



GR PROPERTIES LIMITED

國銳地產有限公司

Stock Code 股份代號: 108



INTERIM REPORT
中期報告

2019

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CORPORATE INFORMATION 公司資料

EXECUTIVE DIRECTORS

Mr. Wei Chunxian (*Chairman*)
Ms. Liu Shuhua (*Chief Executive Officer*)
Mr. Sun Zhongmin
Mr. Guo Jingsheng
(*appointed on 28 June 2019*)
Ms. Huang Fei
(*appointed on 28 June 2019*)
Ms. Li Bing
(*appointed on 28 June 2019*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tung Woon Cheung Eric
Mr. Au Yeung Po Fung
Ms. To Tsz Wan Vivien

SECRETARY

Mr. Lam Chee Sum Eddie
(*resigned on 31 August 2019*)
Ms. Ng Ka Sim, Casina
(*appointed on 31 August 2019*)

AUDIT COMMITTEE

Mr. Tung Woon Cheung Eric
(*Chairman of the Audit Committee*)
Mr. Au Yeung Po Fung
Ms. To Tsz Wan Vivien

NOMINATION COMMITTEE

Mr. Wei Chunxian
(*Chairman of the Nomination Committee*)
Mr. Tung Woon Cheung Eric
Mr. Au Yeung Po Fung

REMUNERATION COMMITTEE

Mr. Au Yeung Po Fung
(*Chairman of the Remuneration Committee*)
Mr. Tung Woon Cheung Eric
Ms. To Tsz Wan Vivien

執行董事

魏純暉先生(主席)
劉淑華女士(行政總裁)
孫仲民先生
郭京生先生
(於二零一九年六月二十八日獲委任)
黃菲女士
(於二零一九年六月二十八日獲委任)
李兵女士
(於二零一九年六月二十八日獲委任)

獨立非執行董事

董煥樟先生
歐陽寶豐先生
杜紫雲女士

秘書

林智深先生
(於二零一九年八月三十一日辭任)
吳嘉善女士
(於二零一九年八月三十一日獲委任)

審核委員會

董煥樟先生
(審核委員會主席)
歐陽寶豐先生
杜紫雲女士

提名委員會

魏純暉先生
(提名委員會主席)
董煥樟先生
歐陽寶豐先生

薪酬委員會

歐陽寶豐先生
(薪酬委員會主席)
董煥樟先生
杜紫雲女士

CORPORATE INFORMATION 公司資料

AUTHORISED REPRESENTATIVES

Ms. Liu Shuhua
Mr. Lam Chee Sum Eddie
(resigned on 31 August 2019)
Ms. Ng Ka Sim, Casina
(appointed on 31 August 2019)

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授權代表

劉淑華女士
林智深先生
(於二零一九年八月三十一日辭任)
吳嘉善女士
(於二零一九年八月三十一日獲委任)

核數師

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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OVERVIEW

Year 2019 is definitely a challenging but remarkable year for GR Properties Limited (the “Company”, together with its subsidiaries, the “Group”). The board of directors (the “Board”) of the Company is pleased to share with the supportive shareholders of the Company (the “Shareholders”) that acquisitions and developments in the property markets from previous years in the United Kingdom (the “UK”), the United States of America (the “USA”) and the People’s Republic of China (the “PRC”) continue to generate stable income to the Group. Following the completion of the acquisition of land in the United States (Culver City Project), and the announcement of the acquisition of the entire share capital of Capable Kingdom Limited and disposal of the entire share capital of Wholly Express Limited, this will further expand the landbank and property portfolio of the Group in future.

Acquisition of land in the United States (Culver City Project)

On 14 September 2018, the Group entered into an agreement to acquire the entire partnership interest of Washington Motor LP, which indirectly owns a parcel of land in Culver City of Los Angeles in the United States.

The Group intends to develop this land into: (i) one hundred and eight (108) multi-family residential apartment units, including eleven (11) rent-restricted affordable housing units, with such residential units containing 132,589 gross square feet; (ii) 3,600 gross square feet of retail space; and (iii) two levels of subterranean parking consisting of 184 parking spaces. The final consideration (as adjusted) for the acquisition of the entire partnership interest was US\$24,000,000.

Completion of the acquisition took place on 26 March 2019.

The Directors consider the acquisition to be an attractive investment opportunity to diversify the Group’s property development operations in the United States, as this land is located within walking distance to the heart of Culver City, Los Angeles, which is the hub of a number of motion pictures and other production studios and is within well established transportation network. This project is expected to further cement the Group’s foothold in the western United States and enhance the Group’s overall geographical diversification of business.

總覽

二零一九年絕對是國銳地產有限公司(「本公司」，連同其附屬公司統稱為「本集團」)面對挑戰但引人注目的一年。本公司董事局(「董事局」)欣然與一直支持本集團之本公司股東(「股東」)分享，過去數年於英國(「英國」)、美利堅合眾國(「美國」)及中華人民共和國(「中國」)物業市場進行之收購及發展繼續為本集團帶來穩定收入。於完成收購美國地塊(卡爾弗城項目)，及就收購Capable Kingdom Limited全部股本及出售Wholly Express Limited全部股本刊發公佈後，本集團日後的土地銀行及物業組合將進一步擴大。

收購美國地塊(卡爾弗城項目)

於二零一八年九月十四日，本集團就收購Washington Motor LP全部合夥權益訂立協議，Washington Motor LP間接擁有位於美國洛杉磯卡爾弗城之地塊。

本集團擬將該地塊發展為：(i)一百零八(108)個多戶型住宅公寓單位，包括十一(11)個租金設限之可負擔住屋單位(該等住宅單位總面積為132,589平方呎)；(ii)總面積為3,600平方呎之零售空間；及(iii)兩層地下停車場，共提供184個停車位。收購全部合夥權益的最終代價(經調整)為24,000,000美元。

該收購事項已於二零一九年三月二十六日完成。

董事認為，由於從該地塊步行可達洛杉磯匯聚多間電影及其他製作公司之卡爾弗城中心區，附近交通網絡發達，故使本集團美國物業發展業務之投資機會多樣化，收購事項乃具吸引力之良機。該項目預計將成為本集團進一步鞏固美國西部地區，提升本集團整體業務地理多元性之里程碑。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Please refer to the Company's announcements dated 14 September 2018, 9 November 2018, 1 February 2019 and 27 March 2019 for further details on the acquisition.

Acquisition of the entire share capital of Capable Kingdom Limited and disposal of the entire share capital of Wholly Express Limited.

On 16 July 2019, the Company as the purchaser and Winluck Global Limited, being a company wholly-owned by Mr. Wei Chunxian, a Director, and Silky Apex Limited, being a company wholly-owned by Mr. Sun Zhongmin, a Director being the vendors (collectively defined as the "Vendors") entered into a sale and purchase agreement (the "Agreement"), pursuant to which the Vendors have conditionally agreed to sell and the Company has conditionally agreed to purchase the entire issued share capital of Capable Kingdom Limited in exchange for the entire share capital of Wholly Express Limited.

Upon completion, (a) the Group will hold 100% interest in each of Capable Kingdom Limited, Capable Point International Limited and Beijing Kaipeng Business Management Co., Ltd., approximately 51.02% interest in Beijing Kaipeng Technology Development Co., Ltd. and approximately 33.3% in Jiaying Longsheng Investment Partnership; and (b) the Group will cease to hold any interest in Wholly Express Limited and its subsidiaries.

The properties ("CK Property") held by Beijing Kaipeng Technology Development Co., Ltd. was located at No.2 of Building 1 on Ronghua South Road, Daxing District, Beijing, the PRC with a gross floor area of approximately 46,164 square meters, which is for office use. The CK Property are also the remaining portion of properties, which is indirectly held by Wise Expert Investment Limited acquired by the Company as stated in the Company's circular dated 20 July 2018.

The properties ("WE Property") held by Beijing Shengyu Technology Development Co., Ltd., the wholly-owned subsidiary of Wholly Express Limited was located at No.3 of Building 1 on Ronghua South Road, Daxing District, Beijing, the PRC with a gross floor area of approximately 28,056 square meters, which is for commercial use.

有關該收購事項之更多詳情，請參閱本公司日期為二零一八年九月十四日、二零一八年十一月九日、二零一九年二月一日及二零一九年三月二十七日之公佈。

收購Capable Kingdom Limited全部股本及出售Wholly Express Limited全部股本。

於二零一九年七月十六日，本公司作為買方及Winluck Global Limited（一間由董事魏純暹先生全資擁有的公司）及Silky Apex Limited（一間由董事孫仲民先生（即賣方）全資擁有的公司）（統稱「賣方」）訂立買賣協議（「該協議」），據此，賣方已有條件同意出售及本公司已有條件同意收購Capable Kingdom Limited的全部已發行股本以換取Wholly Express Limited的全部股本。

於完成後，(a)本集團將持有Capable Kingdom Limited、凱朋國際有限公司及北京凱朋商業管理有限公司各自100%的權益、北京凱朋科技發展有限公司約51.02%的權益及嘉興隆灝投資合夥企業約33.3%的權益；及(b)本集團將不再持有Wholly Express Limited及其附屬公司的任何權益。

北京凱朋科技發展有限公司持有的物業（「CK房地產」）位於中國北京大興區榮華南路1號院2號樓，總建築面積約為46,164平方米，作辦公室用途。誠如本公司日期為二零一八年七月二十日之通函所述，CK房地產亦為本公司收購的Wise Expert Investment Limited間接持有的剩餘部分物業。

Wholly Express Limited之全資附屬公司北京勝域科技發展有限公司持有的物業（「WE房地產」）位於中國北京大興區榮華南路1號院3號樓，總建築面積約為28,056平方米，作商業用途。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Directors believe that the acquisition will allow the Company to integrate the CK Property and another adjoining property in the same building acquired by the Group in 2018 (the “2018 Property”) so as to enhance the flexibility in developing the CK Property, and hence potentially increase the overall value of CK Property and the 2018 Property. The Directors consider the disposal represents an opportunity for the Group to realise its investment in Wholly Express Limited and its subsidiaries and in substance, WE Property, so as to enable the Group to reallocate more resources to other projects with greater potential, such as the CK Property.

Completion of the acquisition and disposal is subject to fulfillment of the conditions precedent set out in the Agreement. Please refer to the Company’s announcements dated 16 July 2019, 1 August 2019, 16 August 2019 and 30 August 2019 for further details on the above transaction.

BUSINESS REVIEW

During the six months ended 30 June 2019 (the “Period”), the Group’s operations were organised into business units based on the nature of their operations. There were three reportable operating segments, including (i) the property management segment; (ii) the property development and investment segment; and (iii) the operation and management of a leisure and lifestyle experience centre. The first and third segment is located in the PRC whereas the second segment is located in the USA and the UK.

Property management segment

北京澳西物業管理有限公司(Beijing AOCEAN Property Management Company Limited*, or “AOCEAN Property Management”), a wholly-owned subsidiary of the Company, was engaged in the property management segment. As at 30 June 2019, AOCEAN Property Management managed 23 major residential and commercial property projects, which were located in Beijing, and Hebei, the PRC. The services provided by AOCEAN Property Management under the management agreements thereof include, inter alia (i) provision of heat supply and maintenance services of heat exchange stations and pipeline network; (ii) provision of management services to car parks such as maintenance of various facilities and equipment in the car parks; and (iii) provision of property management services to vacant properties and general management services such as repair and maintenance of buildings and fire safety equipment and was facilities for residential and commercial property projects.

董事認為，收購事項將使本公司整合本集團於二零一八年收購同棟樓宇之CK房地產及另一間毗鄰房地產(「二零一八房地產」)，以提升發展CK房地產的靈活性，從而使CK房地產及二零一八房地產之整體價值得以潛在增加。董事認為出售事項為本集團實現其於Wholly Express Limited及其附屬公司及實質上於WE房地產的投資提供機會，以使本集團能夠將更多資源重新分配給其他具有更大潛力的項目，例如CK房地產。

收購事項及出售事項須待該協議所載之先決條件獲達成後，方告完成。上述交易之更多詳情，請參閱本公司二零一九年七月十六日、二零一九年八月一日、二零一九年八月十六日及二零一九年八月三十日之公佈。

業務回顧

於截至二零一九年六月三十日止六個月(「本期間」)內，本集團根據經營業務之性質劃分業務單位，並有以下三個可供報告之經營板塊：(i)物業管理板塊；(ii)物業發展及投資板塊；及(iii)休閒及時尚生活體驗中心之運作及管理。第一個及第三個板塊位於中國，而第二個板塊則位於美國及英國。

物業管理板塊

物業管理板塊由本公司之全資附屬公司北京澳西物業管理有限公司(「澳西物業管理」)經營。於二零一九年六月三十日，澳西物業管理管理23個大型住宅及商用物業項目，全部位於中國北京，及河北。澳西物業管理根據有關管理協議所提供之服務計有(其中包括)：(i)提供供暖服務以及換熱站及輸送管道網絡之維修服務；(ii)提供停車場管理服務(例如維修停車場之各種設施及設備)；及(iii)提供有關空置物業之物業管理服務及一般管理服務(例如維修及保養住宅及商用物業項目之樓宇以及防火安全設備及設施)。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Adhering to the principle of human-oriented, and perceiving the market from the perspective of customers and market needs, AOCEAN Property Management has been improving and perfecting its management system and services and providing candid quality services.

秉持以人為本之原則，並從客戶及市場需要之角度進行市場考量，澳西物業管理一直改善及完善其管理系統及服務，並坦誠的提供優質服務。

Property development and investment segment

During the Period, operations of the property development and investment segment were located in the USA and the UK.

物業發展及投資板塊

於本期間，物業發展及投資板塊業務位於美國及英國。

- Santa Monica project

The Santa Monica project, located in Santa Monica, the County of Los Angeles, State of California, the USA, has a total site area of approximately 40,615 square feet. According to the current entitlement of the parcel of land, the development for the site is a mixed-use three stories development. Total rentable/saleable floor area is approximately 25,000 square feet for commercial use and 38,000 square feet for residential use and 190 on-site subterranean parking spaces. For the commercial area, lease agreement with a famous supermarket chain has been entered into, representing approximately 60% of total commercial rentable area. We are actively negotiating with several potential tenants to lease up the remaining areas. Property leasing agent has been appointed for the residential lease. Marketing campaign has been launched to the market accordingly. Temporary Certificate of Occupancy has been approved in August of 2019, allowing occupancy in the building. The plan of Santa Monica Project was to lease the commercial units and the residential units.

- 聖莫尼卡項目

聖莫尼卡項目位於美國加利福尼亞州洛杉磯聖莫尼卡市，地盤面積合共約為40,615平方呎。根據該幅土地目前之所有權，地盤之發展為樓高三層之綜合用途發展項目。可出租／可出售總建築面積約25,000平方呎作商業用途，38,000平方呎作住宅用途，並設有190個地下停車位。商業區已簽訂與知名連鎖超市的租賃協議，約佔商業可租用總區域的60%。我們正積極與若干潛在租戶談判，以租賃剩餘的區域。本集團已就住宅租賃委任物業租賃代理。營銷活動亦隨之推向市場。臨時佔用證明（「臨時佔用證明」）已於二零一九年八月獲批准，允許佔用於該樓宇。聖莫尼卡項目計劃用於出租商業單元及住宅單元。

- Boundary House

Boundary House is located at the crossover between the increasingly vibrant Aldgate district which is popular with technology media telecommunications occupiers and the established city of London financial and insurance heartland. Boundary House is also close to numerous mainline and underground stations with convenient access of rail transportation, including the new Crossrail, which is a high speed train expected to be delivered and put in service in 2019 connecting the East-West of London. Boundary House is an office building with a net internal floor area of approximately 45,062 square feet, which comprises a ground floor and seven upper floors, basement storage and seven car park spaces. Boundary House is 85% occupied and is currently let to 11 office tenants. The leases can contribute approximately £1.0 million rental income to the Group annually, not taking into account the rent free period provided to tenants.

- Boundary House

Boundary House坐落於日漸繁華之Aldgate區，該區域獲多家科技、媒體及電信企業進駐，且與倫敦市著名之金融及保險地帶交界。Boundary House鄰近多條鐵路幹線及地鐵站，包括新的Crossrail（預計將於二零一九年交付並投入服務、貫通倫敦東西之高速鐵路），鐵路交通十分方便。Boundary House為一座辦公大樓，室內實用建築面積約為45,062平方呎，由地面一層、地面上七層樓、地庫儲物空間及七個停車位組成。Boundary House目前出租予11名辦公室租戶，出租率達85%。未計及向租戶提供之免租期，該等租賃每年可為本集團貢獻約1,000,000英鎊租金收入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- Juxon House

Juxon House is located at 100 St Pauls Churchyard, London, the UK. It situates in a prominent position on the northern-western side of St Pauls Cathedral, on the corner of Ludgate Hill/St Paul's Churchyard to the south and Ave Maria Lane to the west, with Paternoster Square to the east, which is a prime professional and financial district with the London Stock Exchange and some multinational organizations having offices in the near vicinity. Juxon House is a grade A commercial building with a net lettable floor area of approximately 123,781 square feet, among which the office accommodation, the retail accommodation, and the ancillary and storage area have a net lettable floor area of 100,774 square feet, 20,083 square feet and 2,924 square feet respectively. Juxon House comprises a lower ground floor, a ground floor and five upper floors, basement storage and 20 car park spaces. Juxon House was fully let to four office tenants and four retail tenants, which contributed approximately £6.2 million rental income to the Group annually, not taking into account the rent free period provided to tenants.

- Portion of offices and basement of Guorui Square Block B in Beijing, the PRC

On 30 May 2018, the Company as the purchaser, Winluck Global Limited, being a company wholly-owned by Mr. Wei Chunxian, a Director, and Silky Apex Limited, being a company wholly-owned by Mr. Sun Zhongmin, a Director, together as the vendors (collectively defined as the "Vendors"), entered into a sale and purchase agreement (the "Agreement"), pursuant to which the Vendors have conditionally agreed to sell and the Company has conditionally agreed to purchase the entire issued share capital of Wise Expert Investment Limited at the consideration of HK\$1,541,320,000.

- Juxon House

Juxon House位於英國倫敦聖保羅教堂墓地第100號。其坐落於聖保羅大教堂西北側之黃金地段，南面為Ludgate Hill／聖保羅教堂墓地，西面為Ave Maria Lane，而東面則為帕特諾斯特廣場，乃倫敦證券交易所所在之主要專業及金融區，若干跨國公司在附近擁有辦事處。Juxon House為一座A級商業樓宇，可出租實用面積約為123,781平方呎，其中辦公場所、零售場所及配套及儲存區域之可出租實用建築面積分別為100,774平方呎、20,083平方呎及2,924平方呎。Juxon House包括一層底層、地面層及以上五個樓層、地下儲存室及20個停車位。Juxon House已完全出租予四名辦公室租戶及四名零售租戶，未計及向租戶提供之免租期，每年可為本集團貢獻約6,200,000英鎊租金收入。

- 中國北京國銳廣場B座之部分辦公室及地下室

於二零一八年五月三十日，本公司作為買方，Winluck Global Limited（一間由董事魏純暹先生全資擁有之公司）及Silky Apex Limited（一間由董事孫仲民先生（統稱買方）全資擁有之公司）（統稱「賣方」）訂立買賣協議（「該協議」），據此，賣方有條件同意出售及本公司有條件同意購買Wise Expert Investment Limited之全部已發行股本，代價為1,541,320,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Wise Expert Investment Limited and its subsidiaries are the sole owner of the property (the “Property”), located at Ronghua South Road, Daxing District, Beijing, the PRC, with a gross floor area of approximately 21,856.46 square meters, which is a composite residential/commercial development, comprising of residential, hotel, services apartment and office. Guorui Square Block B (the “Building”) is a 36-storey office building over a 3-storey basement for storage and plant room purposes. The Property comprises the whole of the basements, the whole of Levels 2 to 11, Unit 108 on Level 1M and Units 1201, 1202 and 1203 on Level 12M of the Building.

The transaction was first completed on 17 August 2018 upon fulfillment of the first set of conditions precedent under the Agreement.

As at 30 June 2019, application for land use rights (in strata title) are being processed by the relevant land bureau. Once obtained, these properties will be handed over to the Group, which is expected to take place in the second half of 2019.

In light of market conditions, the Board will explore various opportunities for the development of this property.

Operation and management of leisure and lifestyle experience centre

The operation and management of leisure and lifestyle experience centre, including but not limited to provision of catering, banquet, fitness and sport facilities services (“Businesses”) were operated by Wholly Express Limited and its subsidiaries (together as the “Wholly Express Group”) at the beginning of the Period. Following the completion of a reorganization within the Group on 20 June 2019, the Businesses has been operated by Rui Hua Investment Limited and its subsidiaries instead. Such services are provided in a property located at Ronghua South Road, Daxing District, Beijing, the PRC, which is owned by the Wholly Express Group.

Wise Expert Investment Limited及其附屬公司為有關物業(「該物業」)之唯一擁有人。該物業位於中國北京大興區榮華南路，總建築面積約為21,856.46平方米，其為綜合住宅／商業開發項目，包括住宅、酒店、服務公寓及辦公室。國銳廣場B座(「該建築」)為一座36層高之辦公大樓，有3層地下室，用於儲存及機房用途。該物業包括該建築整座地下室、整層的第2層至第11層、第1M層的108室以及第12M層的1201、1202及1203室。

該項交易已於二零一八年八月十七日該協議下之第一批先決條件達成時第一次完成。

於二零一九年六月三十日，(地權中的)土地使用權申請，由相關土地局正在進行。一旦獲得，該等物業將移交予本集團，本集團預計將於二零一九年下半年進行。

根據市場狀況，董事局將探索該物業發展方向的多種機會。

休閒及時尚生活體驗中心之運作及管理

Wholly Express Limited及其附屬公司(統稱「Wholly Express 集團」)於期初主要經營休閒及時尚生活體驗中心之運作及管理(包括但不限於提供餐飲、宴會、健身及體育設施服務(「業務」))。本集團於二零一九年六月二十日完成重組後，該業務由銳華天地投資有限公司及其附屬公司運營。該等服務乃於一項由Wholly Express集團擁有、位於中國北京大興區榮華南路之物業中提供。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The property is located in the Economic Technological Development Area located in Yizhuang (亦莊) at the southeast of Beijing, the PRC, which is surrounded by an area of large construction site under development. The construction site includes hotel, offices, residential and retail properties. The development of the remaining area is estimated to be gradually completed from 2018 to 2022. Although the operation of the Businesses incurred net loss in the Period under review which was mainly due to the surrounding area still being under development, the Company expects that the operation of the Businesses will gradually improve with the increasing population following completion of development of other areas of the site, and pedestrian flow in surrounding area.

FINANCIAL REVIEW

Financial analysis

During the Period, the Group generated revenue of approximately HK\$177,006,000 (Six months ended 30 June 2018: approximately HK\$173,269,000). The property management segment reported segment revenue of approximately HK\$104,858,000 (Six months ended 30 June 2018: approximately HK\$82,914,000). The property development and investment segment reported segment revenue of approximately HK\$36,167,000 (Six months ended 30 June 2018: approximately HK\$38,157,000), which was contributed from the rental income from the lease of Juxon House and Boundary House. The operation and management of leisure and lifestyle experience centre segment reported segment revenue of approximately HK\$35,981,000 (Six months ended 30 June 2018: HK\$52,198,000). The Group recorded a loss for the Period of approximately HK\$3,179,000 (Six months ended 30 June 2018: loss of approximately HK\$11,494,000). The decrease in loss was primarily due to: (i) the contribution of property management segment profit of HK\$24,867,000; and (ii) the decrease of corporate and other unallocated expense of HK\$12,112,000 and as partially offset by (a) the loss of Wholly Express Group, engaging in the operation and management of leisure and lifestyle experience centre; and (b) the increase in the income tax. As at 30 June 2019, the Group had a construction loan for Santa Monica Project of approximately HK\$126,279,000. In addition, as at 30 June 2019, the Group has obtained loans of approximately HK\$904,157,000 with Boundary House and Juxon House being charged as security for the loans and lease liabilities of approximately HK\$16,422,000.

該物業位於中國北京東南部亦莊經濟技術開發區，周邊大部分建築工地正在開發。該建築工地附帶酒店、辦公室、住宅及零售物業。餘下區域之發展估計將於二零一八年至二零二二年逐步完成。儘管業務運營於回顧期內主要因周邊區域仍在開發而產生虧損淨額，本公司預計，隨著場地其他區域的開發及周邊地區的人流量的增加，業務營運將逐步改善。

財務回顧

財務分析

本集團於本期間產生收入約177,006,000港元(截至二零一八年六月三十日止六個月：約173,269,000港元)。物業管理板塊錄得板塊收入約104,858,000港元(截至二零一八年六月三十日止六個月：約82,914,000港元)。物業發展及投資板塊錄得板塊收入約36,167,000港元(截至二零一八年六月三十日止六個月：約38,157,000港元)，源自Juxon House以及Boundary House之租賃租金收入。休閒及時尚生活體驗中心之運作及管理板塊錄得板塊收入約35,981,000港元(截至二零一八年六月三十日止六個月：52,198,000港元)。本集團於本期間錄得虧損約3,179,000港元(截至二零一八年六月三十日止六個月：虧損約11,494,000港元)。虧損減少主要乃由於：(i)物業管理板塊之利潤貢獻24,867,000港元；及(ii)公司及其他未分配費用減少12,112,000港元及部分被(a)從事休閒及時尚生活體驗中心之運作及管理之Wholly Express集團之虧損；及(b)所得稅增加所抵銷。於二零一九年六月三十日，本集團已為聖莫尼卡項目安排建築貸款約126,279,000港元。此外，於二零一九年六月三十日，本集團亦已取得以Boundary House及JuxonHouse之押記作抵押之貸款約904,157,000港元及租賃負債約16,422,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2018, the Group had secured bank borrowings of HK\$1,023,094,000. Such bank borrowings comprised the construction loan for Santa Monica Project and the loans with Boundary House being charged as security.

As at 30 June 2019, the Company and Wintime Company Limited entered into another shareholder loan facility agreement, pursuant to which Wintime Company Limited agrees to provide a facility with amount up to HK\$1,700,000,000 to the Company for financing the working capital requirements of the Group in connection with its property acquisition and development. This shareholder loan is also unsecured, interest bearing at 2% per annum and repayable 36 months after drawdown, and such facility was extended in July 2019 for 24 months.

As at 30 June 2019, the Group had available cash and bank balances of approximately HK\$197,069,000 (31 December 2018: approximately HK\$345,163,000), representing a capital liquidity ratio (cash and bank balances divided by current liabilities) of 0.32 (31 December 2018: 0.54). As at 30 June 2019, the gearing ratio of the Company (total debts divided by total equity) was 0.30 (31 December 2018: 0.30).

Foreign currency exposure

During the Period, the Group's business operations were principally in the PRC, the UK and the USA and the main operational currencies were HK\$, RMB, £ and US\$. The Group's transactions were mainly denominated in RMB, £ and US\$. The majority of assets and liabilities were denominated in HK\$, RMB, £ and US\$. Any significant exchange rate fluctuations of foreign currencies against HK\$ may have financial impact to the Group. The Group will closely monitor the exchange rate movement trend and take corresponding measures in a timely manner to reduce the foreign currency exchange risk and exposure.

於二零一八年十二月三十一日，本集團有抵押銀行借款1,023,094,000港元。該等銀行借款包括聖莫尼卡項目之建築貸款及以Boundary House之押記作抵押之貸款。

於二零一九年六月三十日，本公司與Wintime Company Limited訂立另一份股東貸款融資協議，據此，Wintime Company Limited同意向本公司提供金額最高達1,700,000,000港元之融資，以為本集團運營資金要求及其物業收購及發展融資。該股東貸款亦為無抵押，按2%年利率計息，並須於提款後36個月償還且該融資於二零一九年七月延長24個月。

於二零一九年六月三十日，本集團有現金及銀行結餘約197,069,000港元(二零一八年十二月三十一日：約345,163,000港元)，資金流動比率(現金及銀行結餘除以流動負債)為0.32(二零一八年十二月三十一日：0.54)。於二零一九年六月三十日，本公司之資產負債比率(債務總額除以權益總額)為0.30(二零一八年十二月三十一日：0.30)。

外幣風險

於本期間內，本集團之業務營運主要位於中國、英國及美國境內，而主要營運貨幣為港元、人民幣、英鎊及美元。本集團之交易主要以人民幣、英鎊及美元為單位。大部分資產和負債均以港元、人民幣、英鎊及美元為單位。外幣兌港元之匯率如有任何重大波動，均可能對本集團構成財務影響。本集團將密切留意匯率變化趨勢，及時採取應對措施以減輕外匯風險及承擔。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Human resources and remuneration policy

As at 30 June 2019, the total number of employees of the Group (excluding directors) was approximately 538 (31 December 2018: approximately 724). Most of them were located in the PRC. Remuneration offered by the Group was determined in accordance with the relevant policies in Hong Kong, the PRC and the USA and with reference to market trends, as well as individual competence and performance of the staff. Other related benefits included contributions to Mandatory Provident Fund Schemes, social insurance, medical insurance funds and other applicable contributions in accordance with the relevant laws and regulations.

Interim dividend

The Board resolved not to declare any interim dividend for the six months ended 30 June 2019 (Six months ended 30 June 2018: Nil).

Pledge of assets

As at 30 June 2019, the Group had investment properties with an amount of approximately HK\$2,379,497,000 (31 December 2018: approximately HK\$2,175,670,000) to secure bank borrowings of approximately HK\$1,046,858,000 (31 December 2018: approximately HK\$1,023,094,000). Such bank borrowings comprise the construction loan for Santa Monica Project and the loan with Boundary House and Juxon House being charged as security. As at 30 June 2019, trade receivables of approximately HK\$4,046,000 (31 December 2018: approximately HK\$3,321,000) in total were pledged to secure a bank loan granted to the Group. As at 30 June 2019, deposits amounting to HK\$39,188,000 have been pledged to secure standby letter of credit issued in favour of general contractor for Santa Monica Project (31 December 2018: HK\$39,230,000).

Capital and other development related commitment and contingent liabilities

As at 30 June 2019 and 31 December 2018, the Group had no other material contingent liabilities save as disclosed in Note 24 to the interim condensed consolidated financial information of the Group set out in this interim report. As at 30 June 2019, the Group had contracted but not provided for commitments for development costs and capital expenditure in the amount of approximately HK\$29,924,000 (31 December 2018: approximately HK\$26,033,000).

人力資源及薪酬政策

於二零一九年六月三十日，本集團之僱員（不包括董事）總數約為538人（二零一八年十二月三十一日：約724人），大部分在中國工作。本集團提供之薪酬乃根據香港、中國及美國有關政策，參考市場趨勢及員工個人能力和表現而釐定。其他有關福利包括強制性公積金計劃、社會保險基金及醫療保險基金供款，以及根據有關法律及法規作出之其他適用供款。

中期股息

董事局議決不宣派截至二零一九年六月三十日止六個月之任何中期股息（截至二零一八年六月三十日止六個月：無）。

資產質押

於二零一九年六月三十日，本集團將金額約為2,379,497,000港元（二零一八年十二月三十一日：約2,175,670,000港元）之投資物業作為約1,046,858,000港元（二零一八年十二月三十一日：約1,023,094,000港元）銀行借款之抵押。該等銀行借款包括聖莫尼卡項目之建築貸款及以Boundary House及Juxon House之押記作抵押之貸款。於二零一九年六月三十日，總金額約為4,046,000港元（二零一八年十二月三十一日：約3,321,000港元）之應收貿易賬款已質押，作為本集團獲授銀行貸款之抵押。於二零一九年六月三十日，金額為39,188,000港元（二零一八年十二月三十一日：39,230,000港元）之存款已質押，為向聖莫尼卡項目總承包商出具之備用信用證之抵押。

資本及其他與開發相關之承擔及或然負債

於二零一九年六月三十日及二零一八年十二月三十一日，除本集團中報所載中期簡明綜合財務資料附註24所披露外，本集團並無任何其他重大或然負債。於二零一九年六月三十日，本集團已就開發成本及資本開支約29,924,000港元（二零一八年十二月三十一日：約26,033,000港元）之承擔訂約但未作出撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant investments and material acquisitions and disposals of subsidiaries, associates and joint ventures

For material acquisition of subsidiaries and significant investments held, their performance during the Period and their future prospects, please refer to sections headed “Overview” and “Business Review” on pages 4 to 10 in this interim report. Save as disclosed, the Group had not made any other significant investments, acquisitions and disposals during the Period.

Events after the reporting period

Events after the reporting period are more particularly delineated in note 27 to the interim condensed consolidated financial statements in this interim report.

Share options

For details of share options, please refer to note 23 to the interim condensed consolidated financial statements in this interim report.

Save as disclosed herein, there has been no material change to the information disclosed in the Company’s annual financial statements for the year ended 31 December 2018 which necessitates additional disclosure to be made in this section.

PROSPECTS

Looking ahead, the economy in China will continue to be affected by significant uncertainties subject to whether China and the United States can reach an agreement with their ongoing trade negotiations, which has been evidenced by the recent depreciation of the RMB and the slower economic growth for China. In view of these uncertainties, the management envisages that our operations in China will inevitably be subject to the downside risk associated by the slowdown of the Chinese economy in the short term.

However, it is anticipated that the real estate market in China will remain relatively stable as the primary goal of the relevant regulatory policies is to achieve stability. In terms of financing, the Group will be affected in certain extent with tightening financing channels in mainland China. Facing the ever-changing and complicated economic environment, the Group will remain cautious and prudent in terms of implementing its financial strategies and managing its business operations.

重大投資及附屬公司、聯營公司及合營公司之重大收購及出售事項

有關本期間之附屬公司重大收購事項、所持重大投資及其表現以及未來展望，請參閱本中期報告第4至10頁「總覽」及「業務回顧」等章節。除所披露者外，本集團於本期間內並無任何其他重大投資、收購及出售事項。

報告期後事項

報告期後事項在本中期報告內中期簡明綜合財務報表附註27一節更詳細描述。

購股權

有關購股權之詳情，請參閱本中期報告內中期簡明綜合財務報表附註23。

除本公佈所披露者外，本公司截至二零一八年十二月三十一日止年度之全年財務報表所披露之資料至今並無重大變動，故毋須在此部分作額外披露。

展望

展望未來，中國經濟將繼續受到重大不確定因素的影響，該影響受中國及美國是否就其正在進行的貿易談判達成協議所規限，近期人民幣貶值及中國經濟增長放緩即可證明。鑑於該等不確定因素，管理層預計我們於中國的業務將不可避免地受到短期內中國經濟放緩所帶來的下行風險。

然而，由於相關監管政策的主要目標為實現穩定，預計中國房地產市場將保持相對穩定。就融資而言，本集團將在一定程度上受到中國大陸融資渠道加緊的影響。面對不斷變化及複雜的經濟環境，本集團將在實施財務策略及管理業務營運方面保持謹慎及審慎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group will continue to engage prominently in property development and investment, and related asset management services. However, the Group would be more cautious in considering investments in the international markets such as the USA and Europe in accordance with the future development strategy of the Group. This should give diversification and a hedge against the future domestic businesses of the Group with a reasonable return to the Shareholders. Other than capturing investment opportunities to establish the position and engage in the property market in Los Angeles and London for income generating real estates with potential of capital appreciation in the long term and re-development in the future, the Group's focus will also be on the execution of existing projects, including but not limited to enhancement of operating performance as well as facilitating further project developments. Besides, the Group will not rule out any possibilities to divest its investment with decent return so as to create value for Shareholders in the longer term. The Group has also been actively evaluating the feasibility of the formation of property investment funds with a focus on the US and/or UK properties. The Directors believe that after those potential acquisitions and execution of existing projects, the Group will be able to broaden its income base through the stable rental incomes generated from the properties.

本集團將繼續主要從事物業發展及投資，以及相關資產管理服務。然而，本集團將按照本集團之未來發展策略，於考慮向美國及歐洲等國際市場作出投資時更加審慎，此舉應帶來多樣化，並於日後為本集團之國內業務提供對沖，從而為股東提供合理回報。本集團不單把握投資機遇，進軍洛杉磯及倫敦物業市場並建立橋頭堡，長遠藉房地產賺取收入、資本增值及重建潛力，亦將專注於執行現有項目，包括但不限於提升營運表現及促進項目進一步發展。此外，本集團將不排除任何獲得足夠回報後出售項目的可能性以從長遠為股東創造價值。本集團亦一直積極評估成立物業投資基金的可行性，重點關注美國及／或英國物業。董事相信，於進行上述各項潛在收購及執行現有項目後，憑藉該等物業產生之穩定租金收入，本集團之收入基礎將可擴大。

GENERAL INFORMATION 一般資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2019, the interests and short positions of the directors and the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一九年六月三十日，董事及最高行政人員以及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份中擁有：(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或被視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須予記入該條文所述登記冊之權益及淡倉；或(c)根據聯交所證券上市規則（「上市規則」）內所載上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(a) Interest in Shares

(a) 股份權益

Name of Director	Capacity	Number of Shares held	Number of underlying Shares	Approximate percentage of issued share capital
董事姓名	身份	持有股份數目	相關股份數目	佔本公司已發行股本之概約百分比 (%)
Mr. Sun Zhongmin 孫仲民先生	Beneficial owner 實益擁有人	136,752,350 (L)	109,086,735 (Note 3) (附註3)	7.68%
	Interest of controlled corporation 受控法團之權益		8,669,925 (L) (Note 3) (附註3)	0.27%
Mr. Wei Chunxian 魏純暹先生	Interest of controlled corporation 受控法團之權益	2,246,160,464 (L) (Notes 1 and 2) (附註1及2)	1,342,317,340 (L) (Note 3) (附註3)	112.16%
Ms. Liu Shuhua 劉淑華女士	Beneficial owner 實益擁有人		5,020,500 (L)	0.16%

(L) denotes long position

(L) 代表好倉

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Note 1: 1,434,421,537 shares are held by Wintime Company Limited. Wintime Company Limited is a wholly-owned subsidiary of Winluck Global Limited. The entire issued share capital of Winluck Global Limited is beneficially owned by Mr. Wei Chunxian. Each of Winluck Global Limited and Mr. Wei Chunxian is deemed to be interested in the shares held by Wintime Company Limited under the SFO.

Note 2: 811,738,927 shares are held by Gang Rui International Investment (HK) Limited. Gang Rui International Investment (HK) Limited is owned as to 90% and 10% by Beijing Guo Rui Real Estate Development Co. Limited* (北京國銳房地產開發有限公司) and Future Glow Ventures Inc. respectively. Future Glow Ventures Inc. is wholly-owned by an independent third party. Beijing Guo Rui Real Estate Development Co. Limited* (北京國銳房地產開發有限公司) is wholly-owned by Beijing Guorui Holdings Co. Limited* (北京國銳控股有限公司) which in turn is indirectly owned by Mr. Wei Chunxian and Mr. Sun Zhongmin as to approximately 91% and 9%, respectively. Each of Beijing Guo Rui Real Estate Development Co. Limited* (北京國銳房地產開發有限公司), Beijing Guorui Holdings Co. Limited* (北京國銳控股有限公司) and Mr. Wei Chunxian is deemed to be interested in the Shares held by Gang Rui International Investment (HK) Limited under the SFO.

Note 3: Pursuant to an agreement entered into between the Company and the vendors (Winluck Global Limited and Silky Apex Limited) dated 30 May 2018, the consideration for the purchase and sale of the entire issued share capital of the Wise Expert Investment Limited shall be HK\$1,541,320,000, which shall be settled (a) as to HK\$361,260,800 by the allotment and issuance of 410,934,160 new shares to Winluck Global Limited (or to its designated nominee(s)) and 40,641,840 new Shares to Silky Apex Limited (or to its designated nominee(s)), by the Company pursuant to the payment schedule under the agreement; and (b) as to the balance of HK\$1,180,059,200, by the issuance of the convertible bonds at an initial conversion price of HK\$0.80 per conversion share in the aggregate principal amount of HK\$1,073,853,872 (i.e. equivalent to 1,342,317,340 conversion shares) to Winluck Global Limited (or to its designated nominee(s)) and HK\$106,205,328 (i.e. equivalent to 132,756,660 conversion shares) to Silky Apex Limited (or to its designated nominee(s)), by the Company pursuant to the payment schedule under the agreement.

附註1: 該1,434,421,537股股份由Wintime Company Limited持有。Wintime Company Limited為Winluck Global Limited之全資附屬公司。Winluck Global Limited之全部已發行股本由魏純暹先生實益擁有。根據證券及期貨條例，Winluck Global Limited與魏純暹先生各自被視為於Wintime Company Limited所持有之股份中擁有權益。

附註2: 該811,738,927股股份由港銳國際投資(香港)有限公司持有。港銳國際投資(香港)有限公司由北京國銳房地產開發有限公司及Future Glow Ventures Inc.分別擁有90%及10%權益。Future Glow Ventures Inc.由獨立第三方全資擁有。北京國銳房地產開發有限公司由北京國銳控股有限公司全資擁有，而北京國銳控股有限公司由魏純暹先生及孫仲民先生分別間接擁有約91%及9%權益。根據證券及期貨條例，北京國銳房地產開發有限公司、北京國銳控股有限公司與魏純暹先生各自被視為於港銳國際投資(香港)有限公司所持有之股份中擁有權益。

附註3: 根據本公司及賣方(Winluck Global Limited及Silky Apex Limited)所訂立日期為二零一八年五月三十日之協議，買賣Wise Expert Investment Limited全部已發行股本之代價為1,541,320,000港元，(a)其中361,260,800港元須由本公司根據該協議下之付款時間表向Winluck Global Limited(或其指定提名人)及Silky Apex Limited(或其指定提名人)分別配發及發行410,934,160股新股份及40,641,840股新股份；及(b)結餘1,180,059,200港元須由本公司根據該協議下之付款時間表按每股兌換股份0.80港元之初步兌換價分別向Winluck Global Limited(或其指定提名人)及Silky Apex Limited(或其指定提名人)發行本金總額為1,073,853,872港元(即相等於1,342,317,340股兌換股份)及106,205,328港元(即相等於132,756,660股兌換股份)之可換股債券之方式支付。

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(b) Interests in associated corporations

(b) 於相聯法團之權益

Name of the member of the Group 本集團成員名稱	Name of shareholder 股東名稱	Approximate percentage of equity interest 股權概約百分比
Ruilai Recreational Fitness Company Limited* (北京銳萊康體健身有限公司) 北京銳萊康體健身有限公司	Xinrong (Beijing) Investment Fund Management Company Limited* (鑫隆(北京)投資基金管理有限公司) (Note) 鑫隆(北京)投資基金管理有限公司(附註)	20%

Note: Xinrong (Beijing) Investment Fund Management Company Limited* (鑫隆(北京)投資基金管理有限公司) is a company established in the PRC and indirectly wholly-owned as to 91% by a close associate of Mr. Wei Chunxian and as to 9% by Mr. Sun Zhongmin. Accordingly, Mr. Wei Chunxian is therefore deemed to be interested in the 20% equity interest in Ruilai Recreational Fitness Company Limited.

附註：鑫隆(北京)投資基金管理有限公司為一間於中國成立之公司，且由魏純暹先生之緊密聯繫人間接全資擁有91%權益及由孫仲民先生間接全資擁有9%權益。因此，魏純暹先生被視作於北京銳萊康體健身有限公司之20%股權中擁有權益。

Save as disclosed above, as at 30 June 2019, none of the directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一九年六月三十日，本公司董事及最高行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有或被視作擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例之該等條文彼等被當作或被視作擁有之權益或淡倉)；或(b)根據證券及期貨條例第352條須記入該條文所述登記冊之任何權益或淡倉；或(c)根據標準守則須知會本公司及聯交所之任何權益或淡倉。

The English names of Chinese entities marked with "*" are translations of their Chinese names and are included for identification purpose only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.

中國實體帶有[*]之英文名稱為其中文名稱之英譯本，僅供識別，不得視為其官方英文名稱。如有歧義，以中文名稱為準。

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

To the best of the Directors' knowledge, as at 30 June 2019, the following persons (not being directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益及淡倉

就董事所知，於二零一九年六月三十日，以下本公司董事或最高行政人員以外的人士，在股份及相關股份中擁有或被視為擁有權益或淡倉，而此等權益或淡倉根據證券及期貨條例第XV部第2及第3分部須向本公司及聯交所披露，或一如本公司根據證券及期貨條例第336條而備存的登記冊所載錄者：

LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY:

於本公司股份及相關股份之好倉：

Name	Number of Shares (ordinary share)	Capacity	Percentage of Issued Share Capital (approximately) 佔已發行股本 百分比(概約)
名稱	股份數目(普通股)	身份	
Wintime Company Limited (Note 1) Wintime Company Limited (附註1)	2,689,076,302 (L)	Beneficial owner 實益擁有人	84.05%
Winluck Global Limited (Note 2) Winluck Global Limited (附註2)	2,689,076,302 (L)	Beneficial Interest held by controlled corporation 受控法團持有之實益權益	84.05%
Gang Rui International Investment (HK) Limited (Note 3) 港銳國際投資(香港)有限公司 (附註3)	811,738,927 (L)	Beneficial owner 實益擁有人	25.37%
Beijing Guorui Real Estate Development Co., Ltd (Note 4) 北京國銳房地產開發有限公司 (附註4)	811,738,927 (L)	Beneficial interest held by controlled corporation 受控法團持有之實益權益	25.37%
Beijing Guorui Holdings Co., Ltd (Note 5) 北京國銳控股有限公司(附註5)	811,738,927 (L)	Beneficial interest held by controlled corporation 受控法團持有之實益權益	25.37%

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Note 1: As at 30 June 2019, Wintime Company Limited holds 2,689,076,302 shares directly.

Note 2: Winluck Global Limited is deemed to be interested in the 2,689,076,302 shares under the SFO through its wholly-owned subsidiary, Wintime Company Limited.

Pursuant to an agreement entered into between the Company and the vendors (Winluck Global Limited and Silky Apex Limited) dated 30 May 2018, the consideration for the purchase and sale of the entire issued share capital of Wise Expert Investment Limited shall be HK\$1,541,320,000, which shall be settled (a) as to HK\$361,260,800 by the allotment and issuance of 410,934,160 new shares to Winluck Global Limited (or to its designated nominee(s)) and 40,641,840 new Shares to Silky Apex Limited (or to its designated nominee(s)), by the Company pursuant to the payment schedule under the agreement; and (b) as to the balance of HK\$1,180,059,200, by the issuance of the convertible bonds at an initial conversion price of HK\$0.80 per conversion share in the aggregate principal amount of HK\$1,073,853,872 (i.e. equivalent to 1,342,317,340 conversion shares) to Winluck Global Limited (or to its designated nominee(s)) and HK\$106,205,328 (i.e. equivalent to 132,756,660 conversion shares) to Silky Apex Limited (or to its designated nominee(s)), by the Company pursuant to the payment schedule under the agreement.

As at 30 June 2019, Mr. Wei Chunxian is deemed to be interested in the 1,434,421,537 shares and is interested in the 1,254,654,765 conversion shares by virtue of his entire indirect equity interest in Wintime Company Limited. Mr. Wei Chunxian is also deemed under the SFO to be interested in the 87,662,575 conversion shares by virtue of his entire equity interests in Winluck Global Limited.

Note 3: As at 30 June 2019, Gang Rui International Investment (HK) Limited is owned as to 90% and 10% by Beijing Guo Rui Real Estate Development Company Limited* (北京國銳房地產開發有限公司) and Future Glow Ventures Inc. respectively. Future Glow Ventures Inc. is wholly-owned by an independent third party.

Note 4: As at 30 June 2019, Beijing Guorui Real Estate Development Company Limited* (北京國銳房地產開發有限公司) is a wholly-owned subsidiary of Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司).

附註1: 於二零一九年六月三十日，Wintime Company Limited直接持有2,689,076,302股股份。

附註2: 根據證券及期貨條例，透過其全資附屬公司Wintime Company Limited，Winluck Global Limited被視為於2,689,076,302股股份中擁有權益。

根據本公司及賣方(Winluck Global Limited及Silky Apex Limited)所訂立日期為二零一八年五月三十日之協議，買賣Wise Expert Investment Limited全部已發行股本之代價為1,541,320,000港元，(a)其中361,260,800港元須由本公司根據該協議下之付款時間表向Winluck Global Limited(或其指定提名人)及Silky Apex Limited(或其指定提名人)分別配發及發行410,934,160股新股份及40,641,840股新股份；及(b)結餘1,180,059,200港元須由本公司根據該協議下之付款時間表按每股兌換股份0.80港元之初步兌換價分別向Winluck Global Limited(或其指定提名人)及Silky Apex Limited(或其指定提名人)發行本金總額為1,073,853,872港元(即相等於1,342,317,340股兌換股份)及106,205,328港元(即相等於132,756,660股兌換股份)之可換股債券之方式支付。

於二零一九年六月三十日，由於魏純暹先生間接擁有Wintime Company Limited的全部股權，故其被視為於1,434,421,537股股份及1,254,654,765股兌換股份中擁有權益。由於魏純暹先生擁有Winluck Global Limited的全部股權，故根據證券及期貨條例，其亦被視為於87,662,575股兌換股份中擁有權益。

附註3: 於二零一九年六月三十日，港銳國際投資(香港)有限公司由北京國銳房地產開發有限公司及Future Glow Ventures Inc.分別擁有90%及10%權益。Future Glow Ventures Inc.由獨立第三方全資擁有。

附註4: 於二零一九年六月三十日，北京國銳房地產開發有限公司為北京國銳控股有限公司之全資附屬公司。

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Note 5: As at 30 June 2019, Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司) is indirectly owned as to 91% and 9% by Mr. Wei Chunxian and Mr. Sun Zhongmin, respectively.

As at 30 June 2019, Mr. Wei Chunxian is deemed under the SFO to be interested in 811,738,927 shares held by Gang Rui International Investment (HK) Limited.

Save as disclosed above, at 30 June 2019, the directors and the chief executive of the Company were not aware of any other person (other than the directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO as at 30 June 2019.

USE OF PROCEEDS

As at 30 June 2019, the remaining unutilised net proceeds from the open offer (the "Open Offer") completed on 24 July 2018 in the sum of approximately HK\$98,959,000 brought forward from the year ended 31 December 2018 were utilized in full as intended as follows:

附註5：於二零一九年六月三十日，北京國銳控股有限公司由魏純暹先生及孫仲民先生分別間接擁有91%及9%權益。

於二零一九年六月三十日，根據證券及期貨條例，魏純暹先生被視為於港銳國際投資(香港)有限公司所持有之811,738,927股股份中擁有權益。

除上文所披露者外，於二零一九年六月三十日，本公司董事及最高行政人員並不知悉任何其他本公司董事及最高行政人員以外之其他人士，在股份或相關股份中擁有或被視為擁有權益或淡倉，而此等權益或淡倉根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露，或計入本公司於二零一九年六月三十日，本公司根據證券及期貨條例第336條須存置之登記冊內。

所得款項用途

於二零一九年六月三十日，於二零一八年七月二十四日完成的公開發售(「公開發售」)之剩餘未動用所得款項淨額(自截至二零一八年十二月三十一日止年度結轉的約98,959,000港元)，已悉數用作以下擬定用途：

	Amount utilised
	已動用金額
	(HK\$)
	(港元)
For the repayment of outstanding liabilities	用作償還未償還負債
• Repayment of loans	• 償還貸款 23,372,000
For the general working capital of the Group	用作本集團的一般營運資金
• Operating and administrative expenses for the Group's operation in the United States	• 本集團於美國經營業務的營運及管理開支 75,587,000
• Repayment of interests on the loans	• 償還貸款利息 5,730,000
• Salaries, professional fees, utilities, repairs and maintenance and rental expenses, and other operating expenses for Group's existing principal business	• 薪金、專業費用、公共事業、維修及保養及租金開支以及本集團現有主要業務的其他營運開支 16,752,000
	53,105,000
Total:	總計：
	98,959,000

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PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as stated in Appendix 14 of the Listing Rules throughout the Period.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions. Having made specific enquiry to all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee is responsible for reviewing and supervising the financial reporting process, internal control and risk management procedures of the Group. The Group's interim results for the six months ended 30 June 2019 have been reviewed by the Audit Committee.

During the Period, the Audit Committee comprised of three independent non-executive Directors, namely Mr. Tung Woon Cheung Eric ("Mr. Tung"), Mr. Au Yeung Po Fung and Ms. To Tsz Wan Vivien. As at the date of this interim report, the Audit Committee of the Company comprises of three independent non-executive Directors, namely, Mr. Tung, Mr. Au Yeung Po Fung and Ms. To Tsz Wan Vivien, with Mr. Tung as the Chairman.

購買、出售或贖回上市證券

本公司或其任何附屬公司概無於本期間內購買、出售或贖回本公司任何上市證券。

企業管治守則

於本期間內，本公司已遵守上市規則附錄十四所載之《企業管治守則》(「企業管治守則」)內之守則條文。

遵守董事進行證券交易之守則

本公司已採納標準守則，作為本公司有關董事進行證券交易之守則。在本公司向所有董事作出特定查詢後，各董事確認，於本期間內，彼等已一直遵守標準守則所載之規定標準。

審核委員會

審核委員會負責審閱及監督本集團之財務報告程序、內部監控及風險管理程序。審核委員會已審閱本集團截至二零一九年六月三十日止六個月之中期業績。

於本期間內，審核委員會包括三名獨立非執行董事，即董煥樟先生(「董先生」)、歐陽寶豐先生及杜紫雲女士。於本中期報告日期，本公司之審核委員會包括三名獨立非執行董事，即董先生、歐陽寶豐先生及杜紫雲女士，董先生為主席。

GENERAL INFORMATION

一般資料

SUFFICIENCY OF PUBLIC FLOAT

At the date of this interim report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained sufficient public float as required under the Listing Rules throughout the Period.

PUBLICATION OF RESULTS ON WEBSITES

Pursuant to Appendix 16 to the Listing Rules, the results of the Company will be published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.grproperties.com.hk) in due course.

APPRECIATION

I would like to express my heartfelt gratitude to the fellow members of the Board, and on behalf of the Board, our dedicated employees of the Group for their continued loyalty, professionalism and contributions in the past years. Furthermore, I would like to extend my sincerest appreciation to our investors and shareholders for their continuing confidence in and support for the Group over the years. We will devote our best efforts with an aim to generate encouraging returns for our supportive shareholders.

By order of the Board
Wei Chunxian
Chairman

Hong Kong, 30 August 2019

足夠公眾持股量

於本中期報告日期，根據本公司得悉之公開資料及董事所悉，於本期間內，本公司一直按上市規則之規定維持充足之公眾持股量。

於網站刊載業績

根據上市規則附錄十六之規定，本公司已在二零一九年八月三十日在香港聯合交易所有限公司網站(www.hkexnews.hk)及本公司網站(www.grproperties.com.hk)刊載其業績。

致謝

本人謹此衷心感謝董事局其他成員，並且代表董事局感謝本集團專心致志之僱員，感謝彼等多年來一直盡忠職守，以專業精神竭誠付出。此外，本人亦衷心感謝本公司之投資者及股東多年來一直給予本集團信心和支持。我們將會傾盡全力，務求為一直支持我們之股東帶來豐碩回報。

承董事局命
主席
魏純暉

香港，二零一九年八月三十日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS 簡明綜合損益表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended 截至以下日期止六個月		
		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核)	30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核)	
		HK\$'000 千港元	HK\$'000 千港元	
	Notes 附註			
REVENUE	收入	5	177,006	173,269
Other income	其他收入	6	4,030	1,271
Cost of inventories sold	已售存貨成本		(7,439)	(11,770)
Employee benefit expenses	僱員福利費用		(45,617)	(47,288)
Marketing expenses	營銷費用		(163)	(277)
Depreciation and amortisation	折舊及攤銷		(19,154)	(12,786)
Utilities, repairs and maintenance and rental expenses	公共事業、維修及保養以及租賃費用		(63,676)	(62,012)
Other operating expenses, net	其他經營費用，淨額		(23,925)	(31,179)
Finance costs	財務費用	7	(18,522)	(20,446)
PROFIT/(LOSS) BEFORE TAX	稅前利潤／(虧損)	8	2,540	(11,218)
Income tax	所得稅	9	(5,719)	(276)
LOSS FOR THE PERIOD	本期間虧損		(3,179)	(11,494)
Attributable to:	歸屬於：			
Shareholders of the Company	本公司股東		(2,967)	(11,494)
Non-controlling interests	非控股權益		(212)	—
			(3,179)	(11,494)
LOSS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	本公司股東應佔每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	10	(0.09)	(0.65)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收益表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended	
		截至以下日期止六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
LOSS FOR THE PERIOD	本期間虧損	(3,179)	(11,494)
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>	往後期間可能重新分類至損益之其他全面收入／(虧損)：		
— Change in fair value of a debt investment at fair value through other comprehensive income	— 按公平值計入其他全面收入的債務投資之公平值變動	258	—
— Exchange differences on translation of foreign operations	— 換算境外業務產生之匯兌差異	(7,303)	(7,709)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF INCOME TAX	本期間之其他全面虧損，扣除所得稅	(7,045)	(7,709)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	本期間全面虧損總額	(10,224)	(19,203)
Attributable to:	歸屬於：		
Shareholders of the Company	本公司股東	(10,004)	(19,203)
Non-controlling interests	非控股權益	(220)	—
		(10,224)	(19,203)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
		Notes 附註	
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment	物業、廠房及設備		785,360
Right-of-use assets	使用權資產		—
Investment properties	投資物業	11	2,175,670
Intangible assets	無形資產		893
Non-current deposits	非流動訂金	12	1,525,745
Deferred tax assets	遞延稅項資產		12,579
Total non-current assets			4,500,247
CURRENT ASSETS 流動資產			
Inventories	存貨		1,497
Trade receivables	應收貿易賬款	13	24,629
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款		80,712
Due from related companies	應收關連公司款項	14	13,357
Other tax recoverables	其他可收回稅項		2,131
Debt investment at fair value through other comprehensive income	按公平值計入其他全面收入的債務投資		23,113
Pledged bank deposit	已質押銀行存款		39,230
Cash and cash equivalents	現金及現金等價物		345,163
Total current assets			529,832
CURRENT LIABILITIES 流動負債			
Trade payables	應付貿易賬款	15	65,929
Receipts in advance	預收款項	16	84,028
Other payables and accruals	其他應付款及預提費用	17	113,167
Due to a shareholder	應付一名股東款項	18	1,437
Due to a director	應付一名董事款項	18	2,557
Due to related companies	應付關連公司款項	14	95,142
Bank and other borrowings	銀行及其他借款	19	247,010
Preferences shares of a subsidiary	一間附屬公司的優先股	20	15,671
Income tax payables	應付所得稅		12,362
Other taxes payables	其他應付稅項		7,449
Total current liabilities			644,752

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

			30 June	31 December
			2019	2018
			二零一九年	二零一八年
			六月三十日	十二月三十一日
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
			HK\$'000	HK\$'000
			千港元	千港元
NET CURRENT LIABILITIES	流動負債淨額		(232,408)	(114,920)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		4,457,744	4,385,327
NON-CURRENT LIABILITIES	非流動負債			
Loan from a shareholder	來自一名股東的貸款	18	81,837	—
Bank and other borrowings	銀行及其他借款	19	776,349	776,084
Liability component of perpetual convertible bonds	永久可換股債券的負債部分	21	49,327	48,929
Deferred tax liabilities	遞延稅項負債		105,736	105,799
Total non-current liabilities	非流動負債總額		1,013,249	930,812
Net assets	資產淨額		3,444,495	3,454,515
EQUITY	權益			
Equity attributable to shareholders of the Company	本公司股東應佔權益			
Share capital	股本	22	3,152,571	3,146,571
Equity component of perpetual convertible bonds	永久可換股債券的權益部分	21	1,078,217	1,084,013
Reserves	儲備		(808,852)	(798,848)
Non-controlling interests	非控股權益		3,421,936	3,431,736
			22,559	22,779
Total equity	權益總額		3,444,495	3,454,515

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

Attributable to shareholders of the Company
歸屬於本公司股東

	Share capital (Unaudited) 股本 未經審核 HK\$'000 千港元	Perpetual convertible bonds (Unaudited) 永久性可換取債券 未經審核 HK\$'000 千港元	Share option reserve (Unaudited) 購股權儲備 未經審核 HK\$'000 千港元	Capital reserve (Unaudited) 資本儲備 未經審核 HK\$'000 千港元	Merger reserve (Unaudited) 合併儲備 未經審核 HK\$'000 千港元	Property revaluation reserve (Unaudited) 物業重估儲備 未經審核 HK\$'000 千港元	Fair value reserve (Unaudited) 公平值儲備 未經審核 HK\$'000 千港元	Exchange fluctuation reserve (Unaudited) 匯率波動儲備 未經審核 HK\$'000 千港元	PRC statutory reserve (Unaudited) 中國法定儲備 未經審核 HK\$'000 千港元	Accumulated losses (Unaudited) 累計虧損 未經審核 HK\$'000 千港元	Total (Unaudited) 總計 未經審核 HK\$'000 千港元	Non-controlling interests (Unaudited) 非控股權益 未經審核 HK\$'000 千港元	Total equity (Unaudited) 權益總額 未經審核 HK\$'000 千港元
At 1 January 2019	3,146,571	1,084,013	1,730*	165,572*	299,932*	346,322*	352*	(43,852)*	3,611*	(972,651)*	3,431,736	22,779	3,454,515
Loss for the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income/(loss) for the period:	-	-	-	-	-	-	-	-	-	(2,967)	(2,967)	(212)	(3,179)
Change in fair value of a debt investment	-	-	-	-	-	-	-	-	-	-	-	-	-
at fair value through other comprehensive income	-	-	-	-	-	-	258	-	-	-	258	-	258
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(7,295)	-	-	(7,295)	(6)	(7,303)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	258	(7,295)	-	(2,967)	(10,004)	(220)	(10,224)
Exercise of conversion rights of the perpetual convertible bonds	6,000	(5,796)	-	-	-	-	-	-	-	-	204	-	204
Transfer to accumulated loss	-	-	-	-	-	(6,581)	-	-	-	6,581	-	-	-
Transfer to PRC statutory reserve	-	-	-	-	-	-	-	-	1,894	(1,894)	-	-	-
At 30 June 2019	3,152,571	1,078,217	1,730*	165,572*	299,932*	339,741*	610*	(51,147)*	5,505*	(970,931)*	3,421,936	22,559	3,444,495

* These reserve accounts comprise the consolidated negative reserves of HK\$808,852,000 (31 December 2018: HK\$798,848,000) in the condensed consolidated statement of financial position as at 30 June 2019.
該等儲備賬包括於二零一九年六月三十日於簡明綜合財務狀況表中之綜合負儲備808,852,000港元(二零一八年十二月三十一日: 798,848,000港元)。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

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

	Attributable to shareholders of the Company 歸屬於本公司股東											
	Share capital (Unaudited) 未經審核 HK\$'000 千港元	Perpetual convertible bonds 永久性可換取債券 (Unaudited) 未經審核 HK\$'000 千港元	Share option reserve 購股權儲備 (Unaudited) 未經審核 HK\$'000 千港元	State capital reserve 國家資本儲備 (Unaudited) 未經審核 HK\$'000 千港元	Capital reserve 資本儲備 (Unaudited) 未經審核 HK\$'000 千港元	Merger reserve 合併儲備 (Unaudited) 未經審核 HK\$'000 千港元	Property revaluation reserve 物業重估儲備 (Unaudited) 未經審核 HK\$'000 千港元	PRC statutory reserve 中國法定儲備 (Unaudited) 未經審核 HK\$'000 千港元	Exchange fluctuation reserve 匯率波動儲備 (Unaudited) 未經審核 HK\$'000 千港元	Accumulated losses 累計虧損 (Unaudited) 未經審核 HK\$'000 千港元	Total 總計 (Unaudited) 未經審核 HK\$'000 千港元	Non-controlling interests 非控股權益 (Unaudited) 未經審核 HK\$'000 千港元
At 1 January 2018	1,780,663	82,084	—	165,572	(299,932)	340,876	880	28,352	(992,465)	1,106,030	—	1,106,030
Loss for the period	—	—	—	—	—	—	—	—	(11,494)	(11,494)	—	(11,494)
Other comprehensive loss for the period	—	—	—	—	—	—	—	—	—	—	—	—
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	(7,709)	—	(7,709)	—	(7,709)
Total comprehensive loss for the period	—	—	—	—	—	—	—	(7,709)	(11,494)	(19,203)	—	(19,203)
Equity-settled share option arrangement	—	—	1,730	—	—	—	—	—	—	1,730	—	1,730
Exercise of conversion rights of the perpetual convertible bonds	82,084	(82,084)	—	—	—	—	—	—	—	—	—	—
Issue of new shares	179,485	—	—	—	—	—	—	—	—	179,485	—	179,485
Transfer to accumulated losses	—	—	—	—	—	(5,282)	—	—	5,282	—	—	—
Transfer to PRC statutory reserve	—	—	—	—	—	1,188	—	—	(1,188)	—	—	—
At 30 June 2018	2,042,232	—	1,730	165,572	(299,932)	335,594	2,068	20,643	(999,865)	1,268,042	—	1,268,042

換算境外業務產生之匯兌差異

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended	
		截至以下日期止六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生之現金流量		
Net cash flows generated from/(used in) operating activities	經營活動所得／(使用)之現金流量淨額	648	(44,131)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生之現金流量		
Interest received	已收利息	3,408	1,179
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	—	(484)
Additions to investment properties	添置投資物業	(218,204)	(1,423,786)
Net cash flows used in investing activities	投資活動使用之現金流量淨額	(214,796)	(1,423,091)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended	
		截至以下日期止六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生之現金流量		
New bank loans	新借銀行貸款	907,038	887,412
Repayment of bank loans	償還銀行貸款	(902,324)	—
New loan from a shareholder	來自一名股東的新貸款	81,837	—
Repayment of loans from a shareholder	償還一筆股東貸款	—	(95,000)
Issue of shares	發行股份	—	179,484
Short term advances from related companies	關連公司短期墊款	—	15,003
Repayment of short term advances from independent third parties	償還獨立第三方短期墊款	—	(60,338)
Repayment of short term advances from related companies	償還關連公司短期墊款	—	(1,201)
Interest paid for bank borrowings	已付銀行借款利息	(16,752)	(11,633)
Payment of lease liabilities	支付租賃負債	(3,290)	—
Interest paid for lease liabilities	已付租賃負債利息	(161)	—
Net cash flows from financing activities	融資活動產生之現金流量淨額	66,348	913,727
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(147,800)	(553,495)
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	345,163	723,891
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(294)	17,717
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末之現金及現金等價物	197,069	188,113

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

1. CORPORATE AND GROUP INFORMATION

GR Properties Limited (the “Company”) is a limited liability company incorporated in Hong Kong and shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office and the principal place of business of the Company is located at Suite 1603, Wheelock House, 20 Pedder Street, Central, Hong Kong.

During the six months ended 30 June 2019 (the “Period”), the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- property investment in the United Kingdom (the “UK”)
- property development and investment in the United States of America (the “USA”)
- provision of property management services in the mainland (“Mainland China”) of the People’s Republic of China (the “PRC”)
- operation and management of a leisure and lifestyle experience centre (the “Recreational Centre”) in Beijing, the PRC

On 30 June 2019, the immediate holding company of the Company was Wintime Company Limited (“Wintime”), which is incorporated in the British Virgin Islands with limited liability, and, in the opinion of the directors of the Company, the ultimate holding company of the Company is Winluck Global Limited (“Winluck Global”), which is incorporated in the British Virgin Islands with limited liability.

1. 公司及集團資料

國銳地產有限公司(「本公司」)為一間於香港註冊成立之有限公司，而其股份於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及主要營業地點位於香港中環畢打街20號會德豐大廈1603室。

截至二零一九年六月三十日止六個月(「本期間」)，本公司及其附屬公司(統稱「本集團」)從事下列主要業務：

- 英國(「英國」)之物業投資
- 美利堅合眾國(「美國」)之物業發展及投資
- 在中華人民共和國(「中國」)，大陸(「中國大陸」)提供物業管理服務
- 經營及管理中國北京市之休閒及時尚生活體驗中心(「休閒中心」)

於二零一九年六月三十日，本公司之直接控股公司為於英屬處女群島註冊成立之有限公司Wintime Company Limited(「Wintime」)；本公司董事認為，本公司之最終控股公司為於英屬處女群島註冊成立之有限公司Winluck Global Limited(「Winluck Global」)。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

2.1 BASIS OF PREPARATION

This unaudited interim condensed consolidated financial information for the six months ended 30 June 2019 set out in this report has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountant (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 to The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). It does not include all the information and disclosures in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2018. The accounting policies and basis of preparation adopted in the preparation of this unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2018, except for the changes in accounting policies made thereafter in adopting the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA, which became effective for the first time for the current period’s financial information, as further detailed in note 3 below.

The financial statement relating to the year ended 31 December 2018 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory consolidated financial information required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements of the Company for the year ended 31 December 2018 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

2.1 編製基礎

截至二零一九年六月三十日止六個月載於本報告之本未經審核中期簡明綜合財務資料乃根據香港會計師公會（「香港會計師公會」）所發出的香港會計準則（「香港會計準則」）第34號 *中期財務報告* 及聯交所證券上市規則（「上市規則」）附錄16之適用披露規定編製。本未經審核中期簡明綜合財務資料並無包括年度財務報表內之所有資料及披露事項，並應與本集團截至二零一八年十二月三十一日止年度之年度財務報表一併閱覽。編製本未經審核中期簡明綜合財務資料時所採用之會計政策及編製基礎與編製本集團於截至二零一八年十二月三十一日止年度之年度綜合財務報表所採用者一致，惟其後於採納香港會計師公會所發出對本期間財務資料首次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」）時所作之會計政策變動（見下文附註3進一步詳述）除外。

中期簡明綜合財務狀況表內作為比較資料所載有關截至二零一八年十二月三十一日止年度之財務報表並不構成本公司該年度之法定年度綜合財務報表，惟來自該等綜合財務報表。有關根據香港《公司條例》第436條須就該等法定綜合財務資料披露之進一步資料如下：

本公司已經根據香港《公司條例》第662(3)條及附表6第3部之規定，將截至二零一八年十二月三十一日止年度就本公司綜合財務報表呈交公司註冊處處長。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

2.1 BASIS OF PREPARATION (Continued)

The Company's auditor has reported on those consolidated financial statements of the Company for the year ended 31 December 2018. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

This interim condensed consolidated financial information has not been audited, but has been reviewed by the Company's audit committee.

2.2 BASIS OF PRESENTATION

Notwithstanding that the Group had net current liabilities of approximately HK\$232,408,000 as at 30 June 2019, the directors of the Company consider that the Group will have adequate funds available to enable it to operate as a going concern, after taking into account the historical operating performance of the Group and the unutilised existing facility available to the Group provided by Wintime of HK\$1.5 billion at the date of approval of this interim condensed consolidated financial information.

In addition, the Group has an existing plan to realise certain investment properties, and will consider additional equity and/or debt financing when necessary to provide additional working capital to the Group.

Accordingly, this unaudited interim condensed consolidated financial information has been prepared on the going concern basis which assumes, among other things, the realisation of assets and satisfaction of liabilities in the normal course of business.

2.1 編製基礎(續)

本公司核數師已就截至二零一八年十二月三十一日止年度之本公司該等綜合財務報表出具報告。核數師報告並無保留意見；並無提述該核數師在不就該報告作保留之情況下以強調方式促請有關人士注意之任何事宜；以及並無載有根據香港《公司條例》第406(2)、407(2)或(3)條作出之陳述。

本中期簡明綜合財務資料未經審核，惟已經由本公司審核委員會審閱。

2.2 呈列基礎

儘管本集團於二零一九年六月三十日有流動負債淨額約232,408,000港元，本公司董事認為本集團將具備足夠可動用資金以持續經營基準營運，當中已考慮本集團之過往營運表現及於本中期簡明綜合財務資料獲批准日期，由Wintime向本集團提供的現有未動用銀行融資1,500,000,000港元。

此外，本集團現有計劃以實現若干投資物業，並將於必要時考慮額外股本及／或債務融資，以為本集團提供額外營運資金。

因此，本未經審核中期簡明綜合財務資料乃以持續經營基準編製，當中假設(其中包括)於正常業務過程中變現資產及履行負債。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current period's unaudited interim condensed consolidated financial information:

Amendments to HKFRS 9 HKFRS 16	<i>Prepayment Features with Negative Compensation Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28 HK(IFRIC)-Int 23	<i>Long-term Interests in Associates and Joint Ventures Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements 2015–2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

3. 會計政策及披露變動

本集團就本期間之未經審核中期簡明綜合財務資料首次採納以下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(修訂本)	提早還款特性及負補償
香港財務報告準則第16號	租賃
香港會計準則第19號(修訂本)	計劃修訂、縮減或結算
香港會計準則第28號(修訂本)	於聯營公司及合營企業的長期權益
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理之不確定性
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)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

Other than as explained below regarding the impact of HKFRS 16 *Leases* and HK(IFRIC)-Int 23 *Uncertainty over Income Tax Treatments*, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information. The nature and impact of the new and revised HKFRSs are described below:

- (a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement 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 account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption, if any, as an adjustment to the opening balance of accumulated losses at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under HKAS 17.

3. 會計政策及披露變動(續)

除下文所述的有關香港財務報告準則第16號租賃及香港(國際財務報告詮釋委員會) — 詮釋第23號所得稅處理之不確定性的影響外,新訂及經修訂準則與編製本集團中期簡明綜合財務資料無關。新訂及經修訂香港財務報告準則的性質及影響如下:

- (a) 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號釐定安排是否包括租賃、香港(詮釋常務委員會) — 詮釋第15號經營租賃 — 優惠及香港(詮釋常務委員會) — 詮釋第27號評估涉及租賃法律形式交易的實質。該準則載列確認、計量、呈列及披露租賃的原則,並要求承租人在單一資產負債表內模型中考慮所有租賃。香港財務報告準則第16號大致沿用香港會計準則第17號出租人的會計處理方式。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租賃分為經營或融資租賃。因此,香港財務報告準則第16號對本集團為出租人的租賃並無任何財務影響。

本集團透過採用經修訂追溯應用法採納香港財務報告準則第16號,並於二零一九年一月一日初始應用。根據該方法,該準則追溯應用於初始採用的累計影響(倘有),作為對於二零一九年一月一日的累計虧損期初結餘的調整。二零一八年的比較資料並無重列,並繼續根據香港會計準則第17號呈報。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

New definition of a lease

Under HKFRS 16, a contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standalone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components as a single lease component.

3. 會計政策及披露變動(續)

(a) (續)

租賃的新定義

根據香港財務報告準則第16號，倘合約為換取代價而授予在一段期間內可識別資產的使用控制權，則該合約為租賃或包含租賃。倘客戶有權從使用可識別資產中獲取絕大部分經濟利益及有權主導可識別資產的使用，則表示擁有控制權。本集團選擇使用過渡可行權宜方法，僅在初始應用日期對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號識別為租賃之合約應用該準則。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號未有識別為租賃之合約並未予以重新評估。因此，香港財務報告準則第16號之租賃定義僅應用於在二零一九年一月一日或之後訂立或變更之合約。

在包含租賃部分的合約開始時或該合約獲重新評估時，本集團根據其獨立價格將該合約訂明的代價分配至各租賃及非租賃部分。本集團已採納之承租人可採用可行權益方法，並不區分非租賃部分及就租賃及相關非租賃部分入賬作為單一租賃部分。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various office premises, staff quarters and a fitness centre. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases that, at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on the straight-line basis over the lease term.

3. 會計政策及披露變動(續)

(a) (續)

作為承租人 — 先前分類為經營租賃的租賃

採納香港財務報告準則第16號的影響性質

本集團擁有多項辦公室物業、員工宿舍及一間健身中心的租賃合約。作為承租人，本集團先前將租賃(按該租賃是否評估為已將其資產所有權的絕大部分回報和風險轉予本集團)分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團就所有租賃應用單一的方法確認和計量使用權資產和租賃負債，惟就低價值資產租賃(按個別租賃基準選擇)和短期租賃(按相關資產類別選擇)選擇豁免。本集團已選擇不就(i)低價值資產租賃；及(ii)在開始日期租賃期為12個月或以下的租賃確認使用權資產和租賃負債。取而代之，本集團會將有關該等租賃的租賃付款在租賃期內按直線法確認為開支。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

As a lessee — Leases previously classified as operating leases (Continued)

Impacts on transition

Lease liabilities as at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and included in bank and other borrowings.

The right-of-use assets were measured at the amount of the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the condensed consolidated statement of financial position immediately before 1 January 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the condensed consolidated statement of financial position. This includes upfront payments for leasehold land in the PRC of HK\$405,946,000 that were reclassified from property, plant and equipment.

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

3. 會計政策及披露變動(續)

(a) (續)

作為承租人 — 先前分類為經營租賃的租賃(續)

過渡影響

於二零一九年一月一日的租賃負債乃根據剩餘租賃付款的現值確認，使用於二零一九年一月一日的增量借款利率貼現，並計入銀行及其他借款。

使用權資產按租賃負債金額計量，並就與緊接二零一九年一月一日前在簡明綜合財務狀況表中確認租賃相關的任何預付或應計租賃付款金額進行調整。所有該等資產均已於該日根據香港會計準則第36號進行任何減值評估。本集團選擇在簡明綜合財務狀況表中呈列各自的使用權資產。其中包括中國租賃土地的預付款項405,946,000港元，已從物業、廠房及設備重新分類。

對於先前計入投資物業並按公平值計量的租賃土地及樓宇(持作以賺取租金收入及/或資本增值)，本集團於二零一九年一月一日繼續將其列為投資物業，仍應用香港會計準則第40號按公平值計量。

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3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (a) (Continued)
As a lessee — Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

Assets
Decrease in property, plant and equipment
Increase in right-of-use assets

Increase in total assets

Liabilities
Increase in bank and other borrowings

Increase in total liabilities

3. 會計政策及披露變動(續)

- (a) (續)
作為承租人 — 先前分類為經營租賃的租賃(續)

過渡影響(續)

本集團於二零一九年一月一日應用香港財務報告準則第16號時已使用以下有選擇性的實際權宜方法：

- 對於租期自初步應用之日起12個月內終止的租賃應用短期租賃豁免
- 倘合約包含延長／終止租賃的選擇權，則於事後釐定租賃期限

於二零一九年一月一日採納香港財務報告準則第16號產生之影響如下：

HK\$'000
千港元
(Unaudited)
(未經審核)

資產	HK\$'000 千港元 (Unaudited) (未經審核)
物業、廠房及設備減少	(405,946)
使用權資產增加	419,127
資產總值增加	13,181
負債	
銀行及其他借款增加	13,181
負債總額增加	13,181

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 January 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on the straight-line basis over the shorter of the estimated useful life and the lease term.

3. 會計政策及披露變動(續)

(a) (續)

新會計政策概要

截至二零一八年十二月三十一日止年度的年度財務報表所披露的租賃會計政策，自二零一九年一月一日起採納香港財務報告準則第16號後，將替換為以下新會計政策：

使用權資產

使用權資產乃於租賃開始日期確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債金額、初步已產生直接成本及於開始日期或之前作出的租賃付款減任何已收取租賃獎勵。除非本集團合理確定於租期結束時取得租賃資產所有權，否則已確認使用權資產於其估計可使用年期及租期(以較短者為準)按直線法折舊。

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3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

Summary of new accounting policies (Continued)

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed lease payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

3. 會計政策及披露變動(續)

(a) (續)

新會計政策概要(續)

租賃負債

租賃負債乃於租賃開始日期按租賃期內將作出的租賃付款現值確認。租賃付款包括定額付款(含實質定額租賃付款)減任何應收租賃優惠、取決於某一指數或利率的可變租賃付款以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括合理確定將由本集團行使的購買選擇權之行使價，及為終止租賃而支付的罰款(倘租賃期反映本集團正行使終止權)。並非取決於某一指數或比率的可變租賃付款於導致付款的事件或條件發生的期間確認為支出。

於計算租賃付款的現值時，倘租賃內含的利率並不容易確定，則本集團於租賃開始日期使用增量借款利率計算。於開始日期後，租賃負債金額的增加反映了利息的增長，其減少則關乎所作出的租賃付款。此外，倘存在租期的修改、由指數或利率變動引起的未來租賃付款變動以及租期變動、實質定額租賃付款變動或購買相關資產的評估變動，則重新計量租賃負債的賬面值。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

Summary of new accounting policies (Continued)

Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities (included within "bank and other borrowings"), and the movements during the period are as follows:

3. 會計政策及披露變動(續)

(a) (續)

新會計政策概要(續)

於中期簡明綜合財務狀況表及損益中確認的金額

本集團使用權資產及租賃負債(計入「銀行及其他借款」)的賬面值以及於本期間的變動如下：

		Right-of-use assets 使用權資產			
		Leasehold land 租賃土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	405,946	13,181	419,127	13,182
Additions	添置	—	6,494	6,494	6,494
Depreciation charge	折舊支出	(982)	(3,197)	(4,179)	—
Interest expense	利息開支	—	—	—	161
Payments	付款	—	—	—	(3,451)
Exchange realignment	匯兌調整	15	(769)	(754)	36
At 30 June 2019	於二零一九年六月三十日	404,979	15,709	420,688	16,422

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(b) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group’s tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any significant impact on the Group’s interim condensed consolidated financial information.

3. 會計政策及披露變動(續)

(b) 香港(國際財務報告詮釋委員會)一詮釋第23號,在稅項處理涉及影響應用香港會計準則第12號的不確定性因素(一般指「不確定稅項狀況」)時,處理所得稅(即期及遞延)的會計處理。該詮釋不適用於香港會計準則第12號範圍外的稅項或徵稅,亦尤其不包括與不確定稅項處理相關的權益及處罰相關規定。該詮釋具體處理以下事項:(i)實體是否單獨考慮不確定稅項處理;(ii)實體對稅務機關的稅項處理檢查所作的假設;(iii)實體如何釐定應課稅溢利或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率;及(iv)實體如何考慮事實及情況變動。於採納該詮釋時,本集團考慮於其集團內銷售的轉移定價是否會產生任何不確定稅務情況。根據本集團的稅務合規及轉移定價研究,本集團認為稅務機關將很可能接受其轉移定價政策。因此,該詮釋不會對本集團的中期簡明綜合財務資料產生任何重大影響。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the nature of their products and services and has three reportable operating segments during the Period as follows:

- (a) the property development and investment segment engages in (i) property development and property investment in the USA; and (ii) leasing of office and commercial buildings in the UK;
- (b) the property management segment engages in the provision of property management services for office buildings, residential properties and car parks in Beijing and Hebei Province, the PRC; and
- (c) the operation of the Recreational Centre segment engages in the operation and management of a leisure and lifestyle experience centre in Beijing, the PRC.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that head office and corporate income and expenses are excluded from this measurement.

4. 經營板塊資料

出於管理目的，本集團根據產品及服務性質劃分業務單元，於本期間有以下三個報告經營板塊：

- (a) 物業發展及投資板塊(i)在美國從事物業發展及物業投資，以及(ii)在英國從事辦公室及商業樓宇租賃；
- (b) 物業管理板塊在中國北京市及河北省為辦公室樓宇、住宅物業及停車場提供物業管理服務；及
- (c) 經營休閒中心板塊從事經營及管理中國北京市之休閒及時尚生活體驗中心。

管理層分開監察本集團各經營板塊之業績，以決定如何分配資源及評估表現。板塊表現以報告板塊利潤／虧損為評估基礎，亦即經調整稅前利潤／虧損之計量方法。經調整稅前利潤／虧損之計量方法與本集團稅前利潤／虧損相符一致，惟有關計量並不包括總辦事處及公司收入及費用。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. OPERATING SEGMENT INFORMATION (Continued)

Segment assets and segment liabilities exclude unallocated head office and corporate assets and liabilities as these assets and liabilities are managed on a group basis.

4. 經營板塊資料(續)

板塊資產及板塊負債不包括未分配總辦事處及公司資產與負債，因為該等資產及負債在集團層面管理。

	Property development and investment 物業發展及投資		Property management 物業管理		Operation of the Recreational Centre 經營休閒中心		Total 總計		
	Six months ended 30 June 2019 截至 二零一九年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2019 截至 二零一九年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2019 截至 二零一九年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2019 截至 二零一九年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 (Unaudited) (未經審核) HK\$'000 千港元	
Segment revenue 板塊收入	36,167	38,157	104,858	82,914	35,981	52,198	177,006	173,269	
Segment results 板塊業績	10,336	10,313	24,867	6,262	(21,434)	(12,004)	13,769	4,571	
Reconciliation: 對賬:									
Other unallocated income and gain 其他未分配收入及收益								883	675
Corporate and other unallocated expenses 公司及其他未分配費用								(12,112)	(16,464)
Profit/(loss) before tax 稅前利潤/(虧損)								2,540	(11,218)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營板塊資料(續)

		Property development and investment 物業發展及投資		Property management 物業管理		Operation of the Recreational Centre 經營休閒中心		Total 總計	
		As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元	As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元	As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元	As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Segment assets	板塊資產	2,479,732	2,286,483	176,739	204,263	817,227	811,088	3,473,698	3,301,834
<i>Reconciliation:</i>	<i>對賬:</i>								
Corporate and other unallocated assets	公司及其他未分配資產								
— Property, plant and equipment	— 物業、廠房及設備							497	314
— Right-of-use assets	— 使用權資產							5,761	—
— Prepayments, deposits and other receivables	— 預付款項、訂金及其他應收款							1,526,216	1,527,251
— Due from related companies	— 應收關連公司款項							360	360
— Pledged bank deposit	— 已質押銀行存款							39,188	39,230
— Cash and cash equivalents	— 現金及現金等價物							29,631	161,090
Total assets	總資產							5,075,351	5,030,079
Segment liabilities	板塊負債	1,091,725	1,107,210	96,276	141,576	303,130	273,627	1,491,131	1,522,413
<i>Reconciliation:</i>	<i>對賬:</i>								
Corporate and other unallocated liabilities	公司及其他未分配負債								
— Other payables and accruals	— 其他應付款及預提費用							1,161	2,785
— Due to a shareholder	— 應付一名股東款項							83,264	1,437
— Liability component of perpetual convertible bonds	— 永久可換股債券的負債部分							49,327	48,929
— Lease liabilities	— 租賃負債							5,973	—
Total liabilities	總負債							1,630,856	1,575,564

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. REVENUE

An analysis of the Group's revenue is as follows:

5. 收入

本集團的收入分析如下：

		Six months ended	
		截至以下日期六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Property management service income	提供物業管理服務	104,858	82,914
Operations of the Recreational Centre:	經營休閒中心：		
— Service income	— 服務收入	16,362	26,477
— Sales of goods	— 銷售貨品	19,619	25,721
Gross rental income	租金收入總額	36,167	38,157
Total revenue		177,006	173,269

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. REVENUE (Continued)

Notes:

(a) **Disaggregated revenue information**
Six months ended 30 June 2019 (Unaudited)

5. 收入(續)

附註：

(a) 收入分列資料
截至二零一九年六月三十日止六個月(未經審核)

Segments	板塊	Property development and investment 物業發展及投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Operation of the Recreational Centre 經營休閒中心 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Type of goods or services	貨品或服務種類				
Rendering of property management services	提供物業管理服務	—	104,858	—	104,858
Operations of the Recreational Centre:	經營休閒中心：				
— Rendering of services	— 提供服務	—	—	16,362	16,362
— Sale of goods	— 銷售貨品	—	—	19,619	19,619
Total revenue from contracts with customers	客戶合約收入總額	—	104,858	35,981	140,839
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	36,167	—	—	36,167
Total revenue	收入總額	36,167	104,858	35,981	177,006
Geographical market	地區市場				
Total revenue from contracts with customers — Mainland China	客戶合約收入總額 — 中國大陸	—	104,858	35,981	140,839
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	36,167	—	—	36,167
Total revenue	收入總額	36,167	104,858	35,981	177,006
Timing of revenue recognition	收入確認時間				
Goods transferred at a point in time	於某一時間點轉移貨品	—	—	19,619	19,619
Services transferred over time	隨時間轉移服務	—	104,858	16,362	121,220
Total revenue from contracts with customers	客戶合約收入總額	—	104,858	35,981	140,839
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	36,167	—	—	36,167
Total revenue	收入總額	36,167	104,858	35,981	177,006

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. REVENUE (Continued)

Notes: (Continued)

(a) Disaggregated revenue information (Continued)
Six months ended 30 June 2018 (Unaudited)

5. 收入 (續)

附註：(續)

(a) 收入分列資料(續)
截至二零一八年六月三十日止六個月(未經審核)

Segments	板塊	Property development and investment 物業發展及 投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Operation of the Recreational Centre 經營 休閒中心 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Type of goods or services	貨品或服務種類				
Rendering of property management services	提供物業管理服務	—	82,914	—	82,914
Operations of the Recreational Centre:	經營休閒中心：				
— Rendering of services	— 提供服務	—	—	26,477	26,477
— Sale of goods	— 銷售貨品	—	—	25,721	25,721
Total revenue from contracts with customers	客戶合約收入總額	—	82,914	52,198	135,112
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	38,157	—	—	38,157
Total revenue	收入總額	38,157	82,914	52,198	173,269
Geographical market	地區市場				
Total revenue from contracts with customers — Mainland China	客戶合約收入總額 — 中國大陸	—	82,914	52,198	135,112
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	38,157	—	—	38,157
Total revenue	收入總額	38,157	82,914	52,198	173,269
Timing of revenue recognition	收入確認時間				
Goods transferred at a point in time	於某一時間點轉移貨品	—	—	25,721	25,721
Services transferred over time	隨時間轉移服務	—	82,914	26,477	109,391
Total revenue from contracts with customers	客戶合約收入總額	—	82,914	52,198	135,112
Revenue from another source — Gross rental income	其他來源收入 — 租金收入總額	38,157	—	—	38,157
Total revenue	收入總額	38,157	82,914	52,198	173,269

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. REVENUE (Continued)

Notes: (Continued)

(b) Performance obligations

Information about the Group's performance obligations in contracts with customers is summarised below:

Provision of property management service and services in relation to operation of the Recreational Centre

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

Sale of goods in relation to operation of the Recreational Centre

Revenue from the sale of goods in relation to operation of the Recreational Centre is recognised at the point in time when the goods are delivered to the customers, and payment is made upon delivery.

5. 收入(續)

附註：(續)

(b) 履約責任

有關本集團於客戶合約內的履約責任的資料概述如下：

提供物業管理服務及休閒中心運營相關服務

履約責任隨著提供服務的時間獲履行，且通常需要預先付款。

與休閒中心運營相關的貨品銷售

與休閒中心運營相關的貨品銷售收入乃於貨品交付至客戶及客戶付款時按銷售的節點確認。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

6. OTHER INCOME

An analysis of the Group's other income is as follows:

		Six months ended	
		截至以下日期止六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Bank interest income	銀行利息收入	2,072	1,179
Interest income of loan receivables	應收貸款利息收入	1,337	—
Penalty income	罰款收入	31	54
Others	其他	590	38
		4,030	1,271

6. 其他收入

本集團其他收入分析如下：

7. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

		Six months ended	
		截至以下日期止六個月	
		30 June 2019	30 June 2018
		二零一九年	二零一八年
		六月三十日	六月三十日
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank loans	銀行貸款利息	16,752	14,124
Interest on loans from a shareholder	來自一名股東之貸款之利息	450	5,729
Interest on perpetual convertible bonds	永久可換股債券利息	602	—
		21	
Interest on lease liabilities	租賃負債利息	161	—
Dividend on preference shares of a subsidiary	附屬公司優先股之股息	557	593
		20	
		18,522	20,446

7. 財務費用

本集團財務費用分析如下：

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

8. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging:

Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,865	12,709
Depreciation of right-of-use assets	使用權資產折舊	4,179	—
Amortisation of intangible assets	無形資產攤銷	110	77
Impairment of trade receivables, net	應收貿易賬款減值淨額	6,561	4,998
Foreign exchange differences, net	匯兌差異淨額	4,380	8,141
Equity-settled share option expenses of a director	以權益結算一名董事之購股權費用	—	1,730

9. INCOME TAX

An analysis of the Group's income tax is as follows:

Current — Mainland China	當期 — 中國大陸	7,102	2,740
Current — USA	當期 — 美國	—	134
Current — UK	當期 — 英國	252	—
Deferred	遞延	(1,635)	(2,598)
Total tax expenses for the period	本期間稅項費用總額	5,719	276

8. 稅前利潤／（虧損）

本集團稅前利潤／（虧損）已扣除下列各項：

Six months ended	
截至以下日期止六個月	
30 June 2019	30 June 2018
二零一九年	二零一八年
六月三十日	六月三十日
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元

9. 所得稅

本集團所得稅分析如下：

Six months ended	
截至以下日期止六個月	
30 June 2019	30 June 2018
二零一九年	二零一八年
六月三十日	六月三十日
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元

Current — Mainland China	當期 — 中國大陸	7,102	2,740
Current — USA	當期 — 美國	—	134
Current — UK	當期 — 英國	252	—
Deferred	遞延	(1,635)	(2,598)
Total tax expenses for the period	本期間稅項費用總額	5,719	276

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

9. INCOME TAX (Continued)

Notes:

- (a) No provision for Hong Kong profits tax has been made for the Period as the Group did not generate any assessable profits arising in Hong Kong during the Period (Six months ended 30 June 2018: Nil).

The PRC corporate income tax provision in respect of operations in Mainland China is calculated at the applicable tax rate on the estimated assessable profits for the Period, based on the prevailing legislation, interpretations and practices in respect thereof.

No provision for the USA corporate income tax has been made for the Period as the Group did not generate any assessable profits arising in the USA during the Period. The USA corporate income tax provision for the six months ended 30 June 2018 represented withholding tax provision calculated at the applicable tax rate on interest income of intra-group advance to subsidiaries in the USA for the prior period, based on the prevailing legislation, interpretations and practices in respect thereof.

The UK income tax in respect of operations in the UK are calculated at the applicable tax rate on the estimated assessable profits for the Period, based on the prevailing legislation, interpretations and practices in respect thereof (six months ended 30 June 2018: Nil).

- (b) UK tax reform enacted on 17 February 2019 and effective from 5 April 2019 extended the scope of UK's taxation of gains accruing to non-UK residents to include gains on disposals of interests in non-residential UK properties. Properties will be rebased to market value at 5 April 2019 and any gain arising from sales of property between 6 April 2019 and 31 March 2020 would be subject to corporation tax rate at 19% and from 6 April 2020 onwards would be subject to a corporation tax rate of 17%. Accordingly, deferred tax would be recognised on fair value gain from revaluation of investment properties in the UK after 5 April 2019 at a tax rate of 17%. Fair value of the Group's investment properties in the UK did not change materially between 5 April 2019 and 30 June 2019 and therefore no deferred tax regarding this was recognised for the period ended 30 June 2019.

9. 所得稅 (續)

附註：

- (a) 於本期間內，由於本集團並無產生任何於香港產生之應課稅利潤，因此，於本期間並無就香港利得稅計提準備(截至二零一八年六月三十日止六個月：無)。

本期間有關中國大陸經營業務的中國企業所得稅撥備按估計應課稅利潤計提，並根據有關的現行法律、詮釋和相關常規，按照適用稅率計算。

由於本集團於本期間在美國並無產生任何應課稅利潤，故於本期間並無就美國企業所得稅撥備作出撥備。截至二零一八年六月三十日止六個月的美國企業所得稅撥備指預扣稅項撥備按於本期間向美國附屬公司作出的集團內部墊款的利息收入的適用稅率及有關的現行法律、詮釋及相關常規而計算。

本期間有關英國經營業務的英國所得稅按估計應課稅利潤計提，並根據有關的現行法律、詮釋和相關常規，按照適用稅率計算(截至二零一八年六月三十日止六個月：無)。

- (b) 英國稅務改革於二零一九年二月十七日頒佈並自二零一九年四月五日起生效，擴大英國對非英國居民的收益徵稅範圍，包括處置非住宅英國物業權益之收益。物業將於二零一九年四月五日重新定價至市值及二零一九年四月六日至二零二零年三月三十一日期間出售物業所產生的任何收益須受19%的企業稅率所規限以及自二零二零年四月六日起，將須繳納17%的企業稅率。因此，遞延稅項將於二零一九年四月五日後按17%的稅率於英國重估投資物業之公平值收益中確認。於二零一九年四月五日至二零一九年六月三十日期間，英國投資物業之本集團公平值並無重大變動，因此於二零一九年六月三十日止期間並無就此確認遞延稅項。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

10. LOSS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic loss per share amount for the six months ended 30 June 2019 is based on the loss for the period of HK\$3,179,000 (six months ended 30 June 2018: HK\$11,494,000) attributable to shareholders of the Company, and the weighted average number of 3,194,152,993 (six months ended 30 June 2018: 1,761,336,209) ordinary shares of the Company in issue during the period.

No adjustment has been made to the amount of basic loss per share amounts presented for each of the six months ended 30 June 2019 and 2018 in respect of a dilution as the impact of the perpetual convertible bonds and the outstanding share options of the Company had either an anti-dilutive effect or no diluting effect on the amount of basic loss per share presented for these periods.

10. 本公司股東應佔每股虧損

截至二零一九年六月三十日止六個月之每股基本虧損金額之計算乃根據本公司股東應佔本期間虧損3,179,000港元(截至二零一八年六月三十日止六個月: 11,494,000港元), 及期內已發行的本公司普通股之加權平均數3,194,152,993股(截至二零一八年六月三十日止六個月: 1,761,336,209股)。

截至二零一九年及二零一八年六月三十日止六個月各自呈列之每股基本虧損金額並無就攤薄作出調整, 乃由於本公司之永久可換股債券及未行使購股權對該等期間呈列之每股基本虧損金額有反攤薄影響或並無攤薄影響。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

11. INVESTMENT PROPERTIES

11. 投資物業

		Completed	Under construction	Total
		已落成	在建中	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Carrying amount as at 1 January 2019	於二零一九年 一月一日之 賬面金額	1,656,442	519,228	2,175,670
Additions	添置	—	218,204	218,204
Exchange realignment	匯兌調整	(12,287)	(2,090)	(14,377)
Carrying amount as at 30 June 2019	於二零一九年 六月三十日之 賬面金額	1,644,155	735,342	2,379,497

Notes:

附註：

- (a) The Group's completed investment properties as at 30 June 2019 represented an office building and a commercial building in London, the UK, which are currently leased to third parties.

- (a) 於二零一九年六月三十日，本集團已落成之投資物業指英國倫敦之一座辦公室樓宇及一座商業樓宇，並目前出租予第三方。

The Group's investment properties under construction as at 30 June 2019 represented (i) a commercial and residential complex (the "US Complex") currently being developed by the Group on a parcel of land located in Santa Monica, the County of Los Angeles, State of California, the USA, which would be leased out for rental income upon completion of the construction of the US Complex; and (ii) a parcel of land located in Culver City, the USA, which was acquired on 27 March 2019 at a cash consideration of US\$24,000,000.

於二零一九年六月三十日，本集團之在建中投資物業指(i)本集團正在一幅位於美國加利福尼亞州洛杉磯聖莫尼卡市之土地上發展之一間商住綜合物業(「美國綜合物業」)，將於美國綜合物業竣工後出租以獲取租金收入；及(ii)位於美國卡爾弗城的一塊土地，於二零一九年三月二十七日按現金代價24,000,000美元收購。

- (b) At 30 June 2019, certain of the Group's investment properties were pledged to secure bank facilities granted to the Group (notes 19(a), (b) and (c)).

- (b) 於二零一九年六月三十日，本集團已抵押若干投資物業作為授予本集團之銀行融資之擔保(附註19(a)、(b)及(c))。

12. NON-CURRENT DEPOSITS

12. 非流動訂金

The Group's non-current deposits as at 30 June 2019 and 31 December 2018 mainly included a deposit of HK\$1,524,354,000 paid to WinLuck Global Limited, the ultimate holding company of the Company and Silky Apex Limited, being a company wholly-owned by Mr. Sun Zhongmin, a director of the Company (collectively, the "Vendors") for the acquisition of certain floors of a commercial building which is located in Beijing, the PRC.

於二零一九年六月三十日及二零一八年十二月三十一日，本集團的非流動訂金主要包括收購一間位於中國北京的商業樓宇的若干樓層而向WinLuck Global Limited，本公司最終控股公司及Silky Apex Limited(一間由本公司董事孫仲民先生全資擁有之公司)(統稱「賣方」)支付1,524,354,000港元。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

13. TRADE RECEIVABLES

Trade receivables 應收貿易賬款
Less: Impairment 減：減值

Notes:

- (a) Trade receivables are non-interest bearing and arise from the provision of property management services, leasing of investment properties and the operation of the Recreational Centre. Tenants of the Group's managed properties are required to pay a calendar year's property management service fee annually in advance.

The Group's credit terms of its trade receivables are negotiated and entered into under normal commercial terms with tenants of the properties managed by the Group, tenants of investment properties and customers of the Recreational Centre. The Group does not hold any collateral or other credit enhancements over these balances.

At 30 June 2019, certain trade receivables of HK\$952,000 (31 December 2018: HK\$580,000) and HK\$3,094,000 (31 December 2018: HK\$2,741,000) in total were pledged to secure bank loan facilities granted to the Group (notes 19(a) and (c)).

13. 應收貿易賬款

30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
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50,302	37,717
(19,759)	(13,088)
30,543	24,629

附註：

- (a) 應收貿易賬款為不計息及於提供物業管理服務、租賃投資物業及經營休閒中心時產生。本集團所管理物業之租戶須每年預付一個曆年之物業管理服務費用。

本集團應收貿易賬款之信貸條款與本集團所管理物業之租戶、投資物業之租戶及休閒中心客戶按一般商務條款磋商訂立。本集團並未就該等結餘持有任何抵押品或其他信用增級。

於二零一九年六月三十日，若干應收貿易賬款合計為952,000港元（二零一八年十二月三十一日：580,000港元）及3,094,000港元（二零一八年十二月三十一日：2,741,000港元）已抵押作為本集團獲授銀行貸款融資（附註19(a)及(c)）之擔保。

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

13. TRADE RECEIVABLES (Continued)

Notes: (Continued)

- (b) An ageing analysis of the trade receivables, based on invoice date and net of impairment, is as follows:

Less than 1 year	一年內
1 year to 2 years	一年至兩年
2 years to 3 years	兩年至三年

- (c) An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the average of historical incurred credit loss experience on each ageing group of trade receivables. Generally, trade receivables are written off if they are not considered recoverable by the Group and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

At 30 June 2019:

Expected credit loss rate	預期信貸虧損率	2%	58%	88%	100%	39%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	25,161	11,246	9,483	4,412	50,302
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	394	6,576	8,377	4,412	19,759

13. 應收貿易賬款(續)

附註：(續)

- (b) 根據發票日期，應收貿易賬款(扣除減值)的賬齡分析如下：

30 June	31 December
2019	2018
二零一九年	二零一八年
六月三十日	十二月三十一日
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
千港元	千港元
24,767	20,833
4,670	1,916
1,106	1,880

30,543	24,629
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- (c) 於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於各賬齡組別應收貿易賬款歷史已產生信貸虧損經驗的平均值釐定。一般而言，倘應收貿易賬款被本集團視為不可收回及毋須受限於強制執行活動則予以撇銷。

有關本集團採用撥備矩陣計量的應收貿易賬款的信貸風險資料載列如下：

於二零一九年六月三十日：

Ageing based on due date

基於到期日期的賬齡

	Less than 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
	少於一年	一至兩年	兩至三年	三年以上	總計
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)

Expected credit loss rate	預期信貸虧損率	2%	58%	88%	100%	39%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	25,161	11,246	9,483	4,412	50,302
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	394	6,576	8,377	4,412	19,759

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

14. BALANCES WITH RELATED COMPANIES

The balances with related companies are unsecured, interest-free and have no fixed terms of repayment. Messrs. Wei Chunxian (“Mr. Wei”) and Sun Zhongmin (“Mr. Sun”), both being directors of the Company, have beneficial interests in these related companies.

(a) Due from related companies

Balance mainly represented property management fees, utilities expenses and miscellaneous expenses paid on behalf of the related companies by the Group.

(b) Due to related companies

Balance mainly represented short term advances from 北京國銳房地產開發有限公司 of HK\$25,035,000 (31 December 2018: HK\$47,743,000) and 北京國銳控股有限公司 of HK\$1,624,000 (31 December 2018: HK\$46,421,000) respectively.

14. 與關連公司之結餘

與關連公司之結餘為無抵押、免息及並無固定還款期。本公司兩名董事魏純暹先生(「魏先生」)及孫仲民先生(「孫先生」)於該等關連公司中擁有實益權益。

(a) 應收關連公司款項

結餘主要指本集團代表關連公司支付之物業管理費用、公用事業費用及雜項費用。

(b) 應付關連公司款項

結餘主要指北京國銳房地產開發有限公司及北京國銳控股有限公司提供之短期墊款分別為25,035,000港元(二零一八年十二月三十一日：47,743,000港元)、1,624,000港元(二零一八年十二月三十一日：46,421,000港元)。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

15. TRADE PAYABLES

Trade payables are non-interest bearing and the average credit period is 60 days.

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 3 months	三個月內	24,761	47,393
3 to 6 months	三至六個月	7,858	3,031
6 to 12 months	六至十二個月	9,374	6,377
Over 1 year	一年以上	6,078	9,128
		48,071	65,929

16. RECEIPTS IN ADVANCE

Contract liabilities 合約負債
Other receipts in advance 其他預收款項

The Group's receipts in advance represented (i) prepayments of property management fees received from tenants; (ii) cash receipts from customers which are stored in membership cards for future consumption in the Recreational Centre; and (iii) rental received in advance from tenants of the Group's investment properties. The prepaid management fee and value stored in the membership cards are classified as contract liabilities in the interim condensed consolidated financial information in accordance with HKFRS 15.

15. 應付貿易賬款

應付貿易賬款為不計息，平均信貸期為60日。

於報告期末，本集團應付貿易賬款根據發票日期之賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 3 months	三個月內	24,761	47,393
3 to 6 months	三至六個月	7,858	3,031
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Over 1 year	一年以上	6,078	9,128
		48,071	65,929

16. 預收款項

Contract liabilities 合約負債
Other receipts in advance 其他預收款項

The Group's receipts in advance represented (i) prepayments of property management fees received from tenants; (ii) cash receipts from customers which are stored in membership cards for future consumption in the Recreational Centre; and (iii) rental received in advance from tenants of the Group's investment properties. The prepaid management fee and value stored in the membership cards are classified as contract liabilities in the interim condensed consolidated financial information in accordance with HKFRS 15.

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本集團的預收款項指(i)向租戶收取的物業管理費預付款項；(ii)客戶存入會員卡以供日後在休閒中心消費的現金；及(iii)向本集團的投資物業租戶預收的租金。根據香港財務報告準則第15號，預付管理費及存入會員卡的價值在中期簡明綜合財務資料中分類為合約負債。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

17. OTHER PAYABLES AND ACCRUALS

17. 其他應付款及預提費用

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Refundable deposits	退還訂金	19,384	17,149
Other payables	其他應付款	57,939	82,161
Accruals	預提費用	7,124	13,857
		84,447	113,167

The Group's other payables and accruals as at 30 June 2019 mainly included, inter alia, the following:

- (i) amounts of HK\$7,126,000 (31 December 2018: HK\$8,712,000) in total payable to water, heating and electricity suppliers in respect of utility fees collected from tenants on behalf of public utility suppliers;
- (ii) an advance from an independent third party of HK\$12,511,000 (31 December 2018: HK\$12,519,000) in total for the purpose of maintaining daily working capital and financing new investments. These advances are interest-free, unsecured and repayable on demand.

於二零一九年六月三十日，本集團之其他應付款及預提費用主要包括(其中包括)以下各項：

- (i) 就代表公用事業供應商向租戶收取之公用事業費用應付水、熱力及電力供應商之款項合共7,126,000港元(二零一八年十二月三十一日：8,712,000港元)；
- (ii) 獨立第三方為維持日常營運資金及作為新投資融資而提供之墊款合共12,511,000港元(二零一八年十二月三十一日：12,519,000港元)。該等墊款為免息、無抵押及須按要求償還。

18. DUE TO A SHAREHOLDER AND A DIRECTOR

Except for a loan of US\$10,427,000 (equivalent to HK\$81,837,000) (31 December 2018: Nil) obtained from a shareholder which is unsecured, bears interest at the rate of 2% per annum and is repayable in March 2022, the balances with the shareholder and a director as at 30 June 2019 are unsecured, interest-free and have no fixed terms of repayment.

18. 應付一名股東及一名董事款項

除自一名股東(二零一八年十二月三十一日：零)獲得10,427,000美元(相等於81,837,000港元)的貸款(無抵押)外，每年以2%的利率計息並於二零二二年三月償還，於二零一九年六月三十日，與股東及一名董事之結餘為無抵押、免息及並無固定還款期。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

19. BANK AND OTHER BORROWINGS 19. 銀行及其他借款

			Effective interest rate	Maturity	30 June 2019	31 December 2018
		Notes	(%)	到期日	(Unaudited)	(Audited)
		附註	(%)		HK\$'000	HK\$'000
					千港元	千港元
Bank loan – secured	銀行貸款 — 有抵押	(a)	2.46%	Revolving 循環	128,865	125,564
Bank loan – secured	銀行貸款 — 有抵押	(b)	6.5%	September 2019 二零一九年九月	126,279	113,440
Bank loan – secured	銀行貸款 — 有抵押	(c)	2.89%	January 2022 二零二二年一月	775,292	784,090
Lease liabilities	租賃負債		2.50%	March–April 2022 二零二二年三月至四月	16,422	—
					1,046,858	1,023,094
Analysed into amount repayable:	按還款期分析：					
Within one year or on demand	一年內或按要求				270,509	247,010
In the second year	第二年				14,783	8,006
In the third to fifth years, inclusive	第三至五年 (包括首尾兩年)				761,566	768,078
					1,046,858	1,023,094
Portion classified as current liabilities	分類為流動負債之部分				(270,509)	(247,010)
Non-current portion	非流動部分				776,349	776,084

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

19. BANK AND OTHER BORROWINGS (Continued)

Notes:

- (a) This bank loan was obtained to finance the purchase of an office building in London, the UK and is secured by a completed investment property with a carrying amount of HK\$265,762,000 (31 December 2018: HK\$267,748,000) as at 30 June 2019 (note 11); and certain trade receivables of HK\$952,000 (31 December 2018: HK\$580,000) in total as at 30 June 2019 (note 13(a)). The bank loan facility contains a repayable on demand clause.
- (b) This bank loan was obtained to finance the construction cost of the US Complex. The bank loan facility is guaranteed by the Company and secured by the pledge of the Group's investment properties under construction with a carrying amount of HK\$541,503,000 (31 December 2018: HK\$519,228,000) as at 30 June 2019 (note 11).
- (c) This bank loan was obtained to finance the purchase of a commercial building in London, the UK. The bank loan facility is secured by a completed investment property with a carrying amount of HK\$1,378,393,000 (31 December 2018: HK\$1,388,694,000) as at 30 June 2019 (note 11) and certain trade receivables of HK\$3,094,000 (31 December 2018: HK\$2,741,000) in total as at 30 June 2019 (note 13(a)).
- (d) The bank and other borrowings were denominated in the following currencies:

19. 銀行及其他借款(續)

附註：

- (a) 本集團銀行貸款乃為購買英國倫敦的一棟辦公樓宇之融資而獲取，並由於二零一九年六月三十日已竣工投資物業之賬面值265,762,000港元(二零一八年十二月三十一日：267,748,000港元)作抵押(附註11)；且於二零一九年六月三十日若干應收貿易賬款合共為952,000港元(二零一八年十二月三十一日：580,000港元)(附註13(a))。銀行貸款融資包括按要求償還。
- (b) 本集團銀行貸款乃為美國綜合大樓建築成本之融資而獲取。本集團銀行貸款由本公司擔保及由本集團於二零一九年六月三十日在建中投資物業之賬面值541,503,000港元(二零一八年十二月三十一日：519,228,000港元)作抵押(附註11)。
- (c) 本集團銀行貸款乃為購買英國倫敦一座商業樓宇之融資而獲取。本集團銀行貸款由於二零一九年六月三十日已竣工投資物業之賬面值1,378,393,000港元(二零一八年十二月三十一日：1,388,694,000港元)作抵押(附註11)且於二零一九年六月三十日的若干應收貿易賬款合共為3,094,000港元(二零一八年十二月三十一日：2,741,000港元)(附註13(a))。
- (d) 銀行及其他借款以下列貨幣計值：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
£	英鎊	904,157	909,654
US\$	美元	127,983	113,440
RMB	人民幣	8,745	—
HK\$	港元	5,973	—
		1,046,858	1,023,094

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

20. PREFERENCE SHARES OF A SUBSIDIARY

In prior years, preference shares without a par value of RMB20,000,000 (equivalent to approximately HK\$23,364,000) were issued by a subsidiary of the Company to the non-controlling equity holder of the subsidiary, which is a company established in the PRC and indirectly wholly-owned by an associate of Mr. Wei and Mr. Sun. Out of the RMB20,000,000 preference shares issued, RMB13,370,000 (equivalent to approximately HK\$15,376,000) were paid up in prior years.

During the period ended 30 June 2019, a dividend paid and payable to the related party in respect of the preference shares of the subsidiary amounted to HK\$557,000 (Period ended 30 June 2018: HK\$593,000), which was recognised as finance costs for the period.

20. 一間附屬公司之優先股

於往年，本公司一間附屬公司向該附屬公司之非控股權益持有人（一間於中國成立之公司，並由魏先生及孫先生之一間聯營公司間接全資擁有）發行人民幣20,000,000元（相當於約23,364,000港元）之無面值優先股。於已發行之人民幣20,000,000元優先股中，人民幣13,370,000元（相當於約15,376,000港元）已於往年繳足。

於截至二零一九年六月三十日止期間，就該附屬公司之優先股已付及應付關連方之股息為557,000港元（截至二零一八年六月三十日止期間：593,000港元），已於本期間確認為財務費用。

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

21. PERPETUAL CONVERTIBLE BONDS

The Company had perpetual convertible bonds outstanding during the period ended 30 June 2019, the summary information of which is set out as follows:

Issuance date	發行日期	17 August 2018 二零一八年 八月十七日
Maturity date	到期日	No maturity date 無到期日
Original principal amount	原始本金額	HK\$1,102,993,200 1,102,993,200港元
Coupon rate	票面利率	1% per annum and will cease to bear any coupon after the fifth anniversary of the date of issue 每年1%並將於發行 日期第五(5)週年後 終止承擔任何票息
Conversion price per ordinary share of the Company (HK\$)	本公司每股普通股之 兌換價(港元)	<u>0.80</u>

These perpetual convertible bonds were bifurcated into a liability component and an equity component for accounting purposes. The following tables summarise the movements in the principal amounts, the number of conversion rights outstanding, the liability and equity components of the Company's perpetual convertible bonds during the period ended 30 June 2019:

21. 永久可換股債券

於截至二零一九年六月三十日止期間，本公司有未行使之永久可換股債券，其主要資料載列如下：

就會計處理而言，該等永久可換股債券分為負債部分及權益部分。下表概述於截至二零一九年六月三十日止期間本公司永久可換股債券之本金額、未行使之兌換權數目、負債及權益部分之變動：

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 中期簡明綜合財務資料附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

21. PERPETUAL CONVERTIBLE BONDS (continued) 21. 永久可換股債券(續)

Number of conversion rights outstanding	未行使之兌換權數目	Total 合計
At 1 January 2019	於二零一九年一月一日	1,371,241,500
Conversion into ordinary shares (note (b))	兌換為普通股(附註(b))	(7,500,000)
At 30 June 2019	於二零一九年六月三十日	1,363,741,500

Principal amount outstanding	未償還之本金額	Total 合計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,096,993
Conversion into ordinary shares (note (b))	兌換為普通股(附註(b))	(6,000)
At 30 June 2019	於二零一九年六月三十日	1,090,993

Liability component	負債部分	Total 合計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	48,929
Interest expense (note 7)	利息開支(附註7)	602
Transfer to share capital upon conversion into ordinary shares (note (b))	於兌換為普通股時轉撥至股本(附註(b))	(204)
At 30 June 2019	於二零一九年六月三十日	49,327

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21. PERPETUAL CONVERTIBLE BONDS (continued) Equity component

21. 永久可換股債券(續) 權益部分

		Total 合計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,084,013
Transfer to share capital upon conversion into ordinary shares (note (b))	於兌換為普通股時轉撥至 股本(附註(b))	<u>(5,796)</u>
At 30 June 2019	於二零一九年六月三十日	<u>1,078,217</u>

Notes:

- (a) These perpetual convertible bonds were issued to the Vendors pursuant to the sale and purchase agreement dated 30 May 2018 for the acquisition of Wise Expert Investment Limited ("Wise Expert").

For accounting purpose, the fair value of these perpetual convertible bonds issued as consideration for the acquisition of Wise Expert as at the date of completion of the acquisition amounted to HK\$1,130,568,000.

The conversion of the perpetual convertible bonds is subject to, amongst others, the condition that any conversion will not result in the public float of the Company' shares being less than 25% of the issued shares of the Company.

Further details of the terms of these perpetual convertible bonds are set out in the Company's circular dated 20 July 2018.

- (b) During the period ended 30 June 2019, certain of these perpetual convertible bonds with an aggregate principal amount of HK\$6,000,000 were converted by the bondholder into 7,500,000 ordinary shares of the Company at the conversion price of HK\$0.80 per share. The carrying amounts of the liability component and equity component of these perpetual convertible bonds at the date of conversion, which amounted to HK\$204,000 and HK\$5,796,000, respectively, were transferred to the share capital account of the Company, respectively.

附註：

- (a) 該等永久可換股債券已根據於二零一八年五月三十日收購Wise Expert Investment Limited (「Wise Expert」)的買賣協議向賣方發行。

就會計處理而言，於完成收購日期作為收購Wise Expert之代價而發行之該等永久可換股債券之公平值為1,130,568,000港元。

轉換永久可換股債券須受(其中包括)任何轉換不會導致本公司股份的公眾持股量少於本公司已發行股份25%的條件所規限。

有關該等永久可換股債券條款的進一步詳情載於本公司日期為二零一八年七月二十日之通函。

- (b) 於截至二零一九年六月三十日止期間，若干本金總額6,000,000港元的永久可換股債券已由債券持有人按每股0.80港元的換股價轉換為本公司7,500,000股普通股。該等永久可換股債券之負債部分及權益部分於轉換日之賬面值分別為204,000港元及5,796,000港元，已轉撥至本公司的股本賬戶。

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22. SHARE CAPITAL

22. 股本

	30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Issued and fully paid:		
3,199,373,986 (31 December 2018: 3,191,873,986) ordinary shares	3,199,373,986股 (二零一八年十二月三十一日：3,191,873,986股) 普通股	3,146,571
	3,152,571	3,146,571

A summary of movements in the Company's share capital is as follows:

本公司股本之變動概要如下：

	Number of shares in issue 已發行 股份數目	Share capital 股本 (Unaudited) (未經審核) HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	3,191,873,986
Issue of shares upon conversion of perpetual convertible bonds (note 21(b))	轉換永久可換股債券時發行股份(附註21(b))	7,500,000
		6,000
At 30 June 2019	於二零一九年六月三十日	3,199,373,986
		3,152,571

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For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

23. SHARE OPTIONS SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 7 November 2016 (the "Adoption Date") for the primary purpose of (i) incentivising and rewarding those who have contributed or may contribute to the development of the Group; and (ii) attracting and retaining skilled and experienced personnel and motivating them to strive for the future development of the Group by providing them with an opportunity to acquire proprietary interests in the Company thereby linking their interest with that of the Group. The Share Option Scheme will remain in force for a period of ten years commencing on the Adoption Date and shall expire on 6 November 2026, subject to early termination provisions contained in the Share Option Scheme. The board of directors of the Company may grant options to any Directors and any employee of the Company or the Group or any person, who, in the absolute opinion of the Board, have contributed or will contribute to the Company or the Group ("Eligible Participants") to subscribe for shares in the Company subject to the terms of the Share Option Scheme.

Following the refreshment of the scheme mandate limit by the shareholders of the Company at the annual general meeting dated 29 June 2018, and based on the 1,821,865,324 shares in issue at the same date, the maximum number of shares to be issued upon the exercise of options that may be granted under the Share Option Scheme are 182,186,532 shares, being 10% of the shares in issue as at the date of refreshment of the scheme mandate limit. The total number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme must not, in aggregate, exceed 10% of the shares in issue as at the date of approval of the scheme mandate limit. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted but yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company exceeding, in aggregate, 30% of the shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares

23. 購股權計劃

根據於二零一六年十一月七日(「採納日期」)通過之決議案，本公司之購股權計劃(「購股權計劃」)已獲採納，主要旨在通過提供獲得本公司擁有權權益之機會，從而將彼等之利益與本集團之利益聯繫，(i)激勵及獎勵曾經或可能對本集團發展作出貢獻之人士；及(ii)吸引及挽留熟練及經驗豐富之人員以及激勵彼等為本集團之未來發展奮鬥。購股權計劃將於由採納日期起計十年期間有效，並將於二零二六年十一月六日屆滿，惟受購股權計劃所載之提早終止條文規限。在購股權計劃的條款規限下，本公司董事局可向及本公司或本集團的任何董事及任何僱員或董事局全權認為曾經或將會對本公司或本集團作出貢獻的任何人士(「合資格參與者」)授出購股權以認購本公司股份。

於本公司股東在日期為二零一八年六月二十九日之股東週年大會上更新計劃授權限額後，並根據同日已發行1,821,865,324股股份，根據購股權計劃可能授出之購股權獲行使後將予發行的最高股份數目為182,186,532股，佔於更新計劃授權限額日期之已發行股份的10%。根據購股權計劃將授出之所有購股權獲行使後可能發行之股份總數，合共不得超過於批准計劃授權限額當日已發行股份的10%。董事局不得授出任何購股權，導致根據購股權計劃及本公司採納之任何其他購股權計劃已授出但尚未行使之所有購股權獲行使後可能發行之股份最高數目合共超過不時已發行股份的30%。於任何12個月期間，根據本公司購股權計劃及任何其他購股權計劃向各合資格參與者授出之購股權(包括已行使及尚未行使購股權)獲行使後發行及將予發行之股份總數，不得超過已發行股份總數的1%(「個人上限」)。如向某合資格參與者進一步授出購股權，將導致於直至及包括該次進一步授出購股權當日止12個月期間，向及將向該合資格參與者授出之全部購股權(包括已行使、已註銷及尚未行使購股權)獲行使而發行及將

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23. SHARE OPTIONS SCHEME (Continued)

in issue (the "Individual Limit"). Any further grant of options to an Eligible Participant which would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to approval of the Shareholders in general meeting with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting. As at the date of this report, the number of outstanding share options granted under the Share Option Scheme was 181,684,482. The outstanding share options, if converted in full into shares of the Company, represent approximately 5.68% of the number of issued shares of the Company as at the date of this report. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.

The following table discloses movement of the Company's share options granted to the Director under the Share Option Scheme:

Name	Number of share options 購股權數目				Outstanding at 30 June 2019 於二零一九年 六月三十日 尚未行使	Date of grant 授出日期	Exercise period (Note (i)) 行使期(附註(i))	Exercise price per share (HK\$) 每股行使價 (港元)
	Outstanding at 1 January 2019 於二零一九年 一月一日 尚未行使	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/ 已失效				
Director 董事								
Liu Shuhua 劉淑華	5,020,500	—	—	—	5,020,500	20 June 2018 於二零一八年 六月二十日	20 June 2018 to 19 June 2023 二零一八年六月二十日至 二零二三年六月十九日	0.827

Note: The 5,020,500 share options granted has no vesting period.

The fair value of the share options granted was approximately HK\$1,730,000 (HK\$0.3461 each), which was fully recognised as a share option expense in profit or loss during the period ended 30 June 2018.

23. 購股權計劃(續)

予發行之股份超過個人上限，則須經股東於股東大會上批准，而該合資格參與者及其緊密聯繫人(或倘該合資格參與者為關連人士，則其聯繫人)須於該股東大會上放棄投票。於本報告日期，根據購股權計劃授出的尚未行使購股權數目為181,684,482股。尚未行使之購股權(如已悉數轉換為本公司股份)，佔本報告日期本公司已發行股份數目的約5.68%。購股權可於董事局可能釐定而不得超過授出日期起計十年期間內，在有關提前終止條文之規限下隨時根據購股權計劃之條款行使。

下表披露根據購股權計劃授予董事之本公司購股權之變動：

附註：授予的5,020,500份購股權並無歸屬期。

授出之購股權之公平值為1,730,000港元(每份0.3461港元)，全部於截至二零一八年六月三十日止期間之損益中確認為購股權開支。

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24. CONTINGENT LIABILITY

In or about April 2019, a plaintiff commenced legal proceedings against a subsidiary of the Company in the USA alleging that the subsidiary has breached a construction contract in relation to the US Complex for unpaid balance due on the contract and for extra compensation from the subsidiary for delay in the completion of the construction of the US Complex. The first hearing was held on 19 August 2019 and the mediation session has been agreed to be held on 23 October 2019.

Based on existing legal documents after having performed management's internal critical assessment of the aforesaid case and seeking advice from an independent legal advisor in the USA, the directors of the Company are of the opinion that the Group has a reasonable ground of defence on the merits, therefore, no material adverse financial impact on the Group is expected.

25. RELATED PARTY DISCLOSURES

- (a) The Group provided property management services to landlords of certain properties managed by the Group, in which two directors of the Company, namely Mr. Wei and Mr. Sun, have beneficial interests. In return, the Group received property management service fees in a total amount HK\$27,024,000 (six months ended 30 June 2018: HK\$3,069,000) during the current period, which was charged at rates mutually agreed between the Group and landlords.

Save as disclosed above and the transactions and balances detailed in notes 12, 14, 18, 20, 21 and 23, the Group had no material transactions and outstanding balances with related parties during the periods ended 30 June 2019 and 2018.

24. 或然負債

於二零一九年四月或前後，一名原告就本公司於美國的一間附屬公司發起法律訴訟，稱該附屬公司就美國綜合物業之未付到期合約結餘違反建築合約以及就延期完成美國綜合物業建造，該附屬公司作出額外賠償。首次聽證會已於二零一九年八月十九日舉行且調解會已定於二零一九年十月二十三日舉行。

經就上述案件進行管理層內部關鍵性評估及尋求美國獨立法律顧問之意見後，基於現有法律文件，本公司董事認為本集團有合理之抗辯理據且該案件可獲成功抗辯，因此，預期對本集團不會造成重大不利財務影響。

25. 關聯方披露

- (a) 本集團管理若干物業，向業主（本公司兩名董事魏先生及孫先生於其中擁有實益權益）提供物業管理服務。作為回報，本集團於本期間內收取物業管理服務費總額27,024,000港元（截至二零一八年六月三十日止六個月：3,069,000港元），乃按本集團與業主雙方協議之價格收取。

於截至二零一九年及二零一八年六月三十日止期間，除上文所披露者以及附註12、14、18、20、21及23所詳述之交易及結餘外，本集團與關聯方並無任何重大交易及尚未支付結餘。

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25. RELATED PARTY DISCLOSURES (Continued)

- (b) Compensation of key management personnel of the Group

25. 關聯方披露 (續)

- (b) 本集團主要管理人員補償

		For the six months ended 截至以下日期止六個月	
		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	30 June 2018 二零一八年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元
Short-term employee benefits	短期僱員福利	1,750	60
Pension scheme contributions	退休金計劃供款	27	16
Total compensation paid to key management personnel	向主要管理人員 支付之補償總額	1,777	76

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities which are due to be received or settled within one year are reasonable approximation of their respective fair values, and accordingly, no disclosure of the fair values of these financial instruments is made.

For other non-current financial assets and liabilities, the carrying amount is not significantly different from its respective fair value, no disclosure of the fair value of the financial instrument is made.

26. 金融工具之公平值

於一年內到期收取或清償之金融資產及負債之賬面金額為相應公平值之合理約數，因此並無披露該等金融工具之公平值。

至於其他非流動金融資產及負債，由於其賬面金額與相應公平值並無重大差異，因此並無披露該等金融工具之公平值。

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27. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the Company entered into a sale and purchase agreement with the Vendors on 16 July 2019, pursuant to which the Vendors conditionally agreed to sell and the Company conditionally agreed to purchase the entire interest of Capable Kingdom Limited (the "Capable Kingdom") in exchange of the entire interest of Wholly Express Limited, a wholly-owned subsidiary of the Company. Capable Kingdom owns a subsidiary which holds part of a commercial building located in Beijing, the PRC.

The transaction constitutes a major and connected transaction of the Company under Chapter 14 and 14A of the Listing Rules, further details of which are set out in the Company's announcements dated 16 July 2019, 1 August 2019, 16 August 2019 and 30 August 2019. As at the date of the approval of this interim condensed consolidated financial information, the transaction has not been completed.

28. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 30 August 2019.

27. 報告期後事項

於報告期後，本公司於二零一九年七月十六日與賣方訂立買賣協議，據此，賣方有條件同意出售及本公司有條件同意購買Capable Kingdom Limited (「Capable Kingdom」)的全部權益，以換取本公司全資附屬公司Wholly Express Limited的全部權益。Capable Kingdom擁有一家附屬公司，該附屬公司持有位於中國北京的部分商業樓宇。

根據上市規則第14章及第14A章，該交易構成本公司之主要及關連交易，進一步詳情載於本公司日期為二零一九年七月十六日、二零一九年八月一日、二零一九年八月十六日及二零一九年八月三十日之公佈。截至本中期簡明綜合財務資料批准日期，該交易尚未完成。

28. 中期簡明綜合財務資料之批准

本中期簡明綜合財務資料於二零一九年八月三十日由董事局批准並授權發佈。



GR PROPERTIES LIMITED

國 銳 地 產 有 限 公 司