



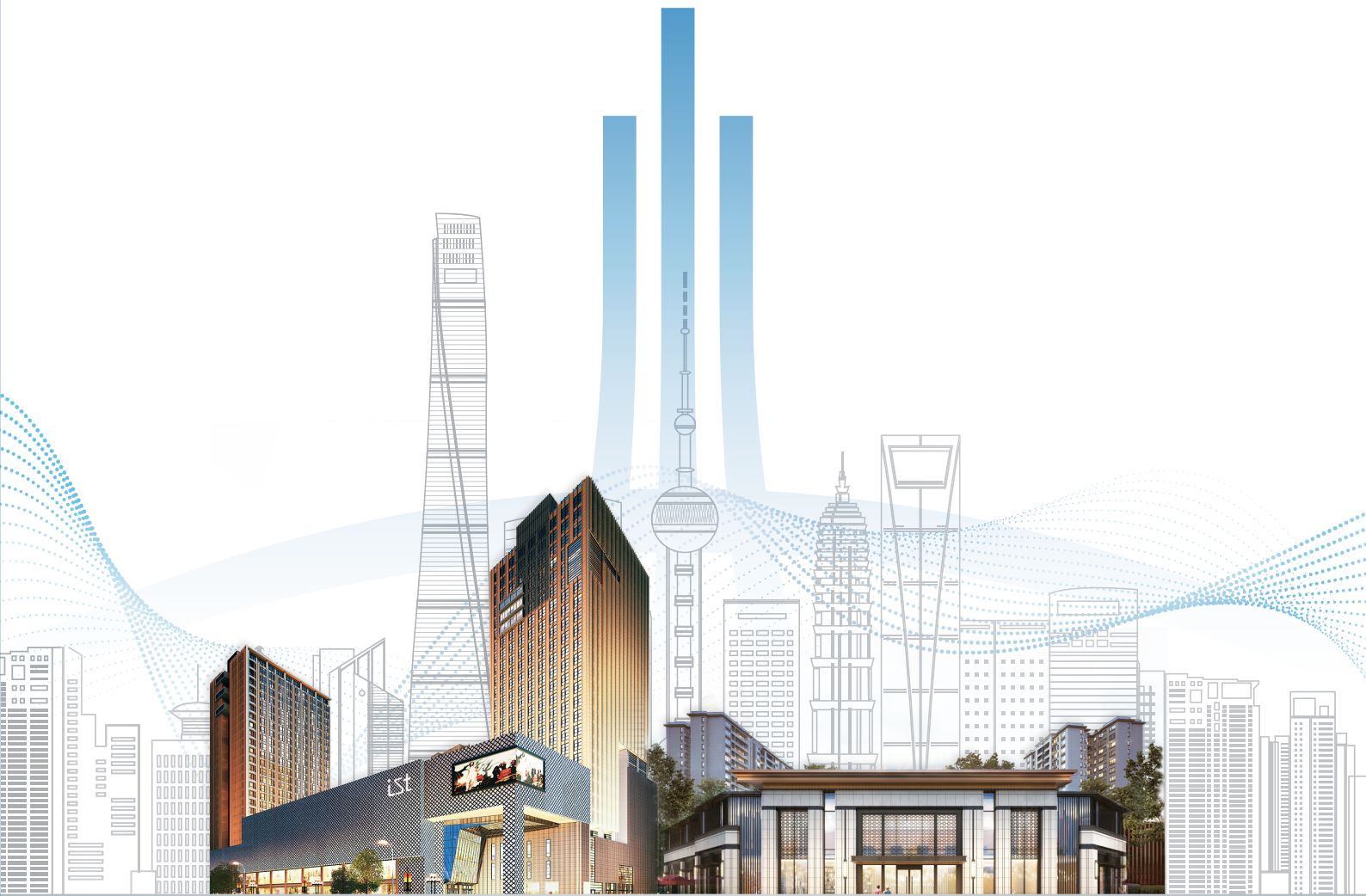
大发地产集团有限公司

DAFA PROPERTIES GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號 : 6111



創造為熱愛

DESIGN FOR LOVE

2019 ANNUAL REPORT | 年報



CONTENTS

目錄

2	Corporate Profile 公司簡介	101	Disclosure of Interests 權益披露
4	Corporate Information 公司資料	114	Independent Auditor's Report 獨立審計師報告
7	Major Honours and Awards 主要榮譽及獎項	123	Consolidated Statement of Profit or Loss 綜合損益表
10	Chairman's Statement 主席報告	124	Consolidated Statement of Comprehensive Income 綜合全面收入表
15	Summary of Principal Properties 主要物業概要	125	Consolidated Statement of Financial Position 綜合財務狀況表
23	Management Discussion and Analysis 管理層討論及分析	127	Consolidated Statement of Changes in Equity 綜合權益變動表
47	Directors and Senior Management 董事及高級管理層	129	Consolidated Statement of Cash Flows 綜合現金流量表
58	Directors' Report 董事會報告	132	Notes to Financial Statements 財務報表附註
76	Corporate Governance Report 企業管治報告	295	Financial Summary 財務概要



CORPORATE PROFILE

公司簡介

DaFa Properties Group Limited (“**DaFa Properties**” or the “**Company**”, together with its subsidiaries, the “**Group**”) was listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (Stock Code: 6111. HK) on 11 October 2018 (the “**Listing**”), which marked an important milestone in the development of the Company. The Company is headquartered in Shanghai. The Company is a real estate developer deeply engaged in the Yangtze River Delta Region with a focus on the development and sales of residential properties. Adhering to the development direction of “intensive penetration and aggressive expansion strategy in the region” and upholding our business philosophy of “pursuing excellence with integrity and innovation”, the Group aims to provide high-quality properties and creating specific living scenes for our customers through the development and construction of premium properties, positioning its presence with 69 projects in aggregate in 29 cities including Shanghai, Nanjing, Wenzhou, Chongqing, Chengdu, Ningbo and Hefei now to create a benchmark for local cities.

DaFa Properties has been widely recognized by the industry. In the past few years, we have won various awards from a number of institutions, including “China Top 100 Real Estate Developers”, “2019 Top 10 Brands

大发地产集团有限公司(「大发地产」或「本公司」, 連同其子公司, 統稱「本集團」)於2018年10月11日於香港聯合交易所有限公司(「聯交所」)上市(「上市」, 股票代碼6111.HK), 成為本公司發展歷程中重要的里程碑。本公司是一家總部位於上海, 深耕長三角地區, 專注於住宅物業開發及銷售的房地產開發商。本集團堅持「區域深耕、積極擴張」的發展方向, 秉承「誠信創新、追求卓越」的經營理念, 通過開發打造精品樓盤項目, 旨在為客戶提供優質物業及創造特定生活場景。目前項目遍佈上海、南京、溫州、重慶、成都、寧波、合肥等29個城市, 共69個項目, 締造當地城市標桿。

大发地产獲業界普遍認可, 過去幾年榮膺多家機構頒發的獎項, 包括「中國房地產企業100強」、「2019中國長三角區域房地產公司品牌



常州鄭陸天寧融悅府
Changzhou Zhenglu Tianning Rongyuefu

CORPORATE PROFILE

公司簡介

of Yangtze River Delta in China Real Estate Companies”, “2019 China Special Real Estate Outstanding Operation Enterprise – Situational Real Estate”, “Fifth Real Estate Design Award”, “2019 Capital Market Noteworthy Real Estate Enterprises” and “2019 China Operational Capacity Award for Listed Real Estate Enterprises” and other awards.

DaFa Properties positions its brand as “Design for Life” and has gradually developed product series of high standards from careful products designing in the past 24 years in order to provide the most suitable and best quality housing products for properties purchasers with different needs. DaFa Properties, as a “Blissful living service provider”, strive to provides scenario experiences and products of high price-performance ratio for customers who seek for quality living through operation excellence.

DaFa Properties will continue to take building a better urban life and improving the quality of human habitat as its goal, and strive to lead the quality of life for urban residents.

DaFa Properties believes that, in the future, it will not only provide every customer with a house, but also a community which is full of vitality, up-to-date and will progress with our customers to realize “Blissful living”.

價值TOP 10]、「2019中國特色地產運營優秀企業－情景地產」、「第五屆地產設計大獎」、「2019值得資本市場關注房地產獎」以及「2019中國上市房企運營能力獎」等多類獎項。

大发地产立足「為生活而創造」的品牌定位，過去24年對產品精心營造，逐步形成了高標準化的產品系，為不同需求的購房者提供最合適、最優質的居住產品。同時，大发地产作為「悦居生活服務商」，通過卓越運營，致力為追求居住品質的客戶提供情景體驗和高性價比的優質產品。

大发地产將繼續以構建都市美好生活，提高人居質量為目標，致力引領城市居民生活質量。

相信未來的大发地产給予每一位業主的不僅是一套房子，更是一個充滿生命、與時俱進、與業主共同成長的社區，真正實現「悦居生活」。



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Ge Yiyang (*Chairman*)
Mr. Liao Lujiang
Mr. Chi Jingyong
Mr. Yang Yongwu

Independent Non-executive Directors

Mr. Gu Jiong
Mr. Sun Bing
Mr. Fok Ho Yin Thomas

AUDIT COMMITTEE

Mr. Fok Ho Yin Thomas (*Chairman*)
Mr. Sun Bing
Mr. Gu Jiong

REMUNERATION COMMITTEE

Mr. Sun Bing (*Chairman*)
Mr. Fok Ho Yin Thomas
Mr. Gu Jiong
Mr. Liao Lujiang
Mr. Yang Yongwu

NOMINATION COMMITTEE

Mr. Ge Yiyang (*Chairman*)
Mr. Yang Yongwu
Mr. Fok Ho Yin Thomas
Mr. Sun Bing
Mr. Gu Jiong

AUDITOR

Ernst & Young

董事會

執行董事

葛一陽先生 (*主席*)
廖魯江先生
池淨勇先生
楊永武先生

獨立非執行董事

顧炯先生
孫冰先生
霍浩然先生

審計委員會

霍浩然先生 (*主席*)
孫冰先生
顧炯先生

薪酬委員會

孫冰先生 (*主席*)
霍浩然先生
顧炯先生
廖魯江先生
楊永武先生

提名委員會

葛一陽先生 (*主席*)
楊永武先生
霍浩然先生
孫冰先生
顧炯先生

審計師

安永會計師事務所

CORPORATE INFORMATION *(Continued)*

公司資料(續)

LEGAL ADVISERS

As to Hong Kong law and United States law:

Paul Hastings

As to Cayman Islands law:

Walkers (Hong Kong)

COMPLIANCE ADVISER

First Shanghai Capital Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Walkers Corporate Limited
Cayman Corporate Centre
27 Hospital Road
George Town
Grand Cayman KY1-9008
Cayman Islands

HONG KONG SHARE REGISTRAR

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

REGISTERED OFFICE

The offices of Walkers Corporate Limited
Cayman Corporate Centre
27 Hospital Road
George Town
Grand Cayman KY1-9008
Cayman Islands

法律顧問

香港法律及美國法律：

普衡律師事務所

開曼群島法律：

Walkers (Hong Kong)

合規顧問

第一上海融資有限公司

開曼群島證券登記總處

Walkers Corporate Limited
Cayman Corporate Centre
27 Hospital Road
George Town
Grand Cayman KY1-9008
Cayman Islands

香港證券登記處

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

註冊辦事處

Walkers Corporate Limited的辦事處
Cayman Corporate Centre
27 Hospital Road
George Town
Grand Cayman KY1-9008
Cayman Islands

CORPORATE INFORMATION *(Continued)*

公司資料(續)

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 2, Lane 1188
Shenhong Road
Minhang District
Shanghai
the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2805-06
28/F, Bank of America Tower
12 Harcourt Road, Central
Hong Kong

JOINT COMPANY SECRETARIES

Mr. Wong Chin Hung
Ms. So Shuk Yi Betty

AUTHORISED REPRESENTATIVES

Mr. Yang Yongwu
Ms. So Shuk Yi Betty

PRINCIPAL BANKERS

Bank of China
China CITIC Bank Corporation Limited
China Minsheng Banking Corp., Ltd.
China Zheshang Bank Co., Ltd.
Ping An Bank Co., Ltd.

WEBSITE

www.dafaland.com

STOCK CODE

6111

中國總部及主要營業地點

中國
上海市
閔行區
申虹路
1188弄2號

香港主要營業地點

香港
中環夏慤道12號
美國銀行中心28樓
2805-06室

聯席公司秘書

黃展鴻先生
蘇淑儀女士

授權代表

楊永武先生
蘇淑儀女士

主要往來銀行

中國銀行
中信銀行股份有限公司
中國民生銀行股份有限公司
浙商銀行股份有限公司
平安銀行股份有限公司

網站

www.dafaland.com

股份代號

6111

MAJOR HONOURS AND AWARDS

主要榮譽及獎項



CORPORATE BRAND

企業品牌

Honor/Award 榮譽／獎項	Awarding body 頒發團體
2019 China Top 100 Overall Strength of Real Estate Enterprises (No. 71) 2019中國房企綜合實力TOP100第71位	EH Consulting 億翰智庫
2019 China Top 100 Brands of Real Estate Enterprises (No. 68) 2019中國房企品牌價值TOP100第68位	EH Consulting 億翰智庫
2019 China Top 100 Overall Strength of Real Estate Listed Companies 2019中國房地產上市公司綜合實力100強	CHINA REAL ESTATE ASSOCIATION, China Real Estate Appraisal, E-house China R&D Institute 中國房地產業協會、中國房地產測評中心、上海易居房地產研究院
2019 China Top 100 Real Estate Developers 2019中國房地產百強企業	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
The Star Developer among China's Top 100 Real Estate Developers of 2019 2019中國房地產百強之星	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
2019 Top 10 Brands of Yangtze River Delta in China Real Estate Companies 2019中國長三角區域房地產公司品牌價值TOP10	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
Enterprise of the Era • Star Enterprise of Models of 2019 榜樣2019時代企業 • 星鋒企業	IFENG.COM 鳳凰網
2019 China Special Real Estate Outstanding Operation Enterprise – Situational Real Estate 2019中國特色地產運營優秀企業 – 情景地產	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組

MAJOR HONOURS AND AWARDS (Continued)

主要榮譽及獎項 (續)

Honor/Award 榮譽／獎項	Awarding body 頒發團體
2019 China's Top 100 Real Estate Development Enterprise (No. 96) 2019中國房地產開發企業100強第96位	CHINA REAL ESTATE ASSOCIATION, China Real Estate Appraisal, E-house China R&D Institute 中國房地產業協會、中國房地產測評中心、上海易居房地產研究院
2019 China's Real Estate Development Enterprise Regional Top 10 in Operations (No. 10) 2019中國房地產開發企業區域運營10強第10位	CHINA REAL ESTATE ASSOCIATION, China Real Estate Appraisal, E-house China R&D Institute 中國房地產業協會、中國房地產測評中心、上海易居房地產研究院
2019 Outstanding Award for Human Resources Management 2019年人力資源管理傑出獎	www.51job.com 前程無憂
Honor Award for Sales Center of Dafa Metropolis No. 1 大發都會道1號售樓中心獲優秀獎	The 5th China Real Estate & Design Award 第五屆地產設計大獎
Honor Award for Zhoushan DaFa Bliss Xinjie 舟山大發●融悅新世界公館獲優秀獎	The 5th China Real Estate & Design Award 第五屆地產設計大獎
2019 China Top 5 Growth Real Estate Listed Companies 2019中國房地產上市公司發展速度5強	CHINA REAL ESTATE ASSOCIATION, China Real Estate Appraisal, E-house China R&D Institute 中國房地產業協會、中國房地產測評中心、上海易居房地產研究院
2019 Capital Market Noteworthy Real Estate Enterprises 2019值得資本市場關注房地產獎	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
2019 China Top 10 Corporation Management of Listed Real Estate Enterprises 2019中國房地產上市公司治理TOP10	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
Best Innovative Brand 最佳新銳品牌	International Financial News 國際金融報
The 16th LanChou Real Estate Award of 2019 2019(第十六屆)藍籌地產獲獎企業	The Economic Observer 經濟觀察報
China Top 100 Real Estate Value Brand 中國房地產品牌價值排行榜百強企業	creb.com.cn 中國房地產網
Annual Award for Newly Listed Companies 新晉上市公司年度大獎	The Hong Kong Institute of Financial Analysts and Professional Commentators Limited 香港股票分析師協會
2019 Excellent Investment Value Award for Listed Real Estate Companies 2019年度卓越投資價值地產上市公司	21st Century Business Herald, Boao Forum 21世紀經濟報道博鰲論壇
2019 China Top 10 Best "We Media" Operation Real Estate Enterprise 2019中國房地產企業自媒體運營TOP10	EH Consulting 億翰智庫
2019 China Top 20 Brand Growth Real Estate Enterprise 2019中國房地產企業品牌價值成長性TOP20	EH Consulting 億翰智庫
2019 China Top 20 Growing Real Estate Developers 2019中國房地產企業成長性TOP20	EH Consulting 億翰智庫
2019 Annual Influential Brand of China Real Estate Fashion Award 中國地產風尚大獎2019中國年度影響力地產品牌	Guandian Index Academy, Boao Forum 觀點指數研究院博鰲論壇
2019 Most Valuable Real Estate Stocks Company of the Golden Hong Kong Stocks 2019金港股最具價值地產股公司	Zhitong Finance, RoyalFlush Finance 智通財經·同花順財經
2019 Best Investment Value Real Estate Enterprise 2019年度最具投資價值房企	Leju.com 樂居財經
China Top 50 Best Potential Real Estate Enterprise 中國房地產潛力榜TOP50	Time Weekly 時代周報

MAJOR HONOURS AND AWARDS *(Continued)*

主要榮譽及獎項 (續)

Honor/Award 榮譽 / 獎項	Awarding body 頒發團體
2019 Best Value Real Estate Listed Companies 2019年度價值地產上市公司	National Business Daily 每日經濟新聞
2019 Top10 East China Real Estate Development Enterprise Brand 2019中國房地產開發企業品牌價值華東10強	CHINA REAL ESTATE ASSOCIATION, China Real Estate Appraisal, E-house China R&D Institute 中國房地產業協會、中國房地產測評中心、上海易居房地產研究院
2019 Top 30 Yangtze River Delta Real Estate Impact Brand 2019長三角一體化房地產企業品牌影響力30強	China Real Estate News Agency 中國房地產報社
2019 China Shopping Center Industry Innovation Award, earned by Nanjing IST Mall 南京艾尚天地榮獲「中國購物中心行業2019年度業態創新獎」	The 17th Annual Business Conference of Mall China 中購聯第十七屆商業年會
2019 Enterprise with the Most Growth Potential of China Business Journal 2019年度中經最具成長力企業	China Business Journal 中國經營報
2019 Enterprise with the Greatest Breakthrough 2019年度最具突破性發展企業	CAIJING.com.cn 財經網
2019 Greatest Potential Award for China Real Estate 2019年度中國房地產最具潛力獎	Time Weekly 時代周報
2019 Brand Influencer of Real Estate Enterprise 2019年度房地產企業品牌影響力榜樣	hexun.com 和讯網
2019-2020 Top 100 Valuable Property in China, earned by Dafa Xiyue Shu Shan Jing 大發熙悅書山境獲2019-2020中國Top100價值樓盤	China Index Academy, China Real Estate Top 100 Research Team 中國指數研究院、中國房地產TOP100研究組
Times Mark – Comprehensive Value Operator 時代印記綜合價值運營商	IFENG.COM 鳳凰網
The Most Innovative Real Estate Enterprise in Growth of 2019 2019最具成長創新力地產企業	RoyalFlush 同花順
2019 China Operational Capacity Award for Listed Real Estate Enterprises 2019中國上市房企運營能力獎	Gelonghui 格隆匯

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

Honor/Award 榮譽 / 獎項	Awarding body 頒發團體
2019 China Innovative Enterprise for Social Responsibility 2019年度中國社會責任新銳企業	International Financial News 國際金融報
Award of Excellence 公益卓越獎	The Community Chest of Hong Kong 香港公益金
2019 China's Best Employer in Real Estate Enterprises 2019中國房地產最佳僱主企業	E-house China R&D Institute 易居房地產研究院

CHAIRMAN'S STATEMENT

主席報告



Chairman

GE Yiyang

主席

葛一陽

Dear Shareholders,

On behalf of the board of directors of the Company (the “**Board**”), I am pleased to present you the annual report of DaFa Properties Group Limited for the year ended 31 December 2019. Meanwhile, on behalf of the Group, I would like to take this opportunity to express our deep gratitude to all parties who have assisted us in building our business over the years.

尊敬的各位股東：

本人謹代表本公司董事會（「**董事會**」）欣然向閣下提呈大发地产集团有限公司截至2019年12月31日止年度的年報。同時，本人謹代表本集團藉此機會向多年來為我們的業務發展提供幫助的各界人士致以衷心感謝。

CHAIRMAN'S STATEMENT *(Continued)***主席報告 (續)****PERFORMANCE**

The Group has been well recognized by the capital market since the Listing for its profound performance. In 2019, the Group achieved steady growth in its results attributed to its various market advantages and outstanding execution of business strategies. The Group's revenue increased by approximately 24.4% year-on-year from approximately RMB5,946.0 million to approximately RMB7,398.2 million during the year. The Group's profit for the year increased by approximately 22.8% year-on-year from approximately RMB489.4 million to approximately RMB600.7 million in 2019. The Group, together with its joint ventures and associates, achieved a contracted sales amount of approximately RMB21,016.7 million, representing an increase of approximately 67.8% over last year.

BUSINESS REVIEW OF 2019

In 2019, despite the influence of economic environment shaped by Sino-US trade friction, pressure from global economic growth, pressure from domestic demand growth and higher inflation in general, the Group still strived to develop high-quality residential properties primarily for first-home purchasers and customers with home upgrade needs. With the continuous deepening of the interconnection between Hong Kong and mainland China and the large fund inflows from mainland China, it not only changed the valuation system of the Hong Kong stock market, but also balanced the voices of domestic and oversea investors, to further quicken the speed of the Hong Kong stock market capitalization.

Since 2019, China continued to regulate the real estate industry. In respect of the current development of the real estate industry, the era when enterprises made profits relying on land appreciation has passed, while product and professional improvements have become the development direction of real estate companies, and branding and value-oriented development have become the new trend. Enterprises seek to a new direction of breakthroughs by virtue of product branding and differentiation. As a "situational real estate advocate", the Group has built up a brand reputation with 24 years of extensive industry experience, outstanding product quality and product portfolio, taken improving the quality of human habitat as its goal, and strived to lead the quality of life for urban residents. The outstanding results in the past year had proved that the Group had delivered its products and services in a very successful manner.

表現

自上市起，本集團憑藉其優異表現而屢獲資本市場認可。於2019年，本集團因各項市場優勢及業務策略的卓越執行力而取得業績穩健增長。年內，本集團的收益由約人民幣5,946.0百萬元增至約人民幣7,398.2百萬元，同比增幅約為24.4%。於2019年，本集團年內利潤由約人民幣489.4百萬元增至約人民幣600.7百萬元，同比增幅約為22.8%。本集團連同其合營企業及聯營公司錄得合同銷售額約人民幣21,016.7百萬元，較去年增加約67.8%。

2019年業務回顧

2019年，在中美貿易摩擦、全球經濟增長壓力、內需增長壓力、通脹整體上升等經濟環境因素的影響下，本集團仍致力於開發主要面向首次置業者及改善型客戶的高質量住宅物業。隨著香港與中國內地互聯互通的不斷深化及內地資本的大量南下，不僅改變了香港股市的估值體系也平衡了國內外投資者的聲音，進一步提升了香港股市資本化的速度。

2019年以來，中國繼續對房地產行業作出調控，從當前房地產行業發展情況來看，企業依靠土地增值獲取利潤的時代已經過去，產品及專業提升成為房企發力的方向，品牌化、價值化成為產品新發展趨勢。企業通過產品的品牌化、差異化尋求突圍新方向。作為「情景地產倡導者」，本集團憑藉24年來豐富的行業經驗、卓越的產品品質及產品組合，已建立品牌美譽，提高人居品質為目標，致力引領城市居民生活品質。去年的卓越業績證實本集團以非常成功的方式提供其產品及服務。

CHAIRMAN'S STATEMENT *(Continued)***主席報告(續)**

During the year, the Group gained various recognitions for its outstanding performance, including the “Most Valuable Real Estate Stocks Company of the Fourth Golden Hong Kong Stocks (第四屆金港股最具價值地產股公司)”, “Annual Award for Newly Listed Companies (新晉上市公司年度大獎)” and “2019 China Operational Capacity Award for Listed Real Estate Enterprises (2019中國上市房企運營能力獎)”, etc. In addition, the Group conducted an initial public issuance of senior notes in US dollars in 2019, and the Company was included in the MSCI China Small Cap Index after the close of trading hours on 26 November 2019, demonstrating the recognition from capital market on the Group's business capacities and future development.

Due to the highly competitive and evolving landscape of the real estate industry in China, the Group constantly monitored the changing market dynamics, adjusted its strategies and developments, continued to intensively penetrate into the Yangtze River Delta Region while continuously expanding to other city groups, occupying central cities and solidifying the market position in order to enhance its national competitiveness.

As of 31 December 2019, the Group together with its joint ventures and associates has 69 projects in total, of which 62 were located in the Yangtze River Delta Region. The Group together with its joint ventures and associates owns total land reserves with a total planned GFA of approximately 5.0 million square meters (“sq.m.”).

本年度內，本集團憑藉出色的表現獲得諸多表彰，其中包括「第四屆金港股最具價值地產股公司」、「新晉上市公司年度大獎」、「2019中國上市房企運營能力獎」等。另外本集團於2019年首次公開發行美元高級票據，並於2019年11月26日收市後獲納入MSCI中國股小型指數，體現出資本市場對本集團業務能力和未來發展的認可。

由於中國房地產行業競爭激烈及不斷演變的格局，本集團持續監控日新月異的市場動態，並調整其策略及發展，不斷深耕長三角地區，同時不斷向其他城市群延伸，搶佔中心城市，穩固市場地位，提升全國化競爭能力。

截至2019年12月31日，本集團連同其合營企業及聯營公司共有69個項目，其中有62個位於長三角流域。本集團連同其合營企業及聯營公司擁有總土地儲備總規劃建築面積約5.0百萬平方米（「平方米」）。



溫州宸央里
Wenzhou Chen Yang Li

CHAIRMAN'S STATEMENT *(Continued)*

主席報告(續)

OUTLOOK FOR 2020

Looking forward into 2020, due to the impact of the novel coronavirus ("COVID-19"), the economic outlook will be full of uncertainties and challenges, and Sino-US trade friction is also expected to affect global supply chains and trade activities, and bring potential geopolitical and spreading risks to global countries. The Group will continue to be guided by national policies, follow the trend of urban development, and further stabilize our contracted sales and optimize our land reserves through penetration and development. At the same time, the Group gives full play to its competitive edges and achieves leapfrog development and steady growth by virtue of its forward-looking strategic layout and sound financial policies. At the same time, the Group always strictly controls risks, closely monitors various financial indicators, and pays attention to cash flows and payment collection, which improve the Company's financial stability year by year. With increased brand awareness and recognition, the Group is also actively exploring diversified financing channels and maintains good cooperative relationships with many large and medium financial institutions to provide strong support for the efficient and sustainable development of the Group.

Combining development needs of the Group and industry trends, DaFa Properties will further implement the "1+5+X" layout system under the strategic guidance of deep penetration of the Yangtze River Delta and position its presence in the golden metropolitan clusters nationwide. While intensively penetrating the core areas of the Yangtze River Delta, the Group will also extend its presence into the five major urban clusters of Chengyu, central China, western China, Bohai Rim and Guangdong-Hong Kong-Macao Greater Bay Area, and maintain its strategic focus on other key cities with high development potential, and penetrate important target areas and carry out strategic expansion to help the sustainable development of land reserves. The Group believes that the above measures will continue to promote the sustainable development of the Group, create new economic benefits, enhance the Group's comprehensive competitiveness, and bring rich returns to shareholders in the long run.

2020年展望

展望2020年，由於新型冠狀病毒疫情（「**新型冠狀病毒**」）影響，經濟前景將充滿不確定性及挑戰性，中美貿易摩擦也預計影響全球供應鏈及貿易活動，並為全球國家帶來潛在增長的地緣政治及蔓延風險。本集團將繼續以國家政策為導向，遵循城市發展趨勢，通過深耕與開拓並行的方式，進一步穩定我們的合約銷售及優化我們的土儲。同時，以前瞻的戰略佈局和穩健的財務政策等發展優勢，充分發揮企業競爭優勢，實現企業跨越式發展和穩健成長。與此同時，本集團始終嚴控風險，密切監控各項財務指標，重視現金流和回款，使公司財務穩健性逐年提高。隨著品牌知名度和認知度提高，本集團也積極開拓多元化融資管道，並與多家大中型金融機構保持著良好的合作關係，為本集團的高效可持續發展提供有力支援。

結合本集團發展需求和行業趨勢，在深耕長三角、佈局國家黃金城市群的戰略指引下，大發地產將進一步實施「1+5+X」的佈局體系，深耕長三角核心區域的同時，輻射到成渝、中部、西部、環渤海、粵港澳大灣區5大城市群，並戰略性地持續關注其他具高發展潛力的重點城市，通過深耕重要目標地區和戰略拓展，助力土地儲備的可持續發展。本集團相信上述的各項措施將繼續促進本集團的持續發展，創造新的經濟效益，增強集團綜合競爭能力，長遠為股東帶來豐厚回報。

CHAIRMAN'S STATEMENT *(Continued)*

主席報告(續)

APPRECIATION

I hereby express my sincere gratitude to the customers and business partners for their long-term support. My heartfelt appreciation also goes to our Directors, the management team and all employees for their excellent work and contributions in the past year.

In particular, I would like to thank you, our Shareholders, for your continuing support and engagement, which is very important and very much valued by the Board.

I am very confident in the strategies that we envision and implement. They have well placed DaFa Properties to deliver growth in its profitability in relation to its core businesses in 2020 and beyond.

Ge Yiyang

Chairman of the Board, Executive Director

30 March 2020

感謝

本人謹此誠摯感謝顧客及業務夥伴的長期支持，並對董事、管理層團隊及全體僱員於去年的傑出工作及貢獻表示衷心感謝。

本人特別感謝股東一直以來的支持及參與，這非常重要且董事會對此非常重視。

本人對我們預設及實施的策略充滿信心。其令大发地产具備有利條件，於2020年及之後從其核心業務實現盈利能力的增長。

葛一暘

董事會主席、執行董事

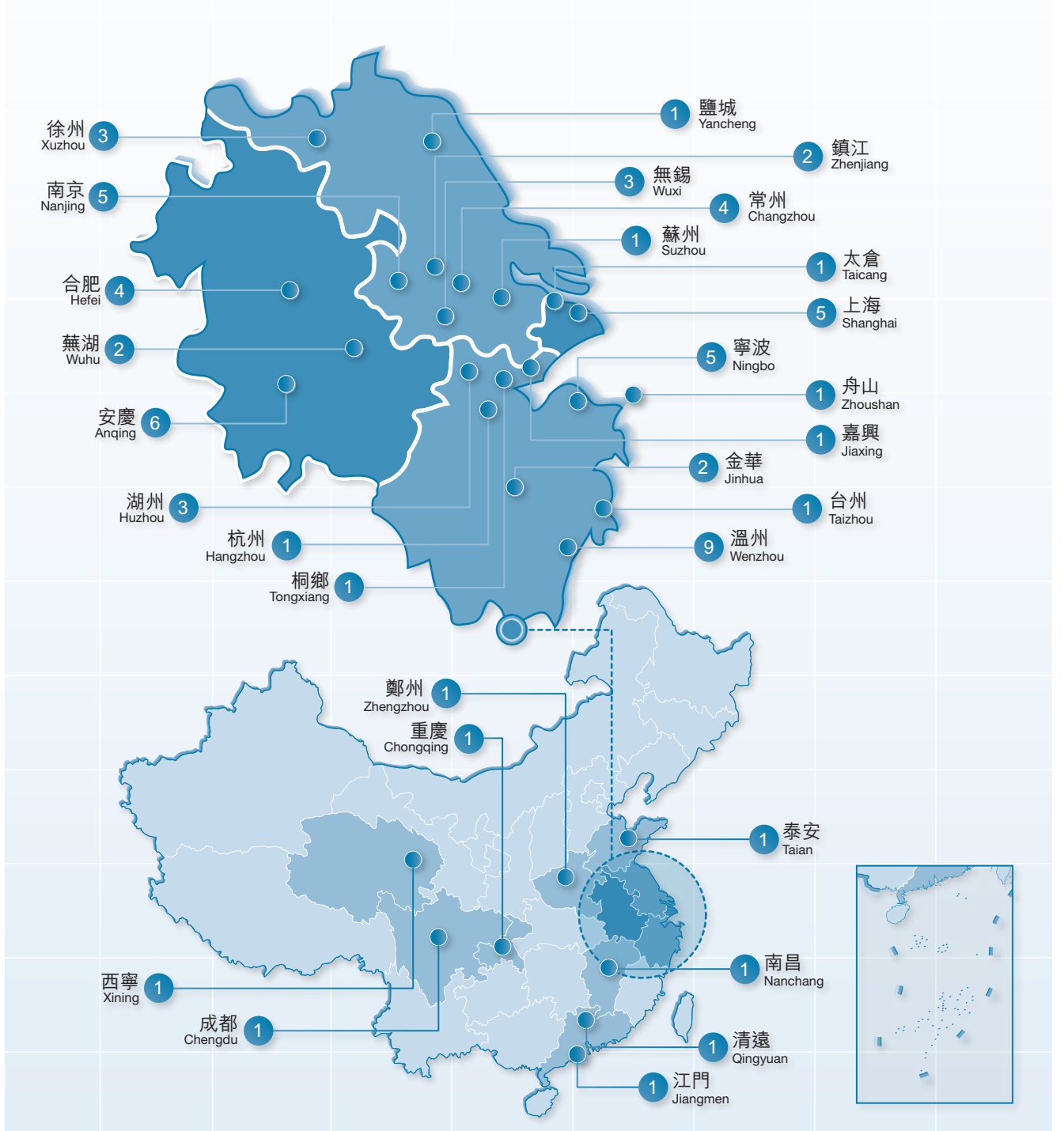
2020年3月30日

SUMMARY OF PRINCIPAL PROPERTIES

主要物業概要

項目分佈

PROJECT DISTRIBUTION



SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要 (續)

The table below sets forth the details of the property development projects of the Group together with its joint ventures and associates as at 31 December 2019.

下表載列本集團連同其合營企業及聯營公司於2019年12月31日的物業開發項目詳情。

PROJECTS DEVELOPED BY THE GROUP

本集團開發的項目

As at 31 December 2019, the subsidiaries, joint ventures and associates of the Group engaged in a total of 69 property development projects.

於2019年12月31日，本集團的子公司、合營企業及聯營公司共參與了69個物業開發項目。

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中/未來開發建築面積 (平方米)	完工時間/預計完工時間
1	Dafa Bliss Huating 大發融悅華庭	Shanghai 上海	100%	Residential 住宅	45,428	118,139	118,139	-	11/2017
2	Shanghai Kai Run Jin Cheng 上海凱潤金城	Shanghai 上海	100%	Residential 住宅	16,929	53,925	53,925	-	05/2006
3	Dafa Bliss Four Seasons 大發融悅四季	Shanghai 上海	100%	Residential, apartments 住宅、公寓	27,508	85,535	85,535	-	05/2019
4	Ningbo Zhongshan Junfu 寧波中山隼府	Ningbo 寧波	98%	Residential 住宅	61,226	171,227	171,227	-	12/2018
5	Zhoushan Bliss Xinjie Residence 舟山融悅新界公館	Zhoushan 舟山	100%	Residential 住宅	38,199	131,266	-	131,266	05/2020
6	Dafa Yi Jing Cheng Phase I 大發宜景城一期	Anqing 安慶	100%	Residential 住宅	207,422	123,480	123,480	-	10/2012
7	Dafa Yi Jing Cheng Phase II 大發宜景城二期	Anqing 安慶	100%	Residential 住宅	-	248,528	248,528	-	07/2013

SUMMARY OF PRINCIPAL PROPERTIES *(Continued)*

主要物業概要 (續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中/未來開發建築面積 (平方米)	完工時間/預計完工時間
8	Dafa Yi Jing Cheng Phase III 大發宜景城二期	Anqing 安慶	100%	Residential 住宅	76,557	278,164	278,164	-	06/2019
9	Dafa Yi Jing Cheng Phase IV 大發宜景城四期	Anqing 安慶	100%	Residential 住宅	123,050	513,943	513,943	-	06/2019
10	Commercial Building of Dafa Yi Jing Cheng 大發宜景城商業	Anqing 安慶	100%	Residential, commercial 住宅、商業	18,720	45,561	-	45,561	08/2020
11	Anqing Dafa Bliss 安慶大發融悅	Anqing 安慶	100%	Residential 住宅	72,635	155,871	129,652	26,219	12/2020
12	Dafa Bliss Oriental (Wuhu) 大發融悅東方(蕪湖)	Wuhu 蕪湖	100%	Residential 住宅	93,967	209,356	209,356	-	12/2019
13	Dafa Bliss Garden 大發融悅花園	Nanjing 南京	100%	Residential 住宅	32,451	69,101	69,101	-	06/2017
14	Dafa Yan Lan Wan 大發燕瀾灣	Nanjing 南京	100%	Residential 住宅	70,231	172,283	172,283	-	07/2013
15	Nanjing Kai Run Jin Cheng 南京凱潤金城	Nanjing 南京	100%	Residential 住宅	35,962	228,440	228,440	-	10/2009
16	Nanjing Kaihong Junfu 南京凱鴻馮府	Nanjing 南京	100%	Residential, commercial 住宅、商業	27,243	59,895	59,895	-	01/2011
17	Kaixin Jinyuan A 凱欣錦園A	Wenzhou 溫州	100%	Residential 住宅	40,504	146,332	146,332	-	01/2017
18	Kaixin Jinyuan B 凱欣錦園B	Wenzhou 溫州	96%	Residential 住宅	45,562	167,180	167,180	-	03/2018

SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要 (續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中 / 未來開發建築面積 (平方米)	完工時間 / 預計完工時間
19	Dafa Bliss Oriental (Wenzhou) 大發融悅東方(溫州)	Wenzhou 溫州	90%	Residential, commercial 住宅、商業	26,576	120,240	120,240	-	12/2019
20	Wenzhou Kaize Jinyuan 溫州凱澤錦園	Wenzhou 溫州	100%	Residential 住宅	14,713	70,955	70,955	-	12/2019
21	Shanghai IST Mall 上海艾尚天地	Shanghai 上海	100%	Commercial complexes 商業綜合樓	-	25,870	25,870	-	06/2006
22	Harbour Ring Plaza 港陸廣場	Shanghai 上海	100%	Office 辦公室	118	1,499	1,499	-	12/1997
23	Nanjing IST Mall 南京艾尚天地	Nanjing 南京	100%	Commercial complexes 商業綜合樓	-	35,921	35,921	-	12/2011
24	Changzhou Handu Garden 常州翰都花園	Changzhou 常州	31%	Residential 住宅	69,261	169,796	169,796	-	12/2019
25	Yixing Siji Jingyuan 宜興四季景苑	Wuxi 無錫	34%	Residential 住宅	25,829	53,150	34,049	19,101	05/2020
26	Pizhou Dafa Bliss Oriental 邳州大發融悅東方	Xuzhou 徐州	90%	Residential 住宅	49,126	155,331	-	155,331	09/2020
27	Sheyang Dafa Bliss Oriental 射陽大發融悅東方	Yancheng 鹽城	91%	Residential 住宅	54,451	203,149	-	203,149	09/2020
28	Jurong Rongyue Garden 句容容悅花園	Zhenjiang 鎮江	47%	Residential 住宅	45,781	118,978	-	118,978	12/2021

SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要(續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中/未來開發建築面積 (平方米)	完工時間/預計完工時間
29	Jurong Yueju Garden 句容悅居花園	Zhenjiang 鎮江	23%	Residential 住宅	38,731	94,524	-	94,524	12/2021
30	Fenghua Hushan Xiyue Mansion 奉化湖山熙悅府	Ningbo 寧波	27%	Residential 住宅	17,333	34,454	34,454	-	12/2019
31	Fanchang Dafa Bliss 繁昌大發融悅	Wuhu 蕪湖	41%	Residential 住宅	22,197	57,206	57,206	-	12/2019
32	Changxing Bliss Jinyuan 長興融悅錦園	Huzhou 湖州	32%	Residential 住宅	52,918	145,992	145,992	-	12/2019
33	Anji Rongxin Yuejiang Mansion 安吉融悅悅江府	Huzhou 湖州	23%	Residential 住宅	53,254	113,955	-	113,955	10/2020
34	Huzhou Bliss Four Seasons 湖州融悅四季	Huzhou 湖州	43%	Residential, commercial 住宅、商業	35,461	113,459	-	113,459	09/2020
35	Jiaxing Bliss Oriental 嘉興融悅東方	Jiaxing 嘉興	90%	Residential 住宅	37,167	94,000	-	94,000	05/2020
36	Changshu Shuang Jing Hua Court 常熟雙璟華庭	Suzhou 蘇州	25%	Residential 住宅	17,361	48,853	48,853	-	12/2019
37	Yuyao Bliss Mansion 餘姚融悅府	Ningbo 寧波	88%	Residential 住宅	15,044	33,315	33,315	-	12/2019
38	The Center Mansion of Dafa 邛崃大發融悅和府	Chengdu 成都	91%	Residential, commercial 住宅、商業	23,519	99,354	-	99,354	11/2020

SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要 (續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中 / 未來開發建築面積 (平方米)	完工時間 / 預計完工時間
39	Dafa Xiyue Shu Shan Jing 大發熙悅書山境	Chongqing 重慶	91%	Residential 住宅	37,142	117,031	-	117,031	09/2020
40	Yingde Longyue Four Seasons Court 英德瓏悅四季苑	Qingyuan 清遠	91%	Residential 住宅	14,014	84,366	-	84,366	12/2020
41	Xuzhou Dafa Tongyin Bliss Mansion 徐州大發通銀融悅府	Xuzhou 徐州	43%	Residential 住宅	24,441	66,906	-	66,906	03/2021
42	Hefei Gongyuan Tianzhu 合肥公園天著	Hefei 合肥	31%	Residential 住宅	49,546	144,904	-	144,904	12/2020
43	Hefei Bliss Four Seasons 合肥融悅四季	Hefei 合肥	42%	Residential 住宅	25,168	73,059	-	73,059	12/2020
44	Yixing Bliss Four Seasons 宜興融悅四季	Wuxi 無錫	46%	Residential 住宅	17,959	40,336	-	40,336	08/2020
45	Taizhou Xuefu No. 1 台州學府壹號	Taizhou 台州	41%	Residential 住宅	17,008	45,165	-	45,165	12/2020
46	Cixi Yulin Mansion 慈溪譽林府	Ningbo 寧波	44%	Residential 住宅	46,508	115,522	-	115,522	03/2021
47	Wenzhou Ruian Ruixiang No. 1 溫州瑞安瑞祥壹號	Wenzhou 溫州	35%	Residential 住宅	28,868	113,805	-	113,805	10/2021
48	Hangzhou Liangzhu Qinlan 杭州良渚沁瀾	Hangzhou 杭州	28%	Residential 住宅	18,703	62,192	-	62,192	04/2021
49	Changzhou Lijia Longyue Mansion 常州禮嘉龍悅府	Changzhou 常州	42%	Residential 住宅	27,590	66,448	-	66,448	10/2020

SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要(續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
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50	Changzhou Zhenglu Tianning Rongyuefu 常州鄭陸天寧融悅府	Changzhou 常州	27%	Residential 住宅	53,936	160,842	-	160,842	12/2020
51	Nanchang Xijiangyue 南昌西江悅	Nanchang 南昌	49%	Residential 住宅	11,551	37,487	-	37,487	12/2020
52	Taian Jimei Jiayue 泰安集美嘉悅	Taian 泰安	31%	Residential 住宅	35,154	143,165	-	143,165	03/2021
53	Jiangmen Guoyuefu 江門國樾府	Jiangmen 江門	31%	Residential 住宅	30,240	101,751	-	101,751	06/2021
54	Wenzhou Yongjia Clearwater Bay 溫州永嘉清水灣	Wenzhou 溫州	24%	Residential 住宅	69,851	249,952	-	249,952	06/2021
55	Zhengzhou Bliss Four Seasons 鄭州融悅四季	Zhengzhou 鄭州	90%	Residential 住宅	25,510	69,662	-	69,662	06/2021
56	Wenzhou Longxia Road Luhu Bay 溫州龍霞路麓湖灣	Wenzhou 溫州	44%	Residential 住宅	12,310	57,313	-	57,313	09/2021
57	Jinhua Yongkang Bliss Bay 金華永康融悅灣	Jinhua 金華	45%	Residential 住宅	18,389	53,100	-	53,100	07/2021
58	Wenzhou Xi Yue Li 溫州熙悅里	Wenzhou 溫州	30%	Residential 住宅	24,251	100,575	-	100,575	12/2021
59	Wenzhou Chen Yang Li 溫州宸央里	Wenzhou 溫州	40%	Residential 住宅	10,274	28,088	-	28,088	09/2021

SUMMARY OF PRINCIPAL PROPERTIES (Continued)

主要物業概要 (續)

No.	Project	City	Interest attributable to the Group	Type of product	Total site area (sq.m.)	Total GFA (sq.m.)	Accumulated completed GFA (sq.m.)	GFA under development/ for future development (sq.m.)	Completed time/Expected completion time
序號	項目案名	城市	本集團應佔權益	產品類型	總佔地面積 (平方米)	總建築面積 (平方米)	累計已竣工建築面積 (平方米)	開發中 / 未來開發建築面積 (平方米)	完工時間 / 預計完工時間
60	Wuzhen Xi Yue Hua Yuan 烏鎮熙悅花苑	Tongxiang 桐鄉	32%	Residential 住宅	61,250	165,700	-	165,700	05/2021
61	Xuzhou Shen Wang Tian Chen 徐州申旺天辰	Xuzhou 徐州	30%	Residential 住宅	15,985	53,080	-	53,080	12/2021
62	Hefei Jun Yu Tian Xia 合肥君御天下	Hefei 合肥	14%	Residential 住宅	83,478	167,742	-	167,742	10/2021
63	Hefei Yue Hu Xin Zhu 合肥悅湖新著	Hefei 合肥	14%	Residential 住宅	67,834	180,742	-	180,742	10/2021
64	Changzhou Yun Xi 常州雲禧	Changzhou 常州	26%	Residential 住宅	36,712	98,208	-	98,208	08/2021
65	Jinhua Yun Zhu 金華雲築	Jinhua 金華	30%	Residential 住宅	26,892	70,057	-	70,057	09/2021
66	Xining Dafa Xiyue 西寧大發•熙悅	Xining 西寧	60%	Residential 住宅	150,269	212,383	-	212,383	12/2021
67	Wuxi Puyue Binhu Wang 無錫璞悅濱湖望	Wuxi 無錫	49%	Residential 住宅	52,696	181,654	-	181,654	03/2022
68	Ningnan Guojing Mansion 寧南國璟府	Ningbo 寧波	50%	Residential 住宅	42,747	137,121	-	137,121	12/2021
69	Taicang Xiyue Lanting 太倉熙悅瀾庭	Taicang 太倉	60%	Residential 住宅	20,787	53,567	-	53,567	07/2021
Total 合計					2,789,497	8,020,150	3,553,330	4,466,820	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MARKET OVERVIEW

In 2019, the control policy for the real estate market in China continued to take “stability” as the priority. The central government focused on real estate financial risks and did not use real estate as a short-term means for stimulating the economy. Based on the principle of emphasizing “houses are for living but not for speculation”, local governments in all regions continued to adjust measures in a timely and flexible manner in accordance with changes in the situation, rolling out policies tailored to the conditions of specific cities, regions and trends and attracting talents in order to constantly create inelastic demand to ensure the stability of the housing market while curbing speculative house purchases. Under this backdrop, the industry scale hit a new height. According to the data from the National Bureau of Statistics, the sales of commodity houses nationwide amounted to RMB15,972.5 billion, representing a year-on-year increase of 6.5%; the sales area was 1,715.88 million sq.m., representing a year-on-year decrease of 0.1%.

With the acceleration of urbanization, continuous economic growth and increasing purchasing power and growing pursuit for quality by urban residents have provided good development opportunities for the Group. DaFa Properties, as a “Blissful living service provider”, will continue to give priority to quality and manifest the brand concept of “Design for Life”. The Group will continue to consolidate our leading position in the Yangtze River Delta Region and acquire parcels of land at advantageous locations in those regions and cities while horizontally expanding into the cities in five major urban clusters with high development potentials in order to further develop our brand.

市場回顧

2019年中國房地產市場調控政策繼續以「穩」為先，中央政府聚焦房地產金融風險，不將房地產作為短期刺激經濟的手段。在強調「房住不炒」的原則下，各地政府繼續根據形勢變化，及時靈活調整措施，地方因城、因區、因勢施策，抑制投機性購房的同時，吸引人才落戶持續釋放剛性需求，確保房地產市場穩定。在此背景下，行業規模再創新高。據國家統計局數據顯示，全國商品房銷售額達人民幣159,725億元，同比增長6.5%；銷售面積為171,588萬平方米，同比下降0.1%。

隨著城市化進程加速，經濟持續增長及購買力不斷提升，城市居民對品質的追求日漸提高，為本集團提供良好的發展機遇。作為「悦居生活服務商」，大发地产將繼續以品質優先，詮釋「為生活而創造」的品牌理念。本集團將持續鞏固我們於長三角地區的領先地位，並收購該等地區及城市位置優越的地塊，同時橫向拓展到5大城市群內的高發展潛力城市，進一步發展我們的品牌。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

BUSINESS REVIEW

For the year ended 31 December 2019, the principal activities of the Group are property development and property investment, among which, property development is the main source of the income for the Group.

PROPERTY DEVELOPMENT

Contracted sales

For the year ended 31 December 2019, the Group together with its joint ventures and associates recorded accumulated contracted sales of approximately RMB21,016.7 million, increasing by approximately 67.8% as compared to approximately RMB12,523.9 million in 2018. Such increase was mainly due to the fact that the Group, together with its joint ventures and associates, has been intensively penetrating into the real estate market in the Yangtze River Delta Region, resulting in an increase of its accumulated saleable gross floor area (“GFA”), which reached a record high since the establishment of the Group.

During the year ended 31 December 2019, the accumulated contracted GFA of the Group, together with its joint ventures and associates, recorded a strong growth of approximately 97.4% from 785,841 sq.m. in 2018 to 1,551,106 sq.m. in 2019, and the contracted average selling price was approximately RMB13,550 per sq.m..

業務回顧

截至2019年12月31日止年度，本集團的主要業務為物業開發及物業投資。其中，物業開發為本集團主要收入來源。

物業開發

合同銷售

截至2019年12月31日止年度，本集團連同其合營企業及聯營公司錄得累計合同銷售金額約人民幣21,016.7百萬元，較2018年的約人民幣12,523.9百萬元增長約67.8%，此乃主要由於本集團連同其合營企業及聯營公司一直專注於深耕長三角地區的房地產市場，導致其累計可銷售建築面積（「**建築面積**」）增加所致，創下本集團成立以來的歷史新高。

截至2019年12月31日止年度，本集團連同其合營企業及聯營公司累計合同建築面積由2018年的785,841平方米，勁升約97.4%至2019年的1,551,106平方米，合同平均售價約為人民幣13,550元／平方米。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

The following table sets forth a breakdown of the contracted sales of the Group (together with its joint ventures and associates) for the year ended 31 December 2019.

下表載列本集團(連同其合營企業及聯營公司)於截至2019年12月31日止年度的合同銷售明細。

City	城市	2019 2019年		2018 2018年	
		Contracted sales amount 合同銷售金額 (RMB in million) (人民幣百萬元)	Contracted GFA 合同建築面積 (sq.m.) (平方米)	Contracted sales amount 合同銷售金額 (RMB in million) (人民幣百萬元)	Contracted GFA 合同建築面積 (sq.m.) (平方米)
Wenzhou	溫州	6,844.4	330,297	2,245.2	74,230
Hefei	合肥	2,065.9	157,361	–	–
Huzhou	湖州	1,846.3	166,143	928.1	95,541
Changzhou	常州	1,449.6	123,444	951.5	91,189
Xuzhou	徐州	1,084.7	105,340	–	–
Wuhu	蕪湖	1,113.4	94,593	1,373.6	115,828
Ningbo	寧波	1,094.5	91,758	2,173.0	107,981
Jiaxing	嘉興	844.3	64,878	–	–
Zhoushan	舟山	805.2	41,113	734.0	35,595
Wuxi	無錫	656.6	49,068	432.8	32,121
Chongqing	重慶	583.1	53,859	–	–
Chengdu	成都	451.4	56,503	–	–
Yancheng	鹽城	429.7	67,159	–	–
Taizhou	台州	429.5	29,308	–	–
Anqing	安慶	404.3	42,790	1,198.0	132,897
Shanghai	上海	210.3	6,685	2,035.2	51,433
Nanchang	南昌	156.5	9,836	–	–
Qingyuan	清遠	156.3	23,398	–	–
Taian	泰安	53.3	6,052	–	–
Others	其他	337.4	31,521	452.5	49,026
		21,016.7	1,551,106	12,523.9	785,841

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**管理層討論及分析 (續)****Revenue recognized from sale of properties**

Revenue recognized from sale of properties for the year ended 31 December 2019 amounted to approximately RMB7,294.1 million, representing an increase of approximately 24.1% from approximately RMB5,879.4 million for the same period of 2018, accounting for approximately 98.6% of the Group's total revenue. The Group's total completed and delivered GFA amounted to 454,494 sq.m. in 2019, a slight decrease of approximately 1.9% from 463,326 sq.m. compared to 2018. The increase in revenue recognized from sales of properties was primarily due to the increase in recognized average selling price ("ASP") to approximately RMB16,049 for the year ended 31 December 2019 when compared to the recognized ASP of approximately RMB12,690 for the year ended 31 December 2018.

The following table sets forth the details of the revenue recognized from the sales of properties of the Group by areas for the year ended 31 December 2019.

銷售物業已確認收益

截至2019年12月31日止年度，銷售物業已確認收益為約人民幣7,294.1百萬元，較2018年同期的約人民幣5,879.4百萬元增長約24.1%，佔本集團總收益的約98.6%。本集團於2019年已竣工及交付的總建築面積為454,494平方米，較2018年的463,326平方米小幅減少約1.9%。銷售物業的已確認收益增加，主要歸因於已確認平均售價（「平均售價」）由截至2018年12月31日止年度的約人民幣12,690元增加至截至2019年12月31日止年度的約人民幣16,049元。

下表載列本集團於截至2019年12月31日止年度物業銷售的已確認收益詳情（按地區劃分）。

City	城市	2019 2019年		2018 2018年	
		Recognized revenue 已確認收益 RMB in million 人民幣百萬元	GFA delivered 交付建築面積 sq.m. 平方米	Recognized revenue 已確認收益 RMB in million 人民幣百萬元	GFA delivered 交付建築面積 sq.m. 平方米
Wenzhou	溫州	2,892.1	111,699	2,486.8	152,138
Shanghai	上海	1,597.9	45,326	1,121.0	39,123
Huzhou	湖州	522.1	58,606	–	–
Ningbo	寧波	988.1	70,653	1,378.4	80,437
Anqing	安慶	636.6	108,959	817.1	188,082
Wuhu	蕪湖	352.0	27,259	–	–
Suzhou	蘇州	290.4	30,652	–	–
Others	其他	14.9	1,340	76.1	3,546
		7,294.1	454,494	5,879.4	463,326

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

Completed properties held for sale

Properties held for sale represent completed properties remaining unsold at the end of each financial year and are stated at the lower of cost and net realizable value. Cost of properties held for sale is determined by an apportionment of related costs incurred attributable to the unsold properties.

The Group's completed properties held for sale increased by approximately 161.8% from approximately RMB1,094.2 million as of 31 December 2018 to approximately RMB2,864.3 million as of 31 December 2019. The increase was mainly due to property projects completed at the end of 2019 and yet to be delivered to our customers. Those property projects are expected to be delivered and recognised as revenue in coming years.

Properties under development

Properties under development are intended to be held for sale after completion. Properties under development are stated at the lower of cost comprising land costs, construction costs, capitalized interests and other costs directly attributable to such properties incurred during the development period and net realizable value. Upon completion, the properties are transferred to completed properties held for sale.

The Group's properties under development decreased by approximately 10.5% from approximately RMB11,003.3 million as of 31 December 2018 to approximately RMB9,844.9 million as of 31 December 2019. The decrease was mainly due to the increased number of completed projects which were transferred to completed properties held for sale during the year.

As at 31 December 2019, the Group's core business remains in the Yangtze River Delta Region, while selectively penetrating its business into the five major urban clusters of Chengyu, central China, western China, Bohai Rim and Guangdong-Hong Kong-Macao Greater Bay Region. The Group together with its joint ventures and associates has 69 projects under development and completed projects, 62 of which are located in the Yangtze River Delta Region.

已竣工持作銷售物業

持作銷售物業指於各財政年度結束仍未出售的已竣工物業，按成本及可變現淨值的較低者列賬。持作銷售物業的成本乃根據未出售物業應佔所產生相關成本的分配釐定。

截至2019年12月31日，本集團已竣工持作銷售物業的金額為約人民幣2,864.3百萬元，較截至2018年12月31日的金額約人民幣1,094.2百萬元增加約161.8%。該增加主要是由於2019年末竣工及待交付予客戶的物業項目。預期該等物業項目將於未來幾年交付及確認為收益。

在建物業

在建物業擬於竣工後持作銷售。在建物業按成本與可變現淨值的較低者列賬，成本包括土地成本、建設成本、資本化利息及於開發期內直接因有關物業而產生的其他成本。物業於竣工時轉至已竣工持作銷售物業。

截至2019年12月31日，本集團的在建物業金額為約人民幣9,844.9百萬元，較截至2018年12月31日的金額約人民幣11,003.3百萬元減少約10.5%。該減少主要是由於年內轉至已竣工持作銷售物業的已竣工物業數目增加。

於2019年12月31日，本集團的主營業務仍在長三角地區，同時還選擇性地進軍成渝、中部、西部、環渤海、粵港澳大灣區5大城市群。本集團連同其合營企業及聯營公司共有69個在建及已竣工項目，其中62個位於長三角地區。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析 (續)

PROPERTY INVESTMENT

As at 31 December 2019, the Group owned four commercial complexes in Shanghai, Nanjing and Wenzhou, one office floor and one service apartment in Shanghai:

- Shanghai IST Mall (formerly known as Shanghai Kai Hong Plaza), located at Nos. 1611 and 1661 Sichuan North Road and Nos. 1-3, Lane 258, Dongbaoxing Road, Hongkou District, Shanghai, the PRC, features high-end, professional and decent style, as well as family-friendly facilities and businesses that promote leisure, joy and family bonding.
- Nanjing IST Mall, located at Nos. 100 and 132 Zhongshan Road, Xuanwu District, Nanjing City, Jiangsu Province, the PRC, features vibrant, modern and individualistic style that targets urban residents who enjoy socializing, exploring new frontiers and consuming for what they believe to be valuable.
- Affiliated Commercial Property of Nanjing Kaihong Junfu, located at Nos. 90 and 94 Jiangjiayuan Road, Gulou District, Nanjing City, Jiangsu Province, the PRC, features nextdoor and down-to-earth daily services that target residents in its surrounding areas and provide convenience to their lives.
- Affiliated Commercial Property of Dafa Bliss Oriental (Wenzhou), located at the junction of Chenmuqiao Street and Gu'an Road, Ouhai Center District, Wenzhou City, Zhejiang Province, the PRC, is planned for retail usage that targets residents in its surrounding areas.
- Harbour Ring Plaza, located at No. 18 Xizang Middle Road, Huangpu District, Shanghai City, the PRC, is an office building serving international and domestic corporations. The Company owned seven offices on the 19th floor of the office building.
- Dafa Bliss Four Seasons, located at Intersection of Xiuze Road and Huijin Road, Qingpu District, Shanghai, the PRC, is planned for service apartments purpose.

物業投資

於2019年12月31日，本集團於上海、南京及溫州擁有四棟商業綜合樓，亦於上海擁有一個辦公樓層及一棟酒店式公寓：

- 上海艾尚天地(前稱上海凱鴻廣場)，位於中國上海市虹口區四川北路1611號及1661號與東寶興路258弄1至3號，特色是高端、專業及正派風格以及具備倡導休閒、娛樂及家庭關係的親子設施及商舖。
- 南京艾尚天地，位於中國江蘇省南京市玄武區中山路100號及132號，特色是朝氣蓬勃、現代及個人主義風格，目標人群是享受社交、探尋新尖端事物及消費其認為有價值的事物的都市居民。
- 南京凱鴻隽府配套商業，位於中國江蘇省南京市鼓樓區姜家園路90號及94號，特色是鄰家及實際日常服務，目標人群是周邊地區的居民，為他們的生活提供便利。
- 大發融悅東方(溫州)配套商業，位於中國浙江省溫州市甌海中心區沉木橋街與古岸路交匯處，計劃用於面向周邊地區居民的零售用途。
- 港陸廣場，位於中國上海市黃浦區西藏中路18號，服務國際及國內企業的辦公樓。本公司擁有該辦公樓第19層的七間辦公室。
- 大發融悅四季，位於中國上海市青浦區秀澤路與匯金路交匯處，計劃用於酒店式公寓用途。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

LAND RESERVES

During the year, combining development needs of the Company and industry trends, the Group further specified the “1+5+X” layout system under the strategic guidance of deep penetration of the Yangtze River Delta and positioned its presence in the golden metropolitan clusters nationwide. While intensively penetrating the core areas of the Yangtze River Delta, the Group extended its presence into the five major urban clusters of Chengyu, central China, western China, Bohai Rim and Guangdong-Hong Kong-Macao Greater Bay Area, and maintained its strategic focus on other key cities with high development potential, and actively penetrated the presence with reasonable and attractive land costs to ensure the sustainable development of the Group's land reserves.

As at 31 December 2019, the Group together with its joint ventures and associates owned land reserves with a total planned GFA of approximately 5.0 million sq.m., a total of 69 projects distributed in 29 cities with an average land cost of approximately RMB4,460 per sq.m., which were available for the Group's development needs for at least next two years.

In 2019, the Group together with its joint ventures and associates added 25 new land parcels with an estimated total planned GFA of approximately 2.7 million sq.m., and average land cost of approximately RMB5,349 per sq.m..

土地儲備

年內，本集團結合公司發展需求和行業趨勢，在深耕長三角、佈局國家黃金城市群的戰略指引下，進一步明確了「1+5+X」的佈局體系。集團在深耕長三角核心區域的中心的同時，輻射到成渝、中部、西部、環渤海、粵港澳大灣區5大城市群，並戰略性地持續關注其他具高發展潛力的重點城市，以合理且具有吸引力的土地成本積極深耕佈局，保障集團土地儲備的可持續發展。

於2019年12月31日，本集團連同其合營企業及聯營公司的土地儲備總規劃建築面積約5.0百萬平方米，共計69個項目，分佈在29座城市，平均地價約為人民幣4,460元／平方米，可供集團未來兩年以上的發展需求。

於2019年，本集團連同其合營企業及聯營公司新增25塊新地塊，總估計規劃建築面積約2.7百萬平方米，平均地價為約人民幣5,349元／平方米。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**管理層討論及分析 (續)**

The table below sets forth the details of the new land parcels of the Group together with its joint ventures and associates for the year ended 31 December 2019:

下表載列本集團連同其合營企業及聯營公司於截至2019年12月31日止年度的新增地塊詳情：

	Project 項目	City 城市	Type of product 產品類型	Total site area (sq.m.) 總佔地面積 (平方米)	Estimated total GFA (sq.m.) 估計 總建築面積 (平方米)	Average land costs (RMB/sq.m.) 平均地價 (人民幣元/ 平方米)
1	Taizhou Xuefu No. 1 台州學府壹號	Taizhou 台州	Residential 住宅	17,008	45,165	4,304
2	Cixi Yulin Mansion 慈溪譽林府	Ningbo 寧波	Residential 住宅	46,508	115,522	3,366
3	Wenzhou Ruian Ruixiang No. 1 溫州瑞安瑞祥壹號	Wenzhou 溫州	Residential 住宅	28,868	113,805	11,556
4	Hangzhou Liangzhu Qinlan 杭州良渚沁瀾	Hangzhou 杭州	Residential 住宅	18,703	62,192	14,034
5	Changzhou Lijia Longyue Mansion 常州禮嘉龍悅府	Changzhou 常州	Residential 住宅	27,590	66,448	3,416
6	Changzhou Zhenglu Tianning Rongyuefu 常州鄭陸天寧融悅府	Changzhou 常州	Residential 住宅	53,936	160,842	4,010
7	Nanchang Xijiangyue 南昌西江悅	Nanchang 南昌	Residential 住宅	11,551	37,487	7,265
8	Taian Jimei Jiayue 泰安集美嘉悅	Taian 泰安	Residential 住宅	35,154	143,165	2,915
9	Jiangmen Guoyuefu 江門國樾府	Jiangmen 江門	Residential 住宅	30,240	101,751	4,343
10	Wenzhou Yongjia Clearwater Bay 溫州永嘉清水灣	Wenzhou 溫州	Residential 住宅	69,851	249,952	4,849
11	Zhengzhou Bliss Four Seasons 鄭州融悅四季	Zhengzhou 鄭州	Residential 住宅	25,510	69,662	1,825
12	Wenzhou Longxia Road Luhua Bay 溫州龍霞路麓湖灣	Wenzhou 溫州	Residential 住宅	12,310	57,313	8,895

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

	Project 項目	City 城市	Type of product 產品類型	Total site area (sq.m.) 總佔地面積 (平方米)	Estimated total GFA (sq.m.) 估計 總建築面積 (平方米)	Average land costs (RMB/sq.m.) 平均地價 (人民幣元/ 平方米)
13	Jinhua Yongkang Bliss Bay 金華永康融悅灣	Jinhua 金華	Residential 住宅	18,389	53,100	5,358
14	Wenzhou Xi Yue Li 溫州熙悅里	Wenzhou 溫州	Residential 住宅	24,251	100,575	8,780
15	Wenzhou Chen Yang Li 溫州宸央里	Wenzhou 溫州	Residential 住宅	10,274	28,088	14,714
16	Wuzhen Xi Yue Hua Yuan 烏鎮熙悅花苑	Tongxiang 桐鄉	Residential 住宅	61,250	165,700	3,893
17	Xuzhou Shen Wang Tian Chen 徐州申旺天辰	Xuzhou 徐州	Residential 住宅	15,985	53,080	7,743
18	Hefei Jun Yu Tian Xia 合肥君御天下	Hefei 合肥	Residential 住宅	83,478	167,742	5,225
19	Hefei Yue Hu Xin Zhu 合肥悅湖新著	Hefei 合肥	Residential 住宅	67,834	180,742	5,010
20	Changzhou Yun Xi 常州雲禧	Changzhou 常州	Residential 住宅	36,712	98,208	2,678
21	Jinhua Yun Zhu 金華雲築	Jinhua 金華	Residential 住宅	26,892	70,057	7,067
22	Xining Dafa Xiyue 西寧大發•熙悅	Xining 西寧	Residential 住宅	150,269	212,383	796
23	Wuxi Puyue Binhu Wang 無錫璞悅濱湖望	Wuxi 無錫	Residential 住宅	52,696	181,654	7,993
24	Ningnan Guojing Mansion 寧南國璟府	Ningbo 寧波	Residential 住宅	42,747	137,121	5,923
25	Taicang Xiyue Lanting 太倉熙悅瀾庭	Taicang 太倉	Residential 住宅	20,787	53,567	6,425
	Total 合計			988,793	2,725,321	5,349

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**管理層討論及分析 (續)****FINANCIAL REVIEW****Revenue**

The revenue of the Group increased by approximately 24.4% from approximately RMB5,946.0 million for the year ended 31 December 2018 to approximately RMB7,398.2 million for the year ended 31 December 2019. The increase was mainly attributable to the increase in revenue from sales of properties.

Revenue from sales of properties accounted for approximately 98.6% of our total revenue, whereas the property lease income, property management services and management consulting service income accounted for only approximately 1.4% of the total revenue.

財務回顧**收益**

本集團的收益由截至2018年12月31日止年度的約人民幣5,946.0百萬元增加約24.4%至截至2019年12月31日止年度的約人民幣7,398.2百萬元。有關增加主要由於物業銷售收益增加所致。

物業銷售收益佔我們總收益的約98.6%，而物業租賃收入、物業管理服務及管理諮詢服務收入僅佔總收益的約1.4%。

		For the year ended 31 December 截至12月31日止年度			
		2019 2019年	% of total Revenue 收益 RMB in million 人民幣百萬元	2018 2018年	% of total Revenue 收益 RMB in million 人民幣百萬元
			% 佔總收益 百分比		% 佔總收益 百分比
Sales of properties	物業銷售	7,294.1	98.6	5,879.4	98.9
Property lease income	物業租賃收入	54.4	0.7	65.2	1.0
Property management services and management consulting service income	物業管理服務 及管理諮詢服務收入	49.7	0.7	1.4	0.1
Total	總計	7,398.2	100.0	5,946.0	100.0

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Cost of sales

The cost of sales of the Group increased by approximately 30.6% from approximately RMB4,364.1 million for the year ended 31 December 2018 to approximately RMB5,701.5 million for the year ended 31 December 2019, which was primarily attributable to the increase in total GFA of properties delivered during the year.

Gross profit and gross profit margin

The gross profit of the Group increased by approximately 7.3% from approximately RMB1,582.0 million for the year ended 31 December 2018 to approximately RMB1,696.7 million for the year ended 31 December 2019. The increase in gross profit was due to the increase in revenue recognised.

The gross profit margin decreased from approximately 26.6% for the year ended 31 December 2018 to approximately 22.9% for the year ended 31 December 2019, primarily due to the properties with relatively lower gross profit margin being delivered during the year.

銷售成本

本集團的銷售成本由截至2018年12月31日止年度的約人民幣4,364.1百萬元增加約30.6%至截至2019年12月31日止年度的約人民幣5,701.5百萬元，主要由於該年度已交付物業總建築面積增加所致。

毛利及毛利率

本集團的毛利由截至2018年12月31日止年度的約人民幣1,582.0百萬元增加約7.3%至截至2019年12月31日止年度的約人民幣1,696.7百萬元。毛利的增加乃由於已確認收益增加所致。

毛利率由截至2018年12月31日止年度的約26.6%減少至截至2019年12月31日止年度的約22.9%，主要由於該年度交付毛利率較低的物業所致。

		For the year ended 31 December 截至12月31日止年度			
		2019 2019年		2018 2018年	
		Gross profit	Gross profit margin	Gross profit	Gross profit margin
		毛利	毛利率	毛利	毛利率
		RMB in million	%	RMB in million	%
		人民幣百萬元	%	人民幣百萬元	%
Sales of properties	物業銷售	1,620.6	22.2	1,525.0	25.9
Property lease income	物業租賃收入	45.6	83.8	55.9	85.7
Property management services and management consulting service income	物業管理服務及管理諮詢服務收入	30.5	61.4	1.1	78.6
Total	總計	1,696.7	22.9	1,582.0	26.6

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

Finance income

Finance income consists of interest income from bank deposits. The finance income of the Group increased by approximately 2.9% from approximately RMB17.7 million for the year ended 31 December 2018 to approximately RMB18.3 million for the year ended 31 December 2019 mainly due to the increase in the total amount of bank deposits.

Other income and gains

Other income and gains of the Group decreased from approximately RMB37.7 million for the year ended 31 December 2018 to approximately RMB21.7 million for the year ended 31 December 2019, which was primarily due to the decrease in gain on disposal of subsidiaries during the year.

Selling and distribution expenses

The selling and distribution expenses of the Group increased by approximately 52.3% from approximately RMB176.8 million for the year ended 31 December 2018 to approximately RMB269.3 million for the year ended 31 December 2019 primarily due to (i) the Group's strengthened advertising, marketing and business development efforts to promote newly launched property projects in new cities and regions; and (ii) the expansion of the Group's internal sales and marketing team to support its business expansion during the year.

Administrative expenses

The administrative expenses of the Group increased by approximately 4.8% from approximately RMB375.1 million for the year ended 31 December 2018 to approximately RMB393.3 million for the year ended 31 December 2019, mainly due to the increase in our management and administrative headcount, travelling expenses and other miscellaneous expenses, which was in line with our business expansion.

融資收入

融資收入包括銀行存款利息收入。本集團的融資收入由截至2018年12月31日止年度的約人民幣17.7百萬元增加約2.9%至截至2019年12月31日止年度的約人民幣18.3百萬元，主要由於銀行存款總額增加所致。

其他收入及收益

本集團的其他收入及收益由截至2018年12月31日止年度的約人民幣37.7百萬元減少至截至2019年12月31日止年度的約人民幣21.7百萬元，主要由於該年度的出售子公司收益減少。

銷售及分銷開支

本集團的銷售及分銷開支由截至2018年12月31日止年度的約人民幣176.8百萬元增加約52.3%至截至2019年12月31日止年度的約人民幣269.3百萬元，主要由於(i)本集團加大廣告、營銷及業務發展力度，以在新城市及區域推廣新推出的物業項目；及(ii)擴大本集團的內部銷售及營銷團隊，以支持本集團於該年度的業務擴張。

行政開支

本集團的行政開支由截至2018年12月31日止年度的約人民幣375.1百萬元增加約4.8%至截至2019年12月31日止年度的約人民幣393.3百萬元，主要由於本集團的管理及行政總人數、差旅開支及其他雜項開支因應業務擴張而增加。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

Other expenses

Other expenses consist primarily of charitable donations and other miscellaneous expenses.

Other expenses of the Group increased by approximately 76.0% from approximately RMB20.3 million for the year ended 31 December 2018 to approximately RMB35.7 million for the year ended 31 December 2019. The increase was mainly due to approximately RMB16.0 million of donation made during the year ended 31 December 2019.

Financial assets at fair value through profit or loss

The Group's fair value gain on financial assets at fair value through profit or loss during the year ended 31 December 2019 mainly represented the realized gain and unrealized capital appreciation on financial assets at fair value through profit or loss of approximately RMB58.4 million.

As at 31 December 2019, the Group's portfolio of investment in financial assets at fair value through profit or loss was approximately RMB596.0 million, which were held for capital appreciation and investment income.

Fair value gains on investment properties

Fair value gains on investment properties of the Group slightly decreased by approximately 6.2% from approximately RMB61.3 million for the year ended 31 December 2018 to approximately RMB57.5 million for the year ended 31 December, 2019. The investment properties which recorded fair value gains primarily located in Nanjing and Shanghai.

Finance costs

The finance costs of the Group increased by approximately 88.2% from approximately RMB132.7 million for the year ended 31 December 2018 to approximately RMB249.8 million for the year ended 31 December 2019, primarily due to the increase in the balance of interest-bearing borrowings resulting from the Group's continuous expansion.

其他開支

其他開支主要包括公益捐贈及其他雜項開支。

本集團的其他開支由截至2018年12月31日止年度的約人民幣20.3百萬元增加約76.0%至截至2019年12月31日止年度的約人民幣35.7百萬元。有關增加主要是由於截至2019年12月31日止年度捐贈約人民幣16.0百萬元。

按公允價值計入損益的金融資產

本集團於截至2019年12月31日止年度按公允價值計入損益的金融資產公允價值收益主要指按公允價值計入損益的金融資產的已變現收益及未變現資本增值約人民幣58.4百萬元。

於2019年12月31日，本集團按公允價值計入損益的金融資產的投資組合為約人民幣596.0百萬元，乃持作資本增值及投資收入。

投資物業的公允價值收益

本集團投資物業的公允價值收益由截至2018年12月31日止年度的約人民幣61.3百萬元輕微減少約6.2%至截至2019年12月31日止年度的約人民幣57.5百萬元。錄得公允價值收益的投資物業主要位於南京及上海。

融資成本

本集團的融資成本由截至2018年12月31日止年度的約人民幣132.7百萬元增加約88.2%至截至2019年12月31日止年度的約人民幣249.8百萬元，主要由於本集團持續擴張導致計息借貸餘額增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Share of profits and losses of joint ventures and associates

The Group recorded a share of profits of joint ventures and associates of approximately RMB47.1 million (2018: loss of approximately RMB4.0 million) for the year ended 31 December 2019. The turnaround to profits was primarily attributable to the revenue recognized from properties of the associates during the year ended 31 December 2019.

Income tax expenses

The Group's income tax expenses represent corporate income tax and land appreciation tax ("LAT") payable by the Group's subsidiaries in the PRC.

The Group's income tax expenses decreased by approximately 29.9% from approximately RMB500.1 million for the year ended 31 December 2018 to approximately RMB350.5 million for the year ended 31 December 2019 mainly due to the decrease of current PRC LAT during the year ended 31 December 2019. The decrease of current PRC LAT is due to the decrease of gross profit margin of the delivered property projects during the year.

Profit for the year

As a result of the foregoing, the Group's profit for the year increased from approximately RMB489.4 million for the year ended 31 December 2018 to approximately RMB600.7 million for the year ended 31 December 2019.

分佔合營企業及聯營公司利潤及虧損

截至2019年12月31日止年度，本集團錄得分佔合營企業及聯營公司利潤約人民幣47.1百萬元（2018年：虧損約人民幣4.0百萬元）。扭虧為盈主要由於截至2019年12月31日止年度自聯營公司物業確認的收益。

所得稅費用

本集團的所得稅費用指本集團的中國子公司應付的企業所得稅及土地增值稅（「土地增值稅」）。

本集團的所得稅費用由截至2018年12月31日止年度的約人民幣500.1百萬元減少約29.9%至截至2019年12月31日止年度的約人民幣350.5百萬元，主要由於截至2019年12月31日止年度的現行中國土地增值稅下降所致。現行中國土地增值稅下降乃由於年內交付的物業項目毛利率降低所致。

年內利潤

由於上述因素，本集團的年內利潤由截至2018年12月31日止年度的約人民幣489.4百萬元增加至截至2019年12月31日止年度的約人民幣600.7百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

The Group funded and is expected to continue to fund its operations principally from cash generated from its operations, mainly including proceeds from pre-sales and sales of our properties, receipt of rental income, as well as issuance of bonds, bank loans and borrowings from financial institutions. Going forward, the Group may also look for additional financing opportunities, such as the issuance of corporate bonds, asset-backed securities programs and other debt offerings.

Cash position

As at 31 December 2019, the Group had cash and cash equivalents of approximately RMB2,811.6 million (31 December 2018: approximately RMB1,487.1 million), pledged deposits of approximately RMB766.7 million (31 December 2018: approximately RMB26.3 million) and restricted cash of approximately RMB1,115.5 million (31 December 2018: approximately RMB650.6 million).

The cash and cash equivalents of the Group are mainly denominated in Renminbi with the remaining denominated in US dollars and Hong Kong dollars.

Interest-bearing bank and other borrowings

As at 31 December 2019, the total interest-bearing bank and other borrowings of the Group were approximately RMB6,099.1 million (31 December 2018: approximately RMB5,645.2 million), of which, the Group's fixed-rate borrowings accounted for approximately 71.1% of borrowings, respectively. The Group's interest-bearing bank and other borrowings were denominated in Renminbi and Hong Kong dollars.

Certain borrowings of the Group were secured by properties under development, investment properties, completed properties held for sale, property, plant and equipment, restricted cash and financial assets at fair value through profit or loss of the Group.

流動性、財務及資本資源

本集團過往並預期將繼續主要以經營所得現金（主要包括物業預售及銷售所得款項及收取租金收入）以及發行債券、銀行貸款及金融機構借貸）撥付營運。日後，本集團亦可能尋求額外融資機會，如發行公司債券、資產支持證券計劃及其他債務發售。

現金狀況

於2019年12月31日，本集團的現金及現金等價物為約人民幣2,811.6百萬元（2018年12月31日：約人民幣1,487.1百萬元），已質押存款約人民幣766.7百萬元（2018年12月31日：約人民幣26.3百萬元）及受限制現金約人民幣1,115.5百萬元（2018年12月31日：約人民幣650.6百萬元）。

本集團的現金及現金等價物以人民幣為主要貨幣單位，其他以美元及港元為貨幣單位。

計息銀行及其他借貸

於2019年12月31日，本集團的計息銀行及其他借貸為約人民幣6,099.1百萬元（2018年12月31日：約人民幣5,645.2百萬元），其中，本集團之固定利率借貸佔借貸比例為約71.1%。本集團的計息銀行及其他貸款以人民幣及港元列值。

本集團若干借貸由本集團的在建物業、投資物業、已竣工持作銷售物業、物業、廠房及設備、受限制現金及按公允價值計入損益的金融資產作抵押。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

Senior notes

On 30 April 2019, the Company issued notes at a coupon rate of 13.5% due 2020 with an aggregate principal amount of US\$120,000,000 (“**April 2019 Notes**”). The Company raised net proceeds of US\$118,026,000 (after deduction of an underwriting discount and commissions and other expenses). At any time prior to 27 April 2020, the Company may at its option redeem the April 2019 Notes at a pre-determined redemption price.

On 11 July 2019 and 13 November 2019, the Company issued notes at a coupon rate of 12.875% due 2021 with an aggregate principal amount of US\$300,000,000 (“**July 2019 Notes**”). The Company raised net proceeds of approximately US\$290,084,000. At any time prior to 11 July 2021, the Company may at its option redeem the July 2019 Notes at a pre-determined redemption price.

The proceeds were fully used primarily for refinancing the existing indebtedness of the Group.

The fair values of the early redemption options of the April 2019 Notes and the July 2019 Notes were not significant and therefore was not recognised by the Group on inception as at 31 December 2019.

Total indebtedness

Total indebtedness, which includes interest-bearing bank and other borrowings and senior notes, amounted to approximately RMB9,092.9 million (31 December 2018: approximately RMB5,645.2 million).

優先票據

於2019年4月30日，本公司發行於2020年到期的本金總額為120,000,000美元（「**2019年4月之票據**」），票面利率為13.5厘的票據。本公司募得淨所得款項118,026,000美元（經扣除包銷折扣及佣金以及其他開支）。於2020年4月27日前，本公司可隨時選擇以預定的贖回價格贖回2019年4月之票據。

於2019年7月11日及2019年11月13日，本公司發行於2021年到期的本金總額為300,000,000美元（「**2019年7月之票據**」），票面利率為12.875厘的票據。本公司募得淨所得款項約290,084,000美元。於2021年7月11日前，本公司可隨時選擇以預定的贖回價格贖回2019年7月之票據。

該等所得全部款項主要用於本集團現有債項的再融資。

2019年4月之票據及2019年7月之票據提前贖回選擇權的公允價值並不重大，因此本集團於設立時及2019年12月31日均無對其進行確認。

總債項

總債項約為人民幣9,092.9百萬元（2018年12月31日：約人民幣5,645.2百萬元），其包括計息銀行及其他借貸及優先票據。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

		2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Current	即期		
Bank loans – secured	銀行貸款 – 有抵押	821,711	–
Other loans – secured	其他貸款 – 有抵押	1,076,715	688,450
Other loans – unsecured	其他貸款 – 無抵押	–	56,200
Current portion of long term bank loans – secured	長期銀行貸款的即期部分 – 有抵押	138,850	736,370
Current portion of long term other loans – secured	其他長期貸款的即期部分 – 有抵押	439,540	713,188
Senior notes	優先票據	843,395	–
		3,320,211	2,194,208
Non-current	非即期		
Bank loans – secured	銀行貸款 – 有抵押	3,196,795	2,522,195
Other loans – secured	其他貸款 – 有抵押	314,000	928,815
Other loans – unsecured	其他貸款 – 無抵押	111,538	–
Senior notes	優先票據	2,150,361	–
		5,772,694	3,451,010
		9,092,905	5,645,218

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**管理層討論及分析(續)**

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Bank loans repayable:	應償還銀行貸款：		
Within one year or on demand	一年內或按要求	960,561	736,370
In the second year	於第二年	400,340	560,150
In the third to fifth years, inclusive	於第三年至第五年 (包括首尾兩年)	1,376,445	417,692
Beyond five years	五年以上	1,420,010	1,544,353
		4,157,356	3,258,565
Other borrowings repayable:	應償還其他借貸：		
Within one year or on demand	一年內或按要求	1,516,255	1,457,838
In the second year	於第二年	425,538	928,815
		1,941,793	2,386,653
Senior notes	優先票據		
Within one year	一年內	843,395	-
In the second year	於第二年	2,150,361	-
		2,993,756	-
		9,092,905	5,645,218

Net gearing ratio

The Group's net gearing ratio decreased from approximately 107.2% as at 31 December 2018 to approximately 77.8% as at 31 December 2019, primarily due to (i) the Group's continuous efforts to manage its financial leverage and capital structure to achieve sustainable growth; and (ii) the accumulation of the Group's profits, which resulted in an optimised capital structure. Net gearing ratio was calculated as total indebtedness less cash and cash equivalents, restricted cash and pledged deposits divided by total equity.

淨資產負債比率

本集團的淨資產負債比率由2018年12月31日的約107.2%減少至2019年12月31日的約77.8%，主要是由於(i)本集團不斷努力管理其財務槓桿及資本結構以實現可持續增長；及(ii)本集團利潤積累，使資本結構得到優化。淨資產負債比率乃按總債項減現金及現金等價物、受限制現金及已質押存款除以總權益計算。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Contingent liabilities

The Group provides (1) mortgage guarantees to banks in respect of the mortgage loans they provided to the Group's customers in order to secure the repayment obligations of such customers. The mortgage guarantees are issued from the date of grant of the relevant mortgage loans and released upon the earlier of (i) the transfer of the relevant real estate ownership certificates to the customers, or (ii) the settlement of mortgage loans by the customers. If a purchaser defaults on the mortgage loan, the Group is typically required to repurchase the underlying property by paying off the mortgage loan. If it fails to do so, the mortgagee banks will auction the underlying property and recover the balance from the Group if the outstanding loan amount exceeds the net foreclosure sale proceeds; and (2) guarantees to banks and other institutions in connection with borrowings made to the related companies. The Directors consider that no provision is needed in respect of the guarantees provided to the related parties as of 31 December 2019.

As at 31 December 2019, the Group's contingent liabilities were as follows:

或然負債

本集團(1)就銀行提供予本集團客戶的按揭貸款向其提供按揭擔保，以確保該等客戶的還款責任。該等按揭擔保自授予相關按揭貸款之日起發出，並於下列較早者解除：(i)相關房屋所有權證過戶予客戶、或(ii)客戶結清按揭貸款。倘買方拖欠按揭貸款，本集團一般須通過付清按揭貸款的方式回購相關物業。倘未能付清按揭貸款，按揭銀行將拍賣相關物業，而若未償還貸款款項超過淨止贖權銷售所得款項，則由本集團支付餘額；及(2)就向關聯公司作出的借貸向銀行及其他機構提供擔保。董事認為無需就截至2019年12月31日提供予關聯方的擔保計提撥備。

於2019年12月31日，本集團的或然負債如下：

		2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Guarantees given to banks in connection with facilities granted to purchasers of the Group's properties	向銀行作出的有關授予本集團物業買方融資的擔保	2,312,685	2,373,472
Guarantees given to banks and other institutions in connection with facilities granted to related companies	向銀行及其他機構作出的有關授予關聯公司融資的擔保	1,769,700	—
		4,082,385	2,373,472

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Commitments

承擔

As at 31 December 2019, the Group had the following commitments:

於2019年12月31日，本集團的承擔如下：

		2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Contracted, but not provided for:	已訂但未撥備：		
Property development activities	物業開發活動	1,942,586	1,804,466
Acquisition of land use rights	收購土地使用權	979,610	540,261
Capital contributions payable to joint ventures and associates	應付合營企業及聯營公司注資	171,984	92,100
		3,094,180	2,436,827

Significant investments, major acquisitions and disposals

重大投資、重大收購及出售

During the year ended 31 December 2019, the Group did not hold other significant investments in, or conduct material acquisitions or disposals of, subsidiaries, associates and joint ventures.

截至2019年12月31日止年度，本集團並無持有其他重大投資、重大收購或出售子公司、聯營公司及合營企業。

Exchange risk

匯兌風險

The Group's business is principally conducted in Renminbi and most of its monetary assets and liabilities are denominated in Renminbi. Accordingly, the Group considers its exposure to currency risk to be insignificant. As of 31 December 2019, the Group had not entered into any hedging transactions against foreign currency risks.

本集團業務主要以人民幣進行且我們的大部分貨幣資產及負債以人民幣計值。因此，本集團認為承受的貨幣風險並不重大。於2019年12月31日，本集團並未針對外匯風險訂立任何對沖交易。

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

OUTLOOK FOR 2020

Looking forward into 2020, due to the impact of COVID-19, the economic outlook will be full of uncertainties and challenges, and Sino-US tariffs are also expected to affect global supply chains and trade activities, and bring potential geopolitical and spreading risks to global countries. The Group will continue to be guided by national policies, follow the trend of urban development, and further stabilize our contracted sales and optimize our land reserves through penetration and development. At the same time, the Group gives full play to its competitive edges and achieves leapfrog development and steady growth by virtue of its forward-looking strategic layout and sound financial policies. At the same time, the Group always strictly controls risks, closely monitors various financial indicators, and pays attention to cash flows and payment collection, which improve the Company's financial stability year by year. With increased brand awareness and recognition, the Group is also actively exploring diversified financing channels and maintains good cooperative relationships with many large and medium financial institutions to provide strong support for the efficient and sustainable development of Group.

Combining development needs of the Group and industry trends, DaFa Properties will further implement the "1+5+X" layout system under the strategic guidance of deep penetration of the Yangtze River Delta and position its presence in the golden metropolitan clusters nationwide. While intensively penetrating the core areas of the Yangtze River Delta, the Group will also extend its presence into the five major urban clusters of Chengyu, central China, western China, Bohai Rim and Guangdong-Hong Kong-Macao Greater Bay Area, and maintain its strategic focus on other key cities with high development potential, and penetrate important target areas and carry out strategic expansion to help the sustainable development of land reserves. The Group believes that the above measures will continue to promote the sustainable development of the Group, create new economic benefits, enhance the Group's comprehensive competitiveness, and bring rich returns to shareholders in the long run.

2020年展望

展望2020年，由於新型冠狀病毒影響，經濟前景將充滿不確定性及富有挑戰性，中美關稅也預計影響全球供應鏈及貿易活動，並為全球國家帶來潛在增長的地緣政治及蔓延風險。本集團將繼續以國家政策為導向，遵循城市發展趨勢，通過深耕與開拓並行的方式，進一步穩定我們的合約銷售及優化我們的土儲。同時，以前瞻的戰略佈局和穩健的財務政策等發展優勢，充分發揮企業競爭優勢，實現企業跨越式發展和穩健成長。與此同時，本集團始終嚴控風險，密切監控各項財務指標，重視現金流和回款，使公司財務穩健性逐年提高。隨著品牌知名度和認知度提高，集團也積極開拓多元化融資管道，並與多家大中型金融機構保持著良好的合作關係，為企業的高效可持續發展提供有力支援。

結合本集團發展需求和行業趨勢，在深耕長三角、佈局國家黃金城市群的戰略指引下，大發地產將進一步實施「1+5+X」的佈局體系，深耕長三角核心區域的同時，輻射到成渝、中部、西部、環渤海、粵港澳大灣區5大城市群，並戰略性地持續關注其他具高發展潛力的重點城市，通過深耕重要目標地區和戰略拓展，助力土地儲備的可持續發展。本集團相信上述的各項措施將繼續促進本集團的持續發展，創造新的經濟效益，增強集團綜合競爭能力，長遠為股東帶來豐厚回報。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 11 October 2018 (the "Listing Date"). Net proceeds from the initial public offering and partially exercising the over-allotment option received by the Company were approximately RMB809.7 million after deducting the underwriting commission and relevant expenses. As at 31 December 2019, all the net proceeds had been utilised for the purpose in accordance with the future plans and use of proceeds as set out in the prospectus of the Company dated 28 September 2018.

首次公開發售所得款項用途

本公司股份自2018年10月11日(「上市日期」)起在香港聯合交易所有限公司(「聯交所」)主板上市。扣除包銷佣金及相關開支後，本公司收取的首次公開發售及部分行使超額配股權的淨所得款項約為人民幣809.7百萬元。於2019年12月31日，所有淨所得款項已根據本公司日期為2018年9月28日的招股章程所載的未來計劃及所得款項用途而使用。

Purpose	用途	Percentage of total amount 佔總額百分比	Net proceeds 淨所得款項	As at 31 December 2019 於2019年12月31日	
				Utilised amount 已動用金額	Unutilised amount 未動用金額
		%	RMB'million 人民幣百萬元	RMB'million 人民幣百萬元	RMB'million 人民幣百萬元
Contractual arrangements and project expenditures	合同安排及項目支出	60%	485.8	485.8	-
Repayment of loans	償還貸款	30%	242.9	242.9	-
General Corporate and working capital purposes	一般公司及營運資金用途	10%	81.0	81.0	-
Total	總計	100%	809.7	809.7	-

MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

管理層討論及分析 (續)

EMPLOYEES AND REMUNERATIONS

As at 31 December 2019, the Group had a total of 1,050 employees (31 December 2018: 1,057 employees). For the year ended 31 December 2019, the Group recognised staff costs of approximately RMB260.2 million (2018: approximately RMB153.4 million). The Group provided employees with salaries and benefits that, in its opinion, were competitive with market standards and regularly reviewed the remuneration policies based on employees' contributions and industry standards. The Group also contributed to medical insurance, pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and housing provident funds for our employees and paid relevant insurance premiums. In addition, the Group was committed to cultivating all-level skilled employees, providing training programs based on the positions and expertise of our employees to enhance their understanding and apprehension of the property industry and related fields. Besides internal training, the Group also engaged external experts to provide training courses for its employees from time to time.

CORPORATE GOVERNANCE

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Company has adopted the corporate governance code (the “**Corporate Governance Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its own code on corporate governance. To the best knowledge of the Directors, the Company had complied with all applicable code provisions under the Corporate Governance Code during the year ended 31 December 2019.

僱員與薪酬

於2019年12月31日，本集團擁有合共1,050名僱員（2018年12月31日：1,057名僱員）。截至2019年12月31日止年度，本集團確認員工成本為約人民幣260.2百萬元（2018年：約人民幣153.4百萬元）。本集團向僱員提供本集團認為與市場標準相比具有競爭力的薪金及福利，並根據僱員貢獻及行業標準定期檢討薪酬政策。本集團亦為僱員繳納醫療保險、養老保險、生育保險、失業保險、工傷保險及住房公積金以及支付相關保費。另外，本集團致力於培養各級別擁有熟練技能的僱員，根據僱員的職位及專門知識向他們提供培訓項目，以加強他們對房地產行業及相關領域的理解和認識。除內部培訓外，本集團亦不時聘請外部專家為本集團的僱員提供培訓課程。

企業管治

本公司董事會及管理層承諾維持良好企業管治常規及程序。本公司已採納香港聯合交易所有限公司證券上市規則（「**上市規則**」）附錄十四所載的企業管治守則（「**企業管治守則**」）作為其自身企業管治守則。就董事所知，本公司於截至2019年12月31日止年度一直遵守企業管治守則項下的所有適用守則條文。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding the securities transactions by the Directors. All Directors have confirmed, following specific enquiry by the Company, that they had complied with the Model Code during the year ended 31 December 2019.

The Company’s employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company for the year ended 31 December 2019.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any member of the Group has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2019.

SUFFICIENCY OF PUBLIC FLOAT

Rule 8.08 of the Listing Rules requires there to be an open market in the securities for which listing is sought and a sufficient public float of an issuer’s listed securities to be maintained. This normally means that at least 25% of the issuer’s total issued listed securities capital must at all times be held by the public.

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this annual report, the Company has maintained a sufficient public float as required under the Listing Rules.

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其有關董事進行證券交易的行為準則。經本公司作出特定查詢後，全體董事已確認於截至2019年12月31日止年度均已遵守標準守則。

可能掌握本公司內幕消息的本公司僱員亦已遵守標準守則。截至2019年12月31日止年度，本公司並無注意到出現僱員不遵守標準守則的事件。

購買、出售或贖回本公司上市證券

於截至2019年12月31日止年度，本公司或本集團任何成員公司概無購買、出售或贖回本公司任何上市證券。

公眾持股量的充足性

上市規則第8.08條規定，尋求上市的證券必須有一個公開市場，且發行人的上市證券須維持足夠的公眾持股量，即無論何時發行人已發行總股本通常至少有25%須由公眾人士持有。

根據於刊發本年報日期本公司可公開獲得的資料及就董事所知，本公司一直維持上市規則所規定的足夠公眾持股量。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Ge Yiyang, aged 36, has been an executive Director on 23 March 2018. Mr. Ge is responsible for the overall strategic planning of the Group. He has over 13 years of experience in the PRC real estate industry. In addition, Mr. Ge currently holds directorship in some subsidiaries of the Group.

Mr. Ge obtained his bachelor's degree in business administration and computer science from Aston University in the U.K. in July 2006. He also obtained an executive master business administration degree from Cheung Kong Graduate School of Business (長江商學院) in Beijing, the PRC in September 2013. Mr. Ge also enrolled in the DBA program (企業家學者項目) offered by Cheung Kong Graduate School of Business in October 2016.

Mr. Liao Lujiang, aged 48, has been an executive Director since 23 March 2018. He joined the Group since February 2018 and was appointed as the chief executive officer on 4 April 2018 and is in charge of the investment and management centre and comprehensive management centre of the Group. He also takes charge of the operation and management centre, product research and development centre, cost and procurement centre, marketing centre and property companies of the Group. Mr. Liao has over 14 years of experience in the PRC real estate industry. Before joining the Group, from October 2006 to January 2011, Mr. Liao was with Longfor Properties Co., Ltd. (龍湖地產有限公司), a company listed on the Stock Exchange (stock code: 960), where he successively served as a deputy general manager and director of the department of human resources. From January 2011 to January 2018, Mr. Liao served as an executive director and chief operating officer of Shimao Property Holdings Limited (世茂房地產控股有限公司), a company listed on the Stock Exchange (stock code: 813), where he was responsible for the management of operation, human resources, information technology and property. Since September 2015, Mr. Liao has been a director of Beijing Bozhicheng Management Consulting Co., Ltd. (北京博志成在線科技股份有限公司), a technology company, whose shares are quoted on the National Equities Exchange and Quotations System (stock code: 872526).

Mr. Liao obtained a master's degree in public administration from Tsinghua University (清華大學) in Beijing, the PRC in July 2004. He also obtained an executive master of business administration degree from The Hong Kong University of Science and Technology in Hong Kong in November 2016.

執行董事

葛一陽先生，36歲，於2018年3月23日獲委任為執行董事。葛先生負責本集團的整體戰略規劃。他於中國房地產行業擁有逾13年經驗。此外，葛先生現時於本集團若干子公司擔任董事職位。

葛先生於2006年7月取得英國阿斯顿大學工商管理及計算機科學學士學位。他亦於2013年9月取得中國北京長江商學院的高級管理人員工商管理碩士學位。葛先生亦於2016年10月加入長江商學院提供的企業家學者項目。

廖魯江先生，48歲，自2018年3月23日起獲委任為執行董事。他自2018年2月加入本集團，於2018年4月4日獲委任為首席執行官，主管本集團投資發展中心、綜管中心、分管運營管理中心、產品研發中心、成本採購中心、營銷中心和物業公司。廖先生於中國房地產行業擁有逾14年經驗。加盟本集團之前，廖先生於2006年10月至2011年1月期間任職於龍湖地產有限公司（一家於聯交所上市的公司，股份代號：960），先後擔任人力資源副總經理及人力資源總監。於2011年1月至2018年1月，廖先生擔任世茂房地產控股有限公司（一家於聯交所上市的公司，股份代號：813）的執行董事及首席運營官，負責運營、人力行政、資訊科技和物業的管理工作。自2015年9月起，廖先生一直擔任北京博志成在線科技股份有限公司（一家科技公司，其股份於全國中小企業股份轉讓系統掛牌，股票代碼：872526）的董事。

廖先生於2004年7月取得中國北京清華大學的公共管理碩士學位。他亦於2016年11月取得位於香港的香港科技大學的高級管理人員工商管理碩士學位。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)***董事及高級管理層 (續)**

Mr. Chi Jingyong, aged 42, has been an executive Director since 23 March 2018 and is primarily responsible for cost control and procurement of the Group. Mr. Chi has over 19 years of experience in the PRC real estate industry. Mr. Chi is currently the chairman of the board of directors of Wenzhou Kaize Real Estate Co., Ltd. (a wholly-owned subsidiary of the Company).

Mr. Chi obtained his bachelor's degree in architectural engineering from Tongji University (同濟大學) in Shanghai, the PRC in January 2006 through online education. He also obtained a master's degree in international real estate from The Hong Kong Polytechnic University in Hong Kong in October 2012. Mr. Chi was granted the qualification as a constructor by the Ministry of Personnel of the PRC (中華人民共和國人事部) and the Ministry of Construction of the PRC (中華人民共和國建設部) in March 2007. He also obtained the qualification as a cost engineer granted by the Ministry of Human Resources and Social Security of the PRC (中華人民共和國人力資源和社會保障部) and the Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) in January 2012. Since March 2014, Mr. Chi has also been a senior engineer authorized by Zhejiang Province Human Resources and Social Security Department (浙江省人力資源和社會保障廳).

Mr. Yang Yongwu, aged 53, has been an executive Director since 23 March 2018 and is primarily responsible for corporate governance of the Group. Mr. Yang has over 16 years of experience in financial management. In addition, Mr. Yang currently holds directorship in some subsidiaries of the Group.

Mr. Yang obtained his bachelor's degree in financial accounting from Zhejiang Open University (浙江廣播電視大學) in Zhejiang Province, the PRC in September 1990. He acquired his accounting license in May 1996 from the Ministry of Finance of the People's Republic of China. Mr. Yang obtained the qualification as an accountant in May 1996 as certified by the Ministry of Finance of the PRC (中華人民共和國財政部).

池淨勇先生，42歲，自2018年3月23日起獲委任為執行董事，主要負責本集團的成本控制及採購。池先生於中國房地產行業擁有逾19年經驗。池先生現時亦為本公司的全資子公司溫州凱澤置業有限公司的董事會主席。

池先生於2006年1月通過在線教育取得中國上海同濟大學的建築工程學士學位。他亦於2012年10月取得位於香港的香港理工大學的國際房地產碩士學位。池先生於2007年3月獲中華人民共和國人事部及中華人民共和國建設部授予建造師資格。他亦於2012年1月取得中華人民共和國人力資源和社會保障部及中華人民共和國住房和城鄉建設部授出的造價工程師資格。自2014年3月起，池先生亦為浙江省人力資源和社會保障廳認可的高級工程師。

楊永武先生，53歲，自2018年3月23日起獲委任為執行董事，主要負責本集團的企業管治。楊先生擁有逾16年的財務管理經驗。此外，楊先生現時於本集團若干子公司擔任董事職位。

楊先生於1990年9月獲得中國浙江省浙江廣播電視大學財務會計學學士學位。他於1996年5月獲得中華人民共和國財政部頒發的會計從業資格證。楊先生於1996年5月獲得中華人民共和國財政部認證的會計師資格。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

董事及高級管理層 (續)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Gu Jiong, aged 47, was appointed as the independent non-executive Director on 10 September 2018 and is primarily responsible for providing independent advice on the operations and management of the Group.

From July 1995 to April 2004, Mr. Gu was with Ernst & Young Shanghai office and was the senior manager of audit department when he left the firm. From April 2004 to December 2009, he successively worked in UTStarcom Telecom Co., Ltd. and its holding company, UTStarcom Inc., a company listed on Nasdaq (stock code: UTSI) and a global telecom infrastructure provider specialized in the provision of packet optical transport and broadband access products to network operators, where he was responsible for accounting and financial matters of this company. He was the financial controller when he left UTStarcom Inc. in December 2009. From January 2010 to August 2013, Mr. Gu served as the chief financial officer of BesTV New Media Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600637) (currently known as Oriental Pearly Media Co., Ltd. (東方明珠新媒體股份有限公司)) and principally engaged in the provision of technical services, content services and marketing services for television terminals, computer terminals and mobile terminals through media source platforms, where he was responsible for the financial matters of this company. Since September 2013 and October 2015, Mr. Gu has been the chief financial officer of CMC Capital Partners (華人文化產業投資基金), an investment fund specializing in media and entertainment investments in the PRC and globally, and CMC Holdings Limited (華人文化有限責任公司), an investment platform focused on media and entertainment investments, respectively, where he has been responsible for corporate strategy and overall financial management in the operation of these companies. Mr. Gu has been appointed as an independent director of Amlogic (Shanghai) Co., Ltd., a company listed on the Shanghai Stock Exchange (Stock code: 688099). Mr. Gu has also been an independent non-executive director of Ascletis Pharma Inc. (stock code: 1672) since August 2018, Xinming China Holdings Limited (stock code: 2699), Chen Xing Development Holdings Limited (stock code: 2286) since July 2015, Tu Yi Holding Company Limited (Stock code: 1701) since March 2019 and Mulsanne Group Holding Limited (Stock code: 1817) since April 2019, all of which are listed on the Stock Exchange.

獨立非執行董事

顧炯先生，47歲，於2018年9月10日獲委任為獨立非執行董事，主要負責就本集團的營運及管理提供獨立意見。

於1995年7月至2004年4月，顧先生於安永會計師事務所上海辦事處任職，他離開該事務所時擔任審計部高級經理。於2004年4月至2009年12月，他先後於UTStarcom Telecom Co., Ltd. 及其控股公司UTStarcom Inc. (一家於納斯達克上市的公司(股份代號：UTSI)，專注於為網絡營運商提供分組光傳送及寬帶接入產品的全球電信基礎設備供應商)任職，負責該公司的會計及財務事宜。他於2009年12月離開UTStarcom Inc.時擔任財務總監。於2010年1月至2013年8月，顧先生擔任百視通新媒體股份有限公司(一家於上海證券交易所上市的公司(股票代碼：600637)，現稱為東方明珠新媒體股份有限公司，主要從事透過媒體來源平台為電視終端、電腦終端及移動終端提供技術服務、內容服務及營銷服務)的首席財務官，負責該公司財務事宜。自2013年9月及2015年10月起，顧先生分別一直擔任華人文化產業投資基金(專注於中國及全球媒體及娛樂投資的投資基金)及華人文化有限責任公司(專注於媒體及娛樂投資的投資平台)的首席財務官，負責該等公司經營的公司策略及整體財務管理。顧先生已獲委任為晶晨半導體(上海)股份有限公司(一家於上海證券交易所上市的公司(證券代碼：688099))的獨立董事。自2018年8月起，顧先生亦一直擔任歌禮製藥有限公司(股份代號：1672)的獨立非執行董事，並自2015年7月起一直擔任新明中國控股有限公司(股份代號：2699)及辰興發展控股有限公司(股份代號：2286)的獨立非執行董事，自2019年3月及2019年4月起分別擔任途屹控股有限公司(股份代號：1701)及慕尚集團控股有限公司(股份代號：1817)(該等公司均於聯交所上市)的獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)***董事及高級管理層 (續)**

Mr. Gu obtained a bachelor's degree in financial management from Fudan University (復旦大學) in Shanghai, the PRC in July 1995. He has been a non-practicing member of The Chinese Institute of Certified Public Accountants (中國註冊會計師協會) since April 2004.

Mr. Sun Bing, aged 45, was appointed as the independent non-executive Director on 10 September 2018 and is primarily responsible for providing independent advice on the operations and management of the Group. Mr. Sun has over 19 years of experience in auditing matters. Since September 2000, Mr. Sun has been the partner of BDO China SHU LUN PAN Certified Public Account LLP (立信會計師事務所(特殊普通合夥)), and has been primarily responsible for coordinating and organizing the implementation of corporate audit matters and audit reports. From March 2017, Mr. Sun has been an independent director of Shanghai Jingwei (Group) Co., Ltd. (上海經緯(集團)有限公司), a company primarily engaged in asset management, investment management and corporate consulting services, where he was responsible for providing independent advice to this company.

Mr. Sun obtained a bachelor's degree from the University of Shanghai for Science and Technology (上海理工大學) in Shanghai, the PRC with a major in accounting and a minor in computer application in July 1997. He also obtained a master's degree of professional accountancy from The Chinese University of Hong Kong in Hong Kong in December 2011. Mr. Sun registered as a certified public accountant with the Shanghai Institute of Certified Public Accountants (上海市註冊會計師協會) in December 1999.

Mr. Fok Ho Yin Thomas, aged 48, was appointed as the independent non-executive Director on 10 September 2018 and is primarily responsible for providing independent advice on the operations and management of the Group. Mr. Fok has worked in the listing division of the Stock Exchange and has extensive experience in the field of corporate finance specializing in equity financing and financial restructuring. From September 2007 to July 2016, Mr. Fok was an executive director of Jian ePayment Systems Limited (the shares of which were listed on the Stock Exchange, stock code: 8165). From June 2010 to June 2019, Mr. Fok was an independent non-executive director of Landing International Development Limited (the shares of which were listed on the Stock Exchange, stock code: 582). Currently, Mr. Fok is an independent non-executive director of China Smarter Energy Group Holdings Limited (the shares of which are listed on the main board of the Stock Exchange, stock code: 1004) and SFund International Holdings Limited (the shares of which are listed on the main board of the Stock Exchange, stock code: 1367).

顧先生於1995年7月取得中國上海復旦大學金融管理學學士學位。他自2004年4月起一直為中國註冊會計師協會非執業會員。

孫冰先生，45歲，於2018年9月10日獲委任為獨立非執行董事，主要負責就本集團的營運及管理提供獨立意見。孫先生於審計事宜方面擁有逾19年經驗。自2000年9月起，孫先生一直擔任立信會計師事務所(特殊普通合夥)的合夥人，主要負責協調和組織企業審計事宜及審計報告的實施。自2017年3月起，孫先生一直擔任上海經緯(集團)有限公司(一家主要從事資產管理、投資管理及企業諮詢服務的公司)的獨立董事，負責向該公司提供獨立意見。

孫先生於1997年7月獲得位於中國上海的上海理工大學的學士學位，主修會計學，副修計算機應用。他亦於2011年12月自位於香港的香港中文大學獲得專業會計碩士學位。孫先生於1999年12月於上海市註冊會計師協會登記為註冊會計師。

霍浩然先生，48歲，於2018年9月10日獲委任為獨立非執行董事，主要負責就本集團的營運及管理提供獨立意見。霍先生曾任職於聯交所上市科，在企業融資領域擁有豐富的經驗，尤其擅長股本融資及財務重組。於2007年9月至2016年7月，霍先生為華普智通系統有限公司(其股份於聯交所上市的公司，股份代號：8165)的執行董事，於2010年6月至2019年6月為藍鼎國際發展有限公司(其股份於聯交所上市的公司，股份代號：582)的獨立非執行董事。目前為中國智慧能源集團控股有限公司(其股份於聯交所主板上市，股份代號：1004)及廣州基金國際控股有限公司(其股份於聯交所主板上市，股份代號：1367)的獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

董事及高級管理層 (續)

Mr. Fok is also a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia, and is also a Chartered Financial Analyst.

霍先生是香港會計師公會、澳洲會計師公會成員、特許金融分析師。

Save as disclosed above, none of the Directors has any other directorships in listed companies during the three years immediately prior to the date of this annual report.

除上文所披露者外，概無董事於緊接本年報日期前三年內在上市公司擔任任何其他董事職位。

Save as disclosed in this annual report, each of the Directors has confirmed that there are no other matters that need to be brought to the attention of the Shareholders of the Company (the “Shareholders”) and there is no other information which is required to be disclosed pursuant to paragraph 12 of Appendix 16 to the Listing Rules.

除本年報所披露者外，各董事已確認，概無需提請本公司股東（「股東」）垂注的其他事宜，亦無其他資料須根據上市規則附錄16第12段予以披露。

SENIOR MANAGEMENT

高級管理層

The senior management is responsible for the day-to-day management and operation of the business.

高級管理層負責業務的日常管理及營運。

Mr. Liao Lujiang, aged 48, is an executive Director and chief executive officer. For details of his biography, please see sub-section headed “Executive Directors” in this section.

廖魯江先生，48歲，為執行董事及首席執行官。有關其履歷詳情，請參閱本節「執行董事」分節。

Mr. Chi Jingyong, aged 42, is an executive Director and vice president. For details of his biography, please see sub-section headed “Executive Directors” in this section.

池淨勇先生，42歲，為執行董事及副總裁。有關其履歷詳情，請參閱本節「執行董事」分節。

Mr. Yang Yongwu, aged 53, is an executive Director and vice president. For details of his biography, please see sub-section headed “Executive Directors” in this section.

楊永武先生，53歲，為執行董事及副總裁。有關其履歷詳情，請參閱本節「執行董事」分節。

Mr. Luo Jun, aged 47, joined the Group as the chief financial officer and senior vice president in May 2019 and is responsible for the Group’s corporate finance and accounts management.

羅俊先生，47歲，於2019年5月加入本集團擔任首席財務官兼高級副總裁，負責本集團的企業融資及賬目管理。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)***董事及高級管理層 (續)**

Prior to joining the Group, Mr. Luo Jun served as deputy general manager at Zhongnan Group (中南集團) from June 2018 to April 2019, where he was responsible for corporate finance. From January 2018 to May 2018, Mr. Luo served as the chief financial officer of Zhongliang Real Estate Group (中梁控股集團有限公司). From September 2016 to January 2018, he served as the vice president and chief financial officer of Tahoe Group Co., Ltd. (泰禾集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000732). From 2003 to September 2016, he served as vice president of Beijing Capital Land (首創置業), a company listed on the Stock Exchange (stock code: 2868). Since then, Mr. Luo has more than 15 years of experience in corporate management.

Mr. Luo holds a master's degree in economics from Beijing Jiaotong University (北京交通大學).

Mr. Leng Junfeng, aged 47, joined the Group in March 2018 and was appointed as the chief operating officer of the Group on 1 March 2020. He is in charge of the operation and management centre and also takes charge of the cost and procurement centre and customer relations centre of the Group.

Prior to joining the Group, Mr. Leng served as general manager of the planning operations department/marketing department of Tahoe Group from February 2017 to February 2018, where he was responsible for operations management and marketing management of the group.

Mr. Leng served as the vice president for Northern China of Shimao Group from February 2015 to January 2017; and he served as general manager of Shenyang Branch of China Overseas Property from October 2013 to February 2015; and from July 1997 to January 2013, he served as general manager of Wuhan Branch of China State Construction Land. Since then, he has accumulated more than 20 years of experience in corporate management.

Mr. Leng holds a bachelor's degree in heating and ventilating discipline from Jilin Jianzhu University and a master's degree in management from Conservatoire national des arts et métiers (法國國立科學技術與管理學院).

加盟本集團之前，羅俊先生曾於2018年6月至2019年4月於中南集團擔任副總經理，負責企業融資事宜。自2018年1月至2018年5月，羅先生於中梁控股集團有限公司擔任財務總監。自2016年9月至2018年1月，其於泰禾集團股份有限公司（一家於深圳證券交易所上市的公司，證券代碼：000732）擔任副總裁兼財務總監。自2003年至2016年9月，其於首創置業（一家於聯交所上市的公司，股份代號：2868）擔任副總裁。自此，羅先生於公司管理方面擁有逾15年經驗。

羅先生擁有北京交通大學經濟學碩士學位。

冷俊峰先生，47歲，於2018年3月加入本集團，於2020年3月1日獲委任為本集團首席運營官，主要負責本集團運營管理中心、分管成本採購中心及客戶關係中心工作。

加盟本集團之前，冷先生曾於2017年2月至2018年2月於泰禾集團擔任集團計劃運營部總經理／營銷部總經理，分管該集團運營管理、營銷管理工作。

冷先生自2015年2月至2017年1月於世茂集團擔任華北區副總裁；自2013年10月至2015年2月於中海地產瀋陽公司擔任總經理；自1997年7月至2013年1月於中建地產武漢公司擔任總經理，自此他在公司管理方面已累計超過20年以上的經驗。

冷先生擁有吉林建築大學暖通專業學士學位和法國國立科學技術與管理學院管理學碩士學位。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

董事及高級管理層 (續)

Mr. Wang Feng, aged 46, joined the Group as the chief product officer and senior vice president of the Group in May 2019 and is responsible for managing the Group's product development center.

Prior to joining the Group, Mr. Wang served as the assistant to the president and general manager of the Design and Development Department at Tahoe Group Co., Ltd. (泰禾集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000732), from April 2008 to April 2019, where he oversaw the design work of Tahoe group. Since then, Mr. Wang has more than 20 years of experience in corporate management.

Mr. Wang holds a bachelor's degree in architecture from Harbin University of Architecture (哈爾濱建築大學).

Mr. Wong Chin Hung, aged 41, joined the Group as the chief financial officer of the Company and vice president in July 2019 and was appointed as the joint company secretary of the Company in January 2020. Mr. Wong is responsible for strategic planning, corporate finance, financial reporting and investor relations of our Company. Mr. Wong has over 20 years of experience in corporate governance, corporate finance, auditing and financial reporting. From January 2018 to July 2019, Mr. Wong served as the chief financial officer and company secretary for Yuzhou Properties Company Limited, a company listed on the Stock Exchange (stock code: 1628). Mr. Wong was also an audit partner of an international C.P.A. firm.

Mr. Wong graduated with a bachelor's degree of Business Administration in Accounting from City University of Hong Kong. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

王峰先生，46歲，於2019年5月加入本集團，擔任首席產品官兼高級副總裁，負責管理本集團的產品開發中心。

加盟本集團之前，王先生曾於2008年4月至2019年4月於泰禾集團股份有限公司（一家於深圳證券交易所上市的公司，證券代碼：000732）擔任集團總裁助理兼設計研發部總經理，負責監督泰禾集團的設計工作。自此，王先生於公司管理方面擁有逾20年經驗。

王先生擁有哈爾濱建築大學建築學學士學位。

黃展鴻先生，41歲，於2019年7月加入本集團，擔任本公司首席財務官兼副總裁，並於2020年1月獲委任為本公司聯席公司秘書。黃先生負責本公司的戰略規劃、企業融資、財務申報及投資者關係事宜。黃先生在企業管治、企業融資、審計及財務申報方面擁有逾20年的經驗。自2018年1月至2019年7月，黃先生於禹洲地產股份有限公司（一家於聯交所上市的公司，股份代號：1628）擔任財務總監兼公司秘書。黃先生亦曾為一家國際會計師事務所的審計合夥人。

黃先生畢業於香港城市大學，取得工商管理學士學位主修會計學。黃先生為香港會計師公會及特許公認會計師公會會員。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)***董事及高級管理層 (續)**

Mr. Ge Lv, aged 36, has been the vice president of the Group in April 2016, and was appointed as the chairman of the board of directors of our regional company in Nanjing on 3 December 2019. He is in charge of the commercial center, strategic investment department of the Office of the Board and the regional company in Nanjing of the Group. He joined the Group as the assistant to the general manager of Shanghai Dafa in March 2007. From September 2009 to March 2015, Mr. Ge was the general manager of Nanjing Wisdom Warden. From February 2014 to March 2015, Mr. Ge was the director of the commercial center of the Group. From April 2015 to March 2016, Mr. Ge was the assistant president of the Group. Mr. Ge has over 12 years of experience in the PRC real estate industry. In addition, Mr. Ge currently holds directorship in some subsidiaries of the Group.

Mr. Ge obtained his bachelor's degree in business management and computer science from Aston University in the U.K., in July 2006. He also obtained his executive master business administration degree from Cheung Kong Graduate School of Business in September 2017.

Mr. Zhang Jian, aged 35, joined the Group as the vice president of the marketing centre of the Group in September 2018 and is responsible for the Group's marketing management.

Prior to joining the Group, Mr. Zhang was the general manager of the Beijing branch of China SCE Property (中駿置業北京公司) from February 2017 to June 2018, where he was responsible for the operation and management of the Beijing branch.

Mr. Zhang served as the operational director of the Shandong region of Shimao Group from September 2012 to January 2017. From March 2007 to June 2012, he served as the marketing director of the Qingdao branch of Longfor Properties (龍湖地產青島公司). Since then, he has accumulated over 12 years of experience in the corporate marketing management.

Mr. Zhang holds a bachelor's degree in business English of the University of International Business and Economics.

葛律先生，36歲，自2016年4月起為本集團副總裁，並於2019年12月3日獲委任為南京地區公司董事長，主管本集團商業中心、董事會辦公室戰略投資部及南京地區公司。他於2007年3月加入本集團擔任上海大發總經理助理。於2009年9月至2015年3月，葛先生擔任南京緯思武德的總經理。於2014年2月至2015年3月，葛先生擔任本集團商業中心總監。於2015年4月至2016年3月，葛先生擔任本集團的助理總裁。葛先生於中國房地產行業擁有逾12年經驗。此外，葛先生現時於本集團若干子公司擔任董事職位。

葛先生於2006年7月取得英國阿斯頓大學的工商管理及計算機科學學士學位。他亦於2017年9月取得長江商學院的高級管理人員工商管理碩士學位。

張健先生，35歲，於2018年9月加入本集團，擔任本集團營銷中心副總裁，負責集團營銷管理工作。

加盟本集團之前，張先生曾於2017年2月至2018年6月於中駿置業北京公司擔任總經理，負責北京公司經營管理工作。

張先生自2012年9月至2017年1月於世茂集團擔任山東區域運營總監；自2007年3月至2012年6月於龍湖地產青島公司擔任營銷總監，自此他在公司營銷管理方面已累計超過12年以上的經驗。

張先生擁有對外經濟貿易大學商務英語專業學士學位。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

董事及高級管理層 (續)

Mr. Kong Guisheng, aged 51, was appointed as the chairman of the board of directors and general manager of our regional company in Central China on 9 January 2020. Mr. Kong has over 20 years of experience in the PRC real estate industry. He joined the Group in September 2001 and was the manager of the engineering department of Shanghai Dafa till March 2012. Before joining the Group, Mr. Kong was the manager of the engineering department of Dafa Group and was responsible for engineering management from July 1999 to September 2001. In addition, Mr. Kong is also currently the chairman of the board of directors of Anqing Yinyi Real Estate and holds directorship in Anqing Kairun Real Estate.

Mr. Kong obtained a master's degree in international real estate from The Hong Kong Polytechnic University in October 2012. He obtained the qualification as an engineer granted by Anqing Municipal Commission of Urban-Rural Development (安慶市城鄉建設委員會) and Anqing Municipal Human Resources and Social Security Bureau (安慶市人力資源和社會保障局) in August 2013.

Mr. Duan Xiaosu, aged 49, was appointed as the chairman of the board of directors and general manager of our regional company in Wenzhou on 9 January 2020. Mr. Duan has over 20 years of experience in the PRC real estate industry. Mr. Duan joined the Group in September 1999 and was a deputy general manager of Nanjing Kairun Real Estate. Since October 2016, Mr. Duan was a deputy general manager of Wenzhou Kairun Real Estate. Mr. Duan currently holds directorship in some subsidiaries of the Group.

Mr. Duan obtained a diploma in architectural engineering from Huangshi College (黃石高等專科學校) (currently known as Hubei Polytechnic University (湖北理工學院)) in Hubei Province, the PRC in June 1995. He also obtained a bachelor's degree (correspondence course) in civil engineering from Zhejiang University of Technology (浙江工業大學) in Zhejiang Province, the PRC in July 2003.

孔貴生先生，51歲，於2020年1月9日獲委任為華中地區公司董事長兼總經理。孔先生在中國房地產行業擁有逾20年經驗。他於2001年9月加入本集團，曾擔任上海大發工程部經理（直至2012年3月）。於加入本集團前，於1999年7月至2001年9月，孔先生擔任大發集團工程部經理，負責工程管理。此外，孔先生現時亦為安慶垠壹置業的董事會主席及於安慶凱潤置業擔任董事職位。

孔先生於2012年10月自香港理工大學獲得國際房地產碩士學位。他於2013年8月取得安慶市城鄉建設委員會及安慶市人力資源和社會保障局授出的工程師資格。

段曉素先生，49歲，於2020年1月9日獲委任為溫州地區公司董事長兼總經理。段先生於中國房地產行業擁有逾20年經驗。段先生於1999年9月加入本集團，曾擔任南京凱潤房地產副總經理。於2016年10月起，段先生擔任溫州凱潤置業副總經理。段先生現時於本集團若干子公司擔任董事職務。

段先生於1995年6月取得中國湖北省黃石高等專科學校（現稱為湖北理工學院）的建築工程文憑。他亦於2003年7月取得中國浙江省浙江工業大學函授課程的土木工程學士學位。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)***董事及高級管理層 (續)**

Mr. Shen Long, aged 36, joined the Group in March 2018 and was appointed as the chairman of the board of directors and general manager of our regional company in Shanghai on 9 January 2020. Prior to joining the Group, Mr. Shen served as the assistant to the president of Shanghai and Suzhou area of Shimao Group from November 2011 to February 2018, and was responsible for assisting the daily operation and management of Shanghai and Suzhou area.

Mr. Shen served as the marketing director of Chongqing Longhu Properties (重慶龍湖地產) and South Jiangsu Longhu Properties (蘇南龍湖地產) from November 2010 to October 2011 and November 2009 to October 2010, respectively, and he has accumulated over ten years' experience in corporate marketing management and operation management since then.

Mr. Shen holds a combined bachelor's degree in management and literature from Beijing Jiaotong University.

Mr. Kong Xinguo, aged 43, joined the Group in July 2018 and was appointed as the chairman of the board of directors of our regional company in Hangyong on 9 January 2020. Prior to joining the Group, Mr. Kong served as the chairman of southern regional company of Zhongliang Real Estate (中梁地產) from January 2017 to April 2018, and was responsible for the daily operation and management of the region.

Mr. Kong served as the deputy general manager of China Fortune Land Development Co., Ltd. from May 2014 to January 2017 and the chief engineer head of Wanda Group from April 2012 to April 2014, and he has accumulated over ten years' experience in corporate operation and management since then.

Mr. Kong holds a doctorate degree in civil engineering from The University of Akron in the United States as well as a bachelor's and master's degree in civil engineering from Southeast University.

沈龍先生，36歲，於2018年3月加入本集團，並於2020年1月9日獲委任為上海地區公司董事長兼總經理。加盟本集團之前，沈先生曾於2011年11月至2018年2月於世茂集團擔任蘇滬區域助理總裁，協助負責蘇滬區域日常經營管理工作。

沈先生自2010年11月至2011年10月於重慶龍湖地產擔任營銷總監；自2009年11月至2010年10月於蘇南龍湖地產擔任營銷總監，自此他在公司營銷管理、經營管理方面已累計超過10年以上的經驗。

沈先生擁有北京交通大學管理學和文學雙學士學位。

孔新國先生，43歲，於2018年7月加入本集團，並於2020年1月9日獲委任為杭甬地區公司董事長。加盟本集團之前，孔先生曾於2017年1月至2018年4月於中梁地產擔任南區域公司董事長，負責區域日常經營管理工作。

孔先生自2014年5月至2017年1月於華夏幸福基業股份有限公司擔任副總經理；自2012年4月至2014年4月於萬達集團擔任主任工程師，自此他在公司經營管理方面已累計超過10年以上的經驗。

孔先生擁有美國阿克倫大學土木工程專業博士學位、東南大學土木工程專業本科、碩士學位。

DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

董事及高級管理層 (續)

JOINT COMPANY SECRETARIES

Mr. Kwok Kin Kwong Gary, has been appointed as a joint company secretary of the Company on 21 May 2019 and resigned on 31 January 2020. Mr. Kwok has over 20 years' experience in financial services industry in Hong Kong and the PRC and with extensive knowledge and experience in asset management, corporate finance, restructuring and accounting. Mr. Kwok holds a Bachelor's degree in Business Administration (Professional Accountancy) of the Chinese University of Hong Kong in 1998. He is a member of Hong Kong Institute of Certified Public Accountant.

Mr. Wong Chin Hung was appointed as the joint company secretary of the Company on 31 January 2020.

Ms. So Shuk Yi Betty, is one of the joint company secretaries. Ms. So currently serves as a vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specializing in corporate services, and has over 22 years of experience in the corporate secretarial field.

Ms. So received a Master of Laws degree in Chinese and Comparative Law from the City University of Hong Kong and a Master of Business Administration degree from the University of Leicester in the United Kingdom in 2004 and 1999, respectively. Ms. So has been an associate member of both The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom and The Hong Kong Institute of Chartered Secretaries since 1997.

In compliance with Rule 3.29 of the Listing Rules, each of the joint company secretaries has undertaken no less than 15 hours of relevant professional training for the year ended 31 December 2019.

As at the date of this annual report, Mr. Wong Chin Hung and Ms. So Shuk Yi Betty are the joint company secretaries of the Company.

For details of Mr. Wong Chin Hung, please see sub-section headed "Senior Management" in this section.

聯席公司秘書

郭建江先生於2019年5月21日獲委任為本公司聯席公司秘書，並於2020年1月31日辭任。郭先生於香港及中國的金融服務行業擁有逾20年的經驗，並於資產管理、企業融資、重組及會計方面擁有豐富的知識及經驗。郭先生於1998年取得香港中文大學工商管理(專業會計)學士學位。彼為香港會計師公會成員。

黃展鴻先生於2020年1月31日獲委任為本公司聯席公司秘書。

蘇淑儀女士，為聯席公司秘書之一。蘇女士目前擔任專門提供企業服務的專業服務供應商方圓企業服務集團(香港)有限公司的副總裁，於公司秘書領域擁有逾22年經驗。

蘇女士分別於2004年及1999年獲得香港城市大學的中國法與比較法學碩士學位及英國萊切斯特大學的工商管理學碩士學位。蘇女士自1997年一直為英國特許公司治理公會(前稱英國特許秘書及行政人員公會)及香港特許秘書公會的會員。

根據上市規則第3.29條，聯席公司秘書各自於截至2019年12月31日止年度接受不少於15小時的相關專業培訓。

於本年報日期，黃展鴻先生及蘇淑儀女士為本公司的聯席公司秘書。

有關黃展鴻先生的詳情，請參閱本節「高級管理層」分節。

DIRECTORS' REPORT

董事會報告

CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands under the Cayman Companies Law, as an exempted company with limited liability on 18 December 2017. The shares of the Company (the "Shares") were listed on the Stock Exchange on 11 October 2018.

PRINCIPAL OPERATIONS

The Group is an expanding real estate developer in the Yangtze River Delta Region focusing on the development and sales of residential properties. Headquartered in Shanghai, the PRC, we have an active presence in the Yangtze River Delta Region. As at 31 December 2019, we had a diverse portfolio of 69 projects consisting of 63 residential properties, two residential and commercial complexes, two commercial complexes, one office floor and one residential and service apartment. Of all the aforementioned projects, 5 projects are located in Shanghai, 64 projects are located in Jiangsu, Anhui, Zhejiang, Sichuan, Shandong, Henan, Jiangxi, Guangdong, Qinghai provinces and Chongqing.

Details of the principal activities of the principal subsidiaries of the Group are set out in note 1 to the financial statements of the Group in this annual report. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2019. As at the date of this annual report, the Board has no intention to significantly change the principal business of the Group.

RESULTS

The results of the Group for the year ended 31 December 2019 and the state of the Group's financial position as at that date are set out in the financial statements on pages 123 to 294 of this annual report. The Group's business review and outlook are provided in the section headed "Chairman's Statement" in this annual report. An analysis of the Group's performance using financial key performance indicators is provided in the section headed "Management Discussion and Analysis" in this annual report.

公司資料

本公司於2017年12月18日在開曼群島根據開曼群島公司法註冊成立為獲豁免有限公司。本公司股份（「股份」）於2018年10月11日在聯交所上市。

主要業務營運

本集團是長三角地區不斷壯大的房地產開發商，專注於開發及銷售住宅物業。我們的總部位於中國上海，已在長三角地區建立業務據點。於2019年12月31日，我們擁有由69個項目組成的多元化組合，包括63項住宅物業、兩項住宅及商業綜合樓、兩棟商業綜合樓、一個辦公樓層及一棟住宅及酒店式公寓。上述所有項目中，5個項目位於上海，而64個項目位於江蘇省、安徽省、浙江省、四川省、山東省、河南省、江西省、廣東省、青海省及重慶市。

本集團主要子公司的主要業務詳情載於本年報內的本集團財務報表附註1。於截至2019年12月31日止年度，本集團主要業務的性質並無重大變動。於本年報日期，董事會並無意大幅改變本集團的主要業務。

業績

本集團截至2019年12月31日止年度的業績及本集團於該日的財務狀況載於本年報第123至294頁的財務報表。本集團的業務回顧及展望載於本年報「主席報告」一節。運用財務關鍵表現指標對本集團表現進行的分析載於本年報「管理層討論及分析」一節。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

BUSINESS REVIEW

A review of the business of the Group during the year and outlook are set out in the section headed "Chairman's Statement". An analysis of the Group's performance during the year using financial key performance indicators is set out in the section headed "Management Discussion and Analysis". Save as disclosed in the section headed "Subsequent Events after the Reporting Period" below, the Group has no significant events after the end of the financial year ended 31 December 2019 and up to the date of this annual report.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the section headed "Management Discussion and Analysis – Significant investments, major acquisitions and disposals" in this annual report, during the year ended 31 December 2019 and up to the date of this annual report, the Group did not have any material acquisition or disposal of subsidiaries and associated companies.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2019 are set out in note 13 to the financial statements of the Group in this annual report.

BANK AND OTHER BORROWINGS

Details of the bank and other borrowings of the Group as at 31 December 2019 are set out in note 30 to the financial statements of the Group in this annual report.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2019 are set out in the consolidated statement of changes in equity in this annual report. As at 31 December 2019, the Company's reserves available for distribution calculated in accordance with the provision of Companies Law of the Cayman Islands amounted to approximately RMB1,416.9 million.

業務回顧

本集團於年內的業務回顧及展望載於「主席報告」一節。運用財務關鍵表現指標對本集團年內表現進行的分析載於「管理層討論及分析」一節。除下文「報告期後事項」一節所披露者外，於截至2019年12月31日止財政年度結束後及直至本年報日期，本集團並無重大事項。

重大收購及出售

除本年報「管理層討論及分析—重大投資、重大收購及出售」一節所披露者外，於截至2019年12月31日止年度及直至本年報日期，本集團並無任何重大收購或出售子公司及聯營公司。

物業、廠房及設備

本集團截至2019年12月31日止年度的物業、廠房及設備變動詳情載於本年報內的本集團財務報表附註13。

銀行及其他借貸

本集團於2019年12月31日的銀行及其他借貸詳情載於本年報內的本集團財務報表附註30。

儲備

本集團截至2019年12月31日止年度的儲備變動詳情載於本年報內的綜合權益變動表。於2019年12月31日，根據開曼群島公司法規定計算，本公司的可分派儲備約為人民幣1,416.9百萬元。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's five largest customers accounted for less than 30% of the Group's total revenue for the year ended 31 December 2019. Purchase from the Group's five largest suppliers accounted for less than 30% of the Group's total purchase for the year ended 31 December 2019.

To the best of the knowledge of the Directors, none of the Directors, their respective close associates or any Shareholder who owns more than 5% of the issued share capital of the Company had any interest in any of the five largest customers and suppliers of the Group during the year ended 31 December 2019.

SHARE CAPITAL

Details of movements in the Company's share capital during the year ended 31 December 2019 are set out in note 32 to the financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the year ended 31 December 2019 and up to the date of this annual report are:

Executive Directors

Mr. Ge Yiyang *(Chairman)*
Mr. Liao Lujiang
Mr. Chi Jingyong
Mr. Yang Yongwu

Independent Non-executive Directors

Mr. Gu Jiong
Mr. Sun Bing
Mr. Fok Ho Yin Thomas

主要客戶及供應商

本集團五大客戶的銷售額佔本集團截至2019年12月31日止年度總收益的30%以下。向本集團五大供應商作出的採購額佔本集團截至2019年12月31日止年度總採購額的30%以下。

就董事所知，截至2019年12月31日止年度，概無董事、其各自的緊密聯繫人或擁有本公司已發行股本5%以上的任何股東於本集團的任何五大客戶及供應商中擁有任何權益。

股本

本公司截至2019年12月31日止年度的股本變動詳情載於財務報表附註32。

董事及董事服務合同

於截至2019年12月31日止年度及直至本年報日期，董事如下：

執行董事

葛一暘先生 *(主席)*
廖魯江先生
池淨勇先生
楊永武先生

獨立非執行董事

顧炯先生
孫冰先生
霍浩然先生

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

Directors' Service Contracts

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from 11 October 2018 (the "Listing Date"). The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date. The letters of appointment may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations.

None of the Directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received a confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all the independent non-executive Directors are considered to be independent pursuant to the Listing Rules.

DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and those of the five highest paid individuals of the Group for the year ended 31 December 2019 are set out in note 8 and note 9 to the financial statements of the Group in this annual report.

None of the Directors waived his/her emoluments nor has agreed to waive his/her emoluments for the year ended 31 December 2019.

董事服務合同

各執行董事已與本公司訂立服務合同，自2018年10月11日（「上市日期」）起計初步為期三年。服務合同可根據組織章程細則及適用法律、規則及法規予以續期。

各獨立非執行董事已與本公司訂立委任函，自上市日期起計初步為期三年。委任函可根據組織章程細則及適用法律、規則及法規予以續期。

概無董事與本公司訂立本公司於一年內倘不支付賠償（法定賠償除外）則不能終止的任何服務合同。

獨立非執行董事的獨立性確認函

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性而作出的確認函。董事會已根據上市規則評估全體獨立非執行董事的獨立性並確認其均為獨立人士。

董事酬金及五名最高薪酬人士

截至2019年12月31日止年度，本集團董事及五名最高薪酬人士的薪酬詳情載於本年報內的本集團財務報表附註8及附註9。

截至2019年12月31日止年度，概無董事放棄其酬金或已同意放棄其酬金。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the date of this annual report, none of the Controlling Shareholders of the Group or the Directors was engaged or had interest in any business, apart from the business of the Group, which competes or is likely to compete, directly or indirectly, with the Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

COMPLIANCE WITH NON-COMPETITION UNDERTAKINGS

Deed of Non-Competition

The Group's Controlling Shareholders, namely, Mr. Ge Hekai, Mr. Ge Yiyang, Mr. Ge Heming, Ms. Jin Linyin, Splendid Sun Limited, Sound Limited, Shade (BVI) Limited, Glorious Villa Limited and He Hong Limited (together, the "Covenantors") entered into a deed of non-competition on 10 September 2018 (the "Deed of Non-Competition") in favour of the Company, pursuant to which each of the Covenantors has, among other things, irrevocably and unconditionally undertaken, jointly and severally, with the Company that, the Covenantors shall not, and shall procure that their close associates (other than members of the Group) shall not, directly or indirectly, carry on, engage in, invest in, participate in, attempt to participate in, render any services to, provide any financial support to or otherwise be involved in or interested in, whether alone or jointly with another person and whether directly or indirectly or on behalf of or to assist or act in concert with any other person, any business or investment activities in the PRC or anywhere except the United Kingdom which are the same as, similar to or in competition or likely to be in competition with the business carried on or contemplated to be carried on by any member of the Group from time to time (the "Restricted Business").

董事於競爭性業務的權益

於本年報日期，本集團控股股東或董事概無從事直接或間接與本集團業務構成或可能構成競爭的任何業務（本集團的業務除外）或於其中擁有須根據上市規則第8.10條作出披露的權益。

遵守不競爭承諾

不競爭契據

本集團控股股東（即葛和凱先生、葛一陽先生、葛和鳴先生、金林蔭女士、Splendid Sun Limited、Sound Limited、Shade (BVI) Limited、Glorious Villa Limited及He Hong Limited，統稱「契諾承諾人」）於2018年9月10日訂立以本公司為受益人的不競爭契據（「不競爭契據」），據此，契諾承諾人各自已（其中包括）不可撤回及無條件地向本公司共同及個別承諾，契諾承諾人本身不得及須促使其緊密聯繫人（本集團成員公司除外）不會直接或間接進行、從事、投資、參與、試圖參與、提供任何服務或提供任何財務支持或以其他方式參與（不論單獨或與另一名人士共同，亦不論直接或間接或代表或協助任何其他人士或與其他人士一致行動）任何於中國或英國以外任何地方與本集團任何成員公司不時所進行或預期將進行的業務相同、類似或構成競爭或可能構成競爭的業務或投資活動或於當中擁有權益（「受限制業務」）。

DIRECTORS' REPORT *(Continued)***董事會報告 (續)**

The Deed of Non-Competition shall expire on the earlier of (i) the date when the Covenantors and, as the case may be, any of their close associates, cease to hold, or otherwise be interested in, beneficially in aggregate whether directly or indirectly, 30% or more (or such other percentage of shareholding as stipulated in the Listing Rules to constitute a controlling shareholder) of the issued share capital of the Company; or (ii) the date on which the Shares cease to be listed on the Stock Exchange (except for temporary suspension of trading of the Shares).

For details of the Deed of Non-Completion, please refer to the section headed "Relationship with Controlling Shareholders - Non-Competition Undertakings" in the prospectus of the Company dated 28 September 2018.

Annual Review

The Covenantors have confirmed that they did not refer, or procured the referral of, any investment or commercial opportunities relating to the Restricted Business to the Group during the year ended 31 December 2019.

The Company has received a written confirmation from each of the Covenantors in respect of the compliance by them and their close associates with the terms of the Deed of Non-Competition. The independent non-executive Directors have reviewed the Deed of Non-Competition and assessed whether the Covenantors and their close associates have complied with the terms of the Deed of Non-Competition, and were satisfied that each of the Covenantors has complied with its/his/her undertakings under the Deed of Non-Competition during the year ended 31 December 2019.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

The Group entered into certain related party transactions with related parties during the year ended 31 December 2019 which constituted connected transactions or continuing connected transactions of the Group, details of which are set out in note 38 to the financial statements. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

不競爭契據於以下較早日期屆滿：(i)契諾承諾人及(視乎情況而定)其任何緊密聯繫人不再持有或不再以其他方式直接或間接擁有本公司已發行股本合共30%或以上(或上市規則規定構成控股股東的其他股權比例)的實益權益之日；或(ii)股份不再於聯交所上市之日(股份暫停買賣除外)。

有關不競爭契據的詳情，請參閱本公司日期為2018年9月28日的招股章程「與控股股東的關係－不競爭承諾」一節。

年度審核

契諾承諾人已確認，截至2019年12月31日止年度，其並無向本集團轉介或促使向本集團轉介有關受限制業務的任何投資或商機。

本公司已接獲各契諾承諾人就其及其緊密聯繫人遵守不競爭契據的條款而作出的書面確認函。獨立非執行董事已審閱不競爭契據，並評估契諾承諾人及其緊密聯繫人是否遵守不競爭契據的條款，並信納各契諾承諾人於截至2019年12月31日止年度已遵守其於不競爭契據下的承諾。

關聯方交易及關連交易

於截至2019年12月31日止年度，本集團與其關聯方訂立若干構成本集團關連交易或持續關連交易的關聯方交易，其詳情載於財務報表附註38。本公司已根據上市規則第14A章遵守披露規定。

DIRECTORS' REPORT (Continued)**董事會報告 (續)**

The Group has entered into various transactions which constituted continuing connected transactions under Chapter 14A of the Listing Rules. The transaction amount of the continuing connected transactions of the Group for the year ended 31 December 2019 is set out below:

本集團已訂立多項根據上市規則第14A章構成持續關連交易的交易。本集團於截至2019年12月31日止年度的持續關連交易的交易金額載列如下：

Connected Person 關連人士	Nature of Transaction 交易性質	Transaction Amount for the Year Ended 31 December 2019 截至2019年12月31日 止年度的交易金額 (RMB'000) (人民幣千元)
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Exempt continuing connected transaction
獲豁免的持續關連交易

1. Dafa Group Co. Ltd. (" Dafa Group ") ^(Note 1) 大发集團有限公司(「大发集團」) ^(附註1)	Rental service ^(Note 2) 租賃服務 ^(附註2)	1,744
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Non-exempt continuing connected transaction
非獲豁免的持續關連交易

2. Dafa Group 大发集團	Procurement of elevator equipment ^(Note 3) 採購電梯設備 ^(附註3)	15,315
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Notes:

附註：

1. Dafa Group, a company established in the PRC with limited liability, is principally engaged in office building leasing business. Dafa Group is wholly-owned by the Controlling Shareholders and hence a connected person of the Company. The premise is used as offices by Shanghai Dafa Land Group Co. Ltd. (上海大发房地產集團有限公司) (an indirect wholly-owned subsidiary of the Company) ("**Shanghai Dafa**") and/or its subsidiaries.

1. 大发集團為一家在中國成立的有限公司，主要從事辦公樓租賃業務。大发集團由控股股東全資擁有，因此為本公司關連人士。該物業由本公司間接全資子公司上海大发房地產集團有限公司(「上海大发」)及／或其子公司用作辦公室。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

2. As disclosed in the prospectus, Shanghai Dafa and Dafa Group entered into a tenancy agreement (the “**Tenancy Agreement**”) on 19 April 2018, pursuant to which Shanghai Dafa leased from Dafa Group certain premises located at 6/F and 7/F, Dafa Commercial Building, Hui Min Lu Bei Shou, Lu Cheng District, Wenzhou, Zhejiang Province, the PRC with a GFA of approximately 1,210.83 sq.m. for a term of three years commencing from 19 April 2018 to 18 April 2021 at an annual rental of approximately RMB1,744,000.

Since each of the applicable percentage ratio (other than the profits ratio) under the Listing Rules in respect of the annual caps is less than 0.1%, the transactions under the Tenancy Agreement are within the de minimis threshold stipulated in Rule 14A.76(1)(a) of the Listing Rules and are exempt from the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

3. Shanghai Dafa and Dafa Group entered into a framework agreement (the “**Framework Agreement**”) on 15 March 2019, pursuant to which Shanghai Dafa agreed to purchase, and Dafa Group agreed to supply elevator equipment and the relevant after-sale services for a term from 15 March 2019 to 31 December 2021. The annual cap of the transactions contemplated under the Framework Agreement for the year ended 31 December 2019 is RMB80,000,000. The proposed annual caps of the transactions contemplated under the Framework Agreement for the two years ending 31 December 2020 and 2021 are RMB120,000,000 and RMB150,000,000, respectively.

As described above, Dafa Group is a connected person of the Company. Therefore, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company.

As the highest applicable percentage ratio in respect of the proposed annual caps under the Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Framework Agreement are subject to the announcement, reporting and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

For details of the Framework Agreement, please refer to the announcement of the Company dated 15 March 2019.

The Company has followed the pricing policies and guidelines when determining the pricing and terms of the above continuing connected transactions during the the year ended 31 December 2019, the details of which are set out in the announcement of the Company dated 15 March 2019.

2. 誠如招股章程所披露，上海大發於2018年4月19日與大發集團訂立租期自2018年4月19日至2021年4月18日為期三年的租賃協議（「租賃協議」），據此，上海大發按年租金約人民幣1,744,000元向大發集團租賃建築面積約為1,210.83平方米的若干物業，該等物業位於中國浙江省溫州市鹿城區惠民路北首大發商廈6樓及7樓。

由於根據上市規則有關年度上限的各項適用百分比率（利潤比率除外）將低於0.1%，故租賃協議項下的交易屬於上市規則第14A.76(1)(a)條所規定的最低限額內，並獲豁免遵守上市規則第14A章項下的申報、年度審核、公告、通函及獨立股東批准規定。

3. 上海大發於2019年3月15日與大發集團訂立框架協議（「框架協議」），據此，上海大發同意購買，而大發集團同意供應電梯設備及相關售後服務，年期由2019年3月15日至2021年12月31日。截至2019年12月31日止年度框架協議項下擬進行交易的年度上限為人民幣80,000,000元。截至2020年及2021年12月31日止兩個年度的框架協議項下擬進行交易的建議年度上限分別為人民幣120,000,000元及人民幣150,000,000元。

如上文所述，大發集團為本公司關連人士。因此，框架協議項下擬進行的交易構成本公司的持續關連交易。

由於框架協議項下建議年度上限的最高適用百分比率超過0.1%但低於5%，故框架協議項下擬進行的交易須遵守上市規則第14A章項下的公告、申報及年度審核的規定，惟獲豁免遵守獨立股東批准的規定。

有關框架協議的詳情，請參閱本公司日期為2019年3月15日的公告。

本公司釐定上述截至2019年12月31日止年度的持續關連交易的價格及條款時已遵循定價政策及指引，有關詳情載於本公司日期為2019年3月15日的公告。

DIRECTORS' REPORT *(Continued)***董事會報告 (續)****Confirmation from the Independent Non-executive Directors**

The independent non-executive Directors confirmed that the above continuing connected transactions have been entered into in the ordinary and usual course of business of the Group on normal commercial terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The independent non-executive Directors further confirmed that the annual caps in respect of the Framework Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Confirmation from the Auditor

For the purpose of Rule 14A.56 of the Listing Rules, the Company's auditor has been engaged to report on the continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

In respect of the continuing connected transactions, the Company's auditor confirmed that:

- (a) nothing has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board of the Company;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (d) with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to their attention that causes them to believe that the continuing connected transactions have exceeded the relevant annual cap.

獨立非執行董事確認

獨立非執行董事確認，上述持續關連交易乃於本集團一般日常業務中，按一般商業條款進行，且條款均屬公平合理，符合本公司及其股東的整體利益。獨立非執行董事進一步確認，框架協議的年度上限屬公平合理，並符合本公司及其股東的整體利益。

審計師確認

就上市規則第14A.56條而言，本公司已委聘審計師，根據香港會計師公會頒佈之香港保證委聘準則第3000號(修訂)「歷史財務資料之審核或審閱以外的保證委聘」，並參考應用指引第740號「根據香港上市規則就持續關連交易發出審計師函件」，就持續關連交易作出匯報。

就持續關連交易而言，本公司審計師已確認：

- (a) 不曾知悉任何事項會致使彼等相信持續關連交易並未獲本公司董事會批准；
- (b) 就有關本集團提供貨品或服務之交易而言，不曾知悉任何事項會致使彼等相信該等交易在各重大方面違反本集團之定價政策；
- (c) 不曾知悉任何事項會致使彼等相信該等交易在各重大方面並未根據規管該等交易之相關協議訂立；及
- (d) 就各項持續關連交易之總金額而言，不曾知悉任何事項會致使彼等相信持續關連交易已超過有關年度上限。

DIRECTORS' REPORT *(Continued)***董事會報告 (續)****DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS**

Other than those transactions disclosed in note 38 to the financial statements of the Group in this annual report and in the paragraphs headed "Related Party Transactions and Connected Transactions" in this section, no Director or Controlling Shareholder of the Company has any material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the Group's business to which the Company, any of its subsidiaries, fellow subsidiaries or its parent companies were a party subsisted at the end of the year or at any time during the year ended 31 December 2019.

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties facing the Group include, among others, that:

- (i) the Group may not be able to acquire land reserves in desirable locations that are suitable for development at commercially acceptable prices in the future;
- (ii) the Group's business and prospects are heavily dependent on the performance of the PRC property markets and are subject to extensive government policies and regulations; and
- (iii) the Group is subject to risks associated with certain covenants or restrictions under its bank borrowings and trust financing arrangements which may adversely affect its business.

董事及控股股東於交易、安排或合同的權益

除本年報內的本集團財務報表附註38以及本節「關聯方交易及關連交易」各段所披露的交易外，概無本公司董事或控股股東於對本集團業務屬重大而本公司、其任何子公司、同系子公司或其母公司為訂約方且於年末或截至2019年12月31日止年度任何時間仍然存續的任何交易、安排或合同中直接或間接擁有任何重大權益。

主要風險及不確定性

本集團面臨的主要風險及不確定性包括(其中包括)：

- (i) 本集團未來或不能在理想地段按商業合理價格收購合適土地儲備以用於開發；
- (ii) 本集團的業務及前景均倚重中國物業市場的表現並受大量政府政策及法規所規限；及
- (iii) 本集團面臨與銀行借貸及信託融資安排項下若干契約或限制有關的風險，可能對其業務產生不利影響。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations which have a significant impact to the Group. As at the date of this annual report, except as disclosed in the annual report, the Group complied with, in all material respects, all the relevant and applicable PRC laws and regulations governing the business of property development and management and the Group has obtained all licenses, permits and certificates for the purpose of operating its business.

As at the date of this annual report, the Company's joint ventures and associates were not involved in and the Board is not aware of any non-compliance incidents that might adversely affect the value of the Company's interests in them.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year ended 31 December 2019.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

During the year ended 31 December 2019, there were no any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, nor were there any such rights exercised by them. Also, there was no arrangement to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries is a party that would enable the Directors to acquire such rights in any other body corporate.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company, or the law of Cayman Islands being the jurisdiction in which the Company was incorporated under which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

遵守法律及法規

本集團已制定合規程序，以確保遵守對本集團有重大影響的適用法律、規則及法規。於本年報日期，除年報所披露者外，本集團於所有重大方面遵守所有規管物業開發及管理業務的有關及適用中國法律及法規，且本集團已就經營其業務取得所有執照、許可證及證書。

於本年報日期，本公司的合營企業及聯營公司並無涉及且董事會並不知悉任何可能會對本公司於其中的權益價值產生不利影響的不合規事件。

管理合同

於截至2019年12月31日止年度，概無訂立或存在有關本公司業務整體或任何重要部分的管理及行政的合同。

購買股份或債權證的安排

於截至2019年12月31日止年度，概無向董事或其各自配偶或未滿18歲子女授出可透過購買本公司股份或債權證而獲益的權利，其亦無行使相關權利。本公司、其控股公司、任何子公司或同系子公司亦概無訂立任何安排致使董事可獲得任何其他法人團體的有關權利。

優先購買權

本公司組織章程細則或開曼群島(即本公司註冊成立所在司法權區)法例並無有關優先購買權的任何規定，規限本公司須向現有股東按持股比例發售新股份。

DIRECTORS' REPORT *(Continued)***董事會報告 (續)****TAX RELIEF AND EXEMPTION**

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the section headed "Corporate Governance Report" in this annual report.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2019, the Group employed a total of 1,050 employees (as at 31 December 2018: 1,057 employees). For the year ended 31 December 2019, the staff cost recognised of the Group amounted to approximately RMB260.2 million (for the year ended 31 December 2018: approximately RMB153.4 million).

The remuneration policy of the Group is to provide remuneration packages including salary, bonuses and various allowances, so as to attract and retain top quality staff. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed a periodical review system to assess the performance of its employees, which forms the basis of the determination on salary rises, bonuses and promotions. As required by PRC regulations, the Group makes contributions to mandatory social security funds for the benefit of the Group's PRC employees that provide for pension insurance, medical insurance, unemployment insurance, personal injury insurance, maternity insurance and housing funds.

Furthermore, the Group has implemented systematic, specialty-focused vocational training programs for its employees at different levels on a regular basis to meet different requirements and emphasise individual initiative and responsibility. The Group believes that these initiatives have contributed to increased employee productivity.

稅項減免

董事並不知悉有股東因持有本公司證券而可獲得的任何稅項減免。

企業管治

本公司採納的主要企業管治常規載於本年報「企業管治報告」一節。

僱員及薪酬政策

於2019年12月31日，本集團總共僱用僱員1,050名（於2018年12月31日：1,057名僱員）。截至2019年12月31日止年度，本集團確認員工成本約人民幣260.2百萬元（截至2018年12月31日止年度：約人民幣153.4百萬元）。

本集團的薪酬政策旨在提供薪酬方案，包括工資、花紅及多項津貼，以吸納及挽留優質員工。一般而言，本集團按各僱員的資質、職位及資歷釐定僱員薪金。本集團已設立定期評審制度評估僱員的表現，評估結果即為釐定薪金升幅、花紅及晉升的依據。按中國法規所規定，本集團為本集團的中國僱員利益向養老保險、醫療保險、失業保險、工傷保險、生育保險及住房公積金等強制性社會保障基金供款。

此外，本集團已定期為不同水平的僱員實施有系統且專門的職業培訓計劃以滿足不同的要求，並重視個人的主動性及責任感。本集團相信，該等措施有助提升僱員工作效率。

DIRECTORS' REPORT *(Continued)*

董事會報告(續)

The Group's employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. During the year ended 31 December 2019, no labor dispute had occurred which materially and adversely affected or was likely to have a material and adverse effect on the operations of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental Protection

The Group is subject to a number of environmental laws and regulations including the Environmental Protection Law of the PRC 《中華人民共和國環境保護法》, the Prevention and Control of Environmental Noise Pollution Law of the PRC 《中華人民共和國環境噪聲污染防治法》, the Environmental Impact Assessment Law of the PRC 《中華人民共和國環境影響評價法》 and the Administrative Regulations on Environmental Protection for Development Projects 《建設項目環境保護管理條例》.

Pursuant to applicable laws and regulations, each of the Group's development projects must undergo an environmental assessment before the commencement of construction. The Group must fulfill environmental impact assessment procedures with the relevant environmental protection authorities. The procedures may contain certain standards, which must be incorporated into the design, construction and operation of the project. The Group requires its construction companies to comply with these standards during the construction process. The Group also encourages its construction companies to use environmentally friendly equipment and technologies. Upon the completion and before the delivery of the property, the relevant environmental protection authorities inspect the project to ensure compliance with all applicable environmental laws and regulations.

As at 31 December 2019, the Group did not encounter any material issues in passing inspections conducted by the relevant environmental protection authorities upon completion of the properties. During the year ended 31 December 2019 and up to the date of this annual report, no material fines or penalties were imposed on the Group for non-compliance of PRC environmental laws and regulations. As at the date of this annual report, the Group had obtained all required approvals in relation to the environmental impact reports, where applicable, for the projects of the Group under development.

本集團的僱員並無透過任何工會或集體議價方式協商僱傭條款。於截至2019年12月31日止年度，概無發生任何對或可能對本集團的營運造成重大不利影響的勞資糾紛。

環境、社會及管治

環境保護

本集團受多項環境法律及法規監管，包括《中華人民共和國環境保護法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國環境影響評價法》及《建設項目環境保護管理條例》。

根據適用法律及法規，本集團的各開發項目於開始施工前必須進行環境評估。本集團須於相關環保部門完成環境影響評估程序。該程序可能包含若干標準，其必須納入項目的設計、施工及營運中。本集團要求其建築公司於施工過程中遵守該等標準。本集團亦鼓勵其建築公司使用環保設備及技術。於物業竣工後及交付前，相關環保部門會對項目進行檢驗，以確保遵守所有適用環境法律及法規。

於2019年12月31日，本集團於物業竣工後通過相關環保部門進行的檢驗時未遇到任何重大問題。於截至2019年12月31日止年度及直至本年報日期，本集團並無因違反中國環境法律及法規而被處以重大罰款或遭受處罰。於本年報日期，本集團已就本集團的在建項目取得一切有關環境影響報告的所需批准(如適用)。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

Social Responsibility

The Group has entered into employment contracts with its employees in accordance with the applicable PRC and Hong Kong laws and regulations.

The Group maintains social welfare insurance for its full-time employees in the PRC and Hong Kong, including pension insurance, medical insurance, personal injury insurance, unemployment insurance and maternity insurance, in accordance with the relevant PRC and Hong Kong laws and regulations.

Health and Work Safety

The employee's administrative measures adopted by the Group contain policies and procedures regarding work safety and occupational health issues. The Group provides its employees with annual medical checks and safety training, and the construction sites of the Group are equipped with safety equipments including gloves, boots and hats.

The chairman's office of the Group is responsible for recording and handling work accidents as well as maintaining health and work safety compliance records.

During the year ended 31 December 2019 and up to the date of this annual report, the Group did not encounter any material safety accident, there were no material claims for personal or property damages and no material compensation was paid to employees in respect of claims for personal or property damages related to safety accident.

社會責任

本集團已根據適用中國及香港法律及法規與僱員訂立勞動合同。

本集團根據相關中國及香港法律及法規為中國及香港的全職僱員購買社會福利保險，包括養老保險、醫療保險、工傷保險、失業保險及生育保險。

健康及工作安全

本集團採用的員工管理辦法載有關於工作安全及職業健康事宜的政策及程序。本集團向僱員提供年度體檢及安全培訓，且本集團的建築工地配有安全設備，包括手套、安全靴及安全帽。

本集團的主席辦公室負責記錄及處理工程事故以及保存健康及工作安全合規記錄。

於截至2019年12月31日止年度及直至本年報日期，本集團並無遭遇任何重大安全事故，亦無有關人身傷害或財產損失的重大申索及並無就有關人身傷害或有關安全事故的財產損失的申索向僱員支付重大賠償。

DIRECTORS' REPORT (Continued)

董事會報告(續)

INDEMNITY AND INSURANCE PROVISIONS

The Articles of Association provide that the Directors, managing directors, alternate Directors, Auditors, Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts. The Company has arranged appropriate directors and officers liability insurance in respect of legal action against Directors.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme as set out in this annual report, no equity-linked agreements were entered into by the Group, or subsisted during the year ended 31 December 2019.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Issuance of US\$200 million 11.5% senior notes due 2021

On 29 January 2020, the Company issued senior notes in the aggregate principal amount of US\$200 million due 2021 listed on the Stock Exchange, which bear interest at a rate of 11.5% per annum, payable in arrears on 29 July 2020 and 27 January 2021. For more details, please refer to the announcements of the Company dated 20 January 2020, 21 January 2020 and 29 January 2020.

Outbreak of COVID-19

The outbreak of COVID-19 in early January 2020 continued to spread throughout Mainland China and beyond. The Group has been monitoring the developments of the situation of COVID-19 closely, assessing and reacting actively to its impacts on the financial position and operating results of the Group. Up to the date of this annual report, the assessment is still in progress.

Save as disclosed above, the Group has no other significant events after 31 December 2019 that are required to be disclosed.

彌償及保險規定

組織章程細則規定，董事、董事總經理、替任董事、審計師、秘書及本公司當時的其他高級人員及就本公司的任何事務行事的受託人(如有)及其各自的遺囑執行人或遺產管理人因應其於其各自的職位或信託的職責或建議職責的履行而作出、應允或遺漏的行為而理應或可能引致或蒙受的所有訴訟、成本、費用、損失、損害及開支，其應自本公司資產中獲得彌償保證及不受損害。本公司已就董事可能面對的法律行動安排適當的董事及主要職員責任保險。

股票掛鈎協議

除本年報所載購股權計劃外，於截至2019年12月31日止年度，本集團並無訂立股票掛鈎協議或有關協議仍然生效。

報告期後事項

發行於2021年到期的200百萬美元11.5厘優先票據

於2020年1月29日，本公司發行於聯交所上市並於2021年到期的本金總額為200百萬美元的優先票據。該等票據按年利率11.5厘計息，須於2020年7月29日及2021年1月27日期末支付。有關進一步詳情，請參閱本公司日期為2020年1月20日、2020年1月21日及2020年1月29日的公告。

新型冠狀病毒爆發

2020年1月初爆發的新型冠狀病毒持續於中國內地及境外蔓延。本集團一直密切監測新型冠狀病毒情況的發展，並評估及積極應對其對本集團財務狀況及經營業績的影響。直至本年報日期，評估仍在進行。

除上文所披露者外，本集團於2019年12月31日後並無其他重大事件須予披露。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

SUFFICIENCY OF PUBLIC FLOAT

Rule 8.08 of the Listing Rules requires there to be an open market in the securities for which listing is sought and a sufficient public float of an issuer's listed securities to be maintained. This normally means that at least 25% of the issuer's total issued share capital must at all times be held by the public.

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

CHARITABLE DONATIONS

During the year ended 31 December 2019, the Group made charitable and other donations in a total amount of approximately RMB16.0 million.

ANNUAL GENERAL MEETING

Annual general meeting of the Company will be held on Friday, 29 May 2020 (the "AGM"). The notice of the AGM will be published and despatched to the Shareholders in accordance with the requirements of the Listing Rules in April 2020.

PAYMENT OF FINAL DIVIDEND

The Board recommends the payment of a final dividend of RMB6.8 cents per share for the year ended 31 December 2019 (the "2019 Proposed Final Dividend") subject to the approval of the Shareholders at the forthcoming AGM. Including the interim dividend of RMB7.7 cents per share paid, the total dividend for the year ended 31 December 2019 amounts to RMB14.5 cents per share (2018: RMB14.5 cents per share). The 2019 Proposed Final Dividend will be declared in RMB and paid in Hong Kong dollars, which is expected to be paid on or about 17 June 2020. The final dividend payable in Hong Kong dollars will be converted from RMB at the average closing rate of the five business days preceding the date of declaration of dividend (being the date of approval of the relevant resolution at the forthcoming AGM) as announced by the People's Bank of China.

公眾持股量的充足性

上市規則第8.08條規定，尋求上市的證券必須有一個公開市場，且發行人的上市證券須維持足夠的公眾持股量，即無論何時發行人已發行總股本至少有25%須由公眾人士持有。

根據於刊發本年報前的最後可行日期本公司可公開獲得的資料及就董事所知，本公司一直維持上市規則所規定的足夠公眾持股量。

慈善捐款

於截至2019年12月31日止年度，本集團作出慈善及其他捐款共計約人民幣16.0百萬元。

股東週年大會

本公司的股東週年大會將於2020年5月29日（星期五）召開（「股東週年大會」）。根據上市規則規定刊發的股東週年大會通告將於2020年4月寄發予股東。

派付末期股息

董事會建議派付截至2019年12月31日止年度末期股息每股人民幣6.8分（「2019年建議末期股息」），須待股東於應屆股東週年大會上批准後方可作實。計入已派付的中期股息每股人民幣7.7分後，截至2019年12月31日止年度的股息總額為每股人民幣14.5分（2018年：每股人民幣14.5分）。2019年建議末期股息將以人民幣宣派並以港元派付，預期將於2020年6月17日或前後派付。應以港元派付的末期股息將按中國人民銀行公佈的於股息宣派日期（即相關決議案於應屆股東週年大會上獲批准的日期）前5個營業日的平均收市匯率由人民幣兌換為港元。

DIRECTORS' REPORT *(Continued)***董事會報告 (續)****(a) For determining the entitlement of the shareholders to attend and vote at the AGM**

The register of members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 25 May 2020.

(b) For determining the entitlement to the 2019 Proposed Final Dividend

The register of members of the Company will be closed from Friday, 5 June 2020 to Monday, 8 June 2020 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to be eligible for the 2019 Proposed Final Dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 4 June 2020.

AUDITOR

The consolidated financial statements for the year ended 31 December 2019 have been audited by Ernst & Young. A resolution for the re-appointment of Ernst & Young as the Company's auditor is to be proposed at the AGM. There is no change in the auditor of the Company in the preceding three financial years.

(a) 為確定股東合資格出席股東週年大會並於會上投票

本公司將自2020年5月26日(星期二)至2020年5月29日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續, 期間概不辦理股份過戶登記。為釐定有權出席股東週年大會並於會上投票的股東身份, 所有股份過戶文件連同有關股票須於2020年5月25日(星期一)下午四時三十分前送抵本公司的香港證券登記分處香港中央證券登記有限公司進行登記, 地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

(b) 為確定合資格獲派2019年建議末期股息

本公司將自2020年6月5日(星期五)至2020年6月8日(星期一)(包括首尾兩天)暫停辦理股份過戶登記手續, 期間概不辦理本公司股份過戶登記。為符合資格獲派2019年建議末期股息, 本公司的未登記股份持有人應確保所有過戶表格連同有關股票須於2020年6月4日(星期四)下午四時三十分前送抵證券登記分處進行登記, 地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

審計師

安永會計師事務所已審計截至2019年12月31日止年度的綜合財務報表。有關續聘安永會計師事務所為本公司審計師的決議案將於股東週年大會上獲提呈。於前三個財政年度, 本公司的審計師均無變更。

DIRECTORS' REPORT *(Continued)*

董事會報告 (續)

PROFESSIONAL TAX ADVICE RECOMMENDED

If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the Shares, they are advised to consult an expert.

For and on behalf of the Board

DaFa Properties Group Limited

Ge Yiyang
Chairman

Hong Kong, 30 March 2020

建議諮詢專業稅務意見

股東如對購買、持有、出售、買賣或行使有關股份的任何權利的稅務影響存有任何疑問，建議其諮詢其專業顧問。

代表董事會

大发地产集团有限公司

葛一陽
主席

香港，2020年3月30日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Board is pleased in presenting this Corporate Governance Report for the year ended 31 December 2019.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code contained in Appendix 14 to the Listing Rules as its own code on corporate governance. To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the Corporate Governance Code during the year ended 31 December 2019 and up to the date of this annual report.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the year ended 31 December 2019 and up to the date of this annual report.

THE BOARD

1. Responsibilities

The Board assumes the responsibility of leadership and control of the Company, and supervises and approves significant decisions regarding financial performance, strategic development objectives and operations of the Company. The Board delegates to the management authority and responsibility for the Company's daily operations and businesses management according to the Board's instructions. The Board has established various committees and has delegated to the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee"), and the nomination committee (the "Nomination Committee") of the Board (collectively, the "Board Committees") various duties. All the Board Committees perform their distinct roles in accordance with their respective terms of reference.

本公司致力於實現高水準的企業管治，以保障股東權益及提高企業價值與責任承擔。董事會欣然呈列截至2019年12月31日止年度的企業管治報告。

企業管治常規

本公司已採納上市規則附錄十四所載的企業管治守則作為其自身企業管治守則。就董事所知，於截至2019年12月31日止年度及直至本年報日期，本公司一直遵守企業管治守則項下的所有適用守則條文。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則，作為其有關董事進行證券交易的行為準則。經本公司作出特定查詢後，全體董事已確認於截至2019年12月31日止年度及直至本年報日期均已遵守標準守則。

董事會

1. 責任

董事會負責領導及控制本公司，並監管及審批有關本公司財務表現、策略發展目標及業務的重大決定。董事會向管理層授出根據董事會的指示負責本公司日常經營及業務管理的權力及責任。董事會已成立多個委員會並向董事會的審計委員會（「審計委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱為「董事委員會」）委派多項職責。所有董事委員會均根據其各自的職責範圍履行不同的責任。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

All Directors shall at all times ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders.

全體董事須始終確保其本著真誠、遵守適用法律及法規並符合本公司及股東利益的原則履行職責。

2. Board Composition

Executive Directors

Mr. Ge Yiyang (*Chairman*)
Mr. Liao Lujiang (*Chief Executive Officer*)
Mr. Chi Jingyong
Mr. Yang Yongwu

2. 董事會組成

執行董事

葛一暘先生(主席)
廖魯江先生(首席執行官)
池淨勇先生
楊永武先生

Independent Non-Executive Directors

Mr. Gu Jiong
Mr. Sun Bing
Mr. Fok Ho Yin Thomas

獨立非執行董事

顧炯先生
孫冰先生
霍浩然先生

Save as disclosed in this annual report, to the best knowledge of the Company, there are no financial, business, family, or other material/relevant relationships among members of the Board.

除本年報所披露者外，就本公司所知，董事會成員之間概無財務、業務、家庭或其他重大／相關關係。

During the year ended 31 December 2019, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise.

於截至2019年12月31日止年度，董事會一直遵守上市規則有關委任至少三名獨立非執行董事(佔董事會成員人數至少三分之一)及至少一名獨立非執行董事擁有適當專業資格或會計或相關財務管理專長的規定。

The Company has received written annual confirmation from each of our independent non-executive Directors of his or her independence pursuant to the requirements of the Listing Rules. The Company considers all the independent non-executive Directors to be independent in accordance with the independence requirements set out in the Listing Rules.

本公司已收到各獨立非執行董事根據上市規則的規定發出有關其本身獨立性的年度書面確認。本公司認為，根據上市規則所載的獨立性規定，所有獨立非執行董事均屬獨立人士。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association. The primary duties of the Nomination Committee include, but are not limited to, reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on matters relating to the appointment of the Directors.

Each of our executive Directors has entered into a service contract with the Company. The term of their respective service contract is three years and shall be subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than 30 days' prior notice in writing.

Each of our independent non-executive Directors has entered into an appointment letter with the Company. The term for their appointment letters is three years and shall be subject to re-election as and when required under the Articles of Association until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

In accordance with the Articles of Association, all of the Directors are subject to retirement by rotation at least once every three years and the Board has power from time to time and at any time to appoint any new Director to fill a causal vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

Induction and Continuing Development for Directors

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his or her appointment, so as to ensure that he or she understands the business and operations of the Company and that he or she is fully aware of his or her responsibilities and obligations under the Listing Rules and other relevant regulatory requirements.

董事的委任、重選及罷免

董事的委任、重選及罷免程序及過程已載於組織章程細則。提名委員會的主要職責包括但不限於審閱董事會架構、規模及組成、評估獨立非執行董事的獨立性及就委任董事的相關事宜向董事會作出建議。

各執行董事已與本公司訂立服務合同。其各自服務合同的期限為三年，且須按組織章程細則的規定膺選連任，直至根據服務合同的條款及條件或由其中一方向另一方提前發出不少於30天的書面通知予以終止為止。

各獨立非執行董事已與本公司訂立委任書。其委任書的期限為三年，且須按組織章程細則的規定膺選連任，直至根據委任書的條款及條件或由其中一方向另一方提前發出不少於三個月的書面通知予以終止為止。

根據組織章程細則，全體董事須至少每三年輪值告退一次，而董事會有權不時及隨時委任任何新董事以填補臨時空缺或增加董事會人數。任何就此獲委任的董事任期僅至本公司下屆股東週年大會為止，惟屆時可於大會上膺選連任。

董事的就任導引及持續發展

本公司於每名新委任董事首次獲委任時向其作出正式、全面及特設的就任導引，以確保其了解本公司的業務及運作，並完全知悉其於上市規則及其他有關監管規定下的職責及責任。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

The Directors are continually provided with information relating to the developments in the legal and regulatory regime and the business and market environments to facilitate the execution of their responsibilities. Continuing briefings and professional development for the Directors were arranged by the Company and its professional advisers.

During the year ended 31 December 2019, each Director has attended training sessions arranged by the Company regarding the continuing obligations of listed companies and its directors, disclosure obligations of listed companies and update on the Listing Rules.

According to records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2019 is as follows:

董事持續獲提供有關法律及監管制度以及業務及市場環境最新發展的資料，以協助其履行職責。本公司及其專業顧問已為董事安排持續性簡介及專業發展。

截至2019年12月31日止年度，各董事均已參加由本公司安排的培訓課程，該等課程內容有關上市公司及其董事的持續性義務、上市公司的披露義務及上市規則的更新。

根據董事提供的記錄，董事於截至2019年12月31日止年度獲得的培訓概要如下：

Name of Director 董事姓名	Training* 培訓*
Executive Directors	
執行董事	
Mr. Ge Yiyang	√
葛一陽先生	
Mr. Liao Lujiang	√
廖魯江先生	
Mr. Chi Jingyong	√
池淨勇先生	
Mr. Yang Yongwu	√
楊永武先生	
Independent Non-Executive Directors	
獨立非執行董事	
Mr. Gu Jiong	√
顧炯先生	
Mr. Sun Bing	√
孫冰先生	
Mr. Fok Ho Yin Thomas	√
霍浩然先生	

* Each of the Directors has participated in training and reading materials provided by the Company, which are related to connected transactions, corporate governance and the continuing obligations of listed companies and their directors.

* 各董事均已參加由本公司提供的培訓及閱讀由本公司提供的閱讀材料，該等培訓及材料內容有關關連交易、企業管治以及上市公司及其董事的持續性義務。

CORPORATE GOVERNANCE REPORT (Continued)**企業管治報告(續)***Attendance Record of Board Meetings*

Number of Meetings and Directors' Attendance

Code provision A.1.1 of the Corporate Governance Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication.

During the year ended 31 December 2019, the Board has convened seven Board meetings and the Company has convened an annual general meeting. The Company has not held any other general meetings during the year ended 31 December 2019. Details of the attendance of members of the Board at the Board meetings and the annual general meeting are listed as follows:

Attended/Number of meeting(s) held

董事會會議出席記錄

會議次數及董事出席率

企業管治守則守則條文A.1.1條規定，每年至少召開四次定期董事會會議，至少約每季度召開一次，且大多數董事須積極參與會議（無論親身或通過電子通訊方式）。

於截至2019年12月31日止年度，董事會共召開七次董事會會議及本公司已召開股東週年大會。本公司於截至2019年12月31日止年度並無舉行任何其他股東大會。董事會成員出席董事會會議及股東週年大會之記錄如下：

出席會議次數／舉行會議次數

Name of Director 董事姓名	Board meetings 董事會會議	Annual general meeting 股東週年大會
Executive Directors 執行董事		
Mr. Ge Yiyang 葛一暘先生	6/7	1/1
Mr. Liao Lujiang 廖魯江先生	7/7	1/1
Mr. Chi Jingyong 池淨勇先生	7/7	1/1
Mr. Yang Yongwu 楊永武先生	7/7	1/1
Independent Non-Executive Directors 獨立非執行董事		
Mr. Gu Jiong 顧炯先生	7/7	1/1
Mr. Sun Bing 孫冰先生	7/7	1/1
Mr. Fok Ho Yin Thomas 霍浩然先生	7/7	1/1

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

Practices and Conduct of Meetings

Notices of regular Board meetings are served to all of the Directors at least 14 days before the meetings to provide all Directors with an opportunity to attend and include matters in the agenda. For other Board and committee meetings, reasonable notices were generally given.

Board papers together with all appropriate, complete and reliable information were sent to all of the Directors at least three days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman of the Board or the committee members prior to the meeting.

Each Director also had separate and independent access to the senior management of the Company whenever necessary.

The senior management of the Company attend all regular Board meetings and where necessary, other Board and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

The joint company secretaries are responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

3. Chairman and Chief Executive Officer

The roles of the chairman and the chief executive officer of the Company have been separated as required by Code Provision A.2.1 of the Corporate Governance Code. For the year ended 31 December 2019, Mr. Ge Yiyang has served as the Chairman of the Company and Mr. Liao Lujiang has served as the chief executive officer of the Company.

會議常規及指引

定期董事會會議通知須於召開會議前至少14日送達所有董事，讓全體董事有機會出席會議以及提呈將於會議議程中討論的事宜。就其他董事會及委員會會議而言，通常將給予合理通知。

董事會文件連同所有適當、完整及可靠資料已於每次董事會會議或委員會會議前至少三日送達所有董事，以便董事了解本公司最新發展及財務狀況及使其作出知情決定。倘董事或委員會成員無法出席會議，他們將獲告知將予討論的事項，並有機會在會議前將其意見告知董事會主席或委員會成員。

於需要時，各董事亦可單獨及獨立地聯絡本公司高級管理層。

本公司高級管理層出席所有定期董事會會議並於需要時出席其他董事會及委員會會議，以就本公司業務發展、財務及會計事項、法律及監管合規事宜、企業管治及其他重大方面提供意見。

聯席公司秘書負責記錄所有董事會會議及委員會會議，並保存有關記錄。記錄草稿一般於每次會議後的合理時間內交予董事傳閱以便其提出意見，定稿可供董事隨時查閱。

3. 主席及首席執行官

本公司主席與首席執行官的角色已根據企業管治守則的守則條文A.2.1條規定予以區分。截至2019年12月31日止年度，葛一陽先生已擔任本公司主席，而廖魯江先生已擔任本公司首席執行官。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

BOARD COMMITTEES

The Company has established the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of these committees has specific written terms of reference which deal clearly with their authority and duties. The chairmen of these committees will report their findings and recommendations to the Board after each meeting.

1. Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise our financial reporting process and internal control system of the Company, oversee the audit process, provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board.

The Audit Committee consists of three members, namely Mr. Fok Ho Yin Thomas, Mr. Sun Bing and Mr. Gu Jiong, each of them is an independent non-executive Director. The chairman of the Audit Committee is Mr. Fok Ho Yin Thomas who possesses appropriate accounting and related financial management expertise.

The primary duties of the Audit Committee comprise communication, supervision and verification work for internal and external auditors of the Company, including:

- to propose the appointment, re-appointment or replacement of external auditor, to provide advice to the Board, to approve the remuneration and engagement terms of external auditor;
- to review and monitor external auditor to see if it is independent and objective and whether its auditing process is effective, to discuss the nature, scope and method of auditing and the relevant reporting responsibilities with the audit institution prior to the commencement of audit work, to formulate and implement policies for engaging external auditor to provide non-audit services;

董事委員會

本公司已設立審計委員會、薪酬委員會及提名委員會。該等委員會均設有具體的書面職責範圍，清晰列明其權限及職責。該等委員會主席將於每次會議後向董事會報告其結論及推薦建議。

1. 審計委員會

本公司已遵照上市規則附錄十四所載企業管治守則成立審計委員會，並制定其書面職權範圍。審計委員會的主要職責為審閱及監督我們的財務報告程序及本公司的內部監控系統、監督審計過程、為董事會提供意見和建議以及履行董事會可能指派的其他職責及責任。

審計委員會由三名成員組成，即霍浩然先生、孫冰先生及顧炯先生，其均為獨立非執行董事。審計委員會主席為霍浩然先生，其具備合適的會計及相關的財務管理專業知識。

審計委員會的主要職責包括本公司內部及外部審計師的溝通、監督及核實工作，其中包括：

- 建議委任、續聘或更換外部審計師，向董事會提供意見，批准外部審計師的薪酬及委聘條款；
- 審核及監控外部審計師以查明其是否具有獨立性及客觀性以及其審計過程是否有效，在開始審計工作之前與審計機構討論審計及相關申報責任的性質、範圍及方法，制定並實施委聘外部審計師提供非審計服務的政策；

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

- to supervise the internal audit system of the Company and its implementation, to review financial information of the Company and its disclosure;
 - to be responsible for communication between internal auditors and external auditors;
 - to review the financial control, internal control and risk management systems of the Company and conduct audits on material connected transactions; and
 - to perform other responsibilities required by laws, regulations, rules, regulatory documents, Articles of Association and assigned by the Board.
- 監督本公司內部審計體系及其實施情況，審閱本公司財務資料及其披露；
 - 負責內部審計師與外部審計師之間的溝通；
 - 審核本公司的財務控制、內部監控及風險管理體系並對重大關連交易進行審計；及
 - 履行法律、法規、規則、監管文件、組織章程細則規定以及董事會指派的其他責任。

The Audit Committee convened two meetings during the year ended 31 December 2019. The table below sets forth the details of the attendance at these meetings:

於截至2019年12月31日止年度，審計委員會共召開兩次會議。下表載列該等會議的出席詳情：

Name of committee member 委員會成員姓名	Attended/Number of meeting(s) held 出席會議次數／舉行會議次數
Mr. Fok Ho Yin Thomas (Chairman) 霍浩然先生(主席)	2/2
Mr. Sun Bing 孫冰先生	2/2
Mr. Gu Jiong 顧炯先生	2/2

In those meetings, the Audit Committee reviewed the Group's policies on corporate governance and discussed the same with the Board, reviewed the financial reporting system, compliance procedures, internal control and risk management systems and associated processes, the effectiveness of the internal audit function and the re-appointment of the external auditor and fulfilled duties as required aforesaid. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

在該等會議中，審計委員會審閱本集團的企業管治政策並就此與董事會進行討論、審閱財務報告系統、合規程序、內部監控及風險管理體系及相關流程、內部審計體系的有效性以及外部審計師續聘並履行上文規定的職責。董事會並無偏離審計委員會就挑選、委任、辭退或罷免外部審計師所提供的任何建議。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

The Audit Committee also reviewed (i) the annual results of the Company and its subsidiaries for the year ended 31 December 2018 as well as the auditor's report prepared by the external auditor relating to accounting issues and major findings in course of audit; and (ii) the interim results of the Company and its subsidiaries for the six months ended 30 June 2019 as well as the review report prepared by the auditor relating to accounting issues and major findings in course of review.

The Audit Committee has reviewed the remuneration of the auditor for the year ended 31 December 2019 and has recommended the Board to re-appoint Ernst & Young as the auditor of the Company for the year ending 31 December 2020, subject to approval by the Shareholders at the AGM.

2. Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The primary duties of the Remuneration Committee are to establish, review and make recommendations to the Directors on our policy and structure concerning remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration, determine the terms of the specific remuneration package of each executive Director and senior management and review and approve performance-based remuneration by reference to corporate goals and objectives.

The Remuneration Committee consists of five members, namely Mr. Sun Bing, Mr. Fok Ho Yin Thomas, Mr. Gu Jiong, Mr. Liao Lujiang and Mr. Yang Yongwu. The chairman of the Remuneration Committee is Mr. Sun Bing.

審計委員會亦審閱(i)本公司及其子公司截至2018年12月31日止年度的年度業績，以及外部審計師就審計過程中的會計問題與主要發現編製的審計師報告；及(ii)本公司及其子公司截至2019年6月30日止六個月的中期業績，以及審計師就審閱過程中的會計問題與主要發現編製的審閱報告。

審計委員會已審閱截至2019年12月31日止年度的審計師酬金並向董事會推薦續聘安永會計師事務所擔任本公司截至2020年12月31日止年度的審計師，惟須經股東於股東週年大會上批准。

2. 薪酬委員會

本公司已遵照上市規則附錄十四所載企業管治守則成立薪酬委員會，並制定其書面職權範圍。薪酬委員會的主要職責為就有關董事及高級管理層薪酬的政策和架構以及就制訂有關薪酬政策設立正式和透明的程序而訂立、檢討及向董事作出推薦建議、釐定各執行董事及高級管理層的特定薪酬待遇條款、參考公司目標和宗旨以檢討及審批績效薪酬。

薪酬委員會由五名成員組成，即孫冰先生、霍浩然先生、顧炯先生、廖魯江先生及楊永武先生。薪酬委員會主席為孫冰先生。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

The primary duties of the Remuneration Committee are to formulate appraisal standards and conduct appraisals for Directors and senior management of the Company, and to formulate and review the remuneration policies and proposals for Directors and senior management of the Company. The details are as follows:

- to make proposals and recommendations to the Board on remuneration plans or proposals and establishment of formal and transparent procedures for the formulation of the above remuneration plans or proposals according to the primary scope, responsibilities, importance of the management positions of Directors and senior management members and the remuneration standards of relevant positions in other relevant enterprises;
- to formulate the specific remuneration packages for all executive Directors and senior management members, and to make recommendation to the Board on remuneration of non-executive Directors;
- to review the performance of duties of Directors (non-independent Directors) and senior management members of the Company and to conduct annual performance appraisals on them; and
- to perform other responsibilities required by laws, regulations, rules, regulatory documents, Articles of Association and assigned by the Board.

The Remuneration Committee convened one meeting during the year ended 31 December 2019. The table below sets forth the details of the attendance at the meeting:

Name of committee member 委員會成員姓名	Attended/Number of meeting(s) held 出席會議次數／舉行會議次數
Mr. Sun Bing (Chairman) 孫冰先生(主席)	1/1
Mr. Fok Ho Yin Thomas 霍浩然先生	1/1
Mr. Gu Jiong 顧炯先生	1/1
Mr. Liao Lujiang 廖魯江先生	1/1
Mr. Yang Yongwu 楊永武先生	1/1

薪酬委員會的主要職責為制定考核標準並對本公司董事及高級管理層進行考核，並制定及檢討本公司董事及高級管理層的薪酬政策及建議。詳情如下：

- 就薪酬計劃或建議以及就根據董事及高級管理層成員的管理崗位主要範圍、責任及重要性以及其他相關企業相關崗位的薪酬標準制定上述薪酬計劃或建議而設立正式透明的程序向董事會作出建議及推薦意見；
- 為所有執行董事及高級管理層成員制定特定薪酬待遇，並就非執行董事的薪酬向董事會提出推薦意見；
- 審核本公司董事(非獨立董事)及高級管理層成員的履職情況並對其進行年度績效考核；及
- 履行法律、法規、規則、監管文件、組織章程細則規定以及董事會指派的其他責任。

於截至2019年12月31日止年度，薪酬委員會共召開一次會議。下表載列該會議的出席詳情：

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

The major work performed by the Remuneration Committee during the year ended 31 December 2019 included, among others, reviewing and making recommendation to the Board of the remuneration and other benefits paid by the Company to the Directors and the senior management of the Company for the year ended 31 December 2019 and other related matters.

Details of the Directors' remuneration are set out in note 8 to the Financial Statements. In addition, the remuneration payable to the senior management of the Company (who are not the Directors) by band for the year ended 31 December 2019 is set out in the section headed "Corporate Governance Report – Remuneration of Senior Management" of this annual report.

3. Nomination Committee

The Nomination Committee consists of five members, namely Mr. Ge Yiyang, Mr. Yang Yongwu, Mr. Fok Ho Yin Thomas, Mr. Sun Bing and Mr. Gu Jiong. The chairman of the Nomination Committee is Mr. Ge Yiyang.

The primary duties of the Nomination Committee of the Company comprise the selection and recommendation of candidates, election criteria and procedures for appointments of Directors and senior management members of the Company. The details are as follows:

- to make recommendation to the Board about the size and composition of the Board according to the operating activities, size of assets and shareholding structure of the Company;
- to conduct research on the selection criteria, procedure and methods for Directors and senior management members and submit to the Board for consideration;
- to screen the candidates for Directors and senior management members and make recommendations;

於截至2019年12月31日止年度，薪酬委員會開展的主要工作包括(其中包括)審閱本公司就截至2019年12月31日止年度向本公司董事及高級管理層支付的薪酬及其他福利以及其他相關事宜，並就此向董事會作出建議。

董事的薪酬詳情載於財務報表附註8。此外，截至2019年12月31日止年度應付予本公司高級管理層(並非董事)的薪酬按等級載於本年報「企業管治報告 – 高級管理層的薪酬」一節。

3. 提名委員會

提名委員會由五名成員組成，即葛一陽先生、楊永武先生、霍浩然先生、孫冰先生及顧炯先生。提名委員會主席為葛一陽先生。

本公司提名委員會的主要職責包括選擇及建議候選人以及制定委任本公司董事及高級管理層成員的選擇標準及程序。詳情如下：

- 根據本公司的經營活動、資產規模及股權架構就董事會的規模及組成向董事會作出推薦意見；
- 對董事及高級管理層成員的選擇標準、程序及方法進行研究並提交董事會審議；
- 篩選董事及高級管理層成員候選人並作出推薦意見；

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

- to conduct comprehensive assessment on the skills, knowledge and experience of Directors and senior management members, and to review the independence of independent non-executive Directors; and
 - to perform other responsibilities required by laws, regulations, rules, regulatory documents, Articles of Association and assigned by the Board.
- 對董事及高級管理層成員的技能、知識及經驗進行綜合評估，並審核獨立非執行董事的獨立性；及
 - 履行法律、法規、規則、監管文件、組織章程細則規定以及董事會指派的其他責任。

The Nomination Committee convened one meeting during the year ended 31 December 2019. The table below sets forth the details of the attendance at the meeting:

於截至2019年12月31日止年度，提名委員會共召開一次會議。下表載列該會議的出席詳情：

Name of committee member 委員會成員姓名	Attended/Number of meeting(s) held 出席會議次數／舉行會議次數
Mr. Ge Yiyang (<i>Chairman</i>) 葛一暘先生(主席)	1/1
Mr. Yang Yongwu 楊永武先生	1/1
Mr. Fok Ho Yin Thomas 霍浩然先生	1/1
Mr. Sun Bing 孫冰先生	1/1
Mr. Gu Jiong 顧炯先生	1/1

The work performed by the Nomination Committee during the year ended 31 December 2019 included, among others, reviewing the structure, size and composition of the Board, assessing the independence of independent non-executive Directors and making recommendation to the Board on the re-election of the retiring Directors.

於截至2019年12月31日止年度，提名委員會開展的工作包括(其中包括)檢討董事會的架構、規模及組成、評估獨立非執行董事的獨立性及就重選退任董事向董事會作出建議。

Where vacancies on the Board arise, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations.

倘董事會出現空缺，提名委員會將參照建議候選人的技能、經驗、專業知識、個人誠信及時間投入，本公司的需要及其他相關法定規定及規例，啟動甄選程序。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

Nomination Policy

The Nomination Policy was approved and adopted by the Board on 28 March 2019 for evaluating and selecting any candidate for directorship. The Nomination Committee would consider the following criteria, including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy), any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity, and willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s).

The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship with a ranking of the candidates (if applicable) by order of preference based on the needs of the Company and reference check of each candidate.

提名政策

提名政策於2019年3月28日獲董事會批准及採納，以評估及甄選董事候選人。提名委員會將考慮以下標準，其中包括，品格與誠信、資格（文化及教育背景、專業資格、技能、知識及經驗以及董事會多元化政策所提述的多元化因素）、候選人的資格、技能、經驗、獨立性及多元化方面可為董事會帶來的任何潛在貢獻、投放足夠時間履行身為董事會成員及／或擔任董事委員會委員的職責的意願及能力。

提名委員會及／或董事會在收到委任新董事的建議及候選人的履歷資料（或相關詳情）後，依據上述準則評估該候選人，以決定該候選人是否合資格擔任董事。提名委員會隨後應根據本公司的需要及每位候選人的資歷查核按優先順序對候選人進行排名（如適用）以向董事會推薦委任適當候選人為董事。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

Board Diversity Policy

In order to enhance the effectiveness of the Board and to maintain the high standard of corporate governance, the Company has adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of the Board. Pursuant to the board diversity policy, the Company seeks to achieve Board diversity through the consideration of a number of factors when selecting the candidates to the Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to the Board.

The Directors have a balanced mix of knowledge and skills, including overall management and strategic development, human resources, information technology, accounting and financial management, risk management, corporate governance and evaluation of properties and assets. They obtained degrees in various majors including business administration, computer science, public administration, architectural engineering, international real estate, accounting and financial management. The Board has three independent non-executive Directors with different industry backgrounds, representing more than one third of the members of the Board. Furthermore, the Board has a wide range of age, ranging from 36 years old to 53 years old. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of the Board satisfies our board diversity policy.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. Our Nomination Committee will review the board diversity policy from time to time to ensure its continued effectiveness and the Company will disclose in its corporate governance report about the implementation of the board diversity policy on an annual basis.

董事會多元化政策

為提升董事會的效率及維持高水準的企業管治，本公司已採取董事會多元化政策，有關政策列明實現及維持董事會多元化的目標及方法。根據董事會多元化政策，本公司在挑選董事會候選人時，通過考慮多項因素力求實現董事會多元化，包括但不限於性別、技能、年齡、專業經驗、知識、文化、教育背景、種族及服務年限。最終委任決定將基於所選候選人將給董事會帶來的價值及貢獻。

董事擁有均衡的知識及技能組合，包括整體管理及戰略發展、人力資源、信息技術、會計及財務管理、風險管理、企業管治以及物業及資產評估。其獲得各類專業的學位，包括工商管理、計算機科學、公共管理、建築工程、國際房地產、會計及財務管理。董事會有三名獨立非執行董事，具有不同的行業背景，佔董事會成員的三分之一以上。此外，董事會年齡範圍較廣，介乎36歲到53歲。考慮到我們現有的業務模式及特定需求以及董事的不同背景，董事會的組成符合我們的董事會多元化政策。

我們的提名委員會負責確保董事會成員的多元化。我們的提名委員會將不時檢討董事會多元化政策，以確保其持續有效，且本公司每年會在其企業管治報告中披露有關董事會多元化政策的落實情況。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

DIVIDEND POLICY

The dividend policy of the Company, adopted by the Board on 28 March 2019, is set out as follows:

Payment of dividends by the Company is also subject to any restrictions under the Companies Law of Cayman Islands and the memorandum and articles of association of the Company. The Board will review the dividend policy as appropriate from time to time. The declaration and payment of dividends shall be determined at the sole discretion of the Board. The Board shall also take into account the following factors when considering whether to propose dividends and determining the dividend amount:

1. the Group's actual and expected financial performance;
2. retained earnings and distributable reserves of the Company and each of the members of the Group;
3. the Group's working capital requirements, capital expenditure requirements and future expansion plans;
4. the Group's liquidity position;
5. contractual restrictions on the payment of dividends by the Company to the Shareholders or by the Company's subsidiaries to the Company;
6. taxation considerations;
7. general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
8. other factors that the Board deems relevant.

股息政策

董事會於2019年3月28日採納的本公司股息政策載列如下：

本公司派付股息亦受開曼群島公司法及本公司組織章程大綱及細則之任何限制所規限。董事會將適時不時檢討股息政策。股息宣派及派付應由董事會全權酌情決定。在決定是否建議宣派股息及釐定股息的金額時，董事會亦須考慮下列因素：

- 一、本集團的實際和預期財務表現；
- 二、本公司及本集團各成員公司的保留盈利和可分派儲備；
- 三、本集團的營運資金需求、資本支出需求及未來擴展計劃；
- 四、本集團的流動性狀況；
- 五、本公司向股東或本公司子公司向本公司派付股息的合同限制；
- 六、稅務考慮；
- 七、整體經濟狀況、本集團業務的商業週期，以及對本集團業務或財務表現及狀況可能有影響的內在或外在因素；及
- 八、董事會認為相關的其他因素。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

REMUNERATION OF SENIOR MANAGEMENT

The remuneration payable to the senior management of the Company (who are not the Directors) is shown in the following table by band:

	2019 2019年
Nil to HK\$1,000,000 零至1,000,000港元	9
HK\$2,000,001 to HK\$2,500,000 2,000,001港元至2,500,000港元	1
	10

高級管理層的薪酬

應付予本公司高級管理層(並非董事)的薪酬按等級於下表列示：

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the year ended 31 December 2019.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company for the year ended 31 December 2019.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2019.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

證券交易的標準守則

本公司已採納標準守則。本公司已向全體董事作出具體查詢，而董事均已確認其於截至2019年12月31日止年度一直遵守標準守則。

可能掌握本公司內幕消息的本公司僱員亦已遵守證券交易的標準守則。於截至2019年12月31日止年度，本公司並無注意到出現本公司僱員不遵守標準守則的事件。

董事進行財務申報的責任

董事確認其編製本公司截至2019年12月31日止年度財務報表的責任。

董事會負責對年度及中期報告、內幕消息公告及按上市規則及其他監管要求規定的其他財務披露作出平衡、清晰而可理解的評估。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

The senior management of the Company has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company in order to put forward such information to the Board for approval.

本公司高級管理層已在需要時向董事會提供有關解釋及資料，以便董事會對本公司財務資料及狀況作出知情評估，從而提呈該等資料予董事會批准。

EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities for the financial statements is set out under the section headed "Independent Auditor's Report" in this annual report.

外部審計師及審計師酬金

本公司外部審計師就財務報表的申報責任作出的聲明載於本年報「獨立審計師報告」一節。

The external auditor of the Company will be invited to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report and auditor's independence.

本公司將邀請外部審計師出席股東週年大會，以回答有關審計工作、審計師報告的編製及內容以及審計師的獨立性等問題。

For the year ended 31 December 2019, an analysis of the fee paid/payable to the external auditor of the Company in respect of audit services and non-audit services is set out as follows:

截至2019年12月31日止年度，就審計服務及非審計服務而已付／應付本公司外部審計師的費用分析如下：

Service Category 服務類別	Fees Paid/ Payable 已付／應付費用 RMB' 000 人民幣千元
Audit services 審計服務	2,705
Other assurance services 其他核證服務	2,800
Non-audit services 非審計服務	250
	5,755

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

Details of the use of proceeds from the initial public offering are set out in the section headed “Management Discussion and Analysis – Use of Proceeds from the Initial Public Offering”.

JOINT COMPANY SECRETARIES

The joint company secretaries of the Company are Mr. Wong Chin Hung and Ms. So Shuk Yi Betty. Ms. So Shuk Yi Betty, a vice president of SWCS Corporate Services Group (Hong Kong) Limited (an external service provider), fulfils the qualification requirements laid down in the Listing Rules. Mr. Wong Chin Hung is the primary corporate contact person of Ms. So Shuk Yi Betty, the joint company secretary.

Biographical details of the joint company secretaries are set out under “Directors and Senior Management” section in this annual report. In compliance with Rule 3.29 of the Listing Rules, each of the joint company secretaries has undertaken no less than 15 hours of relevant professional training during the year ended 31 December 2019.

GOING CONCERN

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to the Shareholders through the optimization of the debt and equity balance.

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company’s ability to continue as a going concern.

首次公開發售所得款項用途

首次公開發售所得款項用途詳情載於「管理層討論及分析 – 首次公開發售所得款項用途」一節。

聯席公司秘書

本公司聯席公司秘書為黃展鴻先生及蘇淑儀女士。蘇淑儀女士為外部服務供應商方圓企業服務集團(香港)有限公司的副總裁，其符合上市規則規定的資質要求。黃展鴻先生為聯席公司秘書蘇淑儀女士的公司主要聯絡人。

聯席公司秘書的履歷詳情載於本年報「董事及高級管理層」一節。根據上市規則第3.29條，聯席公司秘書各自於截至2019年12月31日止年度接受不少於15小時的相關專業培訓。

持續經營能力

本集團會對其資本進行管理，以確保本集團旗下實體能夠在透過優化債務與資本之間的平衡使股東回報最大化的同時亦持續經營。

概無任何事件或情況的重大不明朗因素會對本公司的持續經營能力構成重大疑問。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibilities for preparing all information and representations contained in the consolidated financial statements of the Company for the year ended 31 December 2019 which give a true and fair view of the state of affairs of the Company and of the results and cash flows for the relevant period. The Directors consider that the consolidated financial statements of the Company for the year ended 31 December 2019 have been prepared in conformity with all applicable accounting standards and requirements and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgment of the Board and the management. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going concern basis. The statements of the auditor of the Company about its reporting responsibility on the consolidated financial statements of the Company are set out in the section headed "Independent Auditor's Report" in this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT

The Board is responsible for the risk management and internal control systems of the Company and for reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company recognizes that risk management is critical to the success of any property developer in the PRC. Key operational risks that the Company face include changes in general market conditions and the regulatory environment of the PRC property market, availability of suitable land sites for developments at commercially acceptable prices, local economic environment, expansion risks relating to entering into new cities or geographic regions, ability to timely complete our construction projects with sound quality, available financing to support our growth, competition from other property developers and our ability to promote and sell our properties in a timely fashion.

問責及審計

董事承認，其有責任編製本公司截至2019年12月31日止年度的綜合財務報表所載的一切資料及陳述，並真實公平地反映本公司的事務狀況以及相關期間的業績及現金流量。董事認為，本公司截至2019年12月31日止年度的綜合財務報表已遵照所有適用會計準則及規定編製，並反映根據董事會及管理層的最佳估計以及合理、知情及審慎的判斷所得的數額。董事並不知悉任何事件或情況的重大不明朗因素會對本公司的持續經營能力構成重大疑問。因此，董事已按持續經營基準編製本公司財務報表。本公司審計師就其對本公司綜合財務報表的呈報責任的聲明載於本年報「獨立審計師報告」一節。

風險管理及內部監控

風險管理

董事會負責本公司的風險管理及內部監控系統並檢討其有效性。該等系統旨在管理，而非消除無法實現業務目標的風險，而且只能就重大錯誤陳述或損失提供合理（而非絕對）的保證。

本公司認為風險管理對中國任何物業開發商的成功而言至關重要。本公司面對的主要營運風險包括整體市況及中國物業市場監管環境的變動、能否按商業上可接受的價格取得適宜開發的地盤、地方經濟環境、與向新城市或地區擴張有關的風險、及時優質地完成建設項目的能力、能否取得融資以支持增長、來自其他物業開發商的競爭及我們及時推廣及銷售我們物業的能力。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

In order to meet these challenges, the Company has adopted a series of internal control policies, procedures and plans that are designed to reasonably assure effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. See “Directors’ Report – Principal Risks and Uncertainties” for a discussion of various risks and uncertainties the Company faces. In addition, the Company also faces various market risks. In particular, the Company is exposed to credit, liquidity, interest rate and currency risks that arise in the normal course of our business. See note 41 to the financial statements of the Group for a discussion of these market risks.

In order to ensure the effective implementation of such internal control policies, the Company has adopted various on-going measures, including the following:

- The Board of Directors is responsible for and has general powers over the management and conduct of the business of the Company. Any significant business decision involving material risks, such as decisions to expand into new geographic regions or to incur significant corporate finance transactions, is reviewed, analyzed and approved at the Board level to ensure a thorough examination of the associated risks at our highest corporate governance body.
- Our management team at the headquarter level is in charge of the daily business operations and risk monitoring of the Company, and is responsible for the supervision of the respective fields of operations on a daily basis as well as the supervision and approval of any material business decisions of our city and project companies. We adopt a centralized approach to review and approve the business plan and structure. Our financial and accounting matters are directly controlled and reviewed at our headquarters level to ensure the consistency and accuracy. Our cost management department centralizes major procurement and construction contracts entered into to monitor the risks associated with such contracts, and also our internal audit function and legal affairs department to ensure regulatory and contractual compliance. Our IT system facilitates the above management processes.

為應對該等挑戰，本公司已經採納一系列內部監控政策、程序及計劃，旨在合理確保有效及高效的營運、可靠的財務申報及符合適用法律及法規。有關本公司所面對的各項風險及不確定因素的討論，請參閱「董事會報告 – 主要風險及不確定性」。此外，本公司亦面對多種市場風險。尤其是，本公司面對日常業務過程中產生的信貸、流動性、利率及貨幣風險。有關該等市場風險的討論，請參閱本集團財務報表附註41。

為確保有效實施有關內部監控政策，本公司採取了多項持續措施，包括以下各項：

- 董事會負責並擁有一般權力管理及開展本公司的業務。涉及重大風險的任何重大業務決定（如決定向新地區擴張或進行重大公司財務交易）會經董事會審議、分析及批准，以確保相關風險經最高公司管治機構的全面檢查。
- 總部的管理層團隊掌管本公司的日常業務營運及風險監控，並負責我們營運各方面的日常監督以及監督及批准我們城市及項目公司的任何重大業務決策。我們採用集中方式審議及批准業務計劃及架構。我們的財務及會計事項直接由總部控制及審議，以確保一致性及準確性。我們的成本管理部門集中訂立主要採購及建築合同，以監控與該等合同有關的風險，而內部審計部及法律事務部亦確保監管及合同方面的合規。我們的IT系統協助上述管理過程。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

- Our final site selection decisions are made by our investment committee. This committee is specifically formed to review and approve such business development and consists of our Chairman of the Board of Directors, CEO and the vice presidents of relevant departments at the headquarters level.
- For particular operational and market risks, control measures are adopted at an operational level. For example, the Company controls major construction risk by engaging qualified construction contractors with strict contractual requirements and reputable independent third-party project supervisory companies while maintaining daily quality control supervision.
- The Company enforces strict control and accountability policies and manuals at an individual employee level and conducts ongoing training. Our policies and manuals are updated consistently based on our operational needs. The Company seeks to maintain a corporate culture with a high level of responsibility, integrity and reliability to manage our operational and market risks.
- Our internal audit function performs regular reviews on the design and implementation of the internal controls and follows through remediation of deficiencies identified, the details of which are set out above.
- 我們的最終地盤甄選決定由投資委員會作出。我們專門成立該委員會以審核及批准有關業務發展，該委員會由董事會主席、首席執行官及總部相關部門的副總裁組成。
- 就特定營運及市場風險而言，我們在營運層面採取控制措施。例如，本公司透過保持日常質量控制監督的同時委聘訂有嚴格合同規定的合資格承建商及信譽良好的獨立第三方項目監理公司來控制主要建設風險。
- 本公司於個別僱員層面執行嚴格的控制及問責政策及規定，並進行持續的培訓。我們的政策及規定根據營運所需不斷更新。本公司尋求保持具高度責任感、誠實及可靠的企業文化以管理我們的營運及市場風險。
- 我們的內部審計部定期審查內部監控措施的設計及實施並跟進已識別缺陷的補救，詳情載於上文。

INTERNAL CONTROL

The internal control system is designed to provide reasonable and adequate assurance for effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations.

Our internal control system covers all major aspects of our operations, including, among others, sales, procurement, asset management, budgeting and accounting processes. To effectively implement such processes, the Company has a set of comprehensive policies and guidelines which set out details regarding the internal control standards, segregation of responsibilities, approval procedures and personnel accountability in each aspect. The Company also carries out regular internal assessments and training to ensure our employees are equipped with sufficient knowledge on such policies and guidelines.

內部監控

內部監控制度旨在為實現有效及高效的營運、可靠的財務申報及符合適用法律及法規提供合理適當保證。

我們的內部監控制度涵蓋我們營運的各個主要方面，其中包括銷售、採購、資產管理、預算及會計程序等。為有效實施該等程序，本公司已制定有一套全面的政策及指引，當中載列有關內部監控標準、職責分工、審批程序及員工問責的各方面詳情。本公司亦定期進行內部評估及培訓以確保我們的僱員充分了解該等政策及指引。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

The Board had conducted an annual review of the Group's risk management and internal control systems for the year ended 31 December 2019 and considered them effective and adequate.

INFORMATION DISCLOSURE

The Company discloses information in compliance with the Listing Rules and other applicable laws, and publishes periodic reports and announcements to the public in accordance with relevant laws and regulations. In particular, the Company has put in place a robust framework for the disclosure of inside information in compliance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"). The framework sets out the procedures and internal controls for the handling and dissemination of inside information in a timely manner so as to allow all the stakeholders to apprehend the latest position of the Company. The framework and its effectiveness are subject to review by the Board on a regular basis.

INTERNAL AUDIT

The Company has an internal audit function. The primary role of the internal audit function is to help the Board and the senior management of the Company to protect the assets, reputation and sustainability of the Company. The internal audit function provides independent and objective assurance as to whether the design and operational effectiveness of the Company's framework of risk management, control and governance processes, as designed and represented by the Company's management, is adequate. The internal audit function of the Company is independent of the risk management and internal control systems of the Company.

Results of audit work together with an assessment of the overall risk management and control framework are reported to the Audit Committee as appropriate. The internal audit function also reviews the Company's management's action plans in relation to audit findings and verifies the adequacy and effectiveness of the mitigating controls before formally closing the issue.

董事會已對本集團截至2019年12月31日止年度的風險管理及內部監控系統進行年度審核，並認為其屬有效及足夠。

資料披露

本公司根據上市規則及其他適用法律披露資料，及根據有關法律及法規向公眾刊發定期報告及公告。特別是，本公司根據香港法例第571章證券及期貨條例（「證券及期貨條例」）對內幕資料的披露設有完善的架構。此架構設有關於及時處理及發佈內幕資料的程序及內部監控，以便全體利益相關者能知悉本公司的最新情況。此架構及其成效會由董事會定期檢討。

內部審計

本公司設有內部審計部。內部審計部的主要責任為協助董事會及本公司高級管理層保護本公司資產、聲譽及可持續性。內部審計部就本公司管理層所制訂及陳述的本公司風險管理框架、監控及管治程序在設計及運行方面是否足夠有效提供獨立及客觀的保證。本公司內部審計部獨立於本公司的風險管理及內部監控系統。

審計工作結果連同整體風險管理及監控框架評估會於適當時向審計委員會匯報。內部審計部亦會審閱本公司管理層就審計發現提出的整改計劃，並會在正式確認問題整改完成前核實相關整改措施的充分性及有效性。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告(續)

SHAREHOLDERS

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company is committed to pursuing active dialogue with Shareholders as well as to provide timely disclosure of information concerning the Company's material developments to its Shareholders, investors and other stakeholders.

Annual general meeting of the Company serves as an effective forum for communication between the Shareholders and the Board. Notice of annual general meeting together with the meeting materials will be despatched to all Shareholders not less than 21 days and not less than 20 clear business days before the annual general meeting. As one of the measures to safeguard the Shareholders' interests and rights, separate resolutions will be proposed at general meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting. In addition, the Company regards annual general meeting as an important event, and all Directors, the chairmen of all Board Committees, senior management and external auditor will attend the annual general meeting of the Company to address Shareholders' inquiries. If the chairmen of the Board or each Board Committee fail to attend the meeting, then other members of each Board Committee will be invited to attend the annual general meeting and answer Shareholders' inquiries thereat. All resolutions proposed at general meetings will be voted by poll. The voting results will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com) on the same day of the relevant general meetings.

To promote effective communication, the Company maintains a website (www.dafaland.com), where the latest information and updates on its business operation and development, corporate governance practice, contact information of investor relations and other information are published for the public's access.

股東

與股東及投資者溝通

本公司致力尋求與股東開展積極對話，並及時向股東、投資者及其他利益相關者披露有關本公司重大發展的資料。

本公司的股東週年大會為股東與董事會提供一個有效的溝通平台。股東週年大會通告連同會議資料將於召開股東週年大會前至少21日及不少於20個完整營業日寄發予全體股東。作為保障股東權益及權利的措施之一，將於股東大會上就各重大事項分別提呈決議案，包括選舉個別董事以供股東考慮及投票。此外，本公司將股東週年大會視為重要事件，而全體董事、所有董事委員會的主席、高級管理層及外部審計師均會出席本公司股東週年大會以應對股東的問詢。如董事會或各董事委員會的主席未能出席大會，則各董事委員會的其他成員將獲邀出席股東週年大會並於會上應答股東的問詢。股東大會上提呈的所有決議案將以投票方式表決。投票結果將於相關股東大會舉行同日在聯交所網站(www.hkexnews.hk)及本公司網站(www.dafaland.com)刊載。

為促進有效溝通，本公司設有網站(www.dafaland.com)，並於該網站上刊載有關其業務運營及發展的最新資料及更新資料、企業管治常規、投資者關係部的聯絡資料及其他資料，以供公眾人士閱覽。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

In accordance with article 64 of the Articles of Association of the Company, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at the general meetings of the Company shall at all times have the rights, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to process to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Articles of Association of the Company and the Cayman Islands Companies Law. However, Shareholders who wish to propose resolutions may follow article 64 of the Articles of Association of the Company for requisitioning an extraordinary general meeting and including a resolution at such meeting. The requirements and procedures of article 64 are set out above.

股東召開臨時股東大會的程序

根據本公司組織章程細則第64條，任何一名或多名於遞呈要求日期持有不少於本公司繳足股本（附有於本公司股東大會上投票的權利）十分之一的股東將有權隨時透過向董事會或本公司公司秘書發出書面要求，要求董事會召開臨時股東大會，以處理有關要求中指明的任何事項；而該大會應於遞呈該要求後兩個月內舉行。倘於遞呈後21日內，董事會未能召開該大會，則遞呈要求人士可自行以相同方式召開大會，而遞呈要求人士因董事會的缺失而合理產生的所有開支應由本公司向遞呈要求人士作出償付。

於股東大會上提呈建議的程序

本公司組織章程細則及開曼群島公司法並無條文允許股東於股東大會上提呈新決議案。然而，擬提呈決議案的股東可根據本公司組織章程細則第64條，請求召開臨時股東大會並於會上提呈決議案。第64條的規定及程序載於上文。

CORPORATE GOVERNANCE REPORT *(Continued)*

企業管治報告 (續)

PROCEDURES FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD

Shareholders may at any time send their enquiries and concerns to the Board in writing through the investor relations, the contact details of which are as follows:

Address: Rooms 2805-06
28/F, Bank of America Tower
12 Harcourt Road, Central
Hong Kong

Email: ir@dafaland.com

AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATIONS

For the year ended 31 December 2019, there has not been any change in the Company's memorandum and articles of association.

股東向董事會提出查詢的程序

股東可隨時以書面形式通過投資者關係部向董事會遞交其查詢及關注事項，其聯絡方式詳情如下：

地址：香港
中環夏慤道12號
美國銀行中心28樓
2805-06室

電郵：ir@dafaland.com

組織章程大綱及細則修訂

於截至2019年12月31日止年度，本公司並無對組織章程大綱及細則作出任何變更。

DISCLOSURE OF INTERESTS

權益披露

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債權證的權益及淡倉

As at 31 December 2019, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required, to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

於2019年12月31日，本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有須於本公司根據證券及期貨條例第352條存置的登記冊中登記；或根據標準守則規定須另行通知本公司及聯交所的權益及淡倉如下：

Interests in Shares of the Company

於本公司股份的權益

Name of Director 董事姓名	Nature of Interest/Capacity 權益性質／身份	Number of Shares or underlying Shares 股份或相關股份數目	Approximate percentage of shareholding 概約持股百分比
Mr. Ge Yiyang ⁽¹⁾ 葛一陽先生 ⁽¹⁾	Interest in a controlled corporation/ interest of concert parties 受控制法團權益／一致行動人士權益	600,000,000	72.5%

Note:

(1) Pursuant to the Deed of Act-in-concert, each of the Ultimate Controlling Shareholders (namely, Mr. Ge Hekai (father of Mr. Ge Yiyang), Ms. Jin Linyin (mother of Mr. Ge Yiyang), Mr. Ge Heming (uncle of Mr. Ge Yiyang) and Mr. Ge Yiyang) had agreed to, consult each other and reach a unanimous consensus among themselves on such matters being the subject matters of any shareholders' resolution, prior to putting forward such resolution to be passed at any shareholders' meeting of the members of our Group or their respective predecessors during the period when they (by themselves or together with their associates) remain in control of our Group and they have confirmed that they have historically voted on such resolutions in the same way since 1 January 2015 or the date when they became interested in any member of our Group, whichever is earlier.

As such, each of the Ultimate Controlling Shareholders together with their respective holding companies (being Splendid Sun Limited, Sound Limited, Shade (BVI) Limited, Glorious Villa Limited and He Hong Limited) are all deemed to be interested in the total Shares directly and indirectly held by Splendid Sun Limited, Sound Limited, Shade (BVI) Limited, Glorious Villa Limited and He Hong Limited. Therefore, Mr. Ge Yiyang is deemed to have interest in the Shares held by Splendid Sun Limited, Glorious Villa Limited and He Hong Limited for the purpose of Part XV of the SFO.

附註：

(1) 根據一致行動契據，各最終控股股東（即葛和凱先生（葛一陽先生的父親）、金林蔭女士（葛一陽先生的母親）、葛和鳴先生（葛一陽先生的叔父）及葛一陽先生）已同意在其（其本身或連同其聯繫人）依然控制本集團期間提呈任何股東決議案在本集團成員公司或其各自的前身的任何股東大會通過前，就該等決議案主題事項所涉及事宜互相協商並彼此達成一致意見，且其已確認過往自2015年1月1日或其於本集團任何成員公司擁有權益的日期（以較早者為準）起已按相同方式就該等決議案進行投票。

因此，各最終控股股東連同其各自的控股公司（即Splendid Sun Limited、Sound Limited、Shade (BVI) Limited、Glorious Villa Limited及He Hong Limited）均被視為擁有Splendid Sun Limited、Sound Limited、Shade (BVI) Limited、Glorious Villa Limited及He Hong Limited直接及間接持有的全部股份權益。因此，就證券及期貨條例第XV部而言，葛一陽先生被視為擁有Splendid Sun Limited、Glorious Villa Limited及He Hong Limited持有股份的權益。

DISCLOSURE OF INTERESTS (Continued)**權益披露 (續)****Interests in Associated Corporations****於相聯法團的權益**

Name of Director 董事姓名	Nature of Interest/Capacity 權益性質 / 身份	Name of associated corporation 相聯法團名稱	Approximate percentage of shareholding 概約持股百分比
Mr. Ge Yiyang 葛一陽先生	Beneficial interest 實益權益	Glorious Villa Limited ⁽¹⁾	100%
	Interest in controlled corporation 受控制法團權益	He Hong Limited ⁽¹⁾⁽²⁾	1%

Notes:

(1) Pursuant to the Deed of Act-in-concert, each of the Ultimate Controlling Shareholders had agreed to, consult each other and reach a unanimous consensus among themselves on such matters being the subject matters of any shareholders' resolution, prior to putting forward such resolution to be passed at any shareholders' meeting of the members of our Group or their respective predecessors during the period when they (by themselves or together with their associates) remain in control of our Group and they have confirmed that they have historically voted on such resolutions in the same way since 1 January 2015 or the date when they became interested in any member of our Group, whichever is earlier.

As such, Glorious Villa Limited, together with Splendid Sun Limited, Sound Limited, Shade (BVI) Limited and He Hong Limited controlled 72.5% of the voting power at general meetings of the Company as at 31 December 2019 and therefore Glorious Villa Limited, Splendid Sun Limited, Sound Limited, Shade (BVI) Limited and He Hong Limited are associated corporations of the Company.

(2) Glorious Villa Limited is wholly-owned by Mr. Ge Yiyang. By virtue of the SFO, Mr. Ge Yiyang is deemed to be interested in the shares of He Hong Limited held by Glorious Villa Limited.

Save as disclosed above, as at 31 December 2019, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations, recorded in the register required to be kept by the Company under section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

(1) 根據一致行動契據，各最終控股股東已同意在其（其本身或連同其聯繫人）依然控制本集團期間提呈任何股東決議案在本集團成員公司或其各自的前身的任何股東大會通過前，就該等決議案主題事項所涉及事宜互相協商並彼此達成一致意見，且其已確認過往自2015年1月1日或其於本集團任何成員公司擁有權益的日期（以較早者為準）起已按相同方式就該等決議案進行投票。

因此，於2019年12月31日，Glorious Villa Limited連同Splendid Sun Limited、Sound Limited、Shade (BVI) Limited及He Hong Limited於本公司股東大會上控制72.5%的投票權，故此，Glorious Villa Limited、Splendid Sun Limited、Sound Limited、Shade (BVI) Limited及He Hong Limited均為本公司相聯法團。

(2) Glorious Villa Limited由葛一陽先生全資擁有。根據證券及期貨條例，葛一陽先生被視為於Glorious Villa Limited所持有的He Hong Limited股份中擁有權益。

除上文所披露者外，於2019年12月31日，概無本公司董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債權證中擁有須於本公司根據證券及期貨條例第352條存置的登記冊中登記或根據標準守則須通知本公司及聯交所的任何權益或淡倉。

DISCLOSURE OF INTERESTS (Continued)

權益披露(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司股份及相關股份的權益及淡倉

So far as is known to the Company, as at 31 December 2019, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

據本公司所知，於2019年12月31日，誠如本公司根據證券及期貨條例第336條須存置的登記冊所載，下列人士（本公司董事或最高行政人員除外）於股份或相關股份中擁有5%或以上權益：

Name of Shareholders 股東姓名 / 名稱	Nature of Interest/Capacity 權益性質 / 身份	Number of Shares or underlying Shares 股份或相關股份數目	Approximate percentage of shareholding 概約持股百分比
He Hong Limited	Beneficial interest 實益權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Splendid Sun Limited	Beneficial interest 實益權益 Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Mr. Ge Hekai 葛和凱先生	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Ms. Zhu Lan 朱嵐女士	Interest of spouse ⁽²⁾ 配偶權益 ⁽²⁾	600,000,000	72.5%
Glorious Villa Limited	Beneficial interest 實益權益 Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%

DISCLOSURE OF INTERESTS (Continued)**權益披露 (續)**

Name of Shareholders 股東姓名 / 名稱	Nature of Interest/Capacity 權益性質 / 身份	Number of Shares or underlying Shares 股份或相關股份數目	Approximate percentage of shareholding 概約持股百分比
Mr. Ge Yiyang 葛一陽先生	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Ms. Yang Yaqi 楊雅淇女士	Interest of spouse ⁽³⁾ 配偶權益 ⁽³⁾	600,000,000	72.5%
Shade (BVI) Limited	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Ms. Jin Linyin 金林蔭女士	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Sound Limited	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Mr. Ge Heming 葛和鳴先生	Interest of controlled corporation 受控制法團權益 Interest of concert parties ⁽¹⁾ 一致行動人士權益 ⁽¹⁾	600,000,000	72.5%
Ms. Wu Xiaolin 吳筱林女士	Interest of spouse ⁽⁴⁾ 配偶權益 ⁽⁴⁾	600,000,000	72.5%

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

Notes:

- (1) Pursuant to the Deed of Act-in-concert, each of the Ultimate Controlling Shareholders had agreed to, consult each other and reach a unanimous consensus among themselves on such matters being the subject matters of any shareholders' resolution, prior to putting forward such resolution to be passed at any shareholders' meeting of the members of our Group or their respective predecessors during the period when they (by themselves or together with their associates) remain in control of our Group, and they have confirmed that they have historically voted on such resolutions in the same way since 1 January 2015 or the date when they became interested in any member of our Group, whichever is earlier.

As such, each of the Ultimate Controlling Shareholders together with their respective holding companies (being Splendid Sun Limited, Sound Limited, Shade (BVI) Limited, Glorious Villa Limited and He Hong Limited) are all deemed to be interested in the total Shares directly and indirectly held by Splendid Sun Limited, Sound Limited, Shade (BVI) Limited, Glorious Villa Limited and He Hong Limited.

- (2) Ms. Zhu Lan, the spouse of Mr. Ge Hekai, is deemed to be interested in Mr. Ge Hekai's interest in our Company by virtue of the SFO.
- (3) Ms. Yang Yaqi, the spouse of Mr. Ge Yiyang, is deemed to be interested in Mr. Ge Yiyang's interest in our Company by virtue of the SFO.
- (4) Ms. Wu Xiaolin, the spouse of Mr. Ge Heming, is deemed to be interested in Mr. Ge Heming's interest in our Company by virtue of the SFO.

Save as disclosed above, as at 31 December 2019, the Company has not been notified by any person who had any interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

附註：

- (1) 根據一致行動契據，各最終控股股東已同意在其（其本身或連同其聯繫人）依然控制本集團期間提呈任何股東決議案在本集團成員公司或其各自的前身的任何股東大會通過前，就該等決議案主題事項所涉及事宜互相協商並彼此達成一致意見，且其已確認過往自2015年1月1日或其於本集團任何成員公司擁有權益的日期（以較早者為準）起已按相同方式就該等決議案進行投票。

因此，各最終控股股東連同其各自的控股公司（即Splendid Sun Limited、Sound Limited、Shade (BVI) Limited、Glorious Villa Limited及He Hong Limited）均被視為擁有Splendid Sun Limited、Sound Limited、Shade (BVI) Limited、Glorious Villa Limited及He Hong Limited直接及間接持有的全部股份權益。

- (2) 就證券及期貨條例而言，朱嵐女士（葛和凱先生的配偶）被視為擁有葛和凱先生於本公司的權益。
- (3) 就證券及期貨條例而言，楊雅淇女士（葛一陽先生的配偶）被視為擁有葛一陽先生於本公司的權益。
- (4) 就證券及期貨條例而言，吳筱林女士（葛和鳴先生的配偶）被視為擁有葛和鳴先生於本公司的權益。

除上文所披露者外，於2019年12月31日，本公司並無獲知會有任何人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條須存置的登記冊內的任何權益或淡倉。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

SHARE OPTION SCHEME

The Company approved and adopted a share option scheme (the “**Share Option Scheme**”) on 10 September 2018.

Details of the Share Option Scheme

(a) Purpose

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors believe the Share Option Scheme will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine the performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalize on the benefits of the options granted.

購股權計劃

本公司於2018年9月10日批准及採納購股權計劃(「購股權計劃」)。

購股權計劃詳情

(a) 目的

購股權計劃旨在令本集團向選定參與人士授出購股權，作為他們對本集團作出貢獻的鼓勵或獎勵。董事認為，購股權計劃將令本集團向僱員、董事及其他選定參與人士提供獎勵，以表彰他們對本集團的貢獻。鑒於董事有權視乎個別情況而釐定須達成的表現目標以及行使購股權前須持有購股權的最低期限，加上購股權的行使價在任何情況下不得低於上市規則規定的價格或董事可能設定的較高價格，故預期購股權的承授人將竭力為本集團的發展作出貢獻，致使股份市價上升，從而自其獲授的購股權中獲益。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

(b) Who may join

The Directors (which expression shall, for the purpose of this paragraph, include a duly authorized committee thereof) may, at their absolute discretion, invite any person belonging to any of the following classes of participants, who the Board considers, in its sole discretion, has contributed or will contribute to the Group, to take up options to subscribe for Shares (collectively the “**Eligible Participants**”):

- (i) any directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of any member of the Group; and
- (ii) any advisors, consultants, distributors, contractors, customers, suppliers, agents, business partners, joint venture business partners, service providers of any member of the Group.

For the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of participants. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise so determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the above class of participants to the grant of any option shall be determined by the Directors from time to time on the basis of the Directors’ opinion as to the participant’s contribution to the development and growth of the Group.

(c) Maximum number of Shares

- (i) The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 30% of the issued share capital of the Company from time to time.

(b) 可參與人士

董事(就本段而言,該詞包括獲正式授權的董事委員會)可全權酌情決定邀請屬下列任何參與人士類別且董事會全權酌情認為已經或將會對本集團作出貢獻的任何人士(統稱「合資格參與人士」)接納購股權以認購股份:

- (i) 本集團任何成員公司的任何董事(包括執行董事、非執行董事及獨立非執行董事)及僱員;及
- (ii) 本集團任何成員公司的任何顧問、諮詢人、分銷商、承建商、客戶、供應商、代理、業務夥伴、合營企業業務夥伴、服務供應商。

就購股權計劃而言,可向由屬於上述任何類別參與人士的一名或多名人士全資擁有的任何公司授出購股權。為免生疑,除非經董事另行決定,否則本公司向屬於上述任何類別參與人士的任何人士授出可認購股份或本集團其他證券的任何購股權本身不得當作按購股權計劃授出購股權論。

上述任何類別參與人士獲授任何購股權的資格,將由董事不時根據董事認為參與人士對本集團的發展及增長所作的貢獻而決定。

(c) 股份數目上限

- (i) 因根據購股權計劃及本集團任何其他購股權計劃所授出但尚未行使的所有發行在外購股權獲行使而可予發行的最高股份數目,合共不得超過本公司不時已發行股本30%。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

- (ii) The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 10% of the aggregate of the Shares in issue on the day on which trading of the Shares commences on the Stock Exchange, and such 10% limit represents 80,000,000 Shares (the “**General Scheme Limit**”).
- (iii) Subject to paragraph (i) above and without prejudice to paragraph (iv) below, the Company may issue a circular to its Shareholders and seek approval of its Shareholders in a general meeting to extend the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share options scheme of the Group shall not exceed 10% of the Shares in issue as of the date of approval of the limit and, for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of the Group) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to its Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (iv) Subject to paragraph (i) above and without prejudice to paragraph (iii) above, the Company may seek separate Shareholders’ approval in a general meeting to grant options beyond the General Scheme Limit or, if applicable, the extended limit referred to in paragraph (iii) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its Shareholders containing a general description of the identified participants, the number and terms of options to be granted, the purpose of granting options to the identified participants with an explanation as to how the terms of the options serve such purpose and all other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (ii) 因根據購股權計劃及本集團任何其他購股權計劃授出的所有購股權獲行使而可予發行的股份總數，合共不得超過於股份開始在聯交所買賣之日已發行股份總數的10%，且該10%限額相當於80,000,000股股份（「**一般計劃限額**」）。
- (iii) 在上文(i)段的規限和不影響下文(iv)段的情況下，本公司可向其股東發出通函，並在股東大會上尋求股東批准擴大一般計劃限額，惟根據購股權計劃及本集團任何其他購股權計劃將予授出的所有購股權獲行使而可予發行的股份總數，不得超過截至批准計劃限額日期已發行股份10%，而計算限額時，先前根據購股權計劃及本集團任何其他購股權計劃授出的購股權（包括根據購股權計劃及本集團任何其他購股權計劃尚未行使、已註銷、已失效或已行使的購股權）將不會計算在內。本公司向股東寄發的通函須載有（其中包括）上市規則第17.02(2)(d)條規定的資料及上市規則第17.02(4)條規定的免責聲明等資料。
- (iv) 在上文(i)段的規限和不影響上文(iii)段的情況下，本公司可在股東大會上另行尋求股東批准授出超過一般計劃限額的購股權或（如適用）在取得該批准前，向本公司特別指定的參與人士授出上文(iii)段所述經擴大限額的購股權。在該情況下，本公司必須向其股東寄發通函，當中須載有指定參與人士的一般資料、將授出的購股權數目及條款、向指定參與人士授出購股權的目的，並解釋購股權的條款如何達到該等目的，以及所有上市規則第17.02(2)(d)條規定的其他資料及上市規則第17.02(4)條規定的免責聲明。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

(d) *Maximum entitlement of each participant*

The total number of Shares issued and to be issued upon exercise of the options granted and to be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of options to a participant in aggregate in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders’ approval in general meeting of the Company with such participant and his/her close associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders’ approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

(e) *Grant of options to connected persons*

- (i) Any grant of options under the Share Option Scheme to any Director, chief executive or substantial Shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).
- (ii) Where any grant of options to a substantial Shareholder of the Company or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and

(d) *每名參與人士可獲授權益上限*

於任何12個月期間，因根據購股權計劃及本集團任何其他購股權計劃向每名參與人士已授出及將授出的購股權（包括已行使及尚未行使者）獲行使而已發行及將予發行的股份總數，不得超過本公司當時已發行股本1%（「**個人限額**」）。倘於截至進一步授出購股權日期（包括該日）止任何12個月期間進一步向參與人士授出合共超過個人限額的購股權，則須向股東寄發通函，且須於本公司股東大會上取得股東批准，而該名參與人士及其緊密聯繫人必須放棄投票。向該參與人士授出購股權的數目及條款（包括行使價）必須在股東批准前確定。就根據上市規則第17.03(9)條附註(1)規定計算行使價而言，建議進一步授出購股權的董事會會議日期應被視為授出日期。

(e) *向關連人士授出購股權*

- (i) 根據購股權計劃向本公司任何董事、最高行政人員或主要股東或他們各自的任何聯繫人授出任何購股權，必須獲獨立非執行董事（不包括本身為建議購股權承授人的任何獨立非執行董事）批准。
- (ii) 倘向本公司主要股東或獨立非執行董事或其各自的任何聯繫人授出購股權會導致因行使該名人士於截至授出日期（包括授出日期）止12個月期間已經及將會獲授的所有購股權（包括已行使、已註銷及尚未行使的購股權）而已經及將予發行的股份：
 - 合共超過已發行股份0.1%（或聯交所可能不時規定的其他較高百分比）；及

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

- having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of each grant, in excess of HK\$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange);

such further grant of options must be approved by the Shareholders in a general meeting. The Company must send a circular to its Shareholders no later than the date on which the Company gives notice of the general meeting to approve the Share Option Scheme. The grantees, their associates and all core connected persons of the Company must abstain from voting at such general meeting, except that they may vote against the relevant resolution at the general meeting provided that any of their intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith. Any vote taken at the general meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in a general meeting.

(f) Time of acceptance and exercise of option

An option may be accepted by a participant to whom the offer is made within 5 business days from the date on which the letter containing the offer is delivered to that participant. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination under the Share Option Scheme. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

- 按股份於各授出日期在聯交所每日報價表的收市價計算，總值超過5百萬港元（或聯交所可能不時規定的其他較高金額）；

則進一步授出購股權必須經股東在股東大會上批准。本公司必須於不遲於發出旨在批准購股權計劃的股東大會通告日期向股東寄發通函。承授人、他們的聯繫人及本公司所有核心關連人士必須在該股東大會上放棄投票，惟已在寄發予股東的通函內表明其有意在股東大會上投票反對有關決議案者則除外。於股東大會上批准授出該等購股權的任何表決必須以投票方式進行。主要股東或獨立非執行董事或他們各自的任何聯繫人獲授的購股權條款的任何變動必須經股東在股東大會上批准。

(f) 接納及行使購股權期限

接獲要約的參與人士可自要約函件交付予參與人士的日期起計五個營業日內接納購股權。購股權可於董事決定及知會各承授人的期間內，根據購股權計劃的條款隨時行使，該期間可於要約授出購股權日期後翌日開始，但在任何情況下必須於授出購股權日期起計十年內結束，惟可根據購股權計劃的條文提前終止。除非董事另行決定及於要約授出購股權時已向承授人表明，否則購股權計劃並無規定購股權於行使前須持有的最短期限。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

An offer shall be deemed to have been accepted and the option to which the offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the offer duly signed by the grantee with the number of Shares in respect of which the offer is accepted clearly stated therein, together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof, which must be received by the Company within 5 business days from the date on which the offer letter is delivered to the grantee.

(g) Performance targets

Unless the Directors otherwise determine and state in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

(h) Subscription price for Shares and consideration for the option

The subscription price per Share under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer of grant (provided that in the event that any option is proposed to be granted within a period of less than five business days after the trading of the Shares first commences on the Stock Exchange, the new issue price of the Shares for the Global Offering shall be used as the closing price for any business day falling within the period before listing of the Shares on the Stock Exchange); and (iii) the nominal value of a Share on the date of grant.

倘本公司於寄發要約函件予承授人起計五個營業日內接獲一份由承授人正式簽署有關接納要約之信件複本，其中明確寫上接納要約之股份數目，連同支付予本公司1.00港元款項，作為授予購股權之對價，則要約將會被視為已獲接納而與要約相關之購股權會被視為已授出並已生效。

(g) 表現目標

除非董事另行決定並於要約授出購股權時已向承授人表明，否則並無規定承授人於行使根據購股權計劃授出的任何購股權前須達成任何表現目標。

(h) 股份認購價及購股權對價

購股權計劃項下的每股股份認購價將為由董事決定的價格，惟有關價格不得低於下列三者中最高者：(i)於要約授出日期(必須為營業日)在聯交所每日報價表所報的股份收市價；(ii)緊接要約授出購股權日期前五個營業日在聯交所每日報價表所報的股份平均收市價(惟倘於股份首次在聯交所開始買賣後少於五個營業日的期間內建議授出任何購股權，則全球發售中股份的新發行價將用作股份於聯交所上市之前期間內任何營業日的收市價)；及(iii)授出日期的股份面值。

DISCLOSURE OF INTERESTS (Continued)

權益披露 (續)

(i) Ranking of Shares

- (i) Shares allotted and issued upon the exercise of an option will be identical to the then existing issued shares of the Company and subject to all the provisions of the Memorandum and Articles for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date the name of the grantee is registered on the register of members of the Company or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted upon the exercise of an option shall not carry voting rights or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register until the completion of the registration of the grantee on the register of members of the Company as the holder thereof.
- (ii) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a subdivision, consolidation, reclassification or re-construction of the share capital of the Company from time to time.

(i) 股份地位

- (i) 因行使購股權而配發及發行的股份將與本公司當時的現有已發行股份相同，並須受當時有效的大綱及細則所有條文所限，及在所有方面與承授人於本公司股東名冊登記當日（或倘本公司於該日暫停辦理股東登記手續，則以恢復辦理股東登記手續的首日計算（「行使日期」）的已發行繳足股份享有同等權利，因此，購股權持有人將有權獲派於行使日期或之後所派付或作出的一切股息或其他分派，倘有關記錄日期定於行使日期前，在此以前已宣派或建議或議決派付或作出的任何股息或其他分派不包括在內。承授人完成於本公司股東名冊登記作為股份持有人前，因購股權獲行使而配發的股份將不享有投票權或參與任何已宣派或建議或議決派付予名列股東名冊的股東的任何股息或分派（包括因本公司清盤而產生者）的權利。
- (ii) 除文義另有所指外，本段內「股份」一詞包括本公司普通股股本中因本公司不時進行股本拆細、合併、重新分類或重組而產生的任何面額股份。

DISCLOSURE OF INTERESTS *(Continued)*

權益披露 (續)

(j) Restrictions on the time of grant of options

No offer for grant of options shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Directors (as such date is first notified to the Stock Exchange in accordance with the requirements of the Listing Rules) for the approval of the Company's results for any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules); and (ii) the last date on which the Company must publish its announcement of its results for any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules), and ending on the date of the announcement of the results, no offer for grant of options may be made.

The Directors may not grant any option to a participant who is a Director during the period or time in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(k) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

Details of Share Options Granted

No option was granted or agreed to be granted under the Share Option Scheme since the adoption date and during the year ended 31 December 2019.

(j) 授出購股權的時限

倘發生股價敏感事件或作出有關股價敏感事宜的決定，則不得要約授出購股權，直至根據上市規則的規定公告有關可能影響股價的消息為止。尤其於緊接下列較早期限前一個月開始的期間內概不得要約授出購股權，直至業績公告日期為止：(i)就批准本公司的任何年度、半年度、季度或任何其他中期業績（不論是否上市規則所規定）而舉行董事會會議的日期（須根據上市規則的規定首先知會聯交所所有關日期）；及(ii)本公司須刊發其任何年度、半年度、季度或任何其他中期業績公告（不論是否上市規則所規定）的最後期限。

在上市規則規定的上市發行人董事進行證券交易的標準守則或本公司所採納的任何相應守則或證券買賣限制規定禁止董事買賣股份的期間或時限內，董事不得向該等身為董事的參與人士授出任何購股權。

(k) 購股權計劃期限

購股權計劃自其獲採納之日起生效，為期十年。

購股權授出詳情

自採納日期起及於截至2019年12月31日止年度，概無根據購股權計劃授出或同意授出任何購股權。

INDEPENDENT AUDITOR'S REPORT

獨立審計師報告



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To the shareholders of DaFa Properties Group Limited

(Incorporated in the Cayman Islands with limited liability)

致大发地产集团有限公司股東

(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of DaFa Properties Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 123 to 294, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

吾等已審計第123至294頁所載大发地产集团有限公司(「**貴公司**」)及其子公司(「**貴集團**」)之綜合財務報表，此等綜合財務報表包括於2019年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表及綜合全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

吾等認為，綜合財務報表乃根據國際會計準則理事會(「**國際會計準則理事會**」)頒佈之國際財務報告準則(「**國際財務報告準則**」)真實公平地反映 貴集團於2019年12月31日之綜合財務狀況以及截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定妥為編製。

意見的基礎

吾等根據香港會計師公會(「**香港會計師公會**」)頒佈的香港審計準則(「**香港審計準則**」)進行審計。吾等在該等準則下承擔的責任已在報告審計師就審計綜合財務報表須承擔的責任一節中作進一步闡述。根據香港會計師公會頒佈的專業會計師職業道德守則(「**守則**」)，吾等獨立於 貴集團，並已根據守則履行其他職業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT *(Continued)*

獨立審計師報告(續)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

關鍵審計事項

關鍵審計事項是指根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在吾等審計整體綜合財務報表及出具意見時進行處理的，且吾等不會對該等事項提供單獨的意見。有關吾等的審計如何處理下述各項事項的描述乃以此為背景。

吾等已履行報告審計師就審計綜合財務報表須承擔的責任一節中所述責任，包括有關該等事項的責任。因此，吾等的審計包括執行為應對綜合財務報表重大錯報風險的評估而設的程序。審計程序(包括下文處理事項進行之程序)之結果為隨附之綜合財務報表的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT (Continued)**獨立審計師報告(續)****KEY AUDIT MATTERS (CONTINUED)****關鍵審計事項(續)****Key audit matters****關鍵審計事項****How our audit addressed the key audit matters****吾等的審計如何處理關鍵審計事項***Valuation of investment properties* 投資物業之估值

The Group owns investment properties in Mainland China which are measured at fair value and the aggregate carrying amount was approximately RMB2,798,600,000 as at 31 December 2019, representing 10.10% and 49.47% of the Group's total assets and net assets, respectively. The Group has engaged an external valuer to perform the valuation of these properties as at 31 December 2019.

貴集團在中國內地擁有多項按公允價值計量的投資物業，該等物業於2019年12月31日的總賬面值約為人民幣2,798,600,000元，分別佔貴集團總資產及淨資產的10.10%及49.47%。貴集團已聘請外部估值師於2019年12月31日對該等物業進行估值。

Significant judgement is required to determine the fair values of the investment properties, which reflect market conditions as at the end of the year. The use of different valuation techniques and assumptions could produce significantly different estimates of fair values. Accordingly, the valuation of investment properties is identified as a key audit matter.

在釐定投資物業的公允價值時需要作出重大判斷，該等公允價值反映年末的市況。採用不同的估值技術及假設可能導致公允價值估計出現重大差異。因此，投資物業的估值被確定為關鍵審計事項。

The accounting policies and disclosures of the investment properties are included in notes 2.4, 3 and 14 to the consolidated financial statements.

有關投資物業的會計政策及披露載於綜合財務報表附註2.4、3及14。

We performed the following procedures to address valuation of investment properties:

吾等已執行以下程序以對投資物業進行評估：

- evaluating the competency, independence and objectivity of the external valuer, and assessing the valuation approach used by the external valuer;
- 評估外部估值師的能力、獨立性及客觀性，並評估外部估值師所使用的估值方法；
- with the assistance of our internal valuation experts, assessing the reasonableness of the assumptions such as the capitalisation rate, vacancy rate and sale prices used in the valuations by comparing them to available industry data, taking into consideration comparability and market factors;
- 經考慮兼容性及市場因素後，透過將其與可用行業數據進行對比，在內部估值專家的協助下，評估估值所用假設（如資本化率、空置率及售價等）的合理性；
- testing the accuracy of the property related data used as inputs for the valuations; and
- 測試用作估值輸入數據的物業相關數據的正確性；及
- evaluating the disclosures on the valuation of the investment properties.
- 評估對投資物業估值所作的披露。

INDEPENDENT AUDITOR'S REPORT (Continued)

獨立審計師報告(續)

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Key audit matters

關鍵審計事項

Provision for land appreciation tax 土地增值稅撥備

The Group is a property developer in Mainland China focusing on the development of residential properties and the development, operation and management of commercial and mixed-use properties. Land appreciation tax ("LAT") in Mainland China is one of the main components of the Group's taxation charge. LAT is levied on the sale of properties at progressive rates ranging from 30% to 60% based on the appreciation of land value. At the end of each reporting period, the management of the Group estimates the provision for LAT based on its understanding and interpretation of the relevant tax rules and regulations, and the estimated total sales of properties less total deductible expenditure, which includes lease charges for land use rights, property development costs, borrowing costs and development expenditure. When the LAT is subsequently determined, the actual payments may be different from the estimates.

貴集團為一家中國內地的物業開發商，專注於開發住宅物業，以及開發、運營及管理商業及綜合用途物業。中國內地的土地增值稅(「土地增值稅」)為貴集團稅項支出的主要組成部分之一。物業銷售的土地增值稅乃按照30%至60%的累進稅率對土地增值額徵收。於各報告期末，貴集團管理層會根據其對相關稅務規則及法規的理解及詮釋對土地增值稅撥備及估計物業銷售總額減可扣減開支總額(包括土地使用權租賃開支、物業開發成本、借貸成本及開發支出)作出估計。在隨後確定土地增值稅時，實際付款金額可能與估計值有所不同。

The disclosures of the provision for land appreciation tax are included in notes 3 and 10 to the consolidated financial statements.

有關土地增值稅撥備的披露載於綜合財務報表附註3及10。

How our audit addressed the key audit matters

吾等的審計如何處理關鍵審計事項

We performed the following procedures to address provision for land appreciation tax:

吾等已執行以下程序，以處理土地增值稅撥備：

- with the assistance of internal tax specialists, performing a review on the LAT position, including the review of the estimates and assumptions used by the Group;
- 在內部稅務專家的協助下對土地增值稅狀況進行審查，包括審查貴集團使用的估計及假設；
- forming an independent view on the tax exposure based on communications between the Group and the relevant tax authorities; and
- 根據貴集團與相關稅務部門間的溝通形成有關稅務風險的獨立意見；及
- recalculating the tax computation and comparing our calculations with the amounts recorded by the Group.
- 重新計算稅項計算結果，並將吾等的計算結果與貴集團錄得的金額進行比較。

INDEPENDENT AUDITOR'S REPORT *(Continued)*

獨立審計師報告(續)

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

載於年報的其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，不包括綜合財務報表及吾等的審計師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等不會對其他資料發表任何形式的核證結論。

就吾等審計綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審計過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。於此方面，吾等並無任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定，編製真實而公平地反映情況的綜合財務報表，並進行董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT *(Continued)***獨立審計師報告(續)****RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

董事就綜合財務報表須承擔的責任(續)

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非貴公司董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

審計委員會協助貴公司董事履行其監督貴集團財務報告程序的責任。

審計師就審計綜合財務報表須承擔的責任

吾等的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的審計師報告。本報告的編製，僅向全體股東報告，除此以外不可作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT *(Continued)***獨立審計師報告 (續)****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

審計師就審計綜合財務報表須承擔的責任 (續)

合理確定屬高層次的核證，惟根據香港審計準則進行的審計工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，吾等運用專業判斷，並於整個審計過程中保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT *(Continued)***獨立審計師報告(續)****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

審計師就審計綜合財務報表須承擔的責任(續)

- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在審計師報告中提請使用者注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂吾等的意見。吾等的結論乃基於截至審計師報告日期止所取得的審計憑證而作出。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督及執行。吾等就審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT (Continued)

獨立審計師報告(續)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ho Wai Ling.

Ernst & Young
Certified Public Accountants
Hong Kong
30 March 2020

審計師就審計綜合財務報表須承擔的責任(續)

吾等與審計委員會就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通,該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

吾等亦向審計委員會作出聲明,指出吾等已符合有關獨立性的相關道德要求,並與其溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜,以及相關防範措施(如適用)。

從與審計委員會溝通的事項中,吾等確定對本期間綜合財務報表的審計至關重要的事項,因而構成關鍵審計事項。吾等在審計師報告中描述該等事項,除非法律或法規不允許公開披露該等事項,或在極端罕見的情況下,倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益,則吾等決定不應在報告中溝通該事項。

出具本獨立審計師報告的審計項目合夥人為Ho Wai Ling。

安永會計師事務所
執業會計師
香港
2020年3月30日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
REVENUE 收益	5	7,398,245	5,946,047
Cost of sales 銷售成本		(5,701,515)	(4,364,068)
GROSS PROFIT 毛利		1,696,730	1,581,979
Finance income 融資收入		18,262	17,740
Other income and gains 其他收入及收益	5	21,706	37,672
Selling and distribution expenses 銷售及分銷開支		(269,258)	(176,814)
Administrative expenses 行政開支		(393,259)	(375,071)
Other expenses 其他開支		(35,690)	(20,284)
Impairment losses on financial assets, net 淨金融資產減值虧損		(423)	(395)
Fair value gains, net: 公允價值淨收益:			
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產		58,363	–
Fair value gains on investment properties 投資物業的公允價值收益		57,476	61,295
Finance costs 融資成本	7	(249,760)	(132,711)
Share of profits and losses of: 分佔利潤及虧損:			
Joint ventures 合營企業		(23,176)	–
Associates 聯營公司		70,235	(3,969)
PROFIT BEFORE TAX 除稅前利潤	6	951,206	989,442
Income tax expense 所得稅費用	10	(350,466)	(500,067)
PROFIT FOR THE YEAR 年內利潤		600,740	489,375
Attributable to: 以下人士應佔:			
Owners of the parent 母公司擁有人		515,821	476,817
Non-controlling interests 非控股權益		84,919	12,558
		600,740	489,375
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT 母公司普通權益持有人應佔每股盈利			
Basic and diluted 基本及攤薄	12	RMB0.62 人民幣0.62元	RMB0.73 人民幣0.73元

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
PROFIT FOR THE YEAR 年內利潤	600,740	489,375
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods: 後續期間並無重新分類為損益的其他全面收入／(虧損)：		
Equity investments designated at fair value through other comprehensive income: 指定為按公允價值計入其他全面收入的股權投資：		
Changes in fair value 公允價值變動	9,342	(13,200)
Income tax effect 所得稅項影響	(2,335)	3,300
	7,007	(9,900)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods 後續期間並無重新分類為損益的其他淨全面收入／(虧損)	7,007	(9,900)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX 年內其他全面收入／(虧損)，扣除稅項	7,007	(9,900)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR 年內總全面收入	607,747	479,475
Attributable to: 以下人士應佔：		
Owners of the parent 母公司擁有人	522,828	466,917
Non-controlling interests 非控股權益	84,919	12,558
	607,747	479,475

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 DECEMBER 2019 2019年12月31日

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment 物業、廠房及設備	13	130,976	160,088
Investment properties 投資物業	14	2,798,600	2,582,000
Right-of-use assets 使用權資產	15(a)	6,964	–
Intangible assets 無形資產	16	10,053	5,353
Investments in joint ventures 於合營企業的投資	17	92,794	–
Investments in associates 於聯營公司的投資	18	1,783,333	24,091
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資	21	115,742	106,400
Deferred tax assets 遞延稅項資產	19	271,877	231,075
Total non-current assets 總非流動資產		5,210,339	3,109,007
CURRENT ASSETS 流動資產			
Properties under development 在建物業	22	9,844,872	11,003,293
Completed properties held for sale 已竣工持作銷售物業	23	2,864,311	1,094,172
Trade receivables 貿易應收款項	24	13,528	33,531
Due from related companies 應收關聯公司款項	38	2,028,836	570,396
Prepayments, other receivables and other assets 預付款項、其他應收款項及其他資產	25	2,121,365	1,067,063
Tax recoverable 可收回稅項		328,254	195,219
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	20	596,030	20,899
Restricted cash 受限制現金	26	1,115,487	650,574
Pledged deposits 已質押存款	26	766,669	26,321
Cash and cash equivalents 現金及現金等價物	26	2,811,566	1,487,075
Total current assets 總流動資產		22,490,918	16,148,543
CURRENT LIABILITIES 流動負債			
Trade and bills payables 貿易應付款項及應付票據	27	2,247,171	1,424,969
Other payables and accruals 其他應付款項及應計費用	28	1,887,152	863,436
Contract liabilities 合同負債	29	7,062,738	6,986,306
Due to related companies 應付關聯公司款項	38	577,398	30,473
Interest-bearing bank and other borrowings 計息銀行及其他借貸	30	2,476,816	2,194,208
Senior notes 優先票據	31	843,395	–
Lease liabilities 租賃負債	15(b)	4,819	–
Tax payable 應付稅項	10	752,152	664,766
Total current liabilities 總流動負債		15,851,641	12,164,158
NET CURRENT ASSETS 淨流動資產		6,639,277	3,984,385
TOTAL ASSETS LESS CURRENT LIABILITIES 總資產減流動負債		11,849,616	7,093,392

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**綜合財務狀況表(續)**

31 DECEMBER 2019 2019年12月31日

	Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
NON-CURRENT LIABILITIES 非流動負債			
Interest-bearing bank and other borrowings 計息銀行及其他借貸	30	3,622,333	3,451,010
Senior notes 優先票據	31	2,150,361	–
Lease liabilities 租賃負債	15(b)	2,240	–
Deferred tax liabilities 遞延稅項負債	19	417,199	396,417
Total non-current liabilities 總非流動負債		6,192,133	3,847,427
Net assets 淨資產		5,657,483	3,245,965
EQUITY 權益			
Equity attributable to owners of the parent 母公司擁有人應佔權益			
Share capital 股本	32	730	730
Reserves 儲備	33	3,422,225	3,082,302
		3,422,955	3,083,032
Non-controlling interests 非控股權益		2,234,528	162,933
Total equity 總權益		5,657,483	3,245,965

Mr. Ge Yiyang

葛一陽先生

Director

董事

Mr. Liao Lujiang

廖魯江先生

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Attributable to owners of the parent 母公司擁有人應佔										
	Share capital	Share premium	Merger reserve	Capital reserve	Statutory surplus reserve	Asset revaluation reserve	Equity investments revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	股本	股份溢價	合併儲備	資本儲備	法定盈餘儲備	資產重估儲備	股權投資重估儲備	保留利潤	總計	非控股權益	總權益
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	Note 32	Note 33(a)	Note 33(d)	Note 33(b)	Note 33(c)	Note 33(e)	Note 33(f)				
	附註32	附註33(a)	附註33(d)	附註33(b)	附註33(c)	附註33(e)	附註33(f)				
At 1 January 2018 於2018年1月1日	-	-	584,900	(6,621)	101,398	15,134	5,700	1,294,418	1,994,929	(1,201)	1,993,728
Profit for the year 年內利潤	-	-	-	-	-	-	-	476,817	476,817	12,558	489,375
Other comprehensive loss for the year: 年內其他全面虧損:											
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax 指定為按公允價值計入其他全面收入的 股權投資公允價值變動，扣除稅項	-	-	-	-	-	-	(9,900)	-	(9,900)	-	(9,900)
Total comprehensive income for the year 年內總全面收入	-	-	-	-	-	-	(9,900)	476,817	466,917	12,558	479,475
Issuance of new shares 發行新股	730	1,249,269	-	-	-	-	-	-	1,249,999	-	1,249,999
Capital contribution from non- controlling shareholders of subsidiaries 子公司非控股股東注資	-	-	-	-	-	-	-	-	-	151,049	151,049
Acquisition of subsidiaries by the Group from the then equity holder of subsidiaries 本集團向子公司當時權益 持有人收購子公司	-	-	(627,900)	-	-	-	-	-	(627,900)	-	(627,900)
Acquisition of a non-controlling interest 收購非控股權益	-	-	-	(913)	-	-	-	-	(913)	(4,818)	(5,731)
Disposal of subsidiaries 出售子公司	-	-	-	-	-	-	-	-	-	5,345	5,345
Appropriations to statutory surplus reserve 轉撥至法定盈餘儲備	-	-	-	-	90,367	-	-	(90,367)	-	-	-
At 31 December 2018 於2018年12月31日	730	1,249,269*	(43,000)*	(7,534)*	191,765*	15,134*	(4,200)*	1,680,868*	3,083,032	162,933	3,245,965

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

綜合權益變動表(續)

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Attributable to owners of the parent 母公司擁有人應佔										
	Share capital	Share premium	Merger reserve	Capital reserve	Statutory surplus reserve	Asset revaluation reserve	Equity investments revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	Note 32	Note 33(a)	Note 33(d)	Note 33(b)	Note 33(c)	Note 33(e)	Note 33(f)				
	附註32	附註33(a)	附註33(d)	附註33(b)	附註33(c)	附註33(e)	附註33(f)				
At 1 January 2019 於2019年1月1日	730	1,249,269	(43,000)	(7,534)	191,765	15,134	(4,200)	1,680,868	3,083,032	162,933	3,245,965
Profit for the year 年內利潤	-	-	-	-	-	-	-	515,821	515,821	84,919	600,740
Other comprehensive income for the year: 年內其他全面收入：											
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax 指定為按公允價值計入其他全面收入的股權投資公允價值變動，扣除稅項	-	-	-	-	-	-	7,007	-	7,007	-	7,007
Total comprehensive income for the year 年內總全面收入	-	-	-	-	-	-	7,007	515,821	522,828	84,919	607,747
Capital contribution from non-controlling shareholders of subsidiaries 子公司非控股股東注資	-	-	-	-	-	-	-	-	-	1,985,055	1,985,055
Acquisition of non-controlling interests 收購非控股權益	-	-	-	(349)	-	-	-	-	(349)	-	(349)
Disposal of subsidiaries 出售子公司	-	-	-	-	-	-	-	-	-	2,383	2,383
Disposal of partial interests in subsidiaries without losing control 出售子公司部分權益而無失去控制權	-	-	-	863	-	-	-	-	863	(762)	101
Appropriations to statutory surplus reserve 轉撥至法定盈餘儲備	-	-	-	-	110,165	-	-	(110,165)	-	-	-
Dividends and distributions 股息及分派	-	-	-	-	-	-	-	(183,419)	(183,419)	-	(183,419)
At 31 December 2019 於2019年12月31日	730	1,249,269*	(43,000)*	(7,020)*	301,930*	15,134*	2,807*	1,903,105*	3,422,955	2,234,528	5,657,483

* These reserve accounts comprise the consolidated reserves of RMB3,422,225,000 (2018: RMB3,082,302,000) in the consolidated statement of financial position.

* 該等儲備賬目包括綜合財務狀況表內的綜合儲備人民幣3,422,225,000元(2018年：人民幣3,082,302,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES			
經營活動產生的現金流量			
Profit before tax 除稅前利潤		951,206	989,442
Adjustments for: 調整:			
Depreciation of items of property, plant and equipment 物業、廠房及設備項目折舊	6,13	18,020	17,091
Depreciation of right-of-use assets 使用權資產折舊	6,15(a)	5,530	–
Amortisation of intangible assets 無形資產攤銷	6,16	1,198	458
Loss on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目淨虧損		475	2
Gain on disposal of an associate 出售聯營公司收益	5	–	(4,634)
Gain on disposal of subsidiaries, net 淨出售子公司收益	34	(2,362)	(22,301)
Share of profits and losses of: 分佔利潤及虧損:			
Joint ventures 合營企業		23,176	–
Associates 聯營公司		(70,235)	3,969
Changes in fair value of investment properties 投資物業的公允價值變動	14	(57,476)	(61,295)
Fair value gains, net: 公允價值淨收益:			
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產		(58,363)	–
Impairment losses on financial assets, net 淨金融資產減值虧損		423	395
Finance costs 融資成本	7	249,760	132,711
Finance income 融資收入		(18,262)	(17,740)
		1,043,090	1,038,098
Decrease/(increase) in properties under development 在建物業減少/(增加)		1,344,564	(2,751,817)
(Increase)/decrease in completed properties held for sale 已竣工持作銷售物業(增加)/減少		(1,670,416)	294,501
Decrease in trade receivables 貿易應收款項減少		20,003	5,064
(Increase)/decrease in prepayments, other receivables and other assets 預付款項、其他應收款項及其他資產(增加)/減少		(1,754,297)	69,929
Increase in amounts due from related parties 應收關聯方款項增加		(42,035)	–
Increase in restricted cash 受限制現金增加		(464,913)	(439,464)
Decrease/(increase) in pledged deposits 已質押存款減少/(增加)		4,254	(9,550)
Increase in trade and bills payables 貿易應付款項及應付票據增加		822,392	266,321
Increase in other payables and accruals 其他應付款項及應計費用增加		1,834,631	652,674
Increase in contract liabilities 合同負債增加		76,432	1,988,321
Increase/(decrease) in amounts due to a related company 應付關聯公司款項增加/(減少)		1,744	(1,728)

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**綜合現金流量表(續)**

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Cash generated from operating activities 經營活動所得現金		1,215,449	1,112,349
Interest received 已收利息		15,968	10,786
Interest paid 已付利息		(712,417)	(443,569)
Tax paid 已付稅項		(418,470)	(250,187)
Net cash flows from operating activities 經營活動所得淨現金流量		100,530	429,379
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動產生的現金流量			
Purchases of items of property, plant and equipment 購買物業、廠房及設備項目		(20,764)	(48,163)
Purchase of intangible assets 購買無形資產		(5,898)	(4,438)
Purchase of investment properties 購買投資物業		(2,856)	(4,069)
Acquisition of financial assets at fair value through profit or loss 收購按公允價值計入損益的金融資產		(1,409,530)	(510,899)
Disposal of subsidiaries 出售子公司	34	(3,086)	8,575
Disposal of an associate 出售聯營公司		-	5,600
Disposal of financial assets at fair value through profit or loss 出售按公允價值計入損益的金融資產		892,762	730,000
Investments in joint ventures 於合營企業的投資		(115,970)	-
Investments in associates 於聯營公司的投資		(1,689,007)	(27,216)
Disposal of items of property, plant and equipment 出售物業、廠房及設備項目		781	-
Dividends and interest received 股息及已收利息		7,279	6,954
Repayment of advances to a shareholder 股東償還墊款	38	-	600
Repayment of advances to related companies 關聯公司償還墊款	38	5,362,942	2,179,079
Advances to related companies 向關聯公司作出的墊款	38	(6,779,347)	(1,948,393)
Net cash flows (used in)/from investing activities 投資活動(所用)/所得淨現金流量		(3,762,694)	387,630

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

綜合現金流量表(續)

YEAR ENDED 31 DECEMBER 2019 截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動產生的現金流量			
Proceeds from issue of new shares 發行新股所得款項		–	1,285,103
Share issue expenses 股份發行開支		–	(35,104)
Capital contribution from non-controlling shareholders of subsidiaries 子公司非控股股東注資		1,985,055	151,049
Dividends paid to the equity holders of the Company 向本公司權益持有人支付的股息		(119,889)	–
Acquisition of subsidiaries by the Group from the then equity holder of subsidiaries 本集團向子公司當時權益持有人收購子公司		–	(627,900)
Acquisition of non-controlling interests 收購非控股權益		(349)	(5,731)
Disposal of partial interests in subsidiaries without losing control 出售子公司部分權益而無失去控制權		101	–
Dividends paid to the then equity holder of subsidiaries 向子公司當時權益持有人支付的股息		–	(146,492)
Advances from related companies 關聯公司墊款	38	1,154,655	68,478
Repayment of an advance from related companies 償還關聯公司墊款	38	(624,789)	(38,107)
Increase in pledged deposits 已質押存款增加		(744,602)	(1,838)
Principal portion of lease payments 租賃付款的本金部分		(2,072)	–
Proceeds from issue of senior notes 發行優先票據所得款項		2,884,614	–
Proceeds from interest-bearing bank and other borrowings 計息銀行及其他借貸所得款項		4,221,333	2,418,372
Repayment of interest-bearing bank and other borrowings 償還計息銀行及其他借貸		(3,767,402)	(2,774,954)
Net cash flows from financing activities 融資活動所得淨現金流量		4,986,655	292,876
NET INCREASE IN CASH AND CASH EQUIVALENTS			
現金及現金等價物淨增加		1,324,491	1,109,885
Cash and cash equivalents at beginning of year 年初現金及現金等價物		1,487,075	377,190
CASH AND CASH EQUIVALENTS AT END OF YEAR			
年末現金及現金等價物		2,811,566	1,487,075
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及現金等價物結餘分析			
Cash and bank balances 現金及銀行結餘	26	4,693,722	2,163,970
Less: Restricted cash 減：受限制現金	26	1,115,487	650,574
Pledged deposits 已質押存款	26	766,669	26,321
Cash and cash equivalents as stated in the statement of cash flows 現金流量表所列現金及現金等價物		2,811,566	1,487,075

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 18 December 2017. The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 11 October 2018. The registered office of the Company is located at 27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands.

During the year, the Group was principally involved in property development, property leasing, providing property management services and management consulting services.

In the opinion of the directors, the holding company and the ultimate holding company of the Company is Splendid Sun Limited, which was incorporated in the British Virgin Islands.

1. 公司及集團資料

本公司於2017年12月18日在開曼群島註冊成立為獲豁免有限公司。本公司股份於2018年10月11日在香港聯合交易所有限公司（「聯交所」）主板上市。本公司的註冊辦事處地址為27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands。

於年內，本集團主要從事物業開發、物業租賃、提供物業管理服務及管理諮詢服務。

董事認為，本公司的控股公司及最終控股公司為Splendid Sun Limited，該公司於英屬處女群島註冊成立。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries

有關子公司的資料

Particulars of the Company's principal subsidiaries are set out below:

本公司主要子公司的詳情載列如下：

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
Directly held: 直接持有：				
DaFa Blooms Limited	British Virgin Islands 英屬處女群島	US\$200 200美元	100%	Investment holding 投資控股
Indirectly held: 間接持有：				
YinYi Holdings (Hong Kong) Limited 垠壹香港有限公司	Hong Kong 香港	HK\$200 200港元	100%	Investment holding 投資控股
溫州凱揚企業管理有限公司 Wenzhou Kaiyang Group Co., Ltd.* ("Wenzhou Kaiyang") 溫州凱揚企業管理有限公司*(「溫州凱揚」)	People's Republic of China (「PRC」)/Mainland China 中華人民共和國 (「中國」)/中國內地	US\$70,000,000 70,000,000美元	100%	Investment holding 投資控股
上海大發房地產集團有限公司 Shanghai Dafa Land Group Co., Ltd. 上海大發房地產集團有限公司	PRC/Mainland China 中國／中國內地	RMB500,000,000 人民幣500,000,000元	100%	Property development and property leasing 物業開發及物業租賃
安慶市凱潤房地產開發有限公司 Anqing Kairun Property Development Co., Ltd. 安慶市凱潤房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	100%	Property development 物業開發
南京凱鴻房地產開發有限公司 Nanjing Kaihong Real Estate Development Co., Ltd. 南京凱鴻房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB56,000,000 人民幣56,000,000元	100%	Property development and property leasing 物業開發及物業租賃

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
南京凱潤房地產開發有限公司 Nanjing Kairun Real Estate Development Co., Ltd. 南京凱潤房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB56,000,000 人民幣56,000,000元	100%	Property development and property leasing 物業開發及物業租賃
南京凱沅置業有限公司 Nanjing Kaixuan Real Estate Co., Ltd. 南京凱沅置業有限公司	PRC/Mainland China 中國／中國內地	RMB58,000,000 人民幣58,000,000元	100%	Property development 物業開發
南京凱洲置業有限公司 Nanjing Kaizhou Real Estate Co., Ltd. 南京凱洲置業有限公司	PRC/Mainland China 中國／中國內地	RMB50,020,000 人民幣50,020,000元	100%	Property development 物業開發
上海凱暘置業有限公司 Shanghai Kaiyang Real Estate Co., Ltd. 上海凱暘置業有限公司	PRC/Mainland China 中國／中國內地	RMB260,210,000 人民幣260,210,000元	100%	Property development 物業開發
上海垠壹置業有限公司 Shanghai Yinyi Real Estate Co., Ltd. 上海垠壹置業有限公司	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	100%	Property development 物業開發
溫州市凱潤置業有限公司 Wenzhou Kairun Real Estate Co., Ltd. 溫州市凱潤置業有限公司	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
溫州市垠壹置業有限公司 Wenzhou Yinyi Real Estate Co., Ltd. ** 溫州市垠壹置業有限公司**	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	96%	Property development 物業開發
溫州市貴垠置業有限公司 Wenzhou Guiyin Real Estate Co., Ltd. ** 溫州市貴垠置業有限公司**	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	90%	Property development 物業開發
寧波凱陽置業有限公司 Ningbo Kaiyang Real Estate Co., Ltd. ** 寧波凱陽置業有限公司**	PRC/Mainland China 中國／中國內地	RMB338,000,000 人民幣338,000,000元	98%	Property development 物業開發
溫州市凱澤置業有限公司 Wenzhou Kaize Real Estate Co., Ltd. 溫州市凱澤置業有限公司	PRC/Mainland China 中國／中國內地	RMB365,470,000 人民幣365,470,000元	100%	Property development 物業開發
舟山凱舟置業有限公司 Zhoushan Kaizhou Real Estate Co., Ltd. 舟山凱舟置業有限公司	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	100%	Property development 物業開發
安慶市垠壹置業有限公司 Anqing Yinyi Real Estate Co., Ltd. 安慶市垠壹置業有限公司	PRC/Mainland China 中國／中國內地	RMB476,078,400 人民幣476,078,400元	100% (Note) (附註)	Property development 物業開發
南京沅垠置業有限公司 Nanjing Xuanyin Real Estate Co., Ltd. ** 南京沅垠置業有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	91%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
蕪湖垠壹置業有限公司 Wuhu Yinyi Real Estate Co., Ltd. 蕪湖垠壹置業有限公司	PRC/Mainland China 中國／中國內地	RMB262,678,000 人民幣262,678,000元	100%	Property development 物業開發
蕪湖齊垠置業有限公司 Wuhu Qiyin Real Estate Co., Ltd. 蕪湖齊垠置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
邳州垠壹置業有限公司 Pizhou Yinyi Real Estate Co., Ltd. ** 邳州垠壹置業有限公司**	PRC/Mainland China 中國／中國內地	RMB100,000,000 人民幣100,000,000元	91%	Property development 物業開發
長興垠壹置業有限公司 Changxing Yinyi Real Estate Co., Ltd. *** 長興垠壹置業有限公司***	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	32%	Property development 物業開發
合肥凱潤房地產開發有限公司 Hefei Kairun Property Development Co., Ltd. 合肥凱潤房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
句容沚垠置業有限公司 Jurong Xuanyin Real Estate Co., Ltd. *** 句容沚垠置業有限公司***	PRC/Mainland China 中國／中國內地	RMB40,000,000 人民幣40,000,000元	47%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
射陽煜闕置業有限公司 Sheyang Yuque Real Estate Co., Ltd. ** 射陽煜闕置業有限公司**	PRC/Mainland China 中國／中國內地	RMB20,000,000 人民幣20,000,000元	91%	Property development 物業開發
寧波餘姚市凱潤置業有限公司 Ningbo Yuyao Kairun Real Estate Co., Ltd. ** 寧波餘姚市凱潤置業有限公司**	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	88%	Property development 物業開發
嘉興市凱澤置業有限公司 Jiaxing Kaize Real Estate Co., Ltd. ** 嘉興市凱澤置業有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	90%	Property development 物業開發
英德市煜闕置業有限公司 Yingde Yuque Real Estate Co., Ltd. ** 英德市煜闕置業有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	91%	Property development 物業開發
邛崃市瀚顏房地產開發有限公司 Qionglai Hanyan Property Development Co., Ltd. ** 邛崃市瀚顏房地產開發有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	91%	Property development 物業開發
重慶融闕置業有限公司 Chongqing Rongque Real Estate Co., Ltd. ** 重慶融闕置業有限公司**	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	91%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下:(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立/註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 /註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
新鄭市成美房地產開發有限公司 Xinzheng Chengmei Property Development Co., Ltd. ** 新鄭市成美房地產開發有限公司**	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	90%	Property development 物業開發
無錫凱陽置業有限公司 Wuxi Kaiyang Real Estate Co., Ltd. 無錫凱陽置業有限公司	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發
太倉緯世置業有限公司 Taicang Weishi Real Estate Co., Ltd. 太倉緯世置業有限公司	PRC/Mainland China 中國/中國內地	RMB210,000,000 人民幣210,000,000元	100%	Property development 物業開發
永康凱濱置業有限公司 Yongkang Kaibin Real Estate Co., Ltd. *** 永康凱濱置業有限公司***	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	45% (Note)(附註)	Property development 物業開發
南京凱澤投資有限公司 Nanjing Kaize Investment Management Co., Ltd. 南京凱澤投資有限公司	PRC/Mainland China 中國/中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
上海凱陽實業發展有限公司 Shanghai Kaiyang Industrial Development Co., Ltd. 上海凱陽實業發展有限公司	PRC/Mainland China 中國/中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
上海凱沅貿易有限公司 Shanghai Kaiyuan Trading Co., Ltd.** 上海凱沅貿易有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	96%	Property development 物業開發
上海融闕實業發展有限公司 Shanghai Rongque Industrial Development Co., Ltd. 上海融闕實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
上海貴垠實業發展有限公司 Shanghai Guiyin Industrial Development Co., Ltd.** 上海貴垠實業發展有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	90%	Property development 物業開發
上海望垠實業發展有限公司 Shanghai Wangyin Industrial Development Co., Ltd.** 上海望垠實業發展有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	93%	Property development 物業開發
上海瀚楷實業發展有限公司 Shanghai Hankai Industrial Development Co., Ltd. 上海瀚楷實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
上海煜關實業發展有限公司 Shanghai Hankai Industrial Development Co., Ltd.** 上海煜關實業發展有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	91%	Property development 物業開發
上海瀚沅實業發展有限公司 Shanghai Hanxuan Industrial Development Co., Ltd.** 上海瀚沅實業發展有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	91%	Property development 物業開發
南京齊垠置業有限公司 Nanjing Qiyin Real Estate Co., Ltd.** 南京齊垠置業有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	82%	Property development 物業開發
南京齊城置業有限公司 Nanjing Qicheng Real Estate Co., Ltd.** 南京齊城置業有限公司**	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	91%	Property development 物業開發
合肥煜關房地產開發有限公司 Hefei Yuque Property Development Co., Ltd. 合肥煜關房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
南京齊珂置業有限公司 Nanjing Qike Real Estate Co., Ltd.** 南京齊珂置業有限公司**	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	90%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
上海瀚本實業發展有限公司 Shanghai Hanben Industrial Development Co., Ltd. 上海瀚本實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
寧波凱澤置業有限公司 Ningbo Kaize Real Estate Co., Ltd.** 寧波凱澤置業有限公司**	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	88%	Property development 物業開發
溫州市沅垠置業有限公司 Wenzhou Xuanyin Real Estate Co., Ltd. 溫州市沅垠置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海瀚由實業發展有限公司 Shanghai Hanyou Industrial Development Co., Ltd. 上海瀚由實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
上海瀚顏實業發展有限公司 Shanghai Hanyan Industrial Development Co., Ltd. 上海瀚顏實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
合肥融闕房地產開發有限公司 Hefei Rongque Property Development Co., Ltd. 合肥融闕房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海瀚房實業發展有限公司 Shanghai Hanfang Industrial Development Co., Ltd. 上海瀚房實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
寧波凱元置業有限公司 Ningbo Kaiyuan Real Estate Co., Ltd. 寧波凱元置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海垠珏置業有限公司 Shanghi Yinjue Real Estate Co., Ltd. 上海垠珏置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
湖州市垠望置業有限公司 Huzhou Yinwang Real Estate Co., Ltd. 湖州市垠望置業有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
深圳市瀚從實業發展有限公司 Shenzhen Hancong Industrial Development Co., Ltd. 深圳市瀚從實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
溫州市凱泫置業有限公司 Wenzhou Kaixuan Real Estate Co., Ltd. 溫州市凱泫置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海本瀚實業發展有限公司 Shanghai Benhan Industrial Development Co., Ltd.** 上海本瀚實業發展有限公司**	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	60%	Property development 物業開發
陝西凱望房地產開發有限公司 Shanxi Kaiwang Property Development Co., Ltd. 陝西凱望房地產開發有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海瀚闕實業發展有限公司 Shanghai Hanque Industrial Development Co., Ltd. 上海瀚闕實業發展有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
溫州凱揚房地產有限公司 Wenzhou Kaiyang Property Development Co., Ltd. 溫州凱揚房地產有限公司	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are set out below: (continued)

1. 公司及集團資料(續)

有關子公司的資料(續)

本公司主要子公司的詳情載列如下:(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立/註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 /註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
無錫齊珂置業有限公司 Wuxi Qike Real Estate Co., Ltd.*** 無錫齊珂置業有限公司***	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣20,000,000元	46%	Property development 物業開發
徐州瀚瀾置業有限公司 Xuzhou Hanlan Real Estate Co., Ltd. 徐州瀚瀾置業有限公司	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發
泰安金暘華房地產開發有限公司 Taian Jinyanghua Property Development Co., Ltd.*** 泰安金暘華房地產開發有限公司***	PRC/Mainland China 中國/中國內地	RMB251,000,000 人民幣251,000,000元	31%	Property development 物業開發
寧波壹暘投資有限公司 Ningbo Yiyang Investment Co., Ltd. 寧波壹暘投資有限公司	PRC/Mainland China 中國/中國內地	RMB1,500,000,000 人民幣1,500,000,000元	100%	Property development 物業開發
寧波翰凱建築有限公司 Ningbo Hankai Construction Co., Ltd. 寧波翰凱建築有限公司	PRC/Mainland China 中國/中國內地	RMB1,500,000,000 人民幣1,500,000,000元	100%	Property development 物業開發
寧波凱天置業有限公司 Ningbo Kaitian Real Estate Co., Ltd. 寧波凱天置業有限公司	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
寧波垵場投資有限公司 Ningbo Yinyang Investment Co., Ltd. 寧波垵場投資有限公司	PRC/Mainland China 中國／中國內地	RMB1,200,000,000 人民幣1,200,000,000元	100%	Property development 物業開發
寧波凱銘置業有限公司 Ningbo Kaiming Real Estate Co., Ltd.** 寧波凱銘置業有限公司**	PRC/Mainland China 中國／中國內地	RMB162,000,000 人民幣162,000,000元	51%	Property development 物業開發
寧波凱發置業有限公司 Ningbo Kaifa Real Estate Co., Ltd. 寧波凱發置業有限公司	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
合肥陽發置業有限公司 Hefei Yangfa Real Estate Co., Ltd.*** 合肥陽發置業有限公司***	PRC/Mainland China 中國／中國內地	RMB10,000,000 人民幣10,000,000元	42%	Property development 物業開發
合肥澤陽置業有限公司 Hefei Zeyang Real Estate Co., Ltd.*** 合肥澤陽置業有限公司***	PRC/Mainland China 中國／中國內地	RMB50,000,000 人民幣50,000,000元	31%	Property development 物業開發
常熟弘陽正發房地產開發有限公司 Changshu Hongyang Zhengfa Property Development Co., Ltd.*** 常熟弘陽正發房地產開發有限公司***	PRC/Mainland China 中國／中國內地	RMB108,750,000 人民幣108,750,000元	25%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下:(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立/註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 /註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
寧波翰沅建築有限公司 Ningbo Hanxuan Construction Co., Ltd. 寧波翰沅建築有限公司	PRC/Mainland China 中國/中國內地	RMB1,500,000,000 人民幣1,500,000,000元	100%	Property development 物業開發
台州興德置業有限公司 Taizhou Xingde Real Estate Co., Ltd.** 台州興德置業有限公司***	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	41%	Property development 物業開發
寧波凱律置業有限公司 Ningbo Kailv Real Estate Co., Ltd. 寧波凱律置業有限公司	PRC/Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
上海垠邦實業發展有限公司 Shanghai Yinbang Industrial Development Co., Ltd. 上海垠邦實業發展有限公司	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發
上海垠孚實業發展有限公司 Shanghai Yinfu Industrial Development Co., Ltd. 上海垠孚實業發展有限公司	PRC/Mainland China 中國/中國內地	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發
桐鄉市澤暘房地產開發有限公司 Tongxiang Zeyang Property Development Co., Ltd.** 桐鄉市澤暘房地產開發有限公司***	PRC/Mainland China 中國/中國內地	RMB645,000,000 人民幣645,000,000元	32%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

1. 公司及集團資料(續)

Information about subsidiaries (continued)

有關子公司的資料(續)

Particulars of the Company's principal subsidiaries are set out below: (continued)

本公司主要子公司的詳情載列如下：(續)

Subsidiaries 子公司	Place of incorporation/ registration and business 註冊成立／註冊地點 及營業地點	Issued ordinary/ registered share capital 已發行普通股 ／註冊股本	Actual percentage of equity attributable to the Company 本公司應佔股權 實際百分比	Principal activities 主要業務
青海恒創房地產開發有限公司 Qinghai Hengchuang Property Development Co., Ltd.** 青海恒創房地產開發有限公司**	PRC/Mainland China 中國／中國內地	RMB101,527,700 人民幣101,527,700元	60%	Property development 物業開發
大連貴垠投資有限公司 Dalian Guiyin Investment Co., Ltd. 大連貴垠投資有限公司	PRC/Mainland China 中國／中國內地	RMB1,200,000,000 人民幣1,200,000,000元	100%	Property development 物業開發
大連翰旻建築工程有限公司 Ningbo Hanxuan Construction Co., Ltd. 大連翰旻建築工程有限公司	PRC/Mainland China 中國／中國內地	RMB600,000,000 人民幣600,000,000元	100%	Property development 物業開發
大連凱陽置業有限公司 Dalian Kaiyang Real Estate Co., Ltd. 大連凱陽置業有限公司	PRC/Mainland China 中國／中國內地	RMB700,000,000 人民幣700,000,000元	100%	Property development 物業開發
上海凱闕企業管理有限公司 Shanghai Kaique Enterprise Management Co., Ltd.** 上海凱闕企業管理有限公司**	PRC/Mainland China 中國／中國內地	RMB2,000,000,000 人民幣2,000,000,000元	51%	Property development 物業開發
上海關陽企業管理有限公司 Shanghai Queyang Enterprise Management Co., Ltd.** 上海關陽企業管理有限公司**	PRC/Mainland China 中國／中國內地	RMB1,000,000,000 人民幣1,000,000,000元	51%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about subsidiaries (continued)

The English names of all group companies registered in the PRC represent the best efforts made by the management of the Company to translate the Chinese names of these companies as they do not have official English names. The legal form of these principal PRC subsidiaries disclosed above are limited liability companies.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note:

The Group legally transferred the equity interests in the following subsidiaries as collateral to companies as at 31 December 2019.

	Percentage of equity pledged as at 31 December 2019 於2019年12月31日的質押權益百分比
Anqing Yinyi Real Estate Co., Ltd. 安慶市垠壹置業有限公司	20.18%
Yongkang Kaibin Real Estate Co., Ltd. 永康凱濱置業有限公司	40.07%

* Wenzhou Kaiyang is registered as a wholly-foreign-owned enterprise under PRC law.

** These companies are subsidiaries of non-wholly-owned subsidiaries of the Company and, accordingly, are accounted for as subsidiaries by virtue of the Company's control over them.

*** As the Group has exposure or rights to variable returns from its involvement with those companies, and has the ability to affect those returns through its majority voting position and the existing rights to direct the relevant activities, including, but not limited to the budget, pricing and promotion strategies of these companies, the Group has control over these companies and these companies are thus accounted for as subsidiaries of the Group.

1. 公司及集團資料(續)

有關子公司的資料(續)

所有於中國註冊的集團公司的英文名稱乃由本公司管理層盡最大努力對該等公司中文名稱翻譯所得，乃因其並無正式英文名稱。上文所披露的該等主要中國子公司的法律形式為有限公司。

上表列述董事認為主要影響本集團年度業績或構成本集團大部分淨資產的本公司子公司。董事認為，提供其他子公司的詳情會導致詳情過長。

附註：

於2019年12月31日，本集團將於下列子公司的股權合法轉讓予公司作為抵押物。

* 溫州凱陽已根據中國法律註冊為外商獨資企業。

** 該等公司為本公司的非全資子公司的子公司，因本公司於該等公司擁有控制權而入賬列為子公司。

*** 由於本集團因參與該等公司而享有或有權享有可變回報，且能通過其於該等公司的多數投票權影響上述回報並有權指導該等公司的相關活動，包括但不限於預算、定價及推廣策略，本集團對該等公司擁有控制權，故該等公司列作本集團的子公司。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) (which include all standards and interpretations, International Accounting Standards (“**IASs**”) and Standing Interpretations Committee interpretations) approved by the International Accounting Standards Board (the “**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

2.1 編製基準

該等財務報表乃根據國際會計準則理事會（「**國際會計準則理事會**」）批准的國際財務報告準則（「**國際財務報告準則**」）（包括所有準則及詮釋、國際會計準則（「**國際會計準則**」）及常務詮釋委員會詮釋）及香港公司條例的披露規定編製。其乃根據歷史成本法編製，惟已按公允價值計量的投資物業及按公允價值計入損益的金融資產除外。該等財務報表以人民幣（「**人民幣**」）呈列，除文義另有所指外，所有金額均經四捨五入調整至最接近的千位數。

綜合基準

綜合財務報表包括本公司及其子公司（統稱「**本集團**」）截至2019年12月31日止年度的財務報表。子公司指由本公司直接或間接控制的實體（包括結構性實體）。當本集團對參與投資對象業務的可變回報承擔風險或享有權利以及能通過對投資對象的權力（即本集團獲賦予現有有能力以主導投資對象有關活動的既存權利）影響該等回報時，即取得控制權。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.1 BASIS OF PREPARATION (CONTINUED)

Basis of consolidation (continued)

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

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

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

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

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

2.1 編製基準(續)

綜合基準(續)

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象的其他投票權持有人的合同安排；
- (b) 其他合同安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

子公司與本公司之財務報表之報告期相同，並採用一致之會計政策編製。子公司之業績由本集團獲得控制權當日起綜合入賬，並繼續綜合入賬直至有關控制權終止當日為止。

損益及其他全面收入之各個組成部分歸屬於本集團母公司之擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。所有有關本集團各成員公司間交易之集團內部資產及負債、權益、收入、開支及現金流量均會於綜合入賬時全數抵銷。

倘事實及情況顯示上述三項控制因素之一項或多項出現變化，本集團會重新評估其是否控制投資對象。於子公司的所有權益變動，惟並無失去控制權，則以權益交易入賬。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.1 BASIS OF PREPARATION
(CONTINUED)

Basis of consolidation (continued)

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

2.2 CHANGES IN ACCOUNTING POLICIES
AND DISCLOSURES

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

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

2.1 編製基準(續)

綜合基準(續)

倘本集團失去對子公司之控制權，則終止確認(i)該子公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)已收對價之公允價值、(ii)所保留任何投資之公允價值及(iii)損益中任何因此產生之盈餘或虧損。先前已於其他全面收入內確認之本集團應佔部分重新分類至損益或保留利潤(如適當)，基準與本集團直接出售相關資產或負債所需使用之基準相同。

2.2 會計政策的變動及披露

本集團已就本年度之財務報表首次採納下列新訂及經修訂國際財務報告準則。

國際財務報告準則第9號的修訂	具有負補償的提早還款特性
國際財務報告準則第16號	租賃
國際會計準則第19號的修訂	計劃修訂、縮減或清償
國際會計準則第28號的修訂	於聯營公司及合營企業的長期權益
國際財務報告詮釋委員會詮釋第23號	所得稅處理的不確定性
國際財務報告準則年度改進(2015年至2017年週期)	對國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號的修訂

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

Except for the amendments to IFRS 9 and IAS 19, and Annual Improvements to IFRSs 2015-2017 Cycle, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised IFRSs are described below:

- (a) IFRS 16 replaces IAS 17 *Leases*, IFRIC-Int 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-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 to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have any financial impact on leases where the Group is the lessor.

2.2 會計政策的變動及披露(續)

除國際財務報告準則第9號及國際會計準則第19號的修訂以及國際財務報告準則年度改進(2015年至2017年週期)與編製本集團的財務報表並無關係外，新訂及經修訂的國際財務報告準則的性質及影響載列如下：

- (a) 國際財務報告準則第16號取代國際會計準則第17號租賃、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、常設詮釋委員會第15號經營租賃－優惠及常設詮釋委員會第27號評估牽涉租賃的法律形式的交易的內容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人將所有租賃按單一的資產負債表內模式入賬，以確認及計量使用權資產及租賃負債，惟若干確認豁免除外。國際財務報告準則第16號大致沿用國際會計準則第17號內出租人的會計處理。出租人將繼續使用與國際會計準則第17號類似的原則將租賃分類為經營或融資租賃。因此，國際財務報告準則第16號對本集團作為出租人的租賃並無產生任何財務影響。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (continued)

The Group has adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under IAS 17 and related interpretations.

New definition of a lease

Under IFRS 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 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 IAS 17 and IFRIC-Int 4 at the date of initial application. Contracts that were not identified as leases under IAS 17 and IFRIC-Int 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

2.2 會計政策的變動及披露(續)

(a) (續)

本集團透過採用經修訂追溯採納法採納國際財務報告準則第16號，並於2019年1月1日首次應用。在此方法下，該準則已獲追溯應用，並將首次採納的累計影響確認為對於2019年1月1日保留利潤的期初結餘的調整，且2018年比較資料並無重列，並繼續根據國際會計準則第17號及相關詮釋呈報。

租賃的新定義

根據國際財務報告準則第16號，倘合同為換取對價而給予在一段時間內控制使用已識別資產的權利，則該合同為租賃或包含租賃。當客戶有權從使用已識別資產獲得絕大部分經濟利益以及指示使用已識別資產時，即擁有控制權。本集團選擇使用過渡性可行權宜方式，以允許該準則於首次應用日期僅適用於先前已根據國際會計準則第17號及國際財務報告詮釋委員會詮釋第4號識別為租賃的合同。根據國際會計準則第17號及國際財務報告詮釋委員會詮釋第4號尚未識別為租賃的合同並無重新評估。因此，國際財務報告準則第16號項下的租賃定義已僅應用於在2019年1月1日或之後訂立或更改的合同。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 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 IFRS 16

The Group has lease contracts for various items of offices and motor vehicles. 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 IFRS 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 leases with a lease term of 12 months or less (“**short-term leases**”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

Impacts on transition

Lease liabilities 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. The right-of-use assets for most leases were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019.

2.2 會計政策的變動及披露(續)

(a) (續)

作為承租人 – 先前分類為經營租賃的租賃

採納國際財務報告準則第16號的影響性質

本集團擁有多個辦公室及汽車項目的租賃合同。作為承租人，本集團先前根據有關租賃是否將資產所有權的絕大部分回報及風險轉移至本集團的評估，將租賃分類為融資租賃或經營租賃。根據國際財務報告準則第16號，本集團採用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃（按個別租賃基準選擇）及租期為12個月或以下的租賃（「**短期租賃**」）（按相關資產類別選擇）的兩項選擇性豁免除外。本集團確認使用權資產折舊（及減值，如有）及尚未償還租賃負債之應計利息（為融資成本），而非於自2019年1月1日開始之租期內按直線法於經營租賃項下確認租金開支。

過渡影響

於2019年1月1日的租賃負債按餘下租賃付款現值確認，使用2019年1月1日的增量借款利率貼現。大部分租賃的使用權資產按租賃負債金額計量，並就與緊接2019年1月1日前於財務狀況表確認的租賃有關的任何預付或應計租賃付款金額作出調整。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (continued)

As a lessee – Leases previously classified as operating leases (continued)

Impacts on transition (continued)

All these assets were assessed for any impairment based on IAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

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 IAS 40.

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

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

2.2 會計政策的變動及披露(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)

所有該等資產於當日均已根據國際會計準則第36號就任何減值作出評估。本集團選擇於財務狀況表中單獨呈報使用權資產。

對於先前包括在投資物業及按公允價值計量的租賃土地及樓宇(為賺取租金收入及/或為資本增值而持有者)，於2019年1月1日，本集團繼續將其包括在投資物業。其繼續應用國際會計準則第40號按公允價值計量。

於2019年1月1日應用國際財務報告準則第16號時，本集團已使用以下選擇性可行權宜方式：

- 就租期自首次應用日期起12個月內終止的租賃應用短期租賃豁免
- 倘合同包含延期/終止租賃的選擇權，則使用事後方式釐定租期

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)**2.2 會計政策的變動及披露(續)****(a) (continued)****(a) (續)***Financial impact at 1 January 2019**於2019年1月1日的財務影響*

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

於2019年1月1日採納國際財務報告準則第16號所產生的影響如下：

	Increase 增加 RMB' 000 人民幣千元
Assets 資產	
Increase in right-of-use assets 使用權資產增加	9,131
Increase in total assets 總資產增加	9,131
Liabilities 負債	
Increase in lease liabilities 租賃負債增加	(9,131)
Increase in total liabilities 總負債增加	(9,131)
Decrease in retained profits 保留利潤減少	-

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(a) (continued)

Financial impact at 1 January 2019 (continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

	RMB' 000 人民幣千元
Operating lease commitments as at 31 December 2018	
於2018年12月31日的經營租賃承擔	19,914
Less: Commitments relating to short-term leases and those leases with a remaining lease term ended on or before 31 December 2019	
減：與短期租賃及餘下租期於2019年12月31日或之前屆滿的該等租賃有關的承擔	(8,733)
Commitments relating to leases of low-value assets	
低價值資產租賃相關之承擔	(1,411)
	9,770
Weighted average incremental borrowing rate as at 1 January 2019	
於2019年1月1日的加權平均增量借款利率	7%
Discounted operating lease commitments as at 1 January 2019	
於2019年1月1日的已貼現經營租賃承擔	9,131
Lease liabilities as at 1 January 2019 於2019年1月1日的租賃負債	9,131

2.2 會計政策的變動及披露(續)

(a) (續)

於2019年1月1日的財務影響(續)

於2019年1月1日的租賃負債與於2018年12月31日的經營租賃承擔對賬如下：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(b) Amendments to IAS 28 clarify that the scope exclusion of IFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies IFRS 9, rather than IAS 28, including the impairment requirements under IFRS 9, in accounting for such long-term interests. IAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continued to be measured at amortised cost in accordance with IFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

2.2 會計政策的變動及披露(續)

(b) 國際會計準則第28號的修訂澄清國際財務報告準則第9號的範圍豁免僅包括應用權益法的聯營公司或合營企業之權益，且不包括實質上構成聯營公司或合營企業淨投資額一部分的長期權益(尚未對其應用權益法)。因此，計算此類長期利益時，實體應用國際財務報告準則第9號(包括國際財務報告準則第9號項下的減值規定)而非國際會計準則第28號。只有在確認聯營公司或合營企業的虧損及聯營公司或合營企業淨投資減值的情況下，國際會計準則第28號才會被應用於淨投資(包括長期權益)。於2019年1月1日採納該等修訂後，本集團評估了其聯營公司及合營企業長期權益的業務模式，並得出結論，聯營公司及合營企業的長期權益將繼續根據國際財務報告準則第9號按攤銷成本計量。因此，該等修訂對本集團的財務狀況或表現並無任何影響。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(c) IFRIC-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as “**uncertain tax positions**”). The interpretation does not apply to taxes or levies outside the scope of IAS 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 impact on the financial position or performance of the Group.

2.2 會計政策的變動及披露(續)

(c) 國際財務報告詮釋委員會詮釋第23號提出於稅務處理涉及會影響國際會計準則第12號應用的不確定性因素(常稱為「**不確定課稅情況**」)時將所得稅(即期及遞延)入賬的會計處理方法。該詮釋並不適用於國際會計準則第12號範疇以外的稅項或徵費，亦無特別載列與不確定稅務處理的相關利息及罰款有關的規定。詮釋具體處理(i)實體有否單獨考慮不確定稅務處理；(ii)實體就稅務當局調查稅務處理作出的假設；(iii)實體如何釐定應課稅利潤或稅務虧損、稅基、未動用稅務虧損、未動用稅務抵免及稅率；以及(iv)實體如何考慮事實及情況變動。採納該詮釋後，本集團考慮對其集團內銷售的轉移定價是否引起任何不確定課稅情況。基於本集團的稅務合規與轉移定價調查，本集團確定其轉移定價政策有可能獲稅務當局認可。因此，該詮釋對本集團的財務狀況或表現並無任何影響。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 3	<i>Definition of a Business</i> ¹
Amendments to IFRS 9, IAS 39 and IFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
IFRS 17	<i>Insurance Contracts</i> ²
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i> ¹
Amendments to IAS 1	<i>Classification of liabilities as Current or Non-current</i> ⁴

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ No mandatory effective date yet determined but available for adoption

⁴ Effective for annual periods beginning on or after 1 January 2022

2.3 已頒佈但尚未生效之國際財務報告準則

本集團於該等財務報表中並未採納下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第3號的修訂	<i>業務的定義</i> ¹
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂	<i>利率基準改革</i> ¹
國際財務報告準則第10號及國際會計準則第28號的修訂	<i>投資者與其聯營公司或合營企業之間的資產出售或注資</i> ³
國際財務報告準則第17號	<i>保險合同</i> ²
國際會計準則第1號及國際會計準則第8號的修訂	<i>重大的定義</i> ¹
國際會計準則第1號的修訂	<i>將負債分類為即期或非即期</i> ⁴

¹ 於2020年1月1日或之後開始的年度期間生效

² 於2021年1月1日或之後開始的年度期間生效

³ 尚未釐定強制生效日期，惟可供採納

⁴ 於2022年1月1日或之後開始的年度期間生效

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs (CONTINUED)

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to IFRS 9, IAS 39 and IFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之國際財務報告準則(續)

預期將適用於本集團的該等國際財務報告準則的進一步資料如下。

國際財務報告準則第3號的修訂澄清並就業務的定義提供額外指引。該等修訂澄清，一系列綜合活動及資產需至少包括對實質性產出能力有重大貢獻的投入及實質性進程方可被視為一項業務。業務可不包括創造輸出所需的所有投入及進程而存在。該等修訂取消了對市場參與者是否有能力獲得業務並繼續產生輸出的評估。相反，重點是所獲得投入及所取得實質性進程是否共同對創造輸出的能力有重大貢獻。該等修訂亦縮小了輸出的定義，重點關注向客戶提供的商品或服務、投資收入或自日常業務產生的其他收入。此外，該等修訂對評估所取得的進程是否屬實質性提供了指引，並引入可選的公允價值集中測試，以簡化對所獲得的一系列活動及資產是否屬業務的評估。本集團預期將自2020年1月1日起前瞻性地採納該等修訂。由於該等修訂預期適用於首次應用日期或之後發生的交易或其他事件，故本集團於過渡日期將不受該等修訂影響。

國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號的修訂解決銀行同業拆息改革對財務申報之影響。該等修訂提供可在替換現有利率基準前的不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響的對沖關係的額外資料。該等修訂於2020年1月1日或之後開始的年度期間生效，並允許提早應用。預期該等修訂將不會對本集團財務報表造成任何重大影響。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSs (CONTINUED)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之國際財務報告準則(續)

國際財務報告準則第10號及國際會計準則第28號的修訂處理國際財務報告準則第10號及國際會計準則第28號於處理投資者與其聯營公司或合營企業間之資產出售或投入方面之規定之不一致情況。該等修訂規定，當投資者與其聯營公司或合營企業間之資產出售或投入構成一項業務時，須全面確認收益或虧損。對於涉及並無構成一項業務之資產之交易而言，該項交易產生之收益或虧損於投資者之損益中確認，惟僅以不相關投資者於該聯營公司或合營企業之權益為限。該等修訂將按前瞻基準應用。國際會計準則理事會已於2015年12月剔除國際財務報告準則第10號及國際會計準則第28號的修訂的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營企業的會計處理完成更廣泛的檢討後釐定。然而，該等修訂可於現時採納。

國際會計準則第1號及國際會計準則第8號的修訂為重大提供了新的定義。該新定義指出，倘遺漏、失實陳述或隱藏某項資料可合理預期將對通用財務報表的主要用戶依據該等財務報表做出的決策產生影響，則該項資料屬重大。該等修訂澄清，重要性將取決於資料的性質或程度。倘可合理預期資料的失實陳述將對主要用戶做出的決策產生影響，則該項失實陳述屬重大。本集團預期自2020年1月1日起前瞻性地採納該等修訂。預期該等修訂不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Investments in associates and joint ventures**

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures are included in the consolidated statement of profit or loss. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred.

2.4 重大會計政策概要**於聯營公司及合營企業的投資**

聯營公司為本集團於其一般不少於20%股本投票權中擁有長期權益的實體，且可對其發揮重大影響力。重大影響力指參與投資對象的財務和經營決策的權力，但不是控制或共同控制該等政策的權力。

合營企業指一種合營安排，對安排擁有共同控制權之訂約方據此對合營企業之淨資產擁有權利。共同控制指按照合同協定對一項安排所共有之控制，共同控制僅在有相關活動要求享有控制權之訂約方作出一致同意之決定時存在。

本集團於聯營公司及合營企業的投資乃按本集團根據權益會計法應佔淨資產減任何減值虧損於綜合財務狀況表列賬。倘會計政策存在任何不一致，則會作出相應調整。本集團應佔聯營公司及合營企業收購後業績及其他全面收入計入綜合損益表。此外，倘直接於聯營公司或合營企業的權益確認一項變動，則本集團會於綜合權益變動表確認其應佔任何變動(倘適用)。本集團與其聯營公司或合營企業間交易所產生的未變現收益及虧損以本集團於聯營公司或合營企業的投資為限對銷，惟倘未變現虧損證明所轉讓資產減值則除外。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Investments in associates and joint ventures (continued)**

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 重大會計政策概要(續)**於聯營公司及合營企業的投資(續)**

倘於聯營公司的投資變成於合營企業的投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，失去對聯營公司的重大影響力或對合營企業的共同控制權後，本集團按其公允價值計量及確認任何保留投資。聯營公司或合營企業於失去重大影響力或共同控制權時的賬面值與保留投資及出售所得款項的公允價值之間的任何差額乃於損益確認。

業務合併及商譽

業務合併乃以收購法入賬。轉讓的對價乃以收購日期的公允價值計量，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團對被收購方的前擁有人承擔的負債，及本集團發行以換取被收購方控制權的股權的總和。於每項業務合併中，本集團選擇是否以公允價值或被收購方可識別淨資產的應佔比例，計量於被收購方屬現時所有權權益並賦予持有人權利於清盤時按比例分佔淨資產的非控股權益。非控股權益的所有其他部分乃按公允價值計量。收購相關成本於產生時列為開支。

NOTES TO FINANCIAL STATEMENTS *(Continued)***財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Business combinations and goodwill (continued)**

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 重大會計政策概要(續)**業務合併及商譽(續)**

當本集團收購一項業務時，其會根據合同條款以及於收購日期的經濟環境及相關條件，評估所承擔的金融資產及負債，以作出適合的分類及指定。此包括將被收購方主合同中的嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前持有的股權按收購日期的公允價值重新計量，所產生的任何收益或虧損於損益確認。

收購方將予轉讓的任何或然對價於收購日期按公允價值確認。分類為一項資產或負債的或然對價按公允價值計量，公允價值的變動於損益確認。分類為權益的或然對價不會重新計量，其後結算於權益中入賬。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Fair value measurement**

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

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

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

2.4 重大會計政策概要(續)**公允價值的計量**

本集團於各報告期結束時按公允價值計量其投資物業、衍生金融工具及股權投資。公允價值乃在市場參與者於計量日期進行的有序交易中出售資產所收取或轉移負債所支付的價格。公允價值計量乃基於假設出售資產或轉移負債的交易於資產或負債的主要市場或(於未有主要市場的情況下)於資產或負債的最有利市場進行。主要或最有利市場須為本集團可進入的市場。資產或負債的公允價值乃採用市場參與者為資產或負債定價時所用的假設計量(假設市場參與者依照其最佳經濟利益行事)。

非金融資產公允價值的計量計及市場參與者最大限度使用該資產達致最佳用途或將該資產出售予最大限度使用該資產達致最佳用途的另一市場參與者而產生經濟利益的能力。

本集團使用適用於不同情況的估值方法，而其有足夠數據計量公允價值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Fair value measurement (continued)**

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

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

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

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

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

Impairment of non-financial assets

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

2.4 重大會計政策概要(續)**公允價值的計量(續)**

於財務報表中計量或披露公允價值的所有資產及負債，均基於對公允價值計量整體而言屬重大的最低級別輸入數據在下述公允價值層級內進行分類：

第一級 – 基於相同資產或負債於活躍市場的報價(未經調整)

第二級 – 基於對公允價值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值方法

第三級 – 基於對公允價值計量而言屬重大的不可觀察最低級別輸入數據的估值方法

就按經常性基準於財務報表確認的資產及負債而言，本集團通過於各報告期結束時重新評估分類(基於對公允價值計量整體而言屬重大的最低級別輸入數據)，釐定層級內級別之間是否出現轉移。

非金融資產減值

倘存在減值跡象，或當須每年就資產(存貨、合同資產、遞延稅項資產、金融資產、投資物業及非流動資產/分類為持作銷售的處置組別除外)進行減值測試，則會估計資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與其公允價值減出售成本兩者的較高者，並就個別資產而釐定，除非資產並不產生在很大程度上獨立於其他資產或資產組別的現金流入，於此情況下，可收回金額就資產所屬現金產生單位而釐定。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Impairment of non-financial assets (continued)**

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

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

2.4 重大會計政策概要(續)**非金融資產減值(續)**

僅在資產賬面值高於其可收回金額的情況下，方會確認減值虧損。於評估使用價值時，估計未來現金流量按反映幣值時間值及資產特定風險的現時市場評估的稅前貼現率貼現至其現值。減值虧損按與該減值資產功能相符的開支類別於產生期間自損益表扣除。

會在各報告期結束時評估是否有跡象顯示先前所確認的減值虧損已不在或可能減少。倘出現有關跡象，則會估計可收回金額。僅當用以釐定資產(商譽除外)可收回金額的估計有變時，方會撥回該資產先前確認的減值虧損，但撥回後的金額不得超逾假設於過往年度並無就該項資產確認減值虧損而應釐定的賬面值(扣除任何折舊／攤銷)。減值虧損撥回會計入產生期間的損益表，除非資產以重估金額入賬，在此情況下，減值虧損撥回根據重估資產的有關會計政策入賬。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

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

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

2.4 重大會計政策概要(續)

關聯方

以下人士被視為本集團的關聯方，倘：

(a) 有關方為一名人士或該人士的關係密切家庭成員，而該人士

(i) 擁有本集團的控制權或共同控制權；

(ii) 對本集團具有重大影響力；或

(iii) 為本集團或本集團母公司的主要管理人員的一名成員；

或

(b) 有關方為實體且符合下列任何一項條件：

(i) 該實體與本集團屬同一集團的成員公司；

(ii) 一實體為另一實體(或另一實體的母公司、子公司或同系子公司)的聯營公司或合營企業；

(iii) 該實體與本集團為同一第三方的合營企業；

(iv) 一實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Related parties (continued)**

(b) (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

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

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

2.4 重大會計政策概要(續)**關聯方(續)**

(b) (續)

- (v) 該實體提供一項僱傭後福利計劃予本集團或本集團關聯實體的僱員作為福利；
- (vi) 該實體受(a)所述人士控制或共同控制；
- (vii) (a)(i)所述人士對實體具有重大影響力或屬該實體(或該實體母公司)主要管理人員的一名成員；及
- (viii) 向本集團或本集團的母公司提供主要管理人員服務的實體或為其一部分的任何集團成員公司。

物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及任何令資產投入運作及將資產運往擬定用途地點的直接應佔成本。

於物業、廠房及設備項目投入運作後所引致的支出，如維修及保養費等，通常於支出期間計入損益。倘符合確認標準，主要檢查支出會作為重置，於資產賬面值中資本化。倘大部分物業、廠房及設備須不時重置，本集團確認該等部分為個別具有特定可使用年期的資產及相應地對其作出折舊。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment and depreciation (continued)

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

	Annual depreciation rates 年折舊率
Buildings 樓宇	3%
Motor vehicles 汽車	16%-24%
Office equipment and electronic devices 辦公設備及電子裝置	19%-32%
Leasehold improvements 租賃物業裝修	13%-33%

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

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

Construction in progress represents an office building under decoration, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 重大會計政策概要(續)

物業、廠房及設備與折舊(續)

折舊乃以直線法按其估計可使用年期撇銷各項物業、廠房及設備的成本至其剩餘價值計算。主要估計可使用年期及年折舊率如下：

當一項物業、廠房及設備的各部分有不同可使用年期時，該項目的成本乃按合理基準在各部分之間分配，而各部分乃個別地折舊。剩餘價值、可使用年期及折舊方法至少於各財政年末檢討，並作出調整(如適用)。

物業、廠房及設備項目(包括初步確認的任何重大部分)於出售或預期其使用或出售不會帶來任何未來經濟利益時終止確認。因出售或報廢而於該資產終止確認年度的損益確認的任何收益或虧損乃有關資產淨銷售所得款項與賬面值的差額。

在建工程乃指按成本減任何減值虧損列賬且未予折舊的正在裝修的辦公樓。成本包括建設期間所產生的直接建造成本及與借貸資金有關的資本化借貸成本。在建工程於完工及可予使用時重新分類至物業、廠房及設備的適當類別。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Investment properties**

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset (2018: leasehold property under an operating lease) which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

2.4 重大會計政策概要(續)**投資物業**

投資物業為持有作賺取租金收入及／或資本增值，而非作生產或供應貨品或服務或作行政用途，亦非在日常業務過程中作銷售的土地及樓宇權益（包括持作使用權資產的租賃物業（2018年：經營租賃下的租賃物業），而有關物業在其他方面符合投資物業的定義）。該等物業初步按成本（包括交易成本）計量。於初步確認後，投資物業按反映報告期結束時市況的公允價值入賬。

投資物業公允價值變動所產生的收益或虧損於產生年度計入損益。

報廢或出售投資物業的任何收益或虧損於報廢或出售年度在損益確認。

由投資物業轉為自用物業或存貨時，該物業其後會計的認定成本為改變用途日期的公允價值。如本集團的自用物業轉為投資物業，本集團直至改變用途日期前會就自用物業根據「物業、廠房及設備與折舊」項下所述政策將該物業入賬及／或就持作使用權資產的物業根據「使用權資產」項下所述政策將該物業入賬，而物業於當日的賬面值與公允價值的任何差額則會根據上述「物業、廠房及設備與折舊」項下所述政策列作重估。由存貨轉為投資物業時，該物業於當日的公允價值與先前的賬面值的任何差額於損益確認。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Properties under development**

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realisable value.

Properties under development are classified as current assets except for those that will not be realised in the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Completed properties held for sale

Completed properties held for sale are stated in the statement of financial position at the lower of cost and net realisable value. Cost is determined by an apportionment of the total costs of land and buildings attributable to the unsold properties. Net realisable value takes into account the price ultimately expected to be realised, less estimated costs to be incurred in selling the properties.

Allocation of property development cost

Land costs are allocated to each unit according to their respective saleable gross floor area ("GFA") to the total saleable GFA. Construction costs relating to units were identified and allocated specifically. Common construction costs have been allocated according to the saleable GFA similar to land costs.

2.4 重大會計政策概要(續)**在建物業**

在建物業擬於竣工後持作銷售。

在建物業按成本與可變現淨值的較低者列賬，而成本包括土地成本、建設成本、借貸成本、專業費用及於開發期內與有關物業直接相關的其他成本。

在建物業分類為流動資產，惟不能於正常營運週期內落成者除外。物業於竣工時轉撥至已竣工持作銷售物業。

已竣工持作銷售物業

已竣工持作銷售物業按成本與可變現淨值兩者的較低者於財務狀況表列賬。成本按未出售物業應佔土地及樓宇總成本的分攤比例釐定。可變現淨值按預期最終將變現的價格減出售物業產生的估計成本計算。

物業開發成本分配

土地成本根據各單位的可銷售建築面積(「建築面積」)佔可銷售總建築面積的比例分配至各單位。單位相關建設成本按個別情況識別及分配。一般建設成本按與土地成本相若的方式根據可銷售建築面積分配。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Intangible assets (other than goodwill)**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software is stated at cost less any impairment loss and is amortised on the straight-line basis over its estimated useful lives of 5 years.

Leases (applicable from 1 January 2019)

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4 重大會計政策概要(續)**無形資產(商譽除外)**

無形資產(商譽除外)單獨購入的無形資產於初步確認時按成本計量。通過業務合併購入的無形資產的成本為收購日期的公允價值。無形資產的可使用年期被評估為有限期或無限期。有限期的無形資產隨後於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。具有有限可使用年期的無形資產的攤銷期及攤銷方法至少於各財政年末檢討一次。

軟件按成本減任何減值虧損列賬，並於五年的估計可使用年期內按直線法攤銷。

租賃(自2019年1月1日起適用)

本集團於合同開始時評估合同是否為租賃或包含租賃。倘合同為換取對價而給予在一段時間內控制使用已識別資產的權利，則該合同為租賃或包含租賃。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (applicable from 1 January 2019) (continued)

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policies for "properties under development" and "completed properties held for sale". 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Offices	2 to 3 years
Motor vehicles	2 to 3 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 重大會計政策概要(續)

租賃(自2019年1月1日起適用)(續)

本集團作為承租人

本集團對所有租賃採用單一確認及計量方法，短期租賃及低價值資產租賃除外。本集團確認租賃負債以作出租賃付款，而使用權資產指使用相關資產的權利。

(a) 使用權資產

於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。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。根據本集團有關「在建物業」及「已竣工持作銷售物業」的政策，倘使用權資產與持作存貨的租賃土地的權益有關，則其按成本與可變現淨值兩者的較低者進行後續計量。使用權資產成本包括已確認租賃負債款額、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優惠。使用權資產於資產的租期及估計可使用年期內(以較短者為準)按直線法折舊。

辦公室	2至3年
汽車	2至3年

倘租賃資產的所有權在租期結束時轉讓至本集團或成本反映購買選擇權的行使，則使用資產的估計可使用年期計算折舊。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Leases (applicable from 1 January 2019) (continued)***Group as a lessee (continued)*

(b) 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 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 its incremental borrowing rate at the lease commencement date because 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 the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 重大會計政策概要(續)**租賃(自2019年1月1日起適用)(續)***本集團作為承租人(續)*

(b) 租賃負債

於租賃開始日期按租期內將作出的租賃付款現值確認租賃負債。租賃付款包括定額付款(含實質定額款項)減任何應收租賃優惠、取決於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。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及有關終止租賃的違約金付款(倘租期反映本集團行使終止選擇權)。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為開支。

於計算租賃付款的現值時，倘租賃內含利率無法輕易確定，則本集團應用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額就反映利息增長而增加及因所作出的租賃付款而減少。此外，倘存在修改、租期變動、租賃付款變動(如由指數或利率變動引起的未來租賃付款變動)或購買相關資產選擇權的評估變動，則重新計量租賃負債的賬面值。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (applicable from 1 January 2019) (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4 重大會計政策概要(續)

租賃(自2019年1月1日起適用)(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團對短期辦公設備租賃(即自開始日期起租期為12個月或以下且不含購買選擇權的租賃)應用短期租賃確認豁免,並對其認為屬低價值的辦公設備及手提電腦租賃應用低價值資產租賃確認豁免。

當本集團就低價值資產訂立租賃時,本集團會因應個別租賃決定是否將租賃資本化。有關短期租賃及低價值資產租賃的租賃付款於租期內按直線基準確認為開支。

本集團作為出租人

倘本集團作為出租人,其在租賃開始時(或發生租賃更改時)將其各項租賃分類為經營租賃或融資租賃。

本集團並未轉讓資產所有權所附帶的絕大部分風險及回報的租賃分類為經營租賃。倘合同包含租賃及非租賃組成部分時,本集團按相對獨立售價基準將合同中的對價分配至各組成部分。租金收入於租期內按直線法列賬並因其經營性質計入損益表的收益內。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值,並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間內確認為收益。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Leases (applicable from 1 January 2019) (continued)***Group as a lessor (continued)*

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

2.4 重大會計政策概要(續)**租賃(自2019年1月1日起適用)(續)***本集團作為出租人(續)*

將相關資產所有權所附帶的絕大部分風險及回報轉移至承租人的租賃列作融資租賃。

將本集團資產所有權(法定業權除外)的絕大部分回報與風險轉移至本集團的租賃乃列作融資租賃。於融資租賃開始時,租賃資產的成本乃按最低租賃付款的現值資本化及與債務(利息除外)一同記錄,以反映是項購置及融資。根據資本化融資租賃持有的資產(包括融資租賃下預付土地租賃付款)乃計入物業、廠房及設備,並按資產的租期及估計可使用年期(以較短者為準)折舊。該等租賃的融資成本乃自損益表扣除,以便在租期內反映平均的費用率。

以融資性質租購合同購入的資產乃列作融資租賃,惟會於其估計可使用年期內折舊。

凡資產所有權的絕大部分回報與風險歸由出租人承擔的租賃均列作經營租賃。如本集團為出租人,本集團按經營租賃出租的資產包括在非流動資產中,而經營租賃項下的應收租金於租期內以直線法計入損益表。如本集團為承租人,經營租賃項下的應付租金經扣除從出租人收取的任何優惠後乃於租期內以直線法自損益表扣除。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 重大會計政策概要(續)

投資及其他金融資產

初步確認及計量

金融資產於初步確認時分類為其後按攤銷成本、按公允價值計入其他全面收入及按公允價值計入損益計量。

於初步確認時，金融資產分類取決於金融資產的合同現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已就其應用實際權宜之計(即不對重大融資成分的影響作出調整)的貿易應收款項外，本集團初步按公允價值加上(倘金融資產並非按公允價值計入損益)交易成本計量金融資產。並無重大融資成分或本集團已就其應用實際權宜之計的貿易應收款項根據下文「收益確認」所載政策按國際財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或按公允價值計入其他全面收入進行分類及計量，需產生僅支付本金及未償還本金的利息(「SPPI」)的現金流量。現金流量並非SPPI的金融資產按公允價值計入損益分類及計量，不論業務模式。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Investments and other financial assets (continued)***Initial recognition and measurement (continued)*

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 重大會計政策概要(續)**投資及其他金融資產(續)***初步確認及計量(續)*

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收取合同現金流量、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產於旨在持有金融資產以收取合同現金流量的業務模式中持有，而按公允價值計入其他全面收入分類及計量的金融資產於旨在持有以收取合同現金流量及出售的業務模式中持有。並非以上述業務模式持有的金融資產按公允價值計入損益分類及計量。

金融資產的所有常規買賣於交易日(即本集團承諾買賣該資產之日)確認。常規買賣指需在一般市場規定或慣例規定的期間內交付資產的金融資產買賣。

後續計量

不同類別金融資產的後續計量如下：

按攤銷成本列賬的金融資產(債務工具)

按攤銷成本列賬的金融資產其後使用實際利率法計量，並可能受減值影響。當資產終止確認、經修訂或已減值時，收益及虧損於損益表中確認。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

*指定為按公允價值計入其他全面收入的金
融資產(股權投資)*

於初步確認時，本集團可選擇於股權投資符合國際會計準則第32號金融工具：呈報項下的股本定義且並非持作買賣時，將其股權投資不可撤回地分類為指定為按公允價值計入其他全面收入的股權投資。分類乃按個別工具基準釐定。

該等金融資產的收益及虧損概不會被重新計入損益表。當確立支付權，而與股息有關的經濟利益可能流入本集團且股息金額能可靠計量時，股息會於損益表中確認為其他收入，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外，在此等情況下，該等收益於其他全面收入入賬。指定為按公允價值計入其他全面收入的股權投資不受減值評估影響。

*按公允價值計入損益的金
融資產*

按公允價值計入損益的金
融資產按公允價值於財務狀況表列賬，而公允價值變動淨額於損益表中確認。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重大會計政策概要(續)**金融資產的終止確認**

金融資產(或(倘適用)金融資產的一部分或一組類似金融資產的一部分)主要於出現以下情況時終止確認(即從本集團綜合財務狀況表中剔除):

- 從資產收取現金流量的權利已到期; 或
- 本集團已根據「轉手」安排轉讓從資產收取現金流量的權利, 或已承擔向第三方無重大延誤全額支付所收現金流量的義務; 及(a)本集團已轉讓該項資產的絕大部分風險及回報; 或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報, 但已轉讓該項資產的控制權。

倘本集團已轉讓從資產收取現金流量的權利或已訂立轉手安排, 其會評估有否保留資產所有權的風險及回報及保留的程度。倘本集團並無轉讓或保留資產的絕大部分風險及回報, 亦無轉讓資產控制權, 則本集團繼續以本集團持續參與程度為限確認已轉讓資產。在此情況下, 本集團亦確認相關負債。已轉讓資產及相關負債基於反映本集團所保留權利及義務的基準計量。

以擔保形式對已轉讓資產的持續參與乃按資產原賬面值與本集團可能須償還的最高對價兩者的較低者計量。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

2.4 重大會計政策概要(續)

金融資產減值

本集團就並非按公允價值計入損益持有的所有債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合同到期的合同現金流量與本集團預期收取並按原始實際利率的相若利率貼現的所有現金流量之間的差額釐定。預期現金流量將包括出售所持抵押品或合同條款所包含的其他信用增強手段所得的現金流量。

一般辦法

預期信貸虧損分兩個階段確認。就初步確認以來信貸風險並無顯著增加的信貸敞口而言，本集團會就未來12個月可能發生的違約事件所產生的信貸虧損(12個月預期信貸虧損)計提預期信貸虧損撥備。就初步確認以來信貸風險顯著增加的信貸敞口而言，本集團須就預期於敞口的餘下年期產生的信貸虧損計提虧損撥備，不論違約的時間(整個存續期的預期信貸虧損)。

於各報告日期，本集團評估金融工具信貸風險自初步確認以來是否顯著上升。於評估時，本集團會將於報告日期金融工具發生違約的風險與於初步確認日期金融工具發生違約的風險進行比較，並會考慮毋須花費過度成本或努力即可獲得的合理且可支撐的資料(包括歷史及前瞻性資料)。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Impairment of financial assets (continued)***General approach (continued)*

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2.4 重大會計政策概要(續)**金融資產減值(續)***一般辦法(續)*

本集團會在合同付款逾期90日時認為金融資產違約。然而，在若干情況下，倘內部或外部資料反映，在沒有計及本集團持有的任何信用增強手段前，本集團不大可能全額收取未償還合同款項，則本集團亦可認為金融資產將會違約。倘無法合理預期可收合同現金流量，則會撇銷金融資產。

按攤銷成本列賬的金融資產須按照一般辦法進行減值，且就計量預期信貸虧損而言，該等金融資產會被分類為如下階段，除下文所詳述應用簡化辦法的貿易應收款項除外。

第一階段 – 信貸風險自初步確認以來並無顯著增加及按相當於12個月預期信貸虧損金額計量虧損撥備的金融工具

第二階段 – 信貸風險自初步確認以來顯著增加(但並非信貸減值金融資產)及按相當於整個存續期預期信貸虧損金額計量虧損撥備的金融工具

第三階段 – 於報告日期已信貸減值(但並非購入或源生信貸減值)及按相當於整個存續期的預期信貸虧損金額計量虧損撥備的金融資產

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets (continued)

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has evaluated the expected loss rate that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.4 重大會計政策概要(續)

金融資產減值(續)

簡化辦法

就不包含重大融資部分或本集團應用實際權宜之計(即不對重大融資部分的影響作出調整)的貿易應收款項而言,本集團應用簡化辦法計算預期信貸虧損。根據簡化辦法,本集團並無追蹤信貸風險的變化,反而於各報告日期根據整個存續期的預期信貸虧損確認虧損撥備。本集團已根據其以往信貸虧損經驗評估預期虧損率,並就債務人及經濟環境的特定前瞻性因素作出調整。

就包含重大融資部分及租賃應收款項的貿易應收款項而言,本集團將採用簡化辦法及按照上文所述政策計算預期信貸虧損作為其會計政策。

金融負債

初步確認及計量

金融負債於初步確認時分類為按公允價值計入損益的金融負債、貸款及借貸、應付款項,或指定為於有效對沖中作對沖工具的衍生工具(倘適用)。

所有金融負債初步按公允價值確認,而貸款及借貸以及應付款項則須扣除直接應佔交易成本。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Financial liabilities (continued)***Initial recognition and measurement (continued)*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, an amount due to the ultimate holding company, derivative financial instruments and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

2.4 重大會計政策概要(續)**金融負債(續)***初步確認及計量(續)*

金融負債於初步確認時分類為按公允價值計入損益的金融負債、貸款及借貸、應付款項，或指定為於有效對沖中作對沖工具的衍生工具(倘適用)。

所有金融負債初步按公允價值確認，而貸款及借貸以及應付款項則須扣除直接應佔交易成本。

本集團的金融負債包括貿易及其他應付款項、應付最終控股公司款項、衍生金融工具以及計息銀行及其他借貸。

後續計量

不同類別金融負債的後續計量如下：

按攤銷成本列賬的金融負債(貸款及借貸)

於初步確認後，計息貸款及借貸隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認及按實際利率法進行攤銷程序時，其收益及虧損於損益內確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益的融資成本內。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in “Impairment of financial assets”; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Senior notes

Senior notes issued by the Company that contain both liability and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the liability and early redemption option components are recognised at fair value.

In subsequent periods, the liability component of the senior notes is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the senior notes are allocated to the liability and early redemption option components in proportion to their relative fair values. Transaction costs relating to the early redemption option are charged to profit or loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the senior notes using the effective interest method.

2.4 重大會計政策概要(續)

金融負債(續)

財務擔保合同

本集團發出的財務擔保合同為因特定債務人未能根據債務工具的條款於債務到期時還款，而本集團須向有關持有人作出彌償虧損的合同。財務擔保合同初步按公允價值確認為負債，並就作出擔保所直接應佔交易成本作出調整。初步確認後，本集團會以下列兩者之較高者計量財務擔保合同：(i)根據「金融資產減值」所載政策釐定之預期信貸虧損撥備；及(ii)初步確認的金額減(如適用)已確認的累計收入金額。

優先票據

本公司發行含有負債及提前贖回選擇權(與主合同並無密切關連)的優先票據在初步確認時分作不同類別。於發行日，負債及提前贖回選擇權部分均按公允價值確認。

在其後期間，優先票據的負債部分使用實際利率法按攤銷成本列賬。提前贖回選擇權按公允價值計量，其公允價值變動於損益確認。

與發行優先票據有關的交易成本按有關公允價值的比例分配予負債及提前贖回選擇權部分。與提前贖回選擇權有關的交易成本即時計入損益。與負債部分有關的交易成本計入負債部分的賬面值，並使用實際利率法在優先票據期內攤銷。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.4 重大會計政策概要(續)****Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

金融負債的終止確認

當金融負債的責任已履行、取消或屆滿時，該負債會被終止確認。

當現有金融負債被另一項來自同一貸款人且條款大不相同的金融負債所取代，或當現有負債的條款被重大修訂，該取代或修訂被視為對原有負債的終止確認及對新負債的確認，而各自賬面值的差額於損益確認。

抵銷金融工具

倘有現行可予執行的法律權利以抵銷確認金額及有意按淨額基準償付，或變現資產與清還負債同時進行，則抵銷金融資產及金融負債並於財務狀況表內呈報淨金額。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可即時兌換為已知金額現金、所涉價值變動風險不高而一般自取得起計三個月內到期的短期高流動性投資，減須按要求償還的銀行透支，並構成本集團現金管理不可或缺的部分。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及用途不受限制的銀行現金(包括定期存款及與現金性質相似的資產)。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Provisions**

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 重大會計政策概要(續)**撥備**

倘因過往事件導致產生現時責任(法定或推定責任)，且日後可能須撥出資源以履行責任，並能可靠估計責任的數額，則會確認撥備。

當貼現影響屬重大時，確認撥備的金額為預期清償責任所需的未來開支於報告期結束時的現值。因時間流逝而增加的貼現值金額會記入損益表的融資成本項下。

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認項目相關的所得稅於損益以外的其他全面收入確認或直接於權益確認。

即期稅項資產及負債乃按預期自稅務機關收回或支付予其的金額，根據於報告期結束前已頒佈或實質上已頒佈的稅率(及稅法)，經考慮本集團經營所在國家通行的詮釋及慣例計量。

遞延稅項採用負債法就於報告期結束時資產及負債的稅基與兩者用作財務報告的賬面值之間的所有暫時差額計提撥備。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Income tax (continued)**

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策概要(續)**所得稅(續)**

遞延稅項負債乃就所有應課稅暫時差額而確認，惟下列情況除外：

- 遞延稅項負債乃因在一項並非業務合併的交易中初步確認商譽或資產或負債而產生，且於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司、合營企業及聯營公司的投資相關的應課稅暫時差額而言，暫時差額的撥回時間為可控制，且該等暫時差額於可預見將來可能不會撥回。

遞延稅項資產乃就所有可扣減暫時差額以及未動用稅項抵免及任何未動用稅項虧損的結轉而確認。遞延稅項資產以可能有應課稅利潤用作對銷可扣減暫時差額、未動用稅項抵免及未動用稅項虧損的結轉為限予以確認，惟下列情況除外：

- 與可扣減暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中初步確認資產或負債而產生，且於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於子公司、合營企業及聯營公司的投資相關的可扣減暫時差額而言，遞延稅項資產僅於暫時差額於可預見將來有可能撥回以及將有應課稅利潤用作對銷暫時差額的情況下，方予確認。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 重大會計政策概要(續)

所得稅(續)

於各報告期結束時審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅利潤以動用全部或部分遞延稅項資產時，相應扣減該賬面值。未被確認的遞延稅項資產會於各報告期結束時重新評估，並在可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債乃按預期適用於變現資產或清還負債期間的稅率，根據於報告期結束前已頒佈或實質上已頒佈的稅率(及稅法)計算。

當且僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應課稅實體或於各未來期間預期待有大額遞延稅項負債或資產需要結算或收回時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債的不同應課稅實體徵收的所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services provided in the ordinary course of the Group's activities. Revenue is shown, net of taxes.

2.4 重大會計政策概要(續)

政府補助

倘能合理確定將會收取政府補助且符合所有附帶條件，則有關補助將按公允價值予以確認。倘補助與開支項目有關，即於擬補償成本的支銷期間內系統地確認為收入。

倘補助與資產有關，公允價值將計入遞延收入賬戶，並於有關資產的預期可使用年期內，以等額年金調撥至損益或從資產賬面值中扣減並以經扣減折舊開支調撥至損益。

收益確認

收益乃按本集團於日常業務過程中就物業銷售及所提供服務而已收或應收對價的公允價值計量。收益乃經扣除稅項後列示。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Sales of properties

Revenues are recognised when or as the control of the asset is transferred to the purchaser. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance

- provides benefits which are received and consumed simultaneously by the purchaser; or
- creates and enhances an asset that the purchaser controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the purchaser obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation that best depict the Group's performance in satisfying the performance obligation.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

2.4 重大會計政策概要(續)

收益確認(續)

物業銷售

收益於資產控制權轉移至買方時確認。資產的控制權是在一段時間內抑或在某一時點轉移，取決於合同的條款與適用於合同的法律規定。資產的控制權會在一段時間內轉移，前提是本集團的履約行為

- 提供買方同時取得及消耗的利益；或
- 創造及改良買方在本集團履約時控制的資產；或
- 並無創造對本集團有替代用途的資產，且本集團具有就迄今為止已完成的履約部分獲得付款的可強制執行權利。

如果資產的控制權在一段時間內轉移，收益確認會按在整個合同期間已完成該履約義務的進度進行。否則，收益會於買方獲得資產控制權的時點確認。

已完成履約義務的進度按本集團為完成履約義務而發生的支出或投入計量，有關支出或投入最能反映本集團完成履約義務的表現。

於確定交易價格時，如交易屬重大，本集團會就融資部分的影響調整已承諾的對價金額。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue recognition (continued)***Sales of properties (continued)*

For property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognised when the purchaser obtains the physical possession or the legal title of the completed property and the Group has a present right to payment and the collection of the consideration is probable.

Property management service income

Property management service income derived from the provision of property maintenance and management services is recognised when the relevant services are rendered and the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Management consulting service income

Management consulting services income derived from the provision of support services in connection with development of property projects is recognised when the relevant services are rendered and the customer simultaneously receives and consumes the benefits provided by the Group.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

2.4 重大會計政策概要(續)**收益確認(續)***物業銷售(續)*

對於在某一時點轉移物業控制權的物業開發及銷售合同，收益於買方獲得實物所有權或已竣工物業的法定所有權且本集團已獲得現時收款權並很可能收回對價時確認。

物業管理服務收入

自提供物業維護及管理服務產生的物業管理服務收入於提供相關服務且客戶同時收到並消耗有關實體履約時所提供的利益時予以確認。

管理諮詢服務收入

自就物業項目開發提供支持服務產生的管理諮詢服務收入於提供相關服務且客戶同時收到並消耗本集團所提供的利益時予以確認。

其他來源收益

租金收入於租賃期間按時間比例基準確認。不取決於指數或利率的可變租賃付款在其產生的會計期間內確認為收入。

NOTES TO FINANCIAL STATEMENTS *(Continued)***財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue recognition (continued)***Other income*

Interest income is recognised, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument of the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Employee benefits

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of these payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 重大會計政策概要(續)**收益確認(續)***其他收入*

利息收入乃透過採用於金融工具預期年內將估計未來現金收入貼現至金融資產淨賬面值的利率以實際利率法按應計基準確認。

股息收入於股東收取款項的權利確立、與股息有關的經濟利益可能流入本集團且股息金額能可靠計量時確認。

合同負債

合同負債於本集團轉讓相關貨品或服務前收到客戶付款或付款到期時(以較早者為準)確認。合同負債於本集團履行合同(即將相關貨品或服務的控制權轉讓予客戶)時確認為收益。

僱員福利

本集團於中國內地營運的子公司的僱員須參加當地市政府實施的中央退休金計劃。該等子公司須按工資成本的一定比例向中央退休金計劃供款。該等供款於根據中央退休金計劃的規則成為應付款項時自損益表扣除。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

Since the majority of the assets and operations of the Group are located in the Mainland China, the financial statements are presented in RMB, which is the functional currency of the Company. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

2.4 重大會計政策概要(續)**借貸成本**

收購、建造或生產合資格資產(即需待相當時間方可達致其擬定用途或出售的資產)直接應佔的借貸成本資本化作為該等資產成本的一部分。當資產大致可作擬定用途或出售時,則停止將該等借貸成本資本化。特定借貸於用作合資格資產支出前的暫時性投資所賺取的投資收入,於已資本化的借貸成本中扣除。所有其他借貸成本均於產生期間支銷。借貸成本包括實體就借取資金產生的利息及其他成本。

股息

末期股息於股東大會上獲股東批准時確認為負債。擬派末期股息於財務報表附註披露。

由於本公司組織章程大綱及細則授予董事宣派中期股息的權力,故中期股息於建議時同時宣派。因此,中期股息於建議及宣派時即確認為負債。

外幣

由於本集團的大部分資產及營運位於中國內地,故其財務報表以本公司的功能貨幣人民幣呈列。本集團實體錄得的外幣交易初步使用交易日期其各自的功能貨幣當前利率入賬。以外幣計值的貨幣資產及負債按報告期結束時功能貨幣的適用匯率換算。因結算或換算貨幣項目而產生的差額在損益確認。

NOTES TO FINANCIAL STATEMENTS *(Continued)***財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Foreign currencies (continued)**

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.4 重大會計政策概要(續)**外幣(續)**

以外幣為單位而按歷史成本計量的非貨幣項目按首次交易日的匯率換算。以外幣為單位而按公允價值計量的非貨幣項目按計量公允價值當日的匯率換算。換算按公允價值計量的非貨幣項目產生的收益或虧損按與確認項目公允價值變動的收益或虧損一致的方式處理(即公允價值收益或虧損於其他全面收入或損益中確認的項目的匯兌差額亦分別於其他全面收入或損益中確認)。

在終止確認預付對價相關的非貨幣性資產或非貨幣性負債時，為釐定初步確認相關資產、費用或收入的匯率，首次交易日為本集團初步確認預付對價產生的非貨幣性資產或非貨幣性負債之日。如有多次支付或收取預付款項，本集團會釐定各項支付或收取預付對價的交易日期。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

3. 重大會計判斷及估計

編製本集團的財務資料時，管理層須作出會影響收益、開支、資產及負債的呈報金額及其隨附披露以及或然負債披露的判斷、估計及假設。有關該等假設及估計的不確定因素可能導致日後須就受影響的資產或負債賬面值作出重大調整的結果。

判斷

在應用本集團的會計政策時，除涉及估計的判斷外，管理層已作出下列判斷，其對財務報表的已確認金額影響至為重大：

物業租賃分類 – 本集團作為出租人

本集團就其投資物業組合訂有商業物業租約。本集團基於對有關安排的條款及條件作出的評估（例如租期不構成商業物業之經濟年期的主要部分且最低租賃付款現值不等於商業物業之絕大部分公允價值），決定保留其租出的該等物業所有權附帶的絕大部分重大風險及回報，並將有關合同以經營租賃入賬。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Judgements (continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計(續)

判斷(續)

在釐定有重續選擇權的合同的租期時作出重大判斷

本集團擁有多份包含續租及終止選擇權的租賃合同。本集團於評估是否行使重續或終止租賃的選擇權時運用判斷，即其會考慮產生行使重續或終止選擇權的經濟誘因的所有相關因素。於開始日期後，如出現在本集團控制範圍內及影響其行使或不行使重續或終止選擇權的能力的重大事件或情況變動(例如進行大量租賃物業裝修或大量定制租賃資產)，本集團會重新評估租期。

投資物業及業主自用物業的分類

本集團會釐定物業是否合資格作為投資物業，並已制訂作出該判斷的標準。投資物業為持有以賺取租金或資本增值或兩者兼有的物業。因此，本集團會考慮物業是否可主要地獨立於本集團所持有的其他資產而產生現金流量。某些物業部分為賺取租金或資本增值而持有，而另一部分為用於生產或供應貨品或服務或作行政用途而持有。倘若此等部分可以分開出售(或根據融資租賃分開出租)，本集團會將有關部分分開入賬。倘若該等部分無法分開出售，則只會在用於生產或供應貨品或服務或作行政用途而持有的部分並不重要時，有關物業才會列作投資物業。本集團對各項物業個別作出判斷，以決定配套服務是否重要到使物業不符合投資物業的資格。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**Judgements (continued)***Classification between investment properties and completed properties held for sale*

The Group develops properties held for sale and properties held to earn rentals and/or for capital appreciation. Judgement is made by management on determining whether a property is designated as an investment property or a property held for sale. The Group considers its intention for holding the properties at the early development stage of the related properties. During the course of construction, the related properties under construction are accounted for as properties under development included in current assets if the properties are intended for sale after its completion, whereas, the properties are accounted for as investment properties under construction included in investment properties if the properties are intended to be held to earn rentals and/or for capital appreciation. Upon completion of the properties, the properties held for sale are transferred to completed properties held for sale and are stated at cost, while the properties held to earn rentals and/or for capital appreciation are transferred to completed investment properties. Investment properties, both under construction and completed, are subject to revaluation at the end of each reporting period.

3. 重大會計判斷及估計(續)**判斷(續)***投資物業及已竣工持作銷售物業的分類*

本集團開發持作銷售物業及為賺取租金及／或為資本增值而持有的物業。由管理層判斷一項物業是否指定為投資物業或持作銷售物業。本集團於某項物業開發初期考慮其持有相關物業的意向。倘物業擬於竣工後出售，於建設過程中，相關的在建物業入賬列作在建物業，計入流動資產。然而，倘物業擬為賺取租金及／或為資本增值而持有，有關物業則入賬列作在建投資物業，計入投資物業。待物業落成後，持作銷售物業轉撥至已竣工持作銷售物業項下，並按成本列賬，而為賺取租金及／或為資本增值而持有的物業則轉撥至已竣工投資物業項下。投資物業(不論在建或已竣工)均須於各報告期結束時重新估值。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables and prepayments, other receivables and other assets

The Group uses a provision matrix to calculate ECLs for trade receivables and prepayments, other receivables and other assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The expected loss rate is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the properties sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and prepayments, other receivables and other assets is disclosed in note 24 and note 25 to the financial statements, respectively.

3. 重大會計判斷及估計(續)

估計不確定因素

對導致就下個財政年度內資產及負債賬面值作出大幅調整構成重大風險的有關未來的主要假設以及於報告期結束時存在的估計不確定因素的其他主要來源載於下文。

貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分類組別(即按地理位置、產品類型、客戶類型及評級,以及信用證及其他形式的信貸保險的覆蓋範圍劃分)的逾期天數。

預期虧損率最初基於本集團歷史可觀察違約率。本集團將根據前瞻性資料調整矩陣以調整歷史信貸虧損經驗。例如,如預測經濟狀況(即國內生產總值)將在未來一年惡化,這可能導致房地產行業違約數量增加,則調整歷史違約率。於各報告日期,更新歷史可觀察違約率並分析前瞻性估計的變化。

對歷史可觀察違約率、預測經濟狀況與預期信貸虧損之間的相關性評估是一項重要估計。預期信貸虧損的數量對環境變化及預測經濟狀況敏感。本集團的歷史信貸虧損經驗及經濟狀況預測亦或無法代表客戶的未來實際違約情況。有關本集團貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損的資料分別於財務報表附註24及附註25中披露。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Provision for properties under development and completed properties held for sale

The Group's properties under development and completed properties held for sale are stated at the lower of cost and net realisable value. Based on the Group's historical experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion of properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in a provision for properties under development and completed properties held for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3. 重大會計判斷及估計(續)

估計不確定因素(續)

在建物業及已竣工持作銷售物業的撥備

本集團的在建物業及已竣工持作銷售物業以成本與可變現淨值的較低者入賬。本集團根據以往的經驗及所涉物業的性質估計在建物業的售價與竣工成本，以及根據當前市況估計銷售物業將產生的費用。

倘竣工成本增加而銷售淨值降低，則可變現淨值會減少，可能導致須就在建物業及已竣工持作銷售物業作出撥備。作出相關撥備時須運用判斷及估計。倘預期有別於原先估計，則會於變更估計期間相應調整物業賬面值及撥備。

租賃 – 估算增量借款利率

本集團無法輕易確定租賃內含利率，因此，其使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品於類似期間借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時（如就並無訂立融資交易之子公司而言）或當需對利率進行調整以反映租賃之條款及條件時（如當租賃並非以子公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（如子公司的單獨信用等級）。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

PRC corporate income tax ("CIT")

The Group is subject to corporate income taxes in the PRC. As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimation and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realise.

PRC land appreciation tax ("LAT")

The Group is subject to LAT in the PRC. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for all its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the differences realise.

3. 重大會計判斷及估計(續)

估計不確定因素(續)

中國企業所得稅(「企業所得稅」)

本集團須繳納中國企業所得稅。由於地方稅務局尚未確認有關所得稅的若干事宜，故釐定所得稅撥備時須根據目前已頒佈的稅法、法規及其他相關政策作出客觀估計及判斷。倘該等事項的最終稅款數額有別於原已記錄的數額，則差額會影響差額變現期間的所得稅及稅項撥備。

中國土地增值稅(「土地增值稅」)

本集團須繳納中國土地增值稅。土地增值稅撥備根據管理層對中國相關稅務法律及法規所載規定的理解所作最佳估計計提。實際的土地增值稅負債須待物業開發項目竣工後由稅務機關釐定。本集團尚未就其所有物業開發項目與稅務機關最終確定土地增值稅的計算及付款。最終結果可能與初步入賬的金額不同，且任何差額將會影響差額變現期間的土地增值稅開支及相關撥備。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**Estimation uncertainty (continued)***Estimation of fair value of investment properties*

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

At 31 December 2019, the carrying amount of investment properties was RMB2,798,600,000 (2018: RMB2,582,000,000). Further details, including the key assumptions used for fair value measurement, are given in note 14 to the financial statements.

3. 重大會計判斷及估計(續)**估計不確定因素(續)***投資物業公允價值估計*

倘活躍市場上並無類似物業的當前價格，則本集團會考慮各方面資料，包括：

- (a) 不同性質、狀況或地點的物業於活躍市場的當前價格，並進行調整以反映有關差異；
- (b) 相似物業於較不活躍市場的近期價格，並進行調整以反映自按該等價格進行交易當日以來經濟狀況出現的任何變動；及
- (c) 根據未來現金流量進行的可靠估計而預測的貼現現金流量，而該等預測乃基於任何現有租約與其他合同的條款及(如可能)外在憑證(如地點及狀況相同的類似物業當前市值租金)，並採用足以反映當前市場對無法肯定的有關現金流量金額及時間進行評估的貼現率計算。

於2019年12月31日，投資物業的賬面值為人民幣2,798,600,000元(2018年：人民幣2,582,000,000元)。包括用於公允價值計量的主要假設在內的進一步詳情載於財務報表附註14。

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. 重大會計判斷及估計(續)

估計不確定因素(續)

非金融資產(商譽除外)減值

本集團於各報告期結束時評估所有非金融資產(包括使用權資產)有否任何減值跡象。無限年期的無形資產每年及於出現減值跡象的其他時間測試減值。其他非金融資產在有跡象顯示賬面值可能無法收回時進行減值測試。倘資產或現金產生單位的賬面值超逾其可收回金額(即公允價值減出售成本與使用價值的較高者),則視為已減值。公允價值減出售成本按自同類資產公平交易中具約束力的銷售交易的可得數據或可觀察市價減出售資產的增量成本計算。倘採用使用價值計算,則管理層須估計資產或現金產生單位的預期未來現金流量,選取合適的貼現率以計算該等現金流量的現值。

遞延稅項資產

倘可能具有應課稅利潤抵銷虧損,則會就未動用稅項虧損確認遞延稅項資產。管理層在釐定可予以確認的遞延稅項資產金額時,須根據未來應課稅利潤可能出現的時間及水平連同未來稅務計劃策略作出重大判斷。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)**Estimation uncertainty (continued)***Fair value of unlisted equity investments*

The unlisted equity investments have been valued based on a market-based valuation technique as detailed in note 39 to the financial statements. The valuation requires the Group to determine the comparable public companies (peers) and select the price multiple. In addition, the Group makes estimates about the discount for illiquidity and size differences. The Group classifies the fair value of these investments as Level 3. The fair value of the unlisted equity investments at 31 December 2019 was RMB115,742,000 (2018: RMB106,400,000). Further details are included in note 21 to the financial statements.

4. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group's business which includes property development and leasing and commercial property management by project locations for the purpose of making decisions about resource allocation and performance assessment, while no single location's revenue, net profit or total assets exceed 10% of the Group's consolidated revenue, net profit or total assets, respectively. As the economic characteristics are similar in all the locations, where the nature of property development and leasing and management are similar, and the nature of the aforementioned business processes, the type or class of customer for the aforementioned business and the methods used to distribute the properties or provide the services are similar as well, and thus all locations were aggregated as one reportable operating segment.

3. 重大會計判斷及估計(續)**估計不確定因素(續)***非上市股權投資的公允價值*

非上市股權投資已根據財務報表附註39所詳述的市場基準估值技術進行估值。有關估值需要本集團確定可資比較的公眾公司(同業公司)及選擇價格倍數。此外,本集團就流動性不足及規模差異的貼現作出估計。本集團將該等投資的公允價值分類為第三級。於2019年12月31日,非上市股權投資的公允價值為人民幣115,742,000元(2018年:人民幣106,400,000元)。進一步詳情載於財務報表附註21。

4. 經營分部資料

管理層按項目位置監控本集團業務(包括物業管理及租賃及商業物業管理)的經營業績,以就資源分配及表現評估作出決策,而並無任何單一位置的收益、純利或總資產分別超過本集團綜合收益、純利或總資產的10%。因所有位置具備類似經濟特徵及物業開發及租賃與管理的性質、上述業務流程的性質、上述業務的客戶類型或級別以及分配財產或提供服務所用方法類似,因而所有位置被歸總為一個可報告經營分部。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

Information about major customers

No sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue at the end of the reporting period.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Revenue from contracts with customers 客戶合同收益	7,343,810	5,880,835
Revenue from other sources 其他來源收益		
Gross rental income from investment property operating leases: 投資物業經營租賃租金收入總額:		
Lease payments, including fixed payments 租賃付款, 包括定額付款	54,435	65,212
	7,398,245	5,946,047

4. 經營分部資料(續)

地區資料

由於本集團來自外部客戶的收益僅來自其於中國內地的經營所得且本集團並無非流動資產位於中國內地境外，故並無呈列地區資料。

有關主要客戶的資料

於報告期結束時，對單一客戶或共同控制下的一組客戶的銷售並無佔本集團收益的10%或以上。

5. 收益、其他收入及收益

對收益的分析如下：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

Revenue from contracts with customers

(i) Disaggregated revenue information

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Types of goods or services: 商品或服務類型：		
Sale of properties 物業銷售	7,294,137	5,879,356
Property management service income 物業管理服務收入	7,638	1,479
Management consulting service income 管理諮詢服務收入	42,035	-
Total revenue from contracts with customers 客戶合同總收益	7,343,810	5,880,835
Timing of revenue recognition: 收益確認時間：		
Properties transferred at a point in time 於某一時點轉讓的物業	7,294,137	5,879,356
Services transferred over time 於一段時間內轉讓的服務	49,673	1,479
Total revenue from contracts with customers 客戶合同總收益	7,343,810	5,880,835

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period: 計入報告期初合同負債的已確認收益：	5,327,644	3,380,055

5. 收益、其他收入及收益(續)

客戶合同收益

(i) 分列收益資料

下表載列於本報告期確認並於報告期初計入合同負債的收益金額及因過往期間履行履約責任而確認的收益金額：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

Revenue from contracts with customers (continued)

(ii) Performance obligations

The Group's performance obligations are related to property sales contracts and property management service contracts and management consulting service contracts. For property sales contracts, the Group recognises revenue equal to the contract amount when the purchaser obtains the physical possession or the legal title of the completed property. For property management service and management consulting service contracts, the Group recognises revenue equal to the right-to-invoice amount when it corresponds directly with the value to the customer of the Group's performance to date, on a monthly basis. The majority of the property management service contracts do not have a fixed term. The Group has elected the practical expedient for not to disclose the remaining performance obligations for both types of contracts.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Within one year 一年內	5,701,592	4,678,543
More than one year 一年以上	1,270,456	4,170,750
	6,972,048	8,849,293

5. 收益、其他收入及收益 (續)

客戶合同收益(續)

(ii) 履約責任

本集團的履約責任與物業銷售合同、物業管理服務合同及管理諮詢服務合同有關。對於物業銷售合同，本集團於買方獲得已竣工物業的實物所有權或法定所有權時確認等於合同金額的收益。對於物業管理服務及管理諮詢服務合同，本集團於按月基準的收益與本集團迄今為止對客戶的履約價值直接相符一致時確認等於有權收取的發票金額的收益。大多數物業管理服務合同並無固定期限。本集團已選擇不披露此兩種合同的剩餘履約責任的實際權宜之計。

於12月31日分配予剩餘履約責任(未履行或部分未履行)的交易價格金額如下：

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)**Revenue from contracts with customers (continued)**(ii) *Performance obligations* (continued)**5. 收益、其他收入及收益 (續)****客戶合同收益(續)**(ii) *履約責任(續)*

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Other income 其他收入		
Others 其他	793	736
Gains 收益		
Gain on disposal of subsidiaries (note 34) 出售子公司收益(附註34)	2,362	22,471
Gain on foreign exchange 匯兌收益	6,859	6,296
Gain on disposal of an associate 出售聯營公司收益	-	4,634
Deposit forfeiture 按金沒收	4,717	3,213
Dividend income from financial assets at fair value through profit or loss 按公允價值計入損益的金融資產的股息收入	4,985	-
Government grants 政府補助	1,898	322
Gain on disposal of items of property, plant and equipment 出售物業、廠房及設備項目收益	92	-
	20,913	36,936
	21,706	37,672

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

6. 除稅前利潤

本集團除稅前利潤乃自以下各項扣除後達致：

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Cost of properties sold 已出售存貨成本	23	5,673,545	4,354,317
Cost of rental service 租賃服務成本		8,865	9,331
Cost of property management service 物業管理服務成本		2,292	420
Cost of management consulting service 管理諮詢服務成本		16,813	–
Depreciation of items of property, plant and equipment 物業、廠房及設備項目折舊	13	18,020	17,091
Depreciation of right-of-use assets 使用權資產折舊	15(a)	5,530	–
Amortisation of intangible assets 無形資產攤銷	16	1,198	458
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目虧損		567	2
Lease payments not included in the measurement of lease liabilities 未計入租賃負債計量的租賃付款		6,310	–
Auditor's remuneration 審計師酬金		6,928	4,025
Employee benefit expense (including directors' and chief executives' remuneration (note 8)): 僱員福利開支(包括董事及最高行政人員薪酬(附註8)):			
Wages and salaries 工資及薪金		218,493	125,868
Pension scheme contributions and social welfare 退休金計劃供款及社會福利		41,696	27,536

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Interest on bank and other borrowings and senior notes 銀行及其他借貸及優先票據的利息	762,969	487,607
Interest expense arising from revenue contracts 收益合同產生的利息開支	219,926	205,300
Interest on lease liabilities 租賃負債的利息	875	–
Total interest expense on financial liabilities not at fair value through profit or loss 並非按公允價值計入損益的金融負債的利息總開支	983,770	692,907
Less: Interest capitalised 減：資本化利息	(734,010)	(560,196)
	249,760	132,711

7. 融資成本

融資成本的分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Fees 袍金	2,027	507
Other emoluments: 其他酬金：		
Salaries, allowances and benefits in kind 薪金、津貼及實物福利	5,460	792
Performance-related bonuses* 表現掛鈎花紅*	2,540	2,451
Pension scheme contributions and social welfare 退休金計劃供款及社會福利	340	326
	8,340	3,569
	10,367	4,076

8. 董事及最高行政人員薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露的董事及最高行政人員的年度薪酬如下：

* Certain executive directors of the Company are entitled to bonus payments which are associated with the profit after tax of the Group.

* 本公司若干執行董事有權獲得花紅付款，花紅付款與本集團除稅後利潤相關聯。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

8. 董事及最高行政人員薪酬(續)

(a) Independent non-executive directors

(a) 獨立非執行董事

The fees paid to independent non-executive directors during the year were as follows:

年內向獨立非執行董事支付的袍金如下：

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
- Mr. Gu Jiong — 顧炯先生	180	45
- Mr. Sun Bing — 孫冰先生	180	45
- Mr. Fok Ho Yin Thomas — 霍浩然先生	180	45
	540	135

There were no other emoluments payable to the independent non-executive directors for the year ended 31 December 2019 (2018: Nil).

截至2019年12月31日止年度並無其他應付獨立非執行董事的酬金(2018年：無)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

8. 董事及最高行政人員薪酬(續)

(b) Executive directors and the chief executive

(b) 執行董事及最高行政人員

	Fees 袍金 RMB' 000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及實物福利 RMB' 000 人民幣千元	Performance related bonuses 表現掛鈎花紅 RMB' 000 人民幣千元	Pension scheme contributions and social welfare 退休金計劃 供款及社會福利 RMB' 000 人民幣千元	Total remuneration 總薪酬 RMB' 000 人民幣千元
2019 2019年					
Executive directors: 執行董事:					
- Mr. Ge Yiyang - 葛一暘先生	755	3,021	930	100	4,806
- Mr. Liao Lujiang - 廖魯江先生	263	2,022	710	100	3,095
- Mr. Chi Jingyong - 池淨勇先生	263	201	450	100	1,014
- Mr. Yang Yongwu - 楊永武先生	206	216	450	40	912
	1,487	5,460	2,540	340	9,827
2018 2018年					
Executive directors: 執行董事:					
- Mr. Ge Yiyang - 葛一暘先生	189	471	915	96	1,671
- Mr. Liao Lujiang - 廖魯江先生	66	102	690	96	954
- Mr. Chi Jingyong - 池淨勇先生	66	102	438	96	702
- Mr. Yang Yongwu - 楊永武先生	51	117	408	38	614
	372	792	2,451	326	3,941

Mr. Liao Lujiang is the chief executive officer and an executive director of the Company. There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

廖魯江先生為本公司的首席執行官兼執行董事。年內，概無董事或最高行政人員放棄或同意放棄任何薪酬的安排。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees for the year ended 31 December 2019 included four directors (2018: three directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year ended 31 December 2019 of the remaining one (2018: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Salaries, allowances and benefits in kind 薪金、津貼及實物福利	1,344	336
Performance related bonuses 表現掛鈎花紅	808	1,207
Pension scheme contributions and social welfare 退休金計劃供款及社會福利	-	192
	2,152	1,735

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees 僱員人數	
	2019 2019年	2018 2018年
Nil to HK\$1,000,000 零至1,000,000港元	-	1
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元	-	1
HK\$1,500,001 to HK\$2,000,000 1,500,001港元至2,000,000港元	-	-
HK\$2,000,001 to HK\$2,500,000 2,000,001港元至2,500,000港元	1	-
	1	2

9. 五名最高薪酬僱員

截至2019年12月31日止年度的五名最高薪酬僱員包括四名董事(2018年:三名董事),其薪酬詳情載於上文附註8。截至2019年12月31日止年度,並非本公司董事或最高行政人員的餘下一名(2018年:兩名)最高薪酬僱員的薪酬詳情分別如下:

薪酬位於以下範圍的非董事及非最高行政人員的最高薪酬僱員人數如下:

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

10. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Company and the Group's subsidiaries incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax. The Group's subsidiary incorporated in Hong Kong was not liable for income tax as it did not have any assessable profits currently arising in Hong Kong for the year ended 31 December 2019.

Subsidiaries of the Group operating in Mainland China were subject to the PRC corporate income tax rate of 25% for the year ended 31 December 2019.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Mainland China tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

10. 所得稅費用

本集團須就本集團成員公司註冊及經營所在稅務司法管轄區產生及源自其的利潤按實體基準繳納所得稅。根據開曼群島及英屬處女群島的規則及規例，本公司及本集團於開曼群島及英屬處女群島註冊成立的子公司無須繳納任何所得稅。本集團於香港註冊成立的子公司無須繳納所得稅，因為該公司於截至2019年12月31日止年度並無現時於香港產生的任何應課稅利潤。

本集團於中國內地經營的子公司於截至2019年12月31日止年度須按25%的稅率繳納中國企業所得稅。

土地增值稅乃按照介乎30%至60%的累進稅率對土地增值額徵收，土地增值額為物業銷售所得款項減可扣減開支(包括土地成本、借貸成本及其他物業開發開支)。本集團根據有關中國內地稅務法律及法規的規定為土地增值稅估計、作出及計提稅項撥備。土地增值稅撥備須由當地稅務機關進行最終審核及批准。

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Current tax: 即期稅項：		
PRC CIT 中國企業所得稅	343,450	362,177
PRC LAT 中國土地增值稅	29,371	195,571
Deferred tax (note 19) 遞延稅項(附註19)	(22,355)	(57,681)
Total tax charge for the year 年內總稅項支出	350,466	500,067

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

10. INCOME TAX EXPENSE (CONTINUED)

A reconciliation of income tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the income tax expense at the effective income tax rate is as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Profit before tax 除稅前利潤	951,206	989,442
Tax at the statutory income tax rate 按法定所得稅率計算的稅項	237,802	247,361
Profits and losses attributable to joint ventures and associates 合營企業及聯營公司應佔利潤及虧損	(11,765)	992
Income not subject to tax 無須課稅收入	(10,934)	(1,727)
Expenses not deductible for tax 不可扣稅開支	8,075	4,163
Tax losses and deductible temporary differences utilised from previous years 過往年度利用的稅項虧損及可扣減暫時差額	(9,126)	(496)
Tax losses and deductible temporary differences not recognised 未確認稅項虧損及可扣減暫時差額	114,386	103,096
Provision for LAT 土地增值稅撥備	29,371	195,571
Tax effect on LAT 土地增值稅的稅務影響	(7,343)	(48,893)
Tax charge at the Group's effective rate 按本集團實際稅率計算的稅項支出	350,466	500,067

The share of tax charge attributable to joint ventures and associates amounting to RMB27,886,000 is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss for the year ended 31 December 2019 (2018: Nil). The share of tax credit attributable to joint ventures and associates amounting to RMB12,200,000 is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss for the year ended 31 December 2019 (2018: RMB1,323,000).

10. 所得稅費用(續)

本公司及其大部分子公司註冊所在司法管轄區按法定稅率計算的除稅前利潤適用的所得稅費用與按實際所得稅率計算的所得稅費用對賬如下：

截至2019年12月31日止年度，分佔合營企業及聯營公司應佔稅項支出為人民幣27,886,000元(2018年：無)，計入綜合損益表內「分佔合營企業及聯營公司利潤及虧損」項下。截至2019年12月31日止年度，分佔合營企業及聯營公司應佔稅項抵免為人民幣12,200,000元(2018年：人民幣1,323,000元)，計入綜合損益表內「分佔合營企業及聯營公司利潤及虧損」項下。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

10. INCOME TAX EXPENSE (CONTINUED)

Tax payable in the consolidated statement of financial position represents the following:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
PRC CIT payable 應付中國企業所得稅	476,876	376,233
PRC LAT payable 應付中國土地增值稅	275,276	288,533
Total tax payable 應付總稅項	752,152	664,766

10. 所得稅費用(續)

以下為綜合財務狀況表內的應付稅項：

11. DIVIDENDS

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Interim – RMB7.7 cents (2018: Nil) per ordinary share 中期股息 – 每股普通股人民幣7.7分(2018年：無)	63,530	–
Proposed final – RMB6.8 cents (2018: 16.9 HK cents) per ordinary share 建議末期股息 – 每股普通股人民幣6.8分(2018年：16.9港仙)	56,296	119,889
	119,826	119,889

11. 股息

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

建議年度末期股息須待本公司股東於應屆股東週年大會上批准後方可作實。

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 827,880,000 (2018: 649,743,641) in issue during the year.

12 母公司普通權益持有人應佔每股盈利

每股基本盈利乃根據母公司普通權益持有人應佔年內利潤以及年內已發行普通股加權平均數827,880,000股(2018年：649,743,641股)計算。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

The weighted average number of ordinary shares used to calculate the basic earnings per share amounts for the years ended 31 December 2019 and 2018 was based on the allotment of 100 ordinary shares of the Company as at 1 January 2018, the allotment of 100 ordinary shares as at 20 April 2018, the issuance of 200,000,000 new ordinary shares as the Company listed on the Stock Exchange on 11 October 2018, the capitalisation issue of 599,999,800 ordinary shares as at 11 October 2018, which were considered existent from the beginning of the year and the allotment and issuance of 27,880,000 additional shares by partially exercising the over-allotment as at 30 October 2018.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2019 and 2018 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2019 and 2018.

The calculation of the basic and diluted earnings per share amounts is based on:

12 母公司普通權益持有人應佔每股盈利(續)

計算截至2019年及2018年12月31日止年度每股基本盈利所用的普通股加權平均數乃基於以下各項計算：於2018年1月1日配發100股本公司普通股；於2018年4月20日配發100股普通股；於2018年10月11日發行200,000,000股本公司於聯交所上市的新普通股；於2018年10月11日資本化發行599,999,800股普通股，自年初起被視為存在；及於2018年10月30日部分行使超額配股權而配發及發行27,880,000股額外股份。

由於本集團於截至2019年及2018年12月31日止年度並無已發行潛在攤薄普通股，故並未就截至2019年及2018年12月31日止年度呈列之每股基本盈利作出攤薄調整。

每股基本及攤薄盈利的計算乃基於：

	2019 2019年	2018 2018年
Earnings 盈利		
Profit attributable to ordinary equity holders of the parent (RMB'000) 母公司普通權益持有人應佔利潤(人民幣千元)	515,821	476,817
Shares 股份		
Weighted average number of ordinary shares in issue during the year 年內已發行普通股的加權平均數	827,880,000	649,743,641
Earnings per share 每股盈利		
Basic and diluted 基本及攤薄	RMB0.62 人民幣0.62元	RMB0.73 人民幣0.73元

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

13. PROPERTY, PLANT AND EQUIPMENT 13. 物業、廠房及設備

	Buildings 樓宇 RMB' 000 人民幣千元	Motor vehicles 汽車 RMB' 000 人民幣千元	Office equipment and electronic devices 辦公設備 及電子裝置 RMB' 000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
31 December 2019 2019年12月31日					
At 31 December 2018 and 1 January 2019: 於2018年12月31日及2019年1月1日:					
Cost 成本	109,021	28,468	13,384	52,131	203,004
Accumulated depreciation 累計折舊	(8,152)	(19,730)	(5,212)	(9,822)	(42,916)
Net carrying amount 淨賬面值	100,869	8,738	8,172	42,309	160,088
At 1 January 2019, net of accumulated depreciation 於2019年1月1日，扣除累計折舊	100,869	8,738	8,172	42,309	160,088
Additions 添置	-	5,865	1,431	13,468	20,764
Disposals 出售	-	(1,227)	(29)	-	(1,256)
Disposal of subsidiaries (note 34) 出售子公司(附註34)	-	-	(244)	-	(244)
Transfer to investment properties (note 14) 轉入投資物業(附註14)	-	-	-	(30,356)	(30,356)
Depreciation provided during the year 年內折舊撥備	(3,452)	(2,008)	(1,872)	(10,688)	(18,020)
At 31 December 2019, net of accumulated depreciation 於2019年12月31日，扣除累計折舊	97,417	11,368	7,458	14,733	130,976
At 31 December 2019: 於2019年12月31日:					
Cost 成本	109,021	28,558	14,229	35,243	187,051
Accumulated depreciation 累計折舊	(11,604)	(17,190)	(6,771)	(20,510)	(56,075)
Net carrying amount 淨賬面值	97,417	11,368	7,458	14,733	130,976

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

13. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

13. 物業、廠房及設備(續)

	Buildings 樓宇 RMB' 000 人民幣千元	Motor vehicles 汽車 RMB' 000 人民幣千元	Office equipment and electronic devices 辦公設備 及電子裝置 RMB' 000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
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31 December 2018

2018年12月31日

At 31 December 2017 and 1 January 2018:

於2017年12月31日及2018年1月1日:

Cost 成本	108,174	25,164	8,525	80,035	221,898
Accumulated depreciation 累計折舊	(4,295)	(19,437)	(5,086)	(24,966)	(53,784)
Net carrying amount 淨賬面值	103,879	5,727	3,439	55,069	168,114

At 1 January 2018, net of accumulated

depreciation 於2018年1月1日，扣除累計折舊	103,879	5,727	3,439	55,069	168,114
Additions 添置	847	5,468	6,801	35,047	48,163
Disposals 出售	-	-	(2)	-	(2)
Disposal of subsidiaries 出售子公司	-	(633)	(281)	(38,182)	(39,096)
Depreciation provided during the year 年內折舊撥備	(3,857)	(1,824)	(1,785)	(9,625)	(17,091)

At 31 December 2018, net of accumulated

depreciation 於2018年12月31日，扣除累計折舊

Cost 成本	109,021	28,468	13,384	52,131	203,004
Accumulated depreciation 累計折舊	(8,152)	(19,730)	(5,212)	(9,822)	(42,916)
Net carrying amount 淨賬面值	100,869	8,738	8,172	42,309	160,088

At 31 December 2019, the Group's property, plant and equipment with an aggregate carrying amount of approximately RMB88,346,000 (2018: RMB89,094,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group (note 30).

本集團於2019年12月31日總賬面值約人民幣88,346,000元(2018年: 人民幣89,094,000元)的物業、廠房及設備已質押，為本集團獲授的計息銀行及其他借貸作抵押(附註30)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

14. INVESTMENT PROPERTIES

14. 投資物業

	Completed 已竣工 RMB'000 人民幣千元	Under construction 在建 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Carrying amount at 1 January 2018 於2018年1月1日的賬面值	2,497,000	–	2,497,000
Transferred from properties under development (note 22) 轉自在建物業(附註22)	–	19,636	19,636
Addition 添置	–	4,069	4,069
Net gain from a fair value adjustment 公允價值調整所得淨收益	45,500	15,795	61,295
Carrying amount at 31 December 2018 and 1 January 2019 於2018年12月31日及2019年1月1日的賬面值	2,542,500	39,500	2,582,000
Addition 添置	–	2,856	2,856
Transferred from properties held for sale (note 23) 轉自持作銷售物業(附註23)	125,912	–	125,912
Transferred from property, plant and equipment (note 13) 轉自物業、廠房及設備(附註13)	30,356	–	30,356
Transfer 轉讓	42,356	(42,356)	–
Net gain from a fair value adjustment 公允價值調整所得淨收益	57,476	–	57,476
Carrying amount at 31 December 2019 於2019年12月31日的賬面值	2,798,600	–	2,798,600

The Group's investment properties are situated in Mainland China. The Group's investment properties were revalued on 31 December 2019 based on valuations performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("JLL"), an independent professionally qualified valuer, at RMB2,798,600,000 (2018: RMB2,582,000,000). The Group's chief financial officer decides, after approval from the board of directors of the Company, to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's chief financial officer has discussions with the valuer on the valuation assumptions and valuation results when the valuation is performed for financial reporting.

本集團的投資物業位於中國內地。本集團的投資物業乃基於獨立專業合資格估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)的評估於2019年12月31日重估為人民幣2,798,600,000元(2018年：人民幣2,582,000,000元)。本集團的首席財務官經本公司董事會批准後決定委任外部估值師負責本集團物業的外部估值。甄選標準包括市場知識、聲譽、獨立性及是否保持專業標準。本集團的首席財務官已與估值師就進行財務報告估值的估值假設及估值結果進行討論。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

14. INVESTMENT PROPERTIES
(CONTINUED)

At 31 December 2019, the Group's investment properties with an aggregate carrying amount of approximately RMB2,542,300,000 (2018: RMB1,120,100,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group (note 30).

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

Recurring fair value measurement for 就以下項目進行的經常性公允價值計量	Fair value measurement as at 31 December 2019 using 於2019年12月31日使用以下級別的公允價值計量				Total 總計 RMB' 000 人民幣千元
	Quoted prices in active markets 於活躍 市場的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第三級) RMB' 000 人民幣千元		
Commercial properties completed 已竣工商業物業	-	-	2,798,600		2,798,600

Recurring fair value measurement for 就以下項目進行的經常性公允價值計量	Fair value measurement as at 31 December 2018 using 於2018年12月31日使用以下級別的公允價值計量				Total 總計 RMB' 000 人民幣千元
	Quoted prices in active markets 於活躍 市場的報價 (Level 1) (第一級) RMB' 000 人民幣千元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第二級) RMB' 000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第三級) RMB' 000 人民幣千元		
Commercial properties 商業物業					
Completed 已竣工	-	-	2,542,500		2,542,500
Under construction 在建	-	-	39,500		39,500
	-	-	2,582,000		2,582,000

14. 投資物業(續)

本集團於2019年12月31日的總賬面值約人民幣2,542,300,000元(2018年: 人民幣1,120,100,000元)的投資物業已質押, 為本集團獲授的計息銀行及其他借貸作抵押(附註30)。

公允價值層級

下表說明本集團投資物業的公允價值計量層級:

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**14. INVESTMENT PROPERTIES
(CONTINUED)****Fair value hierarchy (continued)**

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 (2018: Nil).

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或加權平均 31 December 12月31日	
			2019 2019年	2018 2018年
Completed commercial properties 已竣工商業物業	Income approach 收益法	Estimated rental value (per square meter and per month) 估計租金價值 (每平方米及每月)	RMB69-609 人民幣69-609元	RMB111-603 人民幣111-603元
		Capitalisation rate 資本化率	3.5%-6.25%	4%-6.25%
		Long term vacancy rate 長期空置率	2%-10%	4%-5%
Commercial properties under construction 在建商業物業	Comparison method 比較法	Expected profit margin 預期利潤率	N/A 不適用	10% 10%

14. 投資物業(續)**公允價值層級(續)**

於年內，第一級與第二級之間並無公允價值計量的轉撥，亦無轉撥至或轉撥自第三級(2018年：無)。

以下為投資物業估值所用的估值技術及主要輸入數據概要：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

14. INVESTMENT PROPERTIES (CONTINUED)

Fair value hierarchy (continued)

The fair value of completed commercial properties is determined by the income approach by taking into account the rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the fair value at an appropriate capitalisation rate. Where appropriate, reference to the comparable sales transactions as available in the relevant market has also been considered.

A significant increase (decrease) in the estimated rental value would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the long term vacancy rate and the capitalisation rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties.

The fair value of commercial properties under construction is determined by using the comparison method, with reference to comparable sales evidence as available in the relevant market to derive the fair value of the property assuming that it was completed and, where appropriate, after deducting the following items:

- Estimated construction cost and professional fees to be expensed to complete the properties that would be incurred by a market participant; and
- Estimated profit margin that a market participant would require to hold and develop the property to completion.

The higher estimated construction cost would result in the lower fair value of the investment properties under construction.

The higher expected profit margin would result in the lower fair value of the investment properties under construction.

14. 投資物業(續)

公允價值層級(續)

已竣工商業物業的公允價值乃通過收益法釐定，方法是通過計入以現有租賃所得及／或在現有市場上可收取的物業租金收入，且已就租賃的復歸收入潛力作適當估量，並已按適當的資本化率進行資本化以釐定公允價值。在適當情況下，吾等亦曾考慮參考相關市場可資比較的銷售交易。

估計租金價值大幅增加(減少)將導致投資物業的公允價值大幅增加(減少)。長期空置率及資本化率單獨大幅增加(減少)將導致投資物業的公允價值大幅減少(增加)。

在建商業物業的公允價值使用比較法釐定，經參考有關市場上可資比較的銷售個案並(如適用)經扣除以下項目後得出物業的公允價值(假設其已竣工)：

- 市場參與者令物業竣工將產生的估計建設成本及專業費用；及
- 市場參與者持有及開發物業至竣工所需的估計利潤率。

估計建設成本越高，將會導致在建投資物業公允價值越低。

預期利潤率越高，將導致在建投資物業的公允價值越低。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

15. LEASES**The Group as a lessee**

The Group has lease contracts for various items of offices, motor vehicles and other equipment used in its operations. Leases of offices and motor vehicles generally have lease terms between 1 and 3 years. Other equipment generally have lease terms of 12 months or less and/or are individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Offices 辦公室 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019 於2019年1月1日	7,855	1,276	9,131
Additions 添置	3,363	-	3,363
Depreciation charge 折舊開支	(4,822)	(708)	(5,530)
As at 31 December 2019 於2019年12月31日	6,396	568	6,964

15. 租賃**本集團作為承租人**

本集團擁有多個辦公室、汽車項目及其經營所用設備的租賃合同。辦公室及汽車的租期通常介乎一至三年。其他設備的租期通常為12個月或以下及／或個別設備的價值較低。一般而言，本集團不可向本集團以外人士轉讓及分租租賃資產。

(a) 使用權資產

本集團於年內的使用權資產賬面值及變動如下：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

15. LEASES (CONTINUED)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2019 2019年 RMB'000 人民幣千元
Carrying amount at 1 January 2019 於2019年1月1日的賬面值	9,131
New leases 新租賃	3,363
Accretion of interest recognised during the year 年內確認的利息增幅	875
Payments 付款	(6,310)
Carrying amount at 31 December 2019 於2019年12月31日的賬面值	7,059
Analysed into: 分析:	
Current portion 流動部分	4,819
Non-current portion 非流動部分	2,240

The maturity analysis of lease liabilities is disclosed in note 40 to the financial statements.

15. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

年內的租賃負債賬面值及變動如下:

租賃負債的到期分析披露於財務報表附註40。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

15. LEASES (CONTINUED)**The Group as a lessee (continued)**

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2019 2019年 RMB'000 人民幣千元
Interest on lease liabilities 租賃負債的利息	875
Depreciation charge of right-of-use assets 使用權資產折舊開支	5,530
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in administrative expenses) 與短期租賃及餘下租期於2019年12月31日或之前屆滿的其他租賃有關的開支(計入行政開支)	5,887
Total amount recognised in profit or loss 於損益確認的總額	12,292

(d) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 35(c) and 37, respectively, to the financial statements.

The Group as a lessor

The Group leases its investment properties (note 14) consisting of 6 commercial properties Mainland China under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB54,435,000 (2018: RMB65,212,000), details of which are included in note 5 to the financial statements.

15. 租賃(續)**本集團作為承租人(續)**

(c) 於損益中確認的租賃相關款項如下：

	2019 2019年 RMB'000 人民幣千元
Interest on lease liabilities 租賃負債的利息	875
Depreciation charge of right-of-use assets 使用權資產折舊開支	5,530
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in administrative expenses) 與短期租賃及餘下租期於2019年12月31日或之前屆滿的其他租賃有關的開支(計入行政開支)	5,887
Total amount recognised in profit or loss 於損益確認的總額	12,292

(d) 租賃現金流出總額及尚未開始的租賃相關未來現金流出分別披露於財務報表附註35(c)及37。

本集團作為出租人

本集團根據經營租賃安排出租其投資物業(附註14)，包括中國內地的6個商業物業。該等租賃的條款通常要求租戶支付擔保按金並根據現行市況進行定期租金調整。年內，本集團的已確認租金收入為人民幣54,435,000元(2018年：人民幣65,212,000元)，詳情載於財務報表附註5。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

15. LEASES (CONTINUED)

The Group as a lessor (continued)

At 31 December 2019, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Within one year 一年以內	58,500	57,891
After one year but within two years 一年以上但兩年以內	51,582	52,998
After two years but within three years 兩年以上但三年以內	41,875	47,612
After three years but within four years 三年以上但四年以內	38,348	41,787
After four years but within five years 四年以上但五年以內	36,838	38,201
After five years 五年以上	258,291	280,154
	485,434	518,643

15. 租賃(續)

本集團作為出租人(續)

於2019年12月31日，本集團根據與其租戶的不可撤銷經營租賃未來期間應收未貼現租賃付款如下：

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

16. INTANGIBLE ASSETS**16. 無形資產**

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Software 軟件		
At the beginning of the year: 年初：		
Cost 成本	8,117	4,394
Accumulated amortisation 累計攤銷	(2,764)	(2,818)
Net carrying amount 淨賬面值	5,353	1,576
Carrying amount at the beginning of the year 年初賬面值	5,353	1,576
Additions 添置	5,898	4,438
Disposal of a subsidiary 出售子公司	-	(203)
Amortisation provided during the year 年內已撥備攤銷	(1,198)	(458)
Carrying amount at the end of the year 年末賬面值	10,053	5,353
At the end of the year: 年末：		
Cost 成本	14,015	8,117
Accumulated amortisation 累計攤銷	(3,962)	(2,764)
Net carrying amount 淨賬面值	10,053	5,353

17. INVESTMENTS IN JOINT VENTURES**17. 於合營企業的投資**

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Share of net assets 分佔淨資產	92,794	-

The Group's balances with joint ventures are disclosed in note 38 to the financial statements.

本集團與合營企業的結餘於財務報表附註38披露。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

17. INVESTMENTS IN JOINT VENTURES
(CONTINUED)

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Share of the joint ventures' loss and total comprehensive loss for the year 分佔年內合營企業虧損及總全面虧損	(23,176)	-
Aggregate carrying amount of the Group's investments in the joint ventures 本集團於合營企業的投資的總賬面值	92,794	-

The directors of the Company are of the opinion that no provision for impairment is necessary as at 31 December 2019 as the investments in joint ventures are considered fully recoverable (2018: Nil). The joint ventures have been accounted for using the equity method in these financial statements.

17. 於合營企業的投資(續)

下表列示本集團合營企業的非個別重大總財務資料：

本公司董事認為，於2019年12月31日無須計提減值撥備(2018年：無)，原因是於合營企業的投資被認為可悉數收回。合營企業已於該等財務報表中使用權益法入賬。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

18. INVESTMENTS IN ASSOCIATES

18. 於聯營公司的投資

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Share of net assets 分佔淨資產	1,783,333	24,091

The Group's balances with associates are disclosed in note 38 to the financial statements.

本集團與聯營公司的結餘於財務報表附註38披露。

(a) Particulars of the Group's material associates are as follows:

(a) 本集團主要聯營公司的詳情載列如下：

Name of company 公司名稱	Place and year of registration 註冊地點及年份	Registered share capital RMB' 000 註冊股本 人民幣千元	Actual percentage of ownership interest attributable to the Group 本集團應佔所有權 權益實際百分比	Principal activities 主要業務
常州億隆房地產開發有限公司 Changzhou Yilong Property Development Co., Ltd.	Changzhou, PRC 中國常州 2018 2018年	61,000	30.91%	Property development 物業開發
上海力闕企業管理有限公司 Shanghai Lique Corporate Management Co., Ltd.	Shanghai, PRC 中國上海 2019 2019年	2,000,000	49.00%	Property development 物業開發
上海弘汭企業管理有限公司 Shanghai Hongbian Corporate Management Co., Ltd.	Shanghai, PRC 中國上海 2019 2019年	1,000,000	49.00%	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

18. INVESTMENTS IN ASSOCIATES
(CONTINUED)

- (b) Changzhou Yilong Property Development Co., Ltd., Shanghai Lique Corporate Management Co., Ltd. and Shanghai Hongbian Corporate Management Co., Ltd., which are considered material associates of the Group for 31 December 2019, develop property development projects with the other associate partners in Mainland China and are accounted for using the equity method.

The following table illustrates the summarised financial information in respect of Changzhou Yilong Property Development Co., Ltd. adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

18. 於聯營公司的投資(續)

- (b) 常州億隆房地產開發有限公司、上海力闕企業管理有限公司及上海弘汴企業管理有限公司被視作本集團於2019年12月31日的主要聯營公司，與中國內地的其他聯營夥伴開發物業開發項目，並使用權益法入賬。

下表說明有關常州億隆房地產開發有限公司的財務資料概要，已就會計政策的任何差別作出調整及與綜合財務報表內之賬面值對賬：

	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Cash and cash equivalents 現金及現金等價物	149,984
Other current assets 其他流動資產	235,619
Current assets 流動資產	385,603
Non-current assets 非流動資產	13,818
Other current liabilities 其他流動負債	(228,766)
Current liabilities 流動負債	(228,766)
Net assets 淨資產	170,655
Reconciliation to the Group's interest in the associate: 與本集團於聯營公司權益的對賬：	
Proportion of the Group's ownership 本集團所有權的比例	30.91%
Group's share of net assets of the associate 本集團分佔聯營公司的淨資產	52,749
Carrying amount of the investment 投資的賬面值	52,749
Revenue 收益	1,159,117
Expenses 開支	(937,946)
Tax 稅項	(50,516)
Profit and total comprehensive income for the year 年內利潤及總全面收入	170,655

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**18. INVESTMENTS IN ASSOCIATES
(CONTINUED)****(b)** (continued)

The following table illustrates the summarised financial information in respect of Shanghai Lique Corporate Management Co., Ltd. adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Cash and cash equivalents 現金及現金等價物	510
Other current assets 其他流動資產	2,000,000
Current assets 流動資產	2,000,510
Other current liabilities 其他流動負債	(510)
Current liabilities 流動負債	(510)
Net assets 淨資產	2,000,000
Reconciliation to the Group's interest in the associate: 與本集團於聯營公司權益的對賬:	
Proportion of the Group's ownership 本集團所有權的比例	49.00%
Group's share of net assets of the associate 本集團分佔聯營公司的淨資產	980,000
Carrying amount of the investment 投資的賬面值	980,000
Revenue 收益	-
Expenses 開支	-
Tax 稅項	-
Profit and total comprehensive income for the year 年內利潤及總全面收入	-

18. 於聯營公司的投資(續)**(b)** (續)

下表說明上海力關企業管理有限公司的財務資料概要，已就會計政策的任何差別作出調整及與綜合財務報表內的賬面值對賬：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

18. INVESTMENTS IN ASSOCIATES
(CONTINUED)

(b) (continued)

The following table illustrates the summarised financial information in respect of Shanghai Hongbian Corporate Management Co., Ltd. adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

	31 December 2019 2019年 12月31日 RMB' 000 人民幣千元
Cash and cash equivalents 現金及現金等價物	2
Other current assets 其他流動資產	1,000,000
Current assets 流動資產	1,000,002
Other current liabilities 其他流動負債	(2)
Current liabilities 流動負債	(2)
Net assets 淨資產	1,000,000
Reconciliation to the Group's interest in the associate: 與本集團於聯營公司權益的對賬:	
Proportion of the Group's ownership 本集團所有權的比例	49.00%
Group's share of net assets of the associate 本集團分佔聯營公司的淨資產	490,000
Carrying amount of the investment 投資的賬面值	490,000
Revenue 收益	-
Expenses 開支	-
Tax 稅項	-
Profit and total comprehensive income for the year 年內利潤及總全面收入	-

18. 於聯營公司的投資(續)

(b) (續)

下表說明上海弘汴企業管理有限公司的財務資料概要，已就會計政策的任何差別作出調整及與綜合財務報表內的賬面值對賬：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

18. INVESTMENTS IN ASSOCIATES
(CONTINUED)

(c) The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Share of the associates' profit or loss and total comprehensive income or loss 分佔聯營公司利潤或虧損及總全面收入或虧損	17,486	(3,969)
Aggregate carrying amount of the Group's investments in the associates 本集團於聯營公司的投資的總賬面值	260,584	24,091

The directors of the Company are of the opinion that no provision for impairment is necessary as at 31 December 2019 as the investments in associates are considered fully recoverable (2018: Nil). The associates have been accounted for using the equity method in these financial statements.

18. 於聯營公司的投資(續)

(c) 下表列示本集團聯營公司的非個別重大總財務資料：

本公司董事認為，於2019年12月31日無須計提減值撥備(2018年：無)，原因是於聯營公司的投資被認為可悉數收回。聯營公司已於該等財務報表中使用權益法入賬。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

19. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

	Lease liabilities 租賃負債 RMB' 000 人民幣千元	Losses available for offsetting against future taxable profits 可供抵銷未來應課稅利潤的虧損 RMB' 000 人民幣千元	Advertising fee for offsetting against future taxable profits 抵銷未來應課稅利潤的廣告費 RMB' 000 人民幣千元	Payroll and welfare accrued 應計工資及福利 RMB' 000 人民幣千元	Accrued construction cost 應計建設成本 RMB' 000 人民幣千元	Unrealised revenue in contract liabilities 合同負債中的未變現收益 RMB' 000 人民幣千元	Accrued LAT 應計土地增值稅 RMB' 000 人民幣千元	Impairment losses on financial assets 金融資產減值虧損 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
At 1 January 2018 於2018年1月1日	-	9,669	2,814	-	40,899	108,680	45,097	-	207,159
Deferred tax credited/(charged) to profit or loss during the year 年內計入/(扣除自)損益的遞延稅項	-	947	(1,687)	134	(3,045)	49,505	26,982	168	73,004
At 31 December 2018 於2018年12月31日	-	10,616	1,127	134	37,854	158,185	72,079	168	280,163
Effect of adoption of IFRS 16 採納國際財務報告準則第16號的影響	2,283	-	-	-	-	-	-	-	2,283
At 1 January 2019 (restated) 於2019年1月1日(經重述)	2,283	10,616	1,127	134	37,854	158,185	72,079	168	282,446
Deferred tax credited/(charged) to profit or loss during the year 年內計入/(扣除自)損益的遞延稅項	(518)	(6,550)	(1,127)	(134)	11,265	36,469	(3,260)	37	36,182
At 31 December 2019 於2019年12月31日	1,765	4,066	-	-	49,119	194,654	68,819	205	318,628

19. 遞延稅項

遞延稅項資產及負債於年內的變動如下：

遞延稅項資產

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

19. DEFERRED TAX (CONTINUED)

The movements in deferred tax assets and liabilities during the year is as follows: (continued)

Deferred tax liabilities

	Fair value adjustments arising from investment properties 投資物業產生的公允價值調整 RMB' 000 人民幣千元	Fair value adjustments of equity investments at fair value through other comprehensive income 按公允價值計入其他全面收入的股權投資產生的公允價值調整 RMB' 000 人民幣千元	Right-of-use assets 使用權資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
At 1 January 2018 於2018年1月1日	431,582	1,900	-	433,482
Deferred tax charged to profit or loss during the year 年內自損益扣除的遞延稅項	15,323	-	-	15,323
Deferred tax credited to other comprehensive income during the year 年內計入其他全面收入的遞延稅項	-	(3,300)	-	(3,300)
At 31 December 2018 於2018年12月31日	446,905	(1,400)	-	445,505
Effect of adoption of IFRS 16 採納國際財務報告準則第16號的影響	-	-	2,283	2,283
At 1 January 2019 (restated) 於2019年1月1日(經重述)	446,905	(1,400)	2,283	447,788
Deferred tax charged/(credited) to profit or loss during the year 年內扣除自/(計入)損益的遞延稅項	14,369	-	(542)	13,827
Deferred tax charged to other comprehensive income during the year 年內自其他全面收入扣除的遞延稅項	-	2,335	-	2,335
At 31 December 2019 於2019年12月31日	461,274	935	1,741	463,950

19. 遞延稅項(續)

遞延稅項資產及負債於年內的變動如下：
(續)

遞延稅項負債

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

19. DEFERRED TAX (CONTINUED)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances for financial reporting purposes:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position 於綜合財務狀況表內確認的淨遞延稅項資產	271,877	231,075
Net deferred tax liabilities recognised in the consolidated statement of financial position 於綜合財務狀況表內確認的淨遞延稅項負債	(417,199)	(396,417)
	(145,322)	(165,342)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

19. 遞延稅項(續)

就呈列而言，若干遞延稅項資產及負債已於綜合財務狀況表內抵銷。以下為就財務申報目的之遞延稅項結餘分析：

根據中國企業所得稅法，於中國內地成立的外商投資企業向外國投資者宣派股息須繳納10%預扣稅。該規定自2008年1月1日起生效並適用於2007年12月31日後的盈利。倘中國內地與外國投資者的司法管轄區訂有稅收協定，則可應用較低的預扣稅率。就本集團而言，適用稅率為10%。因此，本集團有責任就該等於中國內地成立的子公司自2008年1月1日起產生的盈利所分派的股息繳納預扣稅。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

19. DEFERRED TAX (CONTINUED)**Deferred tax liabilities (continued)**

At 31 December 2019 and 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Company and the Group's subsidiaries established in Mainland China. In the opinion of the directors of the Company, the Group's fund will be retained in Mainland China for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amounts of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB1,714,311,000 as at 31 December 2019 (2018: RMB1,917,784,000).

Deferred tax assets have not been recognised in respect of the following items:

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Tax losses 稅項虧損	186,112	153,586

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefits through future taxable profits is probable. At 31 December 2019, the Group did not recognise deferred income tax assets of approximately RMB186,112,000 (2018: RMB153,586,000), in respect of tax losses amounting to approximately RMB744,450,000 (2018: RMB614,344,000), that can be carried forward to offset against future taxable income. These tax losses will expire up to and including years ending 31 December 2020, 2021, 2022, 2023 and 2024, respectively.

19. 遞延稅項(續)**遞延稅項負債(續)**

於2019年及2018年12月31日，本公司及本集團並無就於中國內地成立的子公司應繳納預扣稅的未匯出盈利而應付的預扣稅確認遞延稅項。本公司董事認為，本集團的資金將就拓展本集團的經營而於中國內地保留，故該等子公司於可預見將來不大可能分派有關盈利。於2019年12月31日，與於中國內地子公司的投資相關而未確認遞延稅項負債的總暫時差額合共約為人民幣1,714,311,000元(2018年：人民幣1,917,784,000元)。

並無就以下項目確認遞延稅項資產：

倘若相關稅項利益可能透過未來應課稅利潤變現，則會就所結轉的稅項虧損確認遞延稅項資產。於2019年12月31日，本集團並無就約為人民幣186,112,000元(2018年：人民幣153,586,000元)的稅項虧損確認遞延所得稅資產約人民幣744,450,000元(2018年：人民幣614,344,000元)，該等遞延所得稅資產可予結轉以抵銷未來應課稅收入。該等稅項虧損將分別於截至2020年、2021年、2022年、2023年及2024年12月31日止年度(並包括該等年度)屆滿。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

20. 按公允價值計入損益的金融資產

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Listed equity investment, at fair value 按公允價值計的上市股權投資	473,725	20,899
Unlisted investments, at fair value 按公允價值計的非上市投資	122,305	-
	596,030	20,899

The above equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

上述股權投資於持作買賣時分類為按公允價值計入損益的金融資產。

The above unlisted investments were funds issued by exempted companies incorporated under the laws of the Cayman Islands. They were classified as financial assets at fair value through profit or loss as they were held for trading.

上述非上市投資乃根據開曼群島法例註冊成立的獲豁免公司發行的資金。該等投資於持作買賣時分類為按公允價值計入損益的金融資產。

At 31 December 2019, the Group's financial assets at fair value through profit or loss with an aggregate carrying amount of approximately RMB224,230,000 (2018: Nil) were pledged to secure bank and other borrowings granted to the Group (note 30).

於2019年12月31日，本集團總賬面值約為人民幣224,230,000元(2018年：零)的按公允價值計入損益的金融資產已質押，為本集團獲授的銀行及其他借貸作抵押(附註30)。

21. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

21. 指定為按公允價值計入其他全面收入的股權投資

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資		
Unlisted equity investments, at fair value 按公允價值計的非上市股權投資	115,742	106,400

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

由於本集團認為上述股權投資屬戰略性質，該等投資已被不可撤銷地指定為按公允價值計入其他全面收入。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

22. PROPERTIES UNDER DEVELOPMENT

22. 在建物業

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Carrying amount at 1 January 於1月1日的賬面值	11,003,293	7,916,216
Additions 添置	6,738,240	7,166,529
Transferred to investment properties (note 14) 轉撥至投資物業(附註14)	–	(19,636)
Transferred to completed properties held for sale (note 23) 轉撥至已竣工持作銷售物業(附註23)	(7,569,596)	(4,059,816)
Disposal of subsidiaries (note 34) 出售子公司(附註34)	(327,065)	–
Carrying amount at 31 December 於12月31日的賬面值	9,844,872	11,003,293

The Group's properties under development are situated on leasehold lands in Mainland China.

本集團的在建物業位於中國內地的租賃土地上。

At 31 December 2019, the Group's properties under development with an aggregate carrying amount of approximately RMB5,540,778,000 (2018: RMB7,427,944,000) were pledged to secure bank and other borrowings granted to the Group (note 30).

於2019年12月31日，本集團總賬面值約為人民幣5,540,778,000元(2018年：人民幣7,427,944,000元)的在建物業已質押，為本集團獲授的銀行及其他借貸作抵押(附註30)。

23. COMPLETED PROPERTIES HELD FOR SALE

23. 已竣工持作銷售物業

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Carrying amount at 1 January 於1月1日的賬面值	1,094,172	1,388,673
Transferred from properties under development (note 22) 轉撥自在建物業(附註22)	7,569,596	4,059,816
Transferred to cost of sales (note 6) 轉撥至銷售成本(附註6)	(5,673,545)	(4,354,317)
Transferred to investment properties (note 14) 轉撥至投資物業(附註14)	(125,912)	–
Carrying amount at 31 December 於12月31日的賬面值	2,864,311	1,094,172

At 31 December 2019, the Group's completed properties held for sale with an aggregate carrying amount of Nil (2018: RMB39,434,000) were pledged to secure bank and other borrowings granted to the Group (note 30).

於2019年12月31日，本集團總賬面值為零(2018年：人民幣39,434,000元)的已竣工持作銷售物業已質押，為本集團獲授的銀行及其他借貸作抵押(附註30)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

24. TRADE RECEIVABLES

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Trade receivables 貿易應收款項	13,528	33,531
Impairment 減值	-	-
	13,528	33,531

Trade receivables mainly represent receivables from sales of properties and rentals receivable from tenants. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are unsecured and non-interest-bearing.

The carrying amounts of trade receivables in the consolidated statement of financial position approximate to their fair values.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Less than 1 year 少於一年	13,528	33,531

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

24. 貿易應收款項

貿易應收款項主要指物業銷售應收款項及應收租戶租金。本集團尋求對其未收回應收款項維持嚴格控制並設有信用控制部門以將信貸風險最小化。管理層會定期審閱逾期結餘。鑒於以上所述，並無重大信貸風險集中情況。本集團並無就其貿易應收款項結餘持有任何抵押物或其他信用增強手段。貿易應收款項為無抵押且不計息。

綜合財務狀況表中貿易應收款項的賬面值與其公允價值相若。

於報告期結束時，基於發票日期的貿易應收款項賬齡分析如下：

未逾期亦未減值應收款項涉及大量無近期違約記錄的不同類型客戶。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

24. TRADE RECEIVABLES (CONTINUED)

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rate of trade receivables is assessed to be 0.1%. Based on evaluation on the expected loss rate and gross carrying amount, meanwhile, given all receivables are in the credit term, the directors of the Company are of the opinion that the ECL in respect of these balances is considered to be immaterial, and therefore, there has not been a loss allowance provision.

24. 貿易應收款項(續)

本集團採用簡化辦法，計提國際財務報告準則第9號規定的預期信貸虧損，有關條文允許為所有貿易應收款項計提整個存續期的預期虧損撥備。為計量預期信貸虧損，貿易應收款項根據共同信貸風險特徵和逾期天數進行分組。貿易應收款項的預期虧損率估計為0.1%。根據對預期虧損率及總賬面值的評估，同時由於全部應收款項均處於信貸期內，本公司董事認為，該等結餘的預期信貸虧損並不重大，故並無計提虧損撥備。

25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

25. 預付款項、其他應收款項及其他資產

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Prepayments for acquisition of land use rights 收購土地使用權的預付款項	725,575	288,171
Due from non-controlling shareholders of subsidiaries 應收子公司的非控股股東款項	741,332	152,308
Other tax recoverable 其他可收回稅項	385,406	274,790
Land auction and other deposits 土地拍賣及其他按金	191,916	108,528
Due from third parties 應收第三方款項	-	188,513
Prepayments for construction cost 建設成本的預付款項	1,870	1,277
Other receivables 其他應收款項	76,084	53,871
	2,122,183	1,067,458
Less: Impairment 減：減值	818	395
	2,121,365	1,067,063

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

Other receivables are unsecured, non-interest-bearing and repayable on demand.

The internal credit rating of amounts due from non-controlling shareholders of subsidiaries, amounts due from third parties and other deposits was performing. The Group has assessed that the credit risk of these receivables has not increased significantly since initial recognition. The expected loss rate of these receivables is assessed to be 0.1%. The Group has evaluated the expected loss rate and gross carrying amount, measured the impairment based on the 12-month expected credit losses, and assessed that the expected credit losses were RMB818,000 as at 31 December 2019 (2018: RMB395,000).

26. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PLEDGED DEPOSITS

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Cash and bank balances 現金及銀行結餘	4,693,722	2,163,970
Less: Restricted cash 減：受限制現金	1,115,487	650,574
Pledged deposits 已質押存款	766,669	26,321
Cash and cash equivalents 現金及現金等價物	2,811,566	1,487,075

Pursuant to relevant regulations in the PRC, certain property development companies of the Group are required to place certain amounts of cash in designated bank accounts for specified use. As at 31 December 2019, such restricted cash amounted to RMB1,115,487,000 (2018: RMB650,574,000).

25. 預付款項、其他應收款項及其他資產(續)

其他應收款項為無抵押、不計息且按要求償還。

應收子公司的非控股股東款項、應收第三方款項及其他按金的內部信用等級正在進行評定。本集團已評估該等應收款項的信貸風險自初步確認以來並無顯著增加。該等應收款項的預期虧損率被評定為0.1%。本集團已對預期虧損率及總賬面值進行評估，根據12個月的預期信貸虧損計量減值，並已評估2019年12月31日的預期信貸虧損為人民幣818,000元(2018年：人民幣395,000元)。

26. 現金及現金等價物、受限制現金及已質押存款

根據有關中國法規，本集團的若干物業開發公司須將若干現金款項存置於指定銀行賬戶作特定用途。於2019年12月31日，該等受限制現金為人民幣1,115,487,000元(2018年：人民幣650,574,000元)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

26. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PLEDGED DEPOSITS (CONTINUED)

As at 31 December 2019, bank deposits of RMB766,669,000 (2018: RMB26,321,000) were pledged as security for purchasers' mortgage loans and construction of projects, or pledged to banks as collateral for issuance of bank acceptance notes.

26. 現金及現金等價物、受限制現金及已質押存款(續)

於2019年12月31日，銀行存款人民幣766,669,000元(2018年：人民幣26,321,000元)已質押，作為買方按揭貸款及項目建設的抵押品，或質押予銀行作為發行銀行承兌票據的抵押品。

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Denominated in RMB 以人民幣計值	2,536,046	1,392,892
Denominated in HK\$ 以港元計值	10,300	94,177
Denominated in US\$ 以美元計值	265,220	6
	2,811,566	1,487,075

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

人民幣不得自由兌換為其他貨幣，但根據中國內地的外匯管理條例及結匯、售匯及付匯管理規定，本集團可通過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

銀行現金根據每日銀行存款利率按浮動利率計息。銀行結餘存於無近期違約記錄的信譽可靠的銀行。現金及現金等價物的賬面值與其公允價值相若。

As at 31 December 2019, the internal credit rating of restricted cash, pledged deposits and cash and cash equivalents was performing. The Group has assessed that the credit risk of the restricted cash, pledged deposits and cash and cash equivalents has not increased significantly since initial recognition and measured the impairment based on 12-month expected credit losses, and has assessed that the expected credit losses are immaterial.

於2019年12月31日，受限制現金、已質押存款以及現金及現金等價物的內部信用等級正在進行評定。本集團已評估受限制現金、已質押存款以及現金及現金等價物的信貸風險自初步確認以來並無顯著增加及根據12個月的預期信貸虧損計量減值，並已評估預期信貸虧損並不重大。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

27. TRADE AND BILLS PAYABLES

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

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Less than 1 year 少於一年	2,239,307	1,395,674
Over 1 year 一年以上	7,864	29,295
	2,247,171	1,424,969

Trade and bills payables are unsecured and interest-free and are normally settled based on the progress of construction.

The fair values of trade and bills payables as at the end of the reporting period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

27. 貿易應付款項及應付票據

於報告期結束時，基於發票日期的貿易應付款項及應付票據賬齡分析如下：

貿易應付款項及應付票據為無抵押及免息，一般基於施工進度結算。

由於貿易應付款項及應付票據到期期限相對較短，因此貿易應付款項及應付票據於報告期結束時的公允價值與其相應賬面值相若。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

28. OTHER PAYABLES AND ACCRUALS

28. 其他應付款項及應計費用

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Advances from non-controlling shareholders of subsidiaries 子公司非控股股東墊款	684,070	121,699
Retention deposits related to construction and rental 建築及租金相關保留按金	198,209	106,693
Deposits related to land use rights 土地使用權相關按金	634,572	387,106
Business tax and surcharges 營業稅及附加費	106,529	78,363
Dividends payable 應付股息	63,530	-
Payroll and welfare payable 應付工資及福利	56,417	46,607
Interest payable 應付利息	45,247	34,340
Deposits related to sales of properties 物業銷售相關按金	28,309	36,297
Others 其他	70,269	52,331
	1,887,152	863,436

Other payables and advances from non-controlling shareholders of subsidiaries are unsecured, non-interest-bearing and repayable on demand. The fair values of other payables at the end of the reporting period approximated to their corresponding carrying amounts.

其他應付款項及子公司非控股股東墊款為無抵押、不計息並須按要求償還。其他應付款項於報告期結束時的公允價值與其相應的賬面值相若。

29. CONTRACT LIABILITIES

29. 合同負債

The Group recognised the following revenue-related contract liabilities:

本集團已確認下列收益相關合同負債：

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Contract liabilities 合同負債	7,062,738	6,986,306

The Group receives payments from customers based on billing schedules as established in the property sale contracts. Payments are usually received in advance of the performance under the contracts which are mainly from property development and sales.

本集團根據物業銷售合同中確定的收款時間表收取來自客戶的付款。付款通常於合同履行之前收取(主要來自物業開發及銷售)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

30. 計息銀行及其他借貸

	2019 2019年			2018 2019年		
	Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB' 000 人民幣千元	Effective interest rate (%) 實際利率 (%)	Maturity 到期	RMB' 000 人民幣千元
Current 即期						
Bank loans – secured 銀行貸款 – 有抵押	4.35-8.0	2020	821,711			–
Other loans – secured 其他貸款 – 有抵押	10.00-18.00	2020	1,076,715	7.00-17.00	2019	688,450
Other loans – unsecured 其他貸款 – 無抵押			–	9.00	2019	56,200
Current portion of long term bank loans – secured 長期銀行貸款的即期部分 – 有抵押	5.42-8.00	2020	138,850	4.75-8.00	2019	736,370
Current portion of long term other loans – secured 其他長期貸款的即期部分 – 有抵押	12.00-15.90	2020	439,540	8.50-12.00	2019	713,188
			2,476,816			2,194,208
Non-current 非即期						
Bank loans – secured 銀行貸款 – 有抵押	5.20-11.00	2021-33	3,196,795	4.50-16.00	2020-33	2,522,195
Other loans – secured 其他貸款 – 有抵押	14.00	2021	314,000	8.50-15.70	2020	928,815
Other loans – unsecured 其他貸款 – 無抵押	8.90-10.00	2021	111,538			–
			3,622,333			3,451,010
			6,099,149			5,645,218

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

30. INTEREST-BEARING BANK AND
OTHER BORROWINGS (CONTINUED)

30. 計息銀行及其他借貸(續)

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Analysed into: 分析：		
Bank loans repayable: 應償還銀行貸款：		
Within one year or on demand 一年內或按要求	960,561	736,370
In the second year 於第二年	400,340	560,150
In the third to fifth years, inclusive 於第三至第五年(包括首尾兩年)	1,376,445	417,692
Beyond five years 五年以上	1,420,010	1,544,353
	4,157,356	3,258,565
Other borrowings repayable: 應償還其他借貸：		
Within one year or on demand 一年內或按要求	1,516,255	1,457,838
In the second year 於第二年	425,538	928,815
	1,941,793	2,386,653
	6,099,149	5,645,218

The Group's borrowings are denominated in RMB and HK\$.

本集團的借貸以人民幣及港元計值。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

30. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

Certain of the Group's bank and other borrowings are secured by the pledges of the following assets with carrying values at the end of the reporting period as follows:

	Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Property, plant and equipment 物業、廠房及設備	13	88,346	89,094
Investment properties 投資物業	14	2,542,300	1,120,100
Properties under development 在建物業	22	5,540,778	7,427,944
Restricted cash 受限制現金		746,453	–
Completed properties held for sale 已竣工持作銷售物業	23	–	39,434
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	20	224,230	–
		9,142,107	8,676,572

As at 31 December 2019, the Controlling Shareholders have guaranteed certain of the bank and other borrowings of up to RMB2,324,807,000 (2018: RMB2,035,569,000).

As at 31 December 2019, the Group has pledged future proceeds in respect of properties leasing as collateral to secure bank and other borrowings amounting to RMB1,970,400,000 (2018: RMB850,000,000).

As at 31 December 2019, the non-controlling shareholders of the Group's subsidiaries have guaranteed certain of the Group's bank loans of up to RMB1,620,314,000 (2018: RMB81,000,000).

30. 計息銀行及其他借貸(續)

本集團的若干銀行及其他借貸由質押以下於報告期結束時賬面值如下的資產作抵押：

於2019年12月31日，控股股東已就若干不超過人民幣2,324,807,000元(2018年：人民幣2,035,569,000元)的銀行及其他借貸作出擔保。

於2019年12月31日，本集團已質押出租中物業的未來所得款項作為抵押品，以獲得銀行及其他借貸人民幣1,970,400,000元(2018年：人民幣850,000,000元)。

於2019年12月31日，本集團子公司的非控股股東已就本集團若干不超過人民幣1,620,314,000元(2018年：人民幣81,000,000元)的銀行貸款作出擔保。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

30. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

The management of the Company has assessed that the fair values of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the fact that such borrowings were made between the Group and independent third party financial institutions based on prevailing market interest rates.

30. 計息銀行及其他借貸(續)

本公司管理層已評估計息銀行及其他借貸的公允價值與其賬面值相若，主要是由於該等借貸乃本集團與獨立第三方金融機構根據現行市場利率所作出。

31. SENIOR NOTES

31. 優先票據

	31 December 2019 2019年12月31日			
	Principal at the original currency US\$' 000 原幣本金 千美元	Contractual interest rate (%) 合同利率(%)	Maturity 到期	RMB' 000 人民幣千元
Senior notes due 2020 ("April 2019 Notes") 於2020年到期的優先票據("2019年4月之票據")	120,000	13.500%	2020	843,395
Senior notes due 2021 I ("July 2019 Notes I") 於2021年到期的優先票據I ("2019年7月之票據I")	180,000	12.875%	2021	1,290,059
Senior notes due 2021 II ("July 2019 Notes II") 於2021年到期的優先票據II ("2019年7月之票據II")	120,000	12.875%	2021	860,302
				2,993,756
Less: current portion 減：即期部分				843,395
Non-current portion 非即期部分				2,150,361
The Group's senior notes were repayable as follows: 本集團優先票據的償還情況如下：				
Repayable within one year 應於一年內償還				843,395
Repayable in the second year 應於第二年償還				2,150,361
Total 總計				2,993,756

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

31. SENIOR NOTES (CONTINUED)

April 2019 Notes

As at 30 April 2019, the Company issued the April 2019 Notes at a coupon rate of 13.500%, which will be due in 2020 with an aggregate principal amount of US\$120,000,000. The Company raised net proceeds of US\$118,026,000 (after deduction of an underwriting discount and commissions and other expenses). At any time prior to 27 April 2020, the Company may, at its option, redeem the April 2019 Notes at a pre-determined redemption price. The details of the redemption price are disclosed in the relevant offering memorandum.

July 2019 Notes I & II

As at 11 July 2019, the Company issued the July 2019 Notes I at a coupon rate of 12.875%, which will be due in 2021 with an aggregate principal amount of US\$180,000,000. The Company raised net proceeds of US\$174,086,000 (after deduction of an underwriting discount and commissions and other expenses). At any time prior to 11 July 2021, the Company may, at its option, redeem the July 2019 Notes I at a pre-determined redemption price. The details of the redemption price are disclosed in the relevant offering memorandum.

As at 13 November 2019, the Company issued the July 2019 Notes II at a coupon rate of 12.875%, which will be due in 2021 with an aggregate principal amount of US\$120,000,000. The Company raised net proceeds of US\$115,998,000 (after deduction of an underwriting discount and commissions and other expenses). At any time prior to 11 July 2021, the Company may, at its option, redeem the July 2019 Notes II at a pre-determined redemption price. The details of the redemption price are disclosed in the relevant offering memorandum.

The fair values of the early redemption options of the April 2019 Notes and July 2019 Notes I & II were not significant, and therefore, were not recognised by the Group on their inception and at 31 December 2019.

31. 優先票據(續)

2019年4月之票據

於2019年4月30日，本公司發行將於2020年到期的本金總額為120,000,000美元，票面利率為13.500厘的2019年4月之票據。本公司募得淨所得款項118,026,000美元（經扣除包銷折扣及佣金以及其他開支）。於2020年4月27日前，本公司可隨時選擇以預定的贖回價格贖回2019年4月之票據。贖回價格的詳情披露於相關發售備忘錄。

2019年7月之票據I & II

於2019年7月11日，本公司發行將於2021年到期的本金總額為180,000,000美元，票面利率為12.875厘的2019年7月之票據I。本公司募得淨所得款項174,086,000美元（經扣除包銷折扣及佣金以及其他開支）。於2021年7月11日前，本公司可隨時選擇以預定的贖回價格贖回2019年7月之票據I。贖回價格的詳情披露於相關發售備忘錄。

於2019年11月13日，本公司發行將於2021年到期的本金總額為120,000,000美元，票面利率為12.875厘的2019年7月之票據II。本公司募得淨所得款項115,998,000美元（經扣除包銷折扣及佣金以及其他開支）。於2021年7月11日前，本公司可隨時選擇以預定的贖回價格贖回2019年7月之票據II。贖回價格的詳情披露於相關發售備忘錄。

2019年4月之票據及2019年7月之票據I & II提前贖回選擇權的公允價值並不重大，因此本集團於設立時及2019年12月31日均無對其進行確認。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

32. SHARE CAPITAL**32. 股本****Shares****股份**

	2019 2019年 HK\$ 港元	2018 2018年 HK\$ 港元
Issued and fully paid: 已發行及繳足：		
827,880,000 (2018: 827,880,000) ordinary shares of HK\$0.001 each		
827,880,000股(2018年：827,880,000股)每股面值0.001港元的普通股	827,880	827,880

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

本公司股本的變動概述如下：

	Number of share in issue 已發行股份數目	Share capital 股本 RMB' 000 人民幣千元
At 1 January 2018 於2018年1月1日	100	-
Issue of ordinary shares 發行普通股	100	-
Issue of ordinary shares 發行普通股	200,000,000	176
Issue of ordinary shares on capitalisation 資本化下發行的普通股	599,999,800	529
Issue of ordinary shares on an over-allotment option 超額配股權下發行的普通股	27,880,000	25
At 31 December 2018 and 1 January 2019 於2018年12月31日及2019年1月1日	827,880,000	730
At 31 December 2019 於2019年12月31日	827,880,000	730

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

32. SHARE CAPITAL (CONTINUED)

Shares (continued)

As at 20 April 2018, 60, 20 and 20 ordinary shares of HK\$0.001 each, which were all fully paid up at an aggregate consideration of US\$70,000,000, were allotted by the Company for cash to Splendid Sun Limited, Glorious Villa Limited and He Hong Limited, respectively, and the issued share capital of the Company was then HK\$0.2.

As at 11 October 2018, upon its listing on the Stock Exchange, the Company issued 200,000,000 new ordinary shares with par value of HK\$0.001 each at HK\$4.20 per share for a total cash consideration of HK\$840,000,000 (equivalent to approximately RMB740,628,000). The respective share capital amount was approximately RMB176,000 and share premium arising from the issuance was approximately RMB708,426,000, net of the share issuance costs. The share issuance costs paid and payable mainly include share underwriting commissions, lawyers' fees, reporting accountant's fee and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These costs amounting to RMB32,026,000 were treated as a deduction against the share premium arising from the issuance.

As at 11 October 2018, 599,999,800 shares were issued by way of capitalisation with par value of HK\$0.001 each, and the respective share capital amount was approximately RMB529,000.

32.股本(續)

股份(續)

於2018年4月20日，本公司向Splendid Sun Limited、Glorious Villa Limited及He Hong Limited分別配發60股、20股及20股每股面值0.001港元的普通股(其已全部按總對價70,000,000美元繳足)以獲取現金，及本公司當時已發行股本為0.2港元。

於2018年10月11日，本公司在聯交所上市後，按每股4.20港元發行200,000,000股每股面值0.001港元的新普通股，總現金對價為840,000,000港元(相等於約人民幣740,628,000元)。相關股本金額約為人民幣176,000元，發行所得股份溢價約為人民幣708,426,000元(扣除股份發行成本)。已付及應付股份發行成本主要包括股份承銷佣金、律師費、申報會計師費用及其他相關成本，其為發行新股直接應佔新增成本。該等成本為數人民幣32,026,000元，自發行所產生的股份溢價中扣除。

於2018年10月11日，599,999,800股每股面值0.001港元的股份乃按資本化方式發行，相關股本金額約為人民幣529,000元。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

32. SHARE CAPITAL (CONTINUED)**Shares (continued)**

As at 30 October 2018, upon its listing on the Stock Exchange, the over-allotment option has been partially exercised and the Company allotted and issued 27,880,000 additional shares at HK\$4.20 per share for a total cash consideration of HK\$117,096,000 (equivalent to approximately RMB103,667,000). The corresponding share capital amount was approximately RMB25,000 and share premium arising from the issuance was approximately RMB100,564,000, net of the share issuance costs. The share issuance costs paid and payable mainly include share underwriting commissions and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These costs amounting to RMB3,078,000 were treated as a deduction against the share premium arising from the issuance.

33. RESERVES

The amounts of the Group's reserves and the movements therein for the year ended 31 December 2019 are presented in the consolidated statement of changes in equity.

(a) Share premium

The share premium represents the difference between the par value of the shares issued and the consideration received.

(b) Capital reserve

The capital reserve mainly represents the difference between the cost of acquisition and the non-controlling interests acquired in the case of acquisition of additional non-controlling interests of subsidiaries, or, the difference between the proceeds from disposal and the non-controlling interests disposed of in the case of disposal of partial equity interests in subsidiaries to non-controlling shareholders without loss of control. Details of the movements in the capital reserve are set out in the consolidated statement of changes in equity.

32. 股本(續)**股份(續)**

於2018年10月30日，本公司在聯交所上市後，超額配股權已獲部分行使，本公司按每股4.20港元配發及發行27,880,000股額外股份，總現金對價為117,096,000港元(相等於約人民幣103,667,000元)。相關股本金額約為人民幣25,000元，發行所得股份溢價約為人民幣100,564,000元(扣除股份發行成本)。已付及應付股份發行成本主要包括股份承銷佣金及其他相關成本，其為發行新股直接應佔新增成本。該等成本為數人民幣3,078,000元，自發行所產生的股份溢價中扣除。

33. 儲備

截至2019年12月31日止年度，本集團的儲備金額及其變動呈列於綜合權益變動表。

(a) 股份溢價

股份溢價指已發行股份的面值與已收對價之差額。

(b) 資本儲備

資本儲備主要指(在收購子公司其他非控股權益的情況下)收購成本與收購非控股權益之間的差額，或(在向非控股股東出售子公司的部分股本權益的情況下)出售所得款項與出售非控股權益(並無失去控制權)之間的差額。資本儲備的變動詳情載於綜合權益變動表。

NOTES TO FINANCIAL STATEMENTS *(Continued)***財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

33. RESERVES (CONTINUED)**(c) Statutory surplus reserve**

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profits after tax, as determined under PRC GAAP, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the Group, the statutory surplus reserve may be used either to offset losses, or to be converted to increase share capital, provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

(d) Merger reserve

The merger reserve of the Group represents the issued capital of the then holding company of the companies now comprising the Group and the capital contributions from the equity holders of certain subsidiaries now comprising the Group before the completion of the corporate restructuring and the reorganisation.

(e) Asset revaluation reserve

The asset revaluation reserve arises from change in use from an owner-occupied property to an investment property.

(f) Equity investments revaluation reserve

The asset revaluation reserve represents unrealised fair value gains or losses for equity investments designated at fair value through other comprehensive income.

33. 儲備(續)**(c) 法定盈餘儲備**

根據《中華人民共和國公司法》及於中國成立的子公司的組織章程細則，本集團須將除稅後純利的10%撥作法定盈餘儲備，此乃根據中國公認會計原則釐定，直至儲備結餘達到其註冊資本50%為止。受相關中國法規及本集團組織章程細則所載若干限制的規限，法定盈餘儲備可用於抵銷虧損或轉換為增加股本，但轉換後結餘不得少於本集團註冊資本的25%。儲備不得用作其設立目的以外的其他用途，亦不得作為現金股息分派。

(d) 合併儲備

本集團的合併儲備指公司重組及重組完成前現時組成本集團的公司當時控股公司的已發行股本及現時組成本集團的若干子公司權益持有人的注資。

(e) 資產重估儲備

資產重估儲備源於一項自用物業的用途更改為投資物業。

(f) 股權投資重估儲備

資產重估儲備為指定為按公允價值計入其他全面收入的股權投資的未變現公允價值收益或虧損。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

34. DISPOSAL OF SUBSIDIARIES**(a) Disposal of Xuzhou Kaiyang Real Estate Co., Ltd. (“Xuzhou Kaiyang”)**

Pursuant to the share transfer agreement dated 19 March 2019, the Group disposed of its 49% equity interest in Xuzhou Kaiyang to a third party named 江蘇通銀實業集團有限公司 (“**Jiangsu Tongyin Industrial Group Co., Ltd.**”) and its 6.33% equity to a third party named 上海凱瀧企業服務有限公司 (“**Shanghai Kairong Enterprise Service Co., Ltd.**”). The consideration was determined by reference to the corresponding value of the equity interest of Xuzhou Kaiyang disposed of as at 31 March 2019.

(b) Disposal of Shanghai Yinwang Real Estate Co., Ltd. (“Shanghai Yinwang”)

Pursuant to the resolutions of shareholders and amendments to the articles of association dated 12 July 2019, the registered capital of Shanghai Yinwang increased from RMB10,000,000 to RMB100,000,000. The additional capital of RMB70,000,000 and RMB20,000,000 was injected by other independent third parties and the Group, respectively. The Group’s equity interest in Shanghai Yinwang decreased from 100% to 30% and the Group lost control over Shanghai Yinwang thereafter. This transaction is accounted for as a partial disposal of a subsidiary.

(c) Disposal of Wenzhou Hehong Real Estate Co., Ltd. (“Wenzhou Hehong”)

Pursuant to the share transfer agreement dated 24 July 2019, the Group disposed of its 100% equity interest in Wenzhou Hehong to an independent third party. The consideration was determined by reference to the corresponding value of the equity interest disposed of as at 30 June 2019.

34. 出售子公司**(a) 出售徐州凱陽置業有限公司 (「徐州凱陽」)**

根據日期為2019年3月19日的股份轉讓協議，本集團向第三方江蘇通銀實業集團有限公司及第三方上海凱瀧企業服務有限公司出售其於徐州凱陽的49%及6.33%股權。對價乃參考於2019年3月31日出售徐州凱陽股權的相應價值釐定。

(b) 出售上海垠望置業有限公司 (「上海垠望」)

根據日期為2019年7月12日的股東決議案及組織章程細則的修訂，上海垠望的註冊資本由人民幣10,000,000元增加至人民幣100,000,000元。人民幣70,000,000元及人民幣20,000,000元的增資則由其他獨立第三方及本集團分別注入。本集團於上海垠望之股權由100%減少至30%，且本集團於此後失去對上海垠望的控制權。該交易作為部分出售之子公司入賬。

(c) 出售溫州市和鴻置業有限公司 (「溫州和鴻」)

根據日期為2019年7月24日的股份轉讓協議，本集團向一名獨立第三方出售其於溫州和鴻的100%股權。對價乃參考於2019年6月30日出售股權的相應價值釐定。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

34. DISPOSAL OF SUBSIDIARIES
(CONTINUED)**(d) Disposal of Shanghai Fada Information Technology Co., Ltd. (“Shanghai Fada”)**

Pursuant to the share transfer agreement dated 4 July 2019, the Group disposed of its 100% equity interest in Shanghai Fada to an independent third party. The consideration was determined by reference to the corresponding value of the equity interest disposed of as at 30 June 2019.

(e) Disposal of Wenzhou Geyang Real Estate Co., Ltd. (“Wenzhou Geyang”)

Pursuant to the share transfer agreement dated 9 August 2019, the Group disposed of its 33% and 34% equity interests in Wenzhou Geyang to independent third parties named 杭州金唐房地產開發有限公司 (“**Hangzhou Jintang Property Development Co., Ltd.**”) and 嵊州融信房地產開發有限公司 (“**Shengzhou Ronshine Property Development Co., Ltd.**”), respectively. Meanwhile, based on the resolutions of shareholders and amendments to the articles of association on the same date, the registered capital of Wenzhou Geyang increased from RMB10,000,000 to RMB441,500,000. The additional capital of RMB150,110,000, RMB145,695,000 and RMB135,695,000 was injected by the aforementioned third parties and the Group, respectively. Therefore, the Group’s equity interest in Wenzhou Geyang decreased from 100% to 33% and the Group lost control over Wenzhou Geyang thereafter.

(f) Disposal of Wenzhou Yinze Real Estate Co., Ltd. (“Wenzhou Yinze”)

Pursuant to the resolutions of shareholders and amendments to the articles of association dated 29 August 2019, the registered capital of Wenzhou Yinze increased from RMB10,000,000 to RMB20,408,000. The additional capital of RMB10,408,000 was injected by other independent third party. The Group’s equity interest in Wenzhou Yinze decreased from 100% to 49% and the Group lost control over Wenzhou Yinze thereafter.

34. 出售子公司(續)

(d) 出售上海發大信息科技有限公司(「上海發大」)

根據日期為2019年7月4日的股份轉讓協議，本集團向一名獨立第三方出售其於上海發大的100%股權。對價乃參考於2019年6月30日出售股權的相應價值釐定。

(e) 出售溫州歌陽置業有限公司(「溫州歌陽」)

根據日期為2019年8月9日的股份轉讓協議，本集團分別向獨立第三方杭州金唐房地產開發有限公司及嵊州融信房地產開發有限公司出售其於溫州歌陽的33%及34%股權。同時，根據同日的股東決議案及組織章程細則的修訂，溫州歌陽的註冊資本由人民幣10,000,000元增加至人民幣441,500,000元。人民幣150,110,000元、人民幣145,695,000元及人民幣135,695,000元的增資由上述第三方及本集團分別注入。因此，本集團於溫州歌陽之股權由100%減少至33%，且本集團於此後失去對溫州歌陽的控制權。

(f) 出售溫州市垠澤置業有限公司(「溫州垠澤」)

根據日期為2019年8月29日的股東決議案及組織章程細則的修訂，溫州垠澤的註冊資本由人民幣10,000,000元增加至人民幣20,408,000元。人民幣10,408,000元的增資則由其他獨立第三方注入。本集團於溫州垠澤之股權由100%減少至49%，且本集團於此後失去對溫州垠澤的控制權。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**34. DISPOSAL OF SUBSIDIARIES
(CONTINUED)**

The carrying values of the assets and liabilities on the dates of the subsidiaries disposal of were as follows:

34. 出售子公司(續)

於子公司出售日期的資產及負債賬面值如下：

	2019 2019年 RMB' 000 人民幣千元
Net liabilities disposed of: 出售的淨負債：	
Property, plant and equipment 物業、廠房及設備	244
Properties under development 在建物業	327,065
Cash and cash equivalents 現金及現金等價物	3,170
Prepayments, other receivables and other assets 預付款項、其他應收款項及其他資產	699,572
Interest-bearing bank and other borrowings 計息銀行及其他借貸	(212,700)
Trade and bills payables 貿易應付款項及應付票據	(190)
Other payables and accruals 其他應付款項及應計費用	(821,822)
Non-controlling interests 非控股權益	2,383
	(2,278)
Gain on disposal of subsidiaries 出售子公司收益	2,362
Satisfied by cash 以現金繳付	84

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

34. DISPOSAL OF SUBSIDIARIES
(CONTINUED)

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of the subsidiaries is as follows:

	2019 2019年 RMB'000 人民幣千元
Cash consideration 現金對價	84
Cash and bank balances disposed of 出售的現金及銀行結餘	(3,170)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries 有關出售子公司的現金及現金等價物淨流出	(3,086)

The directors of the Company consider that not all subsidiaries disposed of were significant to the Group, and thus, the individual financial information of some subsidiaries on the disposal date was not disclosed.

有關出售子公司的現金及現金等價物淨流出的分析如下：

本公司董事認為並非所有出售的子公司對本集團而言均屬重大，因此部分子公司於出售日期的個別財務資料並未披露。

35. NOTES TO THE CONSOLIDATED
STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB3,363,000 and RMB3,363,000 respectively, in respect of lease arrangements for offices and motor vehicles (2018: Nil).

35. 綜合現金流量表附註

(a) 主要非現金交易

於年內，本集團就辦公室及汽車的租賃安排擁有的使用權資產及租賃負債的非現金添置分別為人民幣3,363,000元及人民幣3,363,000元(2018年：零)。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

35. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities

(b) 融資活動產生的負債變動

	Interest-bearing bank and other borrowings 計息銀行及其他借貸 RMB' 000 人民幣千元	Senior notes 優先票據 RMB' 000 人民幣千元	Interest payable 應付利息 RMB' 000 人民幣千元	Lease liabilities 租賃負債 RMB' 000 人民幣千元	Due to related companies 應付關聯公司款項 RMB' 000 人民幣千元	Total liabilities from financing activities 融資活動產生的總負債 RMB' 000 人民幣千元
At 1 January 2018 於2018年1月1日	5,987,270	-	9,832	-	143,790	6,140,892
Cash flows from financing activities 融資活動產生的現金流量	(356,582)	-	-	-	(111,589)	(468,171)
Finance costs on interest-bearing bank and other borrowings 計息銀行及其他借貸的融資成本	11,872	-	120,839	-	-	132,711
Interest capitalised arising from interest-bearing bank and other borrowings 計息銀行及其他借貸產生的資本化利息	141,470	-	137,909	-	-	279,379
Interest paid classified as operating cash flows 分類為經營現金流量的已付利息	(138,812)	-	(234,240)	-	-	(373,052)
Cash flows from non-financing activities 非融資活動產生的現金流量	-	-	-	-	(1,728)	(1,728)
At 31 December 2018 於2018年12月31日	5,645,218	-	34,340	-	30,473	5,710,031
Effect of adoption of IFRS 16 採納國際財務報告準則第16號的影響	-	-	-	9,131	-	9,131
At 1 January 2019 (restated) 於2019年1月1日(經重述)	5,645,218	-	34,340	9,131	30,473	5,719,162
Cash flows from financing activities 融資活動產生的現金流量	453,931	2,884,614	-	(2,072)	529,866	3,866,339
Cash flows from non-financing activities 非融資活動產生的現金流量	-	109,142	10,907	-	17,059	137,108
At 31 December 2019 於2019年12月31日	6,099,149	2,993,756	45,247	7,059	577,398	9,722,609

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2019 2019年 RMB' 000 人民幣千元
Within operating activities 於經營活動	12,292
Within financing activities 於融資活動	2,072
	14,364

36. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the consolidated financial statements were as follows:

	Notes 附註	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Guarantees given to banks in connection with facilities granted to purchasers of the Group's properties 向銀行作出的有關授予本集團物業買方融資的擔保	(1)	2,312,685	2,373,472
Guarantees given to banks and other institutions in connection with facilities granted to related companies 向銀行及其他機構作出的有關授予關聯公司融資的擔保	(2)	1,769,700	-
		4,082,385	2,373,472

35. 綜合現金流量表附註(續)

(c) 租賃總現金流出

計入現金流量表的租賃總現金流出如下：

36. 或然負債

於報告期結束時，未於綜合財務報表內撥備的或然負債如下：

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**36. CONTINGENT LIABILITIES
(CONTINUED)**

Notes:

- (1) The Group provided guarantees in respect of mortgage facilities granted by certain banks to the purchasers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage principals together with any accrued interest and penalties owed by the defaulted purchasers to those banks.

Under the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans. Upon default on mortgage repayments by these purchasers, the banks are entitled to take over the legal titles and will realise the pledged properties through open auction.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon the issuance and registration of property ownership certificates to the purchasers, which will generally be available within half a year to two years after the purchasers take possession of the relevant properties.

The Group did not incur any material losses during the reporting period in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's completed properties held for sale. The directors of the Company considered that in case of default on payments, the net realisable value of the related properties would be sufficient to repay the outstanding mortgage loans together with any accrued interest and penalty, and therefore, no provision has been made in connection with the guarantees.

- (2) The Group provided guarantees to banks and other institutions in connection with borrowings made to the joint ventures and associates. The directors of the Company consider that no provision is needed in respect of the guarantees provided to the joint ventures and associates as of 31 December 2019 (2018: Nil) since the fair value is not significant. Further details of the related party transactions are included in note 38.

36. 或然負債(續)

附註：

- (1) 本集團就若干銀行向本集團已竣工持作銷售物業買方授出的抵押融資提供擔保。根據擔保安排的條款，如買方拖欠按揭付款，本集團負責向該等銀行償還未償還抵押本金連同違約買方所欠的任何應計利息及罰款。

根據上述安排，相關物業已質押予該等銀行作為抵押貸款的抵押品。倘該等買方拖欠抵押還款，則該等銀行有權接管有關法定業權，並透過公開拍賣將抵押物業變現。

本集團的擔保期由授出相關抵押貸款日期起至買方獲發房屋所有權證及辦理登記止，有關證明一般會於買方接管相關物業後的半年至兩年內取得。

於報告期，本集團並未就向本集團已竣工持作銷售物業買方授出的抵押融資提供擔保產生任何重大損失。本公司董事認為如出現違約付款，相關物業的可變現淨值可足以償還未償還抵押貸款連同任何應計利息及罰款，故並無對擔保計提撥備。

- (2) 本集團就向合營企業及聯營公司作出的借貸向銀行及其他機構提供擔保。由於公允價值並不重大，本公司董事認為無需就於2019年12月31日向合營企業及聯營公司提供的擔保(2018年：零)計提撥備。有關關聯方交易的進一步詳情載於附註38。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

37. COMMITMENTS

(a) The Group had the following capital commitments at the end of the reporting period:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Contracted, but not provided for: 已訂約但未撥備:		
Property development activities 物業開發活動	1,942,586	1,804,466
Acquisition of land use rights 收購土地使用權	979,610	540,261
Capital contributions payable to joint ventures and associates 應付合營企業及聯營公司注資	171,984	92,100
	3,094,180	2,436,827

(b) Operating lease commitments as at 31 December 2018

The Group leases certain of its office properties under operating lease arrangements, negotiated for terms of 1 to 3 years with an option for renewal after the end of lease terms, at which time all terms will be renegotiated.

The Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2018 2018年 RMB' 000 人民幣千元
Within one year 一年內	8,774
In the second to fifth years, inclusive 第二至第五年(包括首尾兩年)	11,140
	19,914

37. 承擔

(a) 本集團於報告期結束時擁有以下資本承擔：

(b) 於2018年12月31日的經營租賃承擔

本集團根據經營租賃安排承租若干辦公物業，協定租期介乎一至三年，租賃期滿後可選擇續約，屆時所有條款需重新商定。

本集團根據不可撤銷經營租賃應付到期未來最低總租賃付款如下：

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

38. RELATED PARTY TRANSACTIONS**38. 關聯方交易****(a) Significant related party transactions:****(a) 重大關聯方交易：**

	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Repayment of advances to a shareholder 股東償還墊款	-	600
Advances to related companies: 向關聯公司作出的墊款：		
Joint ventures and associates 合營企業及聯營公司	6,231,397	1,441,697
Companies controlled by the ultimate controlling shareholders 由最終控股股東控制的公司	547,950	506,696
	6,779,347	1,948,393
Repayment of advances to related companies: 關聯公司償還墊款：		
Joint ventures and associates 合營企業及聯營公司	4,814,992	871,301
Companies controlled by the ultimate controlling shareholders 由最終控股股東控制的公司	547,950	1,307,778
	5,362,942	2,179,079
Advances from related companies: 關聯公司墊款：		
Joint ventures and associates 合營企業及聯營公司	1,152,957	68,478
Companies controlled by the ultimate controlling shareholders 由最終控股股東控制的公司	1,698	-
	1,154,655	68,478
Repayment of advances from related companies: 償還關聯公司墊款：		
Joint ventures and associates 合營企業及聯營公司	608,951	38,107
Companies controlled by the ultimate controlling shareholders 由最終控股股東控制的公司	15,838	-
	624,789	38,107

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

38. RELATED PARTY TRANSACTIONS
(CONTINUED)(a) Significant related party transactions:
(continued)

38. 關聯方交易(續)

(a) 重大關聯方交易:(續)

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Purchase equipment from a company controlled by the ultimate controlling shareholders* 向由最終控股股東控制的公司購買設備*	15,315	—
Management consulting services to associates* 提供予聯營公司的管理諮詢服務*	42,035	—
Rental services from a company controlled by the ultimate controlling shareholders* 由最終控股股東控制的公司提供的租賃服務*	1,744	1,739
Rental services to an associate* 提供予聯營公司的租賃服務*	—	249

*: These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

*: 該等交易乃根據參與各方共同協定的條款及條件進行。

NOTES TO FINANCIAL STATEMENTS *(Continued)***財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**38. RELATED PARTY TRANSACTIONS
(CONTINUED)****(b) Other transactions with related parties**

As at 31 December 2019, the Controlling Shareholders have guaranteed certain of the bank and other borrowings of up to RMB2,324,807,000 (2018: RMB2,035,569,000).

The Group provided guarantees to banks and other institutions in connection with borrowings made to the joint ventures and associates amounting to RMB1,769,700,000 (2018: Nil).

Ningbo Lantian Investment Management Partnership Enterprise, which is controlled by a senior management of the Group, provided loans to the Group for real estate development with terms of one to two years, and an interest rate of 10% per annum. As at 31 December 2019, the outstanding balances of the aforementioned loans amounted to RMB31,038,000 (2018: Nil). These loans were included in "Interest-bearing bank and other borrowings" in the consolidated statement of financial position of the Group.

38. 關聯方交易(續)**(b) 與關聯方的其他交易**

於2019年12月31日，控股股東已對最高為人民幣2,324,807,000元(2018年：人民幣2,035,569,000元)的若干銀行及其他借貸作出擔保。

本集團就向合營企業及聯營公司作出的借貸人民幣1,769,700,000元(2018年：零)向銀行及其他機構提供擔保。

Ningbo Lantian Investment Management Partnership Enterprise (由本集團一名高級管理人員控制)就房地產開發向本集團提供貸款，期限為一至兩年，年利率為10厘。於2019年12月31日，上述貸款的未償還餘額為人民幣31,038,000元(2018年：零)。該等貸款計入本集團綜合財務狀況表內「計息銀行及其他借貸」項下。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

38. RELATED PARTY TRANSACTIONS
(CONTINUED)

38. 關聯方交易(續)

(c) Outstanding balances with related parties

(c) 與關聯方的未付結餘

	31 December 2019 2019年 12月31日 RMB' 000 人民幣千元	31 December 2018 2018年 12月31日 RMB' 000 人民幣千元
Due from related companies: 應收關聯公司款項： Joint ventures and associates 合營企業及聯營公司	2,028,836	570,396
Due to related companies: 應付關聯公司款項： Joint ventures and associates 合營企業及聯營公司 Companies controlled by the ultimate controlling shareholders 由最終控股股東控制的公司	574,442 2,956	30,436 37

(d) Compensation of key management personnel
of the Group:

(d) 本集團主要管理人員薪酬：

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Short-term employee benefits 短期僱員福利	17,253	6,798
Pension scheme contributions 退休金計劃供款	1,114	710
Total compensation paid to key management personnel 支付予主要管理人員的總薪酬	18,367	7,508

Further details of directors' emoluments are included in note 8 to the financial statements.

董事酬金的進一步詳情載於財務報表附註8。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

39. FINANCIAL INSTRUMENTS BY CATEGORY

39. 按類別劃分的金融工具

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

於報告期結束時各類金融工具的賬面值如下：

31 December 2019

2019年12月31日

Financial assets

金融資產

	Financial assets at fair value through profit or loss designated as such upon initial recognition 於初步確認時指定為按公允價值計入損益的金融資產 RMB' 000 人民幣千元	Financial assets at fair value through other comprehensive income-equity investments 按公允價值計入其他全面收入的金融資產－股權投資 RMB' 000 人民幣千元	Financial assets at amortised cost 按攤銷成本列賬的金融資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資	—	115,742	—	115,742
Trade receivables 貿易應收款項	—	—	13,528	13,528
Due from related companies 應收關聯公司款項	—	—	2,028,836	2,028,836
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收款項及其他資產的金融資產	—	—	817,416	817,416
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	596,030	—	—	596,030
Restricted cash 受限制現金	—	—	1,115,487	1,115,487
Pledged deposits 已質押存款	—	—	766,669	766,669
Cash and cash equivalents 現金及現金等價物	—	—	2,811,566	2,811,566
	596,030	115,742	7,553,502	8,265,274

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

39. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

31 December 2019 (Continued)

Financial liabilities

39. 按類別劃分的金融工具
(續)

2019年12月31日(續)

金融負債

	Financial liabilities at amortised cost 按攤銷成本 計量的金融負債 RMB' 000 人民幣千元
Trade and bills payables 貿易應付款項及應付票據	2,247,171
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	927,526
Due to related companies 應付關聯公司款項	577,398
Lease liabilities 租賃負債	7,059
Interest-bearing bank and other borrowings 計息銀行及其他借貸	6,099,149
Senior notes 優先票據	2,993,756
	12,852,059

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

39. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

31 December 2018

Financial assets

39. 按類別劃分的金融工具(續)

2018年12月31日

金融資產

	Financial assets at fair value through profit or loss designated as such upon initial recognition 於初步確認時指定為按公允價值計入損益的金融資產 RMB' 000 人民幣千元	Financial assets at fair value through other comprehensive income equity investments 按公允價值計入其他全面收入的金融資產 RMB' 000 人民幣千元	Financial assets at amortised cost 按攤銷成本列賬的金融資產 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資	–	106,400	–	106,400
Trade receivables 貿易應收款項	–	–	33,531	33,531
Due from related companies 應收關聯公司款項	–	–	570,396	570,396
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收款項及其他資產的金融資產	–	–	394,692	394,692
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	20,899	–	–	20,899
Restricted cash 受限制現金	–	–	650,574	650,574
Pledged deposits 已質押存款	–	–	26,321	26,321
Cash and cash equivalents 現金及現金等價物	–	–	1,487,075	1,487,075
	20,899	106,400	3,162,589	3,289,888

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

39. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

31 December 2018 (Continued)

Financial liabilities

39. 按類別劃分的金融工具
(續)

2018年12月31日(續)

金融負債

	Financial liabilities at amortised cost 按攤銷成本 計量的金融負債 RMB' 000 人民幣千元
Trade and bills payables 貿易應付款項及應付票據	1,424,969
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	262,732
Due to related companies 應付關聯公司款項	30,473
Interest-bearing bank and other borrowings 計息銀行及其他借貸	5,645,218
	7,363,392

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

40. 金融工具的公允價值及公允價值層級

The carrying amounts and fair values of the Group's financial instruments as at the end of the year, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

除賬面值與公允價值合理相若的金融工具外，於年末，本集團金融工具的賬面值及公允價值如下：

	Carrying amounts 賬面值		Fair values 公允價值	
	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Financial assets 金融資產				
Financial assets at fair value through other comprehensive income 按公允價值計入其他全面收入的金融資產	115,742	106,400	115,742	106,400
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	596,030	20,899	596,030	20,899
	711,772	127,299	711,772	127,299
Financial liabilities 金融負債				
Interest-bearing bank and other borrowings (note 30) 計息銀行及其他借貸(附註30)	6,099,149	5,645,218	6,108,270	5,647,090
Senior notes 優先票據	2,993,756	–	3,007,633	–
	9,092,905	5,645,218	9,115,903	5,647,090

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, restricted cash, amounts due from related companies, trade receivables, financial assets included in prepayments, other receivables, trade and bills payables, financial liabilities included in other payables and accruals and amounts due to related companies approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

For the fair values of listed equity investments, management has estimated the fair value by quoting active market prices, and therefore, the fair value measurement of the financial assets at fair value through profit or loss is categorised within Level 1 of the fair value hierarchy.

For the fair values of the unlisted fund investments under IAS 39 during the year ended 31 December 2019, management has estimated the fair value by the expected future cash flows, and the fair value measurement of the financial assets at fair value through profit or loss is categorised within Level 2 of the fair value hierarchy.

40. 金融工具的公允價值及公允價值層級(續)

管理層已評估現金及現金等價物、已質押存款、受限制現金、應收關聯公司款項、貿易應收款項、計入預付款項的金融資產、其他應收款項、貿易應付款項及應付票據、計入其他應付款項及應計費用的金融負債以及應付關聯公司款項的公允價值與其賬面值相若，主要是由於該等工具於短期內到期。

本集團的財務部門由財務經理帶領，負責釐定金融工具公允價值計量的政策及程序。財務經理直接向首席財務官匯報。於各報告日期，財務部門分析金融工具價值的變動並決定應用於估值的主要輸入數據。估值由首席財務官審閱及批准。每年就中期及年度財務報告與審計委員會對估值結果進行兩次討論。

金融資產及負債的公允價值以自願交易方(強迫或清盤銷售除外)當前交易中該工具的可交易金額入賬。

就上市股權投資之公允價值而言，管理層通過活躍市場報價估計公允價值，因此按公允價值計入損益的金融資產的公允價值計量於公允價值層級內分類為第一級。

於截至2019年12月31日止年度，就國際會計準則第39號下的非上市基金投資的公允價值而言，管理層通過預期未來現金流量估計公允價值。按公允價值計入損益的金融資產的公允價值計量於公允價值層級內分類為第二級。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Management has applied the comparable companies' market value approach in determining fair value of unlisted equity investments, which is classified as equity investments designated at FVOCI under IFRS 9, using price to earnings ratio ("P/E") and price to book ratio ("P/B") multiples, which are calculated by using comparable companies' financial statements, to determine the fair value of the unlisted equity investments and taking into account marketability discount as the appropriate adjustment. Comparable companies are based on similarity of business nature and profitability. The fair value measurement of the equity investments designated at FVOCI is categorised within Level 3 of the fair value hierarchy.

The fair values of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2018 and 31 December 2019 was assessed to be insignificant.

The fair values of senior notes are based on market prices. The fair values of senior notes have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

40. 金融工具的公允價值及公允價值層級(續)

管理層已於釐定非上市股權投資(按國際財務報告準則第9號分類為指定為按公允價值計入其他全面收入的股權投資)的公允價值時應用可資比較公司的市值法, 透過市盈率(「市盈率」)及市淨率(「市淨率」)倍數(透過使用可資比較公司之財務報表計算)釐定非上市股權投資的公允價值並經計及作為適當調整的可銷性折讓。可資比較公司乃基於相似的業務性質及盈利能力。指定為按公允價值計入其他全面收入的股權投資的公允價值計量於公允價值層級內分類為第三級。

計息銀行及其他借貸的公允價值乃通過貼現預期未來現金流量計算, 並採用現時可用於具類似條款、信貸風險及剩餘期限的工具的貼現率。本集團本身的計息銀行及其他借貸於2018年12月31日及2019年12月31日的不履約風險被評定為並不重大。

優先票據的公允價值乃基於市場價格。優先票據的公允價值乃透過使用有類似條款、信貸風險及餘下到期日的工具當前可獲得之市率, 以折讓預期未來現金流量而計算。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2019 and 2018:

40. 金融工具的公允價值及公允價值層級(續)

下表概述於2019年及2018年12月31日金融工具估值的重大不可觀察輸入數據連同定量敏感度分析：

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range/ Weighted average 範圍／加權平均	Sensitivity of fair value to the input 公允價值對輸入數據的敏感度
Unlisted equity investments classified as equity investments designated at fair value through other comprehensive income 分類為指定為按公允價值計入其他全面收入的股權投資的非上市股權投資	Market multiples 市場倍數	Discount for lack of marketability 就缺乏可銷性折讓	2019: 14.9% (2018: 14.9%) 2019年：14.9% (2018年：14.9%)	5% (2018: 5%) increase/ (decrease) in marketability would result in decrease/ increase in fair value by RMB1,013,255 (2018: RMB931,000) 可銷性增加／(減少)5% (2018年：5%)會令公允價值減少／增加人民幣1,013,255元(2018年：人民幣931,000元)
		P/E 市盈率	2019: 5.7 – 8.1 (2018: 5.3 – 8.0) 2019年：5.7-8.1 (2018年：5.3-8.0)	5% (2018: 5%) increase/ decrease in P/E would result in increase/ decrease in fair value by RMB2,782,738 (2018: RMB2,648,000) 市盈率增加／減少5% (2018年：5%)會令公允價值增加／減少人民幣2,782,738元(2018年：人民幣2,648,000元)

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)**40. 金融工具的公允價值及公允價值層級(續)**

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range/ Weighted average 範圍／加權平均	Sensitivity of fair value to the input 公允價值對輸入數據的敏感度
		P/B 市淨率	2019: 0.6 – 1.0 (2018: 0.7-1.0) 2019年：0.6-1.0 (2018年：0.7-1.0)	5% (2018: 5%) increase/ decrease in P/B would result in increase/ decrease in fair value by RMB3,004,377 (2018: RMB2,672,000) 市淨率增加／減少5% (2018年：5%)會令公允 價值增加／減少人民幣 3,004,377元(2018年： 人民幣2,672,000元)

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2019

40. 金融工具的公允價值及公允價值層級(續)

公允價值層級

下表說明本集團金融工具的公允價值計量層級：

以公允價值計量的資產：

於2019年12月31日

	Fair value measurement using 使用以下級別的公允價值計量			
	Quoted prices in active markets (Level 1) 於活躍 市場的報價 (第一級) RMB' 000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB' 000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資	-	-	115,742	115,742
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	473,725	122,305	-	596,030
	473,725	122,305	115,742	711,772

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Assets measured at fair value: (continued)

As at 31 December 2018

40. 金融工具的公允價值及公允價值層級(續)

公允價值層級(續)

下表說明本集團金融工具的公允價值計量層級:(續)

以公允價值計量的資產:(續)

於2018年12月31日

	Fair value measurement using 使用以下級別的公允價值計量			Total 總計 RMB' 000 人民幣千元
	Quoted prices in active markets (Level 1) 於活躍 市場的報價 (第一級) RMB' 000 人民幣千元	Significant observable inputs (Level 2) 重大可 觀察輸入數據 (第二級) RMB' 000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可 觀察輸入數據 (第三級) RMB' 000 人民幣千元	
Equity investments designated at fair value through other comprehensive income 指定為按公允價值計入其他全面收入的股權投資	–	–	106,400	106,400
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	20,899	–	–	20,899
	20,899	–	106,400	127,299

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair values are disclosed:

As at 31 December 2019

40. 金融工具的公允價值及公允價值層級(續)

公允價值層級(續)

下表說明本集團金融工具的公允價值計量層級：(續)

已披露公允價值之負債：

於2019年12月31日

	Fair value measurement using 使用以下級別的公允價值計量			
	Quoted prices in active markets (Level 1) 於活躍 市場的報價 (第一級) RMB' 000 人民幣千元	Significant observable inputs (Level 2) 重大可 觀察輸入數據 (第二級) RMB' 000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可 觀察輸入數據 (第三級) RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Interest-bearing bank and other borrowings 計息銀行及其他借貸	-	6,099,149	-	6,099,149
Senior notes 優先票據	2,993,756	-	-	2,993,756
	2,993,756	6,099,149	-	9,092,905

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (continued)**

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair values are disclosed: (continued)

As at 31 December 2018

40. 金融工具的公允價值及公允價值層級(續)**公允價值層級(續)**

下表說明本集團金融工具的公允價值計量層級：(續)

已披露公允價值之負債：(續)

於2018年12月31日

	Fair value measurement using 使用以下級別的公允價值計量			Total 總計 RMB'000 人民幣千元
	Quoted prices in active markets (Level 1) 於活躍 市場的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可 觀察輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可 觀察輸入數據 (第三級) RMB'000 人民幣千元	
Interest-bearing bank and other borrowings 計息銀行及其他借貸	–	5,647,090	–	5,647,090

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly include cash and cash equivalents, restricted cash, pledged deposits, trade and other receivables, and trade payables and other payables, which arise directly from its operations. The Group has other financial assets and liabilities such as interest-bearing bank and other borrowings, senior notes, amounts due to related companies and amounts due from related companies. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. To keep the Group's exposure to these risks to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest rate risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings set out in note 30. The Group does not use derivative financial instruments to hedge interest rate risk. The Group manages its interest cost using variable rate bank borrowings and other borrowings.

If the interest rate of bank and other borrowings had increased/decreased by 1% and all other variables held constant, the profit before tax of the Group, through the impact on floating rate borrowings would have decreased/increased by approximately RMB5,665,000 for the year ended 31 December 2019 (2018: RMB3,621,000).

41. 財務風險管理目標及政策

本集團的主要金融工具主要包括現金及現金等價物、受限制現金、已質押存款、貿易及其他應收款項以及貿易應付款項及其他應付款項，該等金融工具因其經營而直接產生。本集團擁有其他金融資產及負債，如計息銀行及其他借貸、優先票據、應付關聯公司款項及應收關聯公司款項。該等金融工具的主要目的在於為本集團的運營融資。

本集團金融工具產生的主要風險為利率風險、信貸風險及流動性風險。一般而言，本集團對其風險管理採取保守策略。為將本集團所面臨的該等風險保持最低，本集團並無使用任何衍生及其他工具作對沖目的。本集團未持有或發行作交易用途的衍生金融工具。董事會檢討並同意各項風險管理政策，其概述如下：

(a) 利率風險

本集團面臨的市場利率變動風險主要與附註30所載的本集團計息銀行及其他借貸有關。本集團並無使用衍生金融工具對沖利率風險。本集團使用浮息銀行借貸及其他借貸管理其利息成本。

倘在所有其他變量維持不變情況下銀行及其他借貸的利率上升／下降1%，則本集團截至2019年12月31日止年度的除稅前利潤(透過對浮息借貸的影響)將減少／增加約人民幣5,665,000元(2018年：人民幣3,621,000元)。

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

**41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)****(b) Credit risk**

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

**41. 財務風險管理目標及政策
(續)****(b) 信貸風險**

本集團僅與認可及信譽超著的第三方進行買賣。本集團的政策為所有有意以信貸期進行買賣之客戶，須接受信貸審核程序。此外，應收款項結餘受持續監管，而本集團承受壞賬的風險並不重大。對於並非以有關營運單位功能貨幣計值的交易，本集團在未經信用控制部門主管特別批准的情況下不會給予信貸期。

最高風險及年末階段

下表載列12月31日基於本集團信貸政策的信貸質素及最高信貸風險(主要基於逾期資料，除非其他資料可無需花費不必要成本或精力而獲取，則另作別論)以及年末階段分類。所呈列的金額指金融資產的總賬面值。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)41. 財務風險管理目標及政策
(續)

(b) Credit risk (continued)

(b) 信貸風險(續)

Maximum exposure and year-end staging (continued)

最高風險及年末階段(續)

As at 31 December 2019

於2019年12月31日

	12-month ECLs 12個月的 預期 信貸虧損	Lifetime ECLs 整個存續期的預期信貸虧損			Total 總計 RMB' 000 人民幣千元
	Stage 1 第一階段 RMB' 000 人民幣千元	Stage 2 第二階段 RMB' 000 人民幣千元	Stage 3 第三階段 RMB' 000 人民幣千元	Simplified approach 簡易方法 RMB' 000 人民幣千元	
Trade receivables* 貿易應收款項*	-	-	-	13,528	13,528
Due from related companies 應收關聯公司款項	2,028,836	-	-	-	2,028,836
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收款項及 其他資產的金融資產					
- Normal** 正常**	817,416	-	-	-	817,416
Restricted cash 受限制現金	1,115,487	-	-	-	1,115,487
Pledged deposits 已質押存款	766,669	-	-	-	766,669
Cash and cash equivalents 現金及現金等價物	2,811,566	-	-	-	2,811,566
	7,539,974	-	-	13,528	7,553,502

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)41. 財務風險管理目標及政策
(續)

(b) Credit risk (continued)

(b) 信貸風險(續)

Maximum exposure and year-end staging (continued)

最高風險及年末階段(續)

As at 31 December 2018

於2018年12月31日

	12-month ECLs 12個月的 預期 信貸虧損	Lifetime ECLs 整個存續期的預期信貸虧損			Total 總計 RMB' 000 人民幣千元
	Stage 1 第一階段 RMB' 000 人民幣千元	Stage 2 第二階段 RMB' 000 人民幣千元	Stage 3 第三階段 RMB' 000 人民幣千元	Simplified approach 簡易方法 RMB' 000 人民幣千元	
Trade receivables* 貿易應收款項*	–	–	–	33,531	33,531
Due from related companies 應收關聯公司款項	570,396	–	–	–	570,396
Financial assets included in prepayments, other receivables and other assets 計入預付款項、其他應收款項及 其他資產的金融資產					
– Normal** – 正常**	394,692	–	–	–	394,692
Restricted cash 受限制現金	650,574	–	–	–	650,574
Pledged deposits 已質押存款	26,321	–	–	–	26,321
Cash and cash equivalents 現金及現金等價物	1,487,075	–	–	–	1,487,075
	3,129,058	–	–	33,531	3,162,589

NOTES TO FINANCIAL STATEMENTS *(Continued)*

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)

(b) Credit risk (continued)

Maximum exposure and year-end staging (continued)

- * For trade receivables to which the Group applies the simplified approach for impairment based on the disclosure in note 24 to the financial statements, there is no significant concentration of credit risk.
- ** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet its contractual obligations. Exposure to credit risk arises primarily from its financing activities to customers.

The Group has no concentrations of credit risk in view of its large number of customers. The Group did not record any significant bad debt losses during the year of 2019.

The credit risk of the Group's other financial assets, which mainly comprise cash and pledged deposits, other receivables, and amounts due from related companies, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

41. 財務風險管理目標及政策
(續)

(b) 信貸風險(續)

最高風險及年末階段(續)

- * 就本集團基於財務報表附註24所披露的資料應用簡易方法進行減值的貿易應收款項而言，並無重大信貸風險集中情況。
- ** 倘計入預付款項、其他應收款項及其他資產的金融資產並無逾期亦無資料顯示自初步確認起金融資產的信貸風險大幅增加，則其信貸質素被視為「正常」。

信貸風險指因交易對手無法或不願履行其合同責任而帶來的虧損風險。信貸風險主要來自向客戶提供融資服務。

鑒於本集團擁有大量客戶，故並無信貸風險集中情況。於2019年內，本集團並無錄得任何重大壞賬虧損。

本集團其他金融資產(主要包括現金及已質押存款、其他應收款項及應收關聯公司款項)的信貸風險產生自交易對手的違約，最高風險等於該等工具的賬面值。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings, and receipts under securitisation arrangement. Cash flows are being closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

41. 財務風險管理目標及政策
(續)

(c) 流動性風險

本集團的目標為透過運用計息銀行及其他借貸以及證券化安排的收款維持融資持續性與靈活性之間的平衡。本集團持續密切監控現金流量。

本集團於報告期結束時按合同未貼現付款計算的金融負債的到期情況如下：

	On demand 按要求 RMB' 000 人民幣千元	Less than 3 months 三個月以內 RMB' 000 人民幣千元	3 to 12 months 三至十二個月 RMB' 000 人民幣千元	Over 1 year 一年以上 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
31 December 2019 2019年12月31日					
Interest-bearing bank and other borrowings 計息銀行及其他借貸	-	1,087,867	1,543,053	5,466,962	8,097,882
Trade and bills payables 貿易應付款項及應付票據	2,247,171	-	-	-	2,247,171
Senior Notes 優先票據	-	98,765	1,063,423	2,298,020	3,460,208
Lease liabilities 租賃負債	4,819	-	-	2,397	7,216
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	927,526	-	-	-	927,526
Due to related companies 應付關聯公司款項	577,398	-	-	-	577,398
	3,756,914	1,186,632	2,606,476	7,767,379	15,317,401

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)41. 財務風險管理目標及政策
(續)

(c) Liquidity risk (continued)

(c) 流動性風險(續)

	On demand 按要求 RMB' 000 人民幣千元	Less than 3 months 三個月以內 RMB' 000 人民幣千元	3 to 12 months 三至十二個月 RMB' 000 人民幣千元	Over 1 year 一年以上 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
31 December 2018					
2018年12月31日					
Interest-bearing bank and other borrowings 計息銀行及其他借貸	–	915,749	1,728,791	5,119,522	7,764,062
Trade and bills payables 貿易應付款項及應付票據	1,424,969	–	–	–	1,424,969
Financial liabilities included in other payables and accruals 計入其他應付款項及應計費用的金融負債	262,732	–	–	–	262,732
Due to related companies 應付關聯公司款項	30,473	–	–	–	30,473
	1,718,174	915,749	1,728,791	5,119,522	9,482,236

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**(d) Equity price risk**

The Group is exposed to equity price risk arising from its investment in listed equity investments included in financial assets at fair value through profit or loss and unlisted equity investments at fair value through other comprehensive income as at 31 December 2019. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on listed equity investments quoted in the Stock Exchange. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

If the prices of the respective listed equity investments had been 5% higher/lower, profit and total comprehensive income for the year, net of tax, would increase/decrease by RMB17,765,000 for the Group as a result of the changes in fair value of listed financial assets.

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

41. 財務風險管理目標及政策 (續)**(d) 股權價格風險**

於2019年12月31日，本集團就投資於按公允價值計入損益的金融資產之上市股權投資及按公允價值計入其他全面收入之非上市股權投資而面臨股權價格風險。管理層維持具有不同風險之投資組合以管理該等風險。本集團之股權價格風險主要集中於在聯交所報價之上市股權投資。此外，本集團已委派專責團隊監控價格風險，並將於有需要時考慮對沖所面臨之風險。

倘有關上市股權投資之價格上升／下降5%，本集團之年內利潤及總全面收入（扣除稅項）將因上市金融資產公允價值之變動增加／減少人民幣17,765,000元。

(e) 資本管理

本集團資本管理的主要目標為保障本集團持續經營並維持穩健的資本比率的能力，以支持其業務並使股東價值最大化。

本集團會根據經濟狀況的變化管理及調整其資本結構。為維持或調整資本結構，本集團或會調整派付予股東的股息、返還股東資本或發行新股。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES
(CONTINUED)

(e) Capital management (continued)

The Group monitors capital using a net gearing ratio, which is calculated as net debt divided by the total equity. Net debt includes total interest-bearing bank and other borrowings, and senior notes less cash and bank balances. The net gearing ratios as at the end of the reporting periods were as follows:

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
Interest-bearing bank and other borrowings 計息銀行及其他借貸	6,099,149	5,645,218
Senior notes 優先票據	2,993,756	-
Less: Restricted cash 減：受限制現金	(1,115,487)	(650,574)
Pledged deposits 已質押存款	(766,669)	(26,321)
Cash and cash equivalents 現金及現金等價物	(2,811,566)	(1,487,075)
Net debt 淨債務	4,399,183	3,481,248
Total equity 總權益	5,657,483	3,245,965
Net gearing ratio 淨資產負債比率	78%	107%

41. 財務風險管理目標及政策
(續)

(e) 資本管理(續)

本集團採用淨資產負債比率(按淨債務除以總權益計算)來監控資本。淨債務包括計息銀行及其他借貸總額以及優先票據減貨幣資金。於報告期結束時的淨資產負債比率如下：

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

42. EVENTS AFTER THE REPORTING PERIOD

As at 29 January 2020, the Company issued the senior notes at a coupon rate of 11.5%, which will be due in 2021 with an aggregate principal amount of US\$200,000,000. At any time prior to 27 January 2021, the Company may, at its option, redeem the senior notes at a pre-determined redemption price. The details of the redemption price are disclosed in the relevant offering memorandum.

The outbreak of novel coronavirus (COVID-19) in early January 2020 continued to spread throughout Mainland China and beyond. The Group has been monitoring the developments of the situation of COVID-19 closely, assessing and reacting actively to its impacts on the financial position and operating results of the Group. Up to the date of the report, the assessment is still in progress.

42. 報告期後事項

於2020年1月29日，本公司發行票息率為11.5%之優先票據，該等票據將於2021年到期及本金總額為200,000,000美元。於2021年1月27日前，本公司可隨時選擇按預先釐定之贖回價贖回優先票據。贖回價之詳情披露於相關發售備忘錄。

2020年1月初爆發的新型冠狀病毒疫情(新型冠狀病毒)持續於中國內地及境外蔓延。本集團一直密切監測新型冠狀病毒情況的發展，並評估及積極應對其對本集團財務狀況及經營業績的影響。直至本報告日期，評估仍在進行。

NOTES TO FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

31 DECEMBER 2019 2019年12月31日

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

43. 本公司財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

於報告期結束有關本公司財務狀況表的資料如下：

	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元
NON-CURRENT ASSETS 非流動資產		
Investment in a subsidiary 於子公司的投資	439,442	439,442
Total non-current assets 總非流動資產	439,442	439,442
CURRENT ASSETS 流動資產		
Due from subsidiaries 應收子公司款項	3,743,383	750,703
Prepayments, other receivables and other assets 預付款項、其他應收款項及其他資產	550	482
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	473,725	20,899
Cash and cash equivalents 現金及現金等價物	43,324	59,512
Total current assets 總流動資產	4,260,982	831,596
CURRENT LIABILITIES 流動負債		
Other payables and accruals 其他應付款項及應計費用	83,740	9,018
Due to subsidiaries 應付子公司款項	48,612	47,855
Interest-bearing bank borrowings 計息銀行借貸	156,711	10,450
Senior notes 優先票據	843,395	-
Total current liabilities 總流動負債	1,132,458	67,323
NET CURRENT ASSETS 淨流動資產	3,128,524	764,273
TOTAL ASSETS LESS CURRENT LIABILITIES 總資產減流動負債	3,567,966	1,203,715
NON-CURRENT LIABILITIES 非流動負債		
Senior notes 優先票據	2,150,361	-
Total non-current liabilities 總非流動負債	2,150,361	-
Net assets 淨資產	1,417,605	1,203,715
EQUITY 權益		
Share capital 股本	730	730
Reserves (note) 儲備(附註)	1,416,875	1,202,985
Total equity 總權益	1,417,605	1,203,715

NOTES TO FINANCIAL STATEMENTS (Continued)**財務報表附註(續)**

31 DECEMBER 2019 2019年12月31日

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)**43. 本公司財務狀況表(續)**

Note:

附註：

A summary of the Company's reserves is as follows:

本公司儲備概要如下：

	Share capital 股本 RMB' 000 人民幣千元	Share premium 股份溢價 RMB' 000 人民幣千元	Retained profits 保留利潤 RMB' 000 人民幣千元	Total 總計 RMB' 000 人民幣千元
Balance at 31 December 2017 and 1 January 2018 於2017年12月31日及2018年1月1日的結餘	-	-	-	-
Total comprehensive loss for the year 年內總全面虧損	-	-	(46,284)	(46,284)
Issuance of new shares 發行新股	730	1,249,269	-	1,249,999
Balance at 31 December 2018 and 1 January 2019 於2018年12月31日及2019年1月1日的結餘	730	1,249,269	(46,284)	1,203,715
Total comprehensive income for the year 年內總全面收入	-	-	397,309	397,309
Dividends and distributions 股息及分派	-	-	(183,419)	(183,419)
Balance at 31 December 2019 於2019年12月31日的結餘	730	1,249,269	167,606	1,417,605

44. APPROVAL OF THE FINANCIAL STATEMENTS**44. 批准財務報表**

The financial statements were approved and authorised for issue by the board of directors on 30 March 2020.

財務報表已於2020年3月30日獲董事會批准及授權刊發。

FINANCIAL SUMMARY

財務概要

	Year ended 31 December 截至12月31日止年度				
	2019 2019年 RMB' 000 人民幣千元	2018 2018年 RMB' 000 人民幣千元	2017 2017年 RMB' 000 人民幣千元	2016 2016年 RMB' 000 人民幣千元	2015 2015年 RMB' 000 人民幣千元
Revenue 收益	7,398,245	5,946,047	4,569,636	704,646	688,995
Cost of sales 銷售成本	(5,701,515)	(4,364,068)	(3,912,355)	(585,489)	(581,287)
Gross profit 毛利	1,696,730	1,581,979	657,281	119,157	107,708
Finance income 融資收入	18,262	17,740	9,344	8,437	15,783
Other income and gains 其他收入及收益	21,706	37,672	2,958	2,103	1,646
Selling and distribution expenses 銷售及分銷開支	(269,258)	(176,814)	(94,293)	(71,194)	(55,900)
Administrative expenses 行政開支	(393,259)	(375,071)	(133,925)	(105,046)	(89,002)
Other expenses 其他開支	(35,690)	(20,284)	(27,580)	(6,212)	(824)
Impairment losses on financial assets, net 淨金融資產減值虧損	(423)	(395)	–	–	–
Fair value gains, net: 淨公允價值收益：					
Financial assets at fair value through profit or loss 按公允價值計入損益的金融資產	58,363	–	–	–	–
Fair value gains on investment properties 投資物業的公允價值收益	57,476	61,295	58,000	254,000	271,000
Finance costs 融資成本	(249,760)	(132,711)	(133,650)	(114,562)	(101,855)
Share of profit and loss of joint ventures and associates 分佔合營企業及聯營公司損益	47,059	(3,969)	(2,607)	(1,583)	–
PROFIT BEFORE TAX 除稅前利潤	951,206	989,442	335,528	85,100	148,556
Income tax expenses 所得稅費用	(350,466)	(500,067)	(191,364)	(63,245)	(95,138)

FINANCIAL SUMMARY (Continued)

財務概要(續)

	Year ended 31 December 截至12月31日止年度				
	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
PROFIT FOR THE YEAR 年內利潤	600,740	489,375	144,164	21,855	53,418
Attributable to: 以下人士應佔：					
Owners of the parent 母公司擁有人	515,821	476,817	137,495	24,723	58,380
Non-controlling interests 非控股權益	84,919	12,558	6,669	(2,868)	(4,962)
	600,740	489,375	144,164	21,855	53,418
Non-current assets 非流動資產	5,210,339	3,109,007	2,942,562	2,806,443	2,446,609
Current assets 流動資產	22,490,918	16,148,543	12,334,861	9,783,809	6,973,077
Total assets 總資產	27,701,257	19,257,550	15,277,423	12,590,252	9,419,686
Non-current liabilities 非流動負債	6,192,133	3,847,427	5,783,528	2,125,556	3,134,698
Current liabilities 流動負債	15,851,641	12,164,158	7,505,867	8,489,491	4,324,208
Total liabilities 總負債	22,043,774	16,011,585	13,289,395	10,615,047	7,458,906
Net assets 淨資產	5,657,483	3,245,965	1,988,028	1,975,205	1,960,780
Equity attributable to owners of the parent 母公司擁有人應佔權益	3,422,955	3,083,032	1,989,229	1,978,560	1,960,458
Non-controlling interests 非控股權益	2,234,528	162,933	(1,201)	(3,355)	322
Total equity 總權益	5,657,483	3,245,965	1,988,028	1,975,205	1,960,780



大发地产集团有限公司
DAFA PROPERTIES GROUP LIMITED