



**新明中国控股**

XINMING CHINA

**XINMING CHINA HOLDINGS LIMITED**

**新明中國控股有限公司**

(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: 2699

ANNUAL REPORT  
年報 *2020*

# CONTENTS 目錄

Corporate Information 公司資料	2	Independent Auditors' Report 獨立核數師報告	118
Chairman's Statement 主席報告書	4	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	121
Management Discussion and Analysis 管理層討論與分析	8	Consolidated Statement of Financial Position 綜合財務狀況表	122
Profiles of Directors and Senior Management 董事及高級管理層簡介	28	Consolidated Statement of Changes in Equity 綜合權益變動表	124
Directors' Report 董事會報告書	37	Consolidated Statement of Cash Flows 綜合現金流量表	125
Corporate Governance Report 企業管治報告書	54	Notes to the Consolidated Financial Statements 綜合財務報表附註	127
Environmental, Social and Governance Report 環境、社會及管治報告書	85	Five-Year Financial Summary 五年財務概要	219

# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Chen Chengshou (*Chairman and Chief Executive Officer*)  
Mr. Feng Cizhao  
Mr. Pu Wei

#### Non-Executive Directors

Ms. Gao Qiaoqin  
Mr. Chou Chiu Ho  
Mr. Choi Clifford Wai Hong (*appointed on 16 April 2021*)

#### Independent Non-Executive Directors

Mr. Fong Wo, Felix  
Mr. Lo Wa Kei, Roy  
Mr. Gu Jiong  
Mr. Chu Kin Wang Peleus (*appointed on 16 April 2021*)

### AUDIT COMMITTEE

Mr. Lo Wa Kei, Roy (*Chairman*)  
Mr. Gu Jiong  
Mr. Fong Wo, Felix

### REMUNERATION COMMITTEE

Mr. Gu Jiong (*Chairman*)  
Mr. Fong Wo, Felix  
Mr. Lo Wa Kei, Roy

### NOMINATION COMMITTEE

Mr. Chen Chengshou (*Chairman*)  
Mr. Fong Wo, Felix  
Mr. Gu Jiong

### AUTHORIZED REPRESENTATIVES

Mr. Chou Chiu Ho  
Mr. Kam Chun Ying Francis

### COMPANY SECRETARY

Mr. Kam Chun Ying Francis

### REGISTERED OFFICE

Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HEADQUARTERS IN THE PRC

Block I, 5th Floor  
Hengli Building  
No. 5 Huang Long Road, Hangzhou  
Zhejiang Province, the PRC

### 董事

#### 執行董事

陳承守先生 (*主席兼行政總裁*)  
豐慈招先生  
浦巍先生

#### 非執行董事

高巧琴女士  
周昭何先生  
蔡偉康先生 (*於二零二一年四月十六日獲委任*)

#### 獨立非執行董事

方和先生  
盧華基先生  
顧炯先生  
朱健宏先生 (*於二零二一年四月十六日獲委任*)

### 審核委員會

盧華基先生 (*主席*)  
顧炯先生  
方和先生

### 薪酬委員會

顧炯先生 (*主席*)  
方和先生  
盧華基先生

### 提名委員會

陳承守先生 (*主席*)  
方和先生  
顧炯先生

### 授權代表

周昭何先生  
甘俊英先生

### 公司秘書

甘俊英先生

### 註冊辦事處

Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### 中國總部

中國浙江省  
杭州市黃龍路5號  
恒勵大廈  
5樓1座

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit B, 17/F., United Centre  
95 Queensway, Admiralty  
Hong Kong

### COMPANY'S WEBSITE ADDRESS

<http://www.xinm.com.cn>

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### PRINCIPAL BANKERS

Industrial and Commercial Bank of China, Tengzhou Branch  
Agricultural Bank of China, Branch of Datong Road, Tengzhou  
China Construction Bank, Branch of Datong Road, Tengzhou  
Agricultural Bank of China, Taizhou Jiazhi Branch  
Taizhou Bank, Hongjia Branch

### AUDITOR

Mazars CPA Limited  
Certified Public Accountants

### LEGAL ADVISER TO THE COMPANY

Jingtian & Gongcheng LLP

### LISTING INFORMATION

The Company's ordinary shares are listed on the Main Board of  
The Stock Exchange of Hong Kong Limited  
(Stock Code: 02699)

### 香港主要營業地點

香港  
金鐘金鐘道95號統一中心  
17樓B室

### 公司網址

<http://www.xinm.com.cn>

### 股份過戶登記總處

Ocorian Trust (Cayman) Limited  
Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

### 香港股份過戶登記處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓

### 主要往來銀行

中國工商銀行滕州支行  
中國農業銀行滕州市大同路支行  
中國建設銀行滕州市大同路分理處  
中國農業銀行台州葭芷支行  
台州銀行洪家支行

### 核數師

中審眾環(香港)會計師事務所有限公司  
執業會計師

### 本公司法律顧問

競天公誠律師事務所

### 上市資料

本公司普通股於香港聯合交易所有限公司  
主板上市  
(股份代號：02699)

# CHAIRMAN'S STATEMENT

## 主席報告書

To all shareholders,

I hereby announce the annual results of Xinming China Holdings Company (the "Company" or "Xinming China"), for the year ended 31 December 2020 (the "Year under Review"), on behalf of the board (the "Board") of directors (the "Director") of the Company.

During the Year under Review, total revenue of the Company (together with its subsidiaries, the "Group") amounted to approximately RMB128.5 million, representing a decrease of approximately 21.3% from approximately RMB163.3 million for the corresponding period of last year. The loss attributable to shareholders of the Company amounted to approximately RMB1,000.8 million, representing a decrease of approximately RMB883.8 million from a loss of approximately RMB117.0 million for the corresponding period of last year, due to the novel coronavirus pandemic ("COVID-19"), which led to a decrease in overall property sales, together with a loss of approximately RMB475.1 million in aggregate on the fair value of investment properties, properties under development and completed properties held for sale caused by the negative market impacts from the COVID-19 this year, interest penalty and provision for liquidated damages of approximately RMB305.0 million relating to certain defaulted borrowings pursuant to the contractual terms, as well as provision for impairment of certain trade and other receivables and provision for commercial contract compensation.

During the Year under Review, loss per share was approximately RMB0.533 (31 December 2019: loss per share amounted to approximately RMB0.062). As at 31 December 2020, the total assets of the Group amounted to approximately RMB6,422.2 million (31 December 2019: approximately RMB6,743.5 million); total liabilities were approximately RMB5,558.2 million (31 December 2019: approximately RMB4,763.5 million); total equity was approximately RMB864.1 million (31 December 2019: approximately RMB1,980.0 million); and net asset value per share was approximately RMB0.46 (31 December 2019: approximately RMB1.05).

致各位股東：

本人謹代表新明中國控股有限公司（「本公司」或「新明中國」）董事（「董事」）會（「董事會」）欣然宣佈本公司截至二零二零年十二月三十一日止年度（「回顧年度」）之全年業績。

於回顧年度，本公司（連其子公司，共稱「本集團」）的營業總額約人民幣128.5百萬元，較去年同期約人民幣163.3百萬元，下跌約21.3%。本公司股東應佔虧損約人民幣1,000.8百萬元，較去年同期應佔虧損約人民幣117.0百萬元，下跌約人民幣883.8百萬元，新型冠狀病毒疫情（「疫情」）原因導致整體物業銷售下降，連帶本年投資物業、開發中物業及持作出售的已竣工物業公允價值也受疫情帶來市場負面影響損失共約人民幣475.1百萬元，根據合約條款若干違約借款相關的利息罰款及違約金撥備約人民幣305.0百萬元，以及就若干貿易及其他應收款減值撥備及商業合同賠償撥備所致。

於回顧年度，每股虧損約人民幣0.533元（二零一九年十二月三十一日：每股虧損約人民幣0.062元）。於二零二零年十二月三十一日，本集團資產總值約人民幣6,422.2百萬元（二零一九年十二月三十一日：約人民幣6,743.5百萬元）；負債總值約人民幣5,558.2百萬元（二零一九年十二月三十一日：約人民幣4,763.5百萬元）；權益總值約人民幣864.1百萬元（二零一九年十二月三十一日：約人民幣1,980.0百萬元）；每股資產淨值約人民幣0.46元（二零一九年十二月三十一日：約人民幣1.05元）。

Due to the sudden outbreak of the COVID-19 in 2020, the PRC economic growth rate slowed down. A variety of city lockdown and community lockdown measures against the COVID-19 in the year also affected the public consumption and investment willingness, which in turn influenced the sales market of commercial properties in China with a year-on-year decrease in both the Gross Floor Area ("GFA") sold and sales thereof for the whole year. In the same year, with the successive introduction of policies on housing regulation, the bank loan policies caused certain uncertainties on loan extension and refinancing conditions during the transition period. The business deployment and de-stocking plan made by Xinming China at the beginning of the year also lagged behind due to this force majeure. Despite this, the Board actively made strategic adjustments and was determined to cope with the going concern issue with practical actions. During the year, the Board found a potential investor and made a relevant announcement. Our transactions were not completed as various objective conditions had not been met, but with the support of financial capital provided by such potential investor, we procured the first batch of presale of the residential section of Shandong Tengzhou Xingmeng International Commercial City (the "Shandong Project") by the reporting date.

During the Year under Review, the Group recorded property sales of approximately RMB69.8 million, representing a decrease of approximately 29.9% as compared to the same period of last year, which was mainly attributable to the COVID-19 this year, which led to poor property sales in general and a year-on-year decrease in average selling price of each project, as well as the fact that Hangzhou Xinming • Children's World project with a higher average selling price continued to sell the remaining inventory in the Year under Review, which led to a further decrease in its sales proportion.

During the Year under Review, the Group delivered GFA of approximately 12,426.6 sq.m., which remained flat against last year. As at 31 December 2020, the property portfolio of the Group comprised 16 property development projects in various cities in the PRC. These projects were at different stages of development, with an aggregate GFA of approximately 2,237,825 sq.m., of which, approximately 1,702,444 sq.m. of the GFA was completed, approximately 55,145 sq.m. of the GFA was under development and approximately 480,236 sq.m. of the GFA was held for future development.

受二零二零年疫情突襲，中國的經濟增速也因此放緩，年內各種對抗疫情的封城及封區措施也影響了民眾的消費及投資意欲，連帶影響了中國商用房銷情，全年銷售面積及金額均比上年下降。同年房屋調控有關的政策陸續出台，也促使銀行貸款政策在過渡階段施行下導致貸款延期及再融資的條件存在一定的不確定性。新明中國年初擬定的業務部署及去化計劃也受此不可抗力有所滯后。縱然如此，董事會也積極調整戰略及以實際行動解決持續經營問題的決心，本年覓得一名潛在投資者並作出相關公告，雖然交易因各種客觀條件仍未滿足而未完成交割，但藉著該潛在投資者給予財務資金的支持下，促成了山東滕州興盟國際商城（「山東項目」）住宅部份於報告日內完成了首批預售。

於回顧年度，本集團錄得物業銷售額約人民幣69.8百萬元，較去年同期減少約29.9%，主要是本年受疫情影響導致整體物業銷售疲弱，各項目錄得的平均售價皆比上年下降，同時較高平均售價的杭州新明•兒童世界項目於回顧年度繼續出售餘下的存貨，銷售比重進一步下降所致。

於回顧年度，本集團所交付面積約12,426.6平方米，與上年持平。於二零二零年十二月三十一日，本集團的物業組合包括位於中國不同城市的16個物業開發項目。這些項目處於不同開發階段，總建築面積約2,237,825平方米，其中約1,702,444平方米的建築面積已竣工，約55,145平方米的建築面積仍在開發中，約480,236平方米的建築面積持作未來開發。

## CHAIRMAN'S STATEMENT

### 主席報告書

#### PROSPECTS AND DEVELOPMENT STRATEGIES

Looking ahead in 2021, the PRC government will gradually implement vaccination nationwide. With the effective implementation of normalized epidemic prevention and control measures, the domestic environment for promoting high-quality economic development is expected to be continuously improved. However, the State has put forward, in many occasions, that the real estate market requires a stable and healthy development by insisting on housing properties for accommodation but not for speculation, equal emphasis being placed on both property leasing and property purchase, adoption of differentiated regulatory policies for different cities and improving the policy for long-term property leasing. In the future, strict control over financial leverage under the policy on the three limits will be the guiding tune for all real estate enterprises. Moreover, with the rising financing costs of real estate enterprises and direct competition from newly-completed commercial properties in the nearby areas, the year 2021 will still be highly challenging to the Group. To this end, Xinming China will actively accelerate its de-stocking of completed properties while seeking various feasibility in assets revitalization, including but not limited to change of property use and sale of property in its entirety. Furthermore, the Group will negotiate with different financial institutions in respect of its outstanding borrowings, with a view to improving its liability and financial gearing conditions.

#### SUMMARY

Xinming China has been listed on the Main Board of the Stock Exchange for six years. Although we have experienced ups and downs in the industry and gone through a tough year, we still adhere to our original intention, and our employees are dedicated with a firm belief, therefore our vision to reach new heights will surely come true step by step. Moreover, we will focus on de-stocking and de-leveraging with all efforts, thereby creating greater value to our shareholders.

#### 前景展望及發展策略

展望二零二一年，中國將逐步推行全國疫苗接種，隨著常態化疫情防控措施的有效實施，國內推動經濟高質量發展的環境預期將得到持續改善。但同時國家多個場合提出房地產市場必需平穩健康發展，堅持房住不炒、租購並舉、因城施策以及完善長租房政策，日後三道紅線政策下嚴控財務槓桿將是各房地產企業的主旋律，加上房地產企業融資成本持續商企以及面對週邊新落成商用房的直接競爭，預期來年本集團仍是充滿挑戰。新明中國將積極加快已竣工物業庫存去化，同時尋找各種盤活資產的可行性，包括但不限於變更房產用途及整棟房產出售，以及與不同金融機構就本集團就未償還借款進行磋商，務求改善負債及財務槓桿狀況。

#### 總結

新明中國已於聯交所主板上市六周年，經歷過行業高低起伏，也走過了艱難的一年，但我們依然堅守初心，各員工恪盡職守，信念堅定，我們的願景亦必會一步一步地走得更遠。傾力專注去存貨、降槓桿，為股東締造更大價值。

After the outbreak of COVID-19, the Group took quick response measures, including prompt establishment of a leading group to direct the prevention and control of epidemic, and active raising of disease prevention materials to ensure the effective protection of working environment of employees. We also strengthened safety training on epidemic prevention and personal protection supervision of employees, regularly disinfected, sterilised and cleaned office premises. In the future, in accordance with the unified deployment of the PRC government, the Group will actively arrange for the injection of COVID-19 vaccine for domestic employees. It is expected that in 2021, the PRC government will gradually implement free vaccination drive nationwide to ensure that the pandemic will not have large-scale import and rebound. With the effective implementation of normalized epidemic prevention and control measures, the domestic environment for promoting high-quality economic development will continue to be improved, which will help promote the stable development of the related businesses of the Company.

I would like to take this opportunity to express my heartfelt gratitude to, on behalf of the Board, extend thanks to our management and all staff members for their continuous efforts in the previous year. I would also like to thank our shareholders for their support and trust placed in us.

**XINMING CHINA HOLDINGS LIMITED**

*Chairman and Chief Executive Officer*

**Chen Chengshou**

Hangzhou, China  
21 April 2021

疫情爆發後，本集團快速作出應變措施，包括及時成立領導小組指揮疫情防控工作，積極籌措防疫物資，確保員工工作環境得到有效保障；加強防疫安全培訓和員工個人防護督導，定期對辦公場所進行消毒、殺菌及清潔。未來，按照中國政府統一部署，本集團將積極安排為國內員工注射新冠疫苗。預期二零二一年中國政府將逐步推行全國疫苗免費接種行動，確保疫情不出現規模性輸入和反彈。隨著常態化疫情防控措施的有效實施，國內推動經濟高質量發展的環境將得到持續改善，這將有助於促進公司相關業務回穩發展。

本人謹藉此機會，代表董事會向管理層及全體員工在過去一年的努力不懈，以及全體股東的支持和信賴，表示衷心 and 誠摯的感謝！

新明中國控股有限公司

主席兼行政總裁

陳承守

中國 • 杭州  
二零二一年四月二十一日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### INDUSTRY REVIEW AND OPERATION MANAGEMENT

Looking back to the PRC real estate market in 2020, according to the data published by the National Bureau of Statistics, the GFA sold and sales of commodity properties in the PRC recorded a negative growth in the first five months as affected by the epidemic. Since the alleviation of the COVID-19 epidemic in the second half of the year, the GFA sold and sales of commodity properties for the whole year reached 1.76 billion sq.m. and RMB17.4 trillion, respectively, up by 2.6% and 8.7%, respectively, but those of commercial properties maintained a decline by over 10% for the whole year. Due to the continuously strengthened housing regulation by the Central Government, the uncertain bank loan policy resulted in loan extension and re-tightened financing channels in a state of transition.

During the year, the business environment made it more difficult for us to resolve our cash flow issues. Despite this, we were determined to improve the going concern issue of Xinming China with practical actions by exploring various methods and continuously and closely following the strategic main line of assets revitalization and liabilities reduction. As set out in the announcements of the Company dated 27 and 28 October 2020, respectively, Xinming China has obtained a loan in the sum of not more than RMB300 million from 北控城投控股集團有限公司 (BE City Investment Holding Group Limited\*), part of which has been used for the construction of Shandong Project and accelerating the pre-sale of the phase 1 of Shandong Project by the reporting date. Meanwhile, the Company will actively continue to negotiate with various financial institutions to extend the repayment date or re-finance its outstanding borrowings, and will proactively seek various feasibility in assets revitalization in the future, including but not limited to change of property use and sale of property in its entirety strategy.

Meanwhile, the development concepts of industrial properties will place more weight on ecology, environmental protection, smart city, incorporating urban household, shopping gallery of fashion brands and other elements, all of which are core values of industrial properties. Xinming China will continue to develop comprehensive properties in response to the market expectation.

### 行業回顧及經營管理

回顧二零二零年中國房地產市場，根據國家統計局公佈資料，受疫情影響，全國商品房銷售面積及金額首五月錄得負增長。自下半年起疫情緩和，全年銷售面積及金額分別達17.6億平方米及人民幣17.4萬億元，分別增長2.6%及8.7%，但商用用房全年維持下降超過10%。中央政府繼續加強房屋調控，銀行貸款政策在過渡階段施行未確定性導致貸款延期及融資渠道再收緊。

年內，縱使經營環境增加了我們化解現金流問題的難度，但我們持續緊扣盤活資產及降負債為戰略主線，用實際行動及探索各種方式務求踐行新明中國改善持續經營問題的決心。誠如載於本公司日期為二零二零年十月二十七日及二十八日之公告，新明中國已向北控城投控股集團有限公司獲取一筆總額不多於人民幣3億元的貸款，部份款項已用於山東項目建設並加快山東項目於報告日內完成第一期的預售。本公司同時將積極繼續與多家金融機構磋商以延長償還日期或為未償還借款進行再融資，以及於日後積極尋找各種盤活資產的可行性，包括但不限於變更房產用途及整棟房產出售策略。

同時，產業地產的發展理念我們將是越來越重視生態、環保、智慧城市、融入城市家居，及時尚品牌購物廊等元素，其均為產業地產的核心價值。新明中國將繼續開發綜合性地產回應市場的期許。

## BUSINESS REVIEW

During the Year under Review, the Group recorded a total revenue of approximately RMB128.5 million, representing a decrease of approximately RMB34.8 million or 21.3% from approximately RMB163.3 million in 2019. The delivered sales and GFA sold were approximately RMB69.8 million and 12,426.6 sq.m., respectively, representing a decrease of approximately RMB29.8 million or approximately 29.9% from approximately RMB99.6 million and approximately 12,211.7 sq.m., respectively, in 2019. The average selling price for sales was approximately RMB5,617 per sq.m., representing a decrease of 50.0% year-on-year. Such decreases were mainly due to the weakened property sales overall as affected by the COVID-19 epidemic this year, and a further decrease in the proportion of sales from Hangzhou Project with a higher average selling price.

Loss attributable to the shareholders of the Company amounted to approximately RMB1,000.8 million, representing an increase of loss of approximately RMB883.8 million from the loss attributable to the shareholders of approximately RMB117.0 million in 2019, mainly due to COVID-19, which led to a decrease in overall property sales, together with a loss of approximately RMB475.1 million in aggregate on the fair value of investment properties, properties under development and completed properties held for sale caused by the negative market impacts from the COVID-19 this year. Furthermore, interest penalty and provision for liquidated damages of approximately RMB305.0 million relating to certain defaulted borrowings pursuant to the contractual terms, as well as provision for impairment of certain trade and other receivables and provision for commercial contract compensation. Loss per share was approximately RMB0.533 (2019: loss per share amounted to approximately RMB0.062).

During the Year under Review, the Board did not recommend payment of a final dividend for the year ended 31 December 2020.

As at 31 December 2020, total assets of the Group amounted to approximately RMB6,422.2 million (31 December 2019: approximately RMB6,743.5 million); total liabilities were approximately RMB5,558.2 million (31 December 2019: approximately RMB4,763.5 million); total equity was approximately RMB864.1 million (31 December 2019: approximately RMB1,980.0 million); and net assets per share were approximately RMB0.46 (31 December 2019: approximately RMB1.05).

## 業績回顧

回顧年內，本集團錄得總收入約人民幣128.5百萬元，較二零一九年約人民幣163.3百萬元，下降約人民幣34.8百萬元或21.3%。已交付物業銷售額及建築面積分別約人民幣69.8百萬元及12,426.6平方米，較二零一九年分別約人民幣99.6百萬元及約12,211.7平方米減少約人民幣29.8百萬元或約29.9%；銷售平均售價為每平方米約人民幣5,617元，按年下降50.0%。各項指標下降主要原因是本年受疫情影響導致整體物業銷售疲弱，同時較高平均售價的杭州項目銷售比重進一步下降所致。

本公司股東應佔虧損約人民幣1,000.8百萬元，較二零一九年股東應佔虧損約人民幣117.0百萬元增虧約人民幣883.8百萬元，主要是疫情原因導致整體物業銷售下降，連帶本年投資物業、開發中物業及持作出售的已竣工物業公允價值也受疫情帶來市場負面影響損失共約人民幣475.1百萬元。其次，根據合約條款若干違約借款相關的利息罰款及違約金撥備約人民幣305.0百萬元，以及就若干貿易及其他應收款減值撥備及商業合同賠償撥備所致。每股虧損約人民幣0.533元（二零一九年：每股虧損約人民幣0.062元）。

回顧年內董事會不建議就截至二零二零年十二月三十一日止年度派發末期股息。

於二零二零年十二月三十一日，本集團資產總值約人民幣6,422.2百萬元（二零一九年十二月三十一日：約人民幣6,743.5百萬元）；負債總值約人民幣5,558.2百萬元（二零一九年十二月三十一日：約人民幣4,763.5百萬元）；權益總值約人民幣864.1百萬元（二零一九年十二月三十一日：約人民幣1,980.0百萬元）；每股淨資產約人民幣0.46元（二零一九年十二月三十一日：約人民幣1.05元）。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### PROPERTY DEVELOPMENT

As at 31 December 2020, the Group's property portfolio consisted of 16 property development projects with an aggregate GFA of approximately 2,237,825 sq.m. under various stages of development in various cities in the PRC.

The summary of the portfolio of our property development projects as at 31 December 2020 is set out in the table below:

#### 物業開發

於二零二零年十二月三十一日，本集團物業組合現有16項物業開發項目，根據中國不同城市不同開發階段的總建築面積約2,237,825平方米。

下表為二零二零年十二月三十一日我們物業開發項目組合的概要：

Project	Location	Existing use	Site area	COMPLETED 已經竣工				Saleable GFA in remaining unsold 餘下未銷售 面積的可 銷售面積	UNDER DEVELOPMENT 開發中			FUTURE DEVELOPMENT 未來開發				Equity attributable to the Group
				GFA completed	Saleable GFA	Nonsaleable GFA	GFA under development		Saleable GFA pre-sold	Planned GFA	Estimated date of completion	Estimated stage of completion	Equity			
項目	地址	目前用途	地盤面積 (sq.m.) (平方米)	已經 竣工面積 (sq.m.) (平方米)	可銷售 面積 (sq.m.) (平方米)	不可銷售 面積 (sq.m.) (平方米)	餘下未銷售 面積的可 銷售面積 (sq.m.) (平方米)	開發中 建築面積 (sq.m.) (平方米)	可銷售 建築面積 (sq.m.) (平方米)	已預售 建築面積 (sq.m.) (平方米)	規劃 建築面積 (sq.m.) (平方米)	預計 竣工日期	預計 完工階段	本集團 所佔權益 (%)		
<b>Completed</b> 已竣工																
Taizhou Xinming Peninsular 台州新明半島																
Phase 1	Xinming Peninsula, West Road, Baiyunshan, Jiaojiang District, Taizhou City	Residential, commercial														
一期	台州市椒江區白雲山西路新明半島	住宅、商用	86,667	189,387	157,005	32,382	156	—	—	—	—	—	—	—	100%	
Phase 2 — Stage 1	Xinming Peninsula, West Road, Baiyunshan, Jiaojiang District, Taizhou City	Residential, commercial														
二期一階段	台州市椒江區白雲山西路新明半島	住宅、商用	66,600	121,498	111,723	9,775	—	—	—	—	—	—	—	—	100%	
Phase 2 — Stage 2	Xinming Peninsula, West Road, Baiyunshan, Jiaojiang District, Taizhou City	Residential, commercial														
二期二階段	台州市椒江區白雲山西路新明半島	住宅、商用	52,540	152,624	125,824	26,800	79	—	—	—	—	—	—	—	100%	
Xinming International Household Products Mall and Exhibition Center	No. 8, North Section, Taizhou Boulevard, Jiaojiang District; No. 27 Building, No. 8, North Section, Taizhou Boulevard, Jiaojiang District, Taizhou City	Commercial														
新明國際家居生活 廣場及展示中心	台州市椒江區台州大道北段8號、 椒江區台州大道北段8號27幢	商用	131,768	207,908	100,151	107,757	886	—	—	—	—	—	—	—	100%	
Xinming Lijiang Garden	Xinming Lijiang Garden, No.8, North Section, Taizhou Boulevard, Jiaojiang District, Taizhou City	Residential, commercial														
新明麗江苑	台州市椒江區台州大道北段8號 新明麗江苑	住宅、商用	63,431	210,988	177,466	33,522	42	—	—	—	—	—	—	—	100%	
Wenshang Times • Red Star Macalline Household Products Market	No. 1990, East Ring Boulevard, Jiaojiang District, Taizhou City	Commercial														
溫商時代 — 紅星美凱龍 家居市場	台州市椒江區東環大道1990號	商用	11,000	67,239	—	67,239	—	—	—	—	—	—	—	—	100%	
Wenshang Times • Xinming Household Decorations and Fittings City	No. 1990, East Ring Boulevard, Jiaojiang District, Taizhou City (Xinming Household Decorations and Fittings City)	Commercial														
溫商時代 — 新明飾品城	台州市椒江區東環大道1990號 (新明飾品城)	商用	44,871	67,251	44,415	22,836	22,734	—	—	—	—	—	—	—	100%	
Wenshang Times • Xinming Apartment	No. 1990-1, East Ring Boulevard, Jiaojiang District, Taizhou City	Residential														
溫商時代 — 新明公館	台州市椒江區東環大道1990-1號	住宅	10,263	39,941	35,605	4,336	1,227	—	—	—	—	—	—	—	100%	
Shandong Xingmeng International Commercial City	Xingmeng International Commercial City, Wulitunzhuapan, Tengzhou City, Shandong Province	Commercial														
山東興盟國際商業城	山東省滕州市五裡屯轉盤興盟國際 商城	商用	37,814	62,664	60,288	2,376	53,608	—	—	—	—	—	—	—	75%	

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

Project	Location	Existing use	Site area	COMPLETED 已竣工			UNDER DEVELOPMENT 開發中				FUTURE DEVELOPMENT 未來開發			Equity attributable to the Group 本集團所佔權益 (%)
				GFA completed	Saleable GFA	Nonsaleable GFA	Saleable CFA in remaining unsold	CFA under development	Saleable GFA	Saleable GFA pre-sold	Planned GFA	Estimated date of completion	Estimated stage of completion	
項目	地址	目前用途	地盤面積 (sq.m.) (平方米)	已竣工面積 (sq.m.) (平方米)	可銷售面積 (sq.m.) (平方米)	不可銷售面積 (sq.m.) (平方米)	餘下未銷售面積的可銷售面積 (sq.m.) (平方米)	開發中建築面積 (sq.m.) (平方米)	可銷售建築面積 (sq.m.) (平方米)	已預售建築面積 (sq.m.) (平方米)	規劃建築面積 (sq.m.) (平方米)	預計竣工日期	預計完工階段	(%)
Shanghai Xinming Children's World 上海新明兒童世界	No. 699, Liuxiang Road, Nanxiang Town, Jiading District, Shanghai Municipality 上海市嘉定區南翔鎮翔翔公路699號	Commercial 商用	39,720	186,904	138,179	48,725	47,488	—	—	—	—	—	—	79%
Hangzhou Xinming Children's World 杭州新明兒童世界	No. 698, Xiaohu Road, Gongshu District, Hangzhou 杭州市拱墅區小河路698號	Commercial 商用	30,499	147,754	147,754	—	32,863	—	—	—	—	—	—	100%
<b>Under Development 開發中</b>														
China South-western City Phase 1 中國西南城一期	Distribution Center, China South-western City, No. 229, Five Star Avenue, Dazu District, Chongqing 重慶大足區五星大道229號中國西南城行銷中心	Commercial 商用	175,531	248,286	170,862	77,424	14,307	25,516	—	—	—	—	100%	95%
Shandong Xingmeng International Commercial City 山東興盟國際商業城	Xingmeng International Commercial City, Wulitunzhuapan, Tengzhou City, Shandong Province 山東省滕州市五裡屯轉盤興盟國際商業城	Commercial 商用	23,200	—	—	—	—	29,629	26,176	10,112	—	—	100%	75%
<b>Future Development 未來開發</b>														
Shandong Xingmeng International Commercial City 山東興盟國際商業城	Xingmeng International Commercial City, Wulitunzhuapan, Tengzhou City, Shandong Province 山東省滕州市五裡屯轉盤興盟國際商業城	Commercial 商用	78,171	—	—	—	—	—	—	—	179,080	N/A 不適用	—	75%
China South-western City Phase 2 中國西南城二期	Distribution Center, China South-western City, No. 229, Five Star Avenue, Dazu District, Chongqing 重慶大足區五星大道229號中國西南城行銷中心	Residential 住宅	44,321	—	—	—	—	—	—	—	110,803	N/A 不適用	—	95%
China South-western City Phase 3 中國西南城三期	Distribution Center, China South-western City, No. 229, Five Star Avenue, Dazu District, Chongqing 重慶大足區五星大道229號中國西南城行銷中心	Residential 住宅	20,569	—	—	—	—	—	—	—	51,423	N/A 不適用	—	95%
China South-western City Phase 3 中國西南城三期*	Distribution Center, China South-western City, No. 229, Five Star Avenue, Dazu District, Chongqing 重慶大足區五星大道229號中國西南城行銷中心	Commercial 商用	92,620	—	—	—	—	—	—	—	138,930	N/A 不適用	—	95%
<b>Total 總計</b>			<b>1,009,585</b>	<b>1,702,444</b>	<b>1,269,272</b>	<b>433,172</b>	<b>173,390</b>	<b>55,145</b>	<b>26,176</b>	<b>10,112</b>	<b>480,236</b>			

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### PROPERTY SALES

During the Year under Review, the Group recorded property sales of approximately RMB69.8 million, representing a decrease of approximately RMB29.8 million or approximately 29.9% as compared to approximately RMB99.6 million in 2019. Total GFA delivered during the Year under Review was approximately 12,426.6 sq.m. as stable as that in 2019. Property sales remained the major revenue source of the Group, but declined for whole year as affected by weak investments and suspension on merchandising due to the COVID-19 epidemic, finally representing approximately 54.3% of the Group's total revenue. Property sales decreased overall during the Year under Review, mainly due to the prolonged weak investment sentiments in the commercial property market caused by the COVID-19 epidemic and continuously strengthened housing regulation by the local governments in the first half of the year, as well as the intense business competition as a result of various real estate enterprises' increased efforts on promotional price-cut exercises upon the release of the policies on the three limits. In this regard, the Group has actively made business adjustments and explored the use of each project, including but not limited to change of property use and sale of property in its entirety strategy. Such measures, however, have not yet contributed to our revenue for the Year under Review.

#### 物業銷售

回顧年內，本集團錄得物業銷售收入約人民幣69.8百萬元，較二零一九年約人民幣99.6百萬元減少約人民幣29.8百萬元或約29.9%。回顧年內交付物業銷售建築面積約12,426.6平方米，較二零一九年相比持平。物業銷售仍為本集團主要的收入來源但受疫情投資疲弱及招商停頓影響，銷售金額全年下滑，佔本集團總收入約54.3%。回顧年內，整體物業銷售減少主要上半年受疫情影響以及各地方政府繼續加強房屋調控，導致市場商用房投資氣氛持續疲弱，同時三道紅線相關政策出台後加劇了各房地產企業減價促銷的誘因，業務經營競爭激烈。本集團已積極進行業務調整並探索各個項目用途，包括但不限於變更房產用途及整棟房產出售策略，但暫未能對回顧年度收入有所貢獻。

The following table summarizes the property projects of the Group sold during the Year under Review: 下表載列於回顧年度本集團物業銷售項目概要：

Project 項目	Location 位置	GFA sold 銷售建築面積 (sq.m.) (平方米)	Income 收入 (RMB in million) (人民幣百萬元)	Average selling price 平均售價 (RMB/sq.m.) (人民幣/平方米)
Taizhou Xinming Peninsular 台州新明半島				
Phase 1 一期	Taizhou 台州	2,727.0	5.3	1,943.5
Phase 2 — Stage 1 二期一階段	Taizhou 台州	35.9	—	1,167.6
Phase 2 — Stage 2 二期二階段	Taizhou 台州	34.4	—	1,220.0
Xinming Lijiang Garden 新明麗江苑	Taizhou 台州	3,594.8	21.3	5,911.4
Wenshang Times • Xinming Household Decorations and Fittings City 溫商時代 • 新明飾品城				
	Taizhou 台州	—	—	—
Shanghai Xinming Children's World 上海新明兒童城				
	Shanghai 上海	3,372.5	29.6	8,784.5
Hangzhou Xinming • Children's World 杭州新明 • 兒童世界				
	Hangzhou 杭州	1,007.1	7.8	7,788.9
Chongqing Xinming • China South-western City Phase 1 重慶新明 • 中國西南城一期				
	Chongqing 重慶	895.6	3.7	4,123.9
Xingmeng International Commercial City 興盟國際商城				
	Tengzhou 滕州	759.3	2.1	2,764.0
Total 合計				
		12,426.6	69.8	5,617.0

## PROPERTY LEASING

The Group carries out property leasing business through leasing its commercial properties held for investment and leasing the sold commercial properties leased back from third parties by the Group. As at 31 December 2020, the actual area leased out was approximately 194,887.2 sq.m., representing approximately 77.6% of the Group's total investment properties held-for-lease and the sold commercial properties leased back from third party purchasers.

## 物業租賃

本集團通過出租我們持作投資的商業物業及出租本集團向第三方買家回租的已售商業物業，從事物業租賃業務。截至二零二零年十二月三十一日，本集團持作出租用途的投資物業以及透過第三方買家回租已出售的商業物業的實際租賃面積約為194,887.2平方米，佔全部持作出租用途的投資物業及透過第三方買家回租的已售商業物業約77.6%。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

During the Year under Review, the rental income was approximately RMB58.8 million, representing a decrease of approximately RMB4.9 million or 7.7% as compared to approximately RMB63.7 million in 2019. This was mainly due to a decrease in overall average occupancy rate resulting from the weakening business environment in each sector caused by the COVID-19 epidemic in the first half of the year. To mitigate the loss of tenants caused by the COVID-19 epidemic, the Group granted preferential policy of rent exemption period to part of the new and existing tenants during the year. Therefore, the rent income recorded a larger decrease than the average occupancy rate.

回顧年內，租金收入約人民幣58.8百萬元，較二零一九年約人民幣63.7百萬元，減少約人民幣4.9百萬元或7.7%，主要由於受上半年疫情影響，導致各行業營商環境變差引致整體平均租用率下降。為緩和疫情影響導致租客流失的情況，本集團於年內給予部分新舊租戶免租期優惠政策，因此租金收入下降幅度比平均租用率下降幅度較大。

The following table summarizes the commercial properties held by the Group for investment during the Year under Review:

下表載列於回顧年度本集團持作投資的商業物業概要：

As at 31 December 2020  
於二零二零年十二月三十一日

	Total GFA 總建築面積 (sq.m.) (平方米)	Leasable area 可租賃面積 (sq.m.) (平方米)	Leased area 已租賃面積 (sq.m.) (平方米)	Average occupancy rate 平均租用率 (%) (%)	Rental income for the year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度的 租金收入 人民幣 （百萬元）
<b>Commercial investment properties for rental purpose</b>					
<b>作出租用用途的商業投資物業</b>					
(1) No. 1990, East Ring Boulevard, Jiaojiang District, Taizhou City					
(1) 台州市椒江區東環大道1990號	67,239.46	64,450.00	56,716.00	88.0%	28.7
(2) No. 8, North Section, Taizhou Boulevard, Jiaojiang District, Taizhou City					
(2) 台州市椒江區台州大道北段8號	101,163.31	62,163.36	60,920.09	98.0%	10.4
(3) China South-western City, No. 229, Five Star Avenue, Dazu District, Chongqing					
(3) 重慶大足區五星大道229號中國西南城	62,281.82	43,737.35	31,053.52	71.0%	12.4
(4) No. 1990, East Ring Boulevard, Jiaojiang District, Taizhou City					
(4) 台州市椒江區東環大道1990號	44,414.71	24,536.47	18,637.73	76.0%	6.2

Note: All properties were located in the PRC, and were held under medium term lease.

附註：所有物業均位於中國，並按中期租賃持有。

## LAND RESERVES

As at 31 December 2020, the Group's property portfolio consisted of 16 property development projects located in a number of cities throughout China. These projects were at various stages of development, with total GFA amounting to approximately 997,759 sq.m., of which approximately 462,378 sq.m. was completed, approximately 55,145 sq.m. was under development, and approximately 480,236 sq.m. was held for future development.

The following table summarizes the Group's land reserves by geographical location as at 31 December 2020:

## 土地儲備

於二零二零年十二月三十一日，本集團的物業組合包括位於中國不同城市的16個物業開發項目，這些項目處於不同開發階段，總建築面積約997,759平方米，其中約462,378平方米的建築面積已竣工，約55,145平方米的建築面積正在開發中，另約480,236平方米的建築面積持作未來開發。

下表載列於二零二零年十二月三十一日本集團按地理位置劃分的土地儲備概要：

Location 地點	Saleable GFA in remaining unsold/GFA held for investment 餘下未售出的 可銷售建築 面積／持作 投資建築面積 (sq.m.) (平方米)	GFA under development 開發中的 建築面積 (sq.m.) (平方米)	Planned GFA for future development 未來開發的 規劃建築面積 (sq.m.) (平方米)	Total land reserve 總土地儲備 (sq.m.) (平方米)	Proportion to the total land reserve 佔總土地 儲備的百分比 (%) (%)
Taizhou 台州	193,527	—	—	193,527	19.4%
Shanghai 上海	96,214	—	—	96,214	9.6%
Chongqing 重慶	86,167	25,516	301,156	412,839	41.4%
Tengzhou 滕州	53,608	29,629	179,080	262,317	26.3%
Hangzhou 杭州	32,862	—	—	32,862	3.3%
Total 總計	462,378	55,145	480,236	997,759	100.0%



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### PROSPECTS

Looking ahead in 2021, the PRC government will gradually implement vaccination nationwide. With the effective implementation of normalized epidemic prevention and control measures, the domestic environment for promoting high-quality economic development is expected to be continuously improved. However, the State has put forward, in many occasions, that the real estate market requires a stable and healthy development by insisting on housing properties for accommodation but not for speculation, equal emphasis being placed on both property leasing and property purchase, adoption of differentiated regulatory policies for different cities and improving the policy for long-term property leasing. In the future, strict control over financial leverage under the policy on the three limits will be the guiding tune for all real estate enterprises. Moreover, with the rising financing costs of real estate enterprises and direct competition from newly-completed commercial properties in the nearby areas, the year 2021 will still be highly challenging to the Group. To this end, Xinming China will actively accelerate its de-stocking of completed properties while seeking various feasibility in assets revitalization, including but not limited to change of property use and sale of property in its entirety. Furthermore, the Group will negotiate with different financial institutions in respect of its outstanding borrowings, with a view to improving its liability and financial gearing conditions.

#### FINANCIAL REVIEW

##### Revenue

The Group's revenue is primarily generated from property sales and property leasing services, which contributed approximately 54.3% and 45.7%, respectively, to the revenue for 2020 during the Year under Review of approximately RMB128.5 million. Property sales, the major revenue source of the Group, decreased by approximately RMB29.9 million from approximately RMB99.6 million in the same period of last year, mainly due to the prolonged weak investment sentiments in the commercial property market and suspension on merchandising caused by the COVID-19 epidemic and continuously strengthened housing regulation by the local governments in the first half of the year. Property leasing recorded a decrease of approximately RMB4.9 million as compared to approximately RMB63.7 million in the same period of last year. Property leasing decreased mainly due to a decrease in overall average occupancy rate resulting from the weakening business environment in each sector caused by the COVID-19 epidemic in the first half of the year. To mitigate the loss of tenants caused by the COVID-19 epidemic, the Group granted preferential policy of rent exemption period to part of the new and existing tenants during the year.

#### 前景展望

展望二零二一年，中國政府將逐步推行全國疫苗接種，隨著常態化疫情防控措施的有效實施，國內推動經濟高質量發展的環境預期將得到持續改善。但同時國家多個場合提出房地產市場必需平穩健康發展，堅持房住不炒、租購並舉、因城施策以及完善長租房政策，日後三道紅線政策下嚴控財務槓桿將是各房地產企業的主旋律，加上房地產企業融資成本持續高企以及面對週邊新落成商用房的直接競爭，預期來年本集團仍是充滿挑戰。新明中國將積極加快已竣工物業庫存去化，同時尋找各種盤活資產的可行性，包括但不限於變更房產用途及整棟房產出售，以及與不同金融機構就本集團就未償還借款進行磋商，務求改善負債及財務槓桿狀況。

#### 財務回顧

##### 收益

本集團收益主要由物業銷售及物業租賃服務產生，於回顧年內，二零二零年的收入約人民幣128.5百萬元，佔比分別約為54.3%及45.7%。物業銷售是本集團主要收入來源較去年同期約人民幣99.6百萬元減少約人民幣29.9百萬元，主要是因為上半年受疫情影響以及各地方政府繼續加強房屋調控，導致市場商用房投資氣氛持續疲弱及招商停頓所致。物業租賃收入較去年同期約人民幣63.7百萬元減少約人民幣4.9百萬元。物業租賃減少主要是因為上半年受疫情影響，導致各行業營商環境變差引致整體平均租用率下降。為緩和疫情影響導致租客流失的情況，本集團於年內給予部分新舊租戶免租期優惠政策。

### Cost of sales

During the Year under Review, the Group's cost of sales was approximately RMB67.0 million, representing a decrease of approximately RMB43.4 million or 39.3% as compared to approximately RMB110.4 million in the same period of last year. Such decrease was primarily attributable to the lower sale costs as compared with those in Hangzhou last year due to the delivered properties sales with a main focus on Taizhou housing during the Year under Review.

### Gross profit

During the Year under Review, the gross profit amounted to approximately RMB61.6 million, representing an increase of approximately RMB8.6 million or approximately 16.2% as compared to approximately RMB53.0 million last year. The gross profit margin was approximately 47.9%, representing an increase of approximately 15.5% as compared to approximately 32.4% last year, mainly due to the increase in proportion of revenue from property leasing with relatively high gross profit margin as compared to last year.

### Other income and gains

Other income and gains during the Year under Review amounted to approximately RMB3.4 million, increased by approximately RMB2.3 million or approximately 209% as compared to approximately RMB1.1 million in the same period of last year, mainly due to income from liquidated damages and exchange gain.

### Distribution and administrative expenses

During the Year under Review, the selling and administrative expenses amounted to approximately RMB66.7 million, representing a decrease of approximately RMB3.6 million or approximately 5.1% as compared to approximately RMB70.3 million in the same period of last year, mainly due to an increase by approximately RMB12.1 million in sales commission and marketing costs. Administrative expense decreased by approximately RMB15.7 million as compared to the same period of last year, mainly because the Group was implementing various measures on cost reduction and efficiency improvement and cut post reorganization of staff.

### 銷售成本

於回顧年內，本集團銷售成本約人民幣67.0百萬元，較去年同期約人民幣110.4百萬元減少約人民幣43.4百萬元，減幅為39.3%。該減少主要原因於回顧年內交付物業銷售主要集中於台州房屋，銷售成本相對與去年主力杭州銷售為低所致。

### 毛利

於回顧年內的毛利約人民幣61.6百萬元，較去年約人民幣53.0百萬元增加約人民幣8.6百萬元及約16.2%；毛利率約為47.9%，比去年約32.4%增加約15.5%，主要是較高毛利率的物業租賃收入佔比較去年增加所致。

### 其他收入及收益

於回顧年內的其他收入及收益約人民幣3.4百萬元，較去年同期的約人民幣1.1百萬元，增加約人民幣2.3百萬元，增幅約209%，主要是違約金收入及滙兌收益。

### 分銷及行政費用

於回顧年內的銷售及行政開支約人民幣66.7百萬元，較去年同期的約人民幣70.3百萬元，減少約人民幣3.6百萬元，減幅約5.1%，主要由於銷售佣金和銷售推廣費增加約人民幣12.1百萬元所致。行政費用開支較去年同期減少約人民幣15.7百萬元，主要是本集團正進行各種降本增效措施並在人員崗位重組上有所削減。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### Other expenses

Other expenses during the Year under Review were approximately RMB1,051.2 million, representing a substantial increase of approximately RMB864.4 million or approximately 4.6 times as compared to approximately RMB186.8 million in the same period of last year, mainly due to (i) properties under development and completed properties held for sale were adversely affected by the COVID-19 pandemic and domestic commercial properties market during the Year under Review, hence impairment provisions of approximately RMB452.2 million were made under the impact of the expected decrease of realizable value; (ii) an increase in liquidated damages on borrowings of approximately RMB304.5 million during the period. Details of such liquidated damages on borrowings were set out in Note 25 to the consolidated financial statements; (iii) the impairment losses on financial assets, net amounted to approximately RMB151.3 million which are mainly arisen from the impairment provisions of trade and other receivables, such increase is mainly due to the prolonged weak investment sentiments in the commercial property market in the PRC and the Group's delay in project development caused by COVID-19, which adversely affect the termination of cooperative relationship with the Group's business partners and suppliers; and (iv) the provision for commercial contract compensation of approximately RMB106.1 million during the period. Details of the provisions were set out in Note 7 to the consolidated financial statements. Breakdown of other expenses are set out below:

#### 其他開支

於回顧年度內的其他開支約人民幣1,051.2百萬元，較去年同期的約人民幣186.8百萬元，大幅增加約人民幣864.4百萬元，增加約4.6倍，主要是(i)開發中物業及持作出售的已竣工物業市場受到回顧年度內疫情及國內商用房市場嚴重影響，因此，在可變現值預期下降的影響下作出減值撥備約人民幣452.2百萬元；(ii)在本期間增加借款違約金約人民幣304.5百萬元。有關借款違約金詳情載於綜合財務報表附註25內；(iii)金融資產之減值虧損淨額約人民幣151.3百萬元，主要來自貿易和其他應收款項減值撥備；相關增加乃主要由於中國商業物業市場的長期低迷投資情緒所致且本集團因COVID-19延遲項目開發，而這對本集團業務夥伴及供應商的合作關係停頓造成不利影響；及(iv)期內作出商業合約補償撥備約人民幣106.1百萬元。有關撥備詳情載於綜合財務報表附註7。其他開支明細載列如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank charges	銀行手續費	94	107
Penalty expenses	罰款支出	16,022	27,733
Other finance costs	其他財務費用	1	—
Provision for impairment of properties under development and completed properties held for sale	開發中物業及持作出售的已竣工物業減值撥備	452,229	9,710
Liquidated damages on borrowings	借款違約金	304,550	127,557
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	61	—
Impairment losses on financial assets, net	金融資產之減值虧損淨額	151,299	3,642
Provision for commercial contract compensation	商業合同賠償撥備	106,160	16,827
Others	其他	20,822	1,247
<b>Total</b>	<b>合計</b>	<b>1,051,238</b>	<b>186,823</b>

### Change in fair value of investment properties

During the Year under Review, the loss on change in fair value of investment properties amounted to approximately RMB22.9 million, representing a decrease of approximately RMB169.7 million or approximately 115.6% as compared to the gain on change in fair value of investment properties of approximately RMB146.8 million in the same period of last year. The fair value of investment properties slightly decreased as compared to that of last year as affected by COVID-19 epidemic and adverse market factors, but the Group held investment properties near to the commercial districts in tier-one and tier-two cities, whose fair value was less affected.

### Finance costs

During the Year under Review, the net interest expenses amounted to approximately RMB1.0 million, representing a decrease of approximately RMB1.6 million or approximately 62.5% as compared to approximately RMB2.6 million in the same period of last year, mainly due to an increase in capitalised interest.

### Operating loss

During the Year under Review, the operating loss amounted to approximately RMB1,056.4 million, representing an increase of loss of approximately RMB1,009.6 million or approximately 21.6 times as compared to the operating loss of approximately RMB46.8 million in the same period of last year. The increase was mainly due to a decrease in the revenue from property sales, a loss on change in fair value of investment properties and a significant increase in other expenses.

### Income tax expenses/credit

During the Year under Review, the income tax expenses amounted to approximately RMB59.5 million, representing a decrease of approximately RMB6.2 million or approximately 9.4% as compared to income tax expenses of approximately RMB65.7 million in the same period of last year, mainly due to a change on deferred tax.

### Loss attributable to the shareholders

During the Year under Review, the loss attributable to the shareholders amounted to approximately RMB1,000.8 million, representing a significant increase of loss of approximately RMB883.8 million as compared to the loss of approximately RMB117.0 million in the same period of last year. The basic loss per share was approximately RMB0.533 (2019: loss per share of approximately RMB0.062).

### Cash flows

As at 31 December 2020, cash and bank deposits of the Group, including restricted cash, were approximately RMB7.8 million in aggregate (31 December 2019: approximately RMB185.1 million), representing a decrease of approximately RMB177.3 million or approximately 95.8%. The decrease was mainly used for daily operating expenses and repayment of bank interest.

### 投資物業公允價值變動

於回顧年內的投資物業公允價值變動損失約人民幣22.9百萬元，較去年同期投資物業公允價值變動收益約人民幣146.8百萬元，減少約人民幣169.7百萬元，跌幅約115.6%，受疫情及市場負面因素影響對投資物業公允價值有所下調，但本集團持有的投資物業地點較接近一二線城市商業區，相關投資物業公允價值影響較低。

### 融資成本

於回顧年內的淨利息開支約人民幣1.0百萬元，較去年同期的約人民幣2.6百萬元，減少約人民幣1.6百萬元，減幅約62.5%，主要是資本化利息增加所致。

### 營業虧損

於回顧年內的營業虧損約人民幣1,056.4百萬元，較去年同期營業虧損的約人民幣46.8百萬元，增虧約人民幣1,009.6百萬元，增幅約21.6倍。主要是物業銷售收入減少、投資物業公允價值變動虧損及其他開支大幅增加所致。

### 所得稅支出／抵免

於回顧年內，所得稅支出約人民幣59.5百萬元，較去年同期所得稅支出約人民幣65.7百萬元，減少約人民幣6.2百萬元及約9.4%，主要是遞延稅項變動所致。

### 股東應佔虧損

於回顧年內股東的應佔虧損約人民幣1,000.8百萬元，較去年同期的應佔虧損約人民幣117.0百萬元，大幅增虧約人民幣883.8百萬元。每股基本虧損為約人民幣0.533元（二零一九年每股虧損約人民幣0.062元）。

### 現金流量情況

本集團於二零二零年十二月三十一日的現金及銀行存款（包括受限制現金）共約人民幣7.8百萬元（二零一九年十二月三十一日：約人民幣185.1百萬元，減少約人民幣177.3百萬元或約95.8%，下降主要用於日常經營支出及償還銀行利息所致。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Pursuant to the exclusive management and operation agreement entered into between the Company's certain commercial properties with third party purchasers, the Company is required to pay certain percentages of the selling prices of the properties to the purchasers regardless whether such properties were rented out by the Company or they were generating rental income.

The Company is not obliged to pay any agreed fees for the period from 1 July 2019 to 30 June 2024 under the exclusive management and operation agreements which the Company had entered into as at 31 December 2015.

During the period from 1 January 2020 to 31 December 2020, the Group's maximum net cash outflow was approximately RMB0 million in 2020 (maximum net cash outflow in 2019: approximately RMB22 million). In addition, the Group did not enter into any new exclusive management and operation agreements with any purchasers during the year.

#### Borrowings

As at 31 December 2020, the total borrowings of the Group were approximately RMB1,873.9 million, representing a decrease of approximately RMB16.4 million as compared to approximately RMB1,890.3 million as at 31 December 2019, which was basically in line with last year.

The borrowings on demand and repayable within one year of the Group were approximately RMB1,873.9 million, representing a decrease of approximately RMB16.4 million as compared to approximately RMB1,890.3 million as at 31 December 2019. Borrowings repayable after one year were approximately RMB0 million, which remained flat as compared to approximately RMB0 million as at 31 December 2019.

#### Trade receivables, prepayments, other receivables and other assets

As at 31 December 2020, the sum of trade receivables, prepayments, other receivables and other assets of the Group was approximately RMB208.3 million, representing a decrease of approximately RMB5.0 million as compared to approximately RMB213.3 million as at 31 December 2019, mainly due to movements in impairment of other receivables.

根據本公司若干商業物業與第三方買家訂立的獨家管理及營運協議，本公司須向買家支付物業銷售價格的若干比例，而無論有關物業是由本公司出租或產生租金收入。

根據本公司於二零一五年十二月三十一日已訂立的獨家管理及營運協議，本公司概無責任就二零一九年七月一日至二零二四年六月三十日止期間支付任何協定費用。

自二零二零年一月一日起至二零二零年十二月三十一日止期間，本集團於二零二零年的最高現金流出淨額約為人民幣0百萬元。(於二零一九年的最高現金流出淨額約為人民幣22百萬元)。另本集團於本年度並無與任何買家簽訂任何新增的獨家管理及營運協議。

#### 借款情況

於二零二零年十二月三十一日，本集團的借款總額約人民幣1,873.9百萬元，較二零一九年十二月三十一日的約人民幣1,890.3百萬元，減少約人民幣16.4百萬元，基本與去年持平。

本集團即期及須於一年內償還的借款約人民幣1,873.9百萬元，較二零一九年十二月三十一日的約人民幣1,890.3百萬元，減少約人民幣16.4百萬元。須於一年後償還的借款約人民幣0百萬元，較二零一九年十二月三十一日的約人民幣0百萬元相比無變動。

#### 貿易應收款項、預付款項及其他應收款項及其他資產

於二零二零年十二月三十一日，本集團的貿易應收款項、預付款項、其他應收款項及其他資產合共資產總額約人民幣208.3百萬元，較二零一九年十二月三十一日的約人民幣213.3百萬元，減少約人民幣5.0百萬元，主要是其他應收款項變動減值所致。

### Trade payables, contract liabilities and other payables and accruals

As at 31 December 2020, the sum of trade payables, contract liabilities, other payables and accruals of the Group was approximately RMB1,945.1 million, representing an increase of approximately RMB790.2 million as compared to approximately RMB1,154.9 million as at 31 December 2019. The increase was mainly due to an increase in the unsettled commercial contract compensation of approximately RMB40.0 million in aggregate, an increase in trade payables of approximately RMB82.9 million in aggregate, as well as an increase in the outstanding interest and interest penalties of approximately RMB462.1 million in aggregate caused by the negative market impacts and the impacts on the Group's own operating condition from the COVID-19 epidemic.

### Assets and liabilities

As at 31 December 2020, the total assets of the Group were approximately RMB6,422.2 million, representing a decrease of approximately RMB321.3 million as compared to approximately RMB6,743.5 million as at 31 December 2019. The decrease was mainly due to the provision for impairment of properties under development, completed properties held for sale as well as trade and other receivables caused by the negative market impacts and the impacts on the Group's own operating condition from the COVID-19 pandemic. The total current assets were approximately RMB3,036.0 million, representing approximately 47.3% (31 December 2019: approximately 49.3%) of the total assets, with a decrease of approximately RMB285.4 million as compared to approximately RMB3,321.4 million as at 31 December 2019. The total non-current assets were approximately RMB3,386.2 million, representing approximately 52.7% (31 December 2019: approximately 50.7%) of the total assets, with a decrease of approximately RMB35.9 million as compared to approximately RMB3,422.1 million as at 31 December 2019.

As at 31 December 2020, the total liabilities of the Group were approximately RMB5,558.2 million, representing an increase of approximately RMB794.7 million as compared to approximately RMB4,763.5 million as at 31 December 2019. The increase was mainly due to the provision for expected commercial contract compensation, the increase in the outstanding interest and in interest penalty on defaulted repayment caused by the negative market impacts and the impacts on the Group's own operating condition from the COVID-19 pandemic. The total current liabilities were approximately RMB4,977.2 million, representing approximately 89.5% (31 December 2019: approximately 88.9%) of the total liabilities, with an increase of approximately RMB743.2 million as compared to approximately RMB4,234.0 million as at 31 December 2019. The total non-current liabilities were approximately RMB581.0 million, representing approximately 10.5% (31 December 2019: approximately 11.1%) of the total liabilities, with an increase of approximately RMB51.5 million as compared to approximately RMB529.5 million as at 31 December 2019.

### 貿易應付款項、合約負債及其他應付賬款及應計費用

於二零二零年十二月三十一日，本集團的貿易應付款項、合約負債、其他應付款項及應計費用合共約人民幣1,945.1百萬元，較二零一九年十二月三十一日的約人民幣1,154.9百萬元，增加約人民幣790.2百萬元。主要是疫情對市場的負面影響及本集團自身經營狀況的影響，仍未支付的商業合同賠償共增加約人民幣40.0百萬元，貿易應付款項增加共約人民幣82.9百萬元，以及未償還利息及罰息增加共約人民幣462.1百萬元。

### 資產與負債

於二零二零年十二月三十一日，本集團資產總額約人民幣6,422.2百萬元，較二零一九年十二月三十一日的約人民幣6,743.5百萬元，減少約人民幣321.3百萬元，主要是疫情對市場的負面影響及本集團自身經營狀況的影響，對開發中物業、持作出售的已竣工物業和貿易及其他應收款減值撥備。流動資產總額約人民幣3,036.0百萬元，較二零一九年十二月三十一日約人民幣3,321.4百萬元，減少約人民幣285.4百萬元，佔資產總額的約47.3%（二零一九年十二月三十一日：約49.3%）。非流動資產總額約人民幣3,386.2百萬元，較二零一九年十二月三十一日的約人民幣3,422.1百萬元，減少約人民幣35.9百萬元，佔資產總額的約52.7%（二零一九年十二月三十一日：約50.7%）。

於二零二零年十二月三十一日，本集團負債總額約人民幣5,558.2百萬元，較二零一九年十二月三十一日的約人民幣4,763.5百萬元，增加約人民幣794.7百萬元，主要是疫情對市場的負面影響及本集團自身經營狀況的影響，預計商業合同賠償作出撥備、未償還利息及逾期還款罰息有所增加。流動負債總額約人民幣4,977.2百萬元，較二零一九年十二月三十一日的約人民幣4,234.0百萬元，增加約人民幣743.2百萬元，佔負債總額的約89.5%（二零一九年十二月三十一日：約88.9%）。非流動負債總額約人民幣581.0百萬元，較二零一九年十二月三十一日的約人民幣529.5百萬元，增加約人民幣51.5百萬元，佔負債總額的約10.5%（二零一九年十二月三十一日：約11.1%）。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

As at 31 December 2020, the net current liabilities of the Group were approximately RMB1,941.1 million, representing an increase of approximately RMB1,028.5 million as compared to the net current liabilities of approximately RMB912.6 million as at 31 December 2019. This was mainly due to the dual impacts of various asset impairment and the increase in borrowings, penalties and interest penalties on demand and repayable within one year.

#### Current ratio

As at 31 December 2020, the current ratio of the Group, being the ratio of the current assets divided by the current liabilities, was 0.61:1 (31 December 2019: 0.78:1).

#### Gearing ratio

As at 31 December 2020, the gearing ratio of the Group was calculated based on net debt divided by the sum of total equity and net debt. The Group's net debt consists of interest-bearing bank and other borrowings and convertible bonds, less cash and cash equivalents. Total equity includes equity attributable to owners of the parent and non-controlling interests. The gearing ratio of the Group was 71.1% (31 December 2019: 50.0%).

#### Convertible bonds

Pursuant to the general mandate, on 1 June 2018, the Group issued convertible bonds in amount of HK\$300 million for a term of two years. The bonds bear interest at a rate of 6.5% plus 1% handling fee per annum, and the interest is payable in arrears every half year. The bonds can be converted into shares at the conversion price of HK\$1.39 per conversion share at any time prior to and after the issue date and up to the close of business on the business day immediately preceding the maturity date. For details, please refer to the Company's announcement dated 15 May 2018. The conversion bonds matured on 1 June 2020.

The Company was informed that Messrs. Lai Kar Yan and Ho Kwok Leung Glen, both from Deloitte Touche Tohmatsu, were appointed on 18 November 2020 by Chance Talent as joint and several receivers (the "Receivers"). Accordingly, the right of management of the director(s) of Xinxing Company Limited over the Charged Shares has been suspended and the Company will not register any transfer of the Charged Shares without prior written consent of the Receivers.

The principal amount of approximately RMB252.6 million (equivalent to HK\$300 million) and interests have not been settled as of the date of this annual report.

於二零二零年十二月三十一日，本集團流動負債淨值約人民幣1,941.1百萬元，較二零一九年十二月三十一日的流動負債淨值約人民幣912.6百萬元，增加約人民幣1,028.5百萬元。主要是各種資產減值及即期及須於一年內償還的借款、罰款及罰息增加。

#### 流動比率

於二零二零年十二月三十一日，本集團的流動比率（即流動資產除以流動負債之比率）為0.61：1（二零一九年十二月三十一日的0.78：1）。

#### 資本負債比率

於二零二零年十二月三十一日，本集團的資本負債比率乃按債務淨額除以權益總額加債務淨額而計算。本集團的債務淨額含有計息銀行及其他借款及可換股債券減現金及現金等價物。權益總額包括母公司擁有人應佔權益及非控股權益。本集團的資本負債比率為71.1%（二零一九年十二月三十一日：50.0%）。

#### 可換股債券

於二零一八年六月一日，本集團根據一般授權發行金額為3億港元的可換股債券，期限為二年期。可換股債券的年利率為6.5%（另加每年1%手續費），並將每半年支付一次利息。可換股債券可在發行日期前及後的任何時間，直至到期日前一個營業日結束可換每股股份換股價1.39港元轉換為股份。有關詳情請參閱本公司日期為二零一八年五月十五日之公告。可換股債券於二零二零年六月一日到期。

本公司獲悉，德勤•關黃陳方會計師行的黎嘉恩先生及何國樑先生（「接管人」）於二零二零年十一月十八日獲Chance Talent委任為共同及個別接管人。因此，Xinxing Company Limited董事管理押記股份之權利已暫停，而本公司未經接管人書面同意前不會註冊轉讓任何押記股份。

本金金額約人民幣252.6百萬元（相當於3億港元）及利息截至本年報日期尚未結算。

### Significant investments

During the Year under Review, the Group has no significant investment.

### Material acquisitions and disposals of subsidiaries

During the Year under Review, the Group has no material acquisitions or disposals of any subsidiaries.

### Guarantees on mortgage facilities

As at 31 December 2020, the Group provided guarantees over the mortgage loans of certain purchasers of approximately RMB16.1 million (31 December 2019: approximately RMB29.0 million).

### Assets guarantees

As at 31 December 2020, the Group has pledged or restricted deposits in the bank deposits of RMB2.6 million (31 December 2019: approximately RMB2.8 million). In addition, partial other borrowings of the Group were secured by the Group's certain properties under development, completed properties held for sale, investment properties and the equity interests in certain subsidiaries of the Group, and jointly guaranteed by the Controlling Shareholder of the Group, Mr. Chen Chengshou ("Mr. Chen"), Mr. Chen's children and the non-executive Director, Ms. Gao Qiaoqin, the Group's related company, Xinming Group Limited, and other minority shareholders of certain subsidiaries of the Group free of charge.

### Capital expenditure

During the Year under Review, the Group's total capital expenditure was approximately RMB0 million (31 December 2019: approximately RMB0 million).

### Capital commitments

As at 31 December 2020, the capital commitments related to activities of properties under development were approximately RMB387.8 million (31 December 2019: approximately RMB274.3 million).

### Exposure to exchange rate fluctuations

The Group operates mainly in Renminbi, and certain bank deposits of the Group are denominated in Hong Kong dollars. Save for disclosed above, the Group was not exposed to any material exchange rate fluctuation risk and did not enter into foreign currency hedging policies. However, the Group will monitor closely the foreign exchange risk and may, as the case may be and depending on the trend of foreign currencies, consider to apply significant foreign currency hedging policies in the future.

### 重大投資

回顧年內，本集團並無任何重大投資。

### 有關附屬公司的重大收購及出售

回顧年內，本集團並無任何附屬公司的重大收購及出售。

### 按揭融資的擔保

於二零二零年十二月三十一日，本集團就若干買家的按揭貸款提供擔保約人民幣16.1百萬元(二零一九年十二月三十一日：約人民幣29.0百萬元)。

### 資產擔保

於二零二零年十二月三十一日，本集團銀行存款中有質押或受限制使用存款為人民幣2.6百萬元(二零一九年十二月三十一日為約人民幣2.8百萬元)。此外，本集團部分其他借款以本集團若干以開發中物業、持作出售的已竣工物業、投資物業及於本集團若干附屬公司的股權作抵押，並由本集團的控股股東陳承守先生(「陳先生」)、陳先生的子女、非執行董事高巧琴女士及本集團的關聯公司新明集團有限公司以及本集團若干附屬公司的其他少數權益股東免費共同擔保。

### 資本開支

於回顧年內，本集團資本開支總額約人民幣0百萬元(二零一九年十二月三十一日：約人民幣0百萬元)。

### 資本承擔

於二零二零年十二月三十一日，有關開發中物業活動的資本承擔約為人民幣387.8百萬元(二零一九年十二月三十一日：約人民幣274.3百萬元)。

### 匯率波動風險

本集團主要以人民幣經營業務。本集團若干銀行存款以港元計值。除上述披露者外，本集團並無承受任何重大外匯匯率波動風險。本集團並無訂立外匯對沖政策。然而，本集團會緊密監察外匯風險及日後可能(視情況及外幣走勢而定)考慮採用重大外幣對沖政策。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### Employees and remuneration policy

As at 31 December 2020, the Group has a total of 70 employees (31 December 2019: a total of 146 employees). Total staff costs, including Directors' emoluments, of the Group were approximately RMB21.6 million (2019: RMB28.2 million). The decrease was mainly due to the Group's cutting post establishment of staff. The Group continuously promoted the upgrading of talents, cultivated and recruited excellent talents with sales and management experience, improved the allocation system of remuneration linked to performance and maintained harmonious labor relations. The remuneration of employees of the Group will be based on their performance, experience and the prevailing market remuneration. Moreover, the Group has also adopted a share option scheme and a share award scheme.

For details of the share option scheme and the share award scheme, please refer to the sections headed "Share Option Scheme" and "Share Award Scheme" in this report.

#### Contingent liabilities

As at 31 December 2020, the Company had guarantees in respect of mortgage facilities granted to purchasers of the Group's properties of approximately RMB16.1 million (31 December 2019: approximately RMB28.9 million). Particulars of contingent liabilities as at 31 December 2020 are set out in note 32 to the consolidated financial statements.

#### AUDITOR'S MODIFIED OPINION

The Auditor does not express an opinion on the consolidated financial statements of the Group. Because of the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements as described in the Basis for Disclaimer of Opinion section of their report, it is not possible for them to form an opinion on these consolidated financial statements. In all other respects, in their opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### 員工及薪酬政策

於二零二零年十二月三十一日，本集團共有僱員70人（於二零一九年十二月三十一日：共146人），本集團員工成本總額（包括董事酬金）約為人民幣21.6百萬元（二零一九年：人民幣28.2百萬元）。減少原因主要是本集團在人員崗位編製上有所削減。本集團繼續推動人才升級，培育招聘優秀銷售及管理經驗人才，完善薪酬表現掛鈎的分配體系和保持良好和諧勞資關係。本集團根據僱員表現、工作經驗及現行市場工資水準給予僱員薪酬。此外，本集團亦採納購股權計劃及股份獎勵計劃。

有關購股權計劃及股份獎勵計劃詳情，請參閱本報告「購股權計劃」及「股份獎勵計劃」章節。

#### 或然負債

於二零二零年十二月三十一日，本公司就本集團物業買家獲授的按揭融資提供擔保約人民幣16.1百萬元（於二零一九年十二月三十一日：約人民幣28.9百萬元）。有關於二零二零年十二月三十一日或然負債詳情載於綜合財務報表附註32。

#### 核數師修改意見

核數師沒有就本集團的綜合財務報表發表意見，基於在本報告中無法表示意見的基礎一節所述，由於多個不確定事項之間可能相互影響及對綜合財務報表產生累計影響，彼等無法就該等綜合財務報表形成意見。在所有其他方面，彼等認為該等綜合財務報表已遵照香港《公司條例》的披露規定妥為擬備。

### Basis for Disclaimer of Opinion

#### Multiple material uncertainties relating to going concern

As set out in Note 2 to the consolidated financial statements, the Group incurred a net loss of approximately RMB1,115,904,000 for the year ended 31 December 2020. At 31 December 2020, the Group's current liabilities exceeded its current assets by approximately RMB1,941,145,000. In addition, at 31 December 2020, interest payments of approximately RMB242,977,000 relating to interest-bearing borrowings of the Group of aggregate principal amount of approximately RMB1,873,909,000 and the convertible bonds issued by the Group amounting to approximately RMB252,604,000 ("In Default Borrowings") were not paid in accordance with the repayment schedules pursuant to the borrowing agreements which constituted events of defaults. These conditions, together with other matters disclosed in Note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

The Directors of the Company have been undertaking measures to improve the Group's liquidity and financial position, which are set out in Note 2 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple material uncertainties, including (i) successfully negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default, including those with cross-default terms (if applicable); (ii) successfully negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (iii) successfully negotiating with various financial institutions and potential lenders/investors and identifying various options to commit additional capital for the Group's working capital in the foreseeable future; (iv) successfully accelerating the pre-sale and sale of properties under development and completed properties and speeding up the collection of outstanding sales proceeds, and controlling costs and capital expenditure so as to generate adequate net cash inflows; (v) successfully looking for large property development enterprises and cooperating with investors to develop properties under development of the Group through joint efforts; and (vi) successfully procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project at a price deemed appropriate.

### 無法表示意見的基礎

#### 與持續經營相關的多個不確定事項

誠如綜合財務報表附註2所載，本集團於截至二零二零年十二月三十一日止年度產生虧損淨額約人民幣1,115,904,000元。於二零二零年十二月三十一日，本集團的流動負債超過其流動資產約人民幣1,941,145,000元。此外，於二零二零年十二月三十一日，本集團本金總額約為人民幣1,873,909,000元之計息借款及本集團發行金額約人民幣252,604,000元的可換股債券（「違約借款」）的利息付款約人民幣242,977,000元未根據借款協議之償還時間表償還，其構成違約事項。該等狀況連同綜合財務報表附註2所述其他事宜，表明存在的重大不確定性可能對本集團持續經營業務的能力帶來重大疑問。

本公司董事已採取多項措施，以改善本集團的流動性及財務狀況，有關資料載於綜合財務報表附註2。綜合財務報表是依據持續經營的假設上編製，其有效性取決於該等措施實施之結果，並受限於多個不明朗因素，包括(i)成功與本集團現有貸款人磋商，確保相關貸款人不會採取行動以要求即時償還拖欠的借款及利息（包括交叉違約條款所涵蓋的借款及利息）（倘適用）；(ii)成功與各家金融機構就尚欠借款（包括已逾期本金及利息）磋商達成重續或延展還款安排；(iii)成功與各家金融機構及潛在貸款人／投資者磋商及物色多種選擇為本集團可見將來的營運資金以承擔額外撥資；(iv)成功加速開發中物業及已竣工物業之預售和銷售，加速收回尚未支付的銷售所得款項，以及控制成本和資本開支，從而產生充足現金流入淨額；(v)成功物色大型物業開發企業，並與投資者合作共同開發本集團開發中物業及(vi)成功促使及與大型物業開發企業磋商有關出售個別物業開發項目的初步條款（倘認為價格合適）。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

#### THE MANAGEMENT'S POSITION, VIEW AND ASSESSMENT ON THE DISCLAIMER OF OPINION

During the course of audit of the consolidated financial statements of the Group for the year ended 31 December 2020, the Auditor had raised concern on the Group's ability to operate as a going concern. In order to address this concern, the Company has, among other things, taken the following steps: (i) continuously negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default, including those with cross-default terms; (ii) continuously negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (iii) continuously negotiating with various financial institutions and potential lenders/investors to identify various options for additionally financing the Group's working capital and commitments in the foreseeable future; (iv) accelerating the pre-sale and sale of properties under development and completed properties, such as Shandong Project and Chongqing Project and controlling costs and controlling capital expenditure so as to generate adequate net cash inflows; (v) actively looking for large property development enterprises and cooperating with investors to develop properties under development of the Group through joint efforts; and (vi) actively procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project or whole commercial property at a price deemed appropriate. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2020 on a going concern basis.

倘本集團未能按持續經營基準經營，而可能須作出有關調整以撇減本集團資產的賬面值至其可回收金額，並就可能產生進一步負債計提撥備並將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未於該等綜合財務報表中反映。

#### 管理層有關無法表示意見的立場、意見及評估

於審核本集團截至二零二零年十二月三十一日止年度之綜合財務報表過程中，核數師已就本集團持續經營業務的能力提出關注。為解決此問題，本公司已採取以下措施（其中包括）：(i)繼續與本集團現有貸款人磋商，確保相關貸款人不會採取行動以要求即時償還拖欠的借款及利息（包括違約條款所涵蓋的借款及利息）；(ii)就尚欠借款（包括已逾期本金及利息）正與各家金融機構繼續磋商達成重續或延展還款安排；(iii)與各家金融機構以及潛在貸款人／投資者繼續磋商及物色多種選擇為本集團可見將來的營運資金及承擔額外撥資；(iv)加速開發中物業及已竣工物業之預售和銷售諸如山東項目和重慶項目，以及控制成本和控制資本開支，從而產生充足現金流入淨額；(v)積極物色大型物業開發企業並與投資者共同合作開發本集團開發中物業；及(vi)積極促使及與大型物業開發企業磋商有關出售個別物業開發項目或整棟商用房的初步條款（倘認為價格合適）。因此，董事認為按持續基準編製本集團截至二零二零年十二月三十一日止年度的綜合財務報表屬恰當。

Notwithstanding the above, material uncertainties exist as to whether the Group is able to obtain the necessary funding and achieve the plans and measures above. The Group's ability to continue as a going concern would depend upon whether the Group is able to obtain financing when required, the attainability depends on the performance of the Group and whether the Group is able to generate sufficient cash flow from operations and plans to control costs, and the attainability depends on the market performance. Despite the efforts made by the Company to address the concern, the Auditor proposed the disclaimer of opinion. The management of the Company has considered the Auditor's rationale and understood their consideration in arriving the disclaimer of opinion.

### AUDIT COMMITTEE'S VIEW ON THE DISCLAIMER OF OPINION

The members of the Audit Committee had critically reviewed the basis for disclaimer of opinion, the management's position concerning the basis for disclaimer of opinion and the measures taken by the Company for addressing the basis for disclaimer of opinion. The Audit Committee agreed with the management's position based on the reasons above. Moreover, the Audit Committee requested the management to take all necessary actions to address the effect on the basis for disclaimer of opinion to procure no such disclaimer of opinion to be made in the next financial year. The Audit Committee had also discussed with the Auditor regarding the financial position of the Group, the measures taken and to be taken by the Company, and considered the Auditor's rationale and understood their consideration in arriving the disclaimer of opinion.

儘管上文所述，但本集團能否獲得必要資金及實現上述計劃及措施仍存在重大不確定因素。本集團持續經營的能力將取決於本集團能否取得所需融資，而可獲得性將取決於本集團的表現及本集團能否產生充足的經營現金流量及控制成本的計劃，可獲得性取決於市場表現。儘管本公司努力解決此問題，而核數師已發表無法表示意見。本公司管理層已考慮核數師的基本原理，並理解彼等作出無法表示意見的考慮。

### 審核委員會有關無法表示意見的意見

審核委員會成員已嚴格審閱無法表示意見的基礎，管理層考慮無法表示意見的基礎時的立場及本公司為處理無法表示意見的基礎時所採取的措施。基於上述原因，審核委員會同意管理層的立場。此外，審核委員會要求管理層採取所有必要行動解決無法表示意見的基礎所造成的影響，以促使下個財政年度不會產生類似的無法表示意見。審核委員會亦就本集團的財務狀況、本公司採取及將採取的措施與核數師進行討論，及已考慮核數師的基本原理，並理解彼等作出無法表示意見的考慮。

# PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

### EXECUTIVE DIRECTORS

**Mr. Chen Chengshou**, aged 55, was appointed as an executive Director, the chairman, chief executive officer, chairman of nomination committee and an authorized representative of the Company on 16 January 2014. Mr. Chen ceased to be an authorized representative of the Company as a result of his intention to concentrate on his other role on the Board of Directors on 5 February 2020. He is the founder of the Group and primarily responsible for corporate strategic planning and overall business development of the Group. Mr. Chen had over 30 years of experience in the real estate industry. He has been the chairman of the board of Taizhou City Xinming Real Estate Development Company Limited\* (台州市新明房地產開發有限公司) since February 2007 and a director of certain subsidiaries of the Group. Mr. Chen has been first participated in the management of the property development business in the PRC since June 2001 when he was appointed as the chairman of Hangzhou Taoyuan Shanzhuang Property Development Limited\* (杭州桃源山莊房地產開發有限公司) ("Taoyuan Property").

Mr. Chen is the chairman of Hangzhou City Chamber of Commerce for Enterprises Invested in Hangzhou\* (杭州市來杭投資企業(商會)聯合會), a member of the standing committee of Federation of Industry & Commerce of Zhejiang Province\* (浙江省工商聯), the vice-chairman of Hangzhou Public Diplomacy Association\*(杭州公共外交協會), a member of the Eleventh Hangzhou City Committee of the Chinese People's Political Consultative Conference\* (中國人民政治協商會議第十一屆杭州市委員會), the honorary chairman of the Hangzhou City Wenzhou Chamber of Commerce\* (杭州市溫州商會), the chairman of the Nationwide Taishun Entrepreneurs Fellowship Association\* (全國泰順企業家聯誼會) and the vice chairman of Hangzhou City Chamber of Commerce\* (杭州市總商會). He was appointed as the deputy director of the market committee of Chinese General Chamber of Commerce\* (中國商業聯合會) in March 2013. He has also been a director of Wenzhou Bank since November 2012 and a part-time tutor of master degree in international business of Zhejiang University (浙江大學) since February 2014.

### 執行董事

**陳承守先生**，55歲，於二零一四年一月十六日獲任為本公司執行董事、主席、行政總裁、提名委員會主席及授權代表。於二零二零年二月五日陳先生因有意專注於其在董事會的其他角色而不再擔任本公司的授權代表。彼為本集團的創辦人，主要負責本集團的公司策略規劃及整體業務發展。陳先生於房地產行業擁有逾30年經驗。彼自二零零七年二月起為台州市新明房地產開發有限公司的董事會主席及本集團若干附屬公司的董事。陳先生自二零零一年六月獲委任為杭州桃源山莊房地產開發有限公司(「桃源房地產」)的主席時初次參與中國物業開發業務的管理。

陳先生為杭州市來杭投資企業(商會)聯合會會長、浙江省工商聯常務委員會委員、杭州公共外交協會副會長、中國人民政治協商會議第十一屆杭州市委員會委員、杭州市溫州商會榮譽會長、全國泰順企業家聯誼會會長及杭州市總商會副會長。彼於二零一三年三月獲委任為中國商業聯合會市場委員會副主任。彼亦自二零一二年十一月起擔任溫州銀行的董事及自二零一四年二月起擔任浙江大學國際商務碩士學位的兼職導師。

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

Mr. Chen was awarded “Excellent Entrepreneur of Hangzhou\* (傑出杭商)” in October 2016, “Outstanding Contribution of Entrepreneurs of Wenzhou for years 2013 to 2015\* (2013–2015 年度溫商回歸突出貢獻人物)” in September 2016, “Top ten in Zhejiang Real Estate Industry in the “12th Five-Year Plan”\* (‘十二五’浙江房地產十大風雲人物)” in June 2016, “2016 Worldwide Outstanding 30 people of Entrepreneur of Wenzhou (External)\* (二零一六年世界溫商百名風雲人物—在外傑出溫商三十人)” in February 2016; “Wenzhou People of the Year\* (世界溫州人年度人物)” and “One Hundred Excellent Entrepreneur of Wenzhou\* (世界溫商百名風雲人物)” in December 2014; “Entrepreneur with Good Character of Hangzhou\*(品質杭商)” jointly by Hangzhou Municipal Committee of the Communist Party of China\*(中共杭州市委) and The People’s Government of Hangzhou\*(杭州市人民政府) in October 2013, “Outstanding Representative of Credible Entrepreneurs of Wenzhou\*(誠信溫商傑出代表)” jointly by Promotion Department of Wenzhou Municipal Committee of the Communist Party of China\*(溫州市委宣傳部) and Wenzhou Credibility Office\*(溫州市信用辦公室) in August 2011, “Outstanding Builder of Socialist Undertaking\*(優秀社會主義事業建設者)” jointly by Hangzhou Municipal Committee of the Communist Party of China\*(中共杭州市委) and The People’s Government of Hangzhou\*(杭州市人民政府) in September 2010 and “Staff Caring Excellent Entrepreneur\*(關愛員工優秀企業家)” jointly by Federation of Trade Union of Hangzhou\*(杭州市總工會) and Hangzhou Federation of Industry and Commerce (杭州市工商聯合會) in December 2009.

Mr. Chen obtained a graduation certificate in administrative management (through online courses) from Huazhong University of Science and Technology (華中科技大學) in the PRC in July 2013. Mr. Chen obtained an executive master’s degree in business administration from CheungKong Graduate School of Business (長江商學院) in the PRC in September 2015. Mr. Chen obtained a master’s degree in business administration from Tsinghua University in April 2018.

Mr. Chen is the spouse of Ms. Gao, who is a non-executive Director.

Mr. Chen was deemed to be interested in 776,467,800 shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) (Chapter 571 of the Laws of Hong Kong)), representing 41.33% of the issued share capital of the Company. Such interests are held by Xinxing Company Limited (a company controlled by Mr. Chen) (“Xinxing”). 752,137,800 shares out of 776,467,800 shares held by Xinxing have been charged to Chance Talent Management Limited, representing approximately 40.04% of the total issued share capital of the Company. Save as disclosed, Mr. Chen does not have any interests or short positions in the shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

陳先生於二零一六年十月獲得「傑出杭商」榮譽稱號，於二零一六年九月獲得「2013–2015 年度溫商回歸突出貢獻人物」榮譽稱號，於二零一六年六月獲選為「“十二五”浙江房地產十大風雲人物」，於二零一六年二月獲得「二零一六年世界溫商百名風雲人物—在外傑出溫商三十人」榮譽稱號；於二零一四年十二月獲得「世界溫州人年度人物」和「世界溫商百名風雲人物」榮譽稱號；於二零一三年十月獲中共杭州市委及杭州市人民政府共同授予「品質杭商」稱號，於二零一一年八月獲溫州市委宣傳部及溫州市信用辦公室共同授予「誠信溫商」傑出代表稱號，於二零一零年九月獲中共杭州市委及杭州市人民政府共同授予「優秀社會主義事業建設者」稱號及於二零零九年十二月獲杭州市總工會及杭州市工商聯合會共同授予「關愛員工優秀企業家」稱號。

陳先生於二零一三年七月在中國(透過網絡課程)取得華中科技大學的行政管理畢業證書。陳先生於二零一五年九月取得中國修讀長江商學院的行政人員工商管理碩士學位。陳先生於二零一八年四月取得清華大學工商管理碩士專業學位。

陳先生為非執行董事高女士的配偶。

陳先生被視為擁有776,467,800股本公司股份之權益(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)，相當於本公司已發行股本41.33%。有關權益乃透過Xinxing Company Limited(受陳先生控制之公司)(「Xinxing」)持有。Xinxing持有的776,467,800股股份中有752,137,800股已押記予以Chance Talent Management Limited，該等股份佔本公司已發行股本總額約40.04%。除已披露者外，陳先生並無於本公司或其相聯公司之股份中擁有任何其他權益或淡倉(定義見證券及期貨條例第XV部)。

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. Feng Cizhao**, aged 46, was appointed as an executive Director with effect from 31 October 2015.

Mr. Feng graduated from Zhejiang University of Finance & Economics (浙江財經學院) and obtained his college degree in accounting in 2005, and then obtained an MBA degree from Zhejiang Gongshang University (浙江工商大學) in 2013.

Mr. Feng has extensive experiences in financing and management. He served as a deputy chief financial officer of Taidi Holdings Group Co. Ltd.\* (泰地控股集團有限公司) from August 2011 to September 2015. He worked with the finance department of Shaoxing Wantong Real Estate\* (紹興萬通房產) and Margaret Business Management Company\* (瑪格麗特商業管理公司) (both subsidiaries of Taidi Group (泰地集團)) as the chief financial officer from September 2006 to July 2011. Mr. Feng acted as the head of office for Hangzhou Qingcheng Real Estate Development Co., Ltd.\* (杭州青城房地產開發有限公司) from October 2002 to September 2006. He held several positions in Zhejiang Quzhou Transportation Group Co., Ltd.\* (浙江衢州汽車運輸集團有限公司) from July 1996 to September 2002, including accountant with the planning and finance department of Zhejiang Quzhou Transportation Group Co., Ltd.\* (浙江衢州汽車運輸集團有限公司), finance manager with the cargo container company and the automobile repair company under Zhejiang Quzhou Transportation Group Co., Ltd.\* (浙江衢州汽車運輸集團有限公司).

**Mr. Pu Wei**, aged 47, was appointed as an executive Director on 5 February 2020.

Mr. Pu graduated from Jilin University in the PRC majoring in administrative management. Mr. Pu is currently a member of the Standing Committee of the Wuxi Chinese People's Political Consultative Conference, a director of the China Social Assistance Foundation, a standing director of the Federation of HK Jiangsu Community Organisations (香港江蘇社團總會) and a director of the Association of Overseas Affairs of Jiangsu Province (江蘇省海外聯誼會).

Mr. Pu has extensive experience in the management of real estate and energy related companies in the PRC. He was an executive director and the chief operating officer and co-chief executive officer of Enviro Energy International Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1102) (formerly known as SYS Solutions Holdings Limited) from January 2017 to November 2017. He has been a supervisor of Wuxi Everbright Energy Technology Development Co., Ltd.\* (無錫市光大能源科技發展有限公司) since July 2003.

**豐慈招先生**，46歲，於二零一五年十月三十一日獲任為執行董事。

豐先生於二零零五年畢業於浙江財經學院並持有會計專科學位及於二零一三年獲得浙江工商大學企業管理碩士學位。

豐先生具有豐富的財務金融及管理經驗。於二零一一年八月至二零一五年九月期間於泰地控股集團有限公司擔任集團財務副總監。彼於二零零六年九月至二零一一年七月期間於泰地集團下屬紹興萬通房產和瑪格麗特商業管理公司的財務部擔任財務總監。豐先生於二零零二年十月至二零零六年九月期間擔任杭州青城房地產開發有限公司的辦公室主任。彼於一九九六年七月至二零零二年九月於浙江衢州汽車運輸集團有限公司依次擔任浙江衢州汽車運輸集團有限公司計劃財務處之會計、浙江衢州汽車運輸集團有限公司下屬貨聯運集裝箱公司之財務經理以及下屬汽車修理公司之財務經理。

**浦巍先生**，47歲，於二零二零年二月五日獲任為執行董事。

浦先生畢業於中國吉林大學，主修行政管理。浦先生現為中國人民政治協商會議無錫市委員會常務委員、中華社會救助基金會理事、香港江蘇社團總會常務理事及江蘇省海外聯誼會理事。

浦先生於中國房地產及能源相關公司管理方面擁有豐富經驗。自二零一七年一月至二零一七年十一月，彼為聯交所主板上市公司環能國際控股有限公司(股份代號：1102)(前稱為軟迅科技控股有限公司)的執行董事兼首席運營官兼聯席行政總裁。自二零零三年七月起，彼擔任無錫市光大能源科技發展有限公司監事。

## NON-EXECUTIVE DIRECTORS

**Ms. Gao Qiaoqin**, aged 52, was appointed as our non-executive Director on 10 June 2014. She is responsible for advising on overall strategic planning of our Group, but she doesn't participate in the day-to-day management of our Group's business operation. She has over 10 years of experience in the real estate industry.

Ms. Gao obtained a graduation certificate in computer information management (through online courses) from Huazhong University of Science and Technology (華中科技大學) in the PRC in June 2005.

Ms. Gao is the spouse of Mr. Chen, who is the chairman, executive Director and chief executive officer of the Company.

Ms. Gao was deemed to have interests in the 776,467,800 shares of the Company within the meaning of Part XV of the SFO, representing 41.33% of the issued share capital of the Company. Such interests are held by Xinxing (a company controlled by Mr. Chen). 752,137,800 shares out of 776,467,800 shares held by Xinxing have been charged to Chance Talent Management Limited, representing approximately 40.04% of the total issued share capital of the Company. Save as disclosed, Ms. Gao does not have any interests or short positions in the shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

**Mr. Chou Chiu Ho**, aged 39, was appointed as an executive Director and the authorized representative of the Company on 5 February 2020 and was subsequently re-designated from an executive Director of the Company to a non-executive Director and authorized representative of the Company on 1 May 2020.

Mr. Chou obtained a bachelor's degree of arts in accountancy from the Hong Kong Polytechnic University in November 2003. Mr. Chou was admitted as a member of the Hong Kong Institute of Certified Public Accountant in November 2011. He was also admitted as a member of the Association of Chartered Certified Accountants in November 2010 and subsequently a fellow member in November 2015.

## 非執行董事

**高巧琴女士**，52歲，於二零一四年六月十日獲任為本公司之非執行董事。彼負責就本集團的整體策略規劃提供意見，但不參與本集團業務運營的日常管理。彼於房地產行業擁有逾10年經驗。

高女士於二零零五年六月在中國(透過網絡課程)取得華中科技大學的計算機信息管理畢業證書。

高女士為本公司之主席、執行董事兼行政總裁陳先生之配偶。

高女士被視為擁有776,467,800股本公司股份之權益(定義見證券及期貨條例第XV部)，相當於本公司已發行股本41.33%。有關權益乃透過Xinxing(受陳先生控制之公司)持有。Xinxing持有的776,467,800股股份中有752,137,800股已押記予以Chance Talent Management Limited，該等股份佔本公司已發行股本總額約40.04%。除已披露者外，高女士並無於本公司或其相聯公司之股份中擁有任何其他權益或淡倉(定義見證券及期貨條例第XV部)。

**周昭何先生**，39歲，於二零二零年二月五日獲任為本公司之執行董事及授權代表及後於二零二零年五月一日由本公司執行董事調職為本公司非執行董事仍兼任授權代表。

周先生於二零零三年十一月在香港理工大學取得會計學文學士學位。周先生於二零一一年十一月獲承認為香港會計師公會會員。彼亦於二零一零年十一月獲承認為特許公認會計師公會會員，其後於二零一五年十一月獲承認為資深會員。



## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

Mr. Chou has over 10 years of experience in accounting and auditing. Prior to joining the Group, he worked in H.C. Watt & Company Limited from September 2003 to January 2006, and served as an intermediate auditor before he left the company. He then joined PricewaterhouseCoopers from January 2006 to December 2010. From January 2011 to March 2012, Mr. Chou worked as the head of corporate services of Beijing Sports and Entertainment Industry Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1803) (formerly known as ASR Logistics Holdings Limited). Since April 2013, Mr. Chou has been working as the chief financial officer of Millennium Pacific Group Holdings Limited (a company listed on GEM, stock code: 8147) ("MP Group"), and he has also been working as the company secretary since March 2017. Mr. Chou also served as the chief financial officer of HF Financial Group Limited (currently known as HF Finance Group (China) Limited) (and subsequently transferred to HF Management (China) Limited) from January 2015 to July 2016. He has been the company secretary and chief financial officer of Prime Intelligence Solutions Group Limited (a company listed on GEM, stock code: 8379) since September 2015 and November 2016, respectively. Since September 2017, Mr. Chou has been a director of Archon Prime Strategic Investment (Group) Limited.

**Mr. Choi Clifford Wai Hong**, aged 63, was appointed as our non-executive Director on 16 April 2021. Mr. Choi obtained a bachelor's degree in Economic and Social Studies from The Victoria University of Manchester, United Kingdom, in July 1982. Mr. Choi is a member of (i) the Hong Kong Institute of Certified Public Accountants; (ii) the Institute of Chartered Accountants in England and Wales; (iii) the Association of Chartered Certified Accountants; and (iv) the Taxation Institute of Hong Kong. Mr. Choi currently holds the Hong Kong Institute of Certified Public Accountants Practising Certificate.

Mr. Choi worked at NHK Distribution Company Limited from July 1999 to December 2003. He was the general manager of Porsche Centre Hangzhou in 2012. He acted as a director in the Yacht Services division of NHK Distribution Company Limited from December 2012 to August 2017 and re-joined NHK Distribution Company Limited since February 2018, and currently serves as its director.

Mr. Choi is also an independent non-executive director of Samson Paper Holdings Limited (with provisional liquidators appointed) (stock code: 731), a company listed on the Main Board of the Stock Exchange, since 16 July 2020. He has been appointed as an executive director and an authorized representative of Freeman Fintech Corporation Limited (stock code: 279) with effect from 19 November 2020.

周先生在會計及審核方面擁有逾10年經驗。在加入本集團之前，彼於二零零三年九月至二零零六年一月在屈洪疇會計師事務所有限公司工作，離職時為中級核數師。彼其後於二零零六年一月至二零一零年十二月加入羅兵咸永道會計師事務所。由二零一一年一月至二零一二年三月，周先生擔任聯交所主板上市公司北京體育文化產業集團有限公司(股份代號：1803，前稱瀚洋物流控股有限公司)的企業服務主管。自二零一三年四月起，周先生一直擔任GEM上市公司匯思太平洋集團控股有限公司(股份代號：8147)(「匯思太平洋集團」)的財務總監，並於二零一七年三月起兼任公司秘書。周先生亦於二零一五年一月至二零一六年七月擔任匯福金融集團有限公司(現稱匯富金融集團(中國)有限公司)(其後轉至匯福管理(中國)有限公司)的財務總監。彼自二零一五年九月及二零一六年十一月起分別擔任GEM上市公司匯安智能科技集團有限公司(股份代號：8379)的公司秘書及財務總監。自二零一七年九月起，周先生一直為職人策略投資(集團)有限公司的董事。

**蔡偉康先生**，63歲，於二零二一年四月十六日獲委任為本公司非執行董事。蔡先生於一九八二年七月在英國曼徹斯特維多利亞大學取得經濟與社會研究的學士學位。蔡先生為(i)香港會計師公會；(ii)英格蘭及威爾斯特許會計師公會；(iii)特許公認會計師公會；及(iv)香港稅務學會之會員。蔡先生目前持有香港會計師公會執業證書。

蔡先生自一九九九年七月至二零零三年十二月於NHK Distribution Company Limited工作。彼於二零一二年擔任Porsche Centre Hangzhou之總經理。彼自二零一二年十二月至二零一七年八月曾擔任NHK Distribution Company Limited之Yacht Services分部總監，並自二零一八年二月起重新加入 NHK Distribution Company Limited，目前擔任其董事。

蔡先生亦於二零二零年七月十六日起擔任森信紙業集團有限公司\*(Samson Paper Holdings Limited)(已委任臨時清盤人)(於聯交所主板上市公司，股份代號：731)之獨立非執行董事。彼已獲委任為民眾金融科技控股有限公司(股份代號：279)之執行董事及授權代表，自二零二零年十一月十九日起生效。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Fong Wo, Felix**, BBS, JP, aged 70, was appointed as an independent non-executive Director, a member of audit committee, nomination committee and remuneration committee of the Company on 8 June 2015. He is a consultant of King & Wood Mallesons, a global law firm headquartered in Asia. Mr. Fong has practiced law for over 30 years and is a member of the Law Societies of Hong Kong, Canada and England.

Mr. Fong has been serving as an independent non-executive director of a number of companies listed on the Hong Kong Stock Exchange, including Greenland Hong Kong Holdings Limited (formerly known as SPG Land (Holdings) Limited) (stock code: 337), Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (stock code: 124), Television Broadcasts Limited (stock code: 511) and Vesync Co., Ltd (stock code: 2148). Mr. Fong is also an independent non-executive director of Bank of Shanghai (Hong Kong) Limited. Mr. Fong is the immediate past Chairman of the Hong Kong Advisory Council on Food and Environmental Hygiene and a member of the Hong Kong Communication Authority. From May 2010 to the end of May 2016, he also served as an independent non-executive director of China Oilfield Services Limited (stock code: 2883: HK; 601808: SHA), whose shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange. Mr. Fong was an independent non-executive director of China Investment Development Limited (formerly known as Temujin International Investments Limited) (stock code: 204) from April 2011 to July 2018. Mr. Fong was an independent non-executive director of Evergreen International Holdings Limited (stock code: 238) from November 2012 to March 2020. Mr. Fong was an independent non-executive director of Sheen Tai Holdings Group Company Limited (stock code: 1335) from July 2012 to May 2020. Mr. Fong was also an independent non-executive director of Wuxi Biologics (Cayman) Inc. (stock code: 2269) from June 2017 to June 2020.

Mr. Fong received his engineering degree from McMaster University in Canada in June 1974 and his Juris Doctor degree from Osgoode Hall Law School in Toronto in June 1978. Mr. Fong was admitted as a barrister in Ontario, Canada in 1980, a solicitor in England and Wales in 1986 and in Hong Kong in 1987. Mr. Fong is appointed by the Ministry of Justice of China as one of the China-appointed Attesting Officers in Hong Kong.

### 獨立非執行董事

方和先生，獲頒銅紫荊星章，太平紳士，70歲，於二零一五年六月八日獲任為本公司之獨立非執行董事、審核委員會、提名委員會及薪酬委員會成員。彼為King & Wood Mallesons(為總部位於亞洲的全球律師事務所)的顧問。方先生在法律行業執業逾30年，並為香港、加拿大及英格蘭律師會會員。

方先生現擔任多家香港聯交所上市公司的獨立非執行董事，包括綠地香港控股有限公司(前稱盛高置地(控股)有限公司)(股份代號：337)；粵海置地控股有限公司(前稱金威啤酒集團有限公司)(股份代號：124)；電視廣播有限公司(股份代號：511)及Vesync Co., Ltd(股份代號：2148)。方先生現亦為上海銀行(香港)有限公司的獨立非執行董事。方先生曾為香港食物及環境衛生諮詢委員會的主席及香港通訊事務管理局成員。方先生自二零一零年五月起至二零一六年五月底擔任中海油田服務股份有限公司(股份代號：2883(香港)；601808(上海)，其股份於香港聯交所及上海證券交易所上市)的獨立非執行董事。方先生自二零一一年四月起至二零一八年七月為止擔任中國投資開發有限公司(前稱泰潤國際投資有限公司)(股份代號：204)的獨立非執行董事。方先生自二零一二年十一月起至二零二零年三月為止擔任長興國際(集團)控股有限公司(股份代號：238)的獨立非執行董事。方先生自二零一二年七月起至二零二零年五月期間擔任順泰控股集團有限公司(股份代號：1335)的獨立非執行董事。方先生自二零一七年六月起至二零二零年六月期間擔任藥明生物技術有限公司(股份代號：2269)的獨立非執行董事。

方先生於一九七四年六月在加拿大獲得麥克馬斯特大學的工程學位，並於一九七八年六月在多倫多獲得Osgoode Hall Law School的法學博士學位。方先生於一九八零年在加拿大安大略省獲認可為大律師，分別於一九八六年及一九八七年在英格蘭和威爾士及香港獲認可為律師。方先生獲中國司法部委任為香港其中一名中國委託公證人。

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. Gu Jiong**, aged 48, was appointed as an independent non-executive Director, the chairman of remuneration committee, a member of audit committee and nomination committee of the Company on 8 June 2015. He is an independent non-executive director of Chen Xing Development Holdings Limited (stock code: 2286), an independent non-executive director of Asclepis Pharma Inc. (stock code: 1672), an independent non-executive director of DaFa Properties Group Limited (stock code: 6111), an independent director of Amlagic (Shanghai) Co., Ltd. (stock code: 688099: SHA) and an independent non-executive director of Mulsanne Group Holding Limited (stock code: 1817), an independent non-executive director of Tu Yi Holding Company Limited (stock code: 1701) and an independent non-executive director of Vesync Co., Ltd (stock code: 2148). Mr. Gu has been the chief financial officer of China Media Capital, an investment fund specialized in media and entertainment investments in China and globally, and Huaren Wenhua Limited Liability Company\* (華人文化有限責任公司), an investment platform specialized for media and entertaining investment, since September 2013 and October 2015, respectively. He served as the chief financial officer in BesTV New Media Co., Ltd (stock code: 600637), whose shares are listed on Shanghai Stock Exchange, from January 2010 to August 2013. He worked in UT Starcom Inc. (stock code: UTSI), whose shares are listed on NASDAQ, from April 2004 to December 2009; he served as the chief financial officer before he left the firm. Mr. Gu worked in Ernst & Young's Shanghai office from July 1995 to April 2004; he was the senior manager of the audit department when he left the firm.

Mr. Gu has been a non-practising member of the Chinese Institute of Certified Public Accountants since April 2004. Mr. Gu obtained a bachelor's degree in finance management from Fudan University in the PRC in July 1995.

**顧炯先生**，48歲，於二零一五年六月八日獲任為本公司之獨立非執行董事、薪酬委員會主席、審核委員會及提名委員會成員。彼現為辰興發展控股有限公司(股份代號：2286)之獨立非執行董事、歌禮製藥有限公司(股份代號：1672)之獨立非執行董事、大發地產集團有限公司(股份代號：6111)之獨立非執行董事、晶晨半導體(上海)股份有限公司(股份代號：688099)之獨立董事、慕尚集團控股有限公司(股份代號：1817)之獨立非執行董事；途屹控股有限公司(股份代號：1701)之獨立非執行董事及Vesync Co., Ltd(股份代號：2148)之獨立非執行董事。顧先生自二零一三年九月及二零一五年十月起，分別擔任華人文化產業投資基金(為一家專門在中國及全球從事媒體及娛樂投資的投資基金)及華人文化有限責任公司(集中於媒體及娛樂投資的投資平台)之首席財務官。彼曾於二零一零年一月至二零一三年八月擔任百視通新媒體股份有限公司(股份代號：600637)之首席財務官，該公司股份於上海證券交易所上市。於二零零四年四月至二零零九年十二月在UT Starcom Inc.(股份代號：UTSI)工作，該公司股份於納斯達克上市，離職前其職位為財務總監。於一九九五年七月至二零零四年四月，顧先生為安永會計師事務所上海辦事處工作，離開該事務所時為審計部高級經理。

顧先生自二零零四年四月起一直為中國註冊會計師協會非執業會員。顧先生於一九九五年七月在中國取得復旦大學的金融管理學學士學位。

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. Lo Wa Kei, Roy**, aged 49, was appointed as an independent non-executive Director, a member of the remuneration committee, and the chairman of audit committee of the Company on 8 June 2015. Mr. Lo has extensive experience in auditing, accounting and finance. Mr. Lo is a managing partner of SHINEWING (HK) CPA Limited, which is a full service accounting and consulting firm engaged in the provision of, among others, audit and business advisory services.

Mr. Lo has been serving as an independent non-executive director of a number of companies listed on the Stock Exchange, including Sun Hing Vision Group Holdings Limited (stock code: 125), China Zhongwang Holdings Limited (stock code: 1333), Sheen Tai Holdings Group Company Limited (stock code: 1335), China Oceanwide Holdings Limited (previously known as "Hutchison Harbour Ring Limited") (stock code: 715), China Tonghai International Financial Limited (previously known as Wah Fu International Holdings Limited) (stock code: 952), Wan Kei Group Holdings Limited (stock code: 1718) and G-Resources Group Limited (stock code: 1051). He also served as an independent non-executive director of North Mining Shares Company Limited (previously known as "Sun Man Tai Holdings Company Limited") (stock code: 433), a company listed on the Hong Kong Stock Exchange, from September 2004 to November 2015.

Mr. Lo received a bachelor's degree in business administration from the University of Hong Kong in November 1993 and a master's degree in professional accounting from Hong Kong Polytechnic University in November 2000. He is a certified public accountant, a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of CPA Australia and an associate of the Institute of Chartered Accountants in England and Wales. Mr. Lo was a member of the Shanghai Pudong New Area Committee of the Chinese People's Political Consultative Conference and also the founding executive vice president and council member of the Hong Kong Independent Non-Executive Director Association, the president of CPA Australia (Greater China Division) 2019.

**盧華基先生**，49歲，於二零一五年六月八日獲委任為本公司之獨立非執行董事、薪酬委員會成員及審核委員會主席。盧先生在審計、會計及財務方面擁有豐富經驗。盧先生為信永中和(香港)會計師事務所有限公司的管理合夥人，該公司為從事提供(其中包括)審計及商業諮詢服務的全面服務會計及諮詢事務所。

盧先生現擔任多家聯交所上市公司的獨立非執行董事，包括新興光學集團控股有限公司(股份代號：125)；中國忠旺控股有限公司(股份代號：1333)；順泰控股集團有限公司(股份代號：1335)；中泛控股有限公司(前稱「和記港陸有限公司」)(股份代號：715)；中國通海國際金融有限公司(前稱「華富國際控股有限公司」)(股份代號：952)；宏基集團控股有限公司(股份代號：1718)及國際資源集團有限公司(股份代號：1051)。彼曾於二零零四年九月至二零一五年十一月擔任北方礦業股份有限公司(前稱「新萬泰控股有限公司」)(股份代號：433)的獨立非執行董事，該公司股份於香港聯交所上市。

盧先生於一九九三年十一月獲得香港大學的工商管理學士學位及於二零零零年十一月獲得香港理工大學的專業會計碩士學位。彼為執業會計師、香港會計師公會資深會員、澳洲會計師公會資深會員及英格蘭及威爾士特許會計師協會資深會員。盧先生亦為中國人民政治協商會議上海市浦東新區委員會委員、香港獨立非執行董事協會創會常務副會長及理事，以及澳洲會計師公會大中華區分會會長2019。

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

**Mr. Chu Kin Wang Peleus**, aged 56, was appointed as our independent non-executive Director on 16 April 2021. Mr. Chu holds an MBA degree from The University of Hong Kong. Mr. Chu is a fellow member of the Hong Kong Institute of Certified Public Accountants and is also an associate of both the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators) and the Hong Kong Institute of Chartered Secretaries. He has extensive experience in corporate finance, audit, accounting and taxation.

Mr. Chu is an independent non-executive director of China First Capital Group Limited (stock code: 1269), Huayu Expressway Group Limited (stock code: 1823), Tianli Holdings Group Limited (stock code: 117) and Mingfa Group (International) Company Limited (stock code: 846). All of the above companies are listed on the Main Board of the Stock Exchange. Mr. Chu is also an independent non-executive director of Madison Holdings Group Limited (stock code: 8057) and SuperRobotics Holdings Limited (stock code: 8176). All of the above companies are listed on GEM of the Stock Exchange.

Mr. Chu was also an independent non-executive director of Telecom Service One Holdings Limited (stock code: 3997) until 27 December 2017 and a non-executive director of Perfect Group International Holdings Limited (stock code: 3326) until 1 March 2017. He was also an independent non-executive director of China Huishan Dairy Holdings Company Limited (stock code: 6863) from 22 June 2017 to 15 December 2017, PT International Development Corporation Limited (stock code: 372) from 8 March 2017 to 27 September 2017, Flyke International Holdings Ltd. (stock code: 1998) from February 2010 to December 2020 and a deputy chairman and executive director of Chinese People Holdings Company Limited (stock code: 681) until 30 September 2020. All of the companies are listed on the Main Board of the Stock Exchange.

**朱健宏先生**，56歲，於二零二一年四月十六日獲委任為本公司獨立非執行董事。朱先生持有香港大學工商管理碩士學位。朱先生為香港會計師公會資深會員，亦為特許公司治理公會（前稱特許秘書及行政人員公會）及香港特許秘書公會會員。彼於企業財務、審核、會計及稅務方面具備豐富經驗。

朱先生為中國首控集團有限公司（股份代號：1269）、華昱高速集團有限公司（股份代號：1823）、天利控股集團有限公司（股份代號：117）以及明發集團（國際）有限公司（股份代號：846）之獨立非執行董事。上述所有公司均於聯交所主板上市。朱先生亦為麥迪森控股集團有限公司（股份代號：8057）及超人智能控股有限公司（股份代號：8176）之獨立非執行董事。上述所有公司均於聯交所GEM上市。

朱先生亦曾任電訊首科控股有限公司（股份代號：3997）之獨立非執行董事直至二零一七年十二月二十七日為止，另亦曾任保發集團國際控股有限公司（股份代號：3326）之非執行董事直至二零一七年三月一日為止。彼亦於二零一七年六月二十二日至二零一七年十二月十五日在中國輝山乳業控股有限公司（股份代號：6863），於二零一七年三月八日至二零一七年九月二十七日在保德國際發展企業有限公司（股份代號：372）、於二零一零年二月至二零二零年十二月在飛克國際控股有限公司（股份代號：1998）擔任獨立非執行董事，以及中民控股有限公司（股份代號：681）之副主席兼執行董事直至二零二零年九月三十日為止。所有該等公司均於聯交所主板上市。

# DIRECTORS' REPORT

## 董事會報告書

The Directors present to the shareholders the Directors' report together with the audited consolidated financial statements of the Group for the Year.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company and the current and continuing principal activities of the Group are property development, property investment and property leasing during the Year under Review. The principal activities and other particulars of its subsidiaries as at 31 December 2020 are set out in Note 38 to the consolidated financial statements.

As required by the Schedule 5 of the Hong Kong Companies Ordinance, business review regarding business of the Group can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 4 to 7 and pages 8 to 27. An indication of possible future development in the Group's business can be found in the Management Discussion and Analysis set out on page 16 of this annual report. This discussion forms part of this Directors' report.

### BUSINESS REVIEW

#### Compliance with Laws and Regulations

To the best of the knowledge of the Board and the management, the Group complied with the relevant laws and regulations which constitutes material impact on the business and operation of the Company and its subsidiaries in all material respects during the year ended 31 December 2020.

Due to the nature of the business of the Group, the Directors are of the opinion that there are no specific laws and regulations related to environmental protection which have a significant impact on the operations of the Group. Environmental protection policies and performance regarding the Group are set out in "Environmental, Social and Governance Report" on pages 85 to 117.

董事謹向股東提呈董事會報告書連同本集團於本年度之經審核綜合財務報表。

### 主要業務

本公司為投資控股公司，本集團於回顧年度之目前及持續主要活動為物業開發、物業投資以及物業租賃。其附屬公司於二零二零年十二月三十一日之主要業務及其他資料載於綜合財務報表附註38。

根據香港公司條例附表5所規定，有關該等業務之回顧審視本集團業務載於第4頁至第7頁主席報告及第8至第27頁管理層討論與分析。有關本集團業務未來可能發展之指引載於本年報第16頁管理層討論與分析。該討論構成本董事會報告之一部份。

### 業務審視

#### 遵守法規

據董事會及管理層所深知，於截至二零二零年十二月三十一日止年度，本集團於各重大方面遵守對本公司及其附屬公司業務及運營產生重大影響的相關法律及法規。

基於本集團業務之性質，董事認為並無有關環境保護的任何特定法律或法規會對本集團之營運造成重大影響。有關本集團環保政策及表現載於第85頁至第117頁環境、社會及管治報告書。

## DIRECTORS' REPORT

### 董事會報告書

#### Relationship with Employees, Customers and Suppliers

Remuneration packages are for employees generally structured with reference to prevailing market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. Apart from salary payments, there are other staff benefits including pension and performance related bonus.

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 certain percentage of their 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.

Relationship with customers is the fundamental of business. The Group fully understands this principle and thus maintains close relationship with customers to fulfill their immediate and long-term need. Given the nature of its business, the Group has no major suppliers which have a material impact on its operations, but the Group is striving to maintain fair and cooperative relationship with suppliers. Details are set out in "Environmental, Social and Governance Report".

#### PRINCIPAL RISKS AND UNCERTAINTIES

##### (1) Intensified competition may materially and adversely affect our business, results of operations and financial condition

Competition within the PRC real estate industry is intense. Both domestic and overseas property developers have entered the property development markets in cities where we have operations. Some of them may have more financial, marketing, technical or other resources than us. Competition among property developers may cause an increase in land premium and raw material costs, shortages in quality construction contractors, surplus in property supply leading to decreasing property prices, further delays in issuance of governmental approvals, and higher costs to attract or retain skilled employees. If we fail to compete effectively, our business, results of operations and financial condition may be materially and adversely affected.

#### 與僱員、客戶及供應商之關係

僱員薪酬待遇一般參考現行市場條款及個人資歷制定。薪金及工資一般會每年根據績考表現評估及其他相關因素檢討。除工資外，本集團另有其他員工福利，包括養老金及個人表現掛鈎花紅。

於中國內地營運的本集團附屬公司的僱員須參與地方市政府管理的中央退休金計劃。該等附屬公司須按其工資成本的若干比例向中央退休金計劃供款。供款於按照中央退休金計劃的規定應付時自損益扣除。

客戶關係乃生意之根本，本集團深悉此原則，故會與客戶保持密切關係以滿足其當下及長期之需要。基於業務之性質，本集團並無任何對其營運有重大影響之主要供應商，惟本集團致力與供應商維持公平及合作之關係。有關詳細內容載於環境、社會及管治報告書內。

#### 主要風險及不明朗因素

##### (1) 競爭加劇或會對本集團的業務、經營業績及財務狀況造成重大不利影響

中國房地產業競爭激烈。國內外物業開發商亦已進佔本集團已有業務的城市的物業開發市場。當中若干開發商可能較我們擁有更多財政、營銷、技術或其他資源。物業開發商之間的競爭或會造成土地出讓金及原材料成本增加、優質建築承包商短缺、物業供應過剩，導致房價下跌、進一步延遲發出政府批文，及吸引或挽留熟練僱員的成本增加。倘本集團未能有效競爭，我們的業務、經營業績及財務狀況或會受到重大不利影響。

**(2) PRC economic, political and social conditions as well as government policies could adversely affect our business and prospects**

All of our revenue during the Year under Review was derived from our operations in the PRC. We anticipate that China will remain our primary market in the foreseeable future. Accordingly, our business, prospects, results of operation and financial position are, to a significant extent, subject to the economic, political and legal developments of the PRC.

The PRC economy differs from the economies of most of the developed countries in many aspects, including political structure, government involvement and control of housing policies.

The PRC economy has been transitioning from a centrally planned economy to a more market-oriented economy. For nearly three decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC economy. However, the PRC government continues to exercise significant control over the PRC economy through allocating resources, restricting capital flow and foreign exchange, setting monetary and fiscal policies, imposing industrial policies and various directives, providing government grants and other preferential treatment to particular industries and companies. We cannot predict whether changes in the PRC's economic, political and social conditions and in its laws, regulations and policies will have any adverse effect on our current or future business, results of operations and financial position. Moreover, even if new policies may benefit or damage the real estate developers in the long term, we cannot assure you the accuracy of the forecasts on the business and financial condition.

**(3) Interest rate risk may aggravate the debt costs of the Group**

The main source of loan of the Group is derived from bank loans. Therefore, the benchmark interest rate announced by the People's Bank of China will directly affect the Group's debt costs. Changes in future interest rates will have a certain impact on the Group's debt costs.

**(2) 中國的經濟、政治及社會狀況以及政府政策可能對本集團的業務及前景產生不利影響**

本集團於回顧年度的所有收益均來自在中國的业务。本集團預計，在可預見的未來，中國將仍然為本集團的主要市場。因此，本集團的業務、前景、經營業績及財務狀況在很大程度上受中國的經濟、政治及法律發展影響。

中國經濟與大多數發達國家的經濟在許多方面都有不同，包括政治架構、中國政府對房產政策干預及管制的範疇。

中國經濟一直由中央計劃經濟過渡至日漸以市場為導向的經濟。近三十多年來，中國政府實施經濟改革措施，利用市場力量推動中國經濟發展。然而，中國政府仍繼續通過資源分配、資本流量及外匯限制、制定貨幣及財政政策、實施行業政策及各項指令、向特定行業及公司提供政府補助及其他優惠待遇大力控制中國經濟。本集團無法預測中國經濟、政治和社會狀況以及其法律、法規及政策變化是否會對本集團當前或未來的業務、經營業績及財務狀況產生任何不利影響。此外，即使新政策對房地產開發商長遠可能有利或有弊，本集團仍無法對業務及財務狀況有準確性預測保證。

**(3) 利率風險可能對本集團的債務成本加重影響**

本集團主要貸款來源於銀行貸款，因此中國人民銀行公佈的貸款基準利率將直接影響本集團的債務成本，未來利率的變化情況將對本集團債務成本產生一定的影響。



#### (4) Uncertainties from the environmental policies

As the Group is subject to the intensive monitoring and control from the PRC and its environmental policies related to production and operation, we shall comply with a number of environmental protection laws and regulations concerning air, water quality, waste disposal, energy consumption, public health and safety, and receive inspections from the relevant national environmental protection departments. Currently, the Group has met the national environmental protection standards. However, if the national environmental policies are adjusted with higher environmental protection standards, our investment in environmental protection will increase and that may adversely affect our results of operations. We will spare no effort in minimizing the potential adverse effects on our environmental performance despite the uncertainties from the policies and environments that are impossible to predict and our inexperience of risk management in environmental protection. The Company's current directions, measures and analyses regarding environmental policies are set out in the ESG report.

#### (5) Uncertainties from COVID-19

At the date of this report, the outbreak of COVID-19 has impacted on the Group's business to some extent. During the Year under Review, the Group record a loss mainly attributable to, among other things, the loss arising from changes in fair value of investment properties, properties under development and completed properties held for sale of not more than approximately RMB354.6 million due to the negative market impact caused by COVID-19 during the period and properties sales weakened due to the outbreak of COVID-19 in the first quarter of 2020. Due to the uncertainties of the epidemic, it is difficult to estimate the extent of the influence of COVID-19 in the future. The Group will continue to monitor the development of the pandemic, evaluate its impact, respond in an active manner and make timely disclosures.

## RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 121.

## FINAL DIVIDEND

The Board did not propose to declare a final dividend for the year ended 31 December 2020.

## CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 21 June 2021 (Monday) to 24 June 2021 (Thursday), both days inclusive, during which period no transfer of shares will be registered. In order to attend and vote at the annual general meeting ("AGM"), all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 18 June 2021 (Friday).

#### (4) 環保政策不確定性風險因素

本集團的生產經營是國家環保政策重點監控的行業之一，須遵守多項有關空氣、水質、廢料處理、能源耗用、公眾健康安全的環境法律和法規，並接受國家有關環保部門的檢查。本公司目前環保指標均達到國家標準。但是，如果國家的環保政策作出調整，環保標準進一步提高，對公司提出更高的環保要求，這將增加本公司的環保投入，從而可能對公司的經營業績造成不利影響。本集團的整體環保風險管理在初步學習階段，對政策和環境轉變的不確定性因素難以預測，尋求儘量減低對本集團環保表現的潛在不利影響。有關本公司對環境政策目前實施的方針、措施和指標分析載於環境社會及管治報告內。

#### (5) 疫情的不確定因素

於本報告日期，疫情爆發對本集團業務產生一定影響。於回顧年度內，本集團錄得的虧損主要是（其中包括）由於期內疫情所產生的負面市場影響以及由於二零二零年第一季度疫情爆發導致物業銷售疲弱，導致投資物業、開發中物業及持作出售的已竣工物業之公允價值變動所產生的不多於約人民幣354.6百萬元之虧損。由於疫情的不確定因素，故難以估計未來疫情的影響程度。本集團將繼續監察疫情的發展情況、評估其影響、採取積極措施以及作出及時披露。

## 業績及分配

本集團於本年度之業績載於第121頁之綜合損益及其他全面收益報表。

## 末期股息

本年度董事會不建議宣派截至二零二零年十二月三十一日止年度之末期股息。

## 暫停辦理股份登記

本公司將於二零二一年六月二十一日（星期一）至二零二一年六月二十四日（星期四）（包括首尾兩天）暫停辦理股份過戶登記手續，期間概不會登記任何股份轉讓。為出席股東週年大會（「股東週年大會」）並於會上投票，所有股份過戶文件連同有關股票及過戶表格須於二零二一年六月十八日（星期五）下午四時三十分前交回本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

## SEGMENT INFORMATION

An analysis of the Group's revenue and profit or loss for the Year contributed by its principal activities is set out in Note 4 to the consolidated financial statements. Details of the segment information can be found in the Management Discussion and Analysis set out on pages 10 to 14 of this annual report.

## FIVE YEARS' FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 219 and 220, which does not constitute part of the consolidated financial statements.

## ISSUED CAPITAL

Details of the issued capital of the Company during the Year under Review are set out in Note 28 to the consolidated financial statements.

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

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

## INVESTMENT PROPERTIES

For the year ended 31 December 2020, the details of change of the Company and the Group's investment properties were set out in Note 14 to the consolidated financial statement.

## RESERVES

Movements in the reserves of the Group and the Company during the Year are set out on page 124 and Note 39(a) to the consolidated financial statements respectively.

As at 31 December 2020, the Company's reserves available for distribution amounted to approximately RMB502,211,000 (2019: RMB481,862,000).

## CHARITABLE DONATIONS

No charitable donations were made by the Group during the Year (2019: Nil).

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of Cayman Islands where the Company is incorporated.

## TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders by reason of their holdings in the shares of the Company.

## 分類資料

本集團按主要業務劃分之本年度收入及損益貢獻分析載於綜合財務報表附註4。分類資料詳情載於本年報第10頁至第14頁之管理層討論及分析。

## 五年財務概要

本集團過往五個財政年度之業績、資產與負債概要載於第219至220頁內。該概要不構成綜合財務報表的一部份。

## 已發行股本

本公司已發行股本於回顧年內之詳情載於綜合財務報表附註28。

## 購買、出售或贖回本公司上市證券

於本年度內，本公司及其各附屬公司並無購買、售賣或贖回本公司之任何上市證券。

## 投資物業

於截至二零二零年十二月三十一日止年度內，本公司及本集團的投資物業變動詳情載於綜合財務報表附註14。

## 儲備

本集團及本公司之儲備於本年度內之變動情況分別載於第124頁及綜合財務報表附註39(a)。

於二零二零年十二月三十一日，本公司的可分派儲備約為人民幣502,211,000元(二零一九年：人民幣481,862,000元)。

## 慈善捐款

本集團於本年度並無作出慈善捐款(二零一九年：零)。

## 優先購買權

本公司組織章程細則或本公司註冊成立地點開曼群島之法律均無有關優先購買權的規定。

## 稅項減免

本公司並不知悉有任何因股東持有本公司股份而使其獲得之稅項減免。

## DIRECTORS' REPORT

### 董事會報告書

#### MAJOR SUPPLIERS AND CUSTOMERS

The Group's top five customers accounted for 12% (2019: 21%) of the Group's total revenue and the top five suppliers accounted for 76% (2019: 72%) of the Group's total purchases for the Year under Review. In addition, the Group's largest supplier accounted for 37% (2019: 51%) of the total purchases for the Year under Review. All transactions between the Group and relevant suppliers and customers were carried out on normal commercial terms.

Save as disclosed above, none of the Directors, their close associates or any shareholders (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had any interest in the major customers and suppliers noted above.

#### SIGNIFICANT LITIGATION

During the Year under review, the Group was involved in a material litigation for the outstanding entrusted management service, employee salary and benefit and penalty in the sum of approximately RMB68,652,000 claimed by a service provider. For details, please see the voluntary announcement dated 1 December 2020 published on the websites of the Stock Exchange and the Company, as well as the Note 7(b) to the consolidated financial statements.

#### SIGNIFICANT EVENTS

The Group has no significant events during the Year under review.

#### DIRECTORS

The Directors of the Company in the year and up to the date of this directors' Report are:

##### Executive Directors

Mr. Chen Chengshou (*Chairman and CEO*)  
(appointed on 16 January 2014)

Mr. Feng Cizhao  
(appointed on 31 October 2015)

Mr. Chou Chiu Ho  
(appointed on 5 February 2020 and re-designated  
as a non-executive Director on 1 May 2020)

Mr. Pu Wei (appointed on 5 February 2020)

##### Non-executive Directors

Ms. Gao Qiaoqin (appointed on 10 June 2014)

Mr. Chou Chiu Ho (re-designated on 1 May 2020)

Mr. Choi Clifford Wai Hong (appointed on 16 April 2021)

##### Independent Non-executive Directors

Mr. Fong Wo, Felix (appointed on 8 June 2015)

Mr. Gu Jiong (appointed on 8 June 2015)

Mr. Lo Wa Kei, Roy (appointed on 8 June 2015)

Mr. Chu Kin Wang Peleus (appointed on 16 April 2021)

#### 主要供應商及客戶

本集團前五名客戶佔本集團總收入的12% (二零一九年: 21%)，前五名供應商佔本集團回顧年度內採購總額的76% (二零一九年: 72%)。另外，回顧年度內本集團最大供應商佔全年採購總額的37% (二零一九年: 51%)。本集團與相關供應商及客戶進行之交易均按一般商業條款訂立。

除上文所披露者外，概無董事及其緊密聯繫人士或任何股東 (根據董事所知擁有本公司5%以上已發行股份數目之股東) 持有上述主要供應商之任何權益。

#### 重大訴訟

於回顧年內，本集團概有涉及重大訴訟被一個服務提供商追索尚未支付的信託管理服務費、僱員薪酬及福利以及罰款，總額約為人民幣68,652,000元。詳情見於二零二零年十二月一日載於聯交所及本公司網站的公司自願性公告及載於綜合財務報表附註7(b)內。

#### 重大事項

於回顧年內，本集團沒有重大事項。

#### 董事

於本年度內及直至本董事會報告書日期止，本公司的董事為：

##### 執行董事

陳承守先生 (*主席及行政總裁*)  
(於二零一四年一月十六日獲委任)

豐慈招先生  
(於二零一五年十月三十一日獲委任)

周昭何先生 (於二零二零年二月五日獲委任  
及於二零二零年五月一日  
調職為非執行董事)

浦巍先生 (於二零二零年二月五日獲委任)

##### 非執行董事

高巧琴女士 (於二零一四年六月十日獲委任)

周昭何先生 (於二零二零年五月一日調職)

蔡偉康先生 (於二零二一年四月十六日獲委任)

##### 獨立非執行董事

方和先生 (於二零一五年六月八日獲委任)

顧炯先生 (於二零一五年六月八日獲委任)

盧華基先生 (於二零一五年六月八日獲委任)

朱健宏先生 (於二零二一年四月十六日獲委任)

According to Article 108 (a) of the Articles of Association of the Company: "Notwithstanding any other provisions in these articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for reelection. The Company at the general meeting at which a Director retires may fill the vacated office."

Mr. Feng Cizhao, an executive Director of the Company, Ms. Gao Qiaolin, a non-executive Director of the Company, Mr. Gu Jiong, an independent non-executive Director of the Company, will retire from office as the Directors at the AGM and being eligible, offer themselves for re-election.

Pursuant to Article 112 of the Articles of Association of the Company, Mr. Choi Clifford Wai Hong, who is a non-executive Director, and Mr. Chu Kin Wang Peleus, who is an independent non-executive Director, will retire by rotation at the AGM and, being eligible, offered themselves for re-election at the AGM.

### SERVICE CONTRACTS OF DIRECTORS

Mr. Chen Chengshou, an executive Director, entered into a service agreement with the Company for a term of three years from 6 July 2015 ("Listing Date"), which will renew and prolong for one year automatically after the expiry of the appointment, during which such service agreements can be terminated by not less than three months prior written notice to the other party and subject to the early termination provisions contained therein.

Mr. Feng Cizhao, an executive Director, entered into a service agreement with the Company for a term of three years from 31 October 2015, which will renew and prolong for one year automatically after the expiry of the appointment, during which such service agreements can be terminated by not less than three months prior written notice to the other party and subject to the early termination provisions contained therein.

Mr. Pu Wei, an executive Director, entered into a service agreement with the Company for a term of three years from 5 February 2020, which will renew and prolong for one year automatically after the expiry of the appointment, during which such service agreements can be terminated by not less than three months prior written notice to the other party and subject to the early termination provisions contained therein.

根據本公司的組織章程細則第108(a)條：「儘管受本細則任何其他條文所規限，在每屆股東週年大會上，當時的三分之一董事或如其人數並非三或三的倍數，則最接近但不少於三分之一的董事人數的董事應輪值退任，但每名董事（包括以指定任期獲委任的董事）須至少每三年輪值退任一次。退任董事有資格重選連任。本公司可在股東大會上就任何董事的退任填補該等職位的空缺。」

本公司的執行董事豐慈招先生、非執行董事高巧琴女士及獨立非執行董事顧炯先生將在股東週年大會上卸任，並合資格重選連任。

根據本公司之組織章程細則第112條，非執行董事蔡偉康先生及獨立非執行董事朱健宏先生將於股東週年大會輪席退任並符合資格在股東週年大會上提名連任。

### 董事之服務合約

執行董事陳承守先生與本公司訂立服務合同，任期自二零一五年七月六日（「上市日期」）起為期三年，並於當時委任期滿後自動續期及延長一年，有關服務合同可由一方於任期內向另一方發出不少於三個月的書面通知而予以終止，惟須符合當中所載的提前終止條文。

執行董事豐慈招先生已與本公司訂立服務合同，豐先生任期自二零一五年十月三十一日起為期三年，並於當委任期滿後均自動續期及延長一年，有關服務合同可由一方於任期內向另一方發出不少於三個月的書面通知而予以終止，惟須符合當中所載的提前終止條文。

執行董事浦巍先生與本公司訂立服務合同，任期自二零二零年二月五日起為期三年，並於當時委任期滿後自動續期及延長一年，有關服務合同可由一方於任期內向另一方發出不少於三個月的先書面通知而予以終止，惟須符合當中所載的提前終止條文。

## DIRECTORS' REPORT

### 董事會報告書

Ms. Gao Qiaoqin, a non-executive Director; Mr. Gu Jiong, Mr. Lo Wa Kei, Roy and Mr. Fong Wo, Felix, the independent non-executive Directors, each entered into a letter of appointment with the Company for a term of three years from the Listing Date.

Mr. Chou Chiu Ho, a non-executive Director, entered into a letter of appointment with the Company for a term of three years from 1 May 2020, which can be terminated by not less than three months written notice to the other party and subject to the early termination provisions contained therein.

Mr. Choi Clifford Wai Hong and Mr. Chu Kin Wang Peleus have entered into letters of appointment with the Company as a non-executive Director and an independent non-executive Director, respectively, for a term of one year commencing from 16 April 2021 which may be terminated by either the Company, Mr. Choi or Mr. Chu by giving at least three months written notice or otherwise in accordance with the terms of the letters of appointment. Mr. Choi and Mr. Chu are subject to retirement and re-election at the forthcoming annual general meeting of the Company after their appointment and also be subject to the retirement by rotation and re-election in accordance with the Articles of Association of the Company.

In accordance with the Articles of Association and Appendix 14 to the Listing Rules, not less than one-third of the Directors shall retire from office by rotation annually. No Directors being proposed for re-election at the AGM has any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' REMUNERATION

The Directors' fees are determined by the Remuneration Committee with reference to Directors' duties, responsibilities and operating results of the Company, which are subject to the review of the Board and shareholders' approval at annual general meetings. Please refer to Note 8 to the consolidated financial statements on pages 168 to 169 of this annual report.

非執行董事高巧琴女士，獨立非執行董事顧炯先生、盧華基先生及方和先生各自與本公司訂立委聘函，任期均自上市日期起為期三年。

非執行董事周昭何先生與本公司訂立委聘函，任期由二零二零五月一日起計為期三年。有關委聘函可由一方於任期內向另一方發出不少於三個月的書面通知而予以終止，惟須符合當中所載的提前終止條文。

蔡偉康先生及朱健宏先生已就擔任非執行董事及獨立非執行董事分別與本公司訂立委聘函，自二零二一年四月十六日起計為期一年；可由本公司、蔡先生或朱先生透過發出不少於三個月之書面通知或根據委聘函之條款予以終止。蔡先生及朱先生須於彼等獲委任後在本公司應屆股東週年大會上退任及膺選連任，亦須根據本公司之組織章程細則輪席退任及膺選連任。

根據組織章程細則及上市規則附錄14，每年至少三分之一的董事須輪值退任。提名於股東週年大會上膺選連任的董事概無與本公司或其任何附屬公司訂立不可由本集團於一年內終止而毋須支付賠償(法定賠償外)的服務合約。

### 董事酬金

董事袍金由薪酬委員會根據董事職務，責任及本公司經營業績擬訂，經董事會審議，由股東週年大會批准。請參閱本年報第168至169頁之綜合財務報表附註8。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES

The shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange. As at the date of this annual report, the interests or short positions of the Directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required to be recorded in the register referred to therein pursuant to section 352 of the SFO; or (c) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules were as follows:

### Long positions in the shares and underlying shares:

#### The Company

Name of Directors	Capacity/Nature of interest	Number of shares/ underlying shares	Approximate percentage of the issued share capital of the Company (%)
董事姓名	身份／權益性質	股份／相關股份數目	佔本公司已發行股本概約百分比(%)
Mr. Chen Chengshou	Interest of controlled corporation (Note 1)		
陳承守先生	受控制法團之權益(附註1)	776,467,800 (L)	41.33%
Ms. Gao Qiaolin	Interest of spouse (Note 2)		
高巧琴女士	配偶權益(附註2)	776,467,800 (L)	41.33%
Mr. Feng Cizhao	Beneficial owner (Note 3)		
豐慈招先生	實益擁有人(附註3)	129,000 (L)	0.007%

(L): represents long positions

Notes:

- 776,467,800 shares are registered in the name of Xinxing Company Limited which is wholly-owned by Mr. Chen.
- Ms. Gao is the spouse of Mr. Chen. Under the SFO, Ms. Gao is deemed to be interested in the same number of shares in which Mr. Chen is interested in.
- Those shares are award shares granted by the Board on 7 April 2016 pursuant to the Share Award Scheme and have been fully vested.

### 董事及主要行政人員於證券之權益

本公司股份於香港聯交所主板上市。於本年報日期，董事及主要行政人員於本公司及其相聯法團(按證券及期貨條例(「證券及期貨條例」)第XV部之涵義)之股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所之權益或淡倉(包括根據證券及期貨條例有關條文彼等被視為或當作擁有之權益及淡倉);或(b)根據證券及期貨條例第352條規定須列入該條例所指之登記冊內之權益或淡倉;或(c)根據載於上市規則附錄10之上市公司董事進行證券交易之標準守則須通知本公司及香港聯交所之權益或淡倉如下:

### 於股份及相關股份之好倉:

#### 本公司

Name of Directors	Capacity/Nature of interest	Number of shares/ underlying shares	Approximate percentage of the issued share capital of the Company (%)
董事姓名	身份／權益性質	股份／相關股份數目	佔本公司已發行股本概約百分比(%)
Mr. Chen Chengshou	Interest of controlled corporation (Note 1)		
陳承守先生	受控制法團之權益(附註1)	776,467,800 (L)	41.33%
Ms. Gao Qiaolin	Interest of spouse (Note 2)		
高巧琴女士	配偶權益(附註2)	776,467,800 (L)	41.33%
Mr. Feng Cizhao	Beneficial owner (Note 3)		
豐慈招先生	實益擁有人(附註3)	129,000 (L)	0.007%

(L): 指好倉

附註:

- 776,467,800股股份乃以Xinxing Company Limited之名義登記，該公司由陳先生全資擁有。
- 高女士為陳先生的配偶。根據證券及期貨條例，高女士被視為於陳先生所擁有權益的相同數目股份中擁有權益。
- 該等股份為董事會於二零一六年四月七日根據股份獎勵計劃已授出並完全歸屬的獎勵股份。

## DIRECTORS' REPORT

### 董事會報告書

#### Associated corporation — Xinxing Company Limited

Name of Directors	Nature of interest
董事姓名	權益性質
Mr. Chen Chengshou 陳承守先生	Beneficial owner 實益擁有人
Ms. Gao Qiaoqin 高巧琴女士	Interest of spouse 配偶權益

#### Notes:

- (1) The disclosed interest represents the interests in the associated corporation, Xinxing Company Limited, which is held as to 100% by Mr. Chen as at the date of this annual report.
- (2) Ms. Gao is the spouse of Mr. Chen. By virtue of the SFO, Ms. Gao is deemed to be interested in the 1 share of Xinxing Company Limited held by Mr. Chen.

Save as disclosed above, as at 31 December 2020, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

#### 相聯法團 — Xinxing Company Limited

Number and class of securities in the associated corporation	Approximate percentage of interest in the associated corporation
於相聯法團的證券數目及類別	於相聯法團的權益概約百分比

1 share <sup>(1)</sup> 一股股份 <sup>(1)</sup>	100%
1 share <sup>(2)</sup> 一股股份 <sup>(2)</sup>	100%

#### 附註：

- (1) 所披露權益指於相聯法團Xinxing Company Limited的權益，而於本年報日期，Xinxing Company Limited由陳先生持有100%權益。
- (2) 高女士為陳先生的配偶。根據證券及期貨條例，高女士被視為於陳先生持有的Xinxing Company Limited一股股份中擁有權益。

除上文所披露者外，於二零二零年十二月三十一日，概無本公司董事或主要行政人員於本公司或其相關法團（定義見證券與期貨條例第XV部）之股份、相關股份或債券中擁有或被視為擁有須記入根據證券及期貨條例第352條存置之登記冊或須根據標準守則知會本公司及香港聯交所之權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES

The register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that, as at the date of this annual report, the following shareholders, other than those disclosed in the section headed "Directors' and Chief Executives' Interest in the Securities", had notified the Company of their interests and/or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### Interest in the Company

Name of substantial shareholders	Capacity/nature of interest	Number of shares/ underlying shares 股份/相關 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比
主要股東姓名	身份/權益性質		
Xinxing Company Limited (Notes 1 and 2)	Beneficial owner	776,467,800 (long position)	
Xinxing Company Limited (附註1及2)	實益擁有人	776,467,800 (好倉)	41.33%
Ho Kwok Leung Glen and Lai Kar Yan (Note 2)	In the capacity as Receivers	187,862,200 (long position)	
何國樑及黎嘉恩(附註2)	接管人身份	187,862,200 (好倉)	10.00%

Notes:

- Xinxing is held as to 100% by Mr. Chen Chengshou. 752,137,800 shares out of 776,467,800 shares held by Xinxing have been charged to Chance Talent Management Limited ("Chance Talent"). Receivers were appointed on 18 November 2020 over 940,000,000 ordinary shares, representing approximately 50.04% of the total issued share capital of the Company, held by Xinxing in favour of Chance Talent.
- On 11 February 2021, the Receivers, namely, Messrs. Lai Kar Yan and Ho Kwok Leung Glen, withdrew 187,862,200 shares that have been charged to Chance Talent from CCASS and registered such 187,862,200 shares in their name. As such, the shares held by Xinxing that have been charged to Chance Talent decreased from 940,000,000 shares to 752,137,800 shares, representing approximately 40.04% of the total issued share capital of the Company.

## 主要股東於證券之權益

本公司根據證券及期貨條例第336條規定而置存之主要股東登記冊表明，於本年報日期，下列股東（於「董事及主要行政人員於證券之權益」一節披露之股東除外）已知會本公司其於本公司股份及相關股份擁有根據證券及期貨條例第XV部第2及第3分部之條文須予以披露之權益及/或淡倉。

### 於本公司的權益

Name of substantial shareholders	Capacity/nature of interest	Number of shares/ underlying shares 股份/相關 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本概約百分比
主要股東姓名	身份/權益性質		
Xinxing Company Limited (Notes 1 and 2)	Beneficial owner	776,467,800 (long position)	
Xinxing Company Limited (附註1及2)	實益擁有人	776,467,800 (好倉)	41.33%
Ho Kwok Leung Glen and Lai Kar Yan (Note 2)	In the capacity as Receivers	187,862,200 (long position)	
何國樑及黎嘉恩(附註2)	接管人身份	187,862,200 (好倉)	10.00%

附註：

- Xinxing由陳承守先生持有100%的股權。Xinxing持有的776,467,800股股份中有752,137,800股已押記予Chance Talent Management Limited（「Chance Talent」）。於二零二零年十一月十八日，已委任接管人以接管Xinxing以Chance Talent為受益人持有的940,000,000股普通股，該等股份佔本公司已發行股本總額約50.04%。
- 於二零二一年二月十一日，接管人（即黎嘉恩先生及何國樑先生）已從中央結算系統撤回已押記予Chance Talent的187,862,200股股份，並且以彼等的名義註冊該等187,862,200股股份。因此，由Xinxing持有並且已押記予Chance Talent的股份從940,000,000股減少至752,137,800股，相當於本公司已發行股本總額的約40.04%。



## DIRECTORS' REPORT

### 董事會報告書

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

### DEED OF NON-COMPETITION BY CONTROLLING SHAREHOLDERS

Each of the controlling shareholders has made an annual declaration with regard to their compliance with the terms of the deed of non-competition. The details of the deed of non-competition are set out in the section headed "Relationship with Controlling Shareholders" of the Prospectus. The deed of non-competition by controlling shareholders has taken effect from the Listing Date.

### DEED OF NON-COMPETITION BY EXECUTIVE DIRECTORS

Each of the executive Directors has made an annual declaration with regard to their compliance with the terms of the deed of non-competition. The deed of non-competition by executive Directors has taken effect from the Listing Date. The INEDs had reviewed and confirmed that the executive Directors of the Company have complied with the deed of non-competition and the deed of non-competition has been enforced by the Company in accordance with its terms.

### SHARE OPTION SCHEME

The Company has adopted the share option scheme (the "Share Option Scheme") on 8 June 2015, which will be in force for a period of 10 years. Under the Share Option Scheme, the eligible participants of the scheme, including Directors, full-time employees, advisers, suppliers and customers to our Company or our subsidiaries, (the "Eligible Participants") may be granted options which entitle them to subscribe for shares, provided that the number of shares to be subscribed under such option together with the options granted under any other schemes initially shall not more than 10% of the shares in issue on the Listing Date.

The Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions the Eligible Participants have made or may make to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives: (i) motivating the Eligible Participants to improve their performance efficiency for the benefit of the Group; and (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

除上文所披露者外，於本年報日期，本公司並未獲任何人士（本公司董事及主要行政人員除外）知會其於本公司股份、相關股份及債券中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或須記入根據證券及期貨條例第336條本公司須存置之登記冊之權益或淡倉。

### 控股股東之不競爭契據

各控股股東已就其遵守不競爭契據條款作出年度聲明。不競爭契據詳情載於招股章程「與控股股東的關係」一節。有關控股股東之不競爭契據已於上市日期起生效。

### 執行董事之不競爭契據

本公司各執行董事已就其遵守不競爭契據條款作出年度聲明。有關執行董事之不競爭契據已於上市日期起生效。獨立非執行董事已審閱及確認本公司執行董事已遵守不競爭契據及本公司已根據其條款執行不競爭契據。

### 購股權計劃

本公司已於二零一五年六月八日採納購股權計劃（「購股權計劃」），有效期為十年。根據購股權計劃，計劃的合資格參與者（包括本公司或我們附屬公司的董事、全職僱員、顧問、供應商以及客戶等）（「合資格參與者」）可能獲授予賦予彼等權利認購股份的購股權（與根據任何其他計劃授予的購股權合併計算），可認購的股份數目初步不得超過上市日期已發行股份的10%。

購股權計劃為一項股份獎勵計劃，乃為嘉許及肯定合資格參與者對本集團所作出或可能作出的貢獻而設立。購股權計劃將為合資格參與者提供於本公司持有個人權益的機會，旨在達到下列目的：(i) 激勵合資格參與者為本集團的利益盡量提高工作效率；及(ii) 吸引及挽留其貢獻目前或將來對本集團長期發展有利的合資格參與者，或以其他方式維持與該等合資格參與者的持續業務關係。

The maximum number of shares in respect of which options may be granted (including shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue on the Listing Date, excluding for this purpose shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company).

Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time (the "Maximum Limit"). No options shall be granted under any schemes of the Company, including the Share Option Scheme, if that will result in the Maximum Limit being exceeded.

The Board may, at its discretion, offer to grant an option to the Eligible Participants. An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

After receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditor or the approved independent financial adviser (as the case may be) to the Company, the Company shall allot and issue the relevant number of shares to the grantee credited as fully paid and issue to the grantee certificates in respect of the shares so allotted.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised, outstanding options and shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份數目上限(包括已授出的已行使或尚未行使購股權所涉及的股份),合共不得超過於上市日期已發行股份總數的10%,就此而言,不包括根據購股權計劃(或本公司任何其他購股權計劃)的條款已失效的購股權原應可予發行的股份。

儘管有上述規定,根據購股權計劃及本公司任何其他購股權計劃授出但有待行使的所有未行使購股權獲行使而可能於任何時間發行的股份,不得超過不時已發行股份的30%〔最高限額〕。倘根據本公司任何計劃(包括購股權計劃)授出購股權將導致超出最高限額,則不得授出該等購股權。

董事會可酌情向合資格參與者提呈授出購股權。本公司於有關接納日期或之前收到承授人妥為簽署構成接納購股權的一式兩份要約文件連同向本公司支付作為授出購股權的代價的1.00港元的款項後,購股權即被視為已授出及已獲承授人接納並生效。

於收到通知及股款以及(如適用)本公司核數師或獲認可獨立財務顧問(視情況而定)發出的證書後內,本公司須向承授人配發及發行入賬列為繳足的有關數目股份,並就已配發的股份向承授人發出股票。

於任何12個月期間直至授出日期,因根據購股權計劃及本公司任何其他購股權計劃授出的購股權(包括已行使、尚未行使的購股權及根據購股權計劃或本公司任何其他計劃已授出並獲接納但於其後註銷的購股權所涉及股份獲行使而已經及可能向各合資格參與者發行的股份總數不得超過於授出日期已發行股份的1%。

## DIRECTORS' REPORT

### 董事會報告書

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of: (i) the closing price of the shares as stated in the Hong Kong Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Hong Kong Stock Exchange is open for the business of dealing in securities; (ii) the average of the closing prices of the shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

As at the date of this annual report, the total number of shares to be issued under the Share Option Scheme is 188,000,000 shares, representing 10% of the issued shares at Listing Date. No share option was granted, exercised or cancelled by the Company since the adoption of the Share Option Scheme.

### SHARE AWARD SCHEME

On 26 January 2016, the Company adopted the share award scheme (the "Scheme"), pursuant to which Bank of Communications Trustee Limited as trustee (the "Trustee"). The Company adopted the Scheme to recognize the contribution by certain eligible participants and to attract suitable personnel for further development of the Group. Each of the Company and Mr. Chen, an executive Director and controlling shareholder of the Company, may make contribution to the trust for the purpose of vesting awarded shares to the selected participants. Pursuant to the Scheme, the Company may from time to time at its sole discretion subject to requirements under this Scheme, cause to be paid any sums of money to the Trustee and instruct the Trustee to purchase shares in the market at prevailing market price. Mr. Chen may from time to time transfer shares to the Trustee, for the purpose of vesting awarded shares to the selected participants, subject to the compliance with the requirements of the Listing Rules, all applicable laws from time to time. The Trustee will hold the awarded shares on trust for all or one or more of the selected participants until such awarded shares are vested with the relevant selected participants in accordance with the rules of the Scheme.

The Scheme is a discretionary scheme of the Company and shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Scheme and the trust deed. The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Scheme exceeding ten per cent (10%) of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to a selected participant under the Scheme shall not exceed one per cent (1%) of the issued share capital of the Company from time to time. The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules.

根據購股權計劃授出的任何特定購股權所涉及股份的認購價，須為董事會全權酌情釐定的價格，惟此價格將不得低於以下最高者：(i) 股份於授出日期（須為香港聯交所公開辦理證券交易業務的日子）在香港聯交所每日報價表所報的收市價；(ii) 股份於緊接授出日期前五個營業日在香港聯交所每日報價表所報的平均收市價；及(iii) 股份面值。

於本年報日期，根據購股權計劃可發行股份總數為188,000,000股，佔上市日期已發行股份的10%。自採納購股權計劃之日起，本公司概無授出、行使或註銷購股權。

### 股份獎勵計劃

本公司於二零一六年一月二十六日採納股份獎勵計劃（「本計劃」），並由交通銀行信託有限公司作為受託人（「受託人」），以嘉許若干合資格參與者所作出之貢獻，及吸引合適人才推動本集團之未來發展。為將獎勵股份歸屬獲選參與者，本公司及本公司執行董事兼控股股東陳先生均可向信託作出供款。根據本計劃，本公司可不時全權酌情根據本計劃之規定向受託人支付任何金額，並指示受託人按現時市價於市場上購買股份。為將獎勵股份歸屬獲選參與者，陳先生可不時向受託人轉讓股份，惟須遵守上市規則及所有適用法例不時之規定並受限制期間規限。受託人將以信託形式為全部或一名或多名合資格參與者持有獎勵股份，直至該等獎勵股份根據本計劃規則歸屬相關獲選參與者為止。

本計劃為本公司一項酌情制訂之計劃。根據本計劃及信託契據之規則，本計劃須受董事會及受託人管理。倘董事會授出獎勵股份後會導致根據本計劃已授出之股份面值超過本公司不時已發行股本之百分之十(10%)，則不應再進一步授出獎勵股份。獲選參與者根據本計劃可獲授之最高股份數目不可超過本公司不時已發行股本之百分之一(1%)。本計劃並不構成上市規則第17章所界定之購股權計劃。

The Scheme will remain in force for a period of 10 years since the date of adoption of the Scheme. Early termination should be done by the Board. On 7 April 2016, the Board resolved to award 13,716,666 awarded shares ("Awarded Shares") to 150 selected participants through the deployment of the shares of the Company. All Awarded Shares have been vested to the eligible participants. For details, please refer to the announcements of the Company dated 18 February 2016 and 7 April 2016. Apart from that, the Company has not granted, exercised or cancelled any Awarded Shares.

During the Year under Review, (i) no share options were granted, exercised or cancelled by the Company and (ii) the Board of the Company has neither paid any funding to the trustee of the Scheme nor allowed the trustee to purchase the shares of the Company on the Stock Exchange. During the Year under Review, the trustee of the Scheme also did not purchase any shares of the Company on the Stock Exchange.

### DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed above, neither the Company, nor any of its holding companies, its subsidiaries or its fellow subsidiaries was a party to any arrangement to enable the Directors and chief executives of the Company, including their spouses and children under 18 years of age, to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations, within the meaning of Part XV of the SFO.

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There were no transactions, arrangements or contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year under Review or at any time during the Year under Review, and in which a Director or an entity connected with the Director have or had, whether directly or indirectly, a material interest, nor were there any other transactions, arrangements or contracts of significance in relation to the Company's business between the Company or any of the Company's Subsidiaries and a controlling Shareholder or any of its subsidiaries.

股份獎勵計劃自採納日期起計10年之期限內有效，惟可由董事會根據計劃規則決定提早終止。於二零一六年四月七日，董事會議決向150位獲選參與者透過調配本公司股份的形式授予13,716,666股獎勵股份（「獎勵股份」）。所有獎勵股份已歸屬予合資格獲選參與者。詳情請參閱本公司日期為二零一六年二月十八日及二零一六年四月七日的公告。除此之外，本公司概無授出、行使或註銷任何獎勵股份。

於回顧年度內，(i)本公司概無授出及(ii)行使或註銷購股權，本公司董事會既沒有向計劃之受託人支付任何資金，讓受託人可於聯交所購買本公司之股份。於回顧年度內，計劃之受託人也沒有於聯交所購買本公司之任何股份。

### 董事購買股份的權利

除上文所披露者外，本公司、其任何控股公司、其附屬公司或其同系附屬公司從未訂立任何安排，使本公司董事及主要行政人員（包括彼等的配偶及未滿18歲子女）於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份或相關股份或債券中持有任何權益或淡倉。

### 董事及控權股東於交易、安排或合約之權益

本公司或本公司任何附屬公司概無於回顧年度年結時或回顧年度的任何時間與本公司業務有關而董事或與董事相關聯的實體於其中有重大權益（無論直接或間接）之交易、安排或合約，本公司或本公司任何附屬公司及控股股東或其任何附屬公司亦無訂立與本集團業務有關之其他重大交易、安排或合約。

## DIRECTORS' REPORT

### 董事會報告書

#### CONTINUING CONNECTED TRANSACTIONS

In accordance with the disclosure requirements of the continuing connected transactions in Chapter 14A of the Listing Rules of the Hong Kong, during the Year under Review, the Company has not conducted any continuing connected transactions with connected persons that are not exempted from annual reporting requirement under the Listing Rules.

The related party transactions set out in Note 34 to the consolidated financial statements are not required to be disclosed pursuant to Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

#### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed for the year ended 31 December 2020.

#### PERMITTED INDEMNITY PROVISION

In accordance with the provisions of Section 470 of the Companies Ordinance (Chapter 622 of laws of Hong Kong), a permitted indemnity provision for the benefit of the Directors was effective during the financial year ended 31 December 2020 and at the time when this Directors' report prepared by the Directors was adopted in accordance with Section 391(1) (a) of the Companies Ordinance (Chapter 622 of the laws of Hong Kong). The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers.

#### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

For the year ended 31 December 2020, none of the Directors was interested in any business, which competed or was likely to compete, either directly or indirectly, with the Group's businesses.

#### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed amount of public float during the Year as required under the Listing Rules.

#### 持續關連交易

按照香港上市規則第14A章有關持續關連交易的披露規定，於回顧年度內，本公司概無與關連人士進行任何未獲豁免遵守上市規則年度報告規定的持續關連交易。

載於綜合財務報表附註34所列的關連方交易並非根據上市規則第14A章須予披露的關聯交易。本公司確認已符合上市規則第14A章的披露規定。

#### 管理合約

於截至二零二零年十二月三十一日止年度，概無訂立或存在任何與本公司全部或任何重大業務部分相關的管理及行政合約。

#### 獲准許彌償條文

根據香港法例第622章公司條例第470條，董事之獲准許的彌償條文於截至二零二零年十二月三十一日止財政年度及由董事所編製的本董事會報告根據香港法例第622章公司條例第391(1)(a)條獲採納時生效。本公司已就其董事及要員可能會面對的法律行動辦理及投購適當的保險。

#### 董事於競爭性業務之權益

截至二零二零年十二月三十一日止年度，概無董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

#### 公眾持股量

根據本公司所得悉的公開資料及董事所知悉，本公司於本年度內已按上市規則規定維持指定數額的公眾持股量。

## AUDITOR

On 29 December 2020, Ernst & Young has resigned as the independent auditor of the Company (the "Independent Auditor") and Mazars CPA Limited has been appointed as a new Independent Auditor upon approval of the Board of the Company on 29 December 2020, to hold office until the conclusion of the forthcoming annual general meeting. Mazars CPA Limited has audited the consolidated financial statements of the Group for the year ended 31 December 2020 prepared in accordance with the International Financial Reporting Standards.

By order of the Board

## XINMING CHINA HOLDINGS LIMITED

*Chairman and Chief Executive Officer*

**Chen Chengshou**

Hangzhou, PRC

21 April 2021

## 核數師

於二零二零年十二月二十九日，安永會計師事務所已辭任本公司獨立核數師（「獨立核數師」），而中審眾環（香港）會計師事務所有限公司於二零二零年十二月二十九日經本公司董事會批准已獲委任為新獨立核數師，任期直至應屆股東週年大會結束為止。中審眾環（香港）會計師事務所已審核根據國際財務報告準則編製的本集團截至二零二零年十二月三十一日止年度之綜合財務報表。

承董事會命

## 新明中國控股有限公司

*主席兼行政總裁*

**陳承守**

中國•杭州

二零二一年四月二十一日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### MISSION

The Board is committed to maintaining a high level of corporate governance and ensuring transparency in business operations, so as to enhance the operation efficiency of the Company and protect the interests of the Company and the shareholders in all respects. The Board seeks to perform strict integrity and ethics in all aspects of our business, to maintain sound risk management and internal control system and attract high caliber members to the Board.

### CORPORATE GOVERNANCE PRACTICES

For the year ended 31 December 2020, the Board had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules, except the disclosure in "Chairman and Chief Executive Officer" below.

To the Directors' knowledge, there is no information reasonably indicates that the Company has not complied with the code provisions of the CG Code set out in Appendix 14 to the Listing Rules at any time for the year ended 31 December 2020.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by the Directors. Upon specific enquiries made to the Directors, all of them confirmed that they had complied with the required standards set out in the Model Code during the Year under Review.

As required by the Company, relevant officers and employees of the Company are also bound by the Model Code, which prohibits them to deal in securities of the Company at any time when they possess inside information in relation to those securities. The Company is not aware of any non-compliance with the Model Code by the relevant officers and employees.

### 理念

董事會致力維持高水平的企業管治，確保本公司運作具透明度，以此促進本公司運作效率及全面保障本公司及股東的利益。董事會力求於業務的各方面均貫徹嚴謹的誠信及道德操守，以維持良好之風險管理及內部監控制度及吸納卓越之成員加入董事會。

### 企業管治守則

截至二零二零年十二月三十一日止年度，除於下述所披露之「主席兼行政總裁」外，董事會已採納、應用及遵守上市規則附錄14的企業管治守則（「企業管治守則」）所載之守則條文。

就董事所知，並無任何數據合理顯示本公司現時或曾經於截至二零二零年十二月三十一日止年度任何時間不遵守上市規則附錄14所載的《企業管治守則》之守則條文。

### 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」），作為董事買賣本公司證券的操守準則。經向全體董事作出特定查詢後，全體董事確認彼等於回顧年內已遵守標準守則所載的規定標準。

根據本公司要求，本公司有關高級職員及僱員亦須受標準守則約束，當其獲得有關證券內幕消息時，禁止於任何時候買賣本公司證券。本公司並無察覺有相關高級職員及僱員違反標準守則。

**BOARD OF DIRECTORS****Structure**

As at the date of this annual report, the Board comprised three executive Directors, three non-executive Directors and four independent non-executive Directors. The composition of the Board is as follows:

**Executive Directors**

Mr. Chen Chengshou (*Chairman and Chief Executive Officer*)  
Mr. Feng Cizhao  
Mr. Pu Wei

**Non-executive Directors**

Ms. Gao Qiaolin  
Mr. Chou Chiu Ho  
Mr. Choi Clifford Wai Hong (appointed on 16 April 2021)

**Independent Non-executive Directors**

Mr. Fong Wo, Felix  
Mr. Gu Jiong  
Mr. Lo Wa Kei, Roy  
Mr. Chu Kin Wang Peleus (appointed on 16 April 2021)

The independent non-executive Directors (the “INEDs”) represent over one-third members of the Board. The profiles of all Directors are set out on pages 28 to 36 of this annual report. Save as disclosed in this annual report, there is no other relationship among members of the Board, including financial, business, family or other material/relevant relationship. The INEDs are highly experienced professionals and businessmen with a broad range of expertise and experience in accounting, finance, legal and business management and one of them has appropriate professional accounting qualification as required by the Hong Kong Stock Exchange.

The Board is responsible for directing and supervising affairs of the Company. Each Director acts in good faith for the best interest of the Company. The Directors are collectively and individually responsible to the Company for the manner in which the affairs of the Company are managed, controlled and operated. They had devoted sufficient time and attention to affairs of the Company during the Year under Review.

At each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company may fill the vacancy at the general meeting when a Director retires. As such, the term of office of each Director has been governed by the Articles of Association of the Company.

The Company has arranged appropriate liability insurance to indemnify the Directors of the Group for their liabilities arising from the corporate activities. The insurance coverage will be reviewed on an annual basis.

**董事會****架構**

於本年報日期，董事會由三名執行董事、三名非執行董事及四名獨立非執行董事組成。董事會之組成如下：

**執行董事**

陳承守先生 (*主席及行政總裁*)  
豐慈招先生  
浦巍先生

**非執行董事**

高巧琴女士  
周昭何先生  
蔡偉康先生 (於二零二一年四月十六日獲委任)

**獨立非執行董事**

方和先生  
顧炯先生  
盧華基先生  
朱健宏先生 (於二零二一年四月十六日獲委任)

獨立非執行董事 (「獨立非執行董事」) 之人數超過董事會成員總數之三分之一。全體董事之履歷載於本年報第28頁至第36頁。除本年報所披露者外，董事會成員之間並無其他關係，包括金融、商業、家庭或其他重要／相關關係。獨立非執行董事為極富經驗之專業人士及商界人士，在會計、金融、法律及商業管理具備豐富專業知識及經驗，其中一人更具備香港聯交所規定之合適專業會計資格。

董事會負責領導及監督本公司事務。各董事均以本公司之最佳利益為前提，以誠信態度履行職責。董事知悉彼等在管理、控制及經營本公司事務上，共同及個別向本公司負責。於回顧年內，彼等已付出足夠時間及專注力以處理本公司事務。

在每次之股東週年大會上，當時三分之一之董事 (或倘董事人數並非三或三之倍數，則以最接近但不少於三分之一人數為準) 須輪值退任，惟每名董事 (包括獲委任特定年期者) 均須最少每三年輪席退任一次。退任董事可膺選連任。本公司可於董事退任之股東大會上填補空缺。因此，各董事之任期按本公司組織章程細則而特定。

本公司已為本集團董事安排適當的責任保險，以彌償彼等因企業活動所引致的責任。保險範圍將每年進行審查。



#### Assistance to Directors in Decision Making

During their term of office, the Directors have been informed of the business of the Group, the competitive and regulatory environments in which it operates and other changes affecting the Group and the industry where it operates in as a whole. They have also been advised on appointment of their legal and other duties and obligations as directors of a company and updated on changes to the legal and governance requirements of the Group and upon themselves as the Directors.

#### Conduct of Meetings

The Directors are consulted and properly briefed for matters to be included in the meeting agenda, and are supplied with relevant information as well as reports relating to operational and financial performance of the Group before each regular Board meeting. At least 14 days' notice of a regular Board meeting is given to all Directors providing them with the opportunity to attend the meeting. For regular Board meetings, and so far as practicable for all other meetings, an agenda and accompanying board papers are dispatched to all Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and prepare adequately for the meeting. Senior management members are invited to attend the meeting to address to the Board members' queries. This enables the Board to have pertinent data and insight for a comprehensive and informed assessment, which helps the Board to make decision.

The Chairman has delegated the responsibility to the company secretary (the "Company Secretary") of the Company for drawing up and approving the agenda of the meeting for each Board meeting, taking into account of any matter proposed by each Director for inclusion in the agenda. The proceedings of the Board at its meetings are generally monitored by the Chairman who would ensure that sufficient time is allocated for discussion and consideration of each item on the agenda. Equal opportunities are given to each Director to express his/her views and concerns.

All Directors have full access to the advice and services of the Company Secretary to ensure the procedures, rules and regulations of the Board are followed. Draft and final versions of minutes of each Board meeting in sufficient details are sent to the Directors for comments and records within a reasonable time after the meeting. The minutes of the Board and the Board committees' meetings are kept by the Company, which are available for inspection by the Directors upon reasonable notice.

#### 給予董事決策之協助

本公司於董事在任期間，向彼等匯報有關本集團業務、經營所在地之競爭及規管環境，以及整體上影響本集團及其經營行業之其他變動的資料。彼等亦就委任為公司董事之法定及其他職能以及職責提供意見，並於彼等成為董事後更新有關本集團之法定及監管規定之變動。

#### 會議之舉行

董事可獲諮詢及簡報會議議程內所載之事宜，並於每次定期董事會會議前獲發有關本集團營運及財務表現之相關資料及報告。定期董事會會議通知於開會前最少十四日送交全體董事，讓其有機會出席會議。就定期舉行的董事會會議而言，及在切實可行情況下就所有其他會議而言，議程及隨附的董事會文件於會議舉行前最少三日發給全體董事，以確保彼等具備足夠時間審閱該文件，並為會議作好充份準備。高級管理層成員獲邀與會，以解答董事會成員之提問。此舉令董事會在作出全面而知情之評估時，具有中肯之數據及認知，有助董事會作出決策。

主席已委派公司秘書（「公司秘書」）負責在考慮各董事建議之議程後，編撰及批核每次董事會會議之議程。董事會之議事程序一般由主席監察，以確保分配充裕時間作出討論及考慮議程內之各個項目。每位董事均獲平等機會表達意見及其關注事宜。

全體董事均有權全面尋求公司秘書之意見及服務，以確保遵守董事會程序、規則及規例。各董事會會議之詳盡記錄草稿及定稿將於舉行會議後的合理時間內，送交董事提供意見及記錄。董事會會議及董事會轄下委員會會議之記錄由本公司存置，並可由董事發出合理通知下供其查閱。

For the year ended 31 December 2020, the Board held 14 meetings in total and the board of shareholders held one AGM. Individual attendance of each Director and committee member at the meeting held in detail is as follows:

截至二零二零年十二月三十一日止年度內，董事會共舉行十四次董事會會議，股東會舉行過一次股東週年大會。各董事及委員會的成員及其出席會議的出席率詳情如下：

		The Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	AGM 股東週年大會
<b>Number of Meetings held</b>	<b>會議次數</b>	14	5	2	2	1
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Chen Chengshou ( <i>Chairman and Chief Executive Officer</i> )	陳承守先生(主席及行政總裁)	14/14	N/A 不適用	N/A 不適用	2/2	1/1
Mr. Feng Cizhao	豐慈招先生	11/14	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Chou Chiu Ho (appointed on 5 February 2020 and re-designated as a non-executive Director on 1 May 2020)	周昭何先生(於二零二零年二月五日聘任並於二零二零年五月一日調職為非執行董事)	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Pu Wei (appointed on 5 February 2020)	浦巍先生(於二零二零年二月五日聘任)	10/14	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<b>Non-executive Directors</b>	<b>非執行董事</b>					
Ms. Gao Qiaoqin	高巧琴女士	9/14	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Chou Chiu Ho (re-designated on 1 May 2020)	周昭何先生(於二零二零年五月一日調任)	10/10	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Choi Clifford Wai Hong (appointed on 16 April 2021)	蔡偉康先生(於二零二一年四月十六日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Fong Wo, Felix	方和先生	14/14	5/5	2/2	2/2	1/1
Mr. Gu Jiong	顧炯先生	13/14	5/5	2/2	2/2	1/1
Mr. Lo Wa Kei, Roy	盧華基先生	14/14	5/5	2/2	N/A 不適用	1/1
Mr. Chu Kin Wang Peleus (appointed on 16 April 2021)	朱健宏先生(於二零二一年四月十六日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

## Works Performed

During the Year under Review, besides attending the Board meetings to consider and make decision on corporate governance, risk management, statutory compliance, accounting, finance and business matters, the Directors had brought independent opinion and judgment on the strategy, performance and standards of conduct of the Company; had taken a leading role where potential conflict of interest arose; had served on Board committees; had approved various corporate governance related matters and policies; had ensured that the Board maintained high standards of financial and other mandatory reporting; carried out reviews on matters reported by the Board committees, and had provided adequate checks and balance to safeguard the interests of shareholders and the Company as a whole. In addition, the Board delegates to the management of the Company certain functions, including the implementation of general daily operation, strategies approved by the Board, the implementation of internal control procedures and ensuring compliance with relevant requirements and other rules and regulations.

Each of the non-executive Directors and independent non-executive Directors has entered into a letter of appointment with the Company with a term of three years except Mr. Chu Kin Wang Peleus and Mr. Choi Clifford Wai Hong who have a term of one year.

## 履行之工作

於回顧年內，除了出席董事會會議以考慮及決定企業管治、風險管理、法規遵守、會計、財務及業務事宜，董事亦對本公司之策略、表現及守則標準作出獨立意見及判斷；在有潛在利益衝突時發揮領導作用；出任董事會轄下委員會委員；通過企業管治相關事宜及政策；確保董事會維持高水平之財務及其他強制申報準則；審閱董事會轄下委員會報告之事項；以及提供足夠審查及平衡以保障全體股東與本公司之整體利益。此外，董事會將若干職能下放予本公司管理層，包括進行一般日常運作、董事會批准的策略、落實內部監控程序，以及確保符合相關規定及其他規則及規例。

除朱健宏先生和蔡偉康先生為期一年外，每一位非執行董事和獨立非執行董事均已與本公司訂立為期三年的委聘函。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

During the Year under Review, the non-executive Directors and INEDs had actively participated in the Board meetings, made independent judgments on matter of meeting and expressed their opinions on the information or reports proposed at the meetings.

Besides attending the meetings of the Board or the committees, in order to make timely decision and effectively implement the policies and practice of the Company, the Board had also adopted written resolutions signed by all Directors to make decision on corporate affairs from time to time.

As part of the continuing process on supervising the business of the Company, the Directors, acted by the audit committee of the Company (the "Audit Committee"), had reviewed the adequacy of resources, qualifications and experience of the accounting staff of the Company and financial reporting functions.

#### Independent Non-executive Directors' Confirmation

The Company has received, from each INED, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considered that all the INEDs are independent. The Company is in compliance with Rule 3.10 and Rule 3.10A of the Listing Rules relating to the INEDs.

#### Chairman and Chief Executive Officer

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer shall be separate and shall not be performed by the same individual. Mr. Chen is the chairman and the chief executive officer of the Company ("CEO"). The Group therefore does not separate the roles of the chairman and the CEO. The Board considered that Mr. Chen had in-depth knowledge and experience in the property investment and development industry and was the most appropriate person to manage the Group. Vesting the roles of both chairman and CEO in Mr. Chen has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. Besides, three independent non-executive Directors of the Board had actively participated in the Board meetings, made independent judgments on matter of meeting and expressed their opinions on the information or reports proposed at the meetings. Although Mr. Chen is the chairman and chief executive officer, the Company believes the Board will not make any biased decisions under Mr. Chen's influence. The Board will continue to review and consider splitting the roles of chairman and CEO of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

於回顧年內，非執行董事及獨立非執行董事積極參與董事會會議，就會議事項作出獨立判斷及在提呈於會議上之資料或報告發表意見。

除了出席董事會或委員會會議，為了能及時作出決定及有效實施本公司之政策及實務，董事會亦不時採納經全體董事簽署之書面決議書為公司事務作出決定。

作為持續監督本公司業務之程序，董事已由審核委員會（「審核委員會」）代行審閱本公司會計員工的資源、資歷及經驗以及財務匯報職能是否足夠。

#### 獨立非執行董事之確認

本公司已接獲各獨立非執行董事之年度確認書，確認彼等符合上市規則第3.13條所載有關獨立性之規定。本公司認為全體獨立非執行董事均為獨立人士。本公司並符合上市規則第3.10及3.10A條關於獨立非執行董事之規定。

#### 主席兼行政總裁

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁之職位應有所區分，且不應由同一人士兼任。陳先生為本公司主席兼行政總裁（「行政總裁」）。故此本集團並無區分主席及行政總裁之職位。董事會相信陳先生於物業投資及發展行業具備淵博的學識及豐富的經驗，為最適合管理本集團之人士，由陳先生兼任主席及行政總裁的角色，可確保本集團內之貫徹領導及可令本集團之整體策略規劃更有效及具效率。董事會認為，目前的安排將不會削弱權力制衡，而這個架構將有助本公司迅速及有效地作出及實行決策。再者，本公司董事會的三位獨立非執行董事均積極參與董事會會議，就會議事項作出獨立判斷及在提呈於會議上之資料或報告發表意見，雖陳先生為本公司主席兼行政總裁，本公司認為並不會影響董事會作出任何有偏頗之嫌的決定。董事會將持續檢討，屆時顧慮到本集團的整體情況，考慮將本公司的主席與行政總裁的職能分開是否適當及適合。

## Board Committees

The Board has established the Audit Committee, Remuneration Committee (the “Remuneration Committee”) and Nomination Committee (the “Nomination Committee”) with defined roles and terms of reference.

## AUDIT COMMITTEE

### Structure

The Company established the Audit Committee on 8 June 2015 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision C.3.4 of the CG Code as set out in Appendix 14 to the Listing Rules. The updated terms of reference of the Audit Committee are adopted on 29 December 2015, and are available on the websites of the Hong Kong Stock Exchange and the Company. The primary duties of the Audit Committee are to provide the Board with an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

All members under the Audit Committee possess diversified business experience. The chairman of the Audit Committee has appropriate professional qualification, accounting or related financial management expertise as required by the Listing Rules.

As at the date of this annual report, the Audit Committee is made up of three INEDs, namely:

Mr. Lo Wa Kei, Roy (*Chairman*)  
Mr. Gu Jiong  
Mr. Fong Wo, Felix

### Functions

The terms of reference of the Audit Committee can be found on the websites of the Company and the Hong Kong Stock Exchange. The major duties of the Audit Committee are summarized as below:

- |  |   |
|--|---|
| <p>i) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to deal with any issues relating to the resignation or dismissal of such auditor;</p> <p>ii) to monitor the integrity of the Company’s financial statements and annual reports and accounts, half year reports and, if prepared for publication, quarterly reports, and to review material comments on financial reporting contained in the statements and reports;</p> <p>iii) to review the financial controls, risk management and internal control systems of the Company, unless the risk committee otherwise under the Board or the Board itself has expressly stated that they will deal with it;</p> <p>iv) to develop and review the policies and practices of the Group on corporate governance and make recommendations to the Board; and</p> | <p>i) 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議，批准外聘核數師的薪酬及聘用條款、及處理任何有關該核數師辭職或辭退該核數師的問題；</p> <p>ii) 監察本公司的財務報表以及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見；</p> <p>iii) 檢討本公司的財務監控，以及(除非有另設的董事會轄下風險委員會及或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統；</p> <p>iv) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；及</p> |
|--|---|

## 董事會轄下委員會

董事會已成立審核委員會、薪酬委員會(「薪酬委員會」)及提名委員會(「提名委員會」)，並界定其角色及職權範圍。

## 審核委員會

### 架構

本公司於二零一五年六月八日成立審核委員會，並遵照上市規則第3.21條及上市規則附錄14列載之企業管治守則第C.3.4段制訂其書面職權範圍。審核委員會之最新職權範圍已於二零一五年十二月二十九日獲採納，並可於香港聯交所及本公司網站查閱。審核委員會的主要職責為就本集團財務申報程序、內部控制及風險管理制度的有效性向董事會提供獨立審查、監察審核程序及行使由董事會分配之其他職責。

審核委員會全體成員具備多元化的業務經驗。審核委員會主席具備了上市規則規定之適當專業資格、會計或相關財務管理專業知識。

於本年報日期，審核委員會由三位獨立非執行董事組成，彼等為：

盧華基先生(主席)  
顧炯先生  
方和先生

### 職能

有關審核委員會之職權範圍，可瀏覽本公司及香港聯交所網頁。審核委員會之主要職責概述如下：

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

- v) to consider and identify risks of the Group and review the effectiveness of the decision-making processes of the Group in crisis and emergency situations and approve the major decisions affecting the risk profile or exposure of the Group.

#### Conduct of Meetings

The Audit Committee shall meet at least twice each year. The Company prepares and dispatches an information memorandum that includes all relevant information about the meetings to the Audit Committee members at least 3 days prior to such meetings. During the Year under Review, the Audit Committee members reviewed the information memorandum with due care and discussed with the senior management of the Company during the meetings. Minutes drafted by the Company Secretary were circulated to the Audit Committee members for comments within a reasonable time after each meeting. Executed minutes were kept by the Company and copies of the minutes were delivered to the Audit Committee members for records.

#### Works Performed

The works performed by the members of Audit Committee during the Year under Review are summarized as below:

- i) reviewed the annual accounts and consolidated financial statements and interim accounts of the Group;
- ii) reviewed, discussed and agreed with the Independent Auditor in respect of the audit fee for the Year under Review; the nature, scope of audit and reporting obligations for the Year under Review;
- iii) reviewed and assessed the adequacy and effectiveness of the financial reporting and controls, internal control procedures and risk management system of the Group;
- iv) reviewed the corporate governance practices and monitored the progress of compliance of the CG Code and its disclosure in the Corporate Governance Report;
- v) reviewed the performance of the properties of the Group for the year ended 31 December 2020;
- vi) reviewed the continuing connected transactions to ensure that they are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to the terms of such agreements in respect of these continuing connected transactions;
- vii) reviewed the adequacy of resources, qualifications and experience of the staff in accounting and financial reporting function, and the training programmers and budget; and

- v) 審議及識別本集團的風險，並審議危機及緊急情況發生時本集團的決策程序的成效，以及批准影響本集團風險概況或風險的重要決策。

#### 會議之舉行

審核委員會每年須最少開會兩次。本公司編製及派發資料備忘錄，內容包括會議時所需之所有資料，於審核委員會開會前最少三日提交予審核委員會成員。於回顧年內，審核委員會成員審慎地審閱資料備忘錄，並於會議上與本公司高級管理層成員討論。公司秘書草擬的會議記錄已於每次會議後一段合理時間內交予審核委員會成員提供意見。經簽署之會議記錄由本公司存置，而有關副本亦已送交審核委員會成員以作記錄。

#### 履行之工作

審核委員會成員於回顧年內所履行之工作概述如下：

- i) 審閱本集團年度之賬目及綜合財務報表，以及中期賬目；
- ii) 與獨立核數師審閱、討論及同意回顧年內之核數費用；核數之性質、範圍及申報責任；
- iii) 審閱及評估本集團之財務匯報及監控、內部監控程序及風險管理系統是否足夠及有效；
- iv) 檢討企業管治常規及監控遵守企業管治守則之進度及其於企業管治報告中的披露情況；
- v) 審閱本集團截至二零二零年十二月三十一日止年度之物業表現；
- vi) 審閱持續關連交易，以確保其乃按正常商業條款訂立，為公平合理並根據該等持續關連交易相關協議的條款進行；
- vii) 審閱會計及財務匯報職能方面的資源、員工資歷及經驗與員工所接受的培訓課程及有關預算是否足夠；及

viii) discussed with the Independent Auditor with respect to the accounting principles and practices adopted by the Group, compliance with the Listing Rules and other financing reporting requirements.

Overall, the Audit Committee is satisfied with the condition of the Company, including the corporate governance practices, internal control system, qualifications and experience of the staff in accounting and financial reporting function, and the training programmers.

One of the specific works vested upon the Audit Committee is to develop and review the corporate governance policies and practices of the Company. Upon reviewed by the Audit Committee and approved by the Board, the main policies for the corporate governance of the Company are to develop the Company itself as a sustainable and competitive company in the business sector in the interests of the Company and the shareholders as a whole, with an aim for a prudent and profitable development and long term achievement of growth through the well-established corporate governance principles, risk monitoring management and practices. As a listed company in Hong Kong, the Company is obliged to follow the principles, code provisions and recommended best practices (if applicable) set forth in Appendix 14 to the Listing Rules as the substantial requirement on achieving high standards of corporate governance as well as a cornerstone of the corporate governance policy of the Company.

## REMUNERATION COMMITTEE

### Structure

The Remuneration Committee has been established on 8 June 2015 with written terms of reference in compliance with Rule 3.26 of the Listing Rules and code provision B.1.3 of the CG Code as set out in Appendix 14 to the Listing Rules with the roles to assist the Board in reviewing and determining the framework or specific policy for remuneration packages of the Directors and senior management, overseeing any major changes in employee benefit structures and considering other matters as defined by the Board.

As at the date of this annual report, the Remuneration Committee is made up of three INEDs, namely:

Mr. Gu Jiong (*Chairman*)  
Mr. Lo Wa Kei, Roy  
Mr. Fong Wo, Felix

viii) 就有關本集團所採納的會計原則及慣例、上市規則的合規情況及其他財務匯報規定與獨立核數師討論。

整體而言，審核委員會滿意本公司之狀況，包括企業管治實務、內部監控制度以及會計及財務匯報職能方面的員工之資歷及經驗與員工所接受的培訓課程是足夠的。

審核委員會的其中一項特定工作為發展及檢討本公司有關企業管治的政策及常規。經審核委員會審閱並由董事會批准後，本公司的主要企業管治政策乃於符合本公司及股東整體利益的情況下將本公司本身發展為一間可持續發展及具競爭力的商業公司，並旨在透過成熟的企業管治原則、風險監管、管理及常規，達致審慎及高利潤的發展以及長遠增長。作為一間香港上市公司，本公司須遵守上市規則附錄十四所載的原則、守則條文及建議最佳常規(如適用)，此乃達致高水平企業管治的重大要求及本公司企業管治政策的基石。

## 薪酬委員會

### 架構

薪酬委員會於二零一五年六月八日成立，並遵照上市規則第3.26條及上市規則附錄14列載之企業管治守則第B.1.3條制訂及公開其書面職權範圍。其角色為協助董事會檢討及釐定董事及高級管理層之薪酬架構或具體政策，監督僱員福利架構之任何重大變動，以及考慮董事會釐定之其他事項。

於本年報日期，薪酬委員會由三位獨立非執行董事組成，彼等為：

顧炯先生(主席)  
盧華基先生  
方和先生

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

#### Functions

The principal responsibilities of the Remuneration Committee are as follows:

- i) to make recommendations to the Board on the policy and structure of the Company for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management including benefits in kind, pension rights, compensation payments (including any compensation payable for loss or termination of their office or appointment);
- iii) to make recommendations to the Board on the remuneration of executive and non-executive Directors; and
- iv) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive for the Company.

The terms of reference of the Remuneration Committee can be found on the websites of the Company and the Hong Kong Stock Exchange.

The Remuneration Committee shall consult the Chairman and/or Chief Executive Officer about their recommendations relating to the remuneration of other executive Directors and may also obtain independent professional advice.

#### Works Performed

The works performed by the members of the Remuneration Committee during the Year under Review are summarized as below:

- i) considered and made recommendations to the Board for endorsement of the remuneration policy of the Company and letters of appointment of the Directors and senior management with major terms and conditions, to comply with the CG Code; and
- ii) assessed performance of executive Directors and considered and made recommendations to the Board on the remuneration of the Directors and senior management during the Year under Review.

#### 職能

薪酬委員會之主要職責如下：

- i) 就本公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- ii) 向董事會建議個別執行董事及高級管理人員的薪酬待遇。此應包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償）；
- iii) 就執行及非執行董事的薪酬向董事會提出建議；及
- iv) 檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多。

有關薪酬委員會之職權範圍，可瀏覽本公司及香港聯交所網頁。

薪酬委員會應就其他執行董事之薪酬建議諮詢主席及／或行政總裁，亦可索取獨立的專業意見。

#### 履行之工作

薪酬委員會成員於回顧年內所履行之工作概述如下：

- i) 就本公司薪酬政策及本公司董事及高級管理層委聘函的主要條款及條件作出考慮並提出建議予董事會作批註，以符合企業管治守則；及
- ii) 評核執行董事的表現及考慮董事及高級管理層於回顧年內的薪酬並向董事會提出建議。

Pursuant to code provision B.1.5 of the CG Code, the five highest paid employees during the year included one Director (2019: Nil), Details of whose remuneration are set out in Note 8 to the financial statements. Details of the remuneration for the year of the remaining three (2019: four) highest paid employees who are neither a Director nor chief executive of the Company are set out in Note 8 to the financial statements. During the Year under Review, the remuneration paid to the senior management fell within the following band:

根據企業管治守則的守則條文第B.1.5條，本年度五名最高薪酬僱員包括一名董事（二零一九年：無），彼等之薪酬詳情載列於財務報表附註8。本年度餘下三名（二零一九年：四名）既非本公司董事亦非主要行政人員之最高薪酬僱員之薪酬詳情載列於財務報表附註8。於回顧年度，向高級管理層成員支付之薪酬範圍如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,676	5,149
Equity-settled share award expense	以股權結算股份獎勵開支	—	—
Pension scheme contributions	退休金計劃供款	334	332
		<b>4,010</b>	<b>5,481</b>

The number of the highest paid employees who were not Directors and whose remuneration fell within the following band is as follows:

並非董事且薪酬介乎以下範圍之最高薪酬僱員之人數如下：

		2020 二零二零年	2019 二零一九年
Nil to HK\$1,000,000	零至1,000,000港元	1	0
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3	4
		<b>4</b>	<b>4</b>



## NOMINATION COMMITTEE

### Structure

The Nomination Committee was established on 8 June 2015 with written terms of reference in compliance with code provisions A.5.2 and A.5.3 of the CG Code as set out in Appendix 14 to the Listing Rules with the role to lead the process and to make recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing the Company, as well as business development and requirements of the Company.

As at the date of this annual report, the Nomination Committee is made up of one executive Director and two INEDs, namely:

Mr. Chen Chengshou (*Chairman*)  
Mr. Gu Jiong  
Mr. Fong Wo, Felix

### Functions

The principal responsibilities of the Nomination Committee are as follows:

- i) to review the structure, size, composition and diversity (including but not limited to gender, age, culture and education background, ethnicity, professional experience, skills, knowledge and service term, etc.) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the strategy of the Company;
- ii) to assess the independence of the independent non-executive Directors; and
- iii) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive officer, taking into account the corporate strategy of the Company and the mix of skills, knowledge, experience and diversity needed in the future.

### 提名委員會 架構

提名委員會於二零一五年六月八日成立，並遵照上市規則附錄14列載之企業管治守則之守則條文第A.5.2條及A.5.3條制訂及公開其書面職權範圍。其角色為就委任程序作出領導及向董事會提出建議，（當不論作為新增委任或填補董事空缺發生時），以應付本公司所面對的挑戰及機遇，以及本公司業務開發及要求。

於本年報日期，提名委員會由一位執行董事及二位獨立非執行董事組成，彼等為：

陳承守先生 (*主席*)  
顧炯先生  
方和先生

### 職能

提名委員會之主要職責如下：

- i) 至少每年檢討董事會的架構、人數、組成及成員多元化（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- ii) 評核獨立非執行董事的獨立性；及
- iii) 因應本公司的企業策略及日後需要的技能、知識、經驗及多元化組合，就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議。

### Board Diversity Policy

The Nomination Committee has adopted a “Board Diversity Policy” for the nominations of Directors to achieve diversity on the Board. The Board deeply believes that the diversity will benefit a lot to the Company in terms of enhancing the quality of its performance. To achieve the goal of sustainable and balanced development, the Company regards the increasing diversity to the strategic goals as the key element to maintain sustainable development. The Board adheres to the principle that “talent is priority”, and appoints the Directors who can contribute to the diversity of the Board. The Company devotes to find the most suitable people as the member of committee. The Company will base on the scope of diversity, not only including the education background, experience, skills, knowledge and term of appointment but also including but not limited to gender, age, culture background and race, with reference to business model and specific needs of the Company. The final determination is based on merit and contribution that the selected candidates will bring to the Board. “Board Diversity Policy” is publicly available on the website of the Company. As at the date of this annual report, the information (including gender, age and term of appointment) of the members of Board is as follows:

### 董事會成員多元化政策

提名委員會已就董事之提名採納《董事會成員多元化政策》以達致董事會成員多元化。董事會深信董事會成員多元化對提升公司的表現素質裨益良多。為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素。董事會所有委任均以用人唯才為原則，並在考慮人選時以適當的條件充分顧及董事會成員多元化的裨益。公司致力於選擇最佳人選作為董事會成員。甄選人選將按一系列多元化範疇為基準，除教育背景、專業經驗、技能、知識及服務任期外，亦包括但不限於性別、年齡、文化背景及種族，並同時考慮本公司之業務模式及具體需要。最終將按人選的長處及可為董事會提供的貢獻而作決定。《董事會成員多元化政策》已載於本公司網站供公眾瀏覽。於本年報日期，董事會資料（包括性別、年齡、服務任期）如下：

Member 董事會成員	Gender 性別	Age 年齡	Term (Note) 服務任期(附註)
Mr. Chen Chengshou 陳承守先生	Male 男	55 55歲	7 years and 2 months 7年零2個月
Mr. Feng Cizhao 豐慈招先生	Male 男	46 46歲	5 years and 5 months 5年零5個月
Mr. Pu Wei 浦巍先生	Male 男	47 47歲	1 year and 1 month 1年零1個月
Ms. Gao Qiaoqin 高巧琴女士	Female 女	52 52歲	6 years and 9 months 6年零9個月
Mr. Chou Chiu Ho 周昭何先生	Male 男	39 39歲	1 year and 1 month 1年零1個月
Mr. Fong Wo, Felix 方和先生	Male 男	70 70歲	5 years and 9 months 5年零9個月
Mr. Gu Jiong 顧炯先生	Male 男	48 48歲	5 years and 9 months 5年零9個月
Mr. Lo Wa Kei, Roy 盧華基先生	Male 男	49 49歲	5 years and 9 months 5年零9個月
Mr. Choi Clifford Wai Hong 蔡偉康先生	Male 男	63 63歲	N/A (appointed on 16 April 2021) 不適用(於二零二一年 四月十六日獲委任)
Mr. Chu Kin Wang Peleus 朱健宏先生	Male 男	56 56歲	N/A (appointed on 16 April 2021) 不適用(於二零二一年 四月十六日獲委任)

Note: as of 21 April 2021

附註： 直至二零二一年四月二十一日

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

- (A) at least one-third of the members of the Board shall be independent non-executive Directors;
- (B) at least one of the members of the Board shall have obtained accounting or other professional qualifications; and
- (C) members of the Board shall consist of professional talents both from PRC and Hong Kong.

For the year ended 31 December 2020, the Board has achieved the measurable objectives in the board diversity policy.

The Nomination Committee will monitor the implementation of this policy and review this policy, as appropriate, to ensure the effectiveness of this policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The terms of reference of the Nomination Committee can be found on the websites of the Company and the Hong Kong Stock Exchange.

#### Works Performed

The works performed by the members of Nomination Committee during the Year under Review are summarized as below:

- i) formulated, considered and reviewed the policy, procedures and process and criteria for the nomination of the Directors and made recommendations to the Board for its endorsement; and
- ii) reviewed the structure, size and composition of the Board and assessed on the independence of the independent non-executive Directors.

#### Director Nomination Policy

The director nomination policy formulated by the Nomination Committee is as follows:

This policy sets out the key selection criteria and principles of the Nomination Committee in making any such recommendations.

就實施董事會成員多元化政策而言，乃採納以下可計量目標：

- (A) 至少三分之一董事會成員須為獨立非執行董事；
- (B) 至少一名董事會成員須獲得會計或其他專業資格；及
- (C) 董事會成員組成包括中港兩地專業人才。

截至二零二零年十二月三十一日止年度，董事會已實現董事會成員多元化政策中的可計量目標。

提名委員會監察本政策的執行，並在適當時候檢討本政策，以確保本政策行之有效。提名委員會將會討論任何或需作出的修訂，再向董事會提出修訂建議，由董事會審批。

有關提名委員會之職權範圍，可瀏覽本公司及香港聯交所網頁。

#### 履行之工作

提名委員會成員於回顧年內所履行之工作概述如下：

- i) 訂定、考慮及審閱提名董事的政策、程序及過程及準則，並向董事提出建議，以供其批註；及
- ii) 檢討董事會的架構、規模及組成以及評估獨立非執行董事的獨立性。

#### 董事提名政策

提名委員會訂定的《董事提名政策》如下：

此政策旨在列明提名委員會於作出任何有關建議時所採用的主要甄選標準及原則。

### Selection Criteria

The Nomination Committee shall consider the following factors, which are not exhaustive and shall be used by the Board at its discretion, in assessing the suitability of the proposed candidate regarding the appointment of directors or re-appointment of any existing Board member(s):

- |   |   |
|---|---|
| <p>(a) reputation for integrity;</p>  | <p>(a) 誠信的聲譽；</p>   |
| <p>(b) accomplishment, experience and reputation in the business and industry;</p>  | <p>(b) 在商業和行業中的成就、經驗和聲譽；</p>  |
| <p>(c) commitment in respect of time availability, interest and attention to the businesses of the Company and its subsidiaries;</p>  | <p>(c) 對本公司及其子公司的業務給予足夠的時間、興趣和關注的承諾；</p>  |
| <p>(d) the diversity of the candidates in all aspects with reference to the Board Diversity Policy of the Company (as adopted and amended by the Board from time to time), including but not limited to gender, age, cultural/educational and professional background, ethnicity, professional experience, independence, skills, knowledge and length of service;</p>   | <p>(d) 參考本公司的董事會成員多元化政策（經董事會採納並不時修訂），考慮其所有方面的多樣性，包括但不限於性別、年齡、文化／教育和專業背景、種族、專業經驗、獨立性、技能、知識及服務期長短；</p>                                      |
| <p>(e) in case of a candidate for an independent non-executive director of the Company, to assess: (i) the independence of such candidate with reference to, among other things, the independence criteria as set out in Rule 3.13 of the Listing Rules; and (ii) the guidance and requirements in relation to independent non-executive directors as set out in Code Provision A.5.5 of Appendix 14 to the Listing Rules and in the "Guidance for Boards and Directors" published by the Hong Kong Stock Exchange; and</p> | <p>(e) 就本公司獨立非執行董事候選人而言，將予評估：(i)有關候選人的獨立性（參考（其中包括）上市規則第3.13條所載的獨立性標準）；及(ii)上市規則附錄十四守則條文第A.5.5條及香港聯交所公佈的「董事會及董事指引」所載的有關獨立非執行董事之指引及規定；及</p> |
| <p>(f) any other relevant factors that may be considered by the Nomination Committee or the Board from time to time at their discretion.</p>  | <p>(f) 提名委員會或董事會不時酌情決定的任何其他相關因素。</p>  |

### 甄選標準

提名委員會在評估候選人是否適合任命董事或重新任命董事時，應考慮下列因素，這些因素並非詳盡無遺，董事會認為適當時候可酌情決定：

#### Nomination Procedures

The nomination procedures to select and recommend candidates for the directorship of the Company can be summarised as follows:

- (a) The chairman of the Nomination Committee will, upon his/her own motion or receipt of a nomination from a Board member (as the case may be), convene a meeting of the Nomination Committee or circulate a resolution in writing to the members of the Nomination Committee to consider the same in accordance with the terms of reference.
- (b) For filling a casual vacancy to the Board or as an addition to the Board, the Nomination Committee will conduct the relevant selection process (coupled with the relevant selection criteria) to the nominated candidate and make recommendations to the Board for consideration, and the Board will then decide as to whether the nominated candidate shall be eligible to be appointed as a Director of the Company.
- (c) For the re-election of Directors of the Company:

the Nomination Committee will conduct the relevant selection process and selection criteria to the director proposed to be re-appointed and make recommendations to the Board for consideration, and the Board will then decide as to whether the director shall be eligible to be re-appointed as a Director of the Company; and

if the director proposed to be re-appointed or re-elected due to retirement by rotation under the Articles of Association of the Company is an independent non-executive Director who has served the Board for more than 9 years, the Nomination Committee shall also assess whether the director has remained independent in the context of the Listing Rules, as amended from time to time (the "Listing Rules") and shall be re-elected at the next general meeting of the Company and make recommendations to the Board for consideration. The Board will then decide as to whether the director has remained independent in the context of the Listing Rules, and if so, recommend the proposed re-appointment/re-election of the director to the shareholders of the Company for consideration at the next general meeting of the Company. According to the Code Provision A.4.3 of the Appendix 14 to the Listing Rules, the circular of the Company relating to the proposed reappointment of such director shall include the reasons why the Board believes that the director is still independent and shall be re-elected.

#### 提名程序

甄選及推薦本公司董事候選人的提名程序可概述如下：

- (a) 提名委員會主席將出於自願或於獲得董事會成員提名(視情況而定)時，召開提名委員會會議或向提名委員會成員傳閱書面決議案，以根據職權範圍考慮有關事項。
- (b) 填補董事會的臨時空缺或為董事會增補董事時，提名委員會將對獲提名的候選人執行相關甄選程序(連同相關甄選標準)，並向董事會提出推薦意見以供考慮，而董事會屆時將決定獲提名候選人是否有資格獲委任為本公司董事。
- (c) 於重選本公司董事時：

提名委員會將對擬獲重選董事執行相關甄選程序及甄選標準，並向董事會提出推薦意見以供考慮，而董事會屆時將決定董事是否有資格獲重新委任為本公司董事；及

倘因根據本公司組織章程細則輪席告退而擬獲重新委任或重選的董事為出任董事會逾9年的獨立非執行董事，則提名委員會亦應評估董事就上市規則(經不時修訂)(「上市規則」)而言是否仍屬獨立及應否於本公司下屆股東大會上膺選連任，並向董事會提出推薦意見以供考慮。董事會屆時將決定董事就上市規則而言是否仍屬獨立，倘屬獨立，將於本公司下屆股東大會向本公司股東推薦擬重新委任/重選董事。根據上市規則附錄十四守則條文第A.4.3條，有關擬重新委任有關董事的本公司通函應包括董事會相信董事仍屬獨立且應獲重選之理由。

### Information of the Candidates

The proposed candidates will be required to submit the necessary personal information in a prescribed form by the Nomination Committee. Candidates may be required to provide additional information and documents, if deemed necessary by the Nomination Committee.

For the year ended 31 December 2020, Mr. Pu Wei and Mr. Chou Chiu Ho were nominated by the Company for directorship.

### Management Functions

Basically, the Board and its committees were responsible for the following matters during the year:

- |  |   |
|--|---|
| (i) oversee the general operations of the Company;   | (i) 監察本公司的一般營運；                                       |
| (ii) ensure effective implementation of the Board decisions and corporate governance, with the assistance of the Company Secretary;  | (ii) 於公司秘書的協助下，確保董事會的決定及企業管治能有效實施；                    |
| (iii) ensure the short-term and long-term sustainability of the business;  | (iii) 確保業務具有短期及長期的持續性；                                |
| (iv) lead the performance of the management of the Company in meeting agreed goals and objectives and monitor the reporting of performance;  | (iv) 領導本公司管理層於達致協定方針及目標的表現以及監察表現的申報工作；                |
| (v) provide consistent leadership to the Company;  | (v) 為本公司提供一致的領導；                                      |
| (vi) satisfy itself on the integrity of financial information and on robustness and defensibility of the financial controls and systems of risk management and carry out review thereon;                                       | (vi) 信納財務資料的真確性、財務監控及風險管理系統的可信性及可辯解性，並就此進行有關檢討；       |
| (vii) scrutinize the performance of the management of the Company in meeting agreed goals and objectives and monitor the reporting of performance;   | (vii) 詳細檢討本公司管理層於達致協定方針及目標的表現，並監管表現的申報；               |
| (viii) provide constructive proposals and help on developing business strategic plan;  | (viii) 就發展業務策略計劃書提供具建設性的建議及協助；                        |
| (ix) uphold high standards of corporate governance and compliance; and   | (ix) 保持高水平的企業管治及合規工作；及                                |
| (x) participate in the process of dealing with any conflict of interest between the Company and the Directors, his/her associates or substantial shareholders who have material interests in the transaction with the Company. | (x) 參與處理就本公司與董事、彼等聯繫人或於本公司交易中擁有重大權益的主要股東之間的任何利益衝突的過程。 |

### 候選人資料

提名委員會將要求推薦的候選人按指定的形式提交必要的個人資料，候選人或需提供額外資料及文件（倘提名委員會認為必要）。

截至二零二零年十二月三十一日止年度，浦巍先生及周昭何先生被提名擔任董事職務。

### 管理層職能

基本上，董事會及其委員會於本年度內負責以下事項：

- |   |
|---|
| (i) 監察本公司的一般營運；                                       |
| (ii) 於公司秘書的協助下，確保董事會的決定及企業管治能有效實施；                    |
| (iii) 確保業務具有短期及長期的持續性；                                |
| (iv) 領導本公司管理層於達致協定方針及目標的表現以及監察表現的申報工作；                |
| (v) 為本公司提供一致的領導；                                      |
| (vi) 信納財務資料的真確性、財務監控及風險管理系統的可信性及可辯解性，並就此進行有關檢討；       |
| (vii) 詳細檢討本公司管理層於達致協定方針及目標的表現，並監管表現的申報；               |
| (viii) 就發展業務策略計劃書提供具建設性的建議及協助；                        |
| (ix) 保持高水平的企業管治及合規工作；及                                |
| (x) 參與處理就本公司與董事、彼等聯繫人或於本公司交易中擁有重大權益的主要股東之間的任何利益衝突的過程。 |

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

During the Year under Review, the management was mainly responsible for the following matters:

1. daily investment, management, operation and administration of the Company;
2. comply with the rules and regulations, including the Listing Rules, and implement corporate governance policy determined by the Board;
3. draw the Directors' attention on the new corporate governance requirements;
4. organize the Board and various meetings for the Directors' discussion;
5. prepare various reports to the Board for review and decision making; and
6. organize training for the Directors.

During the Year under Review, the management provided all members of the Board updates every half year in accordance with the code provision C.1.2 of the CG Code.

### MULTIPLE MATERIAL UNCERTAINTIES RELATING TO GOING CONCERN

As set out in Note 2 to the consolidated financial statements, the Group incurred a net loss of approximately RMB1,115,904,000 for the year ended 31 December 2020. At 31 December 2020, the Group's current liabilities exceeded its current assets by approximately RMB1,941,145,000. In addition, at 31 December 2020, interest payments of approximately RMB242,977,000 relating to interest-bearing borrowings of the Group of aggregate principal amount of approximately RMB1,873,909,000 and the convertible bonds issued by the Group amounting approximately RMB252,604,000 ("In Default Borrowings") were not paid in accordance with the repayment schedules pursuant to the borrowing agreements which constituted events of defaults. These conditions, together with other matters disclosed in Note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

於回顧年內，管理層主要負責：

1. 本公司的日常投資、管理、營運及行政；
2. 遵守規例及法規（包括上市規則）以及推行董事會所釐定的企業管治政策；
3. 提請董事關注有關企業管治的新規定；
4. 組織董事會會議及各種會議供董事討論；
5. 編製各種報告供董事會審閱及決策；及
6. 為董事安排培訓。

回顧年內，管理層已根據企業管治守則之守則條文第C.1.2條向全體董事會成員提供每半年更新資料。

### 與持續經營相關的多個不確定事項

誠如綜合財務報表附註2所載，本集團於截至二零二零年十二月三十一日止年度產生虧損淨額約人民幣1,115,904,000元。於二零二零年十二月三十一日，本集團的流動負債超過其流動資產約人民幣1,941,145,000元。此外，於二零二零年十二月三十一日，本集團本金總額約為人民幣1,873,909,000元之計息借款及本集團發行金額約人民幣252,604,000元的可換股債券（「違約借款」）的利息付款約人民幣242,977,000元未根據借款協議之償還時間表償還，其構成違約事項。該等狀況連同綜合財務報表附註2所述其他事宜，表明存在的重大不確定性可能對本集團持續經營業務的能力帶來重大疑問。

The directors of the Company have been undertaking measures to improve the Group's liquidity and financial position, which are set out in Note 2 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple material uncertainties, including (i) successfully negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default, including those with cross-default terms (if applicable); (ii) successfully negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (iii) successfully negotiating with various financial institutions and potential lenders/investors to identify various options for additionally financing the Group's working capital and commitments in the foreseeable future; (iv) successfully accelerating the pre-sale and sale of properties under development and completed properties and speeding up the collection of outstanding sales proceeds, and controlling costs and capital expenditure so as to generate adequate net cash inflows; (v) successfully looking for large property development enterprises and cooperating with investors to develop properties under development of the Group through joint efforts; and (vi) successfully procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project at a price deemed appropriate.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

本公司董事已採取多項措施，以改善本集團的流動性及財務狀況，有關資料載於綜合財務報表附註2。綜合財務報表是依據持續經營的假設上編製，其有效性取決於該等措施實施之結果，並受限於多個不明朗因素，包括(i)成功與本集團現有貸款人磋商，確保相關貸款人不會採取行動以要求即時償還拖欠的借款及利息(包括交叉違約條款所涵蓋的借款及利息)(倘適用)；(ii)成功與各家金融機構就尚欠借款(包括已逾期本金及利息)磋商達成重續或延展還款安排；(iii)成功與各家金融機構及潛在貸款人/投資者磋商以物色多種選擇為本集團可見將來的營運資金及承擔額外撥資；(iv)成功加速開發中物業及已竣工物業之預售和銷售，加速收回尚未支付的銷售所得款項，以及控制成本和資本開支，從而產生充足現金流入淨額；(v)成功物色大型物業開發企業，並與投資者合作共同開發本集團開發中物業及(vi)成功促使及與大型物業開發企業磋商有關出售個別物業開發項目的初步條款(倘認為價格合適)。

倘本集團未能按持續經營基準經營，而可能須作出有關調整以撇減本集團資產的賬面值至其可回收金額，並就可能產生進一步負債計提撥備並將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未於該等綜合財務報表中反映。



#### THE MANAGEMENT'S POSITION, VIEW AND ASSESSMENT ON THE DISCLAIMER OF OPINION

During the course of audit of the consolidated financial statements of the Group for the year ended 31 December 2020, the Auditor had raised concern on the Group's ability to operate as a going concern. In order to address this concern, the Company has, among other things, taken the following steps: (i) continuously negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default, including those with cross-default terms; (ii) continuously negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (iii) continuously negotiating with various financial institutions and potential lenders/investors to identify various options for additionally financing the Group's working capital and commitments in the foreseeable future; (iv) accelerating the pre-sale and sale of properties under development and completed properties, such as Shandong Project and Chongqing Project and controlling costs and controlling capital expenditure so as to generate adequate net cash inflows; (v) actively looking for large property development enterprises and cooperating with investors to develop properties under development of the Group through joint efforts; and (vi) actively procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project or whole commercial property at a price deemed appropriate. Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements of the Group for the year ended 31 December 2020 on a going concern basis.

Notwithstanding the above, material uncertainties exist as to whether the Group is able to obtain the necessary funding and achieve the plans and measures above. The Group's ability to continue as a going concern would depend upon whether the Group is able to obtain financing when required, the attainability depends on the performance of the Group and whether the Group is able to generate sufficient cash flow from operations and plans to control costs, and the attainability depends on the market performance. Despite the efforts made by the Company to address the concern, the Auditor proposed the disclaimer of opinion. The management of the Company has considered the Auditor's rationale and understood their consideration in arriving the disclaimer of opinion.

#### 管理層有關無法表示意見的立場、意見及評估

於審核本集團截至二零二零年十二月三十一日止年度之綜合財務報表過程中，核數師已就本集團持續經營業務的能力提出關注。為解決此問題，本公司已採取以下措施（其中包括）：(i)繼續與本集團現有貸款人磋商，確保相關貸款人不會採取行動以要求即時償還拖欠的借款及利息（包括違約條款所涵蓋的借款及利息）；(ii)就尚欠借款（包括已逾期本金及利息）正與各家金融機構繼續磋商達成重續或延展還款安排；(iii)與各家金融機構以及潛在貸款人／投資者繼續磋商及物色多種選擇為本集團可見將來的營運資金及承擔額外撥資；(iv)加速開發中物業及已竣工物業之預售和銷售諸如山東項目和重慶項目，以及控制成本和控制資本開支，從而產生充足現金流入淨額；(v)積極物色大型物業開發企業並與投資者共同合作開發本集團開發中物業；及(vi)積極促使及與大型物業開發企業磋商有關出售個別物業開發項目或整棟商用房的初步條款（倘認為價格合適）。因此，董事認為按持續基準編製本集團截至二零二零年十二月三十一日止年度的綜合財務報表屬恰當。

儘管上文所述，但本集團能否獲得實現上述有關計劃及措施的必要資金仍存在重大不確定因素。本集團持續經營的能力將取決於本集團能否取得所需融資，而可獲得性將取決於本集團的表現及本集團能否產生充足的經營現金流量及控制成本的計劃，可獲得性取決於市場表現。儘管本公司努力解決此問題，而核數師已發表無法表示意見。本公司管理層已考慮核數師的基本原理，並理解彼等作出無法表示意見的考慮。

## DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT

All Directors had participated in continuous professional development to develop and refresh their knowledge and skills through suitable training. These training included but not limited to general disclosure duty related to Directors, guide on inside information disclosure, market misconduct framework, case analysis and other compliance trainings. The participation in such trainings is to ensure that their contribution to the Board remains informed and appropriate.

For the year ended 31 December 2020, the Directors also participated in the following training:

## 董事之持續專業發展

全體董事已參與持續專業發展，透過合適培訓發展及更新彼等之知識及技能。該等培訓包括但不限於有關董事一般性披露責任、內幕消息披露指引及市場失當行為的框架及案例分析等合規培訓。該等培訓之參與乃確保彼等向董事會作出知情及恰當之貢獻。

截至二零二零年十二月三十一日止年度，董事亦有參與以下培訓：

Directors	董事	Types of training 培訓類型
<b>Executive Directors</b>	<b>執行董事</b>	
Mr. Chen Chengshou	陳承守先生	B
Mr. Feng Cizhao	豐慈招先生	B
Mr. Chou Chiu Ho (appointed on 5 February 2020 and re-designated as a non-executive director on 1 May 2020)	周昭何先生(於二零二零年二月五日獲委任及於二零二零年五月一日調職為非執行董事)	A, B
Mr. Pu Wei (appointed on 5 February 2020)	浦巍先生(於二零二零年二月五日獲委任)	B
<b>Non-executive Directors</b>	<b>非執行董事</b>	
Ms. Gao Qiaoqin	高巧琴女士	B
Mr. Chou Chiu Ho (re-designated on 1 May 2020)	周昭何先生(於二零二零年五月一日調職)	A, B
Mr. Choi Clifford Wai Hong (appointed on 16 April 2021)	蔡偉康先生(於二零二一年四月十六日獲委任)	N/A 不適用
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Fong Wo, Felix	方和先生	A, B
Mr. Gu Jiong	顧炯先生	A, B
Mr. Lo Wa Kei, Roy	盧華基先生	A, B
Mr. Chu Kin Wang Peleus (appointed on 16 April 2021)	朱健宏先生(於二零二一年四月十六日獲委任)	N/A 不適用

A: attending seminars and/or conferences and/or forums

A: 出席研討會及/或會議及/或論壇

B: reading newspapers, journals and updates relating to the latest changes and development of the economy, relevant industries, the Listing Rules, corporate governance practices, and etc.

B: 閱讀有關經濟、相關行業、上市規則、企業管治常規之最新變動及發展等之報章、刊物及更新資料

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

#### DIVIDEND POLICY

The Board of the Company has approved and adopted a dividend policy (the "Dividend Policy") on 26 February 2019. The Company considers stable and sustainable returns to the shareholders of the Company as its goal. Pursuant to the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia:

- (a) financial performance, cash flow position, business condition and strategic position of the Group
- (b) actual and future demand for working capital and liquidity of the Group
- (c) expected future expansion plans of the Group
- (d) debt to equity ratios and the debt level of the Group
- (e) retained earnings and distributable reserves of the Group
- (f) the expectation of the shareholders and investors and the norm of the industry
- (g) the general market conditions
- (h) any restrictions on payment of dividends
- (i) any other relevant factors that the Board deems appropriate

In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. Pursuant to the Memorandum and Articles of the Association of the Company and all applicable laws and regulations and the factors set out below, the Board may from time to time declare payment of interim dividends or special dividends to the shareholders as appear to the Board to be justified by the financial conditions and profit of the Company. The Company in general meeting may declare final dividends in any currency but no dividends shall exceed the amount recommended by the Board.

The Board of the Company will review the Dividend Policy as appropriate from time to time.

#### REVIEW OF ANNUAL RESULTS

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive Directors, namely Mr. Lo Wa Kei, Roy (being the chairman of the Audit Committee), Mr. Gu Jiong and Mr. Fong Wo, Felix. The consolidated interim and annual results and financial reports for the Year under Review of the Company have been reviewed by the Audit Committee.

#### 股息政策

本公司董事會已於二零一九年二月二十六日批准及採納股息政策(「股息政策」)。本公司以提供穩定及可持續回報予本公司股東作為目標。根據股息政策，在決定是否建議派發股息及釐定股息金額時，董事會將考慮(其中包括)：

- (a) 本集團的財務業績、現金流狀況、業務狀況及策略狀況
- (b) 本集團的實際和未來營運及流動資金需求狀況
- (c) 本集團預期未來擴展計劃
- (d) 本集團的負債對權益比率及債務水準
- (e) 本集團的保留盈餘和可供分派儲備
- (f) 股東及投資者的期望及行業的常規
- (g) 一般市場情況
- (h) 任何派付股息的限制
- (i) 董事會認為適當的任何其他相關因素

在建議或宣派股息時，本公司應維持足夠現金儲備，以應付其資金需求、未來增長以及其股權價值。根據本公司組織章程大綱及細則、所有適用法規及下列因素，董事會可不時向股東支付其鑑於本公司的財務狀況及溢利而認為合理的中期股息或特別股息，而本公司亦可在股東大會中宣佈任何貨幣之末期股息，但任何股息均不得多於董事會所建議的款額。

本公司董事會將在有需要時檢討股息政策。

#### 審閱年度業績

本公司審核委員會(「審核委員會」)成員包括三名獨立非執行董事，即盧華基先生(即審核委員會主席)、顧炯先生及方和先生。審核委員會已審閱本公司回顧年內的綜合中期及年度業績及財務報告。

## INDEPENDENT AUDITOR'S REMUNERATION

For the year ended 31 December 2020, the remuneration paid or payable to the Independent Auditor of the Company, MAZARS CPA Limited ("MAZARS"), was approximately RMB1.5 million (equivalent to HKD1.8 million) for audit services (Ernst & Young: approximately RMB2.7 million in 2019).

For the year ended 31 December 2020, MAZARS, the Independent Auditor, did not provide the Group with any non-auditing services.

## SCOPE OF WORK OF MAZARS CPA LIMITED

The figures in respect of the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto of the Group for the Year under Review as set out in this annual report have been agreed by the auditor of the Group, MAZARS, to the amounts set out in the audited consolidated financial statements of the Group during the Year under Review.

## FINANCIAL REPORTING

The Company aims to present a clear, balanced and understandable assessment of its financial position and prospects. Financial results are announced as early as possible, with interim report and annual report as well as other price-sensitive announcements and financial disclosures published as required under the Listing Rules.

The management provides explanation, information and progress update to the Board for it to make an informed assessment of the financial and other issues put before the Board for approval and consideration.

Throughout the Year under Review, the Directors had selected appropriate accounting policies and applied them consistently. The Directors acknowledge their responsibilities for preparing the financial accounts of the Group which give a true and fair view and are in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board. A statement made by the Independent Auditor on their reporting responsibilities for the Year under Review is set out in this annual report.

The Group's auditor has issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2020 with the basis of multiple material uncertainties relating to going concern. For details, please refer to "Management Discussion and Analysis" and Note 2 to the consolidated financial statements on pages 127 to 129.

## 獨立核數師酬金

截至二零二零年十二月三十一日止年度，就核數服務已付或應付予本公司的獨立核數師中審眾環(香港)會計師事務所有限公司(「中審眾環」)的酬金總額為約為人民幣150萬元(相當於港幣180萬元)(安永會計師事務所：二零一九年約為人民幣270萬元)。

截至二零二零年十二月三十一日止年度，獨立核數師中審眾環並無為本集團提供任何非審核服務。

## 中審眾環(香港)會計師事務所有限公司之工作範圍

本集團核數師中審眾環同意本年報所載本集團於回顧年內的綜合財務狀況表及綜合損益及其他全面收益表及其相關附註中之數據，與本集團回顧年內的經審核綜合財務報表所載數額一致。

## 財務報告

本公司旨在對其財務狀況及前景作出清晰、平衡及可理解評估之呈報。財務業績以儘早發佈為基礎，而中期報告及年報，連同其他股價敏感資料公佈及財務披露則根據上市規則之規定而公佈。

管理層向董事會提供解釋、資料及最新進度，讓董事會就財務及其他事項於提交董事會審批及考慮前，可作出知情評估。

於回顧年內，董事已選取合適之會計政策並貫徹應用。董事確認彼等之責任為編製本集團之財務賬目，賬目須真實而公平，並根據國際會計準則理事會頒佈之國際財務報告準則而編製。獨立核數師就彼等於回顧年內之報告責任所發出之聲明已載於本年報內。

基於與持續經營相關的多個不確定事項，本集團核數師對本集團截至二零二零年十二月三十一日止年度綜合財務報表無法表示意見。詳情請參閱「管理層討論及分析」及第127至129頁綜合財務報表附註2。

## RISK MANAGEMENT AND INTERNAL CONTROL Goals and objectives

The Board acknowledges that it is the responsibility of the Board to maintain adequate risk management and internal control systems and to review the effectiveness of such systems on an ongoing basis. Such risk management and internal control systems are designed for managing risks rather than eliminating the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Risk management policy has been established to formalize the risk management of the Group, build up a standard and effective risk management system and improve the ability of risk prevention, so as to ensure that the Group could operate in a safety and steady environment, the operation management level could be increased and the Group's operational strategy and target could be achieved. The current practices will be reviewed and updated regularly to follow the latest practices in corporate governance.

The Board has delegated the work (with relevant authorities) of risk management and internal controls to the Audit Committee. For the year ended 31 December 2020, the Audit Committee, on behalf of the Board, oversees the management in the design, implementation and monitoring of the risk management and internal control systems.

## Main features of the risk management and internal control systems

The risk governance structure and the main responsibilities of each level of the structure of the Group are summarised as below:

### Board

- Determines the business strategies and objectives of the Group, and evaluates and determines the nature and extent of risks it is willing to take in achieving the strategic objectives of the Group;
- Ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems; and
- Oversees the management in the design, implementation and monitoring of the risk management and internal control systems.

## 風險管理及內部監控 方針及目標

董事會確認對風險管理及內部監控系統充分性負責，並有責任持續檢討其有效性。該風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且就避免重大的失實陳述或損失而言，僅能作出合理而非絕對的保證。

已制定風險管理政策落實本集團的風險管理，建立標準及有效風險管理系統，提升防範風險能力，從而確保本集團於安全穩定的環境中經營業務，經營管理水平可獲提升，且可達成本集團的經營策略及目標。現有慣例將被定期審閱及更新，以遵循企業管治中的最新慣例。

董事會已將其風險管理及內部監控的職責（與相關權力）轉授予審核委員會。截至二零二零年十二月三十一日止年度，審核委員會（代表董事會）監督管理層對風險管理及內部監控系統的設計、實施及監察。

## 風險管理及內部監控系統的主要特點

本集團之風險管治架構以及架構內各階層的主要職責簡介如下：

### 董事會

- 釐定本集團之業務策略與目標，及評估並釐定本集團達成策略目標時所願意接納的風險性質及程度；
- 確保本集團建立及維持合適及有效的風險管理及內部監控系統；及
- 監督管理層對風險管理及內部監控系統的設計、實施及監察。

**Audit Committee**

- Assists the Board to perform its responsibilities of risk management and internal control;
- Oversees the risk management and internal control systems of the Group on an ongoing basis;
- Reviews the effectiveness of the risk management and internal control systems of the Group at least once annually, which includes the reliability of financial reporting, operational effectiveness and efficiency, compliance with applicable laws and regulations, staff qualifications and experience, and adequacy of relevant budget, and such review shall cover all material controls including financial, operational and compliance control;
- Ensures the adequacy of resources, staff qualifications and experience, training programmes and relevant budget of the accounting, internal audit and financial reporting functions of the Group; and
- Considers major findings on risk management and internal control matters, and reports and makes recommendations to the Board.

**Management**

- Designs, implements and maintains appropriate and effective risk management and internal control systems;
- Identifies, evaluates and manages the risks that may potentially impact the major processes of the operations;
- Monitors risks and takes measures to mitigate risks in day-to-day operations;
- Gives prompt responses to, and follows up the findings on risk management and internal control matters raised by the internal audit team or the external risk management and internal control review adviser; and
- Provides confirmation to the Board and Audit Committee (there is no risk management committee) on the effectiveness of the risk management and internal control systems.

**審核委員會**

- 協助董事會執行其風險管理及內部監控的職責；
- 持續監督本集團的風險管理及內部監控系統；
- 最少每年檢討一次本集團的風險管理及內部監控系統是否有效。當中包括財務匯報的可靠性，營運效益及效率，適用法令及法規的遵從，員工資格與經驗，以及有關預算是否足夠，有關檢討應涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控；
- 確保本集團在會計、內部審核及財務匯報職能方面有足夠的資源、員工資歷與經驗、員工培訓課程，以及有關預算；及
- 考慮有關風險管理及內部監控事宜的重要調查結果，並向董事會匯報及作出建議。

**管理層**

- 設計、實施及維持合適及有效的風險管理及內部監控系統；
- 識別、評估及管理可能對運作之主要程序構成潛在影響之風險；
- 監察風險並採取措施降低日常營運風險；
- 對內部審計團隊或外部風險管理及內部監控審閱顧問提出之有關風險管理及內部監控事宜之調查結果，作出及時的回應及跟進；及
- 向董事會及審核委員會（並無風險管理委員會）提供有關風險管理及內部監控系統是否有效的確認。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

#### Internal Control Management Team

- Reviews the adequacy and effectiveness of the risk management and internal control systems of the Group;
- Reports to the Audit Committee the findings of the review and makes recommendations to the Board and management to improve the material systems deficiencies or control weaknesses identified;
- Reviews the risks of major investment development projects, and continuously improves the policies and standards for environmental control in accordance with the COSO internal control framework and the comprehensive risk management framework to ensure effective risk prevention and control; and
- Based on five elements, namely environment control, risk assessment, activities control, information and communication, monitoring to assess the internal control system of the Group. The methods, findings and results of the annual review have been reported to the Audit Committee and the Board.

#### Process Used to Identify, Evaluate and Manage Significant Risks

As a routine procedure and part of the risk management and internal control systems, executive Directors and the senior management would meet at least once every three months to review the financial and operating performance of each department. The senior management of the key operating subsidiaries is also required to keep executive Directors informed of material developments of the business of the department and implementation of the strategies and policies set by the Board on a regular basis.

The processes for identifying, evaluating and managing significant risks by the Group are summarised as follows:

##### Risk Identification

- Identifies risks that may potentially affect the business and operations of the Group.

##### Risk Assessment

- Assesses the risks identified by using the assessment criteria developed by the management; and
- Considers the impact of risk on the business and the likelihood of their occurrence.

##### Risk Response

- Prioritises the risks by comparing the results of the risk assessment; and
- Determines the risk management strategies and internal control procedures to prevent, avoid or mitigate the risks.

#### 內控管理團隊

- 審閱本集團風險管理及內部監控系統是否足夠及有效；
- 向審核委員會匯報審閱結果並向董事會及管理層作出建議，以改善制度之重大不足之處或所發現之監控缺失；
- 審查重大投資開發項目的風險，按照COSO內部控制框架和全面風險管理框架，持續改善控制環境的政策及標準，確保風險的有效防控；及
- 根據控制環境、風險評估、控制活動、信息和溝通及監督五大範疇，評估本集團之內部監控系統。年度檢討之方法、發現及結果經已向審核委員會及董事會彙報。

#### 用於識別、評估及管理重大風險的程序

作為常規程序及部分風險管理及內部監控系統的一部分，執行董事及高級管理層將至少每三個月會見一次，以檢討各部門的財務及營運業績。主要經營附屬公司的高級管理層亦須告知執行董事部門業務的重大發展以及實施董事會定期制定的策略及政策。

本集團用於識別、評估及管理重大風險的程序簡介如下：

##### 風險識別

- 識別可能對本集團業務及營運構成潛在影響之風險。

##### 風險評估

- 使用管理層建立之評估標準，評估已識別之風險；及
- 考慮風險對業務之影響及出現之可能性。

##### 風險應對

- 透過比較風險評估之結果，排列風險優先次序；及
- 釐定風險管理策略及內部監控程序，以防止、避免或降低風險。

**Risk Monitoring and Reporting**

- Performs ongoing and periodic monitoring of the risk and ensures that appropriate internal control procedures are in place;
- Revises the risk management strategies and internal control procedures in case of any significant changes; and
- Reports the results of risk monitoring to the management and the Board regularly.

The Board has in place an internal audit function as required under code provision C.2.5 of the CG Code. To strengthen the risk management and internal control of the Group, the Company has engaged an independent professional adviser (“Internal Control Adviser”) to perform an independent appraisal of certain subsidiary’s risk management and internal control system for the year ended 31 December 2020. The scope of review for the Year included revenue process, project management, expense process, human resources management process, financial report and disclosure process, as well as information system management (general control) process of a principal operating subsidiary. The Internal Control Adviser has reported the results of internal control review and recommendations for improvement to the Audit Committee. The Group will closely follow up on each recommendation for improvement to ensure that it is implemented within a reasonable period of time. The Board, therefore, considers that the risk management and internal control procedures of the Group are adequate to meet the needs of the Company in its current business environment and that nothing has come to its attention to cause the Board to believe the risk management and internal control systems of the Group are inadequate.

**風險監察及匯報**

- 持續並定期監察有關風險，以及確保設有適當的內部監控程序；
- 於出現任何重大變動時，修訂風險管理策略及內部監控程序；及
- 向管理層及董事會定期匯報風險監察的結果。

董事會已根據企業管治守則的守則條文第C.2.5條設立內部審核職能。為加強本集團的風險管理及內部監控，本公司已委聘獨立專業顧問（「內部監控顧問」）對若干附屬公司於二零二零年十二月三十一日止年度的風險管理及內部監控系統展開獨立評估。本年度檢討的範圍包括一間主要營運附屬公司的收益流程、項目管理、費用支出流程、人力資源管理流程、財務彙報及披露流程及信息系統管理（一般控制）流程。內部監控顧問已向審核委員會報告內控審閱結果及改善建議。本集團會密切跟進各改善建議，確保於合理的時間範圍內實施。董事會認為本集團的風險管理及內部監控程序有效，足以應付本公司當前業務環境的需求，且未有發現任何導致董事會相信本集團風險管理及內部監控體系並不充分之事宜。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

#### Information Disclosure Policy

An information disclosure policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosures are made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and
- Designated persons authorised to act as spokespersons and respond to external enquiries.

#### REVIEW OF THE AUDIT COMMITTEE AND THE BOARD

The Audit Committee and the Board had reviewed the risk management and internal control of the Group for the Year under Review. They considered the risk management and internal control system were effective and adequate as they allowed the Board to monitor the overall financial position of the Group and to provide reasonable assurance that assets are safeguarded against unauthorised use or material financial misstatement; transactions were executed with authorization of the management; and the accounting records were reliable for preparing financial information used within the business or for publication and reflecting accountability for assets and liabilities.

The Audit Committee has reviewed the impact over the Group against COVID-19 epidemic. The Group has been back to normal operation in the second half of 2020, which does not have material impact on operation.

#### COMPANY SECRETARY

The company secretary of the Company, Mr. Kam Chun Ying Francis ("Mr. Kam"), directly reports to the chief executive officer and is responsible to the Board for ensuring that the Board procedures, applicable laws, rules and regulations are followed and the Board activities are efficiently and effectively conducted. He is also responsible for ensuring that the Board is fully apprised of the relevant corporate governance developments relating to the Group and arranging the induction training and professional development for the Directors.

According to Rule 3.29 of the Listing Rules, Mr. Kam has taken no less than 15 hours of relevant professional training for the year ended 31 December 2020.

#### 信息披露政策

本集團訂有信息披露政策，確保能掌握潛在內幕消息並加以保密，直至按上市規則作出一致且適時的披露為止。該政策規管處理及發放內幕消息的方式，其中包括以下各項：

- 特設匯報渠道，讓不同營運單位向指定部門匯報潛在內幕消息的信息；
- 指定人士及部門按需要決定進一步行動及披露方式；及
- 指定人士為發言人，回應外界查詢。

#### 審核委員會及董事會之審閱

審核委員會及董事會已審閱本集團回顧年內之風險管理及內部監控。審核委員會認為風險管理及內部監控系統屬有效及足以讓董事會監察本集團之整體財務狀況及可合理確定資產不會被未授權使用或虛報重大財務資料；交易乃根據管理層之授權簽立；及會計記錄能可靠地編製供業務內使用或作刊發之財務資料，並反映資產及負債之可表述性。

審核委員會已審核新冠病毒疫情對本集團的影響。本集團已於2020年下半年回復正常運作，未有對營運造成重大影響。

#### 公司秘書

本公司公司秘書甘俊英先生（「甘先生」）直接向行政總裁匯報，並向董事會負責，以確保遵從董事會程序、適用法律、規定及法規，且董事會活動有效率並有效地進行。彼亦負責確保董事會全面評估與本集團有關的相關企業管治發展及安排董事的入職培訓及專業發展。

根據上市規則第3.29條，甘先生已於截至二零二零年十二月三十一日止年度參與不少於15小時的相關專業培訓。

## SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

The Company adopted an amended and restated memorandum and articles of association on 8 June 2015, which became effective on the Listing Date. Save as disclosed above, there had been no significant changes in the constitutional documents of the Company during the year ended 31 December 2020.

## SHAREHOLDERS' RIGHTS

The Company treats all shareholders equally with a view to ensuring that their rights can be fully exercised and their legitimate interests can be safeguarded and that the shareholders' general meetings can be convened and held in strict compliance with the relevant laws and regulations. The governing structures of the Company ensure equality among all shareholders, especially the minority shareholders and that they will undertake their obligations accordingly.

### Procedures for convening general meetings by shareholders

Pursuant to Article 64 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of 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 having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. 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 proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### Procedures for putting forward proposals at Shareholders' meeting

Shareholders are requested to follow Article 64 of the Articles of Association for proposing a resolution at an extraordinary general meeting. The requirements and procedures are set out in the paragraph headed the "Procedures for convening general meetings by shareholders" above.

## 章程文件的重大變更

本公司已於二零一五年六月八日採納經修訂及經重列之備忘錄及組織章程細則並於上市日期生效。除上文所披露外，本公司截至二零二零年十二月三十一日止年度之章程文件並無重大變更。

## 股東權利

本公司平等對待所有股東，確保股東能充分行使權利。保護其合法權益：能夠嚴格按照相關法律法規的要求召集、召開股東大會、本公司的管治結構確保所有股東，特別是中小股東享有平等的權利，並承擔相應的義務。

### 股東召開股東大會之程序

根據組織章程細則第64條，董事會可按其認為合適的時候召開特別股東大會。特別股東大會亦可由一名或多名持有股東要求召開，該等股東於提出要求當日須持有本公司實繳股本不少於十分之一併有權在股東大會上投票。有關要求須以書面形式向董事會或公司秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須在存放該請求書後2個月內召開。如董事會在請求書存放日期起計21日內未有進行安排召開有關會議，則請求(或多名請求人)可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而招致的所有合理費用，須由本公司償還請求人。

### 股東於股東大會上提呈建議之程序

在股東特別大會上提呈決議案的股東應遵循組織章程細則第64條的規定。有關規定及程序載於上文「股東召開股東大會之程序」一段。

#### Procedures for nominating a candidate for election as a Director by shareholders of the Company

Pursuant to Article 113 of the Articles of Association, no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office of the Company. The period for lodgment of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

For details of the procedures for nominating a candidate for election as a Director by shareholders, please visit the website of the Company.

#### SHAREHOLDERS COMMUNICATION POLICY

##### 1. PURPOSE

- 1.1 This policy aims to set out the objective of providing shareholders with information about the Company, so that they can engage actively with the Company and exercise their rights as shareholders in an informed manner.

##### 2. GENERAL POLICY

- 2.1 Information shall be circulated to shareholders through the financial reports of the Company (interim and annual reports), annual general meetings and other general meetings that may be convened, as well as by making available all the (i) corporate communication documents including, but not limited to, copy of annual reports, interim reports, notices of meetings, circulars, proxy forms ("Corporate Communication"); (ii) other documents issued by the Company which are published on the website of the Main Board of the Hong Kong Stock Exchange for the information or action of holders of any of its securities, including announcements, monthly returns on movements in the securities of the Company for each month and next day disclosure returns; (iii) constitutional documents of the Company and Board committees; (iv) corporate information including a list of directors ("Directors") of the Company; and (v) other corporate publications including the procedures for nominating a candidate for election as a Director by shareholders on the website of the Company.
- 2.2 Effectively and timely dissemination of information to shareholders shall be ensured at all times. Any question regarding this policy shall be directed to the Company Secretary or the Board of Directors of the Company.

#### 本公司股東提名人選參選董事之程序

根據公司章程第113條，除非一項有意提名選舉該位人士為董事的書面通知以及一項該位被推選人士簽發表明其願意選舉之書面通知已呈交至本公司總辦事處或註冊辦事處，否則概無人士（退任董事除外）有權在任何股東大會上選舉出任董事職位（除非由董事會推選）。提交該等通知之期間須由不早於指定進行該推選之股東大會通告寄發翌日起計，及不遲於該股東大會舉行日期前七日結束，而向本公司發出該等通知之最短期間須為最少七日。

有關「本公司股東提名人選參選董事之程序」的詳情，請瀏覽本公司網站。

#### 股東傳訊政策

##### 1. 目的

- 1.1 本政策旨在載列向本公司股東提供有關本公司的資料之目標，讓其可積極與本公司交流及以有根據的方式行使其作為股東之權利。

##### 2. 整體政策

- 2.1 本公司須通過本公司之財務報告（中期報告及年度報告）、股東週年大會及可能召開之其他股東大會向股東提供資料，並須在本公司網站內提供所有(i)公司通訊文件（包括（但不限於）年報、中期報告、大會通告、通函、代表委任表格）（「公司通訊」）；(ii)本公司所發出而在香港聯交所主板之網站刊登以供其任何證券持有人參考或行動的其他文件，包括公佈、每個月本公司的證券變動月報表及翌日披露報表；(iii)本公司及董事會委員會之憲章文件；(iv)公司資料，包括本公司董事（「董事」）名單；及(v)其他公司刊物，包括股東可提名某人競選董事的程序。
- 2.2 須時刻確保有效及適時向股東分發資料。有關本政策之任何疑問可向本公司之公司秘書或本公司董事會提出。

### 3. COMMUNICATION STRATEGIES

#### Shareholders' Enquiries

- 3.1 Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary by mail at Unit B, 17/F., United Centre, 95 Queensway, Admiralty, Hong Kong. The Company Secretary is responsible for forwarding communications relating to matters within the direct responsibilities of the Board to it and communications relating to ordinary business matters, such as suggestions and inquiries, to the CEO of the Company.
- 3.2 Shareholders will be provided with the information of designated contact person, e-mail address and hotlines to enable them to raise any questions regarding the Company.

#### Corporate Communication

- 3.3 Corporate Communication will be provided to shareholders in plain language and in both English and Chinese versions to facilitate their understanding.

#### Corporate Website

- 3.4 A dedicated "Investor Relations" section is available on the website of the Company (<http://www.xinm.com.cn>). Information on the website of the Company will be updated on a regular basis.
- 3.5 Information released by the Company to the Hong Kong Stock Exchange is also uploaded on the website of the Company immediately thereafter. Such information includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents.

#### Shareholders' Meetings

- 3.6 Shareholders are encouraged to attend general meetings or if they fail to do so, to appoint proxies to attend and vote at such meetings on their behalf.
- 3.7 Appropriate arrangements for annual general meetings shall be in place to encourage shareholders' participation.
- 3.8 The process of a general meeting of the Company will be monitored and reviewed on a regular basis, and changes will be made if necessary to ensure compliance with shareholders' needs.
- 3.9 The members of the Boards (especially the Chairman or the representative of the Board committee), appropriate management executives and external auditors will attend annual general meetings and answer shareholders' questions.

### 3. 溝通策略

#### 股東查詢

- 3.1 股東可將其查詢及關注事項以寄往至香港金鐘金鐘道95號統一中心17樓B室，註明公司秘書收，以便送交董事會。公司秘書會將有關董事會直接負責事宜的通訊轉交董事會及將有關建議及查詢等日常業務事宜的通訊轉交本公司行政總裁。
- 3.2 股東將獲提供本公司之指定聯絡人、電郵地址及查詢熱線，讓其可就本公司提出任何疑問。

#### 公司通訊

- 3.3 公司通訊將會以中、英文以淺白語言提供予股東，以便股東理解。

#### 公司網站

- 3.4 本公司網站(<http://www.xinm.com.cn>)設有「投資者關係」一欄。本公司網站的資料會定期更新。
- 3.5 本公司向香港聯交所發放的資料亦於其後隨即上載本公司網站。有關資料包括財務報表、業績公佈、通函及股東大會通告及相關說明文件等。

#### 股東大會

- 3.6 鼓勵股東參與股東大會，或如其無法出席股東大會，則委任代表代其出席股東大會及於會上表決。
- 3.7 股東週年大會將訂有適當安排以鼓勵股東參與。
- 3.8 本公司股東大會之過程將獲得監察及定期檢討，如有需要，會作出更改，以確保能配合股東需要。
- 3.9 董事會成員（特別是董事會委員會主席或其代表）、適當的管理行政人員及外聘核數師，將出席股東週年大會，回答股東提問。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告書

#### 4. SHAREHOLDER PRIVACY

- 4.1 The Company recognises the importance of shareholders' privacy and will not disclose shareholders' information without their consent, unless required by law.

#### INVESTOR RELATIONS

Accountability and transparency are indispensable for ensuring good corporate governance and, in this regard, timely communication with the shareholders, including institutional investors, is crucial. The Company considers good investor relations as a key part of its operations and continues to promote investor relations and enhances communications with the investors.

The Company maintains a website (<http://www.xinm.com.cn>) to make the corporate information available on the internet to facilitate its communication with shareholders and to provide the public investors with important information, including corporate governance structure and terms of reference of Board committees.

The Company welcomes comments from investors and shareholders, and invites them to share their views and suggestions at:

[investorcontact@yahoo.com](mailto:investorcontact@yahoo.com)

#### 4. 股東私隱

- 4.1 本公司肯定股東私隱的重要性，除非法律要求，否則在未得其同意的情况下，不會披露股東資料。

#### 投資者關係

問責制及透明度乃確保良好企業管治之不二法門。就此，與股東（包括機構投資者）定時溝通更屬不可或缺之部份。本公司認為良好投資者關係乃其運作之主要部份，並持續推廣投資者關係及加強與投資者之溝通。

本公司設有公司網頁(<http://www.xinm.com.cn>)，使股東可透過互聯網取得公司資料，加強與股東之溝通，並提供重要資料予公眾投資，包括企業管治架構以及董事會轄下委員會之職權範圍。

本公司歡迎投資者及股東提出意見，並誠邀彼等分享意見及建議，電郵地址為：

[investorcontact@yahoo.com](mailto:investorcontact@yahoo.com)

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### ABOUT THE REPORT

#### Purpose of the report

The Group is pleased to present its Environmental, Social and Governance (“ESG”) Report (the “Report”). The Report details the ESG policies, measures and performance of Xinming China Holdings Company and its subsidiaries (collectively as the “Group” or “we”) during the Year, so as to help stakeholders better understand the Group’s progress and development direction on sustainable development issues. The Report shall be published both in Chinese and English on the website of the Stock Exchange. Should there be any discrepancy between the Chinese and the English versions, the Chinese version shall prevail.

#### Scope and duration of the report

The year under review for the Report is the period from 1 January 2020 to 31 December 2020 (the “Year”). The scope of the Report during the Year is the same as last year, including:

- The Group’s head office in Hangzhou;
- Shandong Xingmeng Property Limited (“Shandong Xingmeng”) Office;
- Shandong Xingmeng Project Company and its property development projects, including:

### 關於本報告

#### 報告目的

本集團欣然提呈其環境、社會及管治(「ESG」)報告(「本報告」)。本報告詳述新明中國控股有限公司連同其附屬公司(統稱「本集團」或「我們」)於本年度在環境、社會及管治方面的政策、措施和績效，讓各持份者更了解本集團於可持續發展議題的進程和發展方向。本報告以中文及英文刊發於聯交所網站。倘中英文版本間出現不符，概以中文版為準。

#### 報告範圍及期間

本報告的回顧年度為2020年1月1日至2020年12月31日止期間(「本年度」)。本年度的報告範圍與去年度相同，包括：

- 本集團位於杭州的總辦公室；
- 山東興盟置業投資有限公司(「山東興盟」)辦公室；
- 山東興盟項目公司及其物業開發項目，包括：

#### Project 項目

#### Use 用途

Shandong Baidimao Mall (formerly known as Xingmeng International Mall) — Commercial	A one-stop life procurement center integrating professional market, residence, office, and leisure shopping
山東百地茂商城(原稱「興盟國際商城」) — 商業	集專業市場、居住、辦公、休閒購物為一體的一站式生活採購中心
Shandong Baidimao Mall — Residential 山東百地茂商城 — 住宅	Residential property 住宅

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Reporting standards

The Report is prepared in accordance with the applicable disclosure requirements set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Details of corporate governance are set out in the section headed "Corporate Governance Report".

#### Reporting principles

In the course of preparation of the Report, the Group adhered to the following reporting principles: materiality, quantitative, balance and consistency.

#### 報告準則

本報告內容乃遵照《香港聯合交易所有限公司證券上市規則》附錄二十七中「環境、社會及管治報告指引」所載適用披露規定而編製。有關企業管治的詳情個別載於「企業管治報告書」一節。

#### 報告原則

在編製過程中，本集團秉持以下報告原則：重要性、量化、平衡及一致性。

Principle 原則	Definition 定義	Responses from the Group 本集團的回應
Materiality 重要性	The Report should cover the institution's prominent impact on the economy, environment and society, or such scopes that substantively influence stakeholder assessment and decisions. 報告應涵蓋反映機構對經濟、環境及社會的顯著影響，或實質上影響持份者評估及決定的範疇。	We identified material sustainability issues and disclosed relevant information through stakeholder engagement. 透過持份者參與來識別重大可持續發展議題並披露相關資料。
Quantitative 量化	The Report should disclose key performance indicators in quantitative terms. 報告應以可以計量的方式披露關鍵績效指標。	We disclosed key performance indicators in the Report with quantitative measures whenever feasible. 我們在可行情況下，以量化方式披露關鍵績效指標於本報告內。
Balance 平衡	The Report should present a balanced picture of each of these issues in an objective manner, be they positive or negative, to ensure a comprehensive picture of performance is reasonably reflected. 報告應以客觀態度持平地描述每項議題，無論屬於正面或負面，以確保合理地反映機構的整體績效。	The Report identified and elaborated both the achievements and the challenges faced by the Group. 本報告識別並闡述本集團的成就及所面對的挑戰。
Consistency 一致性	The Report should disclose information in a consistent manner so that stakeholders can analyse and assess the institution's performance in different periods of time. The institution should explain the change(s) to any of its methods. 報告應使用一致方式披露資訊，以便持份者分析及評估機構於不同時間的表現。機構應就任何方法的變化作出解釋。	Unless otherwise specified, the Report adopted consistent methodologies to compare the key performance indicators of different areas for the Year and last year, so that stakeholders can compare our performance. 除特別指明外，本報告採用一致的方法比較不同範疇在本年度及去年的關鍵績效指標，以便持份者對我們的表現作比較。

## Feedback on the report

We have always believed that the valuable opinions of our stakeholders are the basis for our continuous improvement. If you have any comments or suggestions on the Report and our sustainable development, please write to us at Unit B, 17/F., United Centre, 95 Queensway, Admiralty, Hong Kong.

## BUILDING A SUSTAINABLE FUTURE

### Sustainability governance structure supervised by the Board

The Board is responsible for identifying and evaluating the Group's ESG-related potential risks, so as to ensure that appropriate and effective ESG risk management and internal control systems are implemented. In addition, the Board is responsible for supervising and supporting the sustainable development measures of all functional departments of the Group. The Group has established an independent ESG group since 2018 who reports to the Board on the progress of ESG work on a regular basis. Our ESG group consists of the following positions:

## 報告回應

我們一貫認為，持份者的寶貴意見，是我們賴以持續改進的基礎。閣下對本報告以及我們的可持續發展工作，如有任何意見或建議，歡迎致函至香港金鐘金鐘道95號統一中心17樓B室。

## 建立可持續發展未來

### 由董事會監督的可持續發展管治架構

董事會負責識別及評估本集團ESG相關的潛在風險，以確保適當且有效的ESG風險管理和內部監控系統落實執行。同時，董事會負責監督及支持本集團所有職能部門的可持續發展措施。自2018年，本集團開始已經擁有獨立的ESG小組，其ESG小組會定時向董事會匯報環境社會及管治工作的進度。而我們的ESG小組由以下職位組成：





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### ESG risk management

The Board confirmed that it is responsible for the adequacy of the risk management system. The directors identified significant risks that may potentially affect the business and operations of the Group through regular review of the financial and operating performance of each department. Subsequently, we determined the risk management strategies and internal control procedures to prevent, avoid or mitigate the risks. For details of risk management and internal control, please refer to the section headed "Corporate Governance Report", and for details of the principal risks and uncertainties we have identified, please refer to the section headed "Directors' Report".

#### Stakeholder engagement

The Group realizes that having an understanding of our stakeholders is critical to the successful integration of sustainability into our business and operations. We engage stakeholders through the following multiple communication channels, so as to effectively integrate their concerns into our decision-making process.

#### 環境、社會及管治風險管理

董事會確認對風險管理系統充分性負責。董事透過定期檢討各部門的財務及營運業績，以識別可能對本集團業務及營運構成潛在影響之重大風險。及後，透過釐定風險管理策略及內部監控程序以防止、避免或降低風險。有關風險管理及內部監控詳情請參閱「企業管治報告書」一節，而我們已識別的主要風險及不明朗因素詳情請參閱「董事會報告書」一節。

#### 持份者參與

本集團意識到了解我們的持份者，對於將可持續發展成功融入我們的業務及營運而言極為重要。我們透過以下多種溝通渠道，讓持份者參與其中，從而有效地將其關注重點融入我們的決策過程。

Stakeholders 持份者	Communication channels 溝通渠道	Concerns 關注重點
Employees 員工	<ul style="list-style-type: none"><li>Internal communication</li><li>內部通訊</li><li>Employee activity</li><li>員工活動</li><li>Training</li><li>培訓</li><li>Performance assessment</li><li>績效考核</li></ul>	<ul style="list-style-type: none"><li>Employment rights and interests</li><li>僱傭權益</li><li>Benefits and Welfare</li><li>待遇及福利</li><li>Training and career development</li><li>培訓及事業發展</li><li>Occupational safety and health</li><li>職業安全及健康</li></ul>
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"><li>General meetings</li><li>股東大會</li><li>Annual reports, announcements and circulars</li><li>年報、公告及通函</li><li>Company's website</li><li>公司網站</li></ul>	<ul style="list-style-type: none"><li>Return on investment</li><li>投資回報</li><li>Corporate governance</li><li>公司管治</li><li>Risk control</li><li>風險控制</li><li>Information transparency</li><li>資訊透明度</li></ul>

Stakeholders 持份者	Communication channels 溝通渠道	Concerns 關注重點
Customers 客戶	<ul style="list-style-type: none"> <li>• Direct communication 直接溝通</li> <li>• E-mail and telephone 電郵及電話</li> </ul>	<ul style="list-style-type: none"> <li>• Housing quality 房產質量</li> <li>• Customer service 客戶服務</li> </ul>
Suppliers/construction contractors 供應商／建築承包商	<ul style="list-style-type: none"> <li>• Direct communication 直接溝通</li> <li>• E-mail and telephone 電郵及電話</li> <li>• On-site inspection 實地考察</li> <li>• Meeting 會議</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier management 供應商管理</li> <li>• Honesty and integrity 誠信廉潔</li> </ul>
Government 政府	<ul style="list-style-type: none"> <li>• Submission of information as required 按規定提交資料</li> <li>• E-mail and telephone 電郵及電話</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations 遵守法律法規</li> <li>• Tax payment in accordance with laws 依法納稅</li> <li>• Promote regional economic development and employment 推動區域經濟發展及就業</li> </ul>
Communities 社區	<ul style="list-style-type: none"> <li>• Company's website 公司網站</li> <li>• Mass media 大眾傳媒</li> </ul>	<ul style="list-style-type: none"> <li>• Community engagement 社區參與</li> <li>• Care for the environment 愛護環境</li> <li>• Job opportunities 工作機會</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

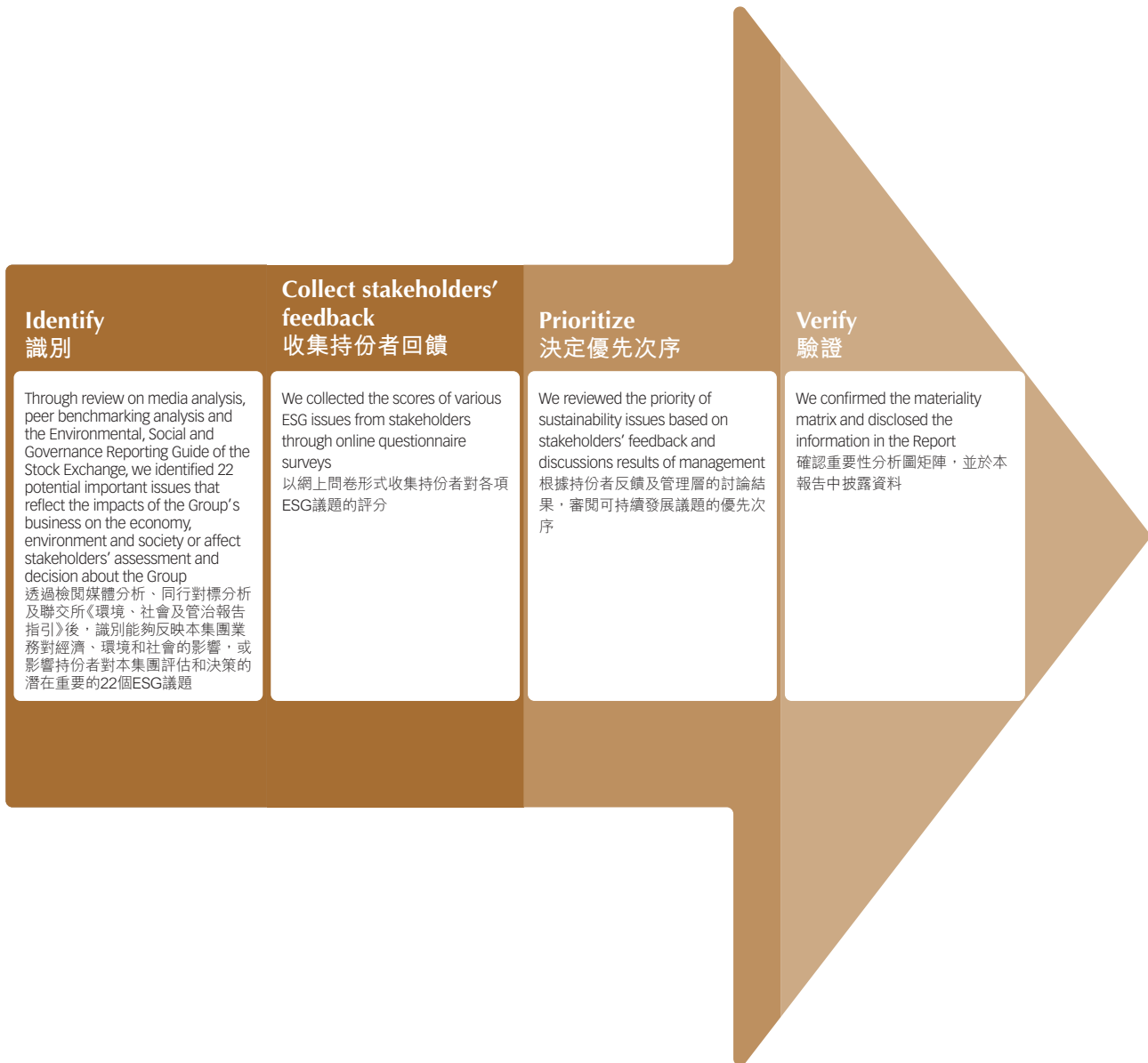
## 環境、社會及管治報告書

### Materiality assessment

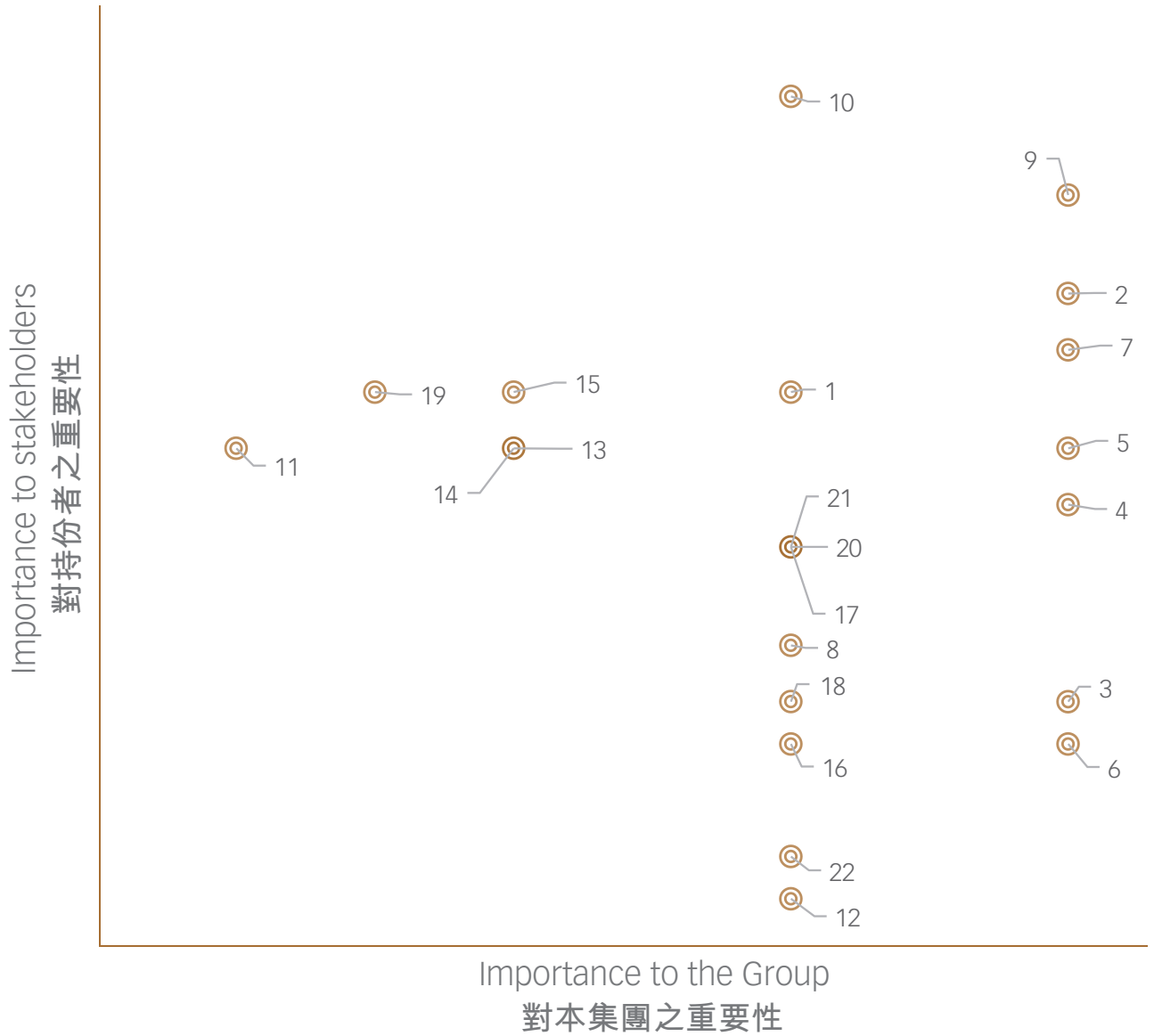
Materiality assessment facilitates us to identify and give priority to issues that are important to our stakeholders, thereby gradually building their trust in us. In preparing the Report, we collected the scores of various ESG issues from stakeholders through online questionnaire surveys. The specific process for materiality assessment is as follows:

### 重要性評估

重要性評估有助我們識別和優先處理持份者重視的事項，從而逐漸建立持份者對我們的信任。我們在準備本報告時通過網上問卷形式以收集持份者對各項ESG議題的評分，具體重要性評估過程如下：



Materiality analysis on each issue  
各個議題之重要性分析



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

Environment 環境	Social 社會	
	<b>Employment 僱傭</b>	<b>Operation 營運</b>
1. Exhaust emission 廢氣排放	7. Employee benefits 僱員福利	12. Environmental risks in the supply chain 供應鏈中的環境風險
2. Waste 廢棄物	8. Equal opportunity, diversity and anti-discrimination 平等機會、多元化、反歧視	13. Social risks in the supply chain 供應鏈中的社會風險
3. Carbon emissions and energy 碳排放及能源	9. Occupational health and safety 職業健康及安全	14. Product certification and quality 產品鑑證及質量
4. Water resources 水資源	10. Staff development and training 員工發展及培訓	15. Customer service 顧客服務
5. Risks of climate change 氣候變化的風險	11. Employment compliance 僱傭合規性	16. Intellectual property management 知識產權管理
6. Green procurement 綠色採購		17. Marketing and advertising 市場推廣及廣告
		18. Anti-corruption 反貪污
		19. Data protection and network security 數據保護與網絡安全
		20. Economic performance 經濟表現
		21. Business expansion 業務擴展
		<b>Community 社區</b>
		22. Community investment 社區投資

We have developed the above materiality matrix based on the survey results to determine the priority of sustainable development issues. The upper right corner of the materiality matrix is the issue of greatest concern to stakeholders. In particular, the following 5 issues are identified as more important ESG issues, which will be the key disclosures in the Report:

我們根據調查結果繪製了以上重要性矩陣，以確定可持續發展議題的優先順序。重要性矩陣的右上角部份為持份者最為關注的課題。當中，以下5個被識別為較為重要的環境、社會及管治議題，將於本報告中進行重點披露：

No. 編號	Key disclosure issue 重點披露議題	Disclosure section 披露章節
9	Occupational health and safety 職業健康與安全	Occupational health and safety 職業健康與安全
2	Waste 廢棄物	Creating values for the environment 為環境創造價值
7	Employee benefits 僱員福利	Creating values for our employees 為員工創造價值
10	Staff development and training 員工發展及培訓	Creating values for our employees 為員工創造價值
5	Risks of climate change 氣候變化的風險	Sustainability governance structure supervised by the Board 由董事會監督的可持續發展管治架構

#### CREATING VALUES FOR THE ENVIRONMENT

The Group has always attached great importance to environmental protection and is committed to contributing to environmental protection, so as to minimize the impact of its daily operations on the environment. We strictly abide by the PRC laws and regulations on exhaust emissions, greenhouse gas emissions, discharges into water and land, as well as waste discharge. For the properties and development projects, the Group will engage third-party environmental consultants to carry out environmental impact assessment on the exhaust, sewage, solid waste, environmental risk, sound control and impact on the ecological environment caused during the construction process and after the completion of the construction project prior to the commencement of construction, and submit the environmental impact assessment report to relevant government authority for approval. We are required to submit a new environmental impact assessment report for approval before proceeding with the project if there is any material change to the size or nature of construction site of the relevant projects.

We require our contractors to comply with the laws and regulations related to environmental protection and safety in the PRC, and make every effort to prevent or reduce the air pollution, noise pollution, discharge of waste water and waste. We make regular visits to the construction site to verify whether the performance of the contractor meets the requirements under the contract, so as to ensure that any problems that arise are immediately taken seriously and rectified. Upon completion of the project, the Group will apply to relevant government authority for the acceptance related to the environmental inspection to ensure that all requirements are met prior to delivery to customers.

The Group is aware of the inevitable generation of exhaust and noise during the construction process, so we are committed to requiring the contractor to be responsible for the development project and take the following effective measures to reduce the impact on the environment.

#### 為環境創造價值

本集團一直以來高度重視環境保護，致力為環境保護出一份力，把日常業務對環境的影響減至最低。我們嚴格遵守中國法律及法規有關廢氣排放、溫室氣體排放、水及土地排放以及廢物排放等的規定。本集團的物業及開發項目均會在施工前委託第三方環境顧問就施工過程中及在建築項目完成後所帶來的廢氣、污水、固體廢物、環境風險、聲音控制及對生態環境的影響等進行環境影響評估，並把環境影響評估報告交予相關政府機構作審批。若發現相關項目的建築地盤在規模或性質上會作出重大改變，我們更需要向政府機構提交新的環境評估報告以作審批，才可以繼續項目的發展。

我們要求合作的承包商遵守中國有關的環境保護及跟安全有關的法律及法規，並盡力防止或者降低空氣污染、噪音污染、廢水和廢物排放。我們會定期前往建築地盤以檢查承包商的表現是否符合合同要求，以確保倘若有任何問題發生都可立刻正視並作出糾正。在工程完成時，本集團會向相關政府部門申請環境檢查有關的驗收，確保所有要求都符合資格才交付客戶。

本集團明白在施工過程中無可避免會製造廢氣及噪音，所以我們致力要求負責開發工程的承建商並採取以下有效的措施以降低對環境的影響。

**In terms of exhaust**

- In order to prevent dust pollution during the construction process, a continuous and closed fence shall be built up around the construction site during construction, and a dust-proof net shall be installed outside the construction area of the construction site;
- The roads at the construction site shall be paved or mobile sprinklers, movable fog guns, tower crane sprays and other equipment shall be in place to spray the ground to reduce dust;
- Application of airtight storage or design of fence and use of dust-proof cloth to cover building materials that are easily to generate dust;
- A car washing platform shall be provided to clean transportation vehicles in a timely manner, keep the vehicles clean, and prevent the vehicles from dusting caused by sticking mud and dust;
- Bagging measures shall be taken in transporting the waste to the ground from the upper floor of the building, and it is prohibited to throw and scatter it in the air.

**In terms of noise**

- Low-noise equipment shall be used as far as possible, the speed of excavators, loading and unloading vehicles to enter and leave the site shall be limited;
- Reasonable arrangement shall be made to the construction hours to avoid simultaneous and long-term operation of a large number of high-noise equipment;
- Temporary sound barriers shall be equipped around the construction site, with a view to reducing the impact of noise on the surroundings;
- We will also arrange appropriate construction hours, including avoiding operating during the lunch break, or prohibiting further construction activities after 10 p.m.

**廢氣方面**

- 為防止施工過程中的揚塵污染問題，在施工建設期間工地周圍設有連續、密閉的圍檔，對工地建築施工範圍外設置防塵網；
- 工地內車行道路採取硬化或置移動灑水車、移動霧炮、塔吊噴淋等設備以噴灑地面從而減低揚塵情況；
- 採用密閉儲存或設計圍擋及使用防塵布覆蓋容易產生揚塵的建築物料；
- 提供洗車平台以及時清洗運輸車輛，保持車輛清潔，防止車輛因粘帶泥塵而導致揚塵；
- 廢棄物在建築物上層運輸到地面時需要採取袋裝化措施，並禁止凌空拋撒。

**噪音方面**

- 盡量採用低噪聲設備，挖掘機、裝車車輛進出場地限速行駛；
- 合理安排拖工時間，避免大量的高噪聲設備同時及長時間施工；
- 在施工現場周圍建設臨時聲障，希望可以減弱噪音對鄰近環境的影響；
- 我們亦會安排適當的施工時間，包括避免中午的休息時間作業，或在晚間十點後禁止繼續施工。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Gas emissions

All real estate development projects of the Group are undertaken by third-party contractors. Therefore, the Group is not involved in the direct generation of air, water and construction waste pollution caused by construction projects. The gas emissions of the Group during the Year primarily come from emissions from private car and electricity consumption. The following table sets out the summary of our performance in usage of energy and gas emissions:

#### 氣體排放

本集團所有的房地產開發工程均由第三方承建商負責。因此，本集團沒有直接產生因建築工程所引致的空氣、水及建築廢料污染。本年度本集團的主要氣體排放來源為私家車排放物及電力消耗。下表概述我們的能源使用及氣體排放表現：

	2020 <sup>1</sup>	2019 <sup>2</sup>	Unit 單位
<b>Gas emissions</b>			
<b>氣體排放</b>			
Nitrogen oxides (NOx) 氮氧化物(NOx)	2.84	2.64	kg 公斤
Sulphur oxides (SOx) 硫氧化物(SOx)	0.08	0.07	kg 公斤
Particular matter (PM) 懸浮顆粒(PM)	0.20	0.19	kg 公斤
<b>Greenhouse gas emissions</b>			
<b>溫室氣體排放</b>			
Total emissions (Scopes 1 and 2) 總排放量(範圍1及2)	660.15	851.13	tonnes of CO <sub>2</sub> equivalent 公噸二氧化碳當量
Intensity of greenhouse gas emissions 溫室氣體排放密度	4.75	6.12	kg CO <sub>2</sub> equivalent/m <sup>2</sup> 公斤二氧化碳當量/平方米
Scope 1 (Direct emissions) 範圍1(直接排放)	15.37	12.34	tonnes of CO <sub>2</sub> equivalent 公噸二氧化碳當量
Scope 2 (Indirect emissions) 範圍2(間接排放)	644.78	838.79	tonnes of CO <sub>2</sub> equivalent 公噸二氧化碳當量

<sup>1</sup> The emissions of exhaust gas and greenhouse gas are disclosed based on the requirements stipulated in the "How to Prepare an ESG Report" published by the Stock Exchange of Hong Kong Limited and the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

<sup>2</sup> Our data in 2019 has been recalculated with reference to the latest emission factors of electricity purchased for Mainland China supplementary to the "How to Prepare an ESG Report" published by the Stock Exchange of Hong Kong Limited.

<sup>1</sup> 有關廢氣及溫室氣體排放的披露，我們乃根據香港聯合交易所刊發的《如何編製環境、社會及管治報告》內訂明的要求及世界資源研究所(WRI)和世界可持續發展工商理事會(WBCSD)刊發的《溫室氣體核算體系企業核算與報告標準(修訂版)》而編製。

<sup>2</sup> 我們參考了香港聯合交易所刊發的《如何準備環境、社會及管治報告》中最新所補充的中國內地外購電力排放係數，並對我們2019年度的數據作重新計算。

	2020	2019 <sup>2</sup>	Unit 單位
<b>Energy consumption</b>			
<b>能源消耗</b>			
Total energy consumption	724,912.22	912,864.42	kWh
能源消耗總量			千瓦時
Intensity of energy consumption	5.22	6.57	kWh/m <sup>2</sup>
能源消耗密度			千瓦時／平方米
Total electricity purchased	669,561	870,629	kWh
總外購電力			千瓦時
Electricity purchased for office	326,537	401,422	kWh
辦公室外購電力			千瓦時
Electricity purchased for construction site	343,024	469,207	kWh
工地外購電力			千瓦時
Unleaded petrol	33,419.79	42,235.42	kWh
無鉛汽油			千瓦時
Diesel oil <sup>3</sup>	16,886.10	—	kWh
柴油 <sup>3</sup>			千瓦時
Liquefied petroleum gas <sup>3</sup>	5,045.33	—	kWh
液化石油氣 <sup>3</sup>			千瓦時

Note: As our real estate development projects are outsourced to the contractors, the data in relation to the construction project has not been collected and disclosed in the Report.

註：由於我們將房地產開發工程外判予承建商，故工程項目上的數據未能予以收集及披露於本報告中。

<sup>2</sup> Our data in 2019 has been recalculated with reference to the latest emission factors of electricity purchased for Mainland China supplementary to the "How to Prepare an ESG Report" published by the Stock Exchange of Hong Kong Limited.

<sup>2</sup> 我們參考了香港聯合交易所刊發的《如何準備環境、社會及管治報告》中最新所補充的中國內地外購電力排放係數，並對我們2019年度的數據作重新計算。

<sup>3</sup> Due to the gradual improvement in our data collection system, the data of diesel oil and liquefied petroleum gas are available during the Year.

<sup>3</sup> 由於數據收集系統日益完善，故於本年度內可獲得柴油及液化石油氣的數據。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Sewage disposal

The wastewater generated during the construction of the projects mainly includes domestic wastewater and wastewater generated from construction. During the process of construction, the measures for wastewater prevention and treatment we require the contractors to take include setting up wastewater sedimentation tanks to collect all types of wastewater generated from production activities used for adding humidity to construction sites and road dust control; we also require the construction workers to collect domestic waste and construction waste, and dispose and transport such waste in a timely manner to prevent the groundwater contamination caused by rain wash. During the Year, we have no difficulty in sourcing water that is fit for purpose.

#### 污水排放

項目施工期廢水主要為生活污水和建設施工廢水。我們在施工期要求承建商採取的廢水防治措施包括設置廢水沉澱池以收集各類生產廢水作場地增濕道路抑塵使用；及要求施工人員要集中生活垃圾及建築垃圾，並需要及時清運以防止因雨水淋浴而導致地下水污染的問題。本年度，我們在求取適用水源方面並無任何問題。

	2020	2019	Unit 單位
Total water consumption 總耗水量	13,294	11,458	m <sup>3</sup> 立方米
Water consumption of office 辦公室耗水量	10,277	5,914	m <sup>3</sup> 立方米
Water consumption of construction sites 工地耗水量	3,017	5,544	m <sup>3</sup> 立方米
Water consumption intensity 耗水密度	0.10	0.082	m <sup>3</sup> /m <sup>2</sup> 立方米/平方米

#### Waste management

Solid wastes generated during the construction mainly include domestic waste and construction waste. During the foundation excavation work, the contractors will promptly arrange for outward transportation to ensure that the temporary stack height will not exceed 1.5 meters. Both domestic waste and construction waste will be collected and disposed by municipal environmental hygiene authority. The waste will be sealed in the process of transportation. Not only sorting out but also storage in impervious trash can is needed to prevent exposure, scattering or dripping. In particular, construction waste, broken brick and residues can be used to fill foundations, while other types of waste, such as wood, floor mortar, concrete, metal products, steel, plastic products, hardware and other materials, need to be transported to designated locations for disposal. If appropriate, the waste will be distributed to recycling stations or sold to waste collection stations for processing and recycling.

#### 廢棄物管理

項目施工期固體廢物主要為生活垃圾和建築垃圾，項目工地在進行基礎挖土工程時，承建商需確保其臨時堆積高度不超過1.5米並安排及時外運。生活垃圾和建築廢料由市政環境衛生部每天負責收集清理。在運輸過程需要使用密封化處理，不單止將其分類，還需要使用不透水的垃圾桶存放以防止露出、散落或滴漏的情況發生。特別是建築廢料，碎磚石、殘渣可以用作填築地基用，但其他類型的材料例如木材、落地砂漿、混凝土、金屬製品、鋼材、塑料製品、小五金等物料，便需要送往指定地點處理，若適用，更會把垃圾分配到回收站或銷售廢品收購站處理達到再循環的目的。

The Group maintains its operation mainly in office. The waste generated is primarily non-hazardous waste, including waste paper generated from routine office work, food waste and general domestic waste. Our business operation does not generate major hazardous waste or packaging material. We continue to strengthen waste management, give priority to environmentally friendly products in the selection of office supplies, and strive to set up a paperless office. The paperless office mode includes the adoption of a platform system to shift the document processing and fee approval processes to online processing to reduce the use and consumption of paper in office and save forest resources.

本集團主要在辦公室的環境下營運，主要產生的廢棄物為無害廢棄物，包括辦公日常的廢紙、廚餘及一般生活垃圾。我們運營中不包括產生重大的有害廢棄物或包裝物。我們持續加強廢棄物管理，在選用辦公室用品時考慮優先使用環保產品，並致力打做無紙化辦公室。無紙化辦公模式包括利用平台系統，把公文處理及費用審批等流程轉移至線上處理，以減少辦公用紙的使用和消耗，以節約林木資源。

	2020	2019	Unit 單位
Total non-hazardous waste 無害廢棄物總量	6.48	0.60	tonnes 公噸
Office paper waste 辦公廢紙	1.88	0.60	tonnes 公噸
Food waste <sup>4</sup> 廚餘 <sup>4</sup>	4.60	—	tonnes 公噸
Non-hazardous waste intensity 無害廢棄物密度	0.047	0.0043	kg/m <sup>2</sup> 公斤/平方米
Total hazardous waste — mercury battery <sup>4</sup> 有害廢棄物總量 — 含汞電池 <sup>4</sup>	0.0025	—	tonnes 公噸
Hazardous waste intensity 有害廢棄物密度	0.00002	—	kg/m <sup>2</sup> 公斤/平方米

<sup>4</sup> Due to the gradual improvement in our data collection system, the data of food waste and mercury battery are available during the Year.

<sup>4</sup> 由於數據收集系統日益完善，故於本年度內可獲得廚餘及含汞電池的數據。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Use of resources

Since all real estate development projects of the Group are undertaken by third-party contractors and the Group maintains its operation mainly in office, our energy consumption mainly comes from electricity and use of water. We are taking active energy-saving and emission-reduction measures to make a contribution to environmental protection, including:

#### Reduction in use of resources

- encouraging employees to turn off electrical appliances, lights and office equipment when they are not in use, and setting the printer and monitors in the office to be automatically turned off to reduce energy consumption;
- Hangzhou office has put light emitting diode ("LED") in use to improve the performance of resource and safe electricity;
- encouraging staff to reduce business trips and making full use of online communication platforms to reduce carbon footprint;
- signs or notices stating the importance of energy conservation posted in the office area to improve the environmental protection awareness of employees;
- water-saving notices posted in the washroom and pantry to remind employees to turn off the faucets after use to avoid wasting water resources;

#### Reduction in generation of resources

- encouraging the use of electronic tools such as emails and information systems for internal and external communication to reduce paper consumption;
- encouraging employees to use reusable cups and tableware instead of disposable tableware;
- encouraging employees to print or photocopy on both sides of paper;
- encouraging employees to reuse stationery, such as used envelopes and folders

#### 資源使用

由於本集團所有的房地產開發工程均由第三方承建商負責，本集團主要在辦公室的環境下營運，所以我們的能源消耗主要源自電力和用水。我們積極實施多項節能減排的措施，為環境保護作出一番貢獻，其中包括：

#### 減少資源使用

- 鼓勵員工關掉非使用中的電器、燈及辦公室設備，而辦公室的打印機及有關顯示屏幕亦已預先調節至自動關閉功能以減少能源消耗；
- 杭州的辦公室已採用發光二極體燈（「LED」）以提升資源效能，節約用電；
- 鼓勵職員減少差旅安排，盡可能充分利用網上通訊平台，以減少碳足印；
- 辦公室範圍張貼了節能重要性之標誌或告示以提高職員的環保意識；
- 洗手間及茶水間張貼了節水告示以提醒員工於使用後關緊水龍頭，避免浪費水資源；

#### 減少廢物產生

- 鼓勵使用電郵、信息系統等電子工具作對內外的溝通，以減少紙張消耗；
- 鼓勵員工使用可循環再用的杯及餐具，代替即棄餐具；
- 鼓勵員工雙面列印或影印；
- 鼓勵員工重用文具，例如舊信封、文件夾

### Compliance with laws and regulations

The Group is committed to complying with all laws and regulations related to environmental protection, including the Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China, Law of the People's Republic of China on Environmental Impact Assessment and Regulations on the Administration of Construction Project Environmental Protection. During the Year, we were not aware of any environmental issues related to major breach of laws and regulations.

### CREATING VALUES FOR OUR CUSTOMERS

#### Supply chain management and quality control

Our main suppliers are construction contractors and construction material suppliers in the PRC. We outsourced all construction projects to eligible third-party construction contractors who can undertake various types of work, including foundation excavation, main structure construction, equipment installation and engineering operations. We believe that outsourcing our construction projects allows us to use the expertise of the construction contractors and minimize certain risks, such as risks from fluctuations in the cost of certain raw materials. It also allows us to focus on our main business, namely property development. We engaged contractors for construction projects through tendering procedures in accordance with the relevant Chinese laws and regulations. The tendering and bidding team of the head office's cost management department will formulate tender terms and will be responsible for evaluating and selecting contractors. In the process of selecting a construction contractor, we will conduct detailed assessment of the construction contractor and its bidding documents. Various factors including the scale and qualification of the contractor, its reputation, track record and quotations of similar projects will be considered.

### 守法循章

本集團一直以來竭力遵守各類環境法律及法規，包括《中華人民共和國環境保護法》、《中華人民共和國節約能源法》、《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》等。本年度，我們並不知悉任何有關重大違反法律及法規的環保事宜。

### 為客戶創造價值

#### 供應鏈管理及質量控制

我們的主要供應商為位於中國的建築承包商及建築材料供應商。我們將全部的项目建築工程外包予合資格第三方建築承建商。該等建築承包商可承接各種類型的工程，包括地基挖掘、主體結構建設、設備安裝及工程作業。我們認為將我們的建築工程外包可使我們利用建築承包商的專業知識及盡量降低某些風險，如某些原材料成本波動帶來的風險，亦可使我們專注於我們的主要業務，即物業開發。我們根據相關中國法律及法規透過招標程序為建築項目委聘承建商。總部成本管理部的招標及投標團隊將制定招標條款，負責評估及甄選承包商。在甄選建築承包商的過程中，我們會對建築承包商及其投標文件進行詳細評估。我們會考慮包括承包商規模及資質、承包商聲譽、類似項目的往績及報價等多種因素。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

We place emphasis on the quality and cost control of various property projects. Currently, our construction contractors are responsible for purchasing most of the construction materials for our property development projects, such as steel and cement. We generally provide the contractors with specifications about the construction work and request the contractor to purchase from a selected set of brands or manufacturers. If relevant PRC laws and regulations require the contractor to purchase certain types of construction materials through tendering, we generally require the relevant contractor to include our selected brands or manufacturers in the bidding documents. We will also monitor the tendering process to ensure that selected construction material suppliers have the qualifications acceptable to us. The Group also procures materials for development purposes on its own. The primary procurements include certain special construction materials such as doors and windows, air-conditioning systems and elevators. To ensure quality, we will conduct procurement from suppliers in the eligible supplier database. During the Year, the Group was not aware of any key suppliers causing any significant impact on business ethics, environmental protection and labor practices.

In addition, to ensure the quality, we have also engaged construction supervision companies to supervise certain aspects of our project construction in accordance with relevant laws and regulations. During the preliminary planning stage, our cost management department will establish a series of progress control indicators related to cost, quality and construction progress according to the total construction cost budget. During the construction, our chief engineer office consisting of senior and qualified engineers and construction technicians are responsible for supervising the construction quality, progress, and controlling the budget of each project. Site visits will be conducted on a monthly basis, pre-inspection of construction materials will be carried out before putting to use in the project, and the construction progress will be supervised based on previously established progress indicators. In addition, our chief engineer office will also review all projects under construction every year to ensure the costs, quality and progress of construction are satisfactory. If the performance of any external contractor is unsatisfactory, the Group reserves the right to terminate the contract and replace with other contractors through appropriate procedures to maintain good product quality.

我們重視項目的質量及成本的控制。目前，我們的承建商為我們的物業開發項目採購絕大部份建築材料，如鋼材及水泥。我們會向承建商提供建築規格及指定的品牌和製造商作採購。倘相關中國法律及法規規定承建商須透過招標採購特定種類的建築材料，我們一般要求有關承建商在招標文件中列入我們選定的品牌或製造商，我們亦會監察招標過程，以確保選定的建築材料供應商具備我們可接受的資質。至於本集團亦有親自採購材料作發展目的。主要採購業務包括直接購買門窗、空調系統及電梯等若干專業建築材料。為確保質量，我們只會從合資格供應商數據庫內的供應商進行採購。本年度，本集團並不知悉任何主要供應商在商業道德、環境保護及勞工常規方面造成任何重大的影響。

此外，為確保質量達標，我們按中國法律及法規規定聘請建設監理公司監察各環節，而在初步規劃階段，我們的成本管理部門將按照總建設成本預算設立有關成本、質量及施工進度的一系列進度控制指標。在施工中，我們由資深及合資格的工程師和建築技術人員組成的總師辦負責監管各項目施工質量、施工進度及控制項目預算，每月進行實地考察，在建築材料用於項目前進行預先檢查，並以根據先前設立的進度指標監督施工進度。另外，總師辦也會每年檢討所有在建項目的整體表現，確保所產生的成本、質量及施工進度令我們滿意。倘任何外聘承建商的表現不令人滿意，本集團會保留權利，經過適當程序終止合約及替換其他承包商以維持良好的產品質量。

## Product responsibility and after-sales service

Our brand is crucial to our business operation and development. Any negative events or negative publicity involving the Group or its properties may adversely affect its reputation and business prospect. To satisfy our customers, we will provide our customers with comprehensive services according to the following stages:

## 產品責任及售後服務

我們的品牌對我們的業務營運及發展非常重要。任何涉及我們或我們物業的負面事件或負面宣傳會對我們的聲譽及業務前景造成不利影響。為使客戶滿意，我們會根據以下各階段為我們的客戶提供全面服務：





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Compliant promotion

To ensure the truthfulness of property information, we will strictly comply with the Advertising Law of the People's Republic of China and the Interim Measures for the Administration of Internet Advertising of the People's Republic of China (《中華人民共和國互聯網廣告管理暫行辦法》) and other laws and regulations. Our sales brochures are subject to internal review and approval by the relevant government department before release. The Group understands that our customers need to make purchasing decisions based on correct information. Therefore, our sales department will carefully review the sales and promotion information to ensure the compliance of the same before providing the same to customers. We also have a Sales Center Management Handbook in place which requires the department staff to uphold the business ethics in making contact with customers and carry out sales promotion in a reasonably manner.

During the Year, the Group was not aware of any material violation of the relevant laws and regulations that have a significant impact on the health and safety, intellectual property, advertising, labeling and privacy of the products provided by the Group.

#### Privacy protection

The Group highly values the protection of customers' privacy and is committed to complying with all laws and regulations that safeguard the privacy of personal information. When entering into a sales contract with a customer, we will enter into a confidentiality agreement with the customer to ensure that the customer's privacy is protected. Also, according to the Employee Handbook, each employee is required to sign a confidentiality agreement upon joining the Company to enhance the protection of customers' privacy. During the Year, the Group was not aware of any complaints due to the leakage of customer information.

#### 合規宣傳

為確保房源信息的真實性，我們會嚴格遵循《中華人民共和國廣告法》、《中華人民共和國互聯網廣告管理暫行辦法》等法律法規；所提供的售樓說明書均需要通過內部審批並獲得有關政府部門審批才可發佈。本集團理解客戶需要準確資訊以作選購決定，所以我們的銷售部會仔細檢查銷售及推廣資料，確保宣傳資料的合規性才提供予客戶。我們亦設有《銷售中心管理手冊》，部門員工在與客戶聯繫時需遵守商業道德，合理地進行推銷宣傳。

本年度，本集團並不知悉有關本集團所提供有關產品之健康及安全、知識產權、廣告、標籤及私隱權方面而導致重大影響之有關法律法規或發生任何重大違規情況。

#### 保護隱私

本集團重視客戶隱私的保護並致力遵守所有保障個人資料私隱的法規，在與客戶簽訂銷售合同時，我們會與客戶簽定保密條款，以保證客戶的隱私受到保護。同時，根據《員工手冊》，每位員工在加入公司時需要簽訂保密協議，以加強保障客戶私隱。本年度，本集團並不知悉有接獲因洩露客戶資料而引致的投訴。

## CREATING VALUES FOR OUR EMPLOYEES

## Employment

Employees are the key for the success of an enterprise's business. The Group treats attentively and cares a lot about each employee. The Group is committed to building a safe and healthy working environment on one hand, and to nurturing talents on the other, with the aim of creating a harmonious and win-win situation for both employers and employees.

## 為員工創造價值

## 僱傭

員工是推動企業業務成功的關鍵。本集團用心看待及關顧每位員工，一方面致力建設一個職業安全及健康的工作環境，另一方面著重人材培育，目的是為本集團締造勞資雙贏的和諧局面。

Employment	<ul style="list-style-type: none"> <li>Recruitment and promotion procedures for all employees of the Group are conducted in a fair and open manner; we conduct recruitment through job fairs, recruitment websites, internal promotion or recommendation. All recruitments will be decided based on the candidates' performance and skill certification. In addition, discrimination based on age, gender, physical or mental health, marital status, family status, race, skin color, nationality, religion, political faction and any other ground will be prohibited.</li> </ul>
招聘	<ul style="list-style-type: none"> <li>本集團為了保證招聘及晉升程序均以公平及公開的方式進行，我們會透過招聘會、人才招聘網站、內部晉升或員工推薦招攬人才。所有招聘標準都是按其工作表現、技能認可作決定，亦防止根據年齡、性別、身體或精神健康狀況、婚姻狀況、家庭狀況、種族、膚色、國籍、宗教、政治派別及其他因素等理由而導致有歧視的情況發生。</li> </ul>
Remuneration	<ul style="list-style-type: none"> <li>To attract and retain experienced and high-caliber talents to manage our business, we offer fair and competitive remuneration packages for our employees in line with their experience, qualifications and responsibilities. Meanwhile, the Company conducts performance appraisals every year, and conducts review on salaries and provides year-end bonuses at our discretion based on market conditions, performance of the Company and the employees. Employees of outstanding performance will be provided with promotion opportunities.</li> </ul>
薪酬	<ul style="list-style-type: none"> <li>為吸引及留住經驗豐富的高質素人才以管理業務，我們提供與員工經驗、資格及職責相稱的公平及具市場競爭力的薪酬待遇。同時，我們每年都會進行表現評核，並根據市場情況、公司及個人表現進行薪金檢討及提供酌情年終花紅，表現優秀的更會獲得晉升機會。</li> </ul>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

- |           |  |
|-----------|--|
| Benefits  | <ul style="list-style-type: none"><li>• The Group cares about the benefits that our employees are entitled to, so we have a package of benefits in place, including allowances for meal, travelling, communication, festivals and holidays, etc.</li></ul>   |
| 福利        | <ul style="list-style-type: none"><li>• 本集團注重員工在公司所擁有的福利，所以我們設立了一系列的福利包括：工作餐補助金、交通補貼、通訊補貼及節假日發放過節費等。</li><li>• Our employees are entitled to a reasonable working system of 5 days and an average of 40 hours of work. In addition to the statutory annual leave, we also provide sick leave, personal leave, national holiday leave, marital leave, maternity leave, funeral leave, and work-related injury leave, etc. based on employees' individual needs.</li><li>• 我們的員工均享有合理的5日工作天和平均40小時的工作時數。另外除了法定年假，我們亦會因應個人需要給予病假、事假、國家法定節日假、婚假、產假、喪假、及工傷假等多樣的假期。</li><li>• We also actively organize birthday celebrations and trips for employees in an attempt to help them maintain a balance between work and life and have a good rest, and to enhance their sense of belonging to the Group.</li><li>• 我們更積極為員工舉行生日慶祝活動及旅行，希望員工在工作跟生活上可以互相平衡，擁有適當的休息，並希望可以以此增加他們對本集團的歸屬感。</li></ul> |
| Promotion | <ul style="list-style-type: none"><li>• The Group believes that regular review and assessment of performance and development potentials shall be carried out for our employees. Any employee who has achieved outstanding performance and is eligible for promotion is given opportunities for promotion and/or remuneration adjustment on a fair competition basis.</li></ul>   |
| 晉升        | <ul style="list-style-type: none"><li>• 本集團相信我們的員工都值得透過定期進行的評核檢討及評估其表現和發展潛能。若有評核結果優異及符合晉升條件的員工會在公平競爭的情況下，獲得職位晉升和調薪的機會。</li></ul>   |
| Dismissal | <ul style="list-style-type: none"><li>• Employees have the right to leave the company at their own discretion. If an employee resigns for personal reasons, he/she must resign in writing 30 days in advance, and after the approval of the department head, he/she can leave only after the work has been handed over. However, if an employee is not competent for his/her position, the Group reserves the right to dismiss such employee with at least 30 days' prior written notice.</li></ul>  |
| 解僱        | <ul style="list-style-type: none"><li>• 員工均擁有自由選擇離職的權利。若是因為個人原因辭職，需要提前30天以書面形式請辭，經部門領導批准之後，把工作交接好才可以離開。但如果員工是因為工作崗位沒有達到標準的問題，本集團留有辭退的權利；亦會提前至少30天以書面形式通知該員工。</li></ul>   |

As of 31 December 2020, the Group had a total of 49 (2019: 53) employees, with 1 employee working in Hong Kong and 48 employees working in Mainland China. The breakdowns of them by different categories are set out as follows:

截至2020年12月31日，本集團共有49名（2019：53名）員工，1名任職香港，而另外48名任職於中國內地。按不同性質劃分有關資料如下：

	2020	2019	Unit 單位
<b>By gender</b> 按性別劃分			
Male 男性	29	21	Number of individuals 人數
Female 女性	20	32	Number of individuals 人數
<b>By contract category</b> 按合約類型劃分			
Full-time 全職	49	50	Number of individuals 人數
Part-time 兼職	—	3	Number of individuals 人數
<b>By employment category</b> 按僱傭類別劃分			
Senior management 高級管理層	14	12	Number of individuals 人數
Middle management 中級管理層	10	8	Number of individuals 人數
General and technical personnel 一般及技術人員	25	33	Number of individuals 人數
<b>By age</b> 按年齡劃分			
21-30 21至30歲	2	14	Number of individuals 人數
31-40 31至40歲	19	20	Number of individuals 人數
41-50 41至50歲	14	14	Number of individuals 人數
51-60 51至60歲	13	4	Number of individuals 人數
Over 61 61歲以上	1	1	Number of individuals 人數

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告書

#### Compliance with laws and regulations

The Group strictly abides by the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, Social Insurance Law of the People's Republic of China and other employment laws and regulations. During the Year, the Group was not aware of any material violation of employment laws and regulations.

#### Occupational health and safety

##### Health and safety

As a property developer, we have limited potential liability for workers of our property development projects, as most of the responsibility lies with the construction contractors. However, the Group, as a property developer, also has the responsibility to monitor and maintain the safety of our projects. Therefore, the chief engineer office conducts monthly site visits to ensure that all necessary safety measures are implemented on the construction sites.

We strictly comply with the Production Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Regulation on Work-Related Injury Insurance and other applicable laws and regulations. All employees who necessarily have the access to construction sites are required to attend mandatory health and safety training, which covers the safe use of lifting equipment, appliances, high-altitude operation, safety management and site management, etc., in an effort to effectively prevent work-related injuries. Meanwhile, our Employee Handbook contains policies and procedures on work safety and occupational health to prevent and eliminate any occupational hazards and to minimize the risks they may encounter at work. During the Year, the Group was not aware of any material safety incidents or work-related death incidents.

##### COVID-19 pandemic

Since the outbreak of COVID-19 pandemic in early 2020, the Group has taken the potential health and safety impact on its employees as well as customers very seriously. During the outbreak, the Group has taken precautionary measures such as temperature checks before entering offices, working from home, and providing sufficient epidemic prevention supplies to employees, including masks and alcohol-based hand rubs, in addition to enhancing hygiene in its daily operations to ensure a healthy and safe working environment. The Group has developed epidemic safety guidelines for the operation of property development projects and will continue to update relevant policies to comply with government guidelines and ensure that they are communicated to general contractors.

#### 守法循章

本集團致力遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國職業病防治法》及《中華人民共和國社會保險法》等僱傭相關的法律法規。本年度，本集團並不知悉任何與本集團有關及違反僱傭法律法規之任何重大違規情況。

#### 職業健康與安全

##### 健康與安全

我們作為物業開發商，我們對我們開發物業項目的工人承擔有限潛在責任，因為大部分責任由建築承包商承擔。但本集團作為物業開發商亦有責任監察及維護項目安全，因此，總師辦每月進行實地考察，確保工地執行所需的各項安全措施。

我們嚴格遵守《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》和《工傷保險條例》及其他適用的法律法規。參與工程項目需要進入工地的員工均需參與強制性的健康與安全培訓，課程內容涉及安全使用起重機械、高空作業、安全管理和工地管理等，務求有效地預防工傷。同時，我們的《僱員工作手冊》載有關於工作安全及職業健康事宜的政策及程序，務求預防且消除任何職業危害，盡力降低他們會在工作中遇到的風險。本年度，本集團並不知悉有發生過任何重大安全事故或因工作關係而導致死亡有關的事件。

##### 新型冠狀病毒大流行

自2020年初爆發新型冠狀病毒疫情以來，本集團極其重視對其僱員以及客戶帶來的潛在健康及安全影響。在疫情爆發期間，本集團除了加強日常營運的衛生工作，確保健康和安全的工作環境外，還採取了一些預防措施，如在進入辦公室前進行體溫檢查、居家工作安排，以及提供足夠的防疫用品予員工，包括口罩和酒精搓手液等。本集團已制定針對開發物業項目運作的防疫安全指引，還會不斷更新相關政策，以符合政府的指導方針，並確保已將這些政策傳達給總承建商。

## Development and training

The Group is convinced that the discovery of talents and cultivation of talent teams is essential for an enterprise's sustainable development. Apart from identifying and retaining the top talents, the Group offers employees opportunities to develop their knowledge and skills through different training courses.

## 人才培育

本集團堅信發掘人才及培養人才隊伍是企業可持續發展的關鍵。除物色及挽留最優秀人才外，本集團透過各類的培訓課程為員工提供個人知識增長及技能發展的機會。

Induction training	<ul style="list-style-type: none"> <li>• Induction training is mandatory for every new employee, which enables new employees to quickly understand their responsibilities of the positions and to acquire better knowledge about the background, work mode and corporate culture of the Group.</li> </ul>
入職培訓	<ul style="list-style-type: none"> <li>• 入職培訓是每位新加入的員工都必須參加的。這培訓能使新入職的員工更快了解其職位的責任和熟習本集團的背景、工作模式及企業文化。</li> <li>• During the probationary period of new employees, the Company will designate an instructor to help them quickly acquire basic knowledge of the job so that they can independently perform their duties. The instructor will also participate in general assessment of new employees and is responsible for evaluation of interns to be regular employees.</li> <li>• 在新員工試用期，公司會指定一位輔導員幫助新員工盡快掌握崗位技能，令員工能夠獨立工作。輔導員亦會參與新員工的日常評估及擁有轉正考評的責任。</li> </ul>
On-the-job training	<ul style="list-style-type: none"> <li>• We have been cooperating with "Xinming Business School" (新明商學院) which was established in collaboration with the Advanced Training Center of College of Economics (經濟學院高級培訓中心) of Zhejiang University and providing professional skills training for staff in various positions each year.</li> </ul>
在職培訓	<ul style="list-style-type: none"> <li>• 我們一直都有與浙江大學經濟學院高級培訓中心一起成立的「新明商學院」合作，每一年會因應各崗位人員提供專業的技能培訓。</li> </ul>
Online training	<ul style="list-style-type: none"> <li>• We founded "Xinming Enterprise Network Academy" (新明企業網絡學院), and employees from various departments can log in and study at any time with the aid of computers and mobile phones, and find corresponding or interested courses to study. Moreover, online training allows employees to study beyond the geographical limitations, making it more flexible and easier to control their time to study.</li> </ul>
網上培訓	<ul style="list-style-type: none"> <li>• 我們設立「新明企業網絡學院」，各部門員工可隨時在電腦或手機端登錄並找尋相應或有興趣的課程內容學習。加上網上課程容許員工不受地域限制去學習，令到員工更有彈性及容易控制到自己學習的時間。</li> </ul>
External training	<ul style="list-style-type: none"> <li>• We will assign our staff to participate in external training based on their relevant functions and experience needs, as well as business needs. We also provide training subsidies to encourage employees to attend self-enhancement activities and increase senses of belonging to the Group, and promote business development through joint efforts.</li> </ul>
外部培訓	<ul style="list-style-type: none"> <li>• 員工會因應相關的職能部門及經驗需要、或因業務要求而被派遣作外部培訓。我們更會為這些課程提供補貼，藉此希望鼓勵員工多多參與自我增值的活動及增加員工對本集團的歸屬感，攜手促進業務發展。</li> </ul>

#### Labor standards

The Group is fully aware that child labor and forced labor violate fundamental human rights and pose a threat to sustainable social and economic development. We strictly comply with the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Provisions on Prohibition of Child Labor, as well as other laws and regulations. To avoid illegal employment of child labor, the Human Resources Department will review the effective certification of applicants' identities during the process of recruitment, to certify their personal profiles and actual age. To avoid forced labor, we will give comprehensive explanation of relevant employment terms to our employees, aiming to ensure that they fully understand the contents of the labor contracts prior to the execution of contracts, and that such labor contracts are executed on a voluntary basis.

If any case in respect of employment of child labor or forced labor in violation of regulations is found, the Company will immediately terminate the labor contract, investigate into the causes and liabilities, and impose due punishments on employees acting in violation of relevant regulations. During the Year, the Group had no case related to the employment of child labor, forced labor or illegal labor in the course of its operations.

#### 勞工準則

本集團充分意識到童工及強制勞工違反基本人權，亦對社會及經濟可持續發展構成威脅。本集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動法合同》和《禁止使用童工規定》等法律法規。為避免非法僱用童工，招聘過程中人力資源部會審核應聘者的有效身份證明文件，以確認其個人資料及實際年齡。而為了避免強制勞工，我們在與員工簽署勞動合同前，有關僱傭條款會作全面解釋以確保員工在簽約之前充分了解合約的內容，確保員工是在自願的原則下簽訂勞動合同。

如我們發現違規聘用童工或強制勞工時，我們會立即終止其勞動合同，查明原因及追究責任，對違規員工作出適當處罰。本年度，本集團沒有在其營運中發現任何有關童工、強迫勞工或非法勞工的違例個案。

### Anti-corruption

The Group highly values its enterprise culture of honesty and trustworthiness. We take a zero-tolerance attitude towards illegal incidents in violation of commercial ethics, such as corruption, bribery, extortion, fraud and money laundering. On the basis of strict compliance with the laws and regulations related to anti-fraud and clean business establishment, including the Law against Unfair Competition of the People's Republic of China, the Criminal Law of the People's Republic of China, Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》), we have anti-corruption policies and guidelines to regulate professional ethics of our staff in the course of daily business and enhance their vigilance of complying with laws and disciplines. These policies are contained in our Employees Handbook in detail. Our staff may report any suspected situation, all of which will be treated with caution as confidential information and investigation will be conducted on the situation. Such illegal acts, once identified, will be reported to judicial authority in accordance with the law. Review will be conducted and rectification measures will be formulated after investigation to effectively prohibit the recurrence of relevant incidents. During the Year, the Group was not aware of any violations related to bribery, extortion, fraud and money laundering.

### Connecting with the community

As a responsible enterprise, we endeavor to establish sustainable community in the regions which our business is operated to bring benefits to the society. We take a proactive approach to seek and understand the advices and opinions from the community, so as to promote community development. Our staff are encouraged to participate in activities held in the community, and even those in their neighborhood communities on their own initiatives, thus establishing strong relations with the communities and creating more values for the communities.

### 防貪反腐

本集團十分重視誠實守信的企業文化，對於任何不符合商業道德的事件如貪污、賄賂、勒索、欺詐及洗錢等違規事件，我們都會採取零容忍態度。在遵守反舞弊及廉潔建設相關法律法規，如《中華人民共和國反不正當競爭法》、《中華人民共和國刑法》及《關於禁止商業賄賂行為的暫行規定》的基礎上，我們設有反腐政策及指引以規範員工日常業務過程中的職業操守及提高他們對於遵守法紀的警覺性，該等政策仔細載於《員工手冊》。如員工發現有任何可疑情況，他們可進行舉報，所有舉報均作為機密資料審慎處理，並就事件進行調查。若確認是違法行為，我們會依法把有關人士移送司法機關處理。調查結束後，我們會進行檢討並制定整改措施，以有效防止有關事件再度發生。本年度，本集團並不知悉有任何賄賂、勒索、欺詐與洗黑錢的違規行為。

### 聯繫社區

作為一家負責任的企業，我們努力在業務所在地區建設可持續發展社區、造福社群。我們積極了解社區的聲音和意見，務求可以協力推動社區發展。我們鼓勵員工多參加社區活動，自發性參與鄰近社區的社群活動，與社區鞏固關係，並協助社區創造更多價值。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### INDEX OF THE HONG KONG STOCK EXCHANGE'S ESG REPORTING GUIDE

### 港交所ESG報告指引內容索引

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標	Chapter/Statement 章節／聲明	Page No. 頁數
<b>A. Environmental</b> A. 環境		
<b>Aspect A1: Emissions</b> 層面A1：排放物		
<b>General Disclosure</b> Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Creating values for the environment	94
<b>一般披露</b> 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	為環境創造價值	94
<b>KPI A1.1</b> The types of emissions and respective emissions data.	Gas emissions	96
<b>關鍵績效指標A1.1</b> 排放物種類及相關排放數據。	氣體排放	96
<b>KPI A1.2</b> Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Gas emissions	96
<b>關鍵績效指標A1.2</b> 溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	氣體排放	96
<b>KPI A1.3</b> Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste management	99
<b>關鍵績效指標A1.3</b> 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	廢棄物管理	99
<b>KPI A1.4</b> Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste management	99
<b>關鍵績效指標A1.4</b> 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	廢棄物管理	99
<b>KPI A1.5</b> Description of measures to mitigate emissions and results achieved.	Creating values for the environment	94
<b>關鍵績效指標A1.5</b> 描述減低排放量的措施及所得成果。	為環境創造價值	94
<b>KPI A1.6</b> Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Creating values for the environment	94
<b>關鍵績效指標A1.6</b> 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	為環境創造價值	94

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Statement 章節／聲明	Page No. 頁數
<b>Aspect A2: Use of Resources</b>			
<b>層面A2：資源使用</b>			
<b>General Disclosure</b>	Policies on the efficient use of resources including energy, water and other raw materials.	Use of resources	100
<b>一般披露</b>	有效使用資源(包括能源、水及其他原材料)的政策。	資源使用	100
<b>KPI A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Gas emissions	96
<b>關鍵績效指標A2.1</b>	按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	氣體排放	96
<b>KPI A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Sewage disposal	98
<b>關鍵績效指標A2.2</b>	總耗水量及密度(如以每產量單位、每項設施計算)。	污水排放	98
<b>KPI A2.3</b>	Description of energy use efficiency initiatives and results achieved.	Use of resources	100
<b>關鍵績效指標A2.3</b>	描述能源使用效益計劃及所得成果。	資源使用	100
<b>KPI A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Sewage disposal	98
<b>關鍵績效指標A2.4</b>	描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	污水排放	98
<b>KPI A2.5</b>	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	N/A	N/A
<b>關鍵績效指標A2.5</b>	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位占量。	不適用	不適用
<b>Aspect A3: The Environment and Natural Resources</b>			
<b>層面A3：環境及天然資源</b>			
<b>General Disclosure</b>	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Creating values for the environment	94
<b>一般披露</b>	減低發行人對環境及天然資源造成重大影響的政策。	為環境創造價值	94
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Creating values for the environment	94
<b>關鍵績效指標A3.1</b>	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	為環境創造價值	94

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標	Chapter/Statement 章節／聲明	Page No. 頁數	
<b>B. Social</b>			
<b>B. 社會</b>			
<b>Employment and Labour Practices</b>			
<b>僱傭及勞工常規</b>			
<b>Aspect B1: Employment</b>			
<b>層面B1：僱傭</b>			
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Creating values for our employees	105
一般披露	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	為員工創造價值	105
<b>KPI B1.1</b>	Total workforce by gender, employment type, age group and geographical region.	Employment	107
關鍵績效指標B1.1	按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	僱傭	107
<b>KPI B1.2</b>	Employee turnover rate by gender, age group and geographical region.	Not disclosed for FY2020	N/A
關鍵績效指標B1.2	按性別、年齡組別及地區劃分的僱員流失比率。	2020財政年度暫不披露	不適用
<b>Aspect B2: Health and Safety</b>			
<b>層面B2：健康與安全</b>			
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational health and safety	108
一般披露	有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	職業健康與安全	108
<b>KPI B2.1</b>	Number and rate of work-related fatalities.	Occupational health and safety	108
關鍵績效指標B2.1	因工作關係而死亡的人數及比率。	職業健康與安全	108
<b>KPI B2.2</b>	Lost days due to work injury.	Not disclosed for FY 2020	N/A
關鍵績效指標B2.2	因工傷損失工作日數。	2020財政年度暫不披露	不適用
<b>KPI B2.3</b>	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational health and safety	108
關鍵績效指標B2.3	描述所採納的職業健康與安全措施，以及相關執行及監察方法。	職業健康與安全	108

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標	Chapter/Statement 章節／聲明	Page No. 頁數	
<b>Aspect B3: Development and Training</b>			
層面B3：發展及培訓			
<b>General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and training	109
一般披露	有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	人才培育	109
<b>KPI B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc.).	Not disclosed for FY2020	N/A
關鍵績效指標B3.1	按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	2020財政年度暫不披露	不適用
<b>KPI B3.2</b>	The average training hours completed per employee by gender and employee category.	Not disclosed for FY2020	N/A
關鍵績效指標B3.2	按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	2020財政年度暫不披露	不適用
<b>Aspect B4: Labour Standards</b>			
層面B4：勞工準則			
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labor standards	110
一般披露	有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	勞工準則	110
<b>KPI B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	Labor standards	110
關鍵績效指標B4.1	描述檢討招聘慣例的措施以避免童工及強制勞工。	勞工準則	110
<b>KPI B4.2</b>	Description of steps taken to eliminate such non-compliance practices when discovered.	Labor standards	110
關鍵績效指標B4.2	描述在發現違規情況時消除有關情況所採取的步驟。	勞工準則	110
<b>Operating Practices</b>			
營運慣例			
<b>Aspect B5: Supply Chain Management</b>			
層面B5：供應鏈管理			
<b>General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	Supply chain management and quality control	101
一般披露	管理供應鏈的環境及社會風險政策。	供應鏈管理及質量控制	101
<b>KPI B5.1</b>	Number of suppliers by geographical region.	Not disclosed for FY2020	N/A
關鍵績效指標B5.1	按地區劃分的供貨商數目。	2020財政年度暫不披露	不適用
<b>KPI B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply chain management and quality control	101
關鍵績效指標B5.2	描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目、以及有關慣例的執行及監察方法。	供應鏈管理及質量控制	101

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標	Chapter/Statement 章節／聲明	Page No. 頁數
<b>B. Social</b> <b>B. 社會</b>		
<b>Aspect B6 : Product Responsibility</b> <b>層面 B6 : 產品責任</b>		
<b>General Disclosure</b>	Information on:	
	(a) the policies; and	Product responsibility and after-sales service
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Compliant promotion
<b>一般披露</b>	有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：	Privacy protection
	(a) 政策；及	產品責任及售後服務
	(b) 遵守對發行人有重大影響的相關法律及規例的資料。	合規宣傳
<b>KPI B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	保護隱私
<b>關鍵績效指標 B6.1</b>	已售或已運送產品總數中因安全與健康理由而須回收的百分比。	N/A
<b>KPI B6.2</b>	Number of products and service-related complaints received and how they are dealt with.	N/A
<b>關鍵績效指標 B6.2</b>	接獲關於產品及服務的投訴數目以及應對方法。	2020財政年度暫不披露
<b>KPI B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	N/A
<b>關鍵績效指標 B6.3</b>	描述與維護及保障知識產權有關的慣例。	2020財政年度暫不披露
<b>KPI B6.4</b>	Description of quality assurance process and recall procedures of products.	Product responsibility and after-sales service
<b>關鍵績效指標 B6.4</b>	描述質量檢定過程及產品回收程式。	產品責任及售後服務
<b>KPI B6.5</b>	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Privacy protection
<b>關鍵績效指標 B6.5</b>	描述消費者數據保障及私隱政策，以及相關執行及監察方法。	保護隱私

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標	Chapter/Statement 章節／聲明	Page No. 頁數
<b>Aspect B7: Anti-corruption</b>		
<b>層面B7：反貪污</b>		
<b>General Disclosure</b>	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption 111
一般披露	有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	防貪反腐 111
<b>KPI B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption 111
<b>關鍵績效指標B7.1</b>	於報告期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	防貪反腐 111
<b>KPI B7.2</b>	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption 111
<b>關鍵績效指標B7.2</b>	描述防範措施及舉報程式，以及相關執行及監察方法。	防貪反腐 111
<b>Aspect B8: Community Investment</b>		
<b>層面B8：社區投資</b>		
<b>General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Connecting with the community 111
一般披露	有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	聯繫社區 111
<b>KPI B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Not disclosed for FY2020 N/A
<b>關鍵績效指標B8.1</b>	專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	2020政年度暫不披露 不適用
<b>KPI B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Not disclosed for FY2020 N/A
<b>關鍵績效指標B8.2</b>	在專注範疇所動用資源(如金錢或時間)。	2020財政年度暫不披露 不適用

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告

**mazars**  
中 审 众 环

To the members of Xinming China Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)

### DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Xinming China Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 121 to 218, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other 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.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR DISCLAIMER OF OPINION

#### Multiple material uncertainties relating to going concern

As set out in note 2 to the consolidated financial statements, the Group incurred a net loss of approximately RMB1,115,904,000 for the year ended 31 December 2020. At 31 December 2020, the Group's current liabilities exceeded its current assets by approximately RMB1,941,145,000. In addition, at 31 December 2020, interest payments of approximately RMB242,977,000 relating to certain borrowings of the Group of a principal amount of approximately RMB1,873,909,000 and the convertible bonds issued by the Group amounting approximately RMB252,604,000 ("In Default Borrowings") were not paid in accordance with the repayment schedules pursuant to the borrowing agreements which constituted events of defaults. These conditions, together with other matters disclosed in note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

### MAZARS CPA LIMITED

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致新明中國控股有限公司股東  
(於開曼群島註冊成立的有限公司)

### 無法表示意見

我們獲委聘審核第121頁至第218頁所載新明中國控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表,此綜合財務報表包括於二零二零年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合損益及其他全面收益表、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。

我們沒有就 貴集團之綜合財務報表發表意見,基於在本報告中「無法表示意見的基礎」一節所述,我們未能就該等綜合財務報表審核意見提供基準取得充分恰當之審核憑證。在所有其他方面,我們認為,該等綜合財務報表已遵照香港《公司條例》的披露規定妥為擬備。

### 無法表示意見的基礎

#### 與持續經營相關的多個不確定事項

誠如綜合財務報表附註2所載, 貴集團於截至2020年12月31日止年度產生虧損淨額約人民幣1,115,904,000元。於2020年12月31日, 貴集團的流動負債超過其流動資產約人民幣1,941,145,000元。此外, 於2020年12月31日, 貴集團本金額約人民幣1,873,909,000元之若干借款的利息付款約人民幣242,977,000元以及 貴集團已發行可換股債券約人民幣252,604,000元(「違約借款」)未根據借款協議之償還時間表償還, 其構成違約事項。該等狀況連同綜合財務報表附註2所述其他事宜, 表明存在的重大不確定性可能對 貴集團持續經營業務的能力帶來重大疑問。

The directors of the Company have been undertaking measures to improve the Group's liquidity and financial position, which are set out in note 2 to the consolidated financial statements. The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the outcome of these measures, which are subject to multiple material uncertainties, including (i) successfully negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default, including those with cross-default terms (if applicable); (ii) successfully negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (iii) successfully negotiating with various financial institutions and potential lenders/investors to identify various options for additionally financing the Group's working capital and commitments in the foreseeable future; (iv) successfully accelerating the pre-sale and sale of properties under development and completed properties and speeding up the collection of outstanding sales proceeds, and controlling costs and capital expenditure so as to generate adequate net cash inflows; and (v) successfully procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project at a price deemed appropriate.

Accordingly, we were unable to obtain sufficient appropriate audit evidence about the appropriateness of the use of going concern basis of accounting in the preparation of the consolidated financial statements. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (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.

貴公司董事已採取多項措施，以改善 貴集團的流動性及財務狀況，有關資料載於綜合財務報表附註2。綜合財務報表是依據持續經營的假設上編製，其有效性取決於該等措施實施之結果，並受限於多個不明朗因素，包括(i)成功與 貴集團現有貸款人磋商，確保相關貸款人不會採取行動以要求即時償還拖欠的借款及利息付款(包括交叉違約條款所涵蓋的借款及利息付款)(倘適用)；(ii)成功與各家金融機構就尚欠借款(包括已逾期本金及利息)磋商達成重續或延展還款安排；(iii)成功與各家金融機構及潛在貸款人／投資者磋商以物色多種選擇為 貴集團可見將來的營運資金及承擔額外撥資；(iv)成功加速開發中物業及已竣工物業之預售和銷售，加速收回尚未支付的銷售所得款項，以及控制成本和資本開支，從而產生充足現金流入淨額；及(v)成功促使及與大型物業開發企業磋商有關出售個別物業開發項目的初步條款(倘認為價格合適)。

因此，我們不能取得充足適當的審核憑證，以使我們信納於編製綜合財務報表時採用持續經營會計基準的適當性。倘 貴集團未能按持續經營基準經營，而可能須作出有關調整以撇減 貴集團資產的賬面值至其可回收金額，並就可能產生進一步負債計提撥備並將非流動資產及非流動負債重新分類為流動資產及流動負債。該等調整的影響尚未於該等綜合財務報表中反映。

### 董事及肩負管治責任者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委員會(「國際會計準則委員會」)頒佈之國際財務報告準則(「國際財務報告準則」)及香港公司條例披露規定編製真實而公平的綜合財務報表，以及維持董事認為編製綜合財務報表所必需的有關內部監控，以確保有關綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。



## INDEPENDENT AUDITORS' REPORT

### 獨立核數師報告

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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and to issue an auditor's report. However, because of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we are not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements.

We report 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.

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.

**Mazars CPA Limited**  
Certified Public Accountants

Hong Kong, 21 April 2021

The engagement director on the audit resulting in this independent auditor's report is:

**She Shing Pang**  
Practising Certificate number: P05510

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）。除非貴公司董事有意將貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

肩負管治責任者須負責監督貴集團之財務報告流程。

### 核數師就審計綜合財務報表須承擔的責任

我們的責任為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對貴集團的綜合財務報表進行審計，並發出核數師報告。然而，由於本報告「無法表示意見的基礎」一節所述事項，我們未能就該等綜合財務報表審核意見提供基準取得充分恰當之審核憑證。

我們僅向閣下作為整體報告，除此之外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

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

**中審眾環（香港）會計師事務所有限公司**  
執業會計師

香港，二零二一年四月二十一日

出具本獨立核數師報告的審計項目董事是：

**余勝鵬**  
執業證書編號：P05510

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	5	<b>128,537</b>	163,349
Cost of sales	銷售成本		(66,977)	(110,357)
Gross profit	毛利		<b>61,560</b>	52,992
Other income and gains	其他收入及收益	6	<b>3,435</b>	1,076
Selling and distribution costs	銷售及分銷成本		<b>(18,533)</b>	(6,457)
Administrative expenses	行政支出		<b>(48,134)</b>	(63,811)
Other expenses	其他開支		<b>(1,051,238)</b>	(186,823)
Changes in fair value of investment properties	投資物業之公允價值變動	14	<b>(22,900)</b>	146,823
Changes in fair value of convertible bonds	可換股債券之公允價值變動		<b>20,363</b>	11,946
Finance costs	融資成本	7	<b>(973)</b>	(2,594)
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>	7	<b>(1,056,420)</b>	(46,848)
Income tax expenses	所得稅支出	10	<b>(59,484)</b>	(65,670)
<b>Loss for the year and total comprehensive loss for the year</b>	<b>年內虧損及年內全面虧損總額</b>		<b>(1,115,904)</b>	(112,518)
<b>(Loss) Profit for the year and total comprehensive (loss) profit for the year attributable to:</b>	<b>以下人士應佔年內(虧損)溢利及年內全面(虧損)溢利總額:</b>			
Owners of the Company	本公司擁有人		<b>(1,000,756)</b>	(116,976)
Non-controlling interests	非控股權益		<b>(115,148)</b>	4,458
			<b>(1,115,904)</b>	(112,518)
<b>Loss per share attributable to owners of the Company</b>	<b>本公司擁有人應佔每股虧損</b>	12		
Basic and Diluted (RMB)	基本和攤薄(人民幣)		<b>(0.533)</b>	(0.062)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	4,009	4,646
Investment properties	投資物業	14	3,296,000	3,318,900
Right-of-use assets	使用權資產	15	—	1,027
Deferred tax assets	遞延稅項資產	16	86,199	97,511
			<b>3,386,208</b>	3,422,084
<b>Current assets</b>	<b>流動資產</b>			
Properties under development	開發中物業	17	1,390,487	1,341,803
Completed properties held for sale	持作出售的已竣工物業	18	1,429,376	1,574,542
Trade receivables	貿易應收款項	19	24,541	1,354
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	20	183,797	211,944
Tax recoverable	可回收稅項		—	6,702
Restricted deposits	受限制存款	21	2,573	2,830
Cash and cash equivalents	現金及現金等價物	21	5,249	182,225
			<b>3,036,023</b>	3,321,400
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	貿易應付款項	22	374,613	291,668
Other payables and accruals	其他應付款項及應計費用	23	1,358,450	672,106
Contract liabilities	合約負債	24	212,072	191,139
Interest-bearing bank and other borrowings	計息銀行及其他借款	25	1,873,909	1,890,343
Lease liabilities	租賃負債	15	—	808
Tax payable	應付稅項	26	905,520	914,984
Convertible bonds	可換股債券	27	252,604	272,967
			<b>4,977,168</b>	4,234,015
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(1,941,145)</b>	(912,615)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>1,445,063</b>	2,509,469

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	15	—	242
Deferred tax liabilities	遞延稅項負債	16	<b>581,013</b>	529,273
			<b>581,013</b>	529,515
<b>NET ASSETS</b>	<b>資產淨額</b>		<b>864,050</b>	1,979,954
<b>EQUITY</b>	<b>權益</b>			
Issued capital	已發行股本	28	<b>14,880</b>	14,880
Reserves	儲備		<b>869,573</b>	1,870,329
			<b>884,453</b>	1,885,209
Non-controlling interests	非控股權益		<b>(20,403)</b>	94,745
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>864,050</b>	1,979,954

The consolidated financial statements on pages 121 to 218 were approved and authorised for issue by the Board of Directors on 21 April 2021 and signed on its behalf by

第121頁至第218頁綜合財務報表於二零二一年四月二十一日獲董事會批准及授權刊發，並由下列董事代表簽署：

**Chen Chengshou**

陳承守先生

Director

董事

**Feng Cizhao**

豐慈招先生

Director

董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Reserves 儲備							Non-controlling interests		Total equity	
		Issued capital	Share premium	Merger reserve	Capital reserve	Share award scheme reserve	Financial assets at FVOCI reserve	Retained profits	Total reserves	Total		
		已發行股本	股份溢價	合併儲備	資本儲備	有關股份獎勵計劃的儲備	按公允價值計入其他全面收益之金融資產儲備	保留溢利	儲備總額	總計	非控股權益	
		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	
			(Note 29)	(Note 29)	(Note 29)							
			(附註29)	(附註29)	(附註29)							
At 1 January 2019	於二零一九年一月一日	14,880	496,155	81,491	(45,754)	4,533	(1,500)	1,452,382	1,987,307	2,002,187	90,287	2,092,474
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	—	—	—	—	(116,976)	(116,976)	(116,976)	4,458	(112,518)
<b>Transactions with owners:</b> <i>Changes in ownership interests</i> Business combination under common control	<b>與擁有人之交易：</b> <i>擁有權益變動</i> 於共同控制下的業務合併	—	—	—	(2)	—	—	—	(2)	(2)	—	(2)
At 31 December 2019	於二零一九年十二月三十一日	14,880	496,155	81,491	(45,756)	4,533	(1,500)	1,335,406	1,870,329	1,885,209	94,745	1,979,954
At 1 January 2020	於二零二零年一月一日	14,880	496,155	81,491	(45,756)	4,533	(1,500)	1,335,406	1,870,329	1,885,209	94,745	1,979,954
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	—	—	—	—	(1,000,756)	(1,000,756)	(1,000,756)	(115,148)	(1,115,904)
At 31 December 2020	於二零二零年十二月三十一日	14,880	496,155	81,491	(45,756)	4,533	(1,500)	334,650	869,573	884,453	(20,403)	864,050

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss before income tax	除所得稅前虧損	(1,056,420)	(46,848)
Adjustments for:	就下列各項作出調整：		
Bank interest income	銀行利息收入	(136)	(202)
Changes in fair value of convertible bonds	可換股債券之公允價值變動	(20,363)	(11,946)
Changes in fair value of investment properties	投資物業之公允價值變動	22,900	(146,823)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	506	1,198
Depreciation of right-of-use assets	使用權資產折舊	492	772
Finance costs	融資成本	973	2,594
Foreign exchange gain	外匯收益	—	(7)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(36)	—
Impairment of completed properties held for sale	持作出售的已竣工物業減值	132,303	9,710
Impairment of properties under development	開發中物業減值	319,926	—
Impairment of financial assets, net	金融資產減值淨額	151,299	3,642
Interest penalties	罰息	304,550	—
Loss on termination of lease	終止租賃虧損	56	—
Provision for litigations and claims	訴訟及申索撥備	40,000	—
Realisation of onerous operating leases	虧損經營租賃實現	—	(1,243)
<b>Operating cash flows before changes in working capital</b>	<b>營運資金變動前經營現金流量</b>	<b>(103,950)</b>	<b>(189,153)</b>
Changes in working capital:	營運資金變動：		
Properties under development and completed properties held for sale	開發中物業及持作出售的已竣工物業	(164,380)	26,683
Trade receivables	貿易應收款項	(23,511)	1,404
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	(122,828)	5,888
Restricted deposits	受限制存款	257	(491)
Trade payables	貿易應付款項	82,945	56,303
Other payables and accruals	其他應付款項及應計費用	84,252	99,418
Contract liabilities	合約負債	20,933	(26,623)
<b>Cash used in operations</b>	<b>營運所用現金</b>	<b>(226,282)</b>	<b>(26,571)</b>
Income tax refunded (paid)	已退回(已付)所得稅	806	(5,360)
Refund of land appreciation tax	退還土地增值稅	—	16,070
<b>Net cash used in operating activities</b>	<b>經營活動所用現金淨額</b>	<b>(225,476)</b>	<b>(15,861)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

### 綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>			
Acquisition of subsidiaries, net of cash acquired		—	(84)
Bank interest income		136	202
Decrease in restricted deposits		—	535,400
Proceeds from disposal of property, plant and equipment		196	16
Purchase of property, plant and equipment		(29)	(8)
<b>Net cash from investing activities</b>		<b>303</b>	535,526
<b>FINANCING ACTIVITIES</b>			
Acquisition of non-controlling interests		—	(13,833)
Interest paid		(34,778)	(119,427)
Decrease in other payables		—	(73,823)
Increase in other receivables		—	(91,270)
New borrowings raised	23	100,000	—
Repayment of interest-bearing bank and other borrowings		(16,434)	(81,840)
Repayment of lease liabilities		(591)	(782)
<b>Net cash from (used in) financing activities</b>		<b>48,197</b>	(380,975)
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(176,976)</b>	138,690
<b>Cash and cash equivalents at beginning of year</b>		<b>182,225</b>	43,528
Effect of foreign exchange rate changes, net		—	7
<b>Cash and cash equivalents at end of year</b>	21	<b>5,249</b>	182,225

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 1. GENERAL INFORMATION

Xinming China Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 16 January 2014 as an exempted company with limited liability under the Companies Law, Chapter 22 of the Cayman Islands. In the opinion of the directors of the Company, the ultimate holding company is Xinxing Company Limited and the ultimate controlling shareholder is Mr. Chen Chengshou (the “Controlling Shareholder”). The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the Company’s registered office is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in investment holding, properties development and properties leasing. The principal activities of its subsidiaries are set out in Note 39 to the consolidated financial statements.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”), which collective term includes all applicable individual IFRSs, International Accounting Standards (“IASs”) and Interpretations issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

#### Going concern

The Group incurred a net loss of approximately RMB1,115,904,000 for the year ended 31 December 2020. At 31 December 2020, the Group’s current liabilities exceeded its current assets by approximately RMB1,941,145,000.

At 31 December 2020, certain borrowings amounting approximately RMB910,817,000 and convertible bonds amounting approximately RMB252,604,000 were overdue and interest payments of approximately RMB242,977,000 relating to borrowings with total principal amount of approximately RMB1,873,909,000 were not paid in accordance with repayment schedules pursuant to the borrowing agreements.

### 1. 一般資料

新明中國控股有限公司(「本公司»)於二零一四年一月十六日在開曼群島根據開曼群島法律第22章公司法註冊成立為獲豁免有限公司。本公司董事認為本公司的最終控股公司為Xinxing Company Limited及最終控股股東為陳承守先生(「控股股東»)。本公司股份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位於Windward 3, Regatta Office Park, PO Box1350, Grand Cayman KY1-1108, Cayman Islands。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團»)主要從事於投資控股、物業開發及物業租賃。其附屬公司主要活動載於綜合財務報表附註39。

### 2. 重大會計政策

#### 合規聲明

本綜合財務報表已根據由國際會計準則委員會(「國際會計準則委員會»)頒佈之國際財務報告準則(「國際財務報告準則»),其為國際會計準則委員會頒佈之所有適用個別國際財務報告準則、國際會計準則(「國際會計準則»)及詮釋的統稱)及香港公司條例之披露規定編製。本綜合財務報表亦符合聯交所證券上市規則(「上市規則»)之適用披露規定。

#### 持續經營

截至二零二零年十二月三十一日止年度,本集團產生虧損淨額約人民幣1,115,904,000元。於二零二零年十二月三十一日,本集團流動負債超過其流動資產約人民幣1,941,145,000元。

於二零二零年十二月三十一日,已拖欠若干借款約為人民幣910,817,000元及可換股債券約為人民幣252,604,000元,亦無按照借款協議之還款時間表支付與本金總額約人民幣1,873,909,000元的借款有關之利息付款約人民幣242,977,000元。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Going concern (Continued)

All of the above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but are not limited to, the following:

- (i) the Group has been actively negotiating with a number of creditors and lenders for renewal and extension of interest-bearing borrowings and credit facilities;
- (ii) in addition, the Group is also negotiating with various financial institutions and potential lenders/investors and identifying various options for financing the Group's working capital and commitments in the foreseeable future;
- (iii) the Group has accelerated the pre-sale and sale of its properties under development and completed properties;
- (iv) the Group has implemented measures to speed up the collection of outstanding sales proceeds; and
- (v) the Group will continue to take active measures to control administrative costs through various channels including human resources optimisation and management remuneration adjustments and reduction of capital expenditures.

## 2. 重大會計政策(續)

### 持續經營(續)

所有上述情況表示存在可能對本集團持續經營能力產生重大懷疑的重大不確定性。

鑒於該等情況，於評估本集團是否擁有充足財務資源繼續持續經營時，本公司董事充分考慮本集團未來流動資金及表現以及其可用財務資源。本集團已採取若干措施以緩解流動資金壓力及改善其財務狀況，包括但不限於以下各項：

- (i) 本集團積極與若干債權人及貸款人協商，以重續及延期計息借款以及信貸融資；
- (ii) 此外，本集團亦積極與若干金融機構及潛在貸款人／投資者協商以物色多項於可預見未來為本集團營運資金及承擔提供融資的選擇；
- (iii) 本集團加快開發中物業及已竣工物業的預售及銷售；
- (iv) 本集團已採取措施加快收取未支付銷售所得款項；及
- (v) 本集團將繼續採取積極措施透過各個渠道(包括人力資源優化及管理層薪酬調整及減少資本開支)來控制行政成本。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Going concern (Continued)

Notwithstanding the above, significant uncertainties exist as to whether management of the Group will be able to implement the abovementioned plans and measures. Whether the Group will be able to continue as a going concern will depend upon the Group's ability to generate adequate financial and operating cash flows through the following:

- (i) negotiating with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings with interest payments in default;
- (ii) negotiating with various financial institutions on the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests;
- (iii) negotiating with various financial institutions and potential lenders/investors to identify various options for additionally financing the Group's working capital and commitments in the foreseeable future;
- (iv) accelerating the pre-sale and sale of properties under development and completed properties and speeding up the collection of outstanding sales proceeds, and controlling costs and capital expenditure so as to generate adequate net cash inflows;
- (v) actively looking for large property development enterprises and cooperating with investors to develop properties under development of the Group through joint effort; and
- (vi) actively procuring and negotiating the preliminary terms with large property development enterprises for the sale of individual property development project or whole commercial property at a price deemed appropriate.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2019 consolidated financial statements except for the adoption of the following new/revised IFRSs that are relevant to the Group's operation and effective from the current year.

## 2. 重大會計政策(續)

### 持續經營(續)

儘管以上所述，本集團管理層是否有能力實施上述計劃及措施存在重大不確定性。本集團是否能夠繼續持續經營將取決於本集團透過以下各項產生充足財務及經營現金流量的能力：

- (i) 與本集團現有貸款人協商，以使相關貸款人將不會採取行動要求立即償還拖欠的借款及利息付款；
- (ii) 與各家金融機構就尚欠借款(包括已逾期本金及利息)磋商達成重續或延展還款安排；
- (iii) 與各家金融機構及潛在貸款人／投資者磋商及物色多種選擇為本集團可見將來的營運資金及承擔額外撥資；
- (iv) 加速開發中物業及已竣工物業之預售和銷售，加速收回尚未支付的銷售所得款項，以及控制成本和資本開支，從而產生充足現金流入淨額；
- (v) 積極物色大型物業開發企業，並與投資者共同發展本集團開發中物業；及
- (vi) 積極促使及與大型物業開發企業磋商有關出售個別物業開發項目的初步條款(倘認為價格合適)。

除另有註明外，所有數值均四捨五入至最接近之千位數。

綜合財務報表乃按照與本集團於二零一九年的綜合財務報表所採用會計政策一致的基準編製，惟採用下列與本集團業務有關及於本年度生效的新訂／經修訂國際財務報告準則除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Adoption of new/revised IFRSs

The Group has applied, for the first time, the following new/revised IFRSs:

Amendments to IASs 1 and 8	Definition of Material
Amendments to IAS 39, IFRSs 7 and 9	Interest Rate Benchmark Reform — Phase 1
Amendments to IFRS 3	Definition of a Business

#### Amendments to IASs 1 and 8: Definition of Material

The amendments clarify the definition of material and align the definition used across IFRSs.

#### Amendments to IAS 39, IFRSs 7 and 9: Interest Rate Benchmark Reform — Phase 1

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform (the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark). In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

#### Amendments to IFRS 3: Definition of a Business

The amendments, among others, revise the definition of a business and include new guidance to evaluate whether an acquired process is substantive.

The adoption of the above amendments does not have any significant impact on the consolidated financial statements.

A summary of the significant accounting policies adopted by the Group is set out below.

## 2. 重大會計政策(續)

### 採用新訂／經修訂國際財務報告準則

本集團首次應用以下新訂／經修訂國際財務報告準則：

國際會計準則第1號及第8號之修訂本	重大之定義
國際會計準則第39號、國際財務報告準則第7號及第9號之修訂本	利率基準改革 — 第一階段
國際財務報告準則第3號之修訂本	業務之定義

#### 國際會計準則第1號及第8號之修訂本：重大之定義

該等修訂本闡明重大之定義並符合國際財務報告準則所用之定義。

#### 國際會計準則第39號、國際財務報告準則第7號及第9號之修訂本：利率基準改革 — 第一階段

該等修訂本對若干特定對沖會計規定作出修改，以減輕利率基準改革(利率基準市場化改革，包括將利率基準替換為替代基準)所帶來不確定性之潛在影響。此外，該等修訂本規定公司向投資者提供有關彼等直接受該等不確定性影響之對沖關係之額外資料。

#### 國際財務報告準則第3號之修訂本：業務之定義

該等修訂本(其中包括)修訂業務之定義，並包括評估所需過程是否重大之新指引。

採用上述修訂本並無對綜合財務報表造成重大影響。

本集團採用之重大會計政策概要如下。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Basis of measurement

The measurement basis used in the preparation of the consolidated financial statements is historical cost except for investment properties and convertible bonds which are measured at fair value.

### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. 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).

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 Company 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.

## 2. 重大會計政策(續)

### 計量基準

綜合財務報表乃以歷史成本為計量基準編製，惟投資物業及可換股債券以公允價值計量。

### 綜合賬目基準

綜合財務報表包括本公司及其附屬公司之財務報表。附屬公司指由本公司直接或間接控制的實體(包括結構實體)。當本集團通過參與投資對象的相關活動而承擔可變回報的風險或有權享有可變回報，並且有能力運用對投資對象的權力(即賦予本集團現有有能力以主導投資對象的相關活動的既存權利)影響該等回報時，即取得控制權。

倘本公司直接或間接擁有少於投資對象過半數的投票或類似權利，則本集團於評估其是否擁有對投資對象的權利時會考慮所有相關事實及情況，包括：

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

附屬公司的財務報表按與本公司相同的報告期間編製，並採用貫徹一致的會計政策。附屬公司業績自本集團取得控制權之日綜合入賬並直至該控制權終止之日為止。

損益及其他全面收益各組成部分乃歸屬於本公司擁有人及非控股權益，即使此舉引致非控股權益出現虧絀結餘。有關本集團成員公司間交易之所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合賬目時全數抵銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Basis of consolidation (Continued)

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.

### Business combinations and goodwill

#### (i) Acquisition method of accounting for business combination not under common control

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.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill at 31 December each year. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

## 2. 重大會計政策(續)

### 綜合賬目基準(續)

倘有事實及情況顯示上文所述三個控制因素中有一個或以上出現變動，則本集團將重新評估是否仍控制投資對象。附屬公司之擁有權權益變動(並無喪失控制權)被視為股本交易入賬。

### 業務合併及商譽

#### (i) 非共同控制下的業務合併的收購會計法

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承擔的金融資產及負債，以作出合適分類及指定。此舉包括在所收購公司主合約中分割出嵌入式衍生工具。

倘業務合併分階段進行，先前持有的股權以收購日期的公允價值重新計量，而任何收益或虧損於損益表中確認。

收購方將轉讓的任何或然代價於收購日期按公允價值確認。分類為資產或負債的或然代價根據公允價值的變動以公允價值計量，並確認為損益。分類為權益的或然代價毋須重新計量，其後結算於權益入賬。

商譽初始按成本計量，即已轉讓代價、非控股權益的已確認金額及本集團先前持有的被收購方股權的任何公允價值總額，與所收購可識別資產淨值及所承擔負債之間的差額。倘該代價與其他項目的總和低於所收購資產淨值的公允價值，該等差額於重新評估後，於損益表內確認為議價購買收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值可能減值時，則會更頻繁地進行測試。本集團每年於十二月三十一日就商譽進行年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日期被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產生單位組別，而無論本集團其他資產或負債是否已分配至該等單位或單位組別。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Business combinations and goodwill (Continued)

#### (i) Acquisition method of accounting for business combination not under common control (Continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

#### (ii) Merger method of accounting for business combinations under common control

The consolidated financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling parties' perspective. No amount is recognised in consideration for goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

## 2. 重大會計政策(續)

### 業務合併及商譽(續)

#### (i) 非共同控制下的業務合併的收購會計法(續)

減值會通過評估與商譽有關的現金產生單位(現金產生單位組別)的可收回金額釐定。當現金產生單位(現金產生單位組別)的可收回金額低於賬面金額時，則會確認減值虧損。已就商譽確認的減值虧損不得於其後期間撥回。

倘商譽被分配至現金產生單位(或現金產生單位組別)而該單位的部份業務已售出，則在釐定出售業務的收益或虧損時，與出售業務相關的商譽會計入該業務的賬面值。在該等情況下售出的商譽，會根據售出業務的相對價值及現金產生單位的保留份額進行計量。

#### (ii) 共同控制下的業務合併的合併會計法

綜合財務報表包含共同控制下的合併實體或業務的財務報表，猶如該等財務報表自合併實體或業務首次受控制方控制當日起合併計算。

合併實體或業務的資產淨值按控制方的現有賬面值進行合併。在控制方持續擁有權益的情況下，共同控制合併時並無就商譽的代價或收購方於收購方的可識別資產、負債及或然負債的公允淨值之權益超出成本的部分確認任何金額。

綜合損益及其他全面收益表包括合併實體或業務自最早呈列日期起或自該等合併實體或業務首次受共同控制日期起(以較短期間為準)(不論共同控制合併日期)的業績。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Business combinations and goodwill (Continued)

#### (ii) Merger method of accounting for business combinations under common control (Continued)

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous financial reporting period or when they first came under common control, whichever is shorter.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using the merger accounting is recognised as an expense in the period in which it is incurred.

### Fair value measurement

The Group measures its investment properties and convertible bonds 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. 重大會計政策(續)

### 業務合併及商譽(續)

#### (ii) 共同控制下的業務合併的合併會計法(續)

綜合財務報表的比較數字已按有關實體或業務於上一個財務報告期間或其首次受共同控制時(以較短者為準)已合併的假設呈列。

受共同控制合併所產生而須採用合併會計法入賬的交易成本(包括專家服務費、註冊費、向股東提供信息涉及的費用、將原屬獨立的業務合併經營產生的成本或虧損等)於產生期間確認為開支。

### 公允價值計量

本集團於各報告期末按公允價值計量其投資物業及可換股債券。公允價值為市場參與者於計量日期在有序交易中出售資產所收取之價格或轉讓負債所支付之價格。公允價值計量乃根據假設出售資產或轉讓負債之交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要及最具優勢市場須為本集團可進入之市場。資產或負債公允價值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

非金融資產公允價值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途之其他市場參與者，所產生之經濟效益。

本集團採納適用於不同情況且具備充分數據以供計量公允價值之估值技術，以盡量使用相關可觀察輸入值及盡量減少使用不可觀察輸入值。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3 (lowest level): unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the consolidated 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 (other than goodwill)

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

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

## 2. 重大會計政策(續)

### 公允價值計量(續)

所有於綜合財務報表中計量或披露公允價值之資產及負債，乃按對整體公允價值計量具重大影響之最低層輸入值分類至下述之公允價值等級：

第一級 (最高水平)：根據實體於計量日期可獲得之相同資產或負債於活躍市場的報價(未經調整)；

第二級：除第一級包含之報價外，無論是資產或負債直接的或是間接的可觀察輸入資料；

第三級 (最低水平)：資產或負債之不可觀察輸入資料。

就按經常性基準於財務報告確認之資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公允價值計量整體而言屬重大之最低層輸入值)確定是否發生不同等級轉移。

### 非金融資產減值(商譽除外)

倘有顯示出現減值，或當需要對資產(開發中物業、持作出售竣工物業、遞延稅項資產、財務資產及投資物業除外)作每年減值測試，則須估計資產之可收回價值。資產之可收回價值按資產或現金產生單位之使用價值，以及其公允價值減出售成本之較高者計算，並就各個別資產而釐訂，除非資產並未能在大致獨立於其他資產或組別資產之情況下賺取現金流入，在此情況下，須釐訂資產所屬之現金產生單位之可收回金額。

減值虧損只於資產之賬面值超過其可收回數額時確認。於評估使用價值時使用反映當時市場對貨幣時間值以及與資產相關的特定風險的除稅前貼現率貼現出估計未來現金流量之現值。減值虧損於其產生之期間在損益中支銷。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Impairment of non-financial assets (other than goodwill) (Continued)

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 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.

### Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if 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 the holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.

## 2. 重大會計政策(續)

### 非金融資產減值(商譽除外)(續)

於各報告期末，將評估是否有顯示之前確認之減值虧損已不會出現或可能已減少。倘出現有關顯示，則須估計可收回之金額。之前確認之資產(商譽除外)減值虧損只能於用以釐訂資產之可收回數額之估計出現變動始能撥回，惟該數額不得超過假設有相關資產於過往年度並未有確認減值虧損而予以釐訂之賬面值(扣除任何折舊/攤銷)。該撥回之減值虧損乃於其產生之期間計入損益，除非該資產乃按重估價值列賬，則該撥回減值虧損乃根據該項重估資產的有關會計政策入賬。

### 關聯方

關聯方乃指與本集團相關的個人或實體。

- (a) 倘屬以下人士，則該人士或該人士的近親與本集團有關連：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團的公司的主要管理層成員。
- (b) 有關人士為實體並符合任何下列條件：
  - (i) 該實體與本集團為同一集團的成員(這意味著該兩家實體的控股公司、附屬公司和同系附屬公司均相互關聯)。
  - (ii) 一間實體為另一實體的聯營公司或合營公司(或為另一實體所屬集團的成員公司的聯營公司或合營公司)。
  - (iii) 兩家實體均為同一第三方的合營公司。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Related parties (Continued)

- (b) (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also 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 holding company of the entity).
  - (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 holding company of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

## 2. 重大會計政策(續)

### 關聯方(續)

- (b) (續)
- (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
  - (v) 該實體為本集團或與本集團有關聯的實體為僱員福利而設的離職後福利計劃。
  - (vi) 該實體被(a)項所述人士控制或共同控制。
  - (vii) 於(a)(i)項所述人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層。
  - (viii) 實體、或其所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

個人關係密切的家庭成員是指其在和實體進行交易時，預期可能影響該個人或者被該個人影響的家庭成員，包括：

- (a) 該個人的子女及配偶或家庭伴侶；
- (b) 該個人配偶或家庭伴侶的子女；及
- (c) 該個人、該個人配偶或家庭伴侶贍養的人。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Property, plant and equipment

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

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

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

Plant and machinery	19%
Furniture and office equipment	19.0 to 49.4%
Motor vehicles	9.9% to 32.9%

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 the end of each reporting period.

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 period the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

## 2. 重大會計政策(續)

### 物業、機器及設備

物業、機器及設備按成本減累計折舊及任何減值虧損列賬。物業、機器及設備項目之成本包括其購買價及任何使資產達致其使用狀態及地點作擬定用途所直接產生之成本。

於物業、廠房及設備項目投入運作後所產生的支出，如維修及保養費等，通常於該等支出產生期間計入損益。倘確認條件達標，主要檢查費用可按撥充資本計入作為重置的資產賬面值。倘須定期替換大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期的個別資產及相應地予以折舊。

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。就此使用的估計可使用年期的折舊年利率如下：

廠房及機器	19%
傢具及辦公設備	19.0至49.4%
汽車	9.9%至32.9%

倘物業、廠房及設備項目各部分的使用年期不同，則該項目的成本按合理基準分配至各部分，每部分單獨計算折舊。剩餘價值、使用年期及折舊方法至少每於各報告期末檢討，並於適當時調整。

初始確認的物業、廠房及設備項目(包括任何重大部分)於出售或預期使用或出售不會再產生未來經濟利益時終止確認。於資產終止確認期間在損益內確認的任何出售或報廢產生的收益或虧損，乃有關資產出售所得款項淨額與其賬面值的差額。

## 2. 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 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 period 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 period of the retirement or disposal.

For a transfer from properties under development and completed properties held for sale 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.

### Properties under development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realisable value.

Properties under development are classified as current assets unless those will not be realised in the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

## 2. 重大會計政策(續)

### 投資物業

投資物業指持作賺取租金收入及／或資本增值的土地及樓宇權益(包括符合投資物業定義的作為使用權資產而持有的租賃物業)，但不包括用作生產或作供應貨品或提供服務或作行政管理用途或持作日常業務過程中出售的土地及樓宇權益。該等物業初步按成本(包括交易成本)計量。初始確認後，投資物業按公允價值列賬，以反映報告期末的市況。

投資物業公允價值變動產生的收益或虧損計入其產生期間的損益內。

報廢或出售投資物業產生的任何收益或虧損於報廢或出售期間的損益確認。

就在建物業及持作出售之已竣工物業轉撥至投資物業而言，物業於該日之公允價值與先前賬面值間之差額於損益內確認。

### 開發中物業

開發中物業擬持作竣工後出售。

開發中物業按成本及可變現淨值的較低者列賬，成本包括土地成本、建築成本、借貸成本、專業費用與於開發期內產生與該等物業直接相關的其他成本。

除非開發中物業不會於正常營運周期內竣工，否則其分類為流動資產。物業於竣工時轉至持作出售的已竣工物業。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Completed properties held for sale

Completed properties held for sale are stated in the consolidated 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.

### Lease

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.

### The Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term lease 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. 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:

Leasehold building or office	2 to 3 years
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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. 重大會計政策(續)

### 持作出售的已竣工物業

持作出售的已竣工物業乃按成本與可變現淨值的較低者於綜合財務狀況表列賬。成本乃按未出售物業應佔土地及樓宇總成本的分攤比例釐定。可變現淨值計及最終預期將變現的價格減去銷售該物業時將產生的估計成本。

### 租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制已識別資產使用的權利，則該合約為或包含租賃。

### 本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產的權利。

#### (a) 使用權資產

使用權資產於租賃開始日期確認(相關資產可供使用之日期)。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就租賃負債之任何重新計量作出調整。使用權資產之成本包括已確認租賃負債金額、已發生初始直接成本及於開始日期或之前支付之租賃付款減已收取之任何租賃優惠。使用權資產於租賃年期及估計可使用年期(以較短者為準)內以直線法折舊如下所示：

租賃樓宇或辦公室	兩至三年
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倘租賃資產所有權於租賃期末轉移至本集團或成本反映購買權的行使，折舊則根據資產的估計可使用年期計算。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Lease (Continued)

#### The Group as 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.

##### (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 machinery and 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 buildings or offices that are considered to be of low value.

## 2. 重大會計政策(續)

### 租賃(續)

#### 本集團作為承租人(續)

##### (b) 租賃負債

租賃負債於租賃開始日期按於租賃期內作出之租賃付款現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於某一指數或比率之可變租賃付款及預期根據在剩餘價值擔保中將支付之金額。租賃付款亦包括本集團合理確定行使購買選擇權之行使價，倘租賃期反映了本集團行使終止選擇權，則須就終止租賃支付罰款。並非取決於某一指數或比率之可變租賃付款於發生觸發付款之事件或狀況期間確認為開支。

於計算租賃付款現值時，由於租賃中所隱含之利率不易釐定，本集團於租賃開始日期使用其增量借貸利率。於開始日期後，租賃負債金額會增加，以反映利息增加及就所付租賃付款作出調減。此外，倘出現修改、租賃期變動、租賃付款變動(如指數或比率變動所產生之未來租賃付款變動)或購買相關資產之期權評估變更，則租賃負債之賬面值將予重新計量。

##### (c) 短期租賃及低值資產租賃

本集團對其機器及設備的短期租賃(即該等於開始日期的租期為12個月或以下且不包含購買權的租賃)應用短期租賃確認豁免。其亦對視作低值的樓宇或辦公室租賃應用低值資產租賃確認豁免。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Lease (Continued)

#### The Group as 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 consolidated statement of profit or loss and other comprehensive income 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.

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.

### 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 ("FVOCI"), and fair value through profit or loss ("FVPL").

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 FVPL, 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.

## 2. 重大會計政策(續)

### 租賃(續)

#### 本集團作為承租人

本集團作為承租人時，於租賃開始日期(或發生租賃修改)將各項租賃分類為經營租賃或融資租賃。

所有本集團並未轉讓資產所有權所隨附的絕大部分風險及回報的租賃歸類為經營租賃。倘當合約包含租賃及非租賃組成部分時，則本集團按照單獨售價的相對比例將合約中的對價分配給每個組成部分。由於其經營性質，租金收入於租期內按直線法列賬並根據其經營性質於綜合損益及其他全面收益表內列為收益。於協商及安排經營租賃時發產生的初始直接成本乃計入租賃資產的賬面價值，並於租賃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。

凡將相關資產擁有權之絕大部份隨附回報與風險轉讓予承租人之租賃列賬為經營租賃。

### 投資及其他金融資產

#### 初始確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量、按公允價值計入其他全面收入(「按公允價值計入其他全面收入」)及按公允價值計入損益(「按公平價值計入損益」)的金融資產。

於初始確認時，金融資產的分類取決於金融資產的合約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並未就此應用不調整重大融資成分影響實際權宜方法的貿易應收款項外，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應用可行權宜方法的貿易應收款項根據下文「收入確認」所載的政策按國際財務報告準則第15號釐定的交易價格計量。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or FVOCI, 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 FVPL, irrespective of the business model.

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 FVOCI 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 FVPL.

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 consolidated statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

## 2. 重大會計政策(續)

### 投資及其他金融資產(續)

#### 初始確認及計量(續)

以攤銷成本分類及計量或按公允價值計入其他全面收入的金融資產產生的現金流量，應純粹為支付本金及未償還的本金所產生的利息（純粹支付本金及利息）。並非純粹支付本金及利息之現金流量之金融資產，其以公允價值計入損益進行分類及計量，不論其業務模式如何。

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集合約現金流量、出售金融資產，或兩者兼有。以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約現金流量的業務模式內持有，而以攤銷成本分類及計量的按公允價值計入其他全面收入的金融資產則於旨在收取合約現金流量及銷售的業務模式內持有。不屬於上述業務模式內的則為按公允價值計入損益分類及計量的金融資產。

所有金融資產的常規買賣於交易日（即本集團承諾購買或出售該資產之日）確認。常規買賣指須在法規或市場慣例普遍規定的期間交付資產的金融資產買賣。

#### 後續計量

金融資產的後續計量取決於其以下類別：

##### *按攤銷成本計量的金融資產(債務工具)*

按攤銷成本計量的金融資產後續使用實際利率法計量，並可能受減值影響。當資產終止確認、變更或減值時，收益及虧損於綜合損益及其他全面收益表中確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (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. 重大會計政策(續)

### 投資及其他金融資產(續)

#### 金融資產終止確認

金融資產(或,如適用,一項金融資產的一部分或一組同類金融資產的一部分)主要在下列情況下終止確認(即從本集團的綜合財務狀況表中剔除):

- 收取該項資產所得現金流量的權利已經屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或須根據一項「轉付」安排承擔在並無重大延誤的情況下向第三方全數支付所得現金流量責任;及(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產的控制權。

當本集團已轉讓其收取一項資產所得現金流量的權利或已訂立轉付安排,其會評估是否有保留該項資產擁有權的風險及回報及保留程度。倘其並無轉讓或保留該項資產的絕大部份風險及回報,亦無轉讓該項資產的控制權,則本集團繼續根據本集團持續參與的程度將轉讓資產確認入賬。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債按可反映本集團所保留的權利及責任的基準計量。

本集團以擔保形式持續涉及轉讓資產,該已轉讓資產乃以該項資產之原賬面值及本集團可能需要支付之最高代價兩者之較低者計量。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVPL. 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 the end of each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 2. 重大會計政策(續)

### 投資及其他金融資產(續)

#### 金融資產減值

本集團對並非按公允價值計入損益的所有債務工具確認預期信貸虧損的撥備(「預期信貸虧損」)。預期信貸虧損乃基於根據合約應收的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押物的現金流量或組成合約條款的其他信貸提升措施的現金流量。

#### 一般方式

預期信貸虧損分兩個階段確認。對於自首次確認概無重大增加的信貸風險，預期信貸虧損乃是為未來12個月內可能來自違約事件的預期信貸虧損(12個月預期信貸虧損)而計提。對於該等自首次確認後顯著增加的信貸風險，必須為預期於剩餘年期產生的信貸虧損作出虧損撥備，無須考慮違約事件發生的時間(全期預期信貸虧損)。

於各報告日結束時，本集團評估信貸風險自初始確認以來是否顯著上升。於評估時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的資料，包括過往經驗及無須花費不必要成本或努力獲取的前瞻性資料。

本集團認為，當合約繳款逾期超過90天，該金融資產屬違約。然而，於若干情況，當內部或外來資料顯示本集團不大可能於考慮本集團所持的任何信貸提升措施前全數收到尚未償還合約款項時，本集團亦可能認為一項金融資產已屬違約。當概無合理預期可回收合約現金流量時，一項金融資產即被撇銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Investments and other financial assets (Continued)

#### Impairment of financial assets (Continued)

##### General approach (Continued)

Debt investments at FVOCI and 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

##### 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 established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## 2. 重大會計政策(續)

### 投資及其他金融資產(續)

#### 金融資產減值(續)

##### 一般方式(續)

按公允價值計入其他全面收入的債務投資及按攤銷成本計量的金融資產應以一般方法減值及根據以下預期信貸虧損的計量階段分類，惟貿易應收款項及合約資產須應用以下詳述之簡化方法除外。

第一階段：自初始確認以來信貸風險未有顯著上升的金融工具及該等按相當於12個月預期信貸虧損之金額計量虧損減值的金融工具

第二階段：自初始確認以來信貸風險顯著上升惟不屬於未作信貸減值的金融資產之金融工具及該等按相等於全期預期信貸虧損之金額計量虧損減值的金融工具

第三階段：於報告日期已作信貸減值的金融資產(惟不是已購買或源頭信貸減值)及該等按相等於全期預期信貸虧損之金額計量虧損減值的金融資產

##### 簡化方法

就並無重大融資成分或本集團應用可行權宜方法未調整重大融資成分影響的貿易應收款項及合約資產而言，本集團於計算預期信貸虧損時應用簡化方法。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or 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.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

##### *Financial liabilities at FVPL*

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss and other comprehensive income. The net fair value gain or loss recognised in the consolidated statement of profit or loss and other comprehensive income does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at FVPL are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at FVPL are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the profit or loss does not include any interest charged on these financial liabilities.

## 2. 重大會計政策(續)

### 金融負債

#### 初始確認及計量

金融負債於初始確認時歸類為按公允價值計入損益的金融負債、或貸款及借貸、或指定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。

#### 後續計量

金融負債的後續計量取決於其以下類別：

##### *按公允價值計入損益的金融負債*

按公允價值計入損益的金融負債包括持作買賣的金融負債及於初步確認時指定按公允價值於損益中列賬的金融負債。

倘金融負債乃為於短期內出售而購回，則歸類為持有作買賣用途。此類別亦包括本集團所訂立並未指定為對沖關係(定義見國際財務報告準則第9號)中的對沖工具的衍生金融工具。已分開的嵌入式衍生工具亦分類為持作買賣用途，惟指定為實際對沖工具者除外。持作買賣的負債的損益於綜合損益及其他全面收益表中確認。於綜合損益及其他全面收益表中確認的公平淨值收益或虧損不包括就該等金融負債收取的任何利息。

於初步確認時指定按公允價值於損益中列賬的金融負債，僅於初步確認日期符合國際財務報告準則第9號的要求時指定。指定按公允價值計入損益的收益或虧損於綜合損益表確認，惟本集團本身信貸風險產生的於其他全面收益呈列且其後並無重新分類至綜合損益表的收益或虧損除外。於損益內確認的公允價值收益或虧損淨額並不包括任何向該等金融負債所扣除的任何利息。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Financial liabilities (Continued)

#### Subsequent measurement (Continued)

##### *Financial liabilities at amortised cost (loans and borrowings)*

After initial recognition, interest-bearing bank and other borrowings are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

##### *Financial guarantee contracts*

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.

#### 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.

## 2. 重大會計政策(續)

### 金融負債(續)

#### 後續計量(續)

##### *按攤銷成本計量的金融負債(貸款及借貸)*

於初始確認後，計息銀行及其他借款其後以實際利率法按攤銷成本計量，倘貼現影響不大，則按成本列賬。收益或虧損於負債終止確認時透過實際利率攤銷程序於損益確認。

計算攤銷成本時已計及任何收購折讓或溢價，以及實際利率所包括的費用或成本。實際利率攤銷則計入損益的融資成本。

##### *財務擔保合約*

本集團作出的財務擔保合約即要求發行人作出特定付款以償付持有人因特定債務人未能根據債務工具的條款償還到期款項而招致損失的合約。財務擔保合約初步按其公允價值確認為一項負債，並就作出該擔保直接產生的交易成本作出調整。於初始確認後，本集團按(i)根據金融資產減值政策所釐定的預期信貸虧損撥備；及(ii)初始確認的金額減(如適用)確認收入累計金額(以較高者為準)計量財務擔保合約。

#### 終止確認金融負債

金融負債於債務責任已解除或取消或到期時終止確認。

當現有金融負債被同一貸款人以與原有負債條款有重大差別的金融負債取代，或現有負債條款經重大修訂，則上述取代或修訂將視為終止確認原有負債並確認新負債，而有關賬面值之間的差額於損益確認。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only 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.

### 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 profit or loss as finance cost.

### Income tax

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

## 2. 重大會計政策(續)

### 抵銷金融工具

倘且僅倘現時有可執行的合法權利抵銷已確認金額且有意按淨額基準結算，或同時變現資產及結算負債，則金融資產與金融負債予以抵銷且淨額於綜合財務狀況表呈報。

### 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與活期存款，以及可隨時轉換成已知金額現金、價值變動風險不大且購買時一般具有不超過三個月短暫有效期的短期高流通投資，再扣除須於要求時償還且為本集團現金管理所包括的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括不限用途的手頭現金及銀行現金(包括定期存款及與現金性質相似的資產)。

### 撥備

撥備倘因過往事件須承擔現時責任(法定或推定)，而履行該責任可能導致未來資源外流，且該責任所涉金額能夠可靠估計，則確認撥備。

倘貼現影響重大，則確認撥備的金額為預期履行責任所需未來開支於報告期末的現值。貼現現值隨時間過去而增加的金額計入損益中的融資成本。

### 所得稅

即期所得稅支出乃根據本期間的業績計算，並就毋須課稅或不可扣減項目作出調整。計算時所使用的稅率為於報告期末已頒行或實際上已頒行的稅率。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Income tax (Continued)

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 in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### 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 to match the grant on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

### Revenue recognition

#### Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

## 2. 重大會計政策(續)

### 所得稅(續)

遞延稅項乃就資產及負債的稅基與其於綜合財務報表內所示的賬面值於報告期末的所有暫時性差額，採用負債法計提撥備。然而，初步確認商譽或一項交易(業務合併除外)中的其他資產或負債所產生的任何遞延稅項，倘其於交易時不影響會計溢利或應課稅溢利或虧損，則不會確認。

遞延稅項負債及資產乃根據於報告期末已頒行或實際上已頒行的稅率及稅法，按收回資產或清還負債的期間預期適用的稅率計量。

倘可能有未來應課稅溢利可用作抵銷可扣減暫時性差額、稅項虧損及抵免，則會確認遞延稅項資產。

遞延稅項按於附屬公司之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，且暫時差額可能不會於可見將來撥回則除外。

### 政府補助

倘能合理確定將可收到政府補助且所有附帶條件得到遵守，則政府補助按公允價值確認。倘補助與開支項目有關，則會有系統地在擬用作補償的成本支銷期間確認補助為收入以符合該補助。

### 收入確認

#### 來自客戶合約的收入

來自客戶合約的收益乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收益金額極有可能不會發生重大收益回撥。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

#### *Sale 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.

## 2. 重大會計政策(續)

### 收入確認(續)

#### 來自客戶合約的收入(續)

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收益按應收款項的現值計量，使用貼現率折現，該貼現率將反映在本集團與客戶在合同開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為在本集團提供了一年以上的重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上加算的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用國際財務報告準則第15號中實際權宜之計，不會對重大融資部分的影響作出調整。

#### *銷售物業*

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或在某一時點轉移，取決於合約條款與適用於合約的法律規定。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所有利益；或
- 創造及提升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。

倘資產的控制權在一段時間內轉移，會按在合約期間已完成該履約責任的進度確認收益。否則，收益會於買方獲得資產控制權的時點確認。

完全達成履約責任之進度乃根據本集團對履行責任所付出或投入計量，其必須為描述本集團完成履約責任表現之最佳指標。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition (Continued)

#### Revenue from contracts with customers (Continued)

##### *Sale of properties (Continued)*

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

For properties 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.

#### Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

#### Interest income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

#### 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).

#### Other employee benefits

##### Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

##### Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as expenses in profit or loss as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior the contributions are vested fully in those employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

## 2. 重大會計政策(續)

### 收入確認(續)

#### 來自客戶合約的收入(續)

##### 銷售物業(續)

在釐定合約之交易價格時，倘融資成份重大，本集團將根據合約之融資成份調整合約之承諾代價。

就於某時點轉讓物業控制權之物業發展及銷售合約而言，收益於買方獲得實物所有權或竣工物業之法定所有權且本集團已獲得現時之付款請求權並很可能收回代價時確認。

#### 其他來源的收入

租金收入於租期內按時間比例基準確認。

#### 利息收入

利息收入以應計基準，採用實際利率法按估計於金融工具的預計年期或於適當時按更短期間內所得未來現金收入折現至該金融資產賬面淨值的折現率計算。

#### 合約負債

本集團轉讓相關貨物或服務之前，於已收付款或付款到期時(以較早者為準)確認合約負債。本集團根據合約(即將相關貨物或服務的控制權轉讓予客戶)履行合約時，合約負債確認為收益。

#### 其他僱員福利

##### 短期僱員福利

薪金、年度花紅、有薪年假以及非貨幣福利成本乃於僱員提供相關服務年度內計提。

##### 界定供款計劃

界定退休供款計劃的供款責任於產生時在損益賬中確認為開支，並扣除僱員於未完成供款計劃而離職所發生的供款部分。該計劃的資產與本集團的資產分開並由獨立管理基金持有。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Other employee benefits (Continued)

#### Defined contribution plans (Continued)

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their 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.

#### Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

#### 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.

## 2. 重大會計政策(續)

### 其他僱員福利(續)

#### 界定供款計劃(續)

本集團在中國經營的附屬公司的僱員均須參與由地方市政府運作的中央退休金計劃。該等附屬公司須按其員工成本的一定百分比向中央退休金計劃供款。供款於根據中央退休金計劃規則應付時自收益扣除。

#### 離職福利

本集團於明確就終止僱用作出承擔或因在一項實際上不可能撤回的詳細正式計劃下僱員自願離職而提供利益及僅在此情況下，方始確認離職福利。

#### 借貸成本

收購、建設或生產合資格資產(即需要一段較長時間方可達致擬定用途或出售的資產)直接應佔的借貸成本會撥充資本，作為該等資產的部分成本。當資產已大致可作擬定用途或出售時，不再將該等借貸成本撥充資本。將待用於合資格資產的特定借貸臨時投資所賺取的投資收入須自撥充資本的借貸成本扣除。所有其他借款成本於其產生期間列為開支。借貸成本包括實體借款時產生的利息及其他成本。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Foreign currencies

The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company and the Group because the Group's principal operations are carried out in the PRC.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period.
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rate.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

## 2. 重大會計政策(續)

### 外幣

由於本集團的主要業務於中國進行，故綜合財務報表以本公司及本集團的功能貨幣人民幣(「人民幣」)列示。

外幣交易乃按交易日期的現行匯率換算為功能貨幣。該等交易結算以及以外幣計值的貨幣資產及負債按年末匯率換算產生的匯兌收益及虧損，於損益確認。

其功能貨幣與呈列貨幣不同的所有集團實體(「海外業務」)的業績及財務狀況按以下方式換算為呈列貨幣：

- 各財務狀況表的資產及負債按報告期末的收市匯率換算。
- 各損益及其他全面收益表的收支按平均匯率換算。
- 上述換算產生的所有匯兌差額及構成本集團於海外業務的投資淨額一部分之貨幣項目產生的匯兌差額乃確認為權益的獨立部分。
- 出售海外業務(包括出售本集團於海外業務的全部權益、涉及失去包含海外業務之附屬公司的控制權的出售事項，或部分出售於合營安排或聯營公司(包括其保留權益不再於權益列賬的海外業務)的權益)時，與海外業務相關而於其他全面收益中確認並於權益中獨立部分累計的匯兌差額累計金額，於確認出售損益時由權益重新分類至損益。

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Foreign currencies (Continued)

- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

### Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management, which is the Group's chief operating decision maker, for the purposes of allocating resources to, and assessing the performance of, the Group's various geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

## 2. 重大會計政策(續)

### 外幣(續)

- 部分出售本集團於包含海外業務之附屬公司的權益，惟並無令本集團失去對該附屬公司的控制權時，按比例分佔於權益中獨立部分確認的匯兌差額累計金額會重新分類至該海外業務的非控股權益，而不會重新分類至損益。
- 就所有其他部分出售(包括部分出售聯營公司或合營公司而並無導致本集團失去重大影響力或共同控制權)而言，按比例分佔於權益獨立部分確認的匯兌差額累計金額乃重新分類至損益。

### 分部報告

綜合財務報表內所呈報之經營分部及各分部項目之金額，乃自定期就本集團各地理位置之資源分配及表現評估而向本集團最高行政管理層(其為本集團之主要營運決策者)提供之財務資料中識別得出。

個別重大營運分部不會因財務報告而進行聚合，惟各分部具有類似的經濟性質，以及產品與提供的服務性質、生產過程的性質、客戶類型或級別、分銷產品或提供服務所用的方法及監管環境的性質雷同的情況除外。不屬重大的個別營運分部倘其符合絕大部分該等標準則可能進行聚合。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Future changes in IFRSs

At the date of authorisation of the consolidated financial statements, the IASB has issued the following new/revised IFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to IFRS 16	Covid-19-Related Rent Concessions <sup>[1]</sup>
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 <sup>[3]</sup>
Amendments to IAS 39, IFRSs 4, 7, 9 and 16	Interest Rate Benchmark Reform — Phase 2 <sup>[2]</sup>
Amendments to IAS 16	Proceeds before Intended Use <sup>[4]</sup>
Amendments to IAS 37	Cost of Fulfilling a Contract <sup>[4]</sup>
Amendments to IFRS 3	Reference to the Conceptual Framework <sup>[4]</sup>
Annual Improvements to IFRSs	2018–2020 Cycle <sup>[4]</sup>
Amendments to IAS 1	Classification of Liabilities as Current or Non-current <sup>[5]</sup>
Amendments to IAS 1	Disclosures of Accounting Policies <sup>[5]</sup>
Amendments to IAS 8	Definition of Accounting Estimates <sup>[5]</sup>
IFRS 17	Insurance Contracts <sup>[5]</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>[6]</sup>

- <sup>[1]</sup> Effective for annual periods beginning on or after 1 June 2020
- <sup>[2]</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>[3]</sup> Effective for annual periods beginning on or after 1 April 2021
- <sup>[4]</sup> Effective for annual periods beginning on or after 1 January 2022
- <sup>[5]</sup> Effective for annual periods beginning on or after 1 January 2023
- <sup>[6]</sup> The effective date to be determined

The directors of the Company do not anticipate that the adoption of the new/revised IFRSs in future periods will have any material impact on the consolidated financial statements of the Group.

## 2. 重大會計政策(續)

### 國際財務報告準則之未來變動

於授權綜合財務報表當日，本集團並無提早採納國際會計準則理事會已頒佈惟於本年度尚未生效之下列新訂／經修訂國際財務報告準則。

國際財務報告準則第16號之修訂本	Covid-19相關租金寬減 <sup>[1]</sup>
國際財務報告準則第16號之修訂本	於二零二一年六月三十日後的Covid-19相關租金寬減 <sup>[3]</sup>
國際會計準則第39號、國際財務報告準則第4號、第7號、第9號及第16號之修訂本	利率基準改革 — 第二階段 <sup>[2]</sup>
國際會計準則第16號之修訂本	用作擬定用途前的所得款項 <sup>[4]</sup>
國際會計準則第37號之修訂本	履行合約的成本 <sup>[4]</sup>
國際財務報告準則第3號之修訂本	概念框架的引用 <sup>[4]</sup>
國際財務報告準則之年度改進	二零一八年至二零二零年週期 <sup>[4]</sup>
國際會計準則第1號之修訂本	將負債分類為流動或非流動 <sup>[5]</sup>
國際會計準則第1號之修訂本	會計政策之披露 <sup>[5]</sup>
國際會計準則第8號之修訂本	會計估計之定義 <sup>[5]</sup>
國際財務報告準則第17號	保險合約 <sup>[5]</sup>
國際財務報告準則第10號及國際會計準則第28號之修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>[6]</sup>

- <sup>[1]</sup> 於二零二零年六月一日或之後開始的年度期間生效
- <sup>[2]</sup> 於二零二一年一月一日或之後開始的年度期間生效
- <sup>[3]</sup> 於二零二一年四月一日或之後開始的年度期間生效
- <sup>[4]</sup> 於二零二二年一月一日或之後開始的年度期間生效
- <sup>[5]</sup> 於二零二三年一月一日或之後開始的年度期間生效
- <sup>[6]</sup> 生效日期尚待釐定

本公司董事預期於未來期間應用該等新訂／經修訂國際財務報告準則將不會對本集團的綜合財務報表造成任何重大影響。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated 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 of the Group has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the consolidated financial statements:

#### Classification between investment properties and completed properties held for sale

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. Completed properties held for sale comprise properties that are held for sale in the ordinary course of business. Principally, these are residential properties that the Group develops and intends to sell before or on completion of construction.

#### Withholding tax arising from the distribution of dividends

The Group's determination, as to whether to accrue withholding taxes arising from the distributions of dividends by certain subsidiaries according to the relevant tax rules enacted in the jurisdictions, is subject to judgement on the plan of the distribution of dividends.

### 3. 重要會計判斷及估計

本集團的綜合財務報表編製，管理層須作出判斷、估計及假設，而該等判斷、估計及假設會影響所呈報的收益、開支、資產及負債金額及其相關披露以及或然負債的披露。該等假設及估計的不確定性可能導致日後須大幅調整受影響資產或負債的賬面值。

#### 判斷

本集團管理層在應用本集團的會計政策過程中，除作出涉及估計的判斷外，亦作出以下對於綜合財務報表內所確認金額有最重大影響的判斷：

#### 投資物業及持作出售的已竣工物業之間的分類

本集團會釐定一項物業是否合資格作為投資物業，並已制定作出該判斷的標準。投資物業為持作賺取租金或作資本增值或同時作以上用途的物業。因此，本集團會衡量物業所產生現金流量是否基本上獨立於本集團持有的其他資產。某些物業包括持作賺取租金或作資本增值亦包括持作生產或提供貨品或服務或作行政用途的另一部分。倘該等部分能獨立出售或根據融資租賃獨立出租，則本集團會將各部分獨立入賬。倘該等部分不能獨立出售，則僅於持作生產或提供貨品或服務或作行政用途的部分並不重大時，該物業方會視為投資物業。本集團會根據個別物業作出判斷，以釐定配套服務是否重大以致其不合資格歸類為投資物業。持作出售的已竣工物業包括持作於日常業務過程中出售的物業，主要是本集團開發並擬於竣工前或竣工時出售的住宅物業。

#### 分派股息產生的預扣稅

本集團在釐定是否根據司法權區所頒佈的相關稅務規則計算若干附屬公司分派股息所產生的預扣稅時，須對分派股息的計劃作出判斷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period, are described below.

#### Provision for expected credit losses on trade receivables and financial assets included in prepayments, other receivables and other assets at amortised costs

The Group uses a provision matrix to calculate ECLs for trade receivables and financial assets included in prepayments, other receivables and other financial assets at amortised costs. The provision rates are based on days past due for groupings of various debtor 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 provision matrix 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 product) are expected to deteriorate over the next financial reporting period which can lead to an increased number of defaults in the property development sector, the historical default rates are adjusted. At the end of each reporting period, 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 debtor's actual default in the future.

### 3. 重要會計判斷及估計(續)

#### 估計的不確定因素

以下是於報告日有關未來的主要假設及估計不明朗因素的其他主要來源，有關假設及來源具有導致資產及負債的賬面值於下一個財務報告期內作出大幅調整的重大風險。

#### 貿易應收款項及按攤銷成本計入預付款項、其他應收款項及金融資產的金融資產的預期信貸虧損撥備

本集團使用撥備矩陣以計算貿易應收款項及按攤銷成本計入預付款項、其他應收款項及其他資產的金融資產的的預期信貸虧損。撥備率乃基於不同客戶分部組別的欠款逾期日數而定，該等債務人分部的虧損模式相似(即地區、產品種類、客戶類別及評級以及信用證及其他信貸保險形式的保障範圍)。

撥備矩陣乃初始基於本集團的過往可觀察違約比率。本集團將按經前瞻性資料調整的過往信貸虧損經驗調節該矩陣。舉例說，倘下一個財務報告期的預測經濟狀況(例如國內生產總值)預期將轉差，可導致物業開發的違約數量增加，過往違約比率將作出調整。於各報告期末，本集團更新過往可觀察違約比率及分析前瞻性估計的變動。

過往可觀察違約比率、預測經濟狀況及預期信貸虧損之間關係的評估乃重大的估計。預期信貸虧損金額對情況的變動及預測經濟狀況相當敏感。本集團的過往信貸虧損經驗及預測經濟狀況就債務人未來實際違約而言亦未必有代表性。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty (Continued)

##### Provision of 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 a 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 the estimate is changed will be adjusted accordingly.

##### Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. 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. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell 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.

### 3. 重要會計判斷及估計(續)

#### 估計的不確定因素(續)

##### 有關開發中物業及持作出售的已竣工物業的撥備

本集團的開發中物業及持作出售的已竣工物業按成本及可變現淨值的較低者列賬。基於本集團的過往經驗及目標物業的性質，本集團對售價、開發中物業的竣工成本及根據現行市況銷售該物業所產生的成本作出估計。

倘竣工成本增加或銷售淨值減少，則可變現淨值將會減少，而這或會導致就開發中物業及持作出售的已竣工物業作出撥備。該撥備須使用判斷及估計。倘預期不同於原先估計，則於估計發生變動期間物業的賬面值及撥備將作相應調整。

##### 非金融資產(商譽除外)減值

本集團於各報告期末評估所有非金融資產有否減值跡象。無限年期的無形資產於每年及於有關跡象存在的其他時間進行減值測試。其他非金融資產在有跡象顯示其賬面值無法收回時進行減值測試。當資產或現金產生單位的賬面值超過其可收回金額(即其公允價值減銷售成本與其使用價值的較高者)，則存在減值。公允價值減銷售成本乃基於按公平原則進行具約束力的類似資產銷售交易所得數據或可觀察市價扣除出售資產的增量成本計算。計算使用價值時，管理層須估計資產或現金產生單位的預期未來現金流量，選擇合適的貼現率以計算該等現金流量的現值。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty (Continued)

##### Leases — Estimating the incremental borrowing rate (“IBR”)

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an 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).

##### Estimation on the fair value of investment properties

Investment properties, including completed investment properties and investment properties under construction carried at fair value, are revalued at the end of each reporting period based on the appraised market value provided by independent professional valuers. Such valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each reporting period.

The principal assumptions for the Group’s estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs.

##### Deferred tax assets

Deferred tax assets are recognised for all 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. 重要會計判斷及估計 (續)

#### 估計的不確定因素 (續)

##### 租賃 — 估算增量借款利率 (「增量借款利率」)

本集團無法輕易釐定租賃內所隱含的利率，因此，使用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，而以類似抵押品與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附屬公司而言）或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以附屬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（如附屬公司之獨立信貸評級）。

##### 投資物業的公允價值估計

投資物業（包括按公允價值列賬的已竣工投資物業及在建投資物業）均於各報告期末基於獨立專業估值師所提供的經評估市值進行重新估值。該估值乃基於若干假設，其存在不確定因素並可能與實際業績相差甚遠。在進行估計時，本集團考慮有關類似物業於活躍市場的當前價格的資料，並採用主要基於各報告期末已存在市況的假設。

對本集團公允價值估計的主要假設包括對相同地區及條件下類似物業的現時市場租金、適當貼現率、預期未來市場租金及未來維修成本的假設。

##### 遞延稅項資產

倘可能有應課稅溢利可用以抵銷虧損，則就所有未動用的稅項虧損確認遞延稅項資產。管理層須根據未來應課稅溢利的大致時間及數額以及未來稅務計劃策略作出重大判斷，以釐定可確認的遞延稅項資產金額。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Estimation uncertainty (Continued)

##### PRC land appreciation tax (“LAT”)

The Group is subject to LAT in the PRC. The provision for LAT is based on management’s best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for all its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the differences realise.

##### Convertible bonds

The management uses their judgements in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. In determining the fair value of convertible bonds, assumptions are made based on quoted market rates adjusted for specific features of the instrument.

### 4. SEGMENT INFORMATION

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

- (a) the property development segment engages in the development and sale of properties;
- (b) the property leasing segment engages in leasing out properties for their rental income potential and/or for capital appreciation; and
- (c) the others segment engages in investment holding.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before income tax.

### 3. 重要會計判斷及估計(續)

#### 估計的不確定因素(續)

##### 中國土地增值稅(「土地增值稅」)

本集團須繳納中國土地增值稅。土地增值稅撥備乃基於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，而任何差額會影響差額變現期間的土地增值稅開支及相關撥備。

##### 可換股債券

就於活躍市場上並無報價的金融工具而言，在選擇適當的估值技術時，管理層運用其判斷。市場從業者常用的估值方法會被應用。釐定可換股債券的公平值時所作出的假設，乃基於就該工具的具體特點調整後的市場報價。

### 4. 分部資料

就管理而言，本集團按產品及服務劃分其業務單位，且有以下三個可呈報經營分部：

- (a) 從物業開發及銷售的物業開發分部；
- (b) 從事出租具租金收入潛力及／或資本增值的物業的物業租賃分部；及
- (c) 從事投資控股的其他分部。

管理層獨立監察本集團各經營分部的業績，以作出有關資源分配及業績評估的決策。分部業績乃基於可呈報分部損益(即對經調整除所得稅前損益的計量)進行評估。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 4. SEGMENT INFORMATION (CONTINUED)

No analysis of the Group's assets and liabilities by operating segment is disclosed as it is not regularly provided to the chief operating decision-maker for review.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Year ended 31 December 2020

#### 4. 分部資料(續)

由於本集團按經營分部劃分的資產及負債的分析並無定期提交予主要營運決策者審閱，因此並無披露該等分析。

分部間之銷售及轉讓乃按照當時市場價格銷售予第三方之銷售價而進行交易。

截至二零二零年十二月三十一日止年度

		Property development 物業開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Consolidated 總計 RMB'000 人民幣千元
<b>Segment revenue</b>	<b>分部收益</b>				
Sales to external customers (Note 5)	銷售予外部客戶 (附註5)	69,769	58,768	—	128,537
<b>Segment results</b>	<b>分部業績</b>	(892,232)	(20,903)	(143,285)	(1,056,420)
Loss before income tax	除所得稅前虧損				(1,056,420)
<b>Other segment information</b>	<b>其他分部資料</b>				
Additions to property, plant and equipment	添置物業、廠房及設備	29	—	—	29
Bank interest income	銀行利息收入	(16)	(116)	(4)	(136)
Changes in fair value of convertible bonds	可轉股債券之公允價值變動	—	—	(20,363)	(20,363)
Changes in fair value of investment properties	投資物業之公允價值變動	—	22,900	—	22,900
Depreciation of property, plant and equipment	物業、廠房及設備折舊	444	2	60	506
Depreciation of right-of-use assets	使用權資產折舊	—	197	295	492
Finance costs (excluding interest on lease liabilities)	融資成本 (租賃負債利息除外)	953	—	—	953
Loss on termination of lease, net	終止租賃虧損淨額	—	—	45	45
Impairment of completed properties held for sale	持作出售的已竣工物業減值	132,303	—	—	132,303
Impairment of properties under development	開發中物業減值	319,926	—	—	319,926
Impairment of trade receivables, net	貿易應收款項減值淨額	—	324	—	324
Impairment of financial assets included in prepayments, other receivables and other assets, net	計入預付款項、其他應收款項及其他資產的金融資產減值淨額	73,820	642	76,513	150,975
Provision for litigation and claims	訴訟及申索撥備	40,000	—	—	40,000
Loss on settlement of dispute	結算糾紛虧損	66,160	—	—	66,160
Interest penalties	罰息	227,185	28,993	48,372	304,550

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 4. SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2019

### 4. 分部資料(續)

截至二零一九年十二月三十一日止年度

		Property development 物業開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Consolidated 總計 RMB'000 人民幣千元
<b>Segment revenue</b>	<b>分部收益</b>				
Sales to external customers (Note 5)	銷售予外部客戶(附註5)	99,638	63,711	—	163,349
<b>Segment results</b>	<b>分部業績</b>	(143,097)	161,912	(65,663)	(46,848)
Loss before income tax	除所得稅前虧損				(46,848)
<b>Other segment information</b>	<b>其他分部資料</b>				
Additions to property, plant and equipment	添置物業、廠房及設備	8	—	—	8
Bank interest income	銀行利息收入	(70)	(100)	(32)	(202)
Changes in fair value of convertible bonds	可換股債券之公允價值變動	(11,946)	—	—	(11,946)
Changes in fair value of investment properties	投資物業之公允價值變動	—	(146,823)	—	(146,823)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,125	—	73	1,198
Depreciation of right-of-use assets	使用權資產折舊	—	419	353	772
Finance costs (excluding interest on lease liabilities)	融資成本(租賃負債利息除外)	2,460	75	—	2,535
Impairment of completed properties held for sale	持作出售的已竣工物業減值	9,710	—	—	9,710
Interest penalties	罰息	91,752	10,625	25,180	127,557
(Reversal for) Provision for impairment of trade receivables, net	貿易應收款項減值淨額(撥回)撥備	(1,086)	1,646	—	560
Impairment of financial assets included in prepayments, other receivables and other assets, net	計入預付款項、其他應收款項及其他資產的金融資產減值淨額	364	268	2,450	3,082
Realisation of onerous operating leases	虧損經營租賃實現	—	(1,243)	—	(1,243)

#### Geographical information

Since the Group solely operates business in the PRC and almost all of the Group's non-current assets are located in the PRC, geographical segment information in accordance with IFRS 8 Operating Segments is not presented.

#### Information about major customers

None of the customers individually contributed 10% or more of the Group's revenue for the years ended 31 December 2020 and 2019.

#### 地理資料

由於本集團僅於中國經營業務，且本集團幾乎所有非流動資產位於中國，故並無根據國際財務報告準則第8號經營分部呈列地理分部資料。

#### 有關主要客戶的資料

截至二零二零年及二零一九年十二月三十一日止年度，概無客戶獨自貢獻本集團收益10%或以上。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 5. REVENUE

#### 5. 收益

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Revenue from contracts with customers within IFRS 15</b>	<b>國際財務報告準則第15號之客戶合約的收益</b>		
Sales of properties	物業銷售	69,769	99,638
<b>Revenue from other sources</b>	<b>來自其他來源的收益</b>		
Gross rental income from investment properties operating leases — other lease payments, including fixed payments	來自投資物業經營租賃的租金收入總額 — 其他租賃付款，包括定額付款	58,768	63,711
		<b>128,537</b>	<b>163,349</b>

##### (a) Disaggregated revenue information

In addition to the information shown in segment disclosures, the revenue from contracts with customers within IFRS 15 is disaggregated as follows:

##### (a) 收入分拆資料

除分部披露所顯示之資料以外，國際財務報告準則第15號範圍內之客戶合約的收益細分如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<i>Geographical region:</i>	<i>地理區域：</i>		
— The PRC	— 中國	69,769	99,638
<i>Timing of revenue recognition:</i>	<i>收入確認時間</i>		
— at a point in time	— 於一個時點	69,769	99,638
<i>Type of transaction price:</i>	<i>交易價格類別：</i>		
— fixed price	— 固定價格	69,769	99,638

The amount of revenue recognised for the year ended 31 December 2020 that was included in the contract liabilities at the beginning of the year is approximately RMB32,990,000 (2019: RMB23,135,000).

於截至二零二零年十二月三十一日止年度確認並計入年初合約負債的收益金額約人民幣32,990,000元（二零一九年：人民幣23,135,000元）。

##### (b) Performance obligations

Information about the Group's performance obligations in respect of sales of properties is summarised below:

The performance obligation is satisfied when customers obtain the physical possession or the legal title of the completed properties and the Group has right to payment and the collection of the consideration is probable.

##### (b) 履約責任

有關本集團物業銷售履約責任的資料概述如下：

履約責任於客戶取得已竣工物業實際擁有權或合法產權，本集團擁有付款權利且可收取代價時履行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

6. OTHER INCOME AND GAINS

6. 其他收入及收益

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Other income</b>	<b>其他收入</b>		
Bank interest income	銀行利息收入	136	202
Government grants	政府補助	445	6
Others	其他	305	123
		<b>886</b>	331
<b>Gains</b>	<b>收益</b>		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	36	—
Exchange gain	匯兌收益	2,513	745
		<b>2,549</b>	745
		<b>3,435</b>	1,076

7. LOSS BEFORE INCOME TAX

This is stated after charging (crediting):

7. 除所得稅前虧損

經扣除(計入)下列項目後列賬:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Finance costs</b>	<b>融資成本</b>		
Interest on interest-bearing bank and other borrowings	計息銀行及其他借款的利息	191,438	162,908
Interest on lease liabilities	租賃負債的利息	20	59
Interest expense arising from revenue contracts	來自收益合約的利息開支	882	2,460
Total interest expense	總利息開支	192,340	165,427
Less: Interest capitalised (Note (a))	減: 資本化利息(附註(a))	(191,367)	(162,908)
		<b>973</b>	2,519
<b>Other finance costs</b>	<b>其他融資成本</b>		
Increase in discounted amounts of provisions arising from the passage of time	隨時間過去而產生的撥備貼現金額增加	—	75
<b>Total finance costs</b>	<b>融資成本總額</b>	<b>973</b>	2,594

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 7. LOSS BEFORE INCOME TAX (CONTINUED)

#### 7. 除所得稅前虧損(續)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Staff costs (excluding directors' emoluments in Note 8)</b>	<b>員工成本 (附註8的董事酬金除外)</b>		
Salaries, allowances and benefits-in-kind	薪金、津貼及實物利益	16,645	19,637
Contribution to defined contribution plans	界定供款計劃的供款	2,042	6,531
		<b>18,687</b>	26,168
<b>Other items</b>	<b>其他項目</b>		
Auditor's remuneration	核數師酬金	1,516	2,730
Cost of properties sold	已出售物業的成本	53,454	76,796
Cost of leasing properties	租賃物業成本	13,523	33,561
Depreciation of property, plant and equipment	物業、廠房及設備折舊	506	1,198
Depreciation of right-of-use assets	使用權資產折舊	492	772
Impairment of financial assets, net (included in "other expenses")	金融資產減值淨額 (計入「其他開支」)		
— Impairment of trade receivables, net	— 貿易應收款項減值淨額	324	560
— Impairment of financial assets included in prepayments, other receivables and other assets, net	— 計入預付款項、其他應收款項及其他資產的金融資產減值淨額	150,975	3,082
		<b>151,299</b>	3,642
Impairment of properties under development (included in other expenses) (Note 17)	開發中物業減值 (計入其他開支)(附註17)	319,926	—
Impairment of completed properties held for sale (included in other expenses) (Note 18)	持作出售的已竣工物業減值 (計入其他開支)(附註18)	132,303	9,710
Interest penalties (included in other expenses)	罰息(計入其他開支)	304,550	127,577
Lease payments not included in the measurement of lease liabilities	租金付款不包括計量租賃負債	857	71
Loss on settlement of dispute (included in "other expenses") (Note (c))	結算糾紛虧損(計入「其他開支」)(附註(c))	66,160	—
Provision for litigations and claims (included in "other expenses") (Note (b))	訴訟及申索撥備(計入「其他開支」)(附註(b))	40,000	—
Realisation of onerous operating leases (included in "cost of sales")	虧損經營租賃實現 (計入「銷售成本」)	—	(1,243)

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**7. LOSS BEFORE INCOME TAX (CONTINUED)**

Notes:

(a) To the extent that the Group's funds are borrowed generally and used for the purpose of financing certain properties under development, the capitalisation rate used to determine the amounts of borrowing costs eligible for the capitalisation is 8.93% (2019: 8.56%) per annum.

(b) During the year ended 31 December 2020, a service provider (the "Plaintiff") of the Company's subsidiary 杭州新明置業投資有限公司 (Hangzhou Xinming Property Investment Limited\*) ("Hangzhou Xinming") initiated proceedings in the People's Court of Gongshu District, Hangzhou City, Zhejiang Province against Hangzhou Xinming to demand outstanding entrusted management service fee, employee salary and benefit and penalty in the sum of approximately RMB68,652,000, together with penalty which shall accrue up to the date of actual payment and all litigation costs relating to the case shall be borne by Hangzhou Xinming.

In September 2020, the Court handed down the first-instance judgement that, among others, Hangzhou Xinming shall pay outstanding entrusted management service, employee salary and benefit in the sum of approximately RMB24,688,000 and penalty of approximately RMB13,188,000 to the Plaintiff together with penalty calculated at 0.03% per day from 1 April 2020 to the date of repayment of amount aforementioned.

Accordingly, the Group has charged RMB40,000,000 to profit or loss in relation to the above litigation for the year ended 31 December 2020.

(c) During the year ended 31 December 2019, the Group and 台州新明國際家居生活廣場業主委員會 (the Owners Committee of Xinming International Household Products Mall\*) (the "Owners Committee") entered into a settlement agreement for the dispute in respect of property management service for management of Xinming International Household Products Mall (the "Settlement Agreement") pursuant to which, among others, the Group agreed to compensate the loss on termination of property management contract, bear the cost of maintenance service of public facilities and bear the cost of restoration of the properties in Xinming International Household Products Mall (the "Compensation").

Pursuant to the co-operation agreement entered in 2018, Xinming Group Limited, a related company controlled by the Controlling Shareholder, Mr. Chen Chengshou, has provided guarantee to indemnify any loss incurred by the Group from management of Xinming International Household Products Mall (the "Indemnity").

During the year ended 31 December 2020, the Indemnity was terminated and therefore an one-off loss on settlement of dispute amounting approximately RMB66,160,000 in respect of the Compensation was recognised in profit or loss.

The Compensation was fully settled up to January 2021.

\* English name is for identification purpose only.

**7. 除所得稅前虧損(續)**

附註:

(a) 對於本集團一般借貸資金用作若干開發中物業的融資，用以釐定合資格資本化之借貸成本金額的資本化率為每年8.93% (二零一九年: 8.56%)。

(b) 截至二零二零年十二月三十一日止年度，本公司之附屬公司杭州新明置業投資有限公司(「杭州新明」)的一個服務提供商(「原告」)向浙江省杭州市拱墅區人民法院對杭州新明提起訴訟，索要尚未支付的信託管理服務費、僱員薪酬及福利以及罰款，總額約為人民幣68,652,000元，連同自實際支付日期起應付的罰款以及與該案件有關的杭州新明須承擔的所有訴訟費。

於二零二零年九月，有關法院下發一審判決書，裁定(其中包括)杭州新明須向原告支付尚未支付的信託管理服務費、僱員薪酬及福利，總額約為人民幣24,688,000元，以及約人民幣13,188,000元的罰款，連同按每日0.03%自二零二零年四月一日起計至上述金額償還日期為止的罰款。

故此，於截至二零二零年十二月三十一日止年度，本集團已就上述訴訟將人民幣40,000,000元計入損益。

(c) 截至二零一九年十二月三十一日止年度，本集團與台州新明國際家居生活廣場業主委員會(「業主委員會」)就管理新明國際家居生活廣場提供物業管理服務之糾紛訂立一份結算協議(「結算協議」)，據此(其中包括)本集團同意就終止物業管理合約的損失作出賠償，承擔公共設施維護服務費，以及承擔新明國際家居生活廣場翻新物業的費用(「賠償」)。

根據二零一八年訂立的合作協議，新明集團有限公司(一間由控股股東陳守先生控制的關聯公司)已提供擔保，彌償本集團管理新明國際家居生活廣場所產生的任何虧損(「彌償」)。

截至二零二零年十二月三十一日止年度，彌償已獲終止，因此，就賠償作出的糾紛結算的一次性虧損達約人民幣66,160,000元已於損益內確認。

直至二零二一年一月，賠償已獲悉數結清。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The emoluments paid or payable to each of the following directors were as follows:

For the year ended 31 December 2020

#### 8. 董事及主要行政人員之薪酬

已付或應付下列各董事的薪酬如下：

截至二零二零年十二月三十一日止年度

		Salaries, allowances and benefits-in-kind	Contribution to defined contribution plans	Total
		薪金、津貼及實物利益	界定供款計劃的供款	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
<b>Executive directors:</b>	<b>執行董事：</b>			
Mr. Chen Chengshou	陳承守先生	—	983	1,074
Mr. Feng Cizhao	豐慈招先生	—	80	112
Mr. Pu Wei (Note (a))	浦巍先生(附註(a))	—	289	303
<b>Non-executive directors:</b>	<b>非執行董事：</b>			
Ms. Gao Qiaoqin	高巧琴女士	—	180	180
Mr. Chou Chiu Ho (Note (b))	周昭何先生(附註(b))	—	578	582
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>			
Mr. Gu Jiong	顧炯先生	222	—	222
Mr. Lo Wa Kei, Roy	盧華基先生	222	—	222
Mr. Fong Wo, Felix	方和先生	222	—	222
		<b>666</b>	<b>2,110</b>	<b>2,917</b>

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)**

For the year ended 31 December 2019

**8. 董事及主要行政人員之薪酬 (續)**

截至二零一九年十二月三十一日止年度

		Salaries, allowances and benefits-in-kind	Contribution to defined contribution plans	Total
	Directors' fees	薪金、津貼及實物利益	界定供款計劃的供款	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors:</b>	<b>執行董事：</b>			
Mr. Chen Chengshou	陳承守先生	—	983	1,069
Mr. Feng Cizhao	豐慈招先生	—	80	112
<b>Non-executive director:</b>	<b>非執行董事：</b>			
Ms. Gao Qiaoqin	高巧琴女士	—	180	180
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>			
Mr. Gu Jiong	顧炯先生	220	—	220
Mr. Lo Wa Kei, Roy	盧華基先生	220	—	220
Mr. Fong Wo, Felix	方和先生	220	—	220
		660	1,243	2,021

Notes:

- (a) On 5 February 2020, Mr. Pu Wei was appointed as an executive director of the Company.
- (b) Mr. Chou Chiu Ho was appointed as an executive director of the Company on 5 February 2020 and was re-designated to a non-executive director of the Company on 1 May 2020.

Mr. Chen Chengshou is the chief executive officer of the Group, and his emoluments disclosed above included those for services rendered by him as chief executive officer during the years ended 31 December 2020 and 2019.

For the years ended 31 December 2020 and 2019, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. No directors waived or agreed to waive any emoluments in respect of the years ended 31 December 2020 and 2019.

附註：

- (a) 於二零二零年二月五日，浦巍先生獲委任為本公司執行董事。
- (b) 周昭何先生於二零二零年二月五日獲委任為本公司執行董事並於二零二零年五月一日重新指派為本公司非執行董事。

陳承守先生為本集團行政總裁，而其上述所披露的薪酬包括彼截至二零二零年及二零一九年十二月三十一日止年度期間擔任行政總裁所提供的服務。

截至二零二零年及二零一九年十二月三十一日止年度，本集團並無向董事支付酬金作為吸引其加入本集團或於加入本集團時之獎勵或離職補償。截至二零二零年及二零一九年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2019: one) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2019: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries, allowances and benefits-in-kind 薪金、津貼及實物利益	3,055	3,676
Contribution to defined contribution plans 界定供款計劃的供款	258	334
	<b>3,313</b>	4,010

The emoluments fell within the following bands:

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
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	3	3

For the years ended 31 December 2020 and 2019, no emoluments were paid by the Group to the highest paid individuals as a payment for loss of office or as an inducement to join or upon joining the Group.

For the years ended 31 December 2020 and 2019, no individuals waived or agreed to waive any emoluments.

#### 9. 五名最高薪酬僱員

本年度五名最高薪酬僱員包括兩名(二零一九年：一名)董事，彼等之薪酬詳情載列於上文附註8。本年度餘下三名(二零一九年：四名)既非本公司董事亦非主要行政人員之最高薪酬僱員之薪酬詳情如下：

酬金介乎以下範圍：

截至二零二零年及二零一九年十二月三十一日止年度，本集團概無支付最高薪人士任何酬金，作為離職之補償或作為加入或於加入本集團時之獎勵。

截至二零二零年及二零一九年十二月三十一日止年度，概無人士放棄或同意放棄任何酬金。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 10. INCOME TAX

## 10. 所得稅

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Current tax</b>	<b>即期稅項</b>		
PRC Enterprise Income Tax	中國企業所得稅	—	3,348
Land appreciation tax ("LAT")	土地增值稅 (「土地增值稅」)	4,657	(3,199)
		4,657	149
<b>Deferred tax (Note 16)</b>	<b>遞延稅項(附註16)</b>	54,827	65,521
Total income tax expenses for the year	年內所得稅支出總額	59,484	65,670

The Group is subject to income tax on an entity based on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operated. Pursuant to the rules and regulations of the Cayman islands and the British Virgin Islands (the "BVI"), the Group's entities incorporated in the Cayman Islands and the BVI are not subject to any income tax.

The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable income arising in Hong Kong during the year.

The Group's entities established in the PRC are subject to PRC Enterprise Income Tax at a statutory rate of 25%.

Taxes on profits assessable elsewhere have been calculated at the tax rates prevailing in the jurisdictions in which the Group operates.

According to the requirements of the Provisional Regulations of the PRC on LAT effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all income from the sale or transfer of state-owned leasehold interest on land, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

本集團須就實體於本集團成員公司註冊及經營所在司法權區產生或取得的溢利繳納所得稅。根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及規例，本集團於開曼群島及英屬處女群島註冊成立的實體毋須繳納任何所得稅。

本集團於香港註冊成立的附屬公司毋須繳納所得稅，乃因其於年內並無在香港產生任何應課稅收入。

本集團於中國成立的實體須按法定稅率25%繳納中國企業所得稅。

其他地區之應課稅溢利稅項乃按本集團經營所在司法權區當時之稅率計算。

根據於一九九四年一月一日生效的《中華人民共和國土地增值稅暫行條例》及於一九九五年一月二十七日生效的《中華人民共和國土地增值稅暫行條例(實施細則)》的規定，出售或轉讓中國國有土地租賃權益、建築物及其附著物所得全部收入均須就增值按30%至60%的累進稅率繳納土地增值稅，惟倘增值並不超過可扣稅項目總和的20%，則普通住宅物業的物業銷售可免繳土地增值稅。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 10. INCOME TAX (CONTINUED)

The Group has estimated and made tax provision for LAT according to 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 completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated.

#### Reconciliation of income tax expenses

#### 10. 所得稅(續)

本集團根據相關中國稅法及法規所載規定估計土地增值稅並就此作出稅項撥備。實際土地增值稅負債於物業開發項目竣工後由稅務機關釐定，而稅務機關可能對計算土地增值稅撥備的基準提出異議。

#### 所得稅開支之對賬

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Loss before income tax	除所得稅前虧損	<b>(1,056,420)</b>	(46,848)
Tax at the statutory tax rate of 25% (2019: 25%)	按法定稅率25%計算的稅項 (二零一九年: 25%)	<b>(264,650)</b>	(11,712)
Lower tax rate for specific entities	特定實體之較低稅率	<b>3,462</b>	4,258
Non-deductible expenses, net of non-taxable income	不可扣稅開支，扣除非應課稅收入	<b>585</b>	723
Write-down of previously recognised deferred tax assets	撇減先前確認的遞延稅項資產	<b>16,563</b>	—
Unrecognised tax losses and temporary differences	未確認稅項虧損及暫時差額	<b>298,867</b>	74,800
Subtotal	小計	<b>54,827</b>	68,069
Provision for (Reversal of) LAT	土地增值稅撥備(撥回)	<b>3,431</b>	(6,292)
LAT prepaid for the year	年內預付土地增值稅	<b>2,778</b>	3,093
Deferred tax effect of LAT	土地增值稅的遞延稅項影響	<b>(858)</b>	1,573
Tax effect of prepaid LAT	預付土地增值稅的稅務影響	<b>(694)</b>	(773)
Total income tax expenses for the year	年內所得稅開支總額	<b>59,484</b>	65,670

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 11. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the years ended 31 December 2020 and 2019.

#### 12. LOSS PER SHARE

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

#### 11. 股息

本公司董事不建議就截至二零二零年及二零一九年十二月三十一日止年度派付股息。

#### 12. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損的計算乃基於下列數據：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Loss:</b> Loss attributable to owners of the Company, used in basic and diluted loss per share calculation	<b>虧損：</b> 計算每股基本及攤薄虧損所採用之本公司擁有人應佔虧損	<b>(1,000,756)</b>	(116,976)
		2020 二零二零年	2019 二零一九年
<b>Number of shares:</b> Weighted average number of ordinary shares for the purpose of calculating basic and dilutive loss per share	<b>股份數目：</b> 用以計算每股基本及攤薄虧損之普通股加權平均數	<b>1,878,622,000</b>	1,878,622,000

The computation of diluted loss per share does not assume the conversion of all outstanding convertible bonds issued by the Company and the exercise of the outstanding share options since the assumed conversion would result in decrease in loss per share for the years ended 31 December 2020 and 2019.

每股攤薄虧損的計量並不假設本公司發行的所有未兌換可換股債券均獲轉換及尚未行使購股權獲行使，乃由於轉換將導致截至二零二零年及二零一九年十二月三十一日止年度的每股虧損減少。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備

		Plant and machinery 廠房及機器 RMB'000 人民幣千元	Furniture and office equipment 傢具及辦公室設備 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
<b>Cost</b>	<b>成本</b>				
At 1 January 2019	於二零一九年一月一日	2,662	5,426	21,518	29,606
Additions	添置	—	8	—	8
Disposals	出售	—	(18)	—	(18)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	<b>2,662</b>	<b>5,416</b>	<b>21,518</b>	<b>29,596</b>
Additions	添置	—	29	—	29
Disposals	出售	—	(174)	(2,838)	(3,012)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>2,662</b>	<b>5,271</b>	<b>18,680</b>	<b>26,613</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 January 2019	於二零一九年一月一日	2,529	4,581	16,644	23,754
Charge for the year	年內扣除	—	184	1,014	1,198
Disposals	出售	—	(2)	—	(2)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	<b>2,529</b>	<b>4,763</b>	<b>17,658</b>	<b>24,950</b>
Charge for the year	年內扣除	—	107	399	506
Disposals	出售	—	(141)	(2,711)	(2,852)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>2,529</b>	<b>4,729</b>	<b>15,346</b>	<b>22,604</b>
<b>Net carrying amounts</b>	<b>賬面淨值</b>				
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>133</b>	<b>542</b>	<b>3,334</b>	<b>4,009</b>
At 31 December 2019	於二零一九年十二月三十一日	133	653	3,860	4,646

None of the Group's property, plant and equipment have been pledged to secure other borrowings granted to the Group at 31 December 2020 and 2019.

於二零二零年及二零一九年十二月三十一日，本集團概無抵押物業、廠房及設備以作為本集團獲授的其他借款之擔保。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 14. INVESTMENT PROPERTIES

### 14. 投資物業

		RMB'000 人民幣千元
<b>Fair value</b>	<b>公允價值</b>	
At 1 January 2019	於二零一九年一月一日	3,125,600
Transferred from completed properties held for sale	自持作出售已竣工物業轉撥	46,477
Changes in fair value	公允價值變動	146,823
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	3,318,900
Changes in fair value	公允價值變動	(22,900)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>3,296,000</b>

The Group's investment properties consist of commercial properties completed in the PRC. The Group's investment properties were revalued on 31 December 2020 based on valuations performed by independent professionally qualified valuers at approximately RMB3,296,000,000 (2019: RMB3,318,900,000). For each financial reporting period, the Group's senior management decide 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 senior management have discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The investment properties are leased to third parties under operating leases, further details of which are included in note 15.

At 31 December 2020, the Group's investment properties with aggregate values of approximately RMB3,296,000,000 (2019: RMB3,318,900,000) were pledged to secure interest-bearing bank and other borrowings granted to the Group (note 25).

本集團的投資物業包括於中國已竣工的商業物業。本集團投資物業於二零二零年十二月三十一日由獨立專業合資格估值師重新估值，約人民幣3,296,000,000元(二零一九年：人民幣3,318,900,000元)。於各個財務報告期間，本集團高級管理人員決定委任負責本集團物業外界估值的外部估值師。挑選準則包括市場知識、信譽、獨立性以及專業準則是否得到秉持。於就中期及年度財務申報進行估值時，本集團高級管理人員每年就估值假設及估值結果與估值師討論兩次。

投資物業乃根據經營租賃出租予第三方，其進一步詳情載於附註15。

於二零二零年十二月三十一日，本集團已抵押價值總額約為人民幣3,296,000,000元(二零一九年：人民幣3,318,900,000元)的投資物業，以擔保本集團獲授的計息銀行及其他借款(附註25)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 14. INVESTMENT PROPERTIES (CONTINUED)

##### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Recurring fair value measurement for commercial properties:</b>	<b>對商業物業進行經常性公允價值計量：</b>				
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	—	—	<b>3,296,000</b>	<b>3,296,000</b>
At 31 December 2019	於二零一九年十二月三十一日	—	—	3,318,900	3,318,900

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

Set out 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 (weighted average) 範圍(加權平均)	
		2020 二零二零年	2019 二零一九年
Discounted cash flow method 現金流量貼現法	Market daily rental rate (RMB per square meter) 市場日租率(人民幣/平方米)	<b>1.50–3.20</b>	2.89–6.00
	Term yield (%) 年期回報率	<b>4.75–5.50</b>	4.50–5.50
	Reversionary yield (%) 復歸回報率	<b>5.25–6.00</b>	5.00–6.00

#### 14. 投資物業(續)

##### 公允價值層級

下表闡述本集團投資物業的公允價值計量層級：

於年內，公允價值計量無第一級與第二級間的轉換，亦無第三級的轉入或轉出。

以下載列投資物業估值時所使用的估值技術及主要輸入數據的概要：

**14. INVESTMENT PROPERTIES (CONTINUED)****Fair value hierarchy (Continued)**

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

A significant increase (decrease) in the estimated rental value and the market rent growth rate per annum in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the discount rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and the discount rate.

**14. 投資物業(續)****公允價值層級(續)**

現金流量的持續時間及流入和流出的具體時間乃由諸如租金檢討、租約續租及相關續租、重建或翻新等事件決定。適當的持續時間受市場行為(為物業類別的一個特性)所影響。定期現金流量按總收入扣除空置、不可收回開支、收取虧損、租金獎勵、維修費用、代理和佣金費用及其他經營和管理開支估計。該一系列定期經營收入淨額，連同預計於預測期終結時的終端價值估計金額，貼現至現值。

估計租賃價值及市場租金年增長率單獨大幅增加(減少)會導致投資物業公允價值大幅增加(減少)。貼現率單獨大幅增加(減少)會導致投資物業公允價值大幅減少(增加)。一般而言，就估計租賃價值作出的假設的變動會導致租金年增長及貼現率出現類似方向變動。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 15. LEASES

##### The Group as lessee

The Group has lease contracts for various items of buildings or offices used in its operations. Leases of buildings or offices generally have lease terms between 2 and 3 years or are individually of low value. Other equipment generally has lease terms of 12 months or less and/or is 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:

#### 15. 租賃

##### 本集團作為承租人

本集團擁有其經營所用的各類樓宇或辦公室的租賃合約。樓宇或辦公室租賃的租期通常為2至3年，或個別樓宇或辦公室租賃的價值較低。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轉租租賃資產。

##### (a) 使用權資產

本集團使用權資產之賬面值及其於年內之變動載列如下：

		Building or offices 樓宇或辦公室 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	1,023
Additions	添置	776
Depreciation charge	折舊開支	(772)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	1,027
Depreciation charge	折舊開支	(492)
Termination of lease	終止租賃	(535)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>—</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

15. LEASES (CONTINUED)

The Group as lessee (Continued)

(b) Lease liabilities

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Analysed into:	分析為：		
Current portion	即期部分	—	808
Non-current portion	非即期部分	—	242
		—	1,050

The present value of lease liabilities at 31 December 2019 is summarised as below:

於二零一九年十二月三十一日，租賃負債之現值概述如下：

		Lease payments 租賃付款 RMB'000 人民幣千元	Present value of lease payments 租賃付款現值 RMB'000 人民幣千元
Amount payable:	應付款項：		
Within one year	一年內	898	808
More than one year, but not exceeding two years	一年以上但兩年以內	266	242
		1,164	1,050
Less: future finance charges	減：未來融資支出	(114)	—
Total lease liabilities	租賃負債總額	1,050	1,050

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 15. LEASES (CONTINUED)

##### The Group as lessee (Continued)

(c) The amounts recognised in profit or loss in relation to lease are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債利息	20	59
Depreciation charge of right-of-use assets	使用權資產折舊開支	492	772
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December (included in cost of sales)	與短期租賃及餘下租期於十二月三十一日或之前屆滿的其他租賃有關的開支(計入銷售成本)	3,820	9,044
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃有關的開支(計入行政開支)	857	71
Loss on termination of lease	終止租賃的虧損	56	—
		<b>5,245</b>	<b>9,946</b>

(d) The total cash outflow for leases (including short-term leases and leases of low-value assets) for the year ended 31 December 2020 was approximately RMB5,288,000 (2019: RMB9,956,000).

##### The Group as lessor

At the end of the reporting period, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	29,266	30,639
Over one year	一年以上	533	2,461
		<b>29,799</b>	<b>33,100</b>

#### 15. 租賃(續)

##### 本集團作為承租人(續)

(c) 於損益中確認有關租賃的款項如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債利息	20	59
Depreciation charge of right-of-use assets	使用權資產折舊開支	492	772
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December (included in cost of sales)	與短期租賃及餘下租期於十二月三十一日或之前屆滿的其他租賃有關的開支(計入銷售成本)	3,820	9,044
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃有關的開支(計入行政開支)	857	71
Loss on termination of lease	終止租賃的虧損	56	—
		<b>5,245</b>	<b>9,946</b>

(d) 截至二零二零年十二月三十一日止年度，租賃的現金流出總額(包括短期租賃及低價值資產租賃)約為人民幣5,288,000元(二零一九年：人民幣9,956,000元)。

##### 本集團作為出租人

於報告期末，未來期間本集團根據與其租戶之不可撤銷經營租賃的應收未貼現租賃款項如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	29,266	30,639
Over one year	一年以上	533	2,461
		<b>29,799</b>	<b>33,100</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. DEFERRED TAX**  
**Deferred tax liabilities**

**16. 遞延稅項**  
**遞延稅項負債**

		Accelerated tax depreciation 加速 稅項折舊 RMB'000 人民幣千元	Fair value adjustment of investment properties 投資物業 公允價值調整 RMB'000 人民幣千元	Capitalised interest 資本化利息 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	64,900	433,547	104,580	603,027
Charge to profit or loss	於損益中扣除	—	36,706	24,965	61,671
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日	<b>64,900</b>	<b>470,253</b>	<b>129,545</b>	<b>664,698</b>
(Credit) Charge to profit or loss	於損益中(計入)扣除	—	(5,725)	47,841	42,116
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>64,900</b>	<b>464,528</b>	<b>177,386</b>	<b>706,814</b>

**Deferred tax assets**

**遞延稅項資產**

		Loss available for offsetting against future taxable profit 可用於抵銷 未來應課稅 溢利的虧損 RMB'000 人民幣千元	Accruals and provisions 預提及撥備 RMB'000 人民幣千元	Accrued LAT 應計土地 增值稅 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	58,181	18,310	160,295	236,786
(Charge) Credit to profit or loss	於損益中(扣除)計入	(3,903)	1,626	(1,573)	(3,850)
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日	<b>54,278</b>	<b>19,936</b>	<b>158,722</b>	<b>232,936</b>
(Charge) Credit to profit or loss	於損益中(扣除)計入	(16,563)	2,994	858	(12,711)
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>37,715</b>	<b>22,930</b>	<b>159,580</b>	<b>220,225</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 16. DEFERRED TAX (CONTINUED)

##### Deferred tax assets (Continued)

The Group has tax losses arising in the PRC of approximately RMB150,860,000 (2019: RMB217,112,000) that will expire in one to five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At the end of the reporting period, the Group had unrecognised deferred tax assets arising from unused tax losses of approximately RMB274,029,000 (2019: RMB183,628,000) available for set-off against future taxable profit.

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 of the Group for financial reporting purposes:

#### 16. 遞延稅項(續)

##### 遞延稅項資產(續)

本集團於中國產生稅項虧損約為人民幣150,860,000元(二零一九年:人民幣217,112,000元),並將於一至五年內屆滿用於抵銷未來應課稅溢利。

並無就該等虧損確認遞延稅項資產,乃因該等虧損乃由已虧損一段時間之附屬公司所產生及認為不大可能有應課稅溢利可用於抵銷上述稅項虧損。

於報告期末,本集團並未就可用於抵銷未來應課稅溢利的尚未動用稅項虧損約人民幣274,029,000元(二零一九年:人民幣183,628,000元)確認遞延稅項資產。

就呈報目的而言,若干遞延稅項資產及負債已於綜合財務狀況表中抵銷。以下為就財務報告目的的本集團遞延稅項結餘分析:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position 於綜合財務狀況表確認的遞延稅項資產淨額	86,199	97,511
Net deferred tax liabilities recognised in the consolidated statement of financial position 於綜合財務狀況表確認的遞延稅項負債淨額	(581,013)	(529,273)
	(494,814)	(431,762)

**16. DEFERRED TAX (CONTINUED)****Withholding tax on dividends**

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 the PRC. 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 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.

As at 31 December 2020, no deferred tax liabilities have been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the subsidiaries of the Group established in the PRC. In the opinion of the Company's directors, it is not probable that these subsidiaries will distribute earnings arising from 1 January 2008 to 31 December 2020 in the foreseeable future. The aggregate amount of temporary differences associated with the investments in these subsidiaries in the PRC for which deferred tax liabilities have not been recognised totalled approximately RMB267,018,000 (2019: RMB206,378,000).

**16. 遞延稅項(續)****股息預扣稅**

根據中國企業所得稅法，於中國成立的外商投資企業向外商投資者宣派的股息，須按10%的稅率徵收預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後的盈利。倘中國與外商投資者所在司法權區已簽訂稅務協議，則可採用較低的預扣稅率。本集團的適用稅率為10%。因此，自二零零八年一月一日起，本集團須就在中國成立的附屬公司所產生的盈利而分配的股息履行徵收預扣稅的義務。

於二零二零年十二月三十一日，概無就本集團於中國成立的附屬公司的未匯出盈利(須繳納預扣稅者)而應付的預扣稅確認遞延稅項負債。本公司董事認為，該等附屬公司於可預見將來不大可能分派於二零零八年一月一日至二零二零年十二月三十一日產生的盈利。有關投資於該等中國的附屬公司的暫時性差額總數(未就此確認遞延稅項負債)合共約為人民幣267,018,000元(二零一九年：人民幣206,378,000元)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 17. PROPERTIES UNDER DEVELOPMENT

#### 17. 開發中物業

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	1,341,803	1,124,891
Additions	添置	368,610	216,912
Impairment	減值	(319,926)	—
At the end of the reporting period	於報告期末	1,390,487	1,341,803

At 31 December 2020, certain of the Group's properties under development with an aggregate carrying amount of approximately RMB650,503,000 (2019: RMB667,097,000) have been pledged to secure interest-bearing bank and other borrowings granted to the Group (note 25).

於二零二零年十二月三十一日，本集團抵押賬面總值約為人民幣650,503,000元（二零一九年：人民幣667,097,000元）的若干開發中物業，以擔保本集團獲授的計息銀行及其他借款（附註25）。

The movements in impairment of properties under development are as follows:

開發中物業減值變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	—	—
Additions	添置	319,926	—
At the end of the reporting period	於報告期末	319,926	—

Included in the above impairment of properties under development at 31 December 2020 is a provision for the impaired properties under development of approximately RMB319,926,000 (2019: Nil) with a carrying amount before provision of approximately RMB1,710,413,000 (2019: Nil).

於二零二零年十二月三十一日，計入開發中物業之上述減值乃已減值開發中物業撥備約人民幣319,926,000元（二零一九年：零），撥備前賬面值約人民幣1,710,413,000元（二零一九年：零）。

At the end of the reporting period, approximately RMB1,345,258,000 (2019: RMB1,341,803,000) of the properties under development is expected to be completed after more than one year.

於報告期末，約人民幣1,345,258,000元（二零一九年：人民幣1,341,803,000元）開發中物業預期逾一年後完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

18. COMPLETED PROPERTIES HELD FOR SALE

18. 持作出售的已竣工物業

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	1,574,542	1,691,874
Additions	添置	40,591	15,651
Transferred to cost of properties sold	轉撥至已售出物業成本	(53,454)	(76,796)
Transfer to investment properties	轉撥至投資物業	—	(46,477)
Impairment	減值	(132,303)	(9,710)
At the end of the reporting period	於報告期末	1,429,376	1,574,542

At 31 December 2020, certain of the Group's completed properties held for sale with an aggregate carrying amount of approximately RMB982,181,000 (2019: RMB956,886,000) have been pledged to secure interest-bearing bank and other borrowings granted to the Group (note 25).

於二零二零年十二月三十一日，本集團抵押賬面總值約為人民幣982,181,000元（二零一九年：人民幣956,886,000元）的若干持作出售已竣工物業，以擔保本集團獲授的計息銀行及其他借款（附註25）。

The movements in impairment of completed properties held for sale are as follows:

持作出售已竣工物業之減值撥備變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	41,547	36,436
Additions	添置	132,303	9,710
Impairment loss realised to cost of properties sold	變現為已售出物業成本的減值虧損	(328)	(4,599)
At the end of the reporting period	於報告期末	173,522	41,547

Included in the above impairment of completed properties held for sale at 31 December 2020 is a provision for the impaired completed properties held for sale of approximately RMB173,522,000 (2019: RMB41,547,000) with a carrying amount before provision of approximately RMB1,232,119,000 (2019: RMB899,577,000).

於二零二零年十二月三十一日，計入上述持作出售已竣工物業之減值為已減值持作出售已竣工物業撥備約人民幣173,522,000元（二零一九年：人民幣41,547,000元），撥備前賬面值約人民幣1,232,119,000元（二零一九年：人民幣899,577,000元）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 19. TRADE RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	48,405	24,894
Less: Allowance for impairment	減：減值撥備	(23,864)	(23,540)
		<b>24,541</b>	1,354

Trade receivables represent rentals receivable from tenants which are normally payable on demand and sales income receivables from customers which are payable in accordance with the terms of the related sales and purchase agreements. 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 and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Trade receivables are unsecured and non-interest-bearing. The carrying amounts of trade receivables approximate to their fair values.

An ageing analysis of the trade receivables at the end of the reporting period, based on the invoice date, and net of loss allowance, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	一年內	24,541	1,354

The movements in the loss allowance for impairment of trade receivables are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	23,540	22,980
Decrease in allowance	撥備減少	(12,805)	—
Increase in allowance	撥備增加	13,129	560
At the end of the reporting period	於報告期末	23,864	23,540

#### 19. 貿易應收款項

貿易應收款項指應收租戶的租金(一般按要求支付)及應收客戶的銷售收入，乃根據相關買賣協議的條款支付。本集團致力保持對其未收回應收款項的嚴格控制，並設有信貸控制部門降低信貸風險。逾期結餘由管理層定期審核。鑒於以上所述及本集團的貿易應收款項與眾多多元化客戶有關，故本集團並無面臨重大集中信貸風險。

貿易應收款項為無抵押及免息。貿易應收款項的賬面值與其公允價值相若。

於報告期末基於發票日期的貿易應收款項(扣除虧損撥備)賬齡分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 1 year	一年內	24,541	1,354

貿易應收款項減值虧損撥備變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the reporting period	於報告期初	23,540	22,980
Decrease in allowance	撥備減少	(12,805)	—
Increase in allowance	撥備增加	13,129	560
At the end of the reporting period	於報告期末	23,864	23,540

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**19. TRADE RECEIVABLES (CONTINUED)**

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

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

**19. 貿易應收款項(續)**

各報告日期進行的減值分析，使用撥備矩陣以計量預期信貸虧損。撥備率乃基於不同客戶分部組別的欠款逾期日數而定，該等客戶分部的虧損模式相似（即地區、產品種類、客戶類別及評級以及信用證及其他信貸保險形式的保障範圍）。有關計算反映概率加權產出、金錢的時間值以及於報告日期可獲得且有關過往事件、目前狀況及未來經濟狀況預測的合理及支持性資料。一般而言，倘逾期超過一年及不受強制執行活動所規限，則貿易應收款項予以撇銷。

下列資料乃有關本集團貿易應收款項所面臨的信貸風險（使用撥備矩陣）：

		Expected credit loss rate 預期信貸虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Expected credit losses 預期信貸虧損 RMB'000 人民幣千元
<b>At 31 December 2020</b> 於二零二零年十二月三十一日				
Past due	逾期			
Less than 1 month	1個月以下	32.42	36,316	11,775
1 to 3 months	1至3個月	—	—	—
3 months to 1 year	3個月至1年	—	—	—
More than 1 year	1年以上	100.00	12,089	12,089
		<b>49.30</b>	<b>48,405</b>	<b>23,864</b>
		Expected credit loss rate 預期信貸虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Expected credit losses 預期信貸虧損 RMB'000 人民幣千元
<b>At 31 December 2019</b> 於二零一九年十二月三十一日				
Past due	逾期			
Less than 1 month	1個月以下	94.56	24,894	23,540

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

#### 20. 預付款項、其他應收款項及其他資產

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Prepayments	預付款項	4,208	9,298
Other tax recoverable	其他可收回稅項	15,125	14,033
Deposits and other receivables	按金及其他應收款項	324,957	198,135
		<b>344,290</b>	221,466
Less: Allowance for impairment	減：減值撥備	<b>(160,493)</b>	(9,522)
		<b>183,797</b>	211,944

Deposits and other receivables mainly represent deposits with suppliers. In the situation where no comparable companies with credit ratings can be identified, expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The average loss rate applied for where there were no comparable companies at 31 December 2020 was 50.5% (2019: 4.8%).

存款及其他應收款項主要為供應商存款。倘無法識別具有信貸評級的可資比較公司，則應參考本集團的歷史虧損記錄採用虧損率法估計預期信貸虧損。虧損率將於適當時候作出調整以反映現時情況及預測未來經濟情況。於二零二零年十二月三十一日使用並無可資比較公司的平均虧損率為50.5% (二零一九年：4.8%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

21. RESTRICTED DEPOSITS/CASH AND CASH EQUIVALENTS

21. 受限制存款／現金及現金等價物

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Cash and equivalents</b>	<b>現金及現金等價物</b>		
Cash at bank, unrestricted	銀行現金，不受限制	4,235	181,990
Cash at hand	手頭現金	1,014	235
		<b>5,249</b>	<b>182,225</b>
Denominated in RMB	以人民幣計值	5,206	181,430
Denominated in HK\$	以港元計值	42	774
Denominated in US\$	以美元計值	1	21
		<b>5,249</b>	<b>182,225</b>
<b>Restricted deposits</b>	<b>受限制存款</b>		
Represented by restricted pre-sale proceeds	以受限制預售所得款項呈列	2,573	2,830

The RMB is not freely convertible into other currencies, however, under the PRC'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. Cash at banks earns interest at floating rates based on daily bank deposit rates.

In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amounts of pre-sale proceeds of properties as deposits for constructions of related properties. The deposits can only be used for purchases of construction materials and the payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resource Bureau is obtained.

人民幣不可自由轉換為其他貨幣，然而，根據中國外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。銀行現金按基於每日銀行存款利率的浮動利率賺取利息。

根據中國國有土地資源管理局發出的有關文件，本集團旗下若干物業開發公司均須將預售物業所得款項的若干金額存放於指定銀行賬戶內作為建設有關物業的存款。該等存款只可在獲得中國國有土地資源管理局批准時用以購買建築材料及支付相關物業項目的建造費用。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 22. TRADE PAYABLES

An aging analysis of the outstanding trade payables at the end of the reporting period, based on the invoice date, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Less than one year	一年內	33,155	56,944
Over one year	一年以上	341,458	234,724
		<b>374,613</b>	291,668

The trade payables are unsecured and non-interest-bearing.

#### 23. OTHER PAYABLES AND ACCRUALS

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Other payables and accruals	其他應付賬款及應計費用	312,908	235,828
Interest penalties	罰息	407,106	127,557
Other tax payables	其他應付稅項	122,883	127,121
BE City Loan (Remarks)	北控城投貸款(備註)	100,000	—
Deposits related to sales of properties	與銷售物業有關的按金	53,925	66,287
Interest payables	應付利息	242,977	60,434
Deposits related to construction	與建設有關的按金	19,950	19,711
Advances from customers	客戶墊款	—	17,339
Payroll and welfare payables	應付工資及福利	6,715	5,943
Rental payables	應付租金	371	493
Others	其他	51,615	11,393
Provision for litigations and claims (Note 7(b))	訴訟及申索撥備 (附註7(b))	40,000	—
		<b>1,358,450</b>	672,106

Except for interest payables and interest penalties which are repayable on demand and loan from a potential investor set out below, other payables and accruals are unsecured and non-interest-bearing.

#### 22. 貿易應付款項

於報告期末基於發票日期的未償還貿易應付款項的賬齡分析如下：

貿易應付款項為無抵押及非計息。

#### 23. 其他應付款項及應計費用

除應付利息及罰息須按要求償還及載列如下的一名潛在投資者的貸款外，其他應付款項及應計費用為無抵押及免息。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**23. OTHER PAYABLES AND ACCRUALS (CONTINUED)***Remarks:*

The loan from 北控城投控股集團有限公司 (BE City Investment Holding Group Limited\*) (“BE City Investment”) carries interest rate of 15% per annum and is repayable after one year from date of drawdown (the “BE City Loan”). The BE City Loan is secured by charge on 75% equity interest in a subsidiary of the Company and corporate guarantee of a subsidiary of the Company.

BE City Investment is an affiliate of Beijing Enterprises City Investment Holding Group (Hong Kong) Limited (北控城投控股集團(香港)有限公司) who entered into a sales and purchase agreement with Mr. Chen Chengshou, the Controlling Shareholder for purchase of 554,193,490 shares of the Company from Mr. Chen Chengshou (the “Disposal”). The Disposal was not yet completed up to the date of this report.

Details of the Disposal and the BE City Loan were set out in the Company’s announcement dated 27 October 2020.

\* *English name is for identification purpose only.*

**24. CONTRACT LIABILITIES**

Details of contract liabilities are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Short-term advances received from customers</b>	來自客戶的短期墊款		
Sale of properties	銷售物業	212,072	191,139

Contract liabilities represent the sales proceeds received from buyers in connection with the Group’s pre-sale of properties at the end of the reporting period.

**23. 其他應付款項及應計費用(續)***備註:*

北控城投控股集團有限公司(「北控城投」)提供的貸款以每年15%的利率計息，並自提取之日起計一年後償還(「北控城投貸款」)。北控城投貸款以於本公司一間附屬公司75%股權的押記以及本公司一間附屬公司之公司擔保作擔保。

北控城投為北控城投控股集團(香港)有限公司的一間聯屬公司，而北控城投控股集團(香港)有限公司與控股股東陳承守先生就購買陳承守先生持有本公司554,193,490股股份訂立一份買賣協議(「該出售事項」)。該出售事項直至本報告日期仍未完成。

有關該出售事項及北控城投貸款的詳情載於本公司日期為二零二零年十月二十七日之公告。

**24. 合約負債**

合約負債詳情載列如下：

合約負債指於報告期末就本集團預售物業自買方收取的銷售所得款項。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 25. INTEREST-BEARING BANK AND OTHER BORROWINGS

#### 25. 計息銀行及其他借款

		2020 二零二零年			2019 二零一九年		
		Effective interest rate 實際利率 %	Maturity 到期日	RMB'000 人民幣千元	Effective interest rate 實際利率 %	Maturity 到期日	RMB'000 人民幣千元
<b>Current</b>	<b>即期</b>						
Current portion of long term other borrowings, secured	長期其他借款的即期部分 — 有抵押		<b>On demand or within one year</b> 按要求或一年內	<b>1,873,909</b>		On demand or within one year 按要求或一年內	<b>1,890,343</b>
		6.80-11.67			6.80-11.67		

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Analysed into:</b>	<b>分析為：</b>		
Other borrowings repayable within one year	須於一年內償還其他借款	<b>1,873,909</b>	<b>1,890,343</b>

At 31 December 2020, certain borrowings amounting approximately RMB910,817,000 (2019: Nil) were overdue and interest payments of approximately RMB242,977,000 (2019: RMB60,434,000) relating to borrowings with total principal amount of approximately RMB1,873,909,000 (2019: RMB1,119,573,000) were not paid in accordance with the repayment schedules pursuant to the borrowing agreements which constituted events of defaults. At 31 December 2020, such defaults resulted in cross-default of certain borrowings other than those mentioned above, amounting to a principal amount of approximately RMB311,879,000 (2019: RMB770,770,000).

In connection with the default and cross-default (if applicable), the Group was subject to penalties of approximately RMB407,106,000 (2019: RMB127,557,000) which were included in other payables and accruals at 31 December 2020.

During the year ended 31 December 2020, the creditors' rights of certain interest-bearing borrowings of the Group amounting approximately RMB1,117,190,000 as stipulated in the relevant loan agreement have with ultimately assigned by the relevant banks in the PRC to an asset management company in the PRC.

於二零二零年十二月三十一日，已拖欠若干借款約為人民幣910,817,000元（二零一九年：零），亦無按照借款協議之還款時間表支付與本金總額約人民幣1,873,909,000元（二零一九年：人民幣1,119,573,000元）的借款有關之利息付款約人民幣242,977,000元（二零一九年：人民幣60,434,000元），其構成違約事件。於二零二零年十二月三十一日，該等違約導致除上文所述以外的本金金額約人民幣311,879,000元（二零一九年：人民幣770,770,000元）的若干借款出現交叉違約。

本集團就違約及交叉違約（如適用）遭受罰款約人民幣407,106,000元（二零一九年：人民幣127,557,000元），計入於二零二零年十二月三十一日的其他應付款項及應計費用。

截至二零二零年十二月三十一日止年度，於相關貸款協議所規定本集團若干計息借款約人民幣1,117,190,000元的債權最終由中國有關銀行分配予一間中國資產管理公司。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**25. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)**

The Group's borrowings are secured by the pledges of the following assets at 31 December 2020 and 2019 as follows:

- (i) At 31 December 2020, the Group's borrowings of approximately RMB500,000,000 and RMB311,879,000 (2019: RMB500,000,000 and RMB311,879,000) were secured by the 100% (2019: 100%) equity interest in 台州溫商時代置業有限公司 (Taizhou Wenshang Times Property Limited\*) ("Wenshang Times") and 95% (2019: 95%) equity interest in 重慶新明置業股份有限公司 (Chongqing Xinming Property Company Limited\*) ("Chongqing Xinming"), subsidiaries of the Company, respectively.

At 31 December 2020, the Group's borrowings of approximately RMB500,000,000, RMB454,892,000, RMB410,817,000 and RMB311,879,000 (2019: RMB500,000,000, RMB458,892,000, RMB419,121,000 and RMB311,879,000) were secured by investment properties of Wenshang Times, 台州新明置業投資有限公司 (Taizhou Xinming Property Investment Limited\*) ("Taizhou Investment"), 上海新明環球置業有限公司 (Shanghai Xinming Global Property Limited\*) ("Shanghai Xinming") and Chongqing Xinming, subsidiaries of the Company, respectively, with aggregate carrying values of approximately RMB3,296,000,000 (2019: RMB3,318,900,000).

A residential land held by 山東興盟置業有限公司 (Shandong Xingmeng Property Limited) ("Shandong Xingmeng") was pledged for the Group's borrowing of RMB500,000,000 as an additional collateral during the year ended 31 December 2020.

**25. 計息銀行及其他借款(續)**

於二零二零年及二零一九年十二月三十一日，本集團的借款由下列資產的抵押所擔保如下：

- (i) 於二零二零年十二月三十一日，本集團的借款約人民幣500,000,000元及人民幣311,879,000元(二零一九年：人民幣500,000,000元及人民幣311,879,000元)分別以本公司附屬公司台州溫商時代置業有限公司(「溫商時代」)及重慶新明置業股份有限公司(「重慶新明」)的100%(二零一九年：100%)股權及95%(二零一九年：95%)股權作擔保。

於二零二零年十二月三十一日，本集團的借款約人民幣500,000,000元、人民幣454,892,000元、人民幣410,817,000元及人民幣311,879,000元(二零一九年：人民幣500,000,000元、人民幣458,892,000元、人民幣419,121,000元及人民幣311,879,000元)分別由本公司附屬公司溫商時代、台州新明置業投資有限公司(「台州投資」)、上海新明環球置業有限公司(「上海新明」)及重慶新明的投資物業作擔保；賬面總值約人民幣3,296,000,000元(二零一九年：人民幣3,318,900,000元)。

截至二零二零年十二月三十一日止年度，山東興盟置業有限公司(「山東興盟」)持有的住宅用地以本集團借款人民幣500,000,000元作為額外抵押品。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 25. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

- (ii) At 31 December 2020, the Group's borrowings of approximately RMB311,879,000 (2019: RMB311,879,000) were jointly secured by completed properties held for sale of Chongqing Xinming and Wenshang Times with aggregate carrying amounts of approximately RMB649,243,000 (2019: RMB655,850,000).

At 31 December 2020, the Group's borrowings of approximately RMB196,320,000 (2019: RMB200,453,000) were secured by completed properties held for sale of 杭州新明置業投資有限公司 (Hangzhou Xinming Property Investment Limited\*) ("Hangzhou Xinming"), a subsidiary of the Company with carrying amount of approximately RMB233,000,000 (2019: RMB326,331,000).

- (iii) At 31 December 2020, the Group's borrowings of approximately RMB311,879,000 (2019: RMB311,879,000) were secured by properties under development of Chongqing Xinming, a subsidiary of the Company, with aggregate carrying amount of approximately RMB650,503,000 (2019: RMB667,097,000).

- (iv) At 31 December 2020, the Group's borrowings of approximately RMB500,000,000 (2019: RMB500,000,000) were jointly guaranteed by (i) the Controlling Shareholder, Mr. Chen Chengshou, (ii) the non-executive director, Ms. Gao Qiaoqin, (iii) a subsidiary of the Company and (iv) Xinming Group Limited, a related party of the Group.

At 31 December 2020, the Group's borrowings of approximately RMB919,016,000 (2019: RMB619,573,000) were jointly guaranteed by (i) the Controlling Shareholder, Mr. Chen Chengshou, (ii) the non-executive director, Ms. Gao Qiaoqin, and (iii) a subsidiary of the Company.

#### 25. 計息銀行及其他借款(續)

- (ii) 於二零二零年十二月三十一日，本集團的借款約人民幣311,879,000元(二零一九年：人民幣311,879,000元)由重慶新明及溫商時代持作出售的已竣工物業作出共同擔保，賬面總值約人民幣649,243,000元(二零一九年：人民幣655,850,000元)。

於二零二零年十二月三十一日，本集團的借款約人民幣196,320,000元(二零一九年：人民幣200,453,000元)由本公司附屬公司杭州新明置業投資有限公司(「杭州新明」)持作出售的已竣工物業作擔保，賬面總值約人民幣233,000,000元(二零一九年：人民幣326,331,000元)。

- (iii) 於二零二零年十二月三十一日，本集團的借款約人民幣311,879,000元(二零一九年：人民幣311,879,000元)由本公司附屬公司重慶新明的開發中物業作擔保，賬面總值約人民幣650,503,000元(二零一九年：人民幣667,097,000元)。

- (iv) 於二零二零年十二月三十一日，本集團的借款約人民幣500,000,000元(二零一九年：人民幣500,000,000元)由(i)控股股東陳承守先生；(ii)非執行董事高巧琴女士；(iii)本公司附屬公司及(iv)本集團關聯方新明集團有限公司作出共同擔保。

於二零二零年十二月三十一日，本集團的借款約人民幣919,016,000元(二零一九年：人民幣619,573,000元)由(i)控股股東陳承守先生；(ii)非執行董事高巧琴女士；及(iii)本公司附屬公司作出共同擔保。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**25. INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)**

(iv) (Continued)

At 31 December 2020, the Group's borrowings of RMB311,879,000 were jointly guaranteed by (i) the Controlling Shareholder, Mr. Chen Chengshou, and (ii) the non-executive director, Ms. Gao Qiaoqin, (iii) a subsidiary of the Company and (iv) Xinming Group Limited, a related party of the Group.

At 31 December 2019, the Group's other borrowings of approximately RMB311,879,000 were jointly guaranteed by (i) the Controlling Shareholder, Mr. Chen Chengshou and (ii) Xinming Group Limited, a related company of the Group.

At 31 December 2020, the Group's borrowings of approximately RMB454,893,000 (2019: RMB458,892,000) were jointly guaranteed by (i) the Controlling Shareholder, Mr. Chen Chengshou, (ii) the non-executive director, Ms. Gao Qiaoqin, (iii) Xinming Group Limited, a related party of the Group, and (iv) Miss Chen Xi and Mr. Chen Junshi, the daughter and the son of the Controlling Shareholder, Mr. Chen Chengshou and (v) a subsidiary of the Company.

\* English name is for identification purpose only.

**26. TAX PAYABLE**

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Income tax	所得稅	249,897	262,792
LAT	土地增值稅	655,623	652,192
		<b>905,520</b>	914,984

**25. 計息銀行及其他借款(續)**

(iv) (續)

於二零二零年十二月三十一日，本集團的借款人民幣311,879,000元由(i)控股股東陳承守先生；(ii)非執行董事高巧琴女士；(iii)本公司附屬公司及(iv)本集團關聯方新明集團有限公司作出共同擔保。

於二零一九年十二月三十一日，本集團的其他借款約人民幣311,879,000元由(i)控股股東陳承守先生及(ii)本集團關聯方新明集團有限公司作出共同擔保。

於二零二零年十二月三十一日，本集團的借款約人民幣454,893,000元(二零一九年：人民幣458,892,000元)由(i)控股股東陳承守先生；(ii)非執行董事高巧琴女士；(iii)本集團關聯方新明集團有限公司及(iv)陳希女士及陳俊士先生(控股股東陳承守先生的女兒及兒子)；及(v)本公司附屬公司作出共同擔保。

**26. 應付稅項**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 27. CONVERTIBLE BONDS

On 1 June 2018, the Company issued convertible bonds in the aggregate principal amount of HK\$300,000,000 (equivalent to approximately RMB252,604,000) (the "Convertible Bonds") at the price of 100% of their principal amount. The Convertible Bonds are redeemable at the option of the bondholders at a price of HK\$1.39 per bond on 1 June 2020. The convertible bonds bear interest at the rate of 6.5% plus 1% handling fee per annum (the "Coupon Rate") and are payable in arrears every six months.

The convertible bonds were jointly guaranteed by the Controlling Shareholder, Mr. Chen Chengshou, and the non-executive director, Ms. Gao Qiaoqin, pursuant to a deed of guarantee, and secured by Xinxing Company Limited by 940,000,000 shares of the Company held by Xinxing Company Limited, a company controlled by Mr. Chen Chengshou.

The Convertible Bonds were matured on 1 June 2020 and the outstanding principal amount was not yet settled up to 31 December 2020.

The Convertible Bonds were recognised as financial liabilities designated upon initial recognition as at fair value through profit or loss.

#### 27. 可換股債券

於二零一八年六月一日，本公司以可換股債券價格的100%，發行本金總額300,000,000港元（相當於約人民幣252,604,000元）可換股債券（「可換股債券」）。債券持有人可選擇於二零二零年六月一日以每債券價格1.39港元贖回該等債券。可換股債券按年息6.5%（另加1%手續費）計息（「票面利率」），及每六個月分期支付。

可換股債券由控股股東陳承守先生與非執行董事高巧琴女士根據擔保契據共同擔保，並由Xinxing Company Limited透過Xinxing Company Limited（一間由陳承守先生控制的公司）持有的940,000,000股本公司股份作抵押。

可換股債券於二零二零年六月一日到期，而直至二零二零年十二月三十一日，未償還本金金額尚未結清。

可換股債券確認為金融負債，並於初步確認時指定為按公允價值計入損益。

		Convertible bonds 可換股債券 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	284,913
Change in fair value	公允價值變動	(11,946)
At 31 December 2019	於二零一九年十二月三十一日	<b>272,967</b>
Change in fair value	公允價值變動	<b>(20,363)</b>
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>252,604</b>

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**27. CONVERTIBLE BONDS (CONTINUED)**

At 31 December 2020, the Group's Convertible Bonds were valued by management of the Group by using discounted cash flow method with the following key assumptions:

Discount rate	Coupon Rate
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At 31 December 2019, the Group's Convertible Bonds were valued by an independent valuer by using binomial model with the following key assumptions:

Stock price of the Company	HK\$1.17
Volatility	41.10%
Risk-free interest rate	1.94%
Dividend yield	0%
Discount rate	16.28%

**28. ISSUED CAPITAL**

		Number of shares 股份數目	Nominal value 面值 HK\$ 港元	Nominal value 面值 RMB'000 人民幣千元
<b>Authorised:</b>	<b>法定：</b>			
At 31 December 2020 and 2019	於二零二零年及二零一九年十二月三十一日	1,880,000,000	18,800,000	14,891,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>			
At 31 December 2020 and 2019	於二零二零年及二零一九年十二月三十一日	1,878,622,000	18,786,220	14,880,000

**29. RESERVES****Share premium**

Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value.

**Merger reserves**

The merger reserve represents the aggregate amount of the paid-up capital of those companies comprising the Group prior to the incorporation of the Company and the application of merger method of accounting for business combinations under common control. Details of the movements in the merger reserve are set out in the consolidated statement of changes in equity.

**Capital reserves**

Capital reserve comprises the difference arising from changes in ownership interests in subsidiaries which do not result in change of control.

**27. 可換股債券(續)**

於二零二零年十二月三十一日，本集團的可換股債券由本集團管理層使用現金流量貼現法按以下主要假設估值：

貼現率	票面利率
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於二零一九年十二月三十一日，本集團的可換股債券由獨立估值師使用二項式模型按以下主要假設估值：

本公司股價	1.17港元
波幅	41.10%
無風險利率	1.94%
股息率	0%
貼現率	16.28%

**28. 已發行資本**

		Number of shares 股份數目	Nominal value 面值 HK\$ 港元	Nominal value 面值 RMB'000 人民幣千元
<b>Authorised:</b>	<b>法定：</b>			
At 31 December 2020 and 2019	於二零二零年及二零一九年十二月三十一日	1,880,000,000	18,800,000	14,891,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>			
At 31 December 2020 and 2019	於二零二零年及二零一九年十二月三十一日	1,878,622,000	18,786,220	14,880,000

**29. 儲備****股份溢價**

股份溢價指本公司發行股份所得款項淨額或代價超出其股份面值。

**合併儲備**

合併儲備指於本公司註冊成立以及應用共同控制下的業務合併的合併會計法前本集團旗下公司的繳足資本總額及因收購非控股權益而產生的儲備。合併儲備變動詳情載於綜合權益變動表。

**資本儲備**

資本儲備包括於附屬公司權益變動產生之差額，並不會導致控制權變動。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

#### 30. 擁有重大非控股權益的部分擁有附屬公司

本集團附屬公司擁有重大非控股權益的詳情載列如下：

		2020 二零二零年	2019 二零一九年
<b>Percentage of equity interest held by non-controlling interests:</b>	<b>非控股權益所持股權百分比：</b>		
Shandong Xingmeng	山東興盟	25%	25%
Shanghai Xinming	上海新明	21%	21%
Chongqing Xinming	重慶新明	5%	5%

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>(Loss) Profit for the year allocated to non-controlling interests:</b>	<b>分配予非控股權益的年內(虧損)溢利：</b>		
Shandong Xingmeng	山東興盟	(3,476)	(2,045)
Shanghai Xinming	上海新明	(29,405)	7,983
Chongqing Xinming	重慶新明	(13,708)	(1,023)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Accumulated balances of non-controlling interests at the reporting date:</b>	<b>非控股權益於報告日期的累計結餘：</b>		
Shandong Xingmeng	山東興盟	(2,955)	521
Shanghai Xinming	上海新明	63,242	92,647
Chongqing Xinming	重慶新明	(9,394)	4,314

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)**

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

**30. 擁有重大非控股權益的部分擁有附屬公司(續)**

下表闡述上述附屬公司之財務信息概要。所披露金額乃為公司間抵銷前之金額：

<b>2020</b> 二零二零年		<b>Shandong Xingmeng</b> 山東興盟 RMB'000 人民幣千元	<b>Shanghai Xinming</b> 上海新明 RMB'000 人民幣千元	<b>Chongqing Xinming</b> 重慶新明 RMB'000 人民幣千元
Revenue and income	收益及收入	4,902	29,626	17,256
Total expenses	開支總額	(18,806)	(169,650)	(291,393)
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損總額	(13,904)	(140,024)	(274,137)
Current assets	流動資產	764,792	331,728	721,483
Non-current assets	非流動資產	17,537	1,084,200	332,719
Current liabilities	流動負債	(794,151)	(1,022,252)	(1,220,308)
Non-current liabilities	非流動負債	—	(92,524)	(21,773)
Net cash flows from (used in) operating activities	經營活動所得(所用)現金流量淨額	470	9,226	(506)
Net cash flows (used in) from investing activities	投資活動(所用)所得現金流量淨額	(24)	—	106
Net cash flows used in financing activities	融資活動所用現金流量淨額	—	(8,303)	—
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	446	923	(400)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

#### 30. 擁有重大非控股權益的部分擁有附屬公司(續)

		Shandong Xingmeng 山東興盟 RMB'000 人民幣千元	Shanghai Xinming 上海新明 RMB'000 人民幣千元	Chongqing Xinming 重慶新明 RMB'000 人民幣千元
<b>2019</b>				
<b>二零一九年</b>				
Revenue	收益	6,720	(2,240)	12,291
Total expenses	開支總額	(14,148)	(46,673)	(46,517)
(Loss) Profit for the year and total comprehensive (loss) profit for the year	年內(虧損)溢利及年內全面(虧損)溢利總額	(9,619)	38,020	(20,463)
Current assets	流動資產	665,577	348,721	821,950
Non-current assets	非流動資產	15,154	1,090,058	316,169
Current liabilities	流動負債	(678,680)	(902,948)	(1,051,861)
Non-current liabilities	非流動負債	—	(90,649)	—
Net cash flows from operating activities	經營活動所得現金流量淨額	313	3,326	6,882
Net cash flows used in investing activities	投資活動所用現金流量淨額	(8)	—	—
Net cash flows used in financing activities	融資活動所用現金流量淨額	—	(5,260)	(6,300)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	305	(1,934)	582

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year ended 31 December 2020, the Group de-recognised right-of-use assets by reducing lease liabilities of approximately RMB479,000 upon termination of lease.

During the year ended 31 December 2019, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB776,000 and RMB776,000, respectively, in respect of lease arrangements for building.

#### (b) Changes in liabilities arising from financing activities

#### (a) 重大非現金交易

截至二零二零年十二月三十一日止年度，本集團於終止租賃後透過減少租賃負債約人民幣479,000元終止確認使用權資產。

截至二零一九年十二月三十一日止年度，本集團就樓宇租賃安排錄得非現金添置的使用權資產及租賃負債分別為人民幣776,000元及人民幣776,000元。

#### (b) 融資活動產生的負債變動

		Convertible bonds	Interest-bearing bank and other borrowings	Lease liabilities	Included in "Other payables and accruals"	Total
		可換股債券	計息銀行及其他借款	租賃負債	計入「其他應付款項及應計費用」	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019	於二零一九年一月一日	284,913	1,967,074	1,056	200,621	2,453,664
Changes from financing cash flows	融資現金流量變動	—	(76,731)	(841)	(73,823)	(151,395)
New leases	新租賃	—	—	776	—	776
Change in fair value	公允價值變動	(11,946)	—	—	—	(11,946)
Interest expenses	利息開支	—	—	59	—	59
Acquisition of non-controlling interests	收購非控股權益	—	—	—	(13,833)	(13,833)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	272,967	1,890,343	1,050	112,965	2,277,325
Changes from financing cash flows	融資現金流量變動	—	(16,434)	(591)	(12,965)	(29,990)
Termination of lease	終止租賃	—	—	(479)	—	(479)
Change in fair value	公允價值變動	(20,363)	—	—	—	(20,363)
Interest expenses	利息開支	—	—	20	—	20
At 31 December 2020	於二零二零年十二月三十一日	252,604	1,873,909	—	100,000	2,226,513

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 32. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the consolidated financial statements were as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Guarantees in respect of mortgage facilities granted to purchasers of the Group's properties	就本集團物業買家獲授的按揭融資提供的擔保	16,103	28,914

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 agreements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted to banks. The Group is then entitled to take over the legal titles of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the execution of individual purchaser's collateral agreement.

The Group did not incur any material losses during the year in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's completed properties held for sale. The directors 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.

#### 33. CAPITAL COMMITMENTS

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Contracted, but not provided for properties under development	已訂約但未撥備開發中物業	387,810	274,266

#### 32. 或然負債

於報告期末，並無於綜合財務報表計提撥備的或然負債如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	16,103	28,914

本集團就若干銀行向本集團持作出售已竣工物業的買家獲授的按揭融資提供擔保。根據擔保協議的條款，倘買家拖欠按揭付款，本集團負責償還未償還按揭貸款連同違約方結欠銀行的任何應計利息及罰款。本集團則有權接管相關物業的合法業權。本集團的擔保期自授出相關按揭貸款當日起至執行個別買家的抵押協議後為止。

本集團並無於年內就本集團持作出售已竣工物業的買家獲授的按揭融資提供擔保而產生任何重大虧損。董事認為，倘發生拖欠付款，相關物業的可變現淨值將足以償還未償還按揭貸款連同任何應計利息及罰款，故並無就有關擔保計提任何撥備。

#### 33. 資本承擔

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**34. RELATED PARTY TRANSACTIONS****Name and relationship****Name of related party****關聯方名稱／姓名****34. 關聯方交易****名稱／姓名及關係****Relationship with the Group****與本集團的關係**Mr. Chen Chengshou  
陳承守先生Controlling Shareholder  
控股股東Ms. Gao Qiaoqin  
高巧琴女士Wife of the Controlling Shareholder  
控股股東之妻子Xinming Group Limited  
新明集團有限公司Controlled by the Controlling Shareholder  
由控股股東控制Yuanyang Holdings Group Share Limited Company  
遠揚控股集團有限公司Significantly influenced by Mr. Zheng Xiangtian,  
brother of the Controlling Shareholder  
受鄭翔天先生(控股股東的胞兄)重大影響Hangzhou Taoyuan Shanzhuang Property Development  
Limited ("Hangzhou Taoyuan")  
杭州桃源山莊房地產開發有限公司(「杭州桃源」)Controlled by the Controlling Shareholder  
由控股股東控制Qi'an Insurance Brokers Limited ("Qi'an Insurance")  
祁安保險經紀有限公司(「祁安保險」)Controlled by the Controlling Shareholder  
由控股股東控制

Hangzhou Kaijie Decoration Co., Ltd.

Significantly influenced by Mr. Zheng Xiangtian,  
brother of the Controlling Shareholder  
受鄭翔天先生(控股股東的胞兄)重大影響

Zhejiang Tianmao Landscape Engineering Co., Ltd.

Controlled by Mr. Zheng Xiangtian, brother of  
the Controlling Shareholder  
由鄭翔天先生(控股股東的胞兄)控制

浙江天茂園林工程有限公司

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 34. RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to the information disclosed elsewhere in these consolidated financial statements, the Group had the following transactions with related parties:

#### 34. 關聯方交易(續)

除該等綜合財務報表中其他部分所披露的資料外，本集團與關聯方有以下交易：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<i>Recurring transactions</i>			
Purchases of properties from Hangzhou Taoyuan	經常性交易 購置杭州桃源的物業	—	480
<i>Non-recurring transactions</i>			
Purchases of insurance services from Qi'an Insurance	非經常性交易 購置祁安保險的保險服務	—	800

#### Compensation of key management personnel of the Group

#### 本集團主要管理人員的薪酬

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	2,776	1,903
Pension scheme contributions	退休金計劃供款	141	118
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	2,917	2,021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

35. FINANCIAL INSTRUMENTS BY CATEGORY

The table below is an analysis of the carrying amounts of financial instruments by category at the end of the reporting period:

35. 按類別劃分的金融工具

下表為於報告期末按類別劃分的金融工具的賬面值分析：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Financial assets at amortised cost</b>	<b>按攤銷成本計量的金融資產</b>		
Trade receivables	貿易應收款項	24,541	1,354
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	164,464	187,464
Restricted deposits	受限制存款	2,573	2,830
Cash and cash equivalents	現金及現金等價物	5,249	182,225
		<b>196,827</b>	<b>373,873</b>
<b>Financial liabilities at amortised cost</b>	<b>按攤銷成本計量的金融負債</b>		
Trade payables	貿易應付款項	374,613	291,668
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	1,317,272	521,703
Lease liabilities	租賃負債	—	1,050
Interest-bearing bank and other borrowings	計息銀行及其他借款	1,873,909	1,890,343
		<b>3,565,794</b>	<b>2,704,764</b>
<b>Financial liabilities at FVPL</b>	<b>按公允價值計入損益的金融負債</b>		
Convertible bonds	可換股債券	252,604	272,967

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

		Carrying amounts 賬面值		Fair values 公允價值	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Financial liabilities</b>	<b>金融負債</b>				
Convertible bonds	可換股債券	252,604	272,967	252,604	272,967

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, 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 and the audit committee. At the end of each reporting period, 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 process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

#### 36. 金融工具之公允價值及公允價值層級

本集團金融工具(賬面值與公允價值合理相若者除外)的賬面值及公允價值如下:

管理層已評估，現金及現金等值物、貿易應收款項、貿易應付款項、計入預付款項、其他應收款項及其他資產之金融資產、計入其他應付款項及應計費用之金融負債之公允價值與其賬面值相若，主要由於此等工具於短期內到期。

本集團財務融資部由融資經理領導，負責釐定金融工具公允價值計量之政策及程序。融資經理直接向財務總監及審核委員會報告。於各報告期末，財務融資部分析金融工具之價值變動及釐定應用於估值之主要輸入數據。估值交由財務總監審核及批准。評估過程及結果每年兩次與審計委員會討論以進行中期及年度財務報告。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

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. The following methods and assumptions were used to estimate the fair values:

The convertible bonds were recognised as financial liabilities designated upon initial recognition as at fair value through profit or loss.

#### Fair value Hierarchy

Liabilities measured at fair value

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Convertible bonds</b>	<b>可換股債券</b>				
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	—	—	252,604	252,604
At 31 December 2019	於二零一九年 十二月三十一日	—	272,967	—	272,967

At 31 December 2020

於二零二零年十二月三十一日

Liability	Fair value hierarchy	Valuation technique	Unobservable input	Relationship of unobservable inputs to fair value
負債	公允價值等級	估值技術	不可觀察輸入數據	不可觀察輸入數據與公允價值的關係
Convertible bonds	Level 3	Discounted cash flow method	Discount rate	The higher the discount rate, the lower the fair value
可換股債券	第三級	現金流量貼現法	貼現率	貼現率越高，公允價值越低

At 31 December 2019

於二零一九年十二月三十一日

Liability	Fair value hierarchy	Valuation technique	Unobservable input	Relationship of unobservable inputs to fair value
負債	公允價值等級	估值技術	不可觀察輸入數據	不可觀察輸入數據與公允價值的關係
Convertible bonds	Level 2	Binomial model	N/A	N/A
可換股債券	第二級	二項式模型	不適用	不適用

### 36. 金融工具之公允價值及公允價值層級 (續)

金融資產及負債的公允價值按自願雙方在當前交易(而非強制或清盤出售)中就有關工具進行交易的金額入賬。以下方法及假設用於估計公允價值：

可換股債券確認為金融負債，並於初步確認時指定為按公允價值計入損益。

#### 公允價值層級

按公允價值計量的負債



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

##### Fair value Hierarchy (Continued)

##### Liabilities measured at fair value (Continued)

During the years ended 31 December 2020 and 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities except for convertible bonds amounting approximately RMB252,604,000 which transferred from Level 2 into Level 3 upon maturity. Accordingly, the Group assessed the fair value of the Convertible Bonds using discounted cash flow method at 31 December 2020 since the valuation using binomial model was no longer applicable to assess fair value of the Convertible Bonds upon maturity.

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are as follows:

#### 36. 金融工具之公允價值及公允價值層級(續)

##### 公允價值層級(續)

##### 按公允價值計量的負債(續)

截至二零二零年及二零一九年十二月三十一日止年度，就金融資產及金融負債而言，公允價值計量無第一級與第二級間的轉換，亦無第三級的轉入或轉出（於到期後由第二級轉入第三級的可換股債券約人民幣252,604,000元除外）。因此，由於使用二項式模型估值於到期後不再適用於評估可換股債券的公允價值，故於二零二零年十二月三十一日，本集團使用現金流量貼現法評估可換股債券的公允價值。

經常性公允價值計量分類為公允價值等級第三級的變動詳情如下：

		Convertible bonds 可換股債券 RMB'000 人民幣千元
At 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、 二零一九年十二月三十一日及 二零二零年一月一日	—
Transfer into Level 3 upon maturity Change in fair value	於到期後轉入第三級 公允價值變動	272,967 (20,363)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>252,604</b>

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly include cash and cash equivalents, restricted deposits, trade receivables and trade payables, which arise directly from its operations. The Group has other financial assets and liabilities such as interest-bearing bank and other borrowings, convertible bonds, deposits and other receivables, and other payables and accruals. 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, foreign currency risk, credit risk and liquidity risk. The Group does not hold or issue derivative financial instruments either for hedging or for trading purposes. The board of directors reviews and agrees policies for managing each of the risks which are summarised below:

#### Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to its interest-bearing bank and other borrowings with a floating interest rate. The Group does not use derivative financial instruments to hedge its interest rate risk.

The Group's policy is to manage its interest cost using a mix of fixed and floating rate debts. At 31 December 2020 and 2019, approximately 100% of the Group's interest-bearing bank and other borrowings bore interest at fixed rates. The Group's exposure to interest rate risk is not significant.

#### Foreign currency risk

The Group's businesses are located in the PRC and all transactions are conducted in RMB. Most of the Group's assets and liabilities are denominated in RMB. The Group has not hedged its foreign exchange rate risk.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Hong Kong dollar ("HK\$") exchange rate, with all other variables held constant, of the Group's loss before income tax (due to changes in the fair value of monetary assets and liabilities).

### 37. 金融風險管理目標及政策

本集團的主要金融工具主要包括直接自其經營產生的現金及現金等價物、受限制存款、貿易應收款項以及貿易應付款項。本集團擁有其他金融資產及負債，如計息銀行及其他借款、可換股債券、按金及其他應收款項，以及其他應付款項及應計費用。該等金融工具的主要用途是為本集團的運營籌集資金。

因本集團金融工具產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。本集團並無持有或發行衍生金融工具以作對沖或買賣之用。董事會檢討並同意管理各風險的政策，乃概述如下：

#### 利率風險

本集團因以浮動利率計息的計息銀行及其他借款有關的利率變動而面臨市場風險。本集團並無使用衍生金融工具對沖其利率風險。

本集團之政策為以定息及浮動利率債項混合的方式管控利息成本。於二零二零年及二零一九年十二月三十一日，本集團約全部之計息銀行及其他借款按固定利率計息。本集團所承受之利率風險並不重大。

#### 外幣風險

本集團於中國經營業務，所有交易均以人民幣進行。本集團大部分資產及負債以人民幣計值。本集團並未對沖其匯率風險。

下表顯示在所有其他可變因素不變之情況下，港元（「港元」）匯率之合理可能變動於報告期末對本集團除所得稅前虧損（由於貨幣資產及負債之公允價值變動）之敏感度。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED) Foreign currency risk (Continued)

### 37. 金融風險管理目標及政策(續) 外幣風險(續)

		Increase (Decrease) in HK\$ rate 基準點增加 (減少) %	Decrease (Increase) in loss before income tax 除所得稅前虧損 減少(增加) RMB'000 人民幣千元
<b>2020</b>	<b>二零二零年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣貶值	5	5,055
If HK\$ strengthens against RMB	倘港元兌人民幣升值	(5)	(5,055)
<b>2019</b>	<b>二零一九年</b>		
If HK\$ weakens against RMB	倘港元兌人民幣貶值	5	40
If HK\$ strengthens against RMB	倘港元兌人民幣升值	(5)	(40)

#### 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 tables 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 period end staging classification at 31 December.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

#### 信貸風險

本集團僅與獲認可且聲譽良好的第三方進行交易。本集團的政策為所有打算以信貸期交易的客戶均須接受信貸核實程序。此外，本集團持續監察應收款項結餘，故所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，本集團在未經信貸管理部主管特定批准的情況下不會給予信貸期。

#### 最高風險及年末階段分類

下表顯示於十二月三十一日，基於本集團信貸政策的信貸質素及面臨的最高風險(主要基於過往到期資料，除非有其他毋須花費不必要成本或精力的可用資料)及期末階段分類。

呈列的金額為金融資產的賬面總值及金融擔保合約面臨的信貸風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED) 37. 金融風險管理目標及政策(續)

Credit risk (Continued)

信貸風險(續)

Maximum exposure and year-end staging (Continued)

最高風險及年末階段分類(續)

		12-month ECL	Lifetime ECL			RMB'000
		12個月預期信貸虧損	整個存續期間預期信貸虧損			
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡化方法	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2020</b>						
<b>於二零二零年十二月三十一日</b>						
Trade receivables (Note (i))	貿易應收款項(附註(i))	—	—	—	48,405	48,405
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 (Note (iii))	— 正常(附註(iii))	96,894	—	—	—	96,894
— Doubtful (Note (ii))	— 存疑(附註(ii))	—	11,563	216,500	—	228,063
Restricted deposits	受限制存款					
— Not yet past due	— 未逾期	2,573	—	—	—	2,573
Cash and cash equivalents	現金及現金等價物					
— Not yet past due	— 未逾期	5,249	—	—	—	5,249
		<b>104,716</b>	<b>11,563</b>	<b>216,500</b>	<b>48,405</b>	<b>381,184</b>

		12-month ECL	Lifetime ECL			RMB'000
		12個月預期信貸虧損	整個存續期間預期信貸虧損			
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡化方法	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2019</b>						
<b>於二零一九年十二月三十一日</b>						
Trade receivables (Note (i))	貿易應收款項(附註(i))	—	—	—	24,894	24,894
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 (Note (iii))	— 正常(附註(iii))	196,986	—	—	—	196,986
Restricted deposits	受限制存款					
— Not yet past due	— 未逾期	3,453	—	—	—	3,453
Cash and cash equivalents	現金及現金等價物					
— Not yet past due	— 未逾期	181,602	—	—	—	181,602
		<b>382,041</b>	<b>—</b>	<b>—</b>	<b>24,894</b>	<b>406,935</b>

Notes:

附註:

(i) For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the consolidated financial statements.

(i) 就本集團應用簡化方法作減值的貿易應收款項而言，資料乃基於綜合財務報表附註19所披露的撥備矩陣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Credit risk (Continued)

##### Maximum exposure and year-end staging (Continued)

Notes: (Continued)

- (ii) 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. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Further quantitative data in respect of the Group’s exposure to credit risk arising from trade receivables and the financial assets included in prepayments, other receivables and other assets are disclosed in note 19 and 20 to the consolidated financial statements respectively.

The movements in the loss allowance for impairment of the financial assets included in prepayments, other receivables and other assets are as follows:

		12-month ECL 12個月 預期信貸 虧損	Lifetime ECL		
		Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019	於二零一九年 一月一日	6,440	—	—	6,440
Increase in allowance	撥備增加	3,082	—	—	3,082
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日 及二零二零年 一月一日	9,522	—	—	9,522
Increase (Decrease) in allowance, net	撥備增加(減少) 淨額	(8,421)	2,115	157,277	150,971
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>1,101</b>	<b>2,115</b>	<b>157,277</b>	<b>160,493</b>

The significant increase in allowance for impairment for the year ended 31 December 2020 is due to the prolonged weak investment sentiments in the commercial property market in the PRC and the Group’s delay in project development caused by COVID-19, which adversely affect relationship with the Group’s business partner and suppliers.

### 37. 金融風險管理目標及政策(續)

#### 信貸風險(續)

##### 最高風險及年末階段分類(續)

附註：(續)

- (ii) 倘計入預付款項、其他應收款項及其他資產的金融資產並未逾期且概無資料顯示該等金融資產的信貸風險自初始確認以來顯著增加，則其信用質素被認作「正常」。否則，該等金融資產的信貸質素被認作「存疑」。

有關本集團因貿易應收款項以及計入預付款項、其他應收款項及其他資產的金融資產所產生之信貸風險之進一步定量資料分別於綜合財務報表附註19及附註20中披露。

計入預付款項、其他應收款項及其他資產的金融資產減值撥備虧損變動如下：

截至二零二零年十二月三十一日止年度減值撥備大幅增加主要因為，因疫情所致，中國商業物業市場的投資情緒持續走低及本集團項目開發延遲，對本集團與其業務夥伴及供應商的關係造成不利影響。

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED) 37. 金融風險管理目標及政策(續)

#### Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

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. Cash flows are being closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

#### 流動資金風險

本集團採用週期性流動資金計劃監控流動資金短缺之風險。此工具監控其金融工具與金融資產(如貿易應收款項)之到期日以及來自業務現金流量之預測。

本集團的目標為透過使用計息銀行及其他借款維持資金連續性與靈活性之間的平衡。現金流量持續受到密切監控。

於報告期末，本集團基於合約未貼現付款的金融負債到期情況如下：

		On demand	Within	2 to 5 years	5 years	
		按要求	1 year	2 to 5 years	5 years	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2020</b>						
<b>於二零二零年十二月三十一日</b>						
Trade payables	貿易應付款項	—	374,613	—	—	374,613
Other payables and accruals	其他應付款項及應計費用	650,083	667,189	—	—	1,317,272
Interest-bearing bank and other borrowings	計息銀行及其他借款	2,027,367	—	—	—	2,027,367
Convertible bonds	可換股債券	271,548	—	—	—	271,548
		<b>2,948,998</b>	<b>1,041,802</b>	—	—	<b>3,990,800</b>
		On demand	Within	More than	5 years	
		按要求	1 year	2 to 5 years	5 years	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>At 31 December 2019</b>						
<b>於二零一九年十二月三十一日</b>						
Trade payables	貿易應付款項	—	291,668	—	—	291,668
Other payables and accruals	其他應付款項及應計費用	187,991	333,712	—	—	521,703
Lease liabilities	租賃負債	—	898	266	—	1,164
Interest-bearing bank and other borrowings	計息銀行及其他借款	2,036,056	—	—	—	2,036,056
Convertible bonds	可換股債券	286,495	—	—	—	286,495
		<b>2,510,542</b>	<b>626,278</b>	<b>266</b>	—	<b>3,137,086</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and a healthy capital ratio in order to support its business and maximise shareholders' 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. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

The Group monitors capital using a net debt to equity ratio, which is net debt divided by total equity plus net debt. The Group's net debt consists of interest-bearing bank and other borrowings and convertible bonds, less cash and cash equivalents. Total equity includes equity attributable to owners of the parent and non-controlling interests.

At the end of the reporting period the Group's strategy was to maintain the net debt to equity ratio at a healthy capital level in order to support its businesses. The principal strategies adopted by the Group include, but are not limited to, reviewing future cash flow requirements and the ability to meet debt repayment schedules when they fall due, maintaining a reasonable level of available banking facilities and adjusting investment plans and financing plans, if necessary, to ensure that the Group has a reasonable level of capital to support its business. The net debt to equity ratios at the end of the reporting period are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest-bearing bank and other borrowings	計息銀行及其他借款	1,873,909	1,890,343
Convertible bonds	可換股債券	252,604	272,967
Less: Cash and cash equivalents	減：現金及現金等價物	(5,249)	(182,225)
Net debt	債務淨額	2,121,264	1,981,085
Total equity	權益總額	864,050	1,979,954
Total equity and net debt	權益總額及債務淨額	2,985,314	3,961,039
Gearing ratio	資本負債比率	71%	50%

### 37. 金融風險管理目標及政策(續)

#### 資本管理

本集團資本管理的主要目標為確保其維持良好信用評級及穩健的資本比率以支持其業務及使股東價值最大化。

本集團管理其資本架構並根據經濟狀況的變動對其作出調整。為維持或調整資本架構，本集團可調整向股東派付的股息、向股東返還資本或發行新股。截至二零二零年及二零一九年十二月三十一日止年度，並無對管理資本的目標、政策或程序作出調整。

本集團採用淨債務對權益比率(債務淨額除以權益總額加債務淨額)監控資本。本集團的債務淨額包括計息銀行及其他借款及可換股債券減現金及現金等價物。權益總額包括母公司擁有人應佔權益及非控股權益。

於報告期末，本集團的策略是維持淨資本負債比率處於穩健資本水平以支持其業務。本集團採納的主要策略包括但不限於檢討未來現金流量需求及償還到期債務的能力、維持合理水平的可用銀行融資及在必要時調整投資計劃及融資計劃，以確保本集團擁有合理水平的資金支持其業務。於報告期末的資本負債比率如下：

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**38. SUBSIDIARIES**

Details of the subsidiaries at the end of the reporting period are as follows:

**38. 附屬公司**

於報告期末附屬公司的詳情如下：

Name of subsidiary 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營運地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Xinming Capital Limited	The British Virgin Islands (the "BVI")	US\$50,000	100%	—	Investment holding
Xinming Capital Limited	英屬處女群島 ("BVI")	50,000美元	100%	—	投資控股
Xinming China Investment Limited 新明中國投資有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	—	100%	Investment holding 投資控股
Hangzhou Times Enterprise Management Consulting Limited 杭州時刻企業管理諮詢有限公司	The PRC 中國	RMB30,000,000 人民幣30,000,000元	—	100%	Investment holding 投資控股
Xinming Group Holding Limited 新明集團控股有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	—	100%	Properties development 物業開發
Taizhou City Xinming Real Estate Development Company Limited 台州市新明房地產開發有限公司	The PRC 中國	RMB10,000,000 人民幣10,000,000元	—	100%	Properties development 物業開發
Taizhou Xinming Property Investment Limited 台州新明置業投資有限公司	The PRC 中國	RMB30,000,000 人民幣30,000,000元	—	100%	Properties development and properties investment 物業開發及物業投資
Taizhou Wenshang Times Property Limited 台州溫商時代置業有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	—	100%	Properties development and properties investment 物業開發及物業投資



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 38. SUBSIDIARIES (CONTINUED)

#### 38. 附屬公司(續)

Name of subsidiary 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營運地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Shanghai Xinming Global Property Limited 上海新明環球置業有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	—	79%	Properties development and properties investment 物業開發及物業投資
Chongqing Xinming Property Company Limited 重慶新明置業股份有限公司	The PRC 中國	RMB100,000,000 人民幣100,000,000元	—	95%	Properties development and properties investment 物業開發及物業投資
Shandong Xingmeng Property Limited 山東興盟置業有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	—	75%	Properties development and properties management 物業開發及物業管理
Hangzhou Xinming Property Investment Limited 杭州新明置業投資有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	—	100%	Properties development and properties management 物業開發及物業管理
Guangzhou Zhiyao Commercial Company Limited (Formerly known as Hangzhou Zhiyao Trading Company Limited) 廣州智耀商業有限公司 (原名:杭州智耀貿易有限公司)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	—	100%	Industrial investment 實業投資
Hangzhou Pengyue Trading Company Limited 杭州鵬越貿易有限公司	The PRC 中國	RMB100,000,000 人民幣100,000,000元	—	100%	Industrial investment 實業投資
Zhejiang Jinhang Investment Management Limited 浙江靜航投資管理有限公司	The PRC 中國	RMB5,000,000 人民幣5,000,000元	—	79%	Investment management 投資管理

Note: The subsidiaries established in the PRC are registered as limited liability companies under PRC law.

附註：於中國成立的附屬公司乃根據中國法律註冊為有限公司。

\* English name is for identification purpose only.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 38. SUBSIDIARIES (CONTINUED)

The above table lists the subsidiaries of the Company which, in 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.

### 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 38. 附屬公司(續)

上表列出董事認為主要影響年度業績或構成本集團大部分淨資產的本公司附屬公司。董事認為，提供其他附屬公司的詳情將導致詳情過於冗長。

### 39. 本公司的財務狀況表

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Restated) (經重列)
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment in a subsidiary	於附屬公司的投資		—	—
<b>Current assets</b>	<b>流動資產</b>			
Due from subsidiaries	應收附屬公司款項		769,694	769,480
Cash and cash equivalents	現金及現金等價物		1	234
			<b>769,695</b>	<b>769,714</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Due to subsidiaries	應付附屬公司款項		—	5
Convertible bonds	可轉股債券		252,604	272,967
			<b>252,604</b>	<b>272,972</b>
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>517,091</b>	<b>496,742</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>517,091</b>	<b>496,742</b>
<b>NET ASSETS</b>	<b>資產淨額</b>		<b>517,091</b>	<b>496,742</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Issued capital	已發行股本		14,880	14,880
Reserves	儲備	39(a)	502,211	481,862
<b>TOTAL EQUITY</b>	<b>股權總額</b>		<b>517,091</b>	<b>496,742</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

##### 39(a) Movement of the reserves

		Share premium	(Accumulated Losses) Retained earnings (累計虧損)	Total reserves
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019 (restated)	於二零一九年一月一日 (經重列)	496,155	(26,443)	469,712
Profit and total other comprehensive income for the year (restated)	年內溢利及其他全面收益總額(經重列)	—	12,150	12,150
At 31 December 2019 and 1 January 2020 (restated)	於二零一九年十二月三十一日及二零二零年一月一日 (經重列)	<b>496,155</b>	<b>(14,293)</b>	<b>481,862</b>
Profit and total other comprehensive income for the year	年內溢利及其他全面收益總額	—	<b>20,349</b>	<b>20,349</b>
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>496,155</b>	<b>6,056</b>	<b>502,211</b>

#### 39. 本公司的財務狀況表(續)

##### 39(a) 儲備變動如下：

#### 40. EVENTS AFTER THE REPORTING PERIOD

In addition to information disclosed elsewhere in the consolidated financial statements, subsequent to 31 December 2020, the Group has the following subsequent events:

In January 2021, the commercial properties held by Shangdong Xingmeng, a 75%-owned indirect subsidiary of the Company were pledged in replace of the originally pledged residential land of Shangdong Xingmeng for the Group's borrowings of RMB500,000,000.

#### 40. 報告期後事項

除該等綜合財務報表中其他部分所披露的資料外，於二零二零年十二月三十一日後，本集團有以下期後事項：

於二零二一年一月，就本集團的借款人民幣500,000,000元，以本公司擁有75%權益之間接附屬公司山東興盟持有的商業物業作抵押，以取代山東興盟原抵押住宅用地。

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務概要

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

The five-year financial summary is as follows:

五年財務概要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Restated) (經重列)	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元 (Represented) (經重新呈報)
<b>CONTINUING OPERATIONS REVENUE</b>	持續經營業務 收益	<b>128,537</b>	163,349	624,711	1,888,193	642,680
Cost of sales	銷售成本	<b>(66,977)</b>	(110,357)	(344,117)	(1,168,338)	(294,840)
Gross profit	毛利	<b>61,560</b>	52,992	280,654	719,855	347,840
Other income and gains	其他收入及收益	<b>3,435</b>	1,076	3,187	163,308	5,815
Selling and distribution costs	銷售及分銷成本	<b>(18,533)</b>	(6,457)	(44,023)	(172,762)	(94,250)
Administrative expenses	行政開支	<b>(48,134)</b>	(63,811)	(87,372)	(80,321)	(82,722)
Other expenses	其他開支	<b>(1,051,238)</b>	(186,823)	(45,428)	(107,364)	(28,414)
Changes in fair value of investment properties	投資物業公允價值變動	<b>(22,900)</b>	146,823	67,785	28,159	59,396
Changes in fair value of convertible bonds	可轉股債券公允價值變動	<b>20,363</b>	11,946	(39,897)	—	—
Finance costs	融資成本	<b>(973)</b>	(2,594)	(6,856)	(6,626)	(55)
<b>(LOSS)/PROFIT BEFORE INCOME TAX</b>	除所得稅前(虧損)/溢利	<b>(1,056,420)</b>	(46,848)	128,050	544,249	207,610
Income tax expenses	所得稅開支	<b>(59,484)</b>	(65,670)	(106,596)	(317,441)	(179,437)
<b>(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>	年內自持續經營業務的(虧損)/溢利	<b>(1,115,904)</b>	(112,518)	21,454	226,808	28,173
<b>DISCONTINUED OPERATION</b>	已終止經營業務					
Profit/(loss) and total comprehensive income/(loss) for the period from a discontinued operation	期內自己終止經營業務的溢利/(虧損)及全面收益/(虧損)總額	—	—	—	1,842	(1,153)
<b>(LOSS)/PROFIT FOR THE YEAR</b>	年內(虧損)/溢利	<b>(1,115,904)</b>	(112,518)	21,454	228,650	27,020

## FIVE-YEAR FINANCIAL SUMMARY

### 五年財務概要

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		For the year ended 31 December 截至十二月三十一日止年度				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		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
				(Restated)		(Represented)
				(經重列)		(經重新呈報)
<b>OTHER COMPREHENSIVE (LOSS)</b>	<b>其他全面(虧損)</b>					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	於後續期間將不會重新分類至損益的其他綜合收益：					
Equity investments designated at fair value through other comprehensive income:	指定按公允價值計入其他全面收益之權益投資：					
Changes in fair value	公允價值變動	—	—	(1,245)	—	—
<b>OTHER COMPREHENSIVE LOSS, NET OF TAX</b>	<b>其他全面虧損(扣除稅項)</b>	—	—	(1,245)	—	—
<b>TOTAL COMPREHENSIVE (LOSS) INCOME</b>	<b>全面收益(虧損)總額</b>	<b>(1,115,904)</b>	(112,518)	20,209	228,650	27,020
<b>ATTRIBUTABLE TO:</b>	<b>以下人士應佔：</b>					
Owners of the parent company	母公司擁有人	<b>(1,000,756)</b>	(116,976)	41,666	242,278	10,211
Non-controlling interests	非控股權益	<b>(115,148)</b>	4,458	(21,457)	(13,628)	16,809
		<b>(1,115,904)</b>	(112,518)	20,219	228,650	27,020
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	<b>3,386,208</b>	3,422,084	3,227,497	3,144,853	3,165,852
Current assets	流動資產	<b>3,036,023</b>	3,321,400	3,609,062	3,608,739	4,721,338
Current liabilities	流動負債	<b>4,977,168</b>	4,234,015	3,296,009	3,306,640	4,054,876
Non-current liabilities	非流動負債	<b>581,013</b>	529,515	1,448,043	1,364,906	1,891,774
Non-controlling interests	非控股權益	<b>(20,403)</b>	94,745	90,287	113,565	180,385
Total equity	權益總額	<b>864,050</b>	1,979,954	2,092,507	2,082,046	1,940,540



**新明中国控股**

XINMING CHINA

