652	2,891	9,157
Net carrying amount:	賬面淨值：					
At 1 January 2017	於二零一七年一月一日	10,447	6,502	331	1,192	18,472
At 31 December 2017	於二零一七年 十二月三十一日	9,453	6,238	406	3,727	19,824

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14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The carrying values of land and building and hotel held by the Group are analysed as follows:

Leasehold land and building in Hong Kong
Freehold land and building in Japan

14. 物業、廠房及設備(續)

本集團所持土地、樓宇及酒店之賬面值分析如下：

	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 (Restated) (重列)
於香港之租賃土地及樓宇	9,698	9,453
於日本之永久業權土地及樓宇	6,658	6,238
	16,356	15,691

At 31 December 2018, certain of the Group's leasehold land and buildings with an aggregate carrying value of approximately RMB9,698,000 (2017: RMB9,453,000) have been pledged to secure the Group's borrowings (note 27).

於二零一八年十二月三十一日，本集團賬面值合共約人民幣9,698,000元(二零一七年：人民幣9,453,000元)之若干租賃土地及樓宇已抵押以取得本集團之借貸(附註27)。

15. INVESTMENT PROPERTIES

Carrying amount at 1 January
Additions
Disposals
Transfer to investment properties classified as held for sale (note 22)
Net gain from a fair value adjustment
Exchange realignment

Carrying amount at 31 December

15. 投資物業

	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 (Restated) (重列)
於一月一日之賬面值	662,332	521,630
添置	-	185,714
出售	(58,688)	(38,916)
轉撥至分類為持作出售之投資物業(附註22)	(5,582)	(2,359)
調整公平值之收益淨額	17,865	10,703
匯兌調整	30,693	(14,440)
於十二月三十一日之賬面值	646,620	662,332

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. The investment properties with an aggregate fair value of RMB609,005,000 (2017: RMB564,987,000) are under charge to secure the Group's borrowings (note 36).

本集團所有以經營租賃持有以賺取租金或作資本升值之物業權益皆按公平值模式計量，並分類為投資物業入賬。公平值合共人民幣609,005,000元(二零一七年：人民幣564,987,000元)之投資物業已抵押以取得本集團借貸(附註36)。

15. INVESTMENT PROPERTIES (CONTINUED)

The fair values of the investment properties situated in Hong Kong, Singapore and the USA as at 31 December 2018 are based on the valuations carried out by APAC Asset Valuation and Consulting Limited ("APAC"). APAC is the member of the Hong Kong Institute of Surveyors and Valuers and independent qualified professional valuer not connected with the Group.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is the current use. The fair values of the investment properties are derived from the capitalisation of net income method with due allowance for the reversionary income.

At the end of the reporting period, management of the Group works with valuers to establish and determine the appropriate valuation techniques and inputs for Level 3 fair value measurements. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the directors of the Company.

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

Fair value measurement using significant unobservable inputs (Level 3)

Recurring fair value measurement for investment properties located in

- Hong Kong
- Singapore
- USA
- Japan

採用重大不可觀察輸入數據之
公平值計量(第三級)

就位於下列地區之投資物業之
經常性公平值計量

- 香港
- 新加坡
- 美國
- 日本

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2017: Nil).

15. 投資物業(續)

位於香港、新加坡及美國之投資物業於二零一八年十二月三十一日之公平值乃基於亞太資產評估及顧問有限公司(「亞太」)所進行估值釐定。亞太為Hong Kong Institute of Surveyors and Valuers會員且與本集團並無關連之獨立合資格專業估值師。

估計投資物業公平值時，投資物業最常用及最佳用途為現時用途。投資物業公平值自收入淨額資本化法得出，並為復歸收入作出適當撥備。

於報告期間結算日，本集團管理層與估值師合作，就第三級公平值計量建立和決定適當之估值技術及輸入數據。倘資產之公平值有重大改動，其波動原因將向本公司董事報告。

公平值層級

下表列示本集團投資物業之公平值計量層級：

	31 December 2018	31 December 2017
	二零一八年 十二月三十一日	二零一七年 十二月三十一日
	RMB'000	RMB'000
	人民幣千元	人民幣千元 (Restated) (重列)
	104,857	86,049
	310,332	299,601
	231,431	236,248
	-	40,434
	646,620	662,332

年內，第一級與第二級之間並無發生任何公平值計量轉移之情況，且並無發生轉入或轉出第三級之情況(二零一七年：無)。

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15. INVESTMENT PROPERTIES (CONTINUED)

Below is a summary of the valuation techniques used and the key inputs to the valuation of the Group's significant investment properties categorised into Level 3:

15. 投資物業(續)

下列為本集團分類為第三級之主要投資物業估值所使用之估值技術及主要輸入數據之概要：

Properties 物業	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或加權平均數	
			2018 二零一八年	2017 二零一七年
Offices located in Hong Kong with a carrying value of RMB104,857,000 (2017: RMB84,093,000)	Income capitalisation approach	Monthly market rent (HK\$ per sq. ft.) 每月市場租金(每平方呎港元)	46	52 and 59 52及59
位於香港賬面值 人民幣104,857,000元 (二零一七年： 人民幣84,093,000元) 之辦公室	收入資本化法	Term yield (per annum) 年期收益率(每年)	1.6%-2.0%	1.6%-2.0%
		Reversion yield (per annum) 復歸收益率(每年)	1.9%-2.2%	2.6%
Commercial and residential unites located in Singapore with a carrying value of RMB310,332,000 (2017: RMB299,601,000)	Income capitalisation approach	Monthly market rent (SGD per sq. ft.) 每月市場租金(每平方呎新加坡元)	3.7-9.0	3.7-9.0
位於新加坡賬面值 人民幣310,332,000元 (二零一七年： 人民幣299,601,000元) 之商用及住宅單位	收入資本化法	Term yield (per annum) 年期收益率(每年)	3.0%-3.4%	3.2%-3.4%
		Reversion yield (per annum) 復歸收益率(每年)	3.2%-3.6%	3.2%-3.6%
Senior housing communities located in the USA with a carrying value of RMB193,816,000 (2017: RMB181,293,000)	Income capitalisation approach	Annual market rent (USD per sq. ft.) 每年市場租金(每平方呎美元)	20.2-29.8	20.0-29.6
位於美國賬面值 人民幣193,816,000元 (二零一七年： 人民幣181,293,000元) 之長者住房院舍	收入資本化法	Term yield (per annum) 年期收益率(每年)	8.0%	8.0%
		Reversion yield (per annum) 復歸收益率(每年)	8.5%	8.5%
Residential single homes located in the USA with a carrying value of RMB9,828,000 (2017: RMB28,730,000)	Income capitalisation approach	Monthly Market rent (USD per sq. ft.) 每月市場租金(每平方呎美元)	0.56-0.86	0.56-0.87
位於美國賬面值 人民幣9,828,000元 (二零一七年： 人民幣28,730,000元) 之單棟住宅單位	收入資本化法	Term yield (per annum) 年期收益率(每年)	12%-14%	12%-14%
		Reversion yield (per annum) 復歸收益率(每年)	12.5%-14.5%	12.5%-14.5%

15. INVESTMENT PROPERTIES (CONTINUED)

A significant increase (decrease) in the market rent in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the term yield and reversion yield in isolation would result in a significant decrease (increase) in the fair value of the investment properties.

There has been no change from the valuation technique used in the prior years.

16. PLEDGED DEPOSITS, RESTRICTED BANK BALANCES AND CASH AND CASH EQUIVALENTS

Pledged deposits
– Current
– Non-current

已抵押按金
– 即期
– 非即期

Restricted bank balances

受限制銀行結餘

Cash and cash equivalents

現金及現金等值項目

Pledged deposits represent bank deposits of RMB687,365,000 (2017: RMB29,229,000) and deposits held with financial institutions of RMB27,000,000 (2017: RMB70,000,000) pledged to banks and financial institutions to secure the facilities granted to the Group and the mortgage loan facilities granted by certain banks to certain property buyers of the Group's properties. The pledged deposits will be released upon the settlement of relevant borrowings and the expiry of the mortgage guarantees provided to the property buyers. Bank deposits and deposits held with financial institutions amounting to RMB33,915,000 (2017: RMB52,772,000) have been pledged to secure the Group's non-current borrowings and are therefore classified as non-current assets.

15. 投資物業(續)

市場租金單獨大幅增加(減少)會導致投資物業公平值大幅增加(減少)。年期收益率及復歸收益率單獨大幅增加(減少)會導致投資物業公平值大幅減少(增加)。

所用估值技術與過往年度相同。

16. 已抵押按金、受限制銀行結餘以及現金及現金等值項目

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 (Restated) (重列)
680,450	46,457
33,915	52,772
714,365	99,229
101,913	161,854
673,412	685,710

已抵押按金指已抵押予銀行及金融機構之銀行存款人民幣687,365,000元(二零一七年:人民幣29,229,000元)及金融機構所持存款人民幣27,000,000元(二零一七年:人民幣70,000,000元),以取得授予本集團之融資及若干銀行授予本集團物業之若干物業買家之按揭貸款融資。已抵押按金將於相關借貸償還後及提供予物業買家之按揭擔保到期後解除。銀行存款及金融機構所持存款人民幣33,915,000元(二零一七年:人民幣52,772,000元)已抵押,以獲得本集團非即期貸款,因此分類為非流動資產。

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16. PLEDGED DEPOSITS, RESTRICTED BANK BALANCES AND CASH AND CASH EQUIVALENTS (CONTINUED)

Restricted bank balances are required, pursuant to the relevant regulations in the PRC, that certain amount of presale proceeds of properties be placed as guarantee deposits in designated bank accounts for the constructions of the relevant properties. The deposits can only be used for payments for construction costs of the relevant properties with approval.

Cash at banks earns interest at floating or fixed rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of cash and cash equivalents approximate to their fair values.

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB1,367,476,000 (2017: RMB823,168,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

16. 已抵押按金、受限制銀行結餘以及現金及現金等值項目(續)

受限制銀行結餘指根據中國相關規例，須將物業預售所得款項之若干金額存入指定銀行戶口作為相關物業建築工程之保證金之款項。經批准後，有關保證金方可用於支付相關物業之建築成本。

銀行現金根據日常銀行存款利率按浮動或固定利率賺取利息。銀行結餘已存入近期並無欠款記錄且信用良好之銀行。現金及現金等值項目之賬面值與其公平值相若。

於報告期間結算日，本集團以人民幣計值之現金及銀行結餘為人民幣1,367,476,000元（二零一七年：人民幣823,168,000元）。人民幣不能自由兌換為其他貨幣。然而，根據中國內地之《外匯管理條例》及《結匯、售匯以及付匯管理規定》，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換作其他貨幣。

17. COMPLETED PROPERTIES HELD FOR SALE

Completed properties held for sale are all situated in the PRC. The Group carried out assessment on net realisable value at the end of the reporting period and compared to the cost and there was no written-down to the net realisable value of completed properties held for sale for both years.

18. PROPERTIES UNDER DEVELOPMENT

Properties under development are all situated in the PRC and RMB8,602,149,000 (2017: Nil) are expected to be realised within twelve months and the remaining RMB21,175,696,000 (2017: RMB12,038,415,000) are expected to be realised after twelve months from the end of the reporting period. The Group carried out assessment on net realisable value at the end of the reporting period and compared to the cost and there was no written-down to the net realisable value of properties under development for both years.

19. DEPOSITS AND PREPAYMENTS PAID FOR LAND ACQUISITIONS

The amount represented deposits and prepayments paid for land acquisitions arising from the acquisition of land use rights in the PRC. These deposits will be converted into properties under development upon completion of the land acquisition process and fully refundable if the acquisition is not successful.

17. 持作出售之已完工物業

持作出售之已完工物業全部位於中國。本集團於報告期間結算日對可變現淨值進行評估並與成本比較，概無對兩個年度持作出售之已完工物業之可變現淨值進行撇減。

18. 發展中物業

發展中物業全部位於中國及人民幣8,602,149,000元(二零一七年：無)預期將於報告期間結算日起十二個月內變現而餘下人民幣21,175,696,000元(二零一七年：人民幣12,038,415,000元)則預期將於報告期間結算日起十二個月後變現。本集團於報告期間結算日對可變現淨值進行評估並與成本比較，概無對兩個年度發展中物業之可變現淨值進行撇減。

19. 已付土地收購按金及預付款項

有關金額指於中國收購土地使用權而產生之已付土地收購按金及預付款項。該等按金將於土地收購程序完成後轉換為發展中物業，倘收購並未成功，則悉數退回。

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20. ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND OTHER ASSETS

20. 應收賬款、其他應收款項及其他資產

		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 (Restated) (重列)
Accounts receivable	應收賬款	22,218	68,681
Less: Impairment	減：減值	-	-
		22,218	68,681
Debt investment at amortised cost (note)	按攤銷成本計算之債務投資(附註)	323,257	-
Prepaid value-added taxes and other taxes	預付增值稅及其他稅項	606,006	103,970
Deposits and prepayments	按金及預付款項	150,413	12,247
Costs of obtaining contracts	取得合約之成本	61,094	-
Other receivables	其他應收款項	13,101	14,436
Amounts due from an investee	應收投資對象款項	-	5,284
		1,153,871	135,937
Less: Impairment	減：減值	(650)	(5,284)
		1,153,221	130,653
		1,175,439	199,334

Note: Debt investment of approximately RMB323,257,000 (2017: Nil) subscribed during the year in the principal amount of USD47,000,000 was unsecured, interest bearing at 9.7% per annum and would be redeemed at the principal amount at maturity on the date mutually agreed with the issuer in writing, which fall on or before 31 January 2019. The debt investment was subsequently settled in January 2019.

附註： 於本年度內認購本金額47,000,000美元之債務投資約人民幣323,257,000元(二零一七年：無)為無抵押、按年利率9.7厘計息，且本金額將於與發行人共同書面協定日期(須為二零一九年一月三十一日或之前)到期時贖回。債務投資隨後於二零一九年一月已結算。

20. ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

Accounts receivable represent receivables from sales of properties, property management fee receivables, dividend receivables, rental receivables and hotel room revenue receivables.

Receivable arising from sales of properties are due for settlement in accordance with the terms of the related sale and purchase agreements. The settlement terms of rental receivables and property management fee receivables are upon presentation of demand notes. Hotel room revenue is normally settled by cash or credit card. All accounts receivable was aged less than 3 months as at the end of the reporting period (2017: less than 3 months), based on the revenue recognition date or invoice date.

The movements in the loss allowance for impairment of accounts and other receivables are as follows:

20. 應收賬款、其他應收款項及其他資產(續)

應收賬款指物業銷售、物業管理費、股息、租賃及酒店房間收入應收款項。

來自物業銷售之應收款項乃根據各買賣協議之條款到期結算。應收租金及應收物業管理費之結算條款為出示繳款通知書時結算。酒店房間收入一般以現金或信用卡結算。於報告期末，所有應收賬款按收益確認日期或發票日期計之賬齡低於3個月(二零一七年：低於3個月)。

應收賬款及其他應收款項減值之虧損撥備之變動如下：

		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 (Restated) (重列)
At beginning of year	於年初	5,284	5,684
Impairment losses	減值虧損	779	580
Amount written off	撇銷款項	(5,413)	(580)
Exchange realignment	匯兌調整	-	(400)
		<hr/>	<hr/>
At end of year	於年末	650	5,284

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20. ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

Impairment under HKFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

No provision for impairment of accounts receivable was provided for as at 31 December 2018 as the directors of the Company consider the expected credit loss is insignificant. Set out below is the information about the credit risk exposure on the Group's financial assets included in other receivables and other assets using a provision matrix:

As at 31 December 2018

於二零一八年
十二月三十一日

Expected credit loss rate	預期信貸虧損率	0%	1% – 5%	4.96%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	-	13,101	13,101
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	-	650	650

Impairment under HKAS 39 for the year ended 31 December 2017

Accounts receivable that were neither past due nor impaired of RMB11,001,000 related to a wide range of customers for whom there was no recent history of default. Accounts receivable of RMB57,680,000 past due but not impaired were overdue less than 1 month at the end of year. Based on past experience, the directors of the Company were of the opinion that no provision for impairment under HKAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

20. 應收賬款、其他應收款項及其他資產(續)

截至二零一八年十二月三十一日止年度香港財務報告準則第9號項下的減值

減值分析乃於各報告日期使用撥備矩陣進行，以計量預期信貸虧損。撥備率乃基於多個具有類似虧損模式的客戶分部組別的逾期天數釐定。該計算反映或然率加權結果、貨幣時間價值以及於報告日期可得有關過往事件、當前狀況及未來經濟狀況預測的合理及可靠資料。

由於本公司董事認為預期信貸虧損並不重大，故於二零一八年十二月三十一日並無就應收賬款作出減值撥備。下文載列使用撥備矩陣得出本集團計入其他應收款項及其他資產之金融資產面臨的信貸風險的資料：

	Current 即期	Past due within 1 year 逾期一年以內	Total 總計
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截至二零一七年十二月三十一日止年度香港會計準則第39號項下的減值

未逾期亦未減值之應收賬款人民幣11,001,000元涉及大量近期並無拖欠記錄之客戶。已逾期但未減值之應收賬款人民幣57,680,000元於年末逾期不足1個月。根據過往經驗，由於信貸質素並無重大變動及結餘仍被視為可悉數收回，故本公司董事認為毋須根據香港會計準則第39號就該等結餘作出減值撥備。

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

21. 按公平值計入損益之金融資產

		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 (Restated) (重列)
Equity securities listed in Hong Kong	於香港上市之股本證券	46	53
Equity securities listed outside Hong Kong	於香港境外上市之股本證券	5,300	6,884
		5,346	6,937
REIT securities listed outside Hong Kong	於香港境外上市之 房地產投資信託證券	227,186	138,976
		232,532	145,913

22. INVESTMENT PROPERTIES CLASSIFIED AS HELD FOR SALE

22. 分類為持作出售之投資物業

In 2018, the Group has entered into agreements with independent third parties for the disposal of certain investment properties for an aggregate cash consideration of approximately RMB5,582,000 (2017: RMB2,359,000). The directors of the Company assessed and concluded that the held-for-sale criteria set out in HKFRS 5 Non-Current Assets Held for Sale and Discontinued Operations for the disposal are met. Therefore, these contracted investment properties are classified as investment properties classified as held for sale as at 31 December 2018. The fair value of investment properties classified as held for sale is determined with reference to their contracted selling price. The disposals of both years have been completed subsequent to the end of the respective reporting period.

於二零一八年，本集團已與獨立第三方訂立協議，以總現金代價約人民幣5,582,000元(二零一七年：人民幣2,359,000元)出售若干投資物業。本公司董事評估及總結該出售已符合香港財務報告準則第5號持作出售非流動資產及已終止經營業務所載之持作出售標準。因此，於二零一八年十二月三十一日，該等已訂約投資物業被分類為分類為持作出售之投資物業。分類為持作出售之投資物業之公平值乃參考其合約銷售價而釐定。兩個年度之出售均已於報告期間結算日後完成。

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23. ACCOUNTS PAYABLE, DEPOSITS RECEIVED AND ACCRUALS

23. 應付賬款、已收按金及應計費用

		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 (Restated) (重列)
Accounts payable	應付賬款	173	210
Accrued construction costs (Note)	應計建築成本(附註)	1,030,214	1,765,938
Rental deposits received	已收租賃按金	7,827	6,676
Retention deposits and payable	保留金及應付款項	30,073	11,054
Real estate and other taxes payable	應付房產稅及其他稅項	15,185	18,439
Other payables and accruals	其他應付款項及應計費用	194,805	56,105
		1,278,277	1,858,422
Less: Rental deposits received – non-current	減：已收租賃按金－非流動	(7,128)	(5,588)
		1,271,149	1,852,834

The average credit period of accounts payable ranges from 30 to 90 days (2017: 30 to 90 days). All accounts payable were aged within one year, based on invoice date.

應付賬款之平均信貸期介乎30日至90日(二零一七年：30日至90日)。根據發票日期，全部應付賬款賬齡為一年內。

Note: Included in accrued construction costs is amounts due to a related company controlled by the ultimate controlling shareholder of the Company and together with her spouse of approximately RMB396,699,000 (2017: RMB242,359,000) for its construction work.

附註：應計建築成本內的約人民幣396,699,000元(二零一七年：人民幣242,359,000元)為就其建築工程而應付一間關連公司(由本公司最終控股股東連同其配偶控制)之款項。

24. CONTRACT LIABILITIES

The Group receives advanced payments from customers based on schedules as established in the property sales contracts. As explained in the note 2.3 to the consolidated financial statements, before the adoption of HKFRS 15, the Group recognised proceeds from customers of pre-sold properties as deposits and prepayments received and receipts in advance from property buyers. Under HKFRS 15, the amount is classified as contract liabilities.

As at 31 December 2018, the carrying amount of contract liabilities was RMB11,304,291,000 (1 January 2018: RMB2,637,757,000). Increase in contract liabilities as at 31 December 2018 was due to more property projects started pre-sale during the current year.

25. AMOUNTS DUE TO RELATED COMPANIES

The amounts due to related companies are unsecured, interest-free and repayable on demand. Ms. Huang and her spouse Mr. Zhang have the controlling interests over these related companies.

26. LOANS FROM A RELATED COMPANY

The Group has entered into loan agreements with a related company, Henan Zensun Real Estate Co., Ltd. ("Zensun"), which was ultimately controlled by Ms. Huang, pursuant to which Zensun will provide unsecured loans.

As at 31 December 2018, loans amounting to approximately RMB12,867,310,000 (2017: RMB2,624,998,000) were unsecured, interest-free and repayable on demand. Those amounts were shown under the current liabilities as Zensun had the discretionary rights to demand immediate repayment.

As at 31 December 2017, loans amounting to approximately RMB25,864,000 were unsecured, and interest-bearing at the lower of (i) 4% per annum and (ii) such other interest rate the Group is able to borrow in an amount equal to the relevant loan from a bank or a financial institution at the date of drawdown. The amounts were repayable within one year and repaid during the current year.

In the opinion of the directors of the Company, the carrying amounts of the loans approximate their fair values at initial recognition.

24. 合約負債

本集團根據物業銷售合約制定的時間表自客戶收取預付款項。誠如綜合財務報表附註2.3所述，採用香港財務報告準則第15號前，本集團確認來自預售物業客戶之所得款項為已收及預收物業買家之按金及預付款項。根據香港財務報告準則第15號，有關款項分類為合約負債。

於二零一八年十二月三十一日，合約負債之賬面值為人民幣11,304,291,000元（二零一八年一月一日：人民幣2,637,757,000元）。於二零一八年十二月三十一日合約負債增加乃由於更多物業項目於本年度開始預售所致。

25. 應付關連公司款項

應付關連公司款項為無抵押、免息並按要求償還。Huang女士及其配偶張先生對該等關連公司擁有控股權益。

26. 來自一間關連公司之貸款

本集團與關連公司河南正商置業有限公司（「正商」，由Huang女士最終控制之公司）簽訂貸款協議，據此，正商將提供無抵押貸款。

於二零一八年十二月三十一日，約人民幣12,867,310,000元（二零一七年：人民幣2,624,998,000元）之貸款為無抵押、免息及須按要求償還。由於正商有酌情權可要求即時還款，故該等款項已列作流動負債。

於二零一七年十二月三十一日，約人民幣25,864,000元之貸款為無抵押，及按下列較低者計息：(i) 年利率4厘及(ii) 相等於在提取日期本集團能夠向銀行或金融機構借入有關貸款金額之其他利率。該等款項須於一年內償還並已於本年度償還。

本公司董事認為，該等貸款之賬面值與彼等於初始確認時之公平值相若。

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27. BANK AND OTHER BORROWINGS

27. 銀行及其他借貸

		2018 二零一八年		2017 (Restated) 二零一七年(重列)		
		Effective interest rate per annum (%) 實際年利率(%)	Maturity 到期日	Effective interest rate per annum (%) 實際年利率(%)	Maturity 到期日	RMB'000 人民幣千元
Current	即期					
Bank loans – secured	銀行貸款—有抵押	3.02–7.94	2019 or on demand* 二零一九年 或按要求*	1,565,050	2.04–5.70 2018 or on demand* 二零一八年 或按要求*	446,652
Other loans – secured	其他貸款—有抵押	7.08–7.43	2019 二零一九年	718,118	5.48–7.43 2018 二零一八年	414,817
Other loans – unsecured	其他貸款—無抵押	-	-	-	4.35 2018 二零一八年	3,000,000
Bonds – unsecured (Note a)	債券—無抵押(附註a)	7.50	2019 二零一九年	1,375,228	-	-
				3,658,396		3,861,469
Non-current	非即期					
Bank loans – secured	銀行貸款—有抵押	3.02–8.50	2020–2030 二零二零年至 二零三零年	3,253,404	2.76–5.48 2020–2030 二零二零年至 二零三零年	654,871
Asset backed securities – unsecured (Note b)	資產支持證券 —無抵押(附註b)	7.25	2021 二零二一年	996,314	-	-
Other loans – secured	其他貸款—有抵押	7.08–7.43	2020 二零二零年	1,492,611	5.48–7.43 2019–2020 二零一九年至 二零二零年	3,214,278
Other loans – unsecured	其他貸款—無抵押	2.00	2020 二零二零年	3,000,000	-	-
				8,742,329		3,869,149
				12,400,725		7,730,618

27. BANK AND OTHER BORROWINGS (CONTINUED)

27. 銀行及其他借貸(續)

		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 (Restated) (重列)
Analysed into:	分析為：		
Bank and other borrowings repayable:	須於下列日期償還之		
	銀行及其他借貸：		
Within one year or on demand*	一年內或按要求*	3,658,396	3,861,469
In the second year	第二年	7,104,552	3,742,179
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	1,620,490	105,802
Beyond five years	超過五年	17,287	21,168
		12,400,725	7,730,618

* The carrying amounts of the bank borrowings include an amount of RMB473,000 (2017: RMB3,519,000) which is not repayable within one year based on scheduled repayment date but has been classified as current liabilities as the counterparty has discretionary rights to demand immediate repayment.

* 銀行借貸賬面值包括人民幣473,000元(二零一七年：人民幣3,519,000元)，根據還款時間表毋須於一年內償還，但由於對方有酌情權要求即時還款，故已分類為流動負債。

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27. BANK AND OTHER BORROWINGS (CONTINUED)

The carrying amounts of bank and other borrowings at the end of the reporting period were denominated in the following currencies.

HK\$	港幣
SGD	新加坡元
USD	美元
RMB	人民幣

Notes:

- (a) On 14 February 2018, Company completed the issuance of bonds at principal amount of USD200 million (at carrying amount of approximately RMB1,375,228,000 as at 31 December 2018) carrying interest of 7.5% per annum due on 31 January 2019 in accordance with the terms and conditions of the subscription agreement. The bonds were unsecured but guaranteed by a related company, in which ultimately controlled by Ms. Huang. The bonds proceeds were used for general corporate purposes of the Group. The bonds were subsequently redeemed in January 2019.
- (b) On 31 July 2018, a wholly-owned PRC subsidiary of the Company engaged in property development completed the issuance of assets-backed securities at carrying coupon rate of 7.2% per annum. The asset-backed securities were unsecured but guaranteed by a related company, in which ultimately controlled by Ms. Huang.

Certain of the Group's bank and other borrowings are secured by the Group's pledged deposits, investment properties, property, plant and equipment, properties under development and completed properties held for sale with the total carrying amount of RMB15,539,435,000 (2017: RMB10,476,765,000). In additions, shares of certain subsidiaries are pledged as securities to obtain certain bank and other borrowings granted to the Group as at 31 December 2018 and 2017. Details of which are disclosed in note 36 to the financial statements.

In additions, as at 31 December 2018, borrowings, excluding bonds and asset-backed securities, at carrying amount of approximately RMB600,000,000 were guaranteed by related companies which was controlled by the ultimate controlling shareholder of the Company.

27. 銀行及其他借貸(續)

於報告期間結算日，銀行及其他借貸之賬面值乃以下列貨幣列值。

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 (Restated) (重列)
3,720	6,502
80,662	81,963
1,529,367	147,153
10,786,976	7,495,000
12,400,725	7,730,618

附註：

- (a) 於二零一八年二月十四日，本公司根據認購協議之條款與條件完成發行於二零一九年一月三十一日到期之本金額200,000,000美元(於二零一八年十二月三十一日賬面值約人民幣1,375,228,000元)債券，按年利率7.5厘計息。債券為無抵押，但由Huang女士最終控制之關連公司擔保。債券所得款項已用作本集團之一般企業用途。該債券隨後已於二零一九年一月贖回。
- (b) 於二零一八年七月三十一日，本公司從事物業發展之全資中國附屬公司完成發行資產支持證券，年票息率為7.2厘。該等資產支持證券為無抵押，但由Huang女士最終控股之關連公司擔保。

本集團若干銀行及其他借貸乃由本集團賬面總值人民幣15,539,435,000元(二零一七年：人民幣10,476,765,000元)之已抵押按金、投資物業、物業、廠房及設備、發展中物業及持作出售之已完工物業作抵押。此外，於二零一八年及二零一七年十二月三十一日，若干附屬公司之股份已作抵押，以取得本集團所獲授之若干銀行及其他借貸，有關詳情於財務報表附註36披露。

此外，於二零一八年十二月三十一日，賬面值約人民幣600,000,000元之借貸(債券及資產支持證券除外)由本公司最終控股股東控制之關連公司擔保。

28. DEFERRED TAX

The movements in deferred tax assets and liabilities arising from temporary differences are as follows:

Deferred tax assets

At 1 January 2017, 31 December 2017 and 1 January 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年一月一日
Credited to profit or loss during the year (note 11)	年內於損益賬計入 (附註11)
Deferred tax assets at 31 December 2018	於二零一八年十二月三十一日之遞延稅項資產

Deferred tax liabilities

At 1 January 2017 (Restated)	於二零一七年一月一日(重列)
Charged to profit or loss during the year (note 11) (Restated)	年內於損益賬扣除 (附註11)(重列)
Transfer to LAT payables (Restated)	轉至土地增值稅應付款項 (重列)
Exchange realignment (Restated)	匯兌調整(重列)
Deferred tax liabilities at 31 December 2017 and 1 January 2018 (Restated)	於二零一七年十二月三十一日及二零一八年一月一日之遞延稅項負債(重列)
Charged to profit or loss during the year (note 11)	年內於損益賬扣除 (附註11)
Transfer to LAT payables	轉至土地增值稅應付款項
Exchange realignment	匯兌調整
Deferred tax liabilities at 31 December 2018	於二零一八年十二月三十一日之遞延稅項負債

28. 遞延稅項

暫時差額產生之遞延稅項資產及負債之變動如下：

遞延稅項資產

	Tax loss 稅項虧損 RMB'000 人民幣千元	Provision for LAT 土地增值稅撥備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2017, 31 December 2017 and 1 January 2018	-	-	-
Credited to profit or loss during the year (note 11)	57,299	5,869	63,168
Deferred tax assets at 31 December 2018	57,299	5,869	63,168

遞延稅項負債

	Accelerated tax depreciation 加速 稅項折舊 RMB'000 人民幣千元	Revaluation of investment properties 投資 物業重估 RMB'000 人民幣千元	Revaluation of properties acquired under business combination 項下收購之 物業重估 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2017 (Restated)	(61)	(3,897)	(6,392)	(10,350)
Charged to profit or loss during the year (note 11) (Restated)	-	1,105	-	1,105
Transfer to LAT payables (Restated)	-	-	1,896	1,896
Exchange realignment (Restated)	6	209	-	215
Deferred tax liabilities at 31 December 2017 and 1 January 2018 (Restated)	(55)	(2,583)	(4,496)	(7,134)
Charged to profit or loss during the year (note 11)	-	728	-	728
Transfer to LAT payables	-	-	1,206	1,206
Exchange realignment	(3)	(121)	-	(124)
Deferred tax liabilities at 31 December 2018	(58)	(1,976)	(3,290)	(5,324)

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28. DEFERRED TAX (CONTINUED)

During the year ended 31 December 2018, deferred tax assets were recognised for unused tax losses to the extent that it is probable that relevant future taxable profits will be available against for utilisation (2017: Nil). These unused tax losses were in respect of certain PRC subsidiaries carried forward at the end of 2018 and the directors of the Company are of the opinion that these certain PRC subsidiaries will generate sufficient future taxable profits.

At 31 December 2018, the Group had total unrecognised unused tax losses of RMB542,436,000 (2017: RMB570,493,000), which were subject to agreement with respective tax authorities, available to offset against future profits. No deferred tax asset has been recognised in respect of these unused tax losses as they have arisen in subsidiaries and the Company that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised. Except for tax losses incurred in the PRC amounting to RMB45,961,000 (2017: RMB61,155,000) will expire within five years since the date of carryforward, these unrecognised unused tax losses can be carried forward indefinitely, subject to fulfilment of certain conditions or rules.

At 31 December 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors of the Company, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB232,684,000 at 31 December 2018 (2017: RMB140,160,000).

29. SHARE CAPITAL

Ordinary shares with no par value:
At 1 January 2017, 31 December 2017 and
31 December 2018

There was no movement of the Company's share capital during the years ended 31 December 2018 and 2017.

28. 遞延稅項(續)

截至二零一八年十二月三十一日止年度，倘可能具有有關未來應課稅溢利可供抵銷，則會就未動用稅項虧損確認遞延稅項資產(二零一七年：無)。該等未動用稅項虧損乃為若干中國附屬公司於二零一八年底結轉款項，及本公司董事認為，該等若干中國附屬公司將產生足夠之未來應課稅溢利。

於二零一八年十二月三十一日，本集團未確認未動用稅項虧損總額為人民幣542,436,000元(二零一七年：人民幣570,493,000元)，與有關稅務機構訂立之協議，可用作抵銷未來利潤。由於稅項虧損乃由已虧損一段時間之附屬公司及本公司產生及不大可能有應課稅溢利可用以抵銷稅項虧損，故並無就該等未動用稅項虧損確認遞延稅項資產。除於中國產生之稅項虧損人民幣45,961,000元(二零一七年：人民幣61,155,000元)將自結轉日期起五年內屆滿外，該等未確認未動用稅項虧損可無限期結轉，惟須符合若干條件或規則。

於二零一八年十二月三十一日，並無就本集團於中國內地成立之附屬公司須繳納預扣稅的未匯出盈利應付的預扣稅確認任何遞延稅項。本公司董事認為，該等附屬公司於可見未來不可能分派有關盈利。於二零一八年十二月三十一日，與於並無確認遞延稅項負債的中國內地附屬公司的投資相關之暫時差異總額合共約為人民幣232,684,000元(二零一七年：人民幣140,160,000元)。

29. 股本

Number of ordinary shares 普通股數目	Amount 金額 RMB'000 人民幣千元 (Restated) (重列)
---------------------------------------	--

無面值之普通股：
於二零一七年一月一日、
二零一七年十二月三十一日及
二零一八年十二月三十一日

6,176,819,969 587,529

本公司股本於截至二零一八年及二零一七年十二月三十一日止年度均無變動。

30. RESERVES

The amounts of the Group's reserves and the movements therein for the year ended 31 December 2018 are presented in the consolidated statement of changes in equity.

(a) PRC statutory reserves

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, these entities are required to appropriate 10% of their net profits after tax, as determined under the Chinese Accounting Standards, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the entities, the statutory surplus reserves may be used either to offset losses, or to be converted to increase share capital provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

(b) Property revaluation reserve

Property revaluation reserve represents the gain on revaluation of the property, plant and equipment upon transfer to investment properties.

(c) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of group entities. The reserve is dealt with in accordance with the accounting policy set out in note 2.5.

30. 儲備

本集團之儲備金額及其於截至二零一八年十二月三十一日止年度之變動呈列於綜合權益變動表內。

(a) 中國法定儲備

根據中國公司法及於中國成立的附屬公司的組織章程細則，該等實體須按稅後溢利淨額之10%提取法定盈餘儲備，此乃根據中國會計準則釐定，直至儲備餘額達到其註冊資本50%為止。受相關中國法規及實體組織章程細則所載若干限制之規限，法定盈餘儲備可用於抵銷虧損或轉換為增加股本，但轉換後儲備餘額不得少於本集團註冊資本之25%。儲備不得用作其設立目的以外的其他用途，亦不得作為現金股息分派。

(b) 物業重估儲備

物業重估儲備指物業、廠房及設備轉撥至投資物業之重估收益。

(c) 外匯儲備

外匯儲備包括換算集團實體財務報表所產生的所有外匯差額，有關儲備根據附註2.5所載會計政策處理。

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31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. In view of the Group's expansion strategy, the Group has sourced funding from banks, financial institutions, asset backed securities and its related companies in which Ms. Huang has beneficial interests and continued to look for other external financing sources. The Group's overall strategy remains unchanged from prior period.

The directors of the Company review the capital structure on an annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with the share capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues, raising of new borrowings or redemption of debts.

The capital structure of the Group consists of net debt, which includes bank and other borrowings, amounts due to related companies and loans from a related company, net of cash and cash equivalents, restricted bank balances and pledged deposits. The gearing ratio as at the end of the reporting period was as follows:

31. 資本風險管理

本集團管理資本乃為確保本集團實體能夠持續經營，同時透過優化債務與權益平衡為股東帶來最大回報。鑒於本集團之擴建策略，本集團由銀行、金融機構、資產支持證券及Huang女士擁有實益權益之關連公司籌集資金來源及繼續尋求其他外部融資渠道。本集團整體策略與過往期間保持不變。

本公司董事每年均會審閱資本架構。為配合該項審閱，本公司董事認為資本成本及風險與股本相關。根據本公司董事建議，本集團將透過支付股息、發行新股份、籌集新借貸或贖回債務，平衡其整體資本架構。

本集團資本架構包括負債淨額，即包括銀行及其他借貸、應付關連公司款項及來自一間關連公司貸款，減現金及現金等值項目、受限制銀行結餘及已抵押按金。於報告期末之資產負債比率如下：

		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 (Restated) (重列)
Amounts due to related companies	應付關連公司款項	473,199	2,408,436
Loans from a related company	來自一間關連公司之貸款	12,876,310	2,650,862
Bank and other borrowings	銀行及其他借貸	12,400,725	7,730,618
Less: Cash and cash equivalents	減：現金及現金等值項目	(673,412)	(685,710)
Restricted bank balances	受限制銀行結餘	(101,913)	(161,854)
Pledged deposits	已抵押按金	(714,365)	(99,229)
Net debt	負債淨額	24,260,544	11,843,123
Total assets	總資產	39,569,259	18,542,750
Gearing ratio	資產負債比率	61%	64%

32. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2018

Financial assets

Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	232,532	-	145,913	-
Accounts receivable	應收賬款	-	22,218	-	68,681
Financial assets included in other receivables and other assets	計入其他應收款項及其他資產之金融資產	-	12,451	-	14,436
Debt investment at amortised cost	按攤銷成本計算之債務投資	-	323,257	-	-
Pledged deposits	已抵押按金	-	714,365	-	99,229
Restricted bank balances	受限制銀行結餘	-	101,913	-	161,854
Cash and cash equivalents	現金及現金等值項目	-	673,412	-	685,710

32. 按類別劃分之金融工具

於報告期末，各類金融工具之賬面值如下：

二零一八年

金融資產

		2018 二零一八年		2017 二零一七年	
	Financial assets at fair value through profit or loss	Financial assets at amortised cost		Financial assets at fair value through profit or loss	Financial assets at amortised cost
	按公平值計入損益之金融資產	按攤銷成本計算之金融資產		按公平值計入損益之金融資產	按攤銷成本計算之金融資產
	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
				(Restated)	(Restated)
				(重列)	(重列)
Financial assets at fair value through profit or loss	232,532	-	145,913	-	-
Accounts receivable	-	22,218	-	68,681	-
Financial assets included in other receivables and other assets	-	12,451	-	14,436	-
Debt investment at amortised cost	-	323,257	-	-	-
Pledged deposits	-	714,365	-	99,229	-
Restricted bank balances	-	101,913	-	161,854	-
Cash and cash equivalents	-	673,412	-	685,710	-
	232,532	1,847,616	145,913	1,029,910	

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32. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

2018 (continued)

Financial liabilities

Accounts payables
Financial liabilities included in other payables,
deposits and accruals
Amounts due to a related company
Loans from a related company
Bank and other borrowings

32. 按類別劃分之金融工具(續)

二零一八年(續)

金融負債

應付賬款
計入其他應付款項、按金及
應計費用之金融負債
應付一間關連公司款項
來自一間關連公司之貸款
銀行及其他借貸

	2018 二零一八年 Financial liabilities at amortised cost 按攤銷成本 計算之金融負債 RMB'000 人民幣千元	2017 二零一七年 Financial liabilities at amortised cost 按攤銷成本 計算之金融負債 RMB'000 人民幣千元 (Restated) (重列)
	173	210
	1,262,919	1,839,773
	473,199	2,408,436
	12,876,310	2,650,862
	12,400,725	7,730,618
	27,013,326	14,629,899

33. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets	金融資產
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產
Financial liabilities	金融負債
Interest-bearing bank and other borrowings	計息銀行及其他借貸

Management has assessed that the fair values of cash and cash equivalents, restricted bank balances, pledged deposits, accounts receivable, accounts payable, financial assets included in other receivables and other assets, financial liabilities included in other payables and accruals, amounts due to related companies and loans from a related company approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

33. 金融工具之公平值及公平值層級

於報告期末，各類金融工具之賬面值如下：

Carrying amounts		Fair values	
賬面值		公平值	
2018	2017	2018	2017
二零一八年	二零一七年	二零一八年	二零一七年
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
	(Restated)		(Restated)
	(重列)		(重列)
232,532	145,913	232,532	145,913
12,400,725	7,730,618	12,274,960	7,770,527

管理層已評估現金及現金等值項目、受限制銀行結餘、已抵押按金、應收賬款、應付賬款、計入其他應收款項及其他資產之金融資產、計入其他應付款項及應計費用之金融負債、應付關連公司款項及來自一間關連公司之貸款公平值與其賬面值大致相若，乃由於該等工具到期日較短所致。

本集團由財務經理主管的財務部，負責確定金融工具公平值計量之政策及程序。財務經理直接向首席財務官報告。於各報告日期，財務部分析金融工具的價值變動並確定估值中所應用之主要輸入值。估值由首席財務官審閱及批准。

金融資產及負債的公平值乃包含於可由自願各方現時交易兌換工具之金額，強迫或清盤出售之金融資產及負債除外。

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33. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2018

Financial assets at fair value through profit or loss

As at 31 December 2017

Financial assets at fair value through profit or loss

按公平值計入損益之金融資產

按公平值計入損益之金融資產

33. 金融工具之公平值及公平值層級(續)

銀行及其他借貸之公平值乃通過將預期未來現金流量按現時可用於具類似條款、信貸風險及餘下到期時間之工具之利率進行貼現計算。

公平值層級

下表列示本集團金融工具之公平值計量層級：

按公平值計量之資產：

於二零一八年十二月三十一日

Fair value measurement using 使用以下數據計量之公平值			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
活躍市場 之報價 (第一級)	重大可觀察 輸入數據 (第二級)	重大不可觀察 輸入數據 (第三級)	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
232,532	-	-	232,532

於二零一七年十二月三十一日

Fair value measurement using 使用以下數據計量之公平值			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
活躍市場之 報價 (第一級)	重大可觀察 輸入數據 (第二級)	重大不可觀察 輸入數據 (第三級)	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
(Restated)	(Restated)	(Restated)	(Restated)
(重列)	(重列)	(重列)	(重列)
145,913	-	-	145,913

33. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The Group had no financial liabilities measured at fair value as at 31 December 2018 (2017: Nil).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2017: Nil).

Liabilities for which fair values are disclosed:

As at 31 December 2018

Bank and other borrowings

銀行及其他借貸

33. 金融工具之公平值及公平值層級(續)

公平值層級(續)

於二零一八年十二月三十一日，本集團並無任何按公平值計量之金融負債(二零一七年：無)。

年內，金融資產及金融負債第一級與第二級之間並無公平值計量之轉撥，亦無轉撥至或轉撥自第三級(二零一七年：無)。

披露公平值之負債：

於二零一八年十二月三十一日

Fair value measurement using 使用以下數據計量之公平值			
Quoted prices in active markets (Level 1) 活躍市場之 報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
-	12,274,960	-	12,274,960

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33. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

Liabilities for which fair values are disclosed: (continued)

As at 31 December 2017

Bank and other borrowings

銀行及其他借貸

33. 金融工具之公平值及公平值層級(續)

公平值層級(續)

披露公平值之負債：(續)

於二零一七年十二月三十一日

Fair value measurement using 使用以下數據計量之公平值			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
活躍市場之 報價 (第一級)	重大可觀察 輸入數據 (第二級)	重大不可觀察 輸入數據 (第三級)	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
(Restated)	(Restated)	(Restated)	(Restated)
(重列)	(重列)	(重列)	(重列)
-	7,770,527	-	7,770,527

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly include cash and cash equivalents, restricted bank balances, accounts receivable, other receivables, accounts payable, other payables and accruals and amounts due to related companies, which arise directly from its operations. The Group has other financial assets and liabilities such as pledged deposits, financial assets at fair value through profit or loss, bank and other borrowings and loans from a related company. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, other price risk, foreign currency risk, credit risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

34. 財務風險管理目標及政策

本集團的主要金融工具主要包括現金及現金等值項目、受限制銀行結餘、應收賬款、其他應收款項、應付賬款、其他應付款項及應計費用及應付關連公司款項，該等金融工具因其經營而直接產生。本集團擁有其他金融資產及負債，如已抵押按金、按公平值計入損益之金融資產、銀行及其他借貸及來自一間關連公司之貸款。該等金融工具的主要目的在於為本集團之運營融資。

本集團金融工具產生的主要風險為利率風險、其他價格風險、外匯風險、信貸風險及流動資金風險。一般而言，本集團對其風險管理採取保守策略。本集團未持有或發行可供交易的衍生金融工具。董事會檢討並同意該等風險管理政策，其概述如下。

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's bank and other borrowings with floating interest rate set out in note 27. The Group does not use derivative financial instruments to hedge interest rate risk. The Group manages its interest cost using a mix of fixed and variable rate borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax.

2018

二零一八年

Loans and borrowings denominated in
HK\$
HK\$
USD
USD
SGD
SGD

以下列貨幣計量之貸款及借貸
港元
港元
美元
美元
新加坡元
新加坡元

Increase/ (decrease) in basis points 基點上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
---	---

100	(34)
(100)	34
100	(1,538)
(100)	1,538
100	(800)
(100)	800

2017 (Restated)

二零一七年(重列)

Loans and borrowings denominated in
HK\$
HK\$
USD
USD
SGD
SGD

以下列貨幣計量之貸款及借貸
港元
港元
美元
美元
新加坡元
新加坡元

Increase/ (decrease) in basis points 基點上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
---	---

100	(65)
(100)	65
100	(1,478)
(100)	1,478
100	(822)
(100)	822

34. 財務風險管理目標及政策(續)

利率風險

本集團面臨的市場利率變動風險主要與附註27所載本集團浮息銀行及其他借貸有關。本集團並無使用衍生金融工具對沖利率風險。本集團使用定息及浮息借貸管理其利息成本。

下表列示在所有其他可變因素保持不變的情況下，利率的合理可能變動敏感度分析對本集團除稅前溢利之影響。

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Other price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from listed investments classified as financial assets at fair value through profit or loss. The management manages this exposure by regular review of price fluctuation.

Price sensitivity

The sensitivity analyses below have been determined based on the exposure to price risks of financial assets at fair value through profit or loss at the end of the reporting period.

34. 財務風險管理目標及政策(續)

其他價格風險

股本價格風險為股本指數水平及個別證券價值變動導致股本證券公平值下降之風險。本集團承受被分類為按公平值計入損益之金融資產之上市投資股本價格風險。管理層透過定期審閱價格波幅管理此風險。

價格敏感度

以下敏感度分析以報告期末按公平值計入損益之金融資產價格所承受風險釐定。

		Increase/ (decrease) in market price 市價上升/ (下降) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
31 December 2018	二零一八年十二月三十一日	10 (10)	23,253 (23,253)
31 December 2017 (Restated)	二零一七年十二月三十一日(重列)	10 (10)	14,591 (14,591)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from transactions by operating units in currencies other than the units' functional currencies.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the HK\$, USD SGD and JPY exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities).

34. 財務風險管理目標及政策(續)

外幣風險

本集團要面對交易貨幣風險。該等風險乃因為經營單位以單位的功能貨幣以外的貨幣進行交易而產生。

下表列示在所有其他可變因素保持不變的情況下，由於港元、美元、新加坡元及日圓匯率的合理可能變動對本集團於報告期末的除稅前溢利之敏感度分析(由於貨幣資產及負債之公平值變動所致)。

		Increase/ (decrease) in exchange rate of foreign currency 外匯匯率 上升/(下降) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) RMB'000 人民幣千元
2018	二零一八年		
If the HK\$ strengthens against the RMB	倘港元兌人民幣升值	5	(68)
If the HK\$ weakens against the RMB	倘港元兌人民幣貶值	(5)	68
If the USD strengthens against the RMB	倘美元兌人民幣升值	5	(2,463)
If the USD weakens against the RMB	倘美元兌人民幣貶值	(5)	2,463
If the SGD strengthens against the RMB	倘新加坡元兌人民幣升值	5	722
If the SGD weakens against the RMB	倘新加坡元兌人民幣貶值	(5)	(722)
If the JYP strengthens against the RMB	倘日圓兌人民幣升值	5	159
If the JYP weakens against the RMB	倘日圓兌人民幣貶值	(5)	(159)
2017 (Restated)	二零一七年(重列)		
If the HK\$ strengthens against the RMB	倘港元兌人民幣升值	5	(58)
If the HK\$ weakens against the RMB	倘港元兌人民幣貶值	(5)	58
If the USD strengthens against the RMB	倘美元兌人民幣升值	5	(2,281)
If the USD weakens against the RMB	倘美元兌人民幣貶值	(5)	2,281
If the SGD strengthens against the RMB	倘新加坡元兌人民幣升值	5	1,913
If the SGD weakens against the RMB	倘新加坡元兌人民幣貶值	(5)	(1,913)
If the JYP strengthens against the RMB	倘日圓兌人民幣升值	5	148
If the JYP weakens against the RMB	倘日圓兌人民幣貶值	(5)	(148)

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging as at 31 December 2018

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2018.

The amounts presented are gross carrying amounts for financial assets.

31 December 2018

34. 財務風險管理目標及政策(續)

信貸風險

本集團僅與獲認可及信譽良好之第三方進行交易。按照本集團的政策，所有擬按信貸條款進行交易的客戶均須接受信貸核實程序。此外，本集團會持續監察應收款項結餘情況，而本集團之壞賬風險並不重大。

於二零一八年十二月三十一日最高風險及年終階段

下表列示基於本集團信貸政策的信貸質素及最大信貸風險敞口，主要基於過往逾期資料(惟其他資料毋須過多成本或努力即可得)及於二零一八年十二月三十一日之年終階段分類。

所呈列金額為金融資產總賬面值。

二零一八年十二月三十一日

		12-month ECLs 12個月預 期信貸虧損	Lifetime ECLs 全期預期信貸虧損			Total 總計
		Stage 1 第1階段 RMB'000 人民幣千元	Stage 2 第2階段 RMB'000 人民幣千元	Stage 3 第3階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	RMB'000 人民幣千元
Accounts receivable*	應收賬款*	-	-	-	8,694	8,694
Accounts receivable - Normal**	應收賬款 - 正常**	13,524	-	-	-	13,524
Financial assets included in other receivables and other assets - Normal**	計入其他應收款項及 其他資產之金融資產 - 正常**	13,101	-	-	-	13,101
Debt investment at amortised cost	按攤銷成本計算之 債務投資	323,257	-	-	-	323,257
Pledged deposits - Not yet past due	已抵押按金 - 未逾期	714,365	-	-	-	714,365
Restricted bank balances - Not yet past due	受限制銀行結餘 - 未逾期	101,913	-	-	-	101,913
Cash and cash equivalents - Not yet past due	現金及現金等值項目 - 未逾期	673,412	-	-	-	673,412
		1,839,572	-	-	8,694	1,848,266

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

Maximum exposure and year-end staging as at 31 December 2018 (continued)

- * For accounts receivable to which the Group applies the simplified approach for impairment in note 20 to the financial statements, there is no significant concentration of credit risk.
- ** The credit quality of the financial assets included in accounts receivable, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Maximum exposure as at 31 December 2017

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet its contractual obligations. The Group has no concentrations of credit risk in view of its large number of customers. The Group did not record any significant bad debt losses during the year 2017.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, restricted bank balances, pledged deposits, financial assets included in other receivables and other assets and financial assets at fair value through profit or loss, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

34. 財務風險管理目標及政策(續)

信貸風險(續)

於二零一八年十二月三十一日最高風險及年終階段(續)

- * 就本集團應用財務報表附註20減值簡化方法的應收賬款而言，本集團並無任何重大集中信貸風險。
- ** 當計入應收賬款、其他應收款項及其他資產之金融資產未逾期，且並無資料顯示金融資產的信貸風險自初始確認以來顯著增加時，金融資產的信貸質素被視為「正常」。

於二零一七年十二月三十一日之最高風險

信貸風險指因對手方無法或不願履行其合約責任而帶來的虧損風險。由於客戶眾多，故本集團並無集中信貸風險。本集團於二零一七年並無錄得任何重大壞賬虧損。

本集團其他金融資產(主要包括現金及現金等值項目、受限制銀行結餘、已抵押按金、計入其他應收款項及其他資產之金融資產以及按公平值計入損益之金融資產)的信貸風險由於對手方拖欠款項而產生，而所面對之最高風險相等於該等工具之賬面值。

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings and loans from a related company. Cash flows are being closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

As at 31 December 2018

		On demand or within 1 year 應要求或 一年內 RMB'000 人民幣千元	1 to 2 years 一至兩年 RMB'000 人民幣千元	3 to 5 years 三至五年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Accounts payable	應付賬款	173	-	-	-	173
Financial liabilities included in other deposits received and accruals	計入其他已收按金及應計費用之金融負債	1,262,919	-	-	-	1,262,919
Amounts due to related companies	應付關連公司款項	473,199	-	-	-	473,199
Loans from a related company	來自一間關連公司之貸款					
- Non-interest bearing	- 免息	12,876,310	-	-	-	12,876,310
Bank and other borrowings	銀行及其他借貸	4,262,003	7,446,424	1,735,804	19,000	13,463,231
		18,874,604	7,446,424	1,735,804	19,000	28,075,832
Financial guarantee contracts (Note)	財務擔保合約(附註)	3,699,022	-	-	-	3,699,022

34. 財務風險管理目標及政策(續)

流動資金風險

本集團之目標為透過利用計息銀行及其他借貸以及來自一間關連公司之貸款，維持資金持續供應及靈活性之平衡。本集團持續密切監察現金流量。

於報告期末，本集團金融負債根據合約未貼現付款作出的到期分析如下：

於二零一八年十二月三十一日

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

As at 31 December 2017

34. 財務風險管理目標及政策(續)

流動資金風險(續)

於二零一七年十二月三十一日

		On demand or within 1 year 應要求或 一年內 RMB'000 人民幣千元 (Restated) (重列)	1 to 2 years 一至兩年 RMB'000 人民幣千元 (Restated) (重列)	3 to 5 years 三至五年 RMB'000 人民幣千元 (Restated) (重列)	Over 5 years 超過五年 RMB'000 人民幣千元 (Restated) (重列)	Total 總計 RMB'000 人民幣千元 (Restated) (重列)
Accounts payable	應付賬款	210	-	-	-	210
Financial liabilities included in other deposits received and accruals	計入其他已收按金及 應計費用之金融負債	1,839,773	-	-	-	1,839,773
Amounts due to related companies	應付關連公司款項	2,408,436	-	-	-	2,408,436
Loans from a related company	來自一間關連公司之貸款					
- Non-interest bearing	— 免息	2,624,999	-	-	-	2,624,999
- Interest bearing	— 計息	26,898	-	-	-	26,898
Bank and other borrowings	銀行及其他借貸	4,305,297	4,068,137	110,797	23,089	8,507,320
		11,205,613	4,068,137	110,797	23,089	15,407,636
Financial guarantee contracts (Note)	財務擔保合約 (附註)	986,319	-	-	-	986,319

Note: The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the guaranteed financial receivables held by the counterparty suffer credit losses.

附註：上述財務擔保合約款項為擔保對手方索取相關款項時，本集團根據安排可能須結付全數擔保款額之最高金額。基於報告期間結算日之預期，本集團認為須根據相關安排支付相關款項之可能性不大。然而，該估計視乎對手方根據擔保索償之可能性而有變，惟此可能性須視乎對手方所持擔保財務應收款項會否蒙受信貸虧損而定。

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

The Group's bank and other borrowings with a repayment on demand clause but not repayable within one year are classified under "on demand or within 1 year" time band in the maturity analysis. Taking into account the Group's financial position and the fair value of the pledged assets, the directors of the Company believe that it is not probable that the banks will exercise its discretionary right to demand immediate repayment and such term borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. On this basis, the interest and principal cash flows for the bank and other borrowings would be as follows:

As at 31 December 2018

Bank and other borrowings with a repayment on demand clause	附帶按要求償還條款之銀行及其他借貸
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As at 31 December 2017 (Restated)

Bank and other borrowings with a repayment on demand clause	附帶按要求償還條款之銀行及其他借貸
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34. 財務風險管理目標及政策(續)

流動資金風險(續)

本集團附帶按要求償還條款但不於一年內償還之銀行及其他借貸於到期日分析歸入「應要求或一年內」時間組表。計及本集團財務狀況及已抵押資產之公平值，本公司董事相信，銀行不大可能行使其要求即時還款之酌情權，而有關定期貸款將按貸款協議所載預定還款日期償還。按此基準，銀行及其他借貸之利息及本金現金流量會如下：

於二零一八年十二月三十一日

On demand or within 1 year 應要求或一年內 RMB'000 人民幣千元	1 to 2 years 一至兩年 RMB'000 人民幣千元	2 to 5 years 二至五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
92	476	-	568

於二零一七年十二月三十一日(重列)

On demand or within 1 year 應要求或 一年內 RMB'000 人民幣千元	1 to 2 years 一至兩年 RMB'000 人民幣千元	2 to 5 years 二至五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
156	3,139	448	3,743

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company'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 flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

35. 融資活動之負債對賬

下表詳列本公司融資活動之負債變動，包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之負債。

		Amounts due to related companies 應付關連公司款項 RMB'000 人民幣千元	Loans from a related company 來自一間關連公司貸款 RMB'000 人民幣千元	Accrued interest* 累計利息* RMB'000 人民幣千元	Bank and other borrowings 銀行及其他借貸 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	2,408,436	2,650,862	13,303	7,730,618	12,803,219
Financing cash flows (note)	融資現金流量(附註)	(1,935,237)	10,224,802	(541,269)	4,574,555	12,322,851
Interest expenses	利息開支	-	646	546,308	-	546,954
Foreign exchange translation	外匯換算	-	-	-	95,552	95,552
At 31 December 2018	於二零一八年十二月三十一日	473,199	12,876,310	18,342	12,400,725	25,768,576
		Amounts due to related companies 應付關連公司款項 RMB'000 人民幣千元 (Restated) (重列)	Loans from a related company 來自一間關連公司貸款 RMB'000 人民幣千元 (Restated) (重列)	Accrued interest* 累計利息* RMB'000 人民幣千元 (Restated) (重列)	Bank and other borrowings 銀行及其他借貸 RMB'000 人民幣千元 (Restated) (重列)	Total 總計 RMB'000 人民幣千元 (Restated) (重列)
At 1 January 2017	於二零一七年一月一日	69,402	1,040,338	2,850	183,525	1,296,115
Financing cash flows (note)	融資現金流量(附註)	2,339,034	1,603,794	(75,138)	7,553,025	11,420,715
Interest expenses	利息開支	-	6,730	85,591	-	92,321
Foreign exchange translation	外匯換算	-	-	-	(5,932)	(5,932)
At 31 December 2017	於二零一七年十二月三十一日	2,408,436	2,650,862	13,303	7,730,618	12,803,219

Note: The financing cash flows are made up of the net amounts of new bank and other borrowings raised, repayment of bank and other borrowings, interest paid, advance from/repayment to related companies, loans received from/repaid to a related company in the consolidated statement of cash flows.

附註：融資現金流量為綜合現金流量表內之新造銀行及其他借貸、償還銀行及其他借貸、已付利息、關連公司墊款/還款、已收/償還一間關連公司貸款之淨額。

* Included in accounts payable, deposits received and accruals.

* 計入應付賬款、已收按金及應計費用。

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36. PLEDGE OF ASSETS

The following assets are pledged to certain banks and financial institutions for banking facilities granted to the Group and mortgage loan facilities granted to certain property buyers of the Group's properties at the end of the reporting period:

Property under development	發展中物業
Completed properties held for sale	持作出售之已完工物業
Investment properties	投資物業
Property, plant and equipment	物業、廠房及設備
Pledged deposits	已抵押按金

In addition, shares of certain subsidiaries were pledged as securities to obtain certain banking facilities granted to the Group as at 31 December 2018.

36. 資產抵押

於報告期末，以下資產已抵押予若干銀行及金融機構作為本集團獲授銀行融資及本集團物業之若干物業買家獲授按揭融資之質押：

2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 (Restated) (重列)
14,206,367	9,302,902
-	500,192
609,005	564,989
9,698	9,453
714,365	99,229
15,539,435	10,476,765

此外，於二零一八年十二月三十一日，已抵押若干附屬公司之股份，以作為本集團獲授若干銀行融資之抵押。

37. OPERATING LEASE ARRANGEMENTS

(a) As lessor

Property rental income in respect of the investment properties earned of RMB30,844,000 (2017: RMB29,683,000), net of outgoings of RMB5,611,000 (2017: RMB6,834,000), is RMB25,233,000 (2017: RMB22,849,000). The investment properties held have committed tenants for the next one to ten years at fixed rentals.

At the end of the reporting period, the Group has contracted with tenants for the following future minimum lease payments which fall due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)
Over five years	超過五年

37. 經營租賃安排

(a) 作為出租人

與投資物業有關之物業租金收入已賺取人民幣30,844,000元(二零一七年:人民幣29,683,000元),扣除支出人民幣5,611,000元(二零一七年:人民幣6,834,000元)後為人民幣25,233,000元(二零一七年:人民幣22,849,000元)。持作投資物業已有租戶按固定租金承擔租賃,租期為自下一年起至十年不等。

於報告期末,本集團與租戶訂有以下時間到期之日後最低租賃付款:

	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 (Restated) (重列)
	24,103	24,337
	69,432	64,775
	98,102	106,192
	191,637	195,304

(b) As lessee

At the end of the reporting period, the Group has commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)

(b) 作為承租人

於報告期末,本集團就不可撤銷經營租賃於以下時間到期之日後最低租賃付款作出承諾:

	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 (Restated) (重列)
	1,853	984
	6,226	887
	8,079	1,871

Operating lease payments represent rentals payable by the Group for certain offices located in overseas and those leases are negotiated for an average term of two to four years.

經營租賃付款指本集團就其位於海外之若干辦公室及該等經議定平均年期介乎二到四年之租賃之應付租金。

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38. CAPITAL COMMITMENTS

38. 資本承擔

		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 (Restated) (重列)
Contracted for but not provided in respect of	已訂約但未撥備		
Acquisitions of land use rights	收購土地使用權	-	1,052,271
Property development expenditures	物業發展開支	20,012,792	2,327,305
		20,012,792	3,379,576

39. CONTINGENT LIABILITIES

39. 或然負債

As at 31 December 2018, the Group had contingent liabilities relating to guarantees amounting to approximately RMB3,699,022,000 (2017: RMB986,319,000) in respect of mortgage loan facilities provided by certain banks in connection with the mortgage loans entered into by property buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these property buyers, the Group would be responsible for repaying the outstanding mortgage principals together with accrued interest thereon and any penalties owed by the defaulted buyers to the banks. The Group would be entitled to take over the legal title to and possession of the related properties. These guarantees will be released upon the earlier of (i) the satisfaction of the mortgage loan by the buyer of the property; and (ii) the issuance of the property ownership certificate for the mortgage property and the completion of the deregistration of the mortgage. In the opinion of the directors of the Company, no provision for the guarantee contracts was recognised in the consolidated financial statements for the year ended 31 December 2018 (2017: Nil) as the default risk is low.

於二零一八年十二月三十一日，本集團就有關本集團物業之物業買家訂立之按揭貸款而由若干銀行提供之按揭貸款融資之擔保擁有或然負債約人民幣3,699,022,000元(二零一七年：人民幣986,319,000元)。根據擔保條款，倘該等物業買家拖欠按揭款項，本集團須負責償還失責買家欠付銀行的未償還按揭本金連同累計利息及任何罰款。本集團將有權接管相關物業的法定業權及擁有權。該等擔保將於以下較早者發生時解除：(i)物業買家償還按揭貸款；及(ii)就按揭物業發出物業所有權證並完成按揭的取消登記。本公司董事認為，由於違約風險不大，故並無就擔保合約於截至二零一八年十二月三十一日止年度(二零一七年：無)之綜合財務報表確認撥備。

40. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the reporting period:

Related companies (Note (i))	關連公司 (附註(i))	Transactions	交易	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 (Restated) (重列)
Zensun	正商	Interest expenses (capitalised in properties under development) (Note (ii))	利息開支 (於發展中 物業資本化) (附註(ii))	646	6,730
Relevant members of Henan Zensun Corporate Development Company Limited (the "Zensun Development Group")	河南正商企業 發展有限責任 公司之有關 成員公司(「正商 發展集團」)	Construction costs (capitalised in properties under development) (Note (iii))	建築成本 (於發展中 物業資本化) (附註(iii))	1,050,611	354,960

Notes:

- (i) Zensun and Zensun Development Group are the entities controlled by the ultimate controlling shareholder of the Company and together with her spouse.
- (ii) The interest expenses were charged according to agreements mutually agreed by both parties.
- (iii) The construction costs were based on terms mutually agreed by both parties. These transactions constitute continuing connected transactions as defined under Chapter 14A of the Listing Rules.

Certain bank and financial institutions facilities to the Group were guaranteed by related companies in which controlled by the ultimate controlling shareholder of the Company together with her spouse. No asset of the Group was pledged to these related companies in respect of these guarantees.

The Group is licensed by Zensun to use the trademark of "Zensun", "正商", on a royalty-free basis until July 2020.

40. 關連人士交易

- (a) 除該等財務報表其他部分詳述之交易外，本集團於報告期內與關連人士進行下列交易：

附註：

- (i) 正商及正商發展集團為由本公司最終控股股東連同其配偶控制之實體。
- (ii) 利息開支乃根據關連人士雙方共同協定之協議收取。
- (iii) 建築成本乃基於關連人士雙方共同協定之條款釐定。該等交易構成上市規則第14A章項下定義之持續關連交易。

本集團若干銀行及金融機構融資由本公司最終控股股東連同其配偶控制之關連公司擔保。本集團概無就該等擔保向該等關連公司抵押任何資產。

本集團獲正商許可按免專利費基準使用「Zensun」及「正商」商標至二零二零年七月。

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40. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties:

Details of the Group's balances with related parties as at the end of the reporting period are included in notes 23, 25 and 26 to the consolidated financial statements.

(c) Compensation of key management personnel of the Group:

Short term employee benefits
Post-employment benefits

短期僱員福利
離職後福利

Total compensation paid to key management personnel

向主要管理人員支付的
薪酬總額

Further details of directors' and the chief executive's emoluments are included in note 9 to the financial statements.

Save as above, no transaction has been entered into with the directors of the Company (being the key management personnel) during the year other than the emoluments paid to them (being key management personnel compensation) (2017: Nil).

40. 關連人士交易(續)

(b) 與關連人士之未償還結餘：

於報告期末，本集團與關連人士之結餘詳情載於綜合財務報表附註23、25及26。

(c) 本集團主要管理人員薪酬：

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 (Restated) (重列)
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1,357	1,480
25	81

1,382	1,561
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董事及主要行政人員酬金之進一步詳情載於財務報表附註9。

除上文所述者外，於年內並無與本公司董事(即主要管理人員)進行任何交易，惟向彼等支付作為主要管理人員報酬之酬金除外(二零一七年：無)。

41. SHARE OPTION SCHEME

On 28 August 2013, a new share option scheme (the “Share Option Scheme”) was adopted by the Company. The purpose of the Share Option Scheme is to motivate eligible persons who contribute to the success of the Group’s operations. The Share Option Scheme remains in force for 10 years from that date, unless otherwise cancelled or amended. Eligible persons of the Share Option Scheme include (i) a director or proposed director (including an independent non-executive director) of any member of the Group; (ii) a direct or indirect shareholder of any member of the Group; (iii) a supplier of goods or services to any member of the Group; (iv) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (v) a person or entity that provides research, development or other technological support or any advisory, consultancy, professional services to any member of the Group; and (vi) a landlord or tenant (including a sub-tenant) of any member of the Group. Subject to the terms of the New Share Option Scheme, the Board shall be entitled at any time during the life of the New Share Option Scheme to offer the grant of any option to any eligible person as the Board may in its absolute discretion select and the basis of eligibility shall be determined by the Board from time to time.

Pursuant to the Share Option Scheme, the maximum number of shares in respect of which options may be granted is such number of shares which, when aggregated with shares subject to any other share option scheme(s), must not exceed 10% of the issued share capital of the Company from time to time. The maximum number of shares issuable under share options to each eligible person in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to the shareholders’ approval in a general meeting.

41. 購股權計劃

於二零一三年八月二十八日，本公司採納新購股權計劃（「購股權計劃」）。購股權計劃旨在激勵對本集團業務成就有所貢獻之合資格人士。除非另經註銷或修訂，否則購股權計劃由該日起一直有效十年。購股權計劃之合資格人士包括(i)本集團任何成員公司之董事或候任董事（包括獨立非執行董事）；(ii)本集團任何成員公司之直接或間接股東；(iii)本集團任何成員公司之貨品或服務供應商；(iv)本集團任何成員公司之客戶、諮詢顧問、業務或合營企業伙伴、特許經營人、承包商、代理或代表；(v)向本集團任何成員公司提供研發或其他技術支持或任何顧問、諮詢顧問、專業服務之人士或實體；及(vi)本集團任何成員公司之業主或租戶（包括分租戶）。根據新購股權計劃之條款，於新購股權計劃有效期內任何時間，董事會有權向其全權酌情選擇之任何合資格人士提呈授出購股權，而合資格基準不時由董事會釐定。

根據購股權計劃，可能授出之購股權涉及之股份數目上限，與任何其他購股權計劃涉及之股份相加，最多不得超過本公司不時已發行股本之10%。於任何十二個月期間根據購股權可向購股權計劃各合資格人士發行之股份數目上限，以本公司任何時間已發行股份1%為限。任何進一步授出超逾該限額之購股權須待股東於股東大會批准後，方可實行。

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41. SHARE OPTION SCHEME (CONTINUED)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director, or to any of their respective 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 price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to the shareholders' approval in a general meeting.

The amount payable upon the acceptance of an option is HK\$1.00. The period within which an option must be exercised shall be such period as the Board may in its absolute discretion determine at the time of grant, save that such period shall not be more than 10 years commencing on the date of grant of an option.

The exercise price of the share options is determinable by the Board, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotation sheet of the Stock Exchange on the date of offer of the grant, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of offer of the grant; and (iii) the nominal value of the Company's shares.

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options vested immediately and may be exercised at any time not exceeding a period of 5 years from the date on which the share options are accepted.

During the year ended 31 December 2018 and 2017, no options have been granted under the above-mentioned scheme.

41. 購股權計劃(續)

向本公司董事、主要行政人員或主要股東或彼等各自之任何聯繫人士授出購股權，均須取得獨立非執行董事(為購股權承授人之任何獨立非執行董事除外)之事先批准。此外，在任何十二個月期間，倘向任何主要股東或獨立非執行董事或彼等各自之任何聯繫人士授出任何超過本公司於任何時間已發行股份0.1%及總值超過5,000,000港元(根據本公司股份於授出日期之價格計算)之購股權，則須待股東於股東大會批准後，方可實行。

購股權獲接納時應付金額1.00港元。購股權之必須行使期限由董事會於授出購股權時全權酌情釐定，惟有關期限自購股權授出日期起計不得超過十年。

購股權之行使價由董事會釐定，惟不得低於以下各項之最高者：(i)本公司股份於提呈授出日期(必須為交易日)於聯交所每日報價表所報收市價；(ii)本公司股份於緊接提呈授出日期前五個交易日於聯交所每日報價表所報平均收市價；及(iii)本公司股份面值。

與根據購股權計劃可能授予之購股權有關之股份總數在未經本公司股東事先批准前，不允許超過本公司於任何時間點已發行股份10%。與於任何一年內授予或可能授予任何人士之購股權有關之已發行及將予發行股份數目在未經本公司股東事先批准前，不允許超過本公司於任何時間點已發行股份1%。購股權自購股權獲接納之日起不超過五年期間內任何時間即時歸屬並可能獲行使。

於截至二零一八年及二零一七年十二月三十一日止年度，概無購股權根據上述計劃獲授出。

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 本公司財務狀況報表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

本公司於報告期末之財務狀況報表資料如下：

		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 (Restated) (重列)
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	85	101
Investment properties	投資物業	-	1,957
Investments in subsidiaries	於附屬公司之投資	336,131	336,231
Amounts due from subsidiaries	應收附屬公司款項	323,777	305,964
Total non-current assets	非流動資產總額	659,993	644,253
CURRENT ASSETS	流動資產		
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	1,798	1,205
Debt investment at amortised cost	按攤銷成本計算之債務投資	323,257	-
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	5,240	6,813
Amounts due from subsidiaries	應收附屬公司款項	1,391,744	379,731
Cash and cash equivalents	現金及現金等值項目	22,234	29,829
Investment properties classified as held for sale	分類為持作出售之投資物業	1,744,273	417,578
Total current assets	流動資產總額	1,745,590	417,578
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	724	1,886
Bonds	債券	1,375,228	-
Amounts due to subsidiaries	結欠附屬公司款項	214,587	211,483
Total current liabilities	流動負債總額	1,590,539	213,369
NET CURRENT ASSETS	流動資產淨值	155,051	204,209
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	815,044	848,462
EQUITY	權益		
Share capital	股本	587,529	587,529
Reserves (note)	儲備(附註)	227,515	260,933
Total equity	權益總額	815,044	848,462

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42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

A summary of the Company's reserves is as follows:

42. 本公司財務狀況報表(續)

附註：

本公司之儲備概述如下：

		Capital reduction reserves 資本削減 儲備賬 RMB'000 人民幣千元	Exchange reserve 外匯儲備 RMB'000 人民幣千元	Other reserve 其他儲備 RMB'000 人民幣千元	Retained earning 保留盈餘 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2017 (Restated)	於二零一七年一月一日(重列)	119,330	24,204	82,591	42,037	268,162
Total comprehensive (loss)/ income for the year (Restated)	年內全面(虧損)/ 收益總額(重列)	-	(27,037)	-	19,725	(7,312)
Deemed contribution from a subsidiary (Restated)	一間附屬公司之視作 出資(重列)	-	-	83	-	83
At 31 December 2017 and 1 January 2018 (Restated)	於二零一七年十二月 三十一日及二零一八年 一月一日(重列)	119,330	(2,833)	82,674	61,762	260,933
Total comprehensive income/ (loss) for the year	年內全面收益/(虧損)總額	-	30,553	-	(63,971)	(33,418)
At 31 December 2018	於二零一八年十二月三十一日	119,330	27,720	82,674	(2,209)	227,515

43. PARTICULARS OF THE SUBSIDIARIES

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows:

43. 附屬公司概要

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
75 Wall Street, LLC	USA 美國	Note (i) 附註(i)	–	100	Property investment 物業投資
Aizuya Limited	Japan 日本	Common stock JPY30,000,000 普通股 30,000,000日圓	–	81.8	Hotel operations 酒店業務
American Housing REIT, Inc.	USA 美國	Common stock USD6,256 普通股 6,256美元	–	99.8	Property investment 物業投資
AHR First Borrower, LLC	USA 美國	Note (i) 附註(i)	–	99.8	Loan financing and property investment 貸款融資及物業投資
AHR Second Borrower, LLC	USA 美國	Note (i) 附註(i)	–	99.8	Loan financing 貸款融資
American Senior Housing REIT, LLC	USA 美國	Note (i) 附註(i)	–	99.8	Property investment and investment holding 物業投資及投資控股
ASHR McKinney, LLC	USA 美國	Note (i) 附註(i)	–	99.8	Property investment 物業投資
ASHR First, LLC	USA 美國	Note (i) 附註(i)	–	99.8	Property investment 物業投資
China Credit Singapore Pte. Ltd.	Singapore 新加坡	Ordinary shares SGD13,417,282 普通股 13,417,282新加坡元	100	–	Investment holding 投資控股

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43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Expats Residences Pte. Ltd.	Singapore 新加坡	Ordinary shares SGD25,002 普通股 25,002新加坡元	-	100	Property investment 物業投資
Heng Fung Capital Company Limited 恒鋒融資有限公司	Hong Kong 香港	Ordinary shares HK\$2 普通股 2港元	100	-	Property investment and securities trading 物業投資及證券買賣
Inter-American Management, LLC	USA 美國	Note (i) 附註(i)	-	85	Provision of property management services 提供物業管理服務
Keng Fong Foreign Investment Co., Ltd.	USA 美國	Common stock USD250,000 普通股 250,000美元	-	100	Property investment 物業投資
Sansui Limited	Japan 日本	Common stock JPY10,000 普通股 10,000日圓	-	81.8	Hotel operations 酒店業務
Sapporo Holdings Limited	Japan 日本	Common stock JPY3,000,000 普通股 3,000,000日圓	-	81.8	Hotel operations 酒店業務
Singapore Service Residence Pte. Ltd.	Singapore 新加坡	Ordinary shares SGD1,250,000 普通股 1,250,000新加坡元	-	100	Property investment 物業投資

43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Xpress Credit Limited 特速信貸有限公司	Hong Kong 香港	Ordinary shares HK\$1,260,000 普通股 1,260,000港元	-	100	Securities trading 證券買賣
ZH USA, LLC	USA 美國	Note (i) 附註(i)	100	-	Securities trading and investment holding 證券買賣及投資控股
河南昌輝企業管理諮詢有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	-	100	Investment holding 投資控股
河南正商經開置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB300,000,000 註冊資本 人民幣300,000,000元	-	100	Property development 物業發展
河南興漢正商置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100	Property development 物業發展
河南象湖置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100	Property development 物業發展
河南新築置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100	Property development 物業發展

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43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
河南正商華府置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商新銘置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商新航置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100	Property development 物業發展
河南正商鄭東置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
北京上築置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB300,000,000 註冊資本 人民幣300,000,000元	-	100	Property development 物業發展
北京上陽置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB200,000,000 註冊資本 人民幣200,000,000元	-	100	Property development 物業發展
河南正商銘築置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展

43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
河南正商鄭新房地產有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	–	100	Property development 物業發展
河南啟盛置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	–	100	Property development 物業發展
河南正商中岳置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	–	100	Property development 物業發展
原陽縣正商置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	–	100	Property development 物業發展
河南正商河洛置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	–	100	Property development 物業發展
河南正商雅苑置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	–	100	Property development 物業發展
河南正商金域置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	–	100	Property development 物業發展

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43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
河南正商瓏水置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商新雅置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商新居置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商新府置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南沐歌置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	-	100	Property development 物業發展
河南正商新宏置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商致遠置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展

43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
新鄉市興漢正商置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商岳村建設開發有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商佳居置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南漢輝置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB200,000,000 註冊資本 人民幣200,000,000元	-	60	Property development 物業發展
河南正商王村置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南鑫築建設工程有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商鴻雅置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展

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43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

43. 附屬公司概要(續)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
河南東象正商實業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB300,000,000 註冊資本 人民幣300,000,000元	-	60	Property development 物業發展
河南嘉瑞昌置業股份有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南林盟置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB20,000,000 註冊資本 人民幣20,000,000元	-	100	Property development 物業發展
武漢豫正置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
滎陽博雅置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB50,000,000 註冊資本 人民幣50,000,000元	-	100	Property development 物業發展
河南正商金銘置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展

43. PARTICULARS OF THE SUBSIDIARIES (CONTINUED)

43. 附屬公司概要(續)

Particulars of the principal subsidiaries of the Company at 31 December 2018 are as follows: (continued)

於二零一八年十二月三十一日，本公司主要附屬公司之資料如下：(續)

Name 名稱	Place incorporation/ registration and place of business 註冊成立/ 註冊地點及 營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
河南正商新古置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	80	Property development 物業發展
河南正商佳航置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南嘉潤安置業股份有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展
河南正商尚築置業有限公司 (Note (ii))(附註(ii))	PRC 中國	Registered capital RMB100,000,000 註冊資本 人民幣100,000,000元	-	100	Property development 物業發展

Notes:

附註：

- (i) No capital contribution is required from the member unless otherwise required by law.
- (ii) Entities established in the PRC are limited liability companies and no English names have been registered or available upon establishment.

- (i) 除非法律另行規定，否則並無規定資本貢獻必須來自成員公司。
- (ii) 於中國成立之實體為有限公司，且於成立後，概無登記或採用英文名稱。

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44. EVENTS AFTER THE REPORTING PERIOD

- (a) In January 2019, the Group acquired land use rights of two separate land parcels each located in Zhengzhou City, Henan Province, the PRC through listing for sale process in its respective public auction held by Land and Resources Bureau of Zhengzhou City and Land and Resources Bureau of Shangjie District, Zhengzhou City for transfer of state-owned land use rights (i) with site area of approximately 51,395.4 sq.m. at a consideration of RMB672,600,000; and (ii) with site area of approximately 93,643.23 sq.m. at a consideration of RMB216,700,000, respectively. These two land parcels are designated for residential and commercial usages, with the term of 70 years for residential usage and the term of 40 years for commercial usage. The handover of the land parcel is expected to be completed respectively no later than the second and third quarter of 2019.
- (b) In January 2019, the Group entered into a subscription agreement and thereafter issued USD100,000,000 8% bonds due in 2020. The Group intended to use the gross proceeds from the bonds for general corporate purpose.
- (c) In January 2019, the Group entered into a share transfer agreement to acquire a land parcel by way of acquisition of the entire equity interest of the company holding the land parcel at a consideration of RMB50,000,000. The land parcel is located in Zhengzhou City, Henan Province, the PRC with site area of approximately 13,442.23 sq. m, designated for commercial usage with the term of use of 40 years. The acquisition was completed in February 2019.

45. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2019.

44. 報告期後事項

- (a) 於二零一九年一月，本集團分別於鄭州市國土資源局及鄭州市上街區國土資源局就轉讓國有土地使用權所舉辦之公開拍賣掛牌出售程序中取得位於中國河南省鄭州市之兩幅獨立地塊各自之土地使用權，佔地面積及代價分別為(i)約51,395.4平方米及人民幣672,600,000元；及(ii)約93,643.23平方米及人民幣216,700,000元。該兩幅地塊指定作住宅及商務用途，住宅使用年限為70年，商務使用年限為40年。該兩幅地塊預期將分別於二零一九年第二季度及第三季度之前完成交付。
- (b) 於二零一九年一月，本集團訂立一份認購協議，並於其後發行於二零二零年到期之100,000,000美元8%債券。本集團擬將債券發行所得款項總額作一般企業用途。
- (c) 於二零一九年一月，本集團訂立一份股份轉讓協議，以通過收購持有地塊之公司之全部股權之方式收購一幅土地，代價為人民幣50,000,000元。該地塊位於中國河南省鄭州市，佔地面積約13,442.23平方米，指定作商務用途，使用年限為40年。收購事項已於二零一九年二月完成。

45. 批准財務報表

財務報表已於二零一九年三月二十八日獲董事會批准及授權刊發。

PARTICULARS OF MAJOR INVESTMENT PROPERTIES

主要投資物業概要

As at 31 December 2018
於二零一八年十二月三十一日

INVESTMENT PROPERTIES

投資物業

Location 地點	Gross area (approximately) 總面積 (約)	Effective % held 實際擁有權 (%)	Type 類別	Lease term 租約
No.883 North Bridge Road, Shop on 1/F. and 27 Home Office Units on various floors, Southbank, Singapore 198785	28,732 sq. ft. 28,732平方呎	100%	Home Office 家居辦公室	Long-term lease 長期租約
5 Residential Units, Dakota Residences, 34-42 Dakota Crescent, Singapore 399939	9,128 sq. ft. 9,128平方呎	100%	Apartment 寓所	Long-term lease 長期租約
30/F and Carpark No. C8 on 2nd Carparking Floor, Wyndham Place, No.44 Wyndham Street, Central, Hong Kong 香港中環雲咸街44號雲咸商業中心 30樓及2樓停車場C8號車位	3,480 sq. ft. 3,480平方呎	100%	Office premises and Car Parking space 辦公室物業及車位	Long-term lease 長期租約
Portion B of 24/F, Wyndham Place, No. 44 Wyndham Street, Central, Hong Kong 香港中環雲咸街44號雲咸商業中心24樓B部份	1,680 sq. ft. 1,680平方呎	100%	Office premises 辦公室物業	Long-term lease 長期租約
Glen Carr House, 1433 North Hamilton Drive, Derby, Kansas, 67037, USA Glen Carr House 位於美國肯薩斯州德比市 North Hamilton Drive 1433號	29,000 sq. ft. 29,000平方呎	99.8%	Senior house communities 長者住房宿舍	Freehold 永久業權
Oxford Grand McKinney, 2851 Orchid Drive, McKinney, Texas, 75070, USA Oxford Grand McKinney 位於美國德薩斯州麥堅尼市 Orchid Drive 2851號	69,700 sq. ft. 69,700平方呎	99.8%	Senior house communities 長者住房宿舍	Freehold 永久業權
16 Single-family rentals located in the metropolitan regions of Texas, Florida and Georgia, USA 位於美國德克薩斯州、佛羅里達州及喬治亞州 市中心地區之16間單棟出租單位	32,004 sq. ft. 32,004平方呎	99.8%	Residential 住宅	Freehold 永久業權
Land parcels located at 671-180-012, 013, 014, 015, 016, 017, 018 Desert Hot Springs, County of Riverside, State of California, 92503, USA 位於美國加州河濱縣Desert Hot Springs之 地塊671-180-012、013、014、015、 016、017、018	67.5 acres/ 273,200 sq. m./ 2,940,300 sq. ft. 67.5畝/ 273,200平方米/ 2,940,300平方呎	100%	Vacant land 空置土地	Freehold 永久業權

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