

Redsun 弘陽

弘陽地產集團有限公司 Redsun Properties Group Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1996

ANNUAL REPORT
年報 **2019**







ABOUT US
關於我們

Redsun Properties is a comprehensive property enterprise with established presence in the Yangtze River Delta region and keen on national expansion. We focus on residential property development and sales, commercial property investment and operations as well as hotel operations. Adhering to the core values of "professionalism and building credibility for the long term", we strictly implement the nationwide layout strategy of "penetrating the Greater Jiangsu Region, strengthening foothold in the Yangtze River Delta Region and expanding into major metropolitan areas", achieving the dual-driven coordinated development in property development and commercial real estate.

弘陽地產為深耕長三角，並進行全國化佈局的綜合性房企，專注於住宅物業開發與銷售、商業物業投資與運營、酒店運營。遵守「在商言人，誠者至遠」的核心價值觀，嚴格執行「做透大江蘇、深耕長三角，佈局都市圈」的全國佈局策略，地產、商業雙輪驅動，協同發展。

目 錄

CONTENTS



- 04** Corporate Information
公司資料
- 08** Chairman's Statement
主席報告
- 14** Breakdown of Primary Properties
主要物業明細
- 28** Management Discussion and Analysis
管理層之討論及分析

- 62** Directors and Senior Management
董事及高級管理層
- 77** Directors' Report
董事會報告
- 121** Corporate Governance Report
企業管治報告
- 148** Environmental, Social and
Governance Report
環境、社會及管治報告





- 208** Independent Auditor's Report
獨立核數師報告
- 215** Consolidated Statement of Profit or Loss
綜合損益表
- 216** Consolidated Statement of Comprehensive Income
綜合全面收入表



- 217** Consolidated Statement of Financial Position
綜合財務狀況表
- 219** Consolidated Statement of Changes in Equity
綜合權益變動表
- 221** Consolidated Statement of Cash Flows
綜合現金流量表
- 224** Notes to Financial Statements
財務報表附註
- 416** Financial Summary
財務概要

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Zeng Huansha (曾煥沙) (*Chairman*)
Mr. He Jie (何捷) (*Chief Executive Officer*)
Mr. Lui Wai Pang (雷偉彬)

Non-Executive Directors

Mr. Jiang Daqiang (蔣達強)
Mr. Zhang Liang (張良)

Independent Non-Executive Directors

Mr. Lee Kwok Tung Louis (李國棟)
Mr. Leung Yau Wan John (梁又穩)
Mr. Au Yeung Po Fung (歐陽寶豐)

AUDIT COMMITTEE

Mr. Leung Yau Wan John (梁又穩) (*Chairman*)
Mr. Jiang Daqiang (蔣達強)
Mr. Lee Kwok Tung Louis (李國棟)
Mr. Au Yeung Po Fung (歐陽寶豐)

REMUNERATION COMMITTEE

Mr. Lee Kwok Tung Louis (李國棟) (*Chairman*)
Mr. He Jie (何捷)
Mr. Zhang Liang (張良)
Mr. Leung Yau Wan John (梁又穩)
Mr. Au Yeung Po Fung (歐陽寶豐)

NOMINATION COMMITTEE

Mr. Zeng Huansha (曾煥沙) (*Chairman*)
Mr. Lui Wai Pang (雷偉彬)
Mr. Leung Yau Wan John (梁又穩)
Mr. Lee Kwok Tung Louis (李國棟)
Mr. Au Yeung Po Fung (歐陽寶豐)

董事會

執行董事

曾煥沙先生(主席)
何捷先生(行政總裁)
雷偉彬先生

非執行董事

蔣達強先生
張良先生

獨立非執行董事

李國棟先生
梁又穩先生
歐陽寶豐先生

審核委員會

梁又穩先生(主席)
蔣達強先生
李國棟先生
歐陽寶豐先生

薪酬委員會

李國棟先生(主席)
何捷先生
張良先生
梁又穩先生
歐陽寶豐先生

提名委員會

曾煥沙先生(主席)
雷偉彬先生
梁又穩先生
李國棟先生
歐陽寶豐先生

CORPORATE INFORMATION 公司資料

AUDITOR

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

LEGAL ADVISERS

As to Hong Kong law:

Paul Hastings

As to Cayman Islands law:

Walkers

COMPLIANCE ADVISER

ABCI Capital Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG SHARE REGISTRAR

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

核數師

安永會計師事務所
執業會計師
香港
中環
添美道1號
中信大廈22樓

法律顧問

有關香港法律：

普衡律師事務所

有關開曼群島法律：

Walkers

合規顧問

農銀國際融資有限公司

開曼群島主要證券登記處

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

香港證券登記處

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

CORPORATE INFORMATION 公司資料

REGISTERED OFFICE

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

HEAD OFFICES IN THE PRC

6th Floor, Redsun Tower, Building 12, Phase 2,
Zhongjun Plaza, Lane 1688, Shenchang Road,
Minhang District, Shanghai

26th Floor,
Hong Yang Building,
No. 9 Daqiao North Road, Pukou District, Nanjing,
Jiangsu Province

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 6111-12, 61/F,
The Center,
No. 99 Queen's Road Central,
Hong Kong

JOINT COMPANY SECRETARIES

Mr. Li Yonggang (李永剛)
Mr. Yim Lok Kwan (嚴洛鈞)

AUTHORIZED REPRESENTATIVES

Mr. Zeng Huansha (曾煥沙)
Mr. Yim Lok Kwan (嚴洛鈞)

註冊辦事處

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

中國總部

上海市閔行區申長路1688弄
中駿廣場二期12號樓
弘陽大廈6樓

江蘇省
南京市浦口區
大橋北路9號弘陽大廈
26樓

香港主要營業地點

香港
皇后大道中99號
中環中心
61樓6111-12室

聯席公司秘書

李永剛先生
嚴洛鈞先生

授權代表

曾煥沙先生
嚴洛鈞先生

CORPORATE INFORMATION 公司資料

PRINCIPAL BANKS

Agricultural Bank of China
(Pukou Sub-branch)

China Minsheng Bank
(Hongyang Sub-branch)

Industrial and Commercial Bank of China
(Xiaguan Sub-branch)

Bank of Communications
(Nanjing City Chengzhong Sub-branch)

WEBSITE

www.rsunproperty.hk

STOCK CODE

HKEx: 1996

主要往來銀行

中國農業銀行
浦口支行

民生銀行
弘陽支行

中國工商銀行
下關支行

交通銀行
南京市城中支行

網站

www.rsunproperty.hk

股份代號

港交所：1996



CHAIRMAN'S STATEMENT
主席報告





弘陽地產 — 打造四大產品線
Redsun Properties Group Limited - Four major project series



時光系



CHAIRMAN'S STATEMENT

主席報告



曾煥沙
主席

ZENG HUANSHA
Chairman

Dear shareholders,

On behalf of the Board, I am pleased to present to you the annual results of the Group for the year ended 31 December 2019.

During the Reporting Period, the aggregated contracted sales of the Group was RMB65.15 billion, representing a substantial year-on-year growth of 37.6%. The aggregated sales area was 4.905 million sq.m., which considerably increased by 39.0% year-on-year. Recognised sales revenue was RMB15.170 billion, representing a substantial year-on-year increase of 64.2%.

During the Reporting Period, the net profit for the year of the Group was RMB1.636 billion, representing a year-on-year increase of 23.6%. The core net profit attributable to owners of the parent was RMB1.247 billion. Core net profit per share was RMB0.37. The Board recommended the payment of a final dividend of RMB11.1 cents (equivalent to HK12.4 cents) per share.

尊敬的各位股東：

本人謹代表董事會欣然呈報本集團截至2019年12月31日止之年度業績。

報告期內，本集團實現累計合約銷售金額人民幣651.5億元，同比大幅增加37.6%，累計實現銷售面積490.5萬平方米，同比大幅增長39.0%。實現確認銷售收入人民幣151.70億元，同比大幅增長64.2%。

報告期內，本集團實現年度淨利潤人民幣16.36億元，同比增加23.6%，母公司擁有人應佔核心淨利潤為人民幣12.47億元，每股核心淨利潤為人民幣0.37元。董事會建議派發末期股息為每股人民幣11.1分（相當於12.4港仙）。

CHAIRMAN'S STATEMENT 主席報告

In 2019, the macro-economy was exposed to constant pressure. Under the “city-specific policies” which point to the adoption of differentiated austerity measures for different cities in China, the policy keynote of “houses are for living, not for speculation” remained and was precisely put to practice. In this connection, the real estate industry remained generally stable, with total sales volume and selling prices staying fairly flat compared with 2018.

The Group is a comprehensive property enterprise with established presence in the Yangtze River Delta region and keen on national expansion. During the Reporting Period, we continued to foster the layout strategy of “penetrating the Greater Jiangsu Region, strengthening foothold in the Yangtze River Delta Region and expanding into major metropolitan areas” (做透大江蘇、深耕長三角、佈局都市圈). In 2019, we expanded to a number of metropolitan core cities of China, while at the same time we continued to intensify our efforts in key regions, further extending the breadth and depth of our strategies and attaining the holistic change from a regional real estate company to a nationwide real estate company.

With the Group's ongoing enhanced efforts in investment expansion, optimization of its diversified investment portfolio, improvement of channel capability and enlarged proportion of merger and acquisition, the commercial land acquisition model has proven to be effective. The additions to the Group's land bank were of a good mix, with reasonable proportion of projects and product mix, which will be conducive to the future profit growth of the Group.

Regarding business development, we adhered to the model consisting of both asset-light and asset-heavy elements in our development. During the year, we managed to develop a number of leasing projects and projects under entrusted management. Among others, Tengzhou Hong Yang Plaza, as a project under entrusted management, achieved contract signing and business opening in the same year, which further boosted the influence of the Hong Yang brand. Regarding commercial operations, three of our shopping centre projects, namely Pavilion C Nanjing Hong Yang Plaza, Yantai Zhifu Hong Yang Plaza and Tengzhou Hong Yang Plaza were grandly opened during the Reporting Period, which was astoundingly magnificent.

2019年宏觀經濟繼續承壓，在因城施策的差異化調控方式下，「房住不炒」的政策基調得到堅持和精準實施，房地產行業整體保持平穩，銷售總量和價格與2018年基本持平。

本集團為深耕長三角，並進行全國化佈局的綜合性房企。報告期內，我們繼續推進「做透大江蘇、深耕長三角、佈局都市圈」的佈局策略。2019年拓展了全國多個都市圈的核心城市，同時持續推進重點區域的深耕，進一步拓展了戰略縱深，實現從區域性房企到全國性房企的全面轉變。

本集團持續加強投資拓展力度，優化投資多元化結構，提高渠道能力，收併購佔比提升，商業取地模式已見成效。新增土儲結構良好，項目比例、產品結構合理，可以支撐未來的利潤增長。

在商業拓展方面，我們堅持輕重並舉的發展模式，並在年內成功拓展多個租賃及委託管理類項目，其中滕州弘陽廣場作為委託管理類項目，成功實現了當年簽約、當年開業，進一步提升了弘陽品牌影響力。在商業運營方面，報告期內，我們南京弘陽廣場C館、煙台芝罘弘陽廣場、滕州弘陽廣場三個購物中心項目盛大開業，實現驚艷綻放。

CHAIRMAN'S STATEMENT

主席報告

For business growth, we geared up our human resources efforts by building a talent training and development system in 2019, with the launch of our online academy and the enhancement of a talents review system, to foster the formation of a key talent team. Ongoing efforts were made to optimize our organization appraisal mechanism, to refine our all-round talent incentive system and provide precise and targeted incentives. The Group also continued to solidify its cultural identity and culture-led affairs, strengthen brand building as an employer, and uplift its attractiveness to talents. Efforts were also made to foster a flat and highly-efficient organization, with steady rise in employees' respect for their own missions as well as organizational efficacy.

The Group adopts a sound financial policy, with stable debt level and balanced growth in scale and profits. As at 31 December 2019, the Group's net gearing ratio was 70.4%, and the balance of available cash on hand increased by 35.2% to RMB16.84 billion. There was sufficient working capital and the financial position was sound.

During the Reporting Period, Fitch Ratings, an international rating agency, upgraded the Group's corporate rating from "B" to "B+", with a stable outlook; and Moody's Investors Service, an international rating agency, assigned a "B2" corporate rating to the Group for the first time, with positive outlook. The ratings from the two agencies reflected their respective recognition of our high-quality land bank and prudent financial strategies.

For a few times during the year under review, the Group successfully issued senior notes, which were subscribed for by renowned international long-term funds, securing adequate funding for the future development of the Group. In January 2020, the Group successfully issued senior notes at a coupon rate of 9.7% for a term of 3.25 years with an aggregate principal amount of US\$300 million. The issue was highly oversubscribed, and the financing interest rate for US\$-denominated senior notes was further reduced. In the same month, the Group, for the first time, entered into a commercial bank club loan amounting to US\$70 million, further winning wide recognition from overseas capital market.

圍繞業務成長，我們的人力資源領域在2019年加快搭建人才培養發展體系，啟用線上學院，深化人才盤點系統，加強關鍵人才梯隊建設；持續優化組織評價機制，完善全方位的人才激勵體系，實現精準激勵；持續鞏固文化認同和文化引領工作，加強僱主品牌建設，提升人才吸引力；推動組織扁平高效，員工敬業度和組織效能穩步提升。

本集團財務政策穩健，債務水平穩定，規模和利潤均衡增長。截至2019年12月31日，本集團的淨負債率為70.4%，手頭現金餘額躍升35.2%至人民幣168.4億元，營運資金充足，財務狀況健康。

報告期內，國際評級機構惠譽將本集團的主體評級從「B」上調至「B+」，展望穩定。國際評級機構穆迪向本集團授予首次「B2」主體評級，展望正面，兩家評級機構的評級均反映了其對我們高質量土地儲備和審慎的財務策略的認可。

回顧年內，本集團多次成功發行優先票據，獲得眾多國際知名長線基金認購，為本集團發展提供充裕的資金支持。2020年1月，本集團成功發行總額為3億美元，票面利率為9.7%，年期為3.25年的優先票據，獲得高倍超額認購，並成功將美元優先票據的融資利率進一步降低。另外，本集團於同月亦首次達成一筆7,000萬美元的商業銀行俱樂部貸款，進一步獲得境外資本市場的廣泛認可。

CHAIRMAN'S STATEMENT 主席報告

During the Reporting Period, we continued to adhere to the core values of “professionalism and building credibility for the long term” and fully implemented the “talent-, fighter- and contributor-oriented” culture, rooting a simple, down-to-earth, aggressive and sunshine culture. Charitable branding events including “Ten Schools in Ten Provinces, Hundred Books for Hundred Villages” and “Sunflower Scheme” were launched, while the 2nd “Four Counties in Hexi” charitable walk for geeks was successfully organized, enshrining Redsun’s spirit of “Health, Hard Work and Benevolence”, with a long-term focus on sponsoring education in the localities.

The Group launched its head office in Shanghai in 2019 to form a dual headquarters operation in Shanghai and Nanjing, putting us physically side-by-side with industry peers. Looking ahead, we will continue to foster the “Property + Commercial” dual-driven strategy, while “Quality and Efficacy Enhancement” will become the main theme of our operation in year 2020. For property development, the Group will adhere to a nationwide strategic layout and further solidify its efforts in selected regions in Jiangsu and Yangtze River Delta, along with uplifting the quality of products and services. For commercial real estate, the Company will stress both expansion of scale and enhancement of operation quality. While exploring high-quality projects through diversified models such as entrusted management, leasing and self-holding, the Company will also continuously optimize and upgrade its business portfolio and foster innovation as well as enhance consumer experience, so as to create benchmark commercial property projects, thereby creating better return on assets of its commercial real estate business.

Finally, on behalf of the Board again, I would like to extend my wholehearted gratitude to all shareholders, employees, bondholders, partners and customers for their unfailing support to the Group in year 2019.

Redsun Properties Group Limited

Zeng Huansha

Chairman

Hong Kong, 25 March 2020

報告期內，我們繼續秉承「在商言人 誠者致遠」的核心價值觀，「以人才為本，以拚搏者和貢獻者為本」的企業文化導向全面落實，簡單、務實、陽光和拚搏文化持續生根。形成了「十省十校、百村百圖」、「向日葵計劃」等系列公益品牌活動，「河西四郡」第二屆極客遠征挑戰賽順利舉行，踐行「健康 拚搏 大愛」的弘陽極客精神，並在當地持續聚焦助學助教領域。

本集團2019年啟用上海總部，形成上海和南京雙總部運行，與優秀同行同場競技。展望未來，我們將繼續推進「地產+商業」雙輪驅動的業務戰略，同時以「提質增效」為2020年經營主題。在地產開發方面，將繼續堅持全國化的戰略佈局，並進一步加強在大江蘇和長三角重點區域的深耕，同時提升產品和服務品質。商業地產方面，規模拓展和經營質量提升並重，一方面通過委管、租賃、自持等多元化模式拓展優質項目，另一方面持續優化升級業務組合，推陳出新，優化消費體驗，打造標杆商業地產項目，提升商業地產資產回報水平。

最後，本人再次代表董事會向2019年鼎力支持本集團的全體股東、員工、債券持有人、各方合作夥伴以及客戶，致以最真誠的謝意！

弘陽地產集團有限公司

曾煥沙

主席

香港，二零二零年三月二十五日

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
BENGBU					
蚌埠					
Bengbu Xin Hong	under construction	—	—	73,894	48%
蚌埠新弘	在建				
BOZHOU					
亳州					
Bozhou Land Lot No. 2017-217	under construction	—	—	423,305	40%
亳州2017-217號地塊	在建				
CHANGZHOU					
常州					
Commercial and Trading Peak	under construction	—	—	155,768	60%
商貿云峯	在建				
Phoenix East Project	under construction	—	—	290,813	49%
鳳凰東項目	在建				
Golden Seal and Heaven Shire	completed	65,322	—	—	50%
金璽天郡	竣工				
Emperor Looks at the First Court	under construction	—	—	161,004	40%
君望甲第	在建				
The Bund No.1 Garden	under construction	—	—	111,891	85%
外灘一號花園	在建				
Changzhou Hong Yang Plaza	completed	—	89,866	—	100%
常州弘陽廣場	竣工				
Sang Ma Land Lot CD	under construction	—	88,778	168,813	70%
桑麻CD地塊	在建				

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
Sanmao Land Lot 三毛地塊	under construction 在建	—	—	238,588	33%
Xi Xia Shu Yun Xi 西夏墅云禧	under construction 在建	—	—	78,546	37%
CHENGDU					
成都					
Dujiangyan DJY2017-09 都江堰DJY2017-09	under construction 在建	—	—	57,682	95%
Dujiangyan DJY2017-10 都江堰DJY2017-10	under construction 在建	—	—	83,393	95%
Central Road Project 中環路項目	under construction 在建	—	41,650	188,765	50%
Qionglai Chang'an Avenue Project 邛崃長安大道項目	under construction 在建	—	—	109,411	50%
CHUZHOU					
滁州					
Garden with Art Atmosphere 藝境花園	under construction 在建	39,160	—	24,070	33%
Glory Residence 正榮府	under construction 在建	—	—	139,240	30%
Garden In Times (Chuzhou Times Billow) 時光里花園(滁州時光瀾庭)	under construction 在建	—	—	199,548	39%
Jingzi Road Times Magnificence 敬梓路時光風華	under construction 在建	—	—	123,845	50%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
FOSHAN					
佛山					
Hongyang Shan Xin Garden 弘陽山馨花園	under construction 在建	—	—	175,779	78%
Benevolence Lake Project 博愛湖項目	under construction 在建	—	6,046	73,491	95%
FUYANG					
阜陽					
Yingzhou Hong Yang Residence 穎州弘陽府	under construction 在建	—	—	83,224	95%
HANGZHOU					
杭州					
Yu Zheng Chu Chu [2018] No. 9 余政儲出[2018] 9號	under construction 在建	—	—	66,496	33%
Fuchun Bay Jichen Residence 富春灣濟宸府	under construction 在建	—	—	111,932	35%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
HEFEI					
合肥					
Sunrise Joy Garden 望麓別院	under construction 在建	—	—	98,823	25%
Purple Breeze 紫氣東來	under construction 在建	—	—	68,318	51%
Moon Bay Joy and Magnificence 月亮灣和悅風華	under construction 在建	—	—	58,877	40%
Yaohai Prosper and Joy 瑤海豐樂	under construction 在建	—	—	131,807	34%
Longzi Lake Times 龍子湖湖語時光	under construction 在建	—	—	141,621	30%
HENGYANG					
衡陽					
Yangliu Road Sunrise Joy Residence 楊柳路昕悅府	under construction 在建	—	—	120,919	100%
HUZHOU					
湖州					
Green Jade Bay 玉翠灣	under construction 在建	—	—	95,792	35%
Huzhou 2018-43 湖州2018-43	under construction 在建	—	—	65,009	94%
Huzhou Ren Huang No. 58# 湖州仁皇58#	under construction 在建	—	—	146,379	94%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
JINAN					
濟南					
Jiqi Road Project 濟齊路項目	under construction 在建	—	—	93,599	45%
JIAXING					
嘉興					
Longxing Road Project 隆興路項目	under construction 在建	—	—	83,500	35%
JIANGMEN					
江門					
Liyue Project 禮樂項目	under construction 在建	—	—	81,968	33%
KAIFENG					
開封					
Kaifeng Yan Lan Residence 開封燕瀾府	under construction 在建	—	—	194,758	94%
LUJIANG					
廬江					
Lujiang Lakeside Shade Mountain 廬江湖畔樾山	under construction 在建	—	—	350,208	50%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
MEISHAN					
眉山					
Renshou In Times 仁壽時光里	under construction 在建	—	—	167,162	100%
NANCHANG					
南昌					
New Power Hong Yang Residence 新力弘陽府	under construction 在建	—	—	101,653	44%
Yao Lake Times Sky Shade 瑤湖時光天樾	under construction 在建	—	—	220,534	46%
Qing Yun Pu 青雲譜	under construction 在建	—	—	98,232	49%
NANJING					
南京					
Garden in the East 領東苑	under construction 在建	—	—	195,411	33%
Nanjing Land Lot No. 2017G27 南京·2017G27地塊	under construction 在建	—	—	153,476	20%
Nanjing Land Lot No. 2017G36 南京·2017G36地塊	under construction 在建	—	—	187,737	20%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
Land Lot No. 2017G57 2017G57地塊	under construction 在建	—	—	82,536	100%
Gaochun Land Lot No. 02-03 高淳02-03地塊	under construction 在建	—	—	173,104	13%
Yizheng No. 38 儀徵38	under construction 在建	—	—	152,166	50%
Yizheng No. 39 儀徵39	under construction 在建	—	—	137,890	50%
Nanjing Hong Yang Plaza 南京弘陽廣場	completed 竣工	—	452,721	—	100%
Shiqiu Project 石湫項目	under construction 在建	—	—	274,406	48%
Lukou Project 祿口項目	under construction 在建	—	—	113,289	49%
Lishui Sunrise Joy Shangchen 溧水昕悅尚宸	under construction 在建	—	—	98,955	50%
NANTONG					
南通					
Left Bank Residence in Jianghai Road 江海路左岸公元	under construction 在建	—	—	123,497	34%
Wan Shou Road Project 萬壽路項目	under construction 在建	—	—	232,847	30%
Oriental Cloud Garden 東方云苑	under construction 在建	—	—	204,524	17%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
Upper Joy Garden 上悅花園	under construction 在建	—	—	170,158	25%
New Metropolis Garden 新都花園	under construction 在建	144	—	152,826	13%
Sutong 蘇通	under construction 在建	—	—	80,807	36%
Zisheng Road Junlan Tianyue 資生路君蘭天悅	under construction 在建	—	—	84,646	45%
Xitong Times Billow 錫通時光樾瀾庭	under construction 在建	—	—	70,807	51%
QINGDAO					
青島					
Jinshatan Project 金沙灘項目	under construction 在建	—	—	69,795	30%
SUZHOU					
蘇州					
Runyuan Masterpiece Garden 潤元名著花園	under construction 在建	61,557	—	99,010	49%
Upper Sunny Masterpiece Garden 上熙名苑	completed 竣工	83,829	—	—	99%
The River City Origin 江城源著	under construction 在建	—	—	89,586	13%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
Star Great Tang Masterpiece Residence 星盛唐名邸	under construction 在建	—	—	88,860	50%
Beautiful in Ten 十里錦繡	under construction 在建	—	—	130,016	16%
Shang Jun Hua Court 尚雋華庭	under construction 在建	—	—	76,066	50%
Hefeng Architecture in Xinhua Road 新華路和風名筑	under construction 在建	—	—	103,229	45%
Tang Qiao Fumin Road Project 塘橋富民路項目	under construction 在建	—	—	70,271	47%
TONGXIANG 桐鄉					
Wuzhen Longxiang Avenue Project 烏鎮龍翔大道項目	under construction 在建	—	—	82,325	60%
WENZHOU 溫州					
Huichang River B03 Project 會昌河B03項目	under construction 在建	—	—	65,203	50%
Huichang River B07 Project 會昌河B07項目	under construction 在建	—	—	52,565	50%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
WUXI					
無錫					
Wuxi Sanwan Qing 無錫三萬頃	under construction 在建	9,402	—	58,161	100%
Sunrise Joy Court 昕悅棠	under construction 在建	—	—	232,739	100%
Sunrise Joy Residence 昕悅府	under construction 在建	—	—	312,688	100%
Jing Garden of Superior Class 上品環苑	under construction 在建	—	—	346,045	20%
Liyuan Project 利源項目	under construction 在建	—	—	84,872	30%
Yangjian Project 羊尖項目	under construction 在建	—	—	109,319	40%
Yunting Primary School Project 云亭小學項目	under construction 在建	—	—	196,728	50%
WUHAN					
武漢					
Yin Yue Residence 印月府	under construction 在建	—	—	461,039	90%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
XI'AN					
西安					
Yan Liang Sunrise Joy Residence 閻良昕悅府	under construction 在建	—	—	70,134	48%
XIANGYANG					
襄陽					
Prime Watery Court 襄御瀾庭	under construction 在建	—	—	120,611	30%
Xiangzhou Park 1873 襄州公園1873	under construction 在建	—	—	259,363	50%
XUZHOU					
徐州					
Xuzhou Landscape of the Peach Garden 徐州山水桃花源	under construction 在建	6,729	—	99,534	75%
Nine Pleasures Splendid Residence 九悅華府	under construction 在建	—	—	333,843	33%
Joyful Beautiful Scenery Harmonious Residence 欣欣麗景和府	under construction 在建	—	—	56,081	33%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
East Lake Joy Residence in Pengzu Avenue 彭祖大道東湖悅府	under construction 在建	—	—	180,681	20%
Metropolitan City in Xinyuan Avenue 新元大道大都會	under construction 在建	—	—	224,115	55%
Phoenix Hill Puyue Residence 鳳凰山璞樾門第	under construction 在建	—	—	86,369	85%
Dawu Park Avenue 大吳公園大道	under construction 在建	—	—	630,089	100%
YANCHENG					
鹽城					
Begonia View Residence in Yanzhen Road 鹽枕路觀棠府	under construction 在建	—	—	160,545	33%
YANGZHOU					
揚州					
Begonia Court 棠苑	under construction 在建	—	—	111,153	19%
Yizheng Yuelong Bay 儀徵悅瓏灣	under construction 在建	—	—	68,310	50%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
CHANGSHA					
長沙					
Deyi In Times 德一時光里	under construction 在建	—	—	63,559	67%
Black Stone Project 黑石項目	under construction 在建	—	—	118,160	51%
ZHENJIANG					
鎮江					
Phoenix Terrace 鳳熹台	under construction 在建	—	—	232,293	20%
Land Lot No. 2018-J1-06 2018-J1-06號地塊	under construction 在建	—	—	139,083	33%
Jurong Land Lot No. B 句容B地塊	under construction 在建	—	—	73,206	19%
Xiaoniu Hill No. 2 Four Seasons Magnificence 小牛山二號四季風華	under construction 在建	—	—	78,480	33%
ZHENGZHOU					
鄭州					
Zhongmou Hong Yang Residence 中牟弘陽府	under construction 在建	—	—	318,308	51%

BREAKDOWN OF PRIMARY PROPERTIES

主要物業明細

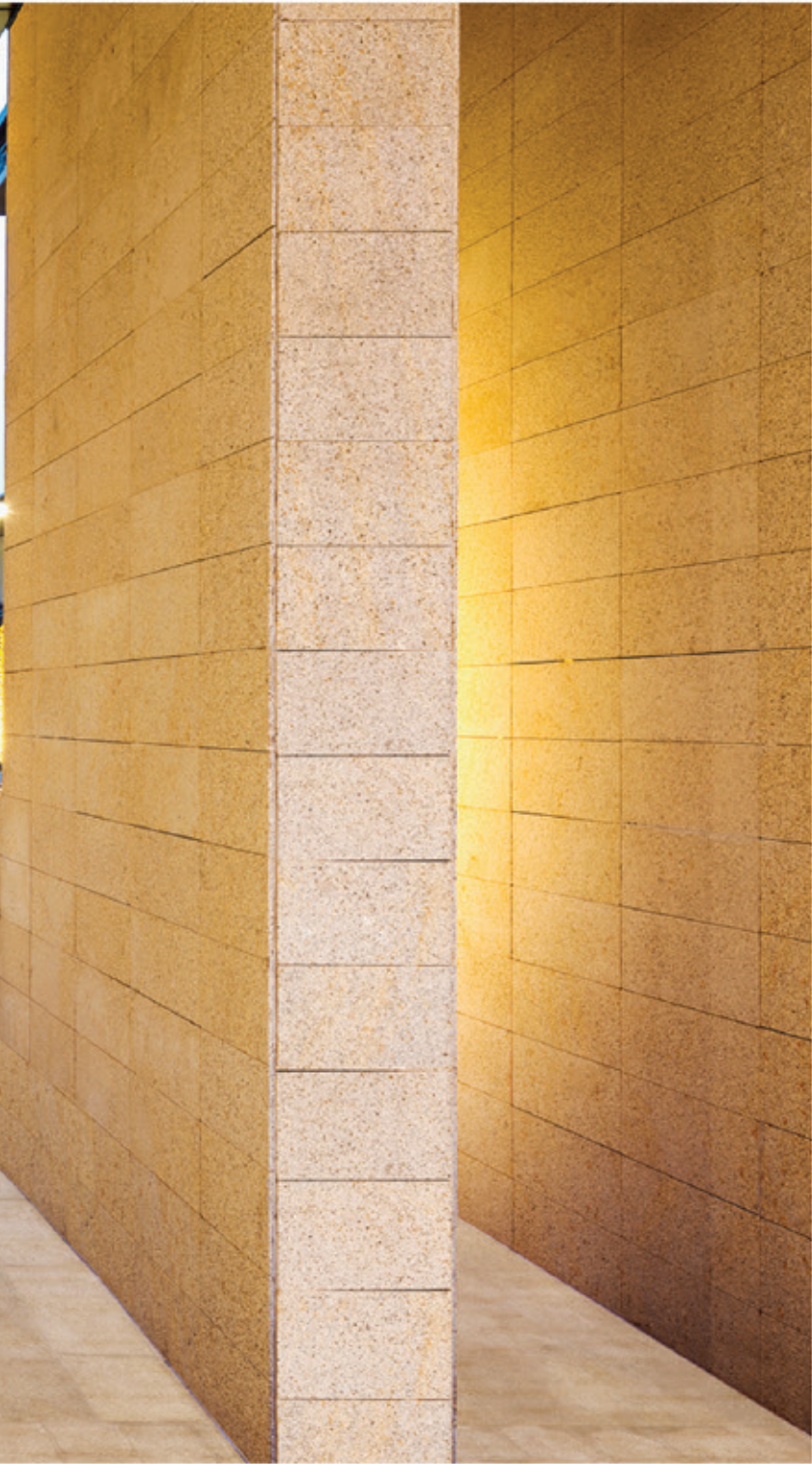
Name of Project	Project Status	Completed Total Gross Floor Area Not Carried Forward (sq.m.) 已竣工未結轉 總建築面積 (平方米)	Rentable Area Held for Investment (sq.m.) 持作投資的 可租用面積 (平方米)	Total Gross Floor Area Under Development (sq.m.) 開發中 總建築面積 (平方米)	The Group's Interests 本集團權益
項目名稱	項目狀態				
CHONGQING					
重慶					
Cypress View, Seattle 柏景·西雅圖	under construction 在建	—	—	293,120	100%
Bishan 295 璧山295	under construction 在建	—	—	239,488	95%
Beipei Project 北碚項目	under construction 在建	—	—	188,157	49%
ZHUJI					
諸暨					
Zhuji Land Lot No. 2018-11 諸暨2018-11地塊	under construction 在建	—	—	56,061	50%
Total 合計		266,143	679,061	15,076,999	



MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析





弘陽地產 — 打造四大產品線
Redsun Properties Group Limited - Four major project series



昕悅系



MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

昕悅系



REVIEW FOR 2019

In 2019, the macro-economy was exposed to constant pressure. Under the “city-specific policies” which point to the adoption of differentiated austerity measures for different cities in the PRC, the policy keynote of “houses are for living, not for speculation” remained and was precisely put to practice. In this connection, the real estate industry remained generally stable, with total sales volume staying fairly flat compared to the previous year.

The Group continued to adhere to the core values of “professionalism and building credibility for the long term.” Our principal businesses consist of three segments, including property development and sales, commercial property investment and operations and hotel operations, of which property development and sales is our core business. Our revenue is generated from the sale of our developed residential properties and supporting retail properties, rental income from the investment in and operation of commercial properties, and service fee income from our hotel operations.

2019年回顧

2019年宏觀經濟繼續承壓，在因城施策的差異化調控方式下，「房住不炒」的政策基調得到堅持和精準實施。房地產行業保持平穩，銷售總量與去年基本持平。

本集團繼續奉行「在商言人，誠者致遠」的核心價值觀，主要業務包括房地產開發與銷售、商業物業投資與運營、酒店運營三個部分，其中核心業務為房地產開發與銷售。我們從自行開發的住宅物業及配套零售的銷售、商業物業投資與經營的租金收入、以及酒店業務的服務費收入獲得收入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析



During the Reporting Period, the aggregated contracted sales of the Group was RMB65.15 billion, representing a year-on-year growth of 37.6%. The aggregated contracted sales area was 4,904,531 sq.m., and average selling price was RMB13,283 per sq.m. During the Reporting Period, the turnover of the Group was RMB15.170 billion, representing a year-on-year increase of approximately 64.2%; the net profit attributable to owners of the parent was approximately RMB1,467.6 million, representing an increase of approximately 3.9% compared to the corresponding period of the previous year.

1. Property Business

During the Reporting Period, the Group strictly implemented the nationwide layout strategy of “penetrating the Greater Jiangsu Region, strengthening foothold in the Yangtze River Delta Region and expanding into major metropolitan areas”, focused on the existing regions and expanded to dynamic hub cities. In 2019, we entered 17 cities including Jinan, Qingdao, Xi’an, Changsha, Wenzhou and Zhengzhou, while at the same

於報告期間，本集團實現合約銷售額人民幣651.5億元，較上年增加37.6%；累計合約銷售面積4,904,531平方米，平均銷售價格為每平方米人民幣13,283元。於報告期間，本集團的營業額為人民幣151.70億元，較上年增加約64.2%；實現母公司擁有人的淨利潤約人民幣1,467.6百萬元，較上年同期增加約3.9%。

1. 房地產業務

報告期內，本集團嚴格執行「做透大江蘇、深耕長三角、佈局都市圈」的全國佈局策略，深耕聚焦現有區域，同時拓展具有經濟活力的節點性核心城市，2019年新進入濟南、青島、西安、長沙、溫州、鄭州等17個城市，同時加強戰略合作取地，商業取地新構式續見成效、雙輪驅動、住商聯動、品質提升，增效運營。目前已進入

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

time we geared up our strategic cooperation in acquiring land, with proven efficacy in commercial land acquisition, coupled with the dual-driven strategy, commercial/residential linkage, and improved quality and efficacy enhancement in operation. We have currently established our presence in the Yangtze River Delta, Southwest China, South China, Central China and Northwest China regions, realized our nationwide expansion basically and changed from a regional real estate company into a nationwide real estate company.

During the Reporting Period, the Group's revenue from property sale amounted to RMB14.72 billion. As at the end of the Reporting Period, the Group's aggregate gross floor area of land bank was approximately 16,931,996 sq.m. (gross floor area of land bank attributable to the Group was approximately 9,254,340 sq.m.), an increase of 29.4% as compared to 13,084,376 sq.m. as at 31 December 2018. This provides sufficient support for our future development.

2. Commercial Property Investment and Operations

Up to now, the Group has four Hong Yang Plazas opened, which are located in Nanjing in Jiangsu, Changzhou in Jiangsu, Yantai in Shandong and Tengzhou in Shandong respectively. We are now preparing the opening of eleven Hong Yang Plazas in Hefei, Hengyang, Yangzhou, Xuzhou, Yanjiao, Jining, Fushan in Yantai, Lekai in Yantai, Dacheng in Changzhou, Phoenix East in Changzhou and Anqing, signifying the ongoing promotion of the "Hong Yang Plaza" brand.

During the Reporting Period, the Group achieved sales revenue of approximately RMB411.4 million from commercial operations.

3. Hotel Operations

During the Reporting Period, the Group achieved sales revenue of approximately RMB39.8 million from its hotel operations.

Up to now, the Group owns two hotels, namely Nanjing Hong Yang Hotel and Wuxi Hong Yang Lakefort Hotel, as well as an Ibis Hotel under entrusted management model.

長三角、西南、華南、華中、西北區域，基本完成全國化佈局，由區域性房企轉變為全國性綜合房企。

於報告期間，本集團實現房地產業務銷售收入人民幣147.2億元。報告期末，本集團土地儲備總建築面積約為16,931,996平方米（本集團應佔土地儲備建築面積約為9,254,340平方米），較截至2018年12月31日的13,084,376平方米增加29.4%，為未來發展提供了充足的支持。

2. 商業物業投資及運營業務

截至目前，本集團已開業四座弘陽廣場，分別坐落於江蘇南京、江蘇常州、山東煙台、山東滕州。目前正在籌備開設合肥、衡陽、揚州、徐州、燕郊、濟寧、煙台福山、煙台樂凱、常州大成、常州鳳凰東、安慶十一座弘陽廣場，持續推廣「弘陽廣場」品牌。

於報告期間，本集團實現商業經營業務銷售收入約人民幣411.4百萬元。

3. 酒店運營業務

於報告期間，本集團實現酒店運營業務銷售收入約人民幣39.8百萬元。

截至目前，本集團已擁有兩間酒店，分別為南京弘陽酒店及無錫弘陽洛克菲花園酒店，同時通過委託管理方式開業一家宜必思酒店。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

BUSINESS REVIEW

1. Sales of Properties

For the year ended 31 December 2019, the Group achieved contracted sales of approximately RMB65.15 billion, representing an increase of 37.6% as compared to RMB47.34 billion in the corresponding period last year. The contracted sales in gross floor area of the Group was approximately 4.905 million sq.m., representing an increase of 39.0% as compared to 3.528 million sq.m. in the corresponding period last year. The increase was due to the fast expansion of the Group resulting in the gradual realization of sales from the projects acquired previously.

Projects under construction

As at 31 December 2019, there were a total of 124 projects under construction with an aggregate planned gross floor area of 15,707,915 sq.m.

業務回顧

1. 房地產銷售

截至2019年12月31日止年度，本集團實現合約銷售金額約人民幣65.15億元，較去年同期的人民幣47.34億元增長37.6%。本集團合約銷售建築面積約為490.5萬平方米，較去年同期352.8萬平方米增長39.0%，增長原因為本集團快速擴張，前期獲取項目陸續實現銷售所致。

在建項目

截至2019年12月31日，本集團共計124個項目在建中，計劃總建築面積為15,707,915平方米。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Details of the contracted sales of the Group as at 31 December 2019 are set out as below:

本集團於2019年12月31日的合約銷售明細：

Region		Contracted Sales		Average
		in Total Gross Floor Area	Contracted Sales Amount	Contracted Sales Price
區域		合約銷售建築面積	合約銷售金額	平均合約銷售價格
		(sq.m.)	(RMB'000)	(RMB/sq.m.)
		(平方米)	(人民幣千元)	(人民幣/平方米)
Wuxi	無錫	638,746	7,141,421	11,180
Suzhou	蘇州	544,794	9,156,871	16,808
Changzhou	常州	469,313	6,957,075	14,824
Nanjing	南京	413,121	7,626,579	18,461
Nantong	南通	340,759	4,737,562	13,903
Xuzhou	徐州	331,401	3,733,341	11,265
Chongqing	重慶	213,984	1,526,467	7,134
Yangzhou	揚州	173,186	1,598,711	9,231
Bozhou	亳州	143,457	1,316,676	9,178
Nanchang	南昌	137,242	2,070,087	15,083
Chengdu	成都	135,007	1,349,396	9,995
Wuhan	武漢	104,486	1,844,259	17,651
Kaifeng	開封	95,104	800,592	8,418
Hefei	合肥	85,419	1,034,327	12,109
Foshan	佛山	76,994	1,091,649	14,178
Xiangyang	襄陽	74,690	715,467	9,579
Taizhou	泰州	66,752	558,966	8,374
Huzhou	湖州	66,631	897,689	13,473
Bengbu	蚌埠	66,447	510,450	7,682
Chuzhou	滁州	50,000	522,955	10,459
Yancheng	鹽城	49,248	526,329	10,687
Zhenjiang	鎮江	48,591	421,144	8,667
Hangzhou	杭州	35,858	940,374	26,225
Changsha	長沙	28,784	332,878	11,565
Xi'an	西安	23,625	154,265	6,530
Ningbo	寧波	23,231	799,627	34,421
Others	其他	467,661	6,782,122	14,502
Total	合計	4,904,531	65,147,279	13,283

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

2. Land Bank

As at 31 December 2019, the Group had a land bank with an aggregate gross floor area of approximately 16,931,996 sq.m. (gross floor area attributable to the Group was approximately 9,254,340 sq.m.), representing an increase of 29.4% from 13,084,376 sq.m. as at 31 December 2018. As at 31 December 2019, completed properties totaled 521,579 sq.m., rentable area held for investment totaled 702,502 sq.m., and properties under development totaled 15,707,915 sq.m.

Details of the land bank of the Group (including acquired in process) as at 31 December 2019 are set out as below:

2. 土地儲備

截至2019年12月31日，本集團土地儲備總建築面積約為16,931,996平方米(本集團應佔土地儲備建築面積約為9,254,340平方米)，較截至2018年12月31日止報告期間的13,084,376平方米增加29.4%。其中於2019年12月31日，已竣工物業521,579平方米，持做投資的可租用面積702,502平方米，開發中物業15,707,915平方米。

本集團截至2019年12月31日的土地儲備(包含獲取中)明細載列如下：

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Bengbu 蚌埠	Bengbu Xin Hong (蚌埠新弘) 蚌埠新弘	32,646	—	—	73,894	73,894	48%
Bozhou 亳州	Bozhou Land Lot No. 2017-217 (亳州2017-217號地塊) 亳州2017-217號地塊	201,216	—	—	423,305	423,305	40%
Changzhou 常州	Commercial and Trading Peak (商貿云峯) 商貿云峯	50,921	—	—	155,768	155,768	60%
Changzhou 常州	Phoenix East Project (鳳凰東項目) 鳳凰東項目	115,615	—	—	290,813	290,813	49%
Changzhou 常州	Golden Seal and Heaven Shire (金璽天郡) 金璽天郡	88,719	65,322	—	—	65,322	50%
Changzhou 常州	Emperor Looks at the First Court (君望甲第) 君望甲第	67,225	—	—	161,004	161,004	40%
Changzhou 常州	Sang Ma Land Lot A (桑麻A地塊) 桑麻A地塊	44,524	—	11,690	—	11,690	70%
Changzhou 常州	The Bund No.1 Garden (外灘一號花園) 外灘一號花園	126,695	—	—	111,891	111,891	85%
Changzhou 常州	Changzhou Hong Yang Plaza (常州弘陽廣場) 常州弘陽廣場	43,590	—	89,866	—	89,866	100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Changzhou 常州	Sang Ma Land Lot CD (桑麻CD地塊) 桑麻CD地塊	156,115	—	88,778	168,813	257,591	70%
Changzhou 常州	Sanmao Land Lot (三毛地塊) 三毛地塊	108,486	—	—	238,588	238,588	33%
Changzhou 常州	Xi Xia Shu Yun Xi (西夏墅云禧) 西夏墅云禧	36,712	—	—	78,546	78,546	37%
Changzhou 常州	Hong Yang Upper City Phase I-III (弘陽上城一—三期) 弘陽上城一—三期	111,700	10,894	—	—	10,894	100%
Chengdu 成都	Dujiangyan DJY2017-09 (都江堰DJY2017-09) 都江堰DJY2017-09	26,393	—	—	57,682	57,682	95%
Chengdu 成都	Dujiangyan DJY2017-10 (都江堰DJY2017-10) 都江堰DJY2017-10	39,064	—	—	83,393	83,393	95%
Chengdu 成都	Central Road Project (中環路項目) 中環路項目	72,114	—	41,650	188,765	230,415	50%
Chengdu 成都	Shuangliu Heyuan Project (雙流合園項目) 雙流合園項目	19,794	—	—	32,245	32,245	33%
Chengdu 成都	Qionglai Chang'an Avenue Project (邛崃長安大道項目) 邛崃長安大道項目	39,809	—	—	109,411	109,411	50%
Chuzhou 滁州	Garden with Art Atmosphere (藝境花園) 藝境花園	60,189	39,160	—	24,070	63,230	33%
Chuzhou 滁州	New City Hong Yang Garden at Mingfa North (明發北站新城弘陽苑) 明發北站新城弘陽苑	8,782	1,361	—	5,272	6,633	99%
Chuzhou 滁州	Glory Residence (正榮府) 正榮府	80,867	—	—	139,240	139,240	30%
Chuzhou 滁州	Garden In Times (Chuzhou Times Billow) (時光里花園) (滁州時光瀾庭) 時光里花園(滁州時光瀾庭)	89,886	—	—	199,548	199,548	39%
Chuzhou 滁州	Jingzi Road Times Magnificence (敬梓路時光風華) 敬梓路時光風華	55,719	—	—	123,845	123,845	50%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Foshan 佛山	Hongyang Shan Xin Garden (弘陽山馨花園) 弘陽山馨花園	63,132	—	—	175,779	175,779	78%
Foshan 佛山	Benevolence Lake Project (博愛湖項目) 博愛湖項目	44,156	—	6,046	73,491	79,537	95%
Fuyang 阜陽	Yingzhou Hong Yang Residence (穎州弘陽府) 穎州弘陽府	38,297	—	—	83,224	83,224	95%
Hangzhou 杭州	Yu Zheng Chu Chu [2018] No. 9 (余政儲出[2018] 9號) 余政儲出[2018] 9號	50,888	—	—	66,496	66,496	33%
Hangzhou 杭州	Hangxing Road Project (杭行路項目) 杭行路項目	18,703	—	—	44,619	44,619	30%
Hangzhou 杭州	Fuchun Bay Jichen Residence (富春灣濟宸府) 富春灣濟宸府	39,313	—	—	111,932	111,932	35%
Hefei 合肥	In Times (時光里) 時光里	42,621	28,788	—	—	28,788	100%
Hefei 合肥	Mountain View Yard (昕悅花園) 昕悅花園	37,254	25,059	—	—	25,059	80%
Hefei 合肥	Sunrise Joy Garden (望麓別院) 望麓別院	139,536	—	—	98,823	98,823	25%
Hefei 合肥	Purple Breeze (紫氣東來) 紫氣東來	28,081	—	—	68,318	68,318	51%
Hefei 合肥	Moon Bay Joy and Magnificence (月亮灣和悅風華) 月亮灣和悅風華	26,380	—	—	58,877	58,877	40%
Hefei 合肥	Yaohai Prosper and Joy (瑤海豐樂) 瑤海豐樂	59,233	—	—	131,807	131,807	34%
Hefei 合肥	Longzi Lake Times (龍子湖湖語時光) 龍子湖湖語時光	68,461	—	—	141,621	141,621	30%
Hengyang 衡陽	Yangliu Road Sunrise Joy Residence (楊柳路昕悅府) 楊柳路昕悅府	36,912	—	—	120,919	120,919	100%
Huzhou 湖州	Green Jade Bay (玉翠灣) 玉翠灣	46,488	—	—	95,792	95,792	35%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Huzhou 湖州	Huzhou 2018-43 (湖州2018-43) 湖州2018-43	48,652	—	—	65,009	65,009	94%
Huzhou 湖州	Huzhou Ren Huang No. 58# (湖州仁皇58#) 湖州仁皇58#	102,218	—	—	146,379	146,379	94%
Jinan 濟南	Jiqi Road Project (濟齊路項目) 濟齊路項目	34,290	—	—	93,599	93,599	45%
Jiaxing 嘉興	Longxing Road Project (隆興路項目) 隆興路項目	42,030	—	—	83,500	83,500	35%
Jiangmen 江門	Liyue Project (禮樂項目) 禮樂項目	30,231	—	—	81,968	81,968	33%
Kaifeng 開封	Kaifeng Yan Lan Residence (開封燕瀾府) 開封燕瀾府	63,533	—	—	194,758	194,758	94%
Lujiang 廬江	Lujiang Lakeside Shade Mountain (廬江湖畔樾山) 廬江湖畔樾山	161,263	—	—	350,208	350,208	50%
Ma'anshan 馬鞍山	Sunny Side of the Yangtze River Peacock City (長江熙岸孔雀城) 長江熙岸孔雀城	97,340	2,146	—	27,612	29,758	20%
Meishan 眉山	Renshou In Times (仁壽時光里) 仁壽時光里	68,107	—	—	167,162	167,162	100%
Nanchang 南昌	New Power Hong Yang Residence (新力弘陽府) 新力弘陽府	43,410	—	—	101,653	101,653	44%
Nanchang 南昌	Yao Lake Times Sky Shade (瑤湖時光天樾) 瑤湖時光天樾	102,269	—	—	220,534	220,534	46%
Nanchang 南昌	Qing Yun Pu (青雲譜) 青雲譜	29,452	—	—	98,232	98,232	49%
Nanchang 南昌	Wanli (灣里) 灣里	13,717	—	—	30,011	30,011	95%
Nanjing 南京	Hong Yang Solaris Loving City Section 6 (弘陽旭日愛上城六區) 弘陽旭日愛上城六區	75,237	2,766	—	—	2,766	100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Nanjing 南京	Hong Yang Solaris Loving City Section 7 (弘陽旭日愛上城七區) 弘陽旭日愛上城七區	12,999	40	—	—	40	100%
Nanjing 南京	Solaris Loving City Creation Wings Garden (旭日愛上城創翼園) 旭日愛上城創翼園	82,693	941	—	—	941	100%
Nanjing 南京	Solaris Upper City Section 1 (旭日上城一區) 旭日上城一區	198,497	357	—	—	357	100%
Nanjing 南京	Solaris Upper City Section 2 (旭日上城二區) 旭日上城二區	163,341	496	—	—	496	100%
Nanjing 南京	Solaris Upper City Section 3 (旭日上城三區) 旭日上城三區	189,012	907	—	—	907	100%
Nanjing 南京	Solaris Institution (旭日學府) 旭日學府	38,976	1,863	—	—	1,863	100%
Nanjing 南京	Solaris Elegant Architecture (旭日雅筑) 旭日雅筑	15,524	40	—	—	40	100%
Nanjing 南京	Loving Garden (愛上花園) 愛上花園	77,367	3,115	—	—	3,115	100%
Nanjing 南京	Great Times at Joy Peak West District (悅峰時光里西區) 悅峰時光里西區	73,065	8,330	—	—	8,330	50%
Nanjing 南京	Solaris Loving City Section 8 (旭日愛上城八區) 旭日愛上城八區	40,552	14,540	—	—	14,540	100%
Nanjing 南京	Garden of Joy and Elegance (昕悅雅苑) 昕悅雅苑	32,246	26,581	—	—	26,581	49%
Nanjing 南京	Golden Space and Watery Court (金域瀾庭) 金域瀾庭	66,267	8,543	—	2,586	11,129	9%
Nanjing 南京	Residence of Bamboo and Water (竹水居) 竹水居	52,763	6,629	—	—	6,629	50%
Nanjing 南京	Garden in the East (領東苑) 領東苑	67,810	—	—	195,411	195,411	33%
Nanjing 南京	Sea Joy Garden (海悅花園) 海悅花園	57,503	29,943	—	—	29,943	49%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Nanjing 南京	New No.1 Commercial Plaza (新壹商業廣場) 新壹商業廣場	23,810	—	—	3,484	3,484	33%
Nanjing 南京	Wave of Swallow New Garden (燕瀾新苑) 燕瀾新苑	61,145	14,191	—	—	14,191	50%
Nanjing 南京	Nanjing Land Lot No. 2017G27 (南京·2017G27地塊) 南京·2017G27地塊	68,644	—	—	153,476	153,476	20%
Nanjing 南京	Mountain and Lake View Garden in Times (時光山湖花園) 時光山湖花園	14,338	3,235	—	391	3,626	25%
Nanjing 南京	Nanjing Land Lot No. 2017G36 (南京·2017G36地塊) 南京·2017G36地塊	54,173	—	—	187,737	187,737	20%
Nanjing 南京	Land Lot No. 2017G57 (2017G57地塊) 2017G57地塊	58,024	—	—	82,536	82,536	100%
Nanjing 南京	Nanjing No. 2018G01 (南京2018G01) 南京2018G01	7,025	—	—	20,656	20,656	30%
Nanjing 南京	Gaochun Land Lot No. 02-03 (高淳02-03地塊) 高淳02-03地塊	102,787	—	—	173,104	173,104	13%
Nanjing 南京	Yizheng No. 38 (儀徵38) 儀徵38	69,788	—	—	152,166	152,166	50%
Nanjing 南京	Yizheng No. 39 (儀徵39) 儀徵39	66,358	—	—	137,890	137,890	50%
Nanjing 南京	Solaris Jingcheng Store (旭日景城商舖) 旭日景城商舖	1,371	—	4,450	—	4,450	100%
Nanjing 南京	Solaris Loving City Section 6 Store (旭日愛上城六區商舖) 旭日愛上城六區商舖	989	—	7,301	—	7,301	100%
Nanjing 南京	Nanjing Hong Yang Plaza (南京弘陽廣場) 南京弘陽廣場	230,871	—	452,721	—	452,721	100%
Nanjing 南京	Shiqiu Project (石湫項目) 石湫項目	131,964	—	—	274,406	274,406	48%
Nanjing 南京	Lukou Project (祿口項目) 祿口項目	73,686	—	—	113,289	113,289	49%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Nanjing 南京	Puzhu North Road Project (浦珠北路項目) 浦珠北路項目	7,232	—	—	19,516	19,516	70%
Nanjing 南京	Lishui Sunrise Joy Shangchen (溧水昕悅尚宸) 溧水昕悅尚宸	41,931	—	—	98,955	98,955	50%
Nanjing 南京	Hong Yang Upper Yard (弘陽上院) 弘陽上院	66,805	905	—	—	905	100%
Nanjing 南京	Spring on West River (春上西江) 春上西江	27,962	2,005	—	—	2,005	100%
Nanjing 南京	Qiaolin Shiqihe Project (橋林石磧河項目) 橋林石磧河項目	28,188	—	—	39,185	39,185	50%
Nantong 南通	Left Bank Residence in Jianghai Road (江海路左岸公元) 江海路左岸公元	75,028	—	—	123,497	123,497	34%
Nantong 南通	Wan Shou Road Project (萬壽路項目) 萬壽路項目	89,669	—	—	232,847	232,847	30%
Nantong 南通	Esteeming Virtues Garden (尚德苑) 尚德苑	37,348	—	—	47,417	47,417	33%
Nantong 南通	Oriental Cloud Garden (東方云苑) 東方云苑	86,652	—	—	204,524	204,524	17%
Nantong 南通	Upper Joy Garden (上悅花園) 上悅花園	82,741	—	—	170,158	170,158	25%
Nantong 南通	New Metropolis Garden (新都花園) 新都花園	109,890	144	—	152,826	152,970	13%
Nantong 南通	Center Creation Metropolis Garden (中創都市花苑) 中創都市花苑	47,963	245	—	48,933	49,178	24%
Nantong 南通	Sutong (蘇通) 蘇通	47,405	—	—	80,807	80,807	36%
Nantong 南通	Zisheng Road Junlan Tianyue (資生路君蘭天悅) 資生路君蘭天悅	40,689	—	—	84,646	84,646	45%
Nantong 南通	Xitong Times Billow (錫通時光樾瀾庭) 錫通時光樾瀾庭	38,920	—	—	70,807	70,807	51%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Ningbo 寧波	Ningbo Yinzhou Land Lot No. L5 (寧波鄞州L5地塊) 寧波鄞州L5地塊	11,368	—	—	25,826	25,826	50%
Qingdao 青島	Jinshatan Project (金沙灘項目) 金沙灘項目	8,770	—	—	69,795	69,795	30%
Qingdao 青島	Jinshatan Project (金沙灘項目) 金沙灘項目	5,307	—	—	37,345	37,345	30%
Suzhou 蘇州	Runyuan Masterpiece Garden (潤元名著花園) 潤元名著花園	80,669	61,557	—	99,010	160,567	49%
Suzhou 蘇州	Upper Sunny Masterpiece Garden (上熙名苑) 上熙名苑	44,701	83,829	—	—	83,829	99%
Suzhou 蘇州	Luyuan Architecture (甬源名筑) 甬源名筑	60,961	4,395	—	8,977	13,372	99%
Suzhou 蘇州	The River City Origin (江城源著) 江城源著	69,982	—	—	89,586	89,586	13%
Suzhou 蘇州	Star Great Tang Masterpiece Residence (星盛唐名邸) 星盛唐名邸	36,829	—	—	88,860	88,860	50%
Suzhou 蘇州	Sunrise Joy Masterpiece Residence (昕悅名邸) 昕悅名邸	47,706	36,595	—	—	36,595	69%
Suzhou 蘇州	Beautiful in Ten (十里錦繡) 十里錦繡	98,783	—	—	130,016	130,016	16%
Suzhou 蘇州	Shang Jun Hua Court (尚雋華庭) 尚雋華庭	39,410	—	—	76,066	76,066	50%
Suzhou 蘇州	Changshu No. 005 (常熟005) 常熟005	17,361	—	—	39,109	39,109	33%
Suzhou 蘇州	Hefeng Architecture in Xinhua Road (新華路和風名筑) 新華路和風名筑	45,742	—	—	103,229	103,229	45%
Suzhou 蘇州	Tang Qiao Fumin Road Project (塘橋富民路項目) 塘橋富民路項目	40,317	—	—	70,271	70,271	47%
Suzhou 蘇州	Shangshui Garden of Elegance (上水雅苑) 上水雅苑	69,325	3,092	—	—	3,092	99%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Taizhou 台州	Wenling Shidai Jiuzhu (溫嶺時代玖著) 溫嶺時代玖著	14,338	—	—	37,606	37,606	50%
Taizhou 泰州	Wave of Swallow Garden (燕瀾花園) 燕瀾花園	56,230	17,434	—	16,462	33,896	99%
Tongxiang 桐鄉	Wuzhen Longxiang Avenue Project (烏鎮龍翔大道項目) 烏鎮龍翔大道項目	42,811	—	—	82,325	82,325	60%
Wenzhou 溫州	Huichang River B03 Project (會昌河B03項目) 會昌河B03項目	25,721	—	—	65,203	65,203	50%
Wenzhou 溫州	Huichang River B07 Project (會昌河B07項目) 會昌河B07項目	19,967	—	—	52,565	52,565	50%
Wuxi 無錫	Wuxi Sanwan Qing (無錫三萬頃) 無錫三萬頃	800,000	9,402	—	58,161	67,563	100%
Wuxi 無錫	Sunrise Joy Court (昕悅棠) 昕悅棠	85,122	—	—	232,739	232,739	100%
Wuxi 無錫	Sunrise Joy Residence (昕悅府) 昕悅府	138,902	—	—	312,688	312,688	100%
Wuxi 無錫	Jing Garden of Superior Class (上品璟苑) 上品璟苑	203,609	—	—	346,045	346,045	20%
Wuxi 無錫	Liyuan Project (利源項目) 利源項目	39,021	—	—	84,872	84,872	30%
Wuxi 無錫	Yangjian Project (羊尖項目) 羊尖項目	63,050	—	—	109,319	109,319	40%
Wuxi 無錫	Yunting Primary School Project (云亭小學項目) 云亭小學項目	92,953	—	—	196,728	196,728	50%
Wuhan 武漢	Yin Yue Residence (印月府) 印月府	106,207	—	—	461,039	461,039	90%
Xi'an 西安	Yan Liang Sunrise Joy Residence (閻良昕悅府) 閻良昕悅府	24,649	—	—	70,134	70,134	48%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Xiangyang 襄陽	Prime Watery Court (襄御瀾庭) 襄御瀾庭	45,761	—	—	120,611	120,611	30%
Xiangyang 襄陽	Xiangzhou Park 1873 (襄州公園1873) 襄州公園1873	93,846	—	—	259,363	259,363	50%
Xuzhou 徐州	Xuzhou Landscape of the Peach Garden (徐州山水桃花源) 徐州山水桃花源	104,284	6,729	—	99,534	106,263	75%
Xuzhou 徐州	Nine Pleasures Splendid Residence (九悅華府) 九悅華府	181,244	—	—	333,843	333,843	33%
Xuzhou 徐州	Joyful Beautiful Scenery Harmonious Residence (欣欣麗景和府) 欣欣麗景和府	26,646	—	—	56,081	56,081	33%
Xuzhou 徐州	East Lake Joy Residence in Pengzu Avenue (彭祖大道東湖悅府) 彭祖大道東湖悅府	70,905	—	—	180,681	180,681	20%
Xuzhou 徐州	Metropolitan City in Xinyuan Avenue (新元大道大都會) 新元大道大都會	90,236	—	—	224,115	224,115	55%
Xuzhou 徐州	Phoenix Hill Puyue Residence (鳳凰山璞樾門第) 鳳凰山璞樾門第	59,770	—	—	86,369	86,369	85%
Xuzhou 徐州	Dawu Park Avenue (大吳公園大道) 大吳公園大道	213,207	—	—	630,089	630,089	100%
Yancheng 鹽城	Begonia View Residence in Yanzhen Road (鹽枕路觀棠府) 鹽枕路觀棠府	69,049	—	—	160,545	160,545	33%
Yangzhou 揚州	Begonia Court (棠苑) 棠苑	72,660	—	—	111,153	111,153	19%
Yangzhou 揚州	Yizheng Yuelong Bay (儀徵悅瓏灣) 儀徵悅瓏灣	27,589	—	—	68,310	68,310	50%
Changsha 長沙	Deyi In Times (德一時光里) 德一時光里	12,956	—	—	63,559	63,559	67%
Changsha 長沙	Black Stone Project (黑石項目) 黑石項目	32,684	—	—	118,160	118,160	51%
Zhenjiang 鎮江	Phoenix Terrace (鳳熹台) 鳳熹台	88,498	—	—	232,293	232,293	20%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Region	Name of Project	Land Area	Completed Total Gross Floor Area for Sale	Rentable Area Held for Investment	Total Gross Floor Area Under Development	Total Area of Land Bank	The Group's Interests
地區	項目名稱	土地面積 (sq.m.) (平方米)	已竣工供出售 總建築面積 (sq.m.) (平方米)	持作投資的 可租用面積 (sq.m.) (平方米)	開發中 總建築面積 (sq.m.) (平方米)	土地儲備 面積合計 (sq.m.) (平方米)	本集團權益
Zhenjiang 鎮江	Land Lot No. 2018-J1-06 (2018-J1-06號地塊) 2018-J1-06號地塊	72,609	—	—	139,083	139,083	33%
Zhenjiang 鎮江	Jurong Land Lot No. B (句容B地塊) 句容B地塊	38,731	—	—	73,206	73,206	19%
Zhenjiang 鎮江	Zhoujiazhuang Project (周家莊項目) 周家莊項目	16,168	—	—	42,713	42,713	51%
Zhenjiang 鎮江	Xiaoni Hill No. 1 Four Seasons Magnificence (小牛山一號四季 風華) 小牛山一號四季風華	28,920	—	—	31,254	31,254	33%
Zhenjiang 鎮江	Xiaoni Hill No. 2 Four Seasons Magnificence (小牛山二號四季 風華) 小牛山二號四季風華	20,536	—	—	78,480	78,480	33%
Zhengzhou 鄭州	Zhongmou Hong Yang Residence (中牟弘陽府) 中牟弘陽府	119,924	—	—	318,308	318,308	51%
Chongqing 重慶	Cypress View, Seattle (柏景·西雅圖) 柏景·西雅圖	89,273	—	—	293,120	293,120	100%
Chongqing 重慶	Shapingba District Dayangshi Group Subregion C No. C11-1/03 (沙坪壩區大楊石組團C分區C11-1/03號) 沙坪壩區大楊石組團C分區C11-1/03號	8,749	—	—	22,822	22,822	95%
Chongqing 重慶	Bishan 295 (璧山295) 璧山295	106,259	—	—	239,488	239,488	95%
Chongqing 重慶	Guan Yin Tang (觀音塘) 觀音塘	14,785	—	—	46,875	46,875	49%
Chongqing 重慶	Beipei Project (北碚項目) 北碚項目	109,540	—	—	188,157	188,157	49%
Zhuji 諸暨	Zhuji Land Lot No. 2018-11 (諸暨2018-11地塊) 諸暨2018-11地塊	49,492	—	—	56,061	56,061	50%
合計	Total	10,544,128	521,579	702,502	15,707,915	16,931,996	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

3. Commercial Property Investment and Operations

For the year ended 31 December 2019, the Group achieved rental income of approximately RMB411.4 million, representing an increase of 14.6% as compared to the corresponding period last year. The increase was mainly due to the grand opening of Pavilion C2 and C3 Nanjing Hong Yang Plaza in August 2019, the increase in contribution made by Changzhou Hong Yang Plaza as a result of an improvement of its performance and the additional contribution from Yantai Hong Yang Plaza and Tengzhou Hong Yang Plaza as a result of their openings.

4. Hotel Operations

For the year ended 31 December 2019, the Group achieved sales revenue of approximately RMB39.8 million from its hotel operations, representing an increase of 8.3% as compared to the corresponding period last year. The increase was mainly due to an increase in contribution made by Nanjing Hong Yang Hotel and Wuxi Hong Yang Lakefort Hotel as a result of an improvement of their performance.

FINANCIAL REVIEW

1. Revenue

For the year ended 31 December 2019, the Group's revenue amounted to approximately RMB15,169.5 million, representing an increase of 64.2% from approximately RMB9,238.7 million for the corresponding period last year. The revenue mainly included income generated from property sales, commercial property investment and operations and hotel operations. In particular, revenue from (i) property sales amounted to approximately RMB14,718.4 million, representing an increase of 66.4% as compared with the corresponding period last year, and contributed 97.0% of the total revenue recognized; (ii) commercial property investment and operations amounted to approximately RMB411.4 million, representing an increase of 14.6% as compared with the corresponding period last year; and (iii) hotel operations amounted to approximately RMB39.8 million, representing an increase of 8.3% as compared with the corresponding period last year.

3. 商業物業投資及運營

截至2019年12月31日止，本集團實現租金收入約人民幣411.4百萬元，相比上年同期增加14.6%。增加乃主要由於南京弘陽廣場C2C3館於2019年8月耀世開業，及常州弘陽廣場改善提升貢獻，煙台弘陽廣場和滕州弘陽廣場開業新增貢獻所致。

4. 酒店運營

截至2019年12月31日止，本集團實現酒店運營業務銷售收入約人民幣39.8百萬元，相比上年同期增加8.3%。增加乃主要由於南京弘陽酒店及無錫弘陽洛克菲花園酒店表現有所改善提升貢獻所致。

財務回顧

1. 收入

截至2019年12月31日止年度，本集團收入約人民幣15,169.5百萬元，較去年同期約為人民幣9,238.7百萬元增加64.2%。收入來源主要包括物業銷售、商業物業投資及經營及酒店業務收入。其中，(i)物業銷售所得收入較去年同期增加66.4%至約人民幣14,718.4百萬元，佔已確認收入總額的97.0%；(ii)商業物業投資及經營所得收入較去年同期增加14.6%至約為人民幣411.4百萬元；及(iii)酒店經營所得收入較去年同期增加8.3%約為人民幣39.8百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Breakdown of revenue recognized for the year ended 31 December 2019

截至2019年12月31日止年度已確認收入明細

	2019 2019年		2018 2018年		Year-on-year change 按年變動 (%)	
	Revenue recognized 已確認 收入 (RMB'000) (人民幣 千元)	Percentage of total revenue recognized 佔已確認 收入總額的 百分比 (%)	Revenue recognized 已確認 收入 (RMB'000) (人民幣 千元)	Percentage of total revenue recognized 佔已確認 收入總額的 百分比 (%)		
Sale of properties	物業銷售	14,718,381	97.0	8,843,003	95.7	66.4
Commercial property investment and operations	商業物業投資 及經營	411,368	2.7	359,026	3.9	14.6
Hotel operations	酒店經營	39,757	0.3	36,712	0.4	8.3
Total	總計	15,169,506	100.0	9,238,741	100.0	64.2

2. Cost of Sales

For the year ended 31 December 2019, the Group's cost of sales amounted to approximately RMB11,356.2 million. The increase was mainly due to the increased number of projects delivered during the year.

3. Gross Profit and Gross Profit Margin

For the year ended 31 December 2019, the Group's gross profit was approximately RMB3,813.3 million, representing an increase of 32.1% from approximately RMB2,887.1 million for the corresponding period of 2018. Such increase was primarily attributable to the increased number of projects delivered during the year. For the year ended 31 December 2019, the gross profit margin was 25.1%, representing a decrease from 31.2% for the corresponding period of 2018. Such decrease was mainly due to the decrease in the percentage of revenue recognized for products with higher gross profit margin as compared with 2018.

2. 銷售成本

本集團於截至2019年12月31日止年度的銷售成本約為人民幣11,356.2百萬元，增加原因主要為年內交付項目增多所致。

3. 毛利及毛利率

本集團於截至2019年12月31日止年度的毛利約為人民幣3,813.3百萬元，相對2018年同期約為人民幣2,887.1百萬元增加32.1%，增加原因主要為年內交付項目增多所致。截至2019年12月31日止年度的毛利率為25.1%，2018年同期則為31.2%，毛利率有所下降，該下降主要是由於毛利率較高的產品收入確認比例較2018年有所下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

4. Changes in Fair Value of Investment Properties

For the year ended 31 December 2019, the Group recognized fair value gains on investment properties of approximately RMB310.5 million, representing an increase of 19.0% from approximately RMB260.8 million for the corresponding period last year. Such fair value gains on investment properties recorded were primarily attributable to an appreciation of the overall capital value and/or rental value.

5. Selling and Distribution Expenses

For the year ended 31 December 2019, the Group's selling and distribution expenses amounted to approximately RMB652.0 million, representing an increase of 90.8% from approximately RMB341.8 million for the corresponding period last year. Such increase was due to the launch of new property projects of the Group for presale in 2019.

6. Administrative Expenses

For the year ended 31 December 2019, the Group's administrative expenses amounted to approximately RMB1,089.7 million, representing an increase of 58.8% from approximately RMB686.3 million for the corresponding period last year. Such increase was mainly due to the increased number of employees resulted from the Group's business expansion.

7. Share of Profits of Joint Ventures and Associates

For the year ended 31 December 2019, the Group's share of profits of joint ventures and associates amounted to approximately RMB693.0 million, representing an increase of 88.8% from approximately RMB367.0 million for the corresponding period last year. Such increase was attributable to the recognition of profits carried forward in respect of several cooperation projects such as Violet Cloud Residence, New No.1 Commercial Plaza and Best Time Garden.

4. 投資物業公允價值變動

截至2019年12月31日止年度，本集團確認投資物業公允價值收益約為人民幣310.5百萬元，較去年同期約為人民幣260.8百萬元增加19.0%。投資物業錄得公允價值收益主要由於整體資本價值及／或租金增值所致。

5. 銷售及分銷開支

截至2019年12月31日止年度，本集團銷售及分銷開支約為人民幣652.0百萬元，較去年同期約為人民幣341.8百萬元增加90.8%，此增長是由於本集團於2019年推出新物業項目以供預售所導致。

6. 行政開支

截至2019年12月31日止年度，本集團行政開支約為人民幣1,089.7百萬元，較去年同期約為人民幣686.3百萬元增加58.8%，該增加主要由於本集團業務擴充以致員工人數上升所致。

7. 應佔合營企業及聯營公司利潤

截至2019年12月31日止年度，本集團應佔合營企業及聯營公司利潤約為人民幣693.0百萬元，較去年同期約為人民幣367.0百萬元增加88.8%，此增長是由於確認紫雲名邸、新壹商業廣場和佳期花苑等多個合作項目的結轉利潤所導致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

8. Finance Costs

For the year ended 31 December 2019, the Group's finance costs expended amounted to approximately RMB634.3 million, representing an increase of 27.0% from approximately RMB499.3 million for the corresponding period last year. Such changes in finance costs was mainly due to the increase in borrowings resulted from the Group's land acquisitions and expansion of property development during the Reporting Period.

9. Income Tax Expense

For the year ended 31 December 2019, the Group's income tax expense amounted to approximately RMB1,099.5 million, representing an increase of 29.0% from approximately RMB852.2 million for the corresponding period last year. The Group's income tax expense included the payment and provision for the corporate income tax and land appreciation tax net of deferred tax during the year.

During the year ended 31 December 2019, the provision made for land appreciation tax by the Group was approximately RMB564.8 million, as compared with approximately RMB441.4 million for the corresponding period last year.

10. Profit for the Reporting Period

As a result of the aforementioned factors, the Group's profit before tax increased by 25.7% to approximately RMB2,735.4 million for the year ended 31 December 2019 from approximately RMB2,175.4 million for the corresponding period last year. The Group's net profit increased by 23.6% to approximately RMB1,635.9 million for the year ended 31 December 2019 from approximately RMB1,323.1 million for the corresponding period last year. Net profit attributable to owners of the parent increased by 3.9% to approximately RMB1,467.6 million for the year ended 31 December 2019 from approximately RMB1,412.3 million for the corresponding period last year. Such increase was mainly attributable to the increased number of projects delivered and the increase in the profit carried forward during the year.

8. 融資成本

截至2019年12月31日止年度，本集團支銷的融資成本約為人民幣634.3百萬元，較去年同期約為人民幣499.3百萬元增加27.0%。融資成本的變動主要由於報告期間內本集團土地獲取及物業開發擴張導致借貸增加所致。

9. 所得稅開支

本集團所得稅開支由去年同期約人民幣852.2百萬元增加29.0%至截至2019年12月31日止年度約為人民幣1,099.5百萬元。本集團所得稅開支包括年內的企業所得稅及土地增值稅減遞延稅項所作出的付款及撥備。

於截至2019年12月31日止年度，本集團作出土地增值稅撥備約人民幣564.8百萬元，相應於去年同期則約為人民幣441.4百萬元。

10. 報告期間利潤

基於上述因素，本集團稅前利潤由去年同期約人民幣2,175.4百萬元增加25.7%至截至2019年12月31日止年度約人民幣2,735.4百萬元。本集團淨利潤由去年同期約人民幣1,323.1百萬元增加23.6%至截至2019年12月31日止年度約人民幣1,635.9百萬元。母公司擁有人應佔淨利潤由去年同期約為人民幣1,412.3百萬元增加3.9%至截至2019年12月31日止年度約為人民幣1,467.6百萬元。增加原因主要為本年交付項目增加，結轉利潤增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

LIQUIDITY, FINANCE AND CAPITAL

1. Cash Position

The Group's cash and bank balances were approximately RMB16.84 billion (as at 31 December 2018: approximately RMB12.46 billion), of which, restricted bank balances amounted to approximately RMB2.30 billion (as at 31 December 2018: RMB2.64 billion), and pledged deposits amounted to approximately RMB5.85 billion (as at 31 December 2018: RMB3.58 billion).

2. Borrowings and Pledged Assets

As at 31 December 2019, the Group's total borrowings (including interest-bearing bank loans and other borrowings and senior notes) amounted to approximately RMB29.54 billion (as at 31 December 2018: approximately RMB21.92 billion), of which, interest-bearing bank loans and other borrowings amounted to approximately RMB20.27 billion (as at 31 December 2018: approximately RMB19.33 billion), and senior notes amounted to approximately RMB9.27 billion (as at 31 December 2018: approximately RMB2.59 billion).

The Group's total borrowings were repayable as follows:

流動資金、財務及資本

1. 現金狀況

本集團擁有現金及銀行結餘約為人民幣168.4億元(於2018年12月31日:約人民幣124.6億元),其中受限制銀行存款約人民幣23.0億元(於2018年12月31日:人民幣26.4億元),及已質押存款約人民幣58.5億元(於2018年12月31日:人民幣35.8億元)。

2. 借款及抵押資產

本集團於截至2019年12月31日止的總借貸(包括計息銀行貸款及其他借款及優先票據)約為人民幣295.4億元(於2018年12月31日:約為人民幣219.2億元),其中計息銀行貸款及其他借款約為人民幣202.7億元(於2018年12月31日:約為人民幣193.3億元),及優先票據約為人民幣92.7億元(於2018年12月31日:約為人民幣25.9億元)。

本集團總借貸償還情況如下:

		31 December 2019 2019年12月31日 RMB'000 人民幣千元	31 December 2018 2018年12月31日 RMB'000 人民幣千元
Interest-bearing bank loans and other borrowings:	計息銀行貸款及其他借款:		
Repayable within one year	須於一年內償還	10,516,391	8,233,697
Repayable in the second year	須於第二年償還	5,673,456	4,259,278
Repayable within two to five years	須於二至五年內償還	2,967,633	5,752,917
Repayable beyond five years	須於五年後償還	1,114,266	1,080,609
Sub-total	小計	20,271,746	19,326,501

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

		31 December 2019 2019年12月31日 RMB'000 人民幣千元	31 December 2018 2018年12月31日 RMB'000 人民幣千元
Senior notes:	優先票據：		
Repayable within one year	須於一年內償還	1,894,998	2,592,868
Repayable in the second year	須於第二年償還	2,679,301	—
Repayable within two to five years	須於二至五年內償還	4,700,343	—
		9,274,642	2,592,868
Total borrowings	總借貸	29,546,388	21,919,369

As at 31 December 2019, except for certain bank and other borrowings of RMB11,656,841,000 (as at 31 December 2018: RMB9,752,590,000) with fixed interest rates, all of the Group's bank and other borrowings bear interest at floating interest rates.

於2019年12月31日，除若干銀行及其他借款人民幣11,656,841,000元（於2018年12月31日：人民幣9,752,590,000元）為按固定利率計息外，本集團所有銀行及其他借款均按浮動利率計息。

As at 31 December 2019, assets with an aggregate value of approximately RMB33,669.9 million (as at 31 December 2018: approximately RMB28,815.7 million) have been pledged to banks and other financial institutions to secure the credit facilities granted to the Group and its joint ventures.

截至2019年12月31日止，總值約為人民幣33,669.9百萬元（於2018年12月31日：約為人民幣28,815.7百萬元）之資產已抵押予銀行及其他金融機構，作為本集團及其合營企業獲授信貸融資之抵押。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

3. Financing Activities

On 4 March 2019, the Group issued US\$300 million 11.5% 2-year senior notes. Please refer to the announcement dated 25 February 2019 for further details.

On 11 April 2019, the Group issued US\$300 million 9.95% 3-year senior notes. Please refer to the announcement dated 8 April 2019 for further details.

On 3 July 2019, the Group issued US\$250 million 10.5% 3.25-year senior notes. Please refer to the announcement dated 26 June 2019 for further details.

On 30 October 2019, the Group issued US\$100 million 13% 2-year senior notes. Please refer to the announcement dated 30 October 2019 for further details.

On 13 November 2019, additional to the US\$300 million 9.95% 3-year senior notes, the Group further issued US\$150 million of the same. Please refer to the announcement dated 8 November 2019 for further details.

In view of the steady operating and financial performance, the Group's ratings were revised by various credit rating agencies. On 6 November 2019, the Group was assigned a first-time "B2" corporate family rating with positive outlook by Moody's Investors Service; on 16 October 2019, the Group's issuer credit rating was upgraded from "B" to "B+" with stable outlook by Fitch Ratings; the Group's long-term corporate credit rating was maintained as "B" with stable outlook by Standard & Poor's. In April 2019, the Group was assigned a "BB-" global scale long-term issuer credit rating with stable outlook by Lianhe Ratings Global Limited. In addition, Nanjing Redsun Real Estate Development Co., Ltd. (renamed as "Redsun Properties (Group) Co., Ltd. (弘陽置地(集團)有限公司)" on 25 February 2020), a wholly-owned subsidiary of the Group, was assigned an "AA+" long-term issuer credit rating with stable outlook by China Chengxin Securities Rating Co., Ltd. and United Credit Ratings Co., Ltd. in June 2019.

3. 融資活動

本集團於2019年3月4日發行2年期利率為11.5%的3億美元優先票據。有關進一步詳情請參閱日期為2019年2月25日的公告。

本集團於2019年4月11日發行3年期利率為9.95%的3億美元優先票據。有關進一步詳情請參閱日期為2019年4月8日的公告。

本集團於2019年7月3日發行3.25年期利率為10.5%的2.5億美元優先票據。有關進一步詳情請參閱日期為2019年6月26日的公告。

本集團於2019年10月30日發行2年期利率為13%的1億美元優先票據。有關進一步詳情請參閱日期為2019年10月30日的公告。

本集團於2019年11月13日為一筆3年期利率為9.95%的3億美元優先票據，增發1.5億美元。有關進一步詳情請參閱日期為2019年11月8日的公告。

有鑒於本集團穩健的運營及財務表現，多家信用評級機構均給與本集團的評級調整。於2019年11月6日，穆迪首次授予「B2」企業家族評級，展望正面；於2019年10月16日，惠譽將本集團主體評級從「B」上調至「B+」，展望穩定；標準普爾維持本集團的長期公司信用評級為「B」，展望穩定。於2019年4月，本集團獲聯合評級國際有限公司授予「BB-」國際長期發行人評級，展望穩定；另外，本集團全資附屬公司南京紅太陽房地產開發有限公司（已於2020年2月25日更名為「弘陽置地(集團)有限公司」）於2019年6月獲得中誠信證券評估有限公司及聯合信用評級有限公司的主體長期信用等級為「AA+」，評級展望為穩定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

4. Gearing Ratio

As at 31 December 2019, the Group's net gearing ratio (total borrowings less cash and bank balances divided by total equity) was approximately 70.4%, as compared with approximately 68.3% as at 31 December 2018. As at 31 December 2019, the Group's debt to asset ratio (total debts divided by total assets) was approximately 81.1%, as compared with approximately 79.6% as at 31 December 2018. As at 31 December 2019, the Group's current ratio (current assets divided by current liabilities) was approximately 1.31 times, as compared with approximately 1.34 times as at 31 December 2018.

As at 31 December 2019, cash to short-term debt ratio (cash and bank balances divided by short-term borrowings) was approximately 1.36 times, as compared with approximately 1.15 times as at 31 December 2018.

5. Capital and Property Development Expenditure Commitments

As at 31 December 2019, the Group had capital and property development expenditure commitments contracted but not provided for of approximately RMB9.65 billion (as at 31 December 2018: approximately RMB5.96 billion).

6. Contingent Liabilities

Pursuant to the mortgage contracts, the banks require the Group to provide guarantees to the purchasers in respect of their mortgage loans. Such mortgage guarantees provided to the purchasers are usually released when the title deeds of the respective properties are pledged to the banks as security to continue to support the mortgage loans, which generally takes place after the delivery of relevant properties to the purchasers. If the purchasers are in default on their mortgage loans, the Group shall be liable to the repayment of the outstanding mortgage principal amount together with the accrued interest and penalties owed by the defaulting purchasers to the banks and the Group shall be entitled to take over the legal title and possession of the related properties.

4. 負債比率

本集團的淨負債率(總借貸減現金及銀行結餘除以股本權益總額)於2019年12月31日約為70.4%，於2018年12月31日則約為68.3%。本集團負債資產比率(債務總額除以總資產)於2019年12月31日約為81.1%，於2018年12月31日則約為79.6%。本集團的流動比率(流動資產除以流動負債)於2019年12月31日約為1.31倍，於2018年12月31日則約為1.34倍。

於2019年12月31日，現金短債比(現金及銀行結餘除以短期借款)約為1.36倍，於2018年12月31日則約為1.15倍。

5. 資本及物業開發開支承擔

於2019年12月31日，本集團就資本及物業開發開支之已訂約但未撥備之承擔付款約為人民幣96.5億元(於2018年12月31日：約人民幣59.6億元)。

6. 或然負債

根據按揭合約，銀行要求本集團向買家的按揭貸款提供擔保。此等買家按揭擔保通常在將相關物業的產權證書質押予銀行以繼續擔保按揭貸款時(通常於相關物業交付予買家後)解除。倘買家拖欠按揭貸款，則本集團須負責償還餘下之按揭本金連同拖欠之買方欠付銀行之應計利息及罰金，及本集團有權接管相關物業的法定業權及所有權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

As at 31 December 2019, the Group provided guarantees of approximately RMB8.45 billion to certain banks in respect of the mortgage loans granted to certain purchasers of the Group's properties (as at 31 December 2018: approximately RMB5.80 billion).

As at 31 December 2019, the Group provided guarantees of approximately RMB3.65 billion to related companies (as at 31 December 2018: approximately RMB1.78 billion). Save as disclosed in this annual report, the Group had no other material contingent liabilities as at 31 December 2019.

於2019年12月31日，本集團已向若干銀行作出金額約人民幣84.5億元的擔保，作為授予部分買家購買本集團物業之按揭貸款的擔保（於2018年12月31日，約人民幣58.0億元）。

於2019年12月31日，本集團向關聯公司提供約為人民幣36.5億元之擔保（於2018年12月31日：約人民幣17.8億元）。除本年報所披露者外，本集團於2019年12月31日並無其他重大或然負債。

CORPORATE GOVERNANCE/OTHER INFORMATION

1. Material Acquisitions and Disposals

On 26 February 2019, Nanjing Redsun Real Estate Development Co., Ltd., a wholly-owned subsidiary of the Group, entered into an equity transfer agreement with Nanjing Tai Ya Department Store Management Co., Ltd. and Mingliu Properties Wuhan Co., Ltd., to proceed with the acquisition of 39.75% equity interest in Mingliu Properties Wuhan Co., Ltd., at a total consideration of RMB1,177,817,000. Please refer to the announcement dated 26 February 2019 for further details.

On 26 July 2019, Xuzhou Hongshuo Property Development Co., Ltd., an indirectly wholly-owned subsidiary of the Group, entered into an equity transfer agreement with Xuzhou Xincheng Chuangyu Real Estate Co., Ltd., Nanjing Xincheng Wanjia Real Estate Co., Ltd., Nanjing Redsun Real Estate Development Co., Ltd. and Xuzhou Xincheng Yihui Property Development Co., Ltd., pursuant to which, Xuzhou Hongshuo Property Development Co., Ltd. acquired 100% equity interest in Xuzhou Xincheng Yihui Property Development Co., Ltd., at a consideration of RMB552,910,000. Xuzhou Hongyao Property Development Co., Ltd. entered into an equity transfer agreement with Xuzhou Xincheng Chuangyu Real Estate Co., Ltd., Xuzhou Honghou Property Development Co., Ltd., Nanjing Redsun Real Estate Development Co., Ltd. and Xuzhou Xincheng Hongyang Property Development Co., Ltd., pursuant to which, Xuzhou Hongyao Property Development Co., Ltd. acquired 60% equity interest in Xuzhou Xincheng Hongyang Property Development Co., Ltd., at a consideration of RMB1,157,750,000. Please refer to the announcement dated 26 July 2019 for further details.

企業管治／其他資料

1. 重大收購及出售事項

於2019年2月26日，本集團的全資附屬公司南京紅太陽房地產開發有限公司與南京台亞百貨市場管理有限公司、名流置業武漢有限公司訂立股權轉讓協議，繼續收購名流置業武漢有限公司39.75%股權，總代價為人民幣1,177,817,000元。有關進一步詳情請參閱日期為2019年2月26日的公告。

於2019年7月26日，本集團的間接全資附屬公司徐州弘碩房地產開發有限公司與徐州新城創域房地產有限公司、南京新城萬嘉房地產有限公司、南京紅太陽房地產開發有限公司、徐州新城億輝房地產開發有限公司簽訂股權轉讓協議，據此，徐州弘碩房地產開發有限公司收購徐州新城億輝房地產開發有限公司100%股權，代價為人民幣552,910,000元。徐州弘耀房地產開發有限公司與徐州新城創域房地產有限公司、徐州泓厚房地產開發有限公司、南京紅太陽房地產開發有限公司、徐州新城弘陽房地產開發有限公司簽訂股權轉讓合同，據此，徐州弘耀房地產開發有限公司收購徐州新城弘陽房地產開發有限公司60%股權，代價為人民幣1,157,750,000元。有關進一步詳情請參閱日期為2019年7月26日的公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

On 11 September 2019, Anhui Honghan Real Estate Development Co., Ltd, an indirectly wholly-owned subsidiary of the Company, entered into a capital increase agreement with Xinli Real Estate Group Limited, Anhui Xinchuang Real Estate Development Co., Ltd., the target company, and Hefei Xincheng Yuehong Real Estate Development Co., Ltd., the project company, pursuant to which, Anhui Honghan Real Estate Development Co., Ltd. agreed to (i) subscribe for the increased registered capital of the target company of RMB200,000,000; and (ii) provide a shareholder's loan in the principal amount of RMB570,575,052.27 at an interest rate of 8% per annum with no fixed maturity date to the target company. The shareholder's loan shall be used for the partial repayment of the existing shareholder's loan provided by Xinli Real Estate Group Limited to the target company. Upon completion of the abovementioned proposed investment, each of Anhui Honghan Real Estate Development Co., Ltd. and Xinli Real Estate Group Limited will hold 50% of the equity interest in the target company. Please refer to the announcement dated 11 September 2019 for further details.

On 20 December 2019, Xuzhou Hongyao Property Development Co., Ltd., Suzhou Lihe Property Development Co., Ltd., Xuzhou Honghou Property Development Co., Ltd. and Xuzhou Xincheng Hongyang Property Development Co., Ltd. entered into an equity transfer agreement, pursuant to which, Xuzhou Hongyao Property Development Co., Ltd. agreed to sell and Suzhou Lihe Property Development Co., Ltd. agreed to purchase the target equity interest, being 30% equity interest in the target company, and the rights attached thereto, at a total consideration of RMB585,620,000. Please refer to the announcement dated 20 December 2019 for further details.

Save as the aforesaid, there was no other material acquisition and disposal of subsidiaries, associates or joint ventures by the Group during the Reporting Period.

2. Employment and Remuneration Policies

As at 31 December 2019, the Group had a total of 3,802 employees, of which 3,066 employees were engaged in the real estate development business, 586 employees were engaged in the commercial property operation business and 150 employees were engaged in the hotel operation business.

於2019年9月11日，安徽弘瀚房地產開發有限公司(本公司的間接全資附屬公司)與新力地產集團有限公司、目標公司(安徽新創房地產開發有限公司)及項目公司(合肥新城悅弘房地產開發有限公司)訂立增資協議，據此，安徽弘瀚房地產開發有限公司同意(i)認繳目標公司增加的註冊資本人民幣200,000,000元；及(ii)向目標公司提供本金額為人民幣570,575,052.27元按年利率8%計息且並無固定到期日的股東貸款。股東貸款須用作償還部分新力地產集團有限公司向目標公司提供的現有股東貸款。於完成上述建議投資後，安徽弘瀚房地產開發有限公司及新力地產集團有限公司各自將持有目標公司的50%股權。有關進一步詳情請參閱日期為2019年9月11日的公告。

於2019年12月20日，徐州弘耀房地產開發有限公司、蘇州力和房地產開發有限公司、徐州泓厚房地產開發有限公司及徐州新城弘陽房地產開發有限公司訂立股權轉讓協議，據此，徐州弘耀房地產開發有限公司同意出售而蘇州力和房地產開發有限公司同意購買目標股權(即目標公司30%股權)及對應權利，總代價為人民幣585,620,000元。有關進一步詳情請參閱日期為2019年12月20日的公告。

除上述者外，於報告期間，本集團並無其他重大收購及出售附屬公司、聯營公司或合營企業。

2. 僱員及薪酬政策

截至2019年12月31日，本集團共有3,802名僱員，其中3,066名僱員從事房地產開發業務，586名僱員從事商業物業經營業務，150名僱員從事酒店經營業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

The emolument of the employees of the Group is mainly determined based on the prevailing market level of remuneration and the individual performance and work experience of the employees. Bonuses are also distributed based on the performance of the employees. The Group provides employees with career development opportunities and considers if their remuneration should be raised or if they should be promoted with reference to their individual performance and potential. Other benefits provided by the Group include medical benefits and specialized training schemes.

3. Use of Proceeds Raised from Initial Public Offering and Over-allotment Option

The net proceeds from the Company's global offering were approximately HK\$2,055,279,000, including the net proceeds from the full exercise of the over-allotment option as set out in the prospectus of the Company dated 29 June 2018 (the "Prospectus"). As at the date of this annual report, the Company has fully applied the remaining proceeds raised from the global offering according to the purposes as disclosed in the Prospectus.

The following table sets forth a breakdown of the utilization and proposed utilization of net proceeds as at 31 December 2019:

Purpose		Percentage of total amount	Net proceeds	Utilised amount	Unutilised amount	Expected timeline for usage of proceeds
用途		佔總額的百分比 (approx.) (概約)	所得款項淨額 HK\$ million 百萬港元	已動用金額 HK\$ million 百萬港元	未動用金額 HK\$ million 百萬港元	所得款項的預期時間表
1. Construction costs for the development of our property projects or project phases	1. 開發物業項目或項目實施階段所需建築成本	60%	1,233	1,233	—	—
2. Repayment of certain existing interest-bearing bank and other borrowings	2. 償還若干現有計息銀行及其他借款	30%	617	617	—	—
3. General working capital purposes	3. 一般營運資金用途	10%	205	205	—	—
Total	總計	100%	2,055	2,055	—	—

本集團僱員之薪酬主要根據市場現行薪酬水平、僱員個人業績表現及工作經驗而決定，獎金亦按僱員業績表現進行發放。本集團為僱員提供職業發展機會，參照僱員個人業績表現及潛力確定是否增加其薪酬或提拔升職。本集團其他福利包括醫療福利及專項培訓計劃。

3. 來自首次公開發售及超額配股權的所得資金用途

本公司自全球發售所得款項淨額約2,055,279,000港元，包括載於本公司日期為2018年6月29日的招股章程（「招股章程」）中自全面行使超額配股權的所得款項淨額。截至本年報日期，本公司已按招股章程所披露用途應用全部自全球發售籌集所得款項餘額。

下表載列所得款項淨額於2019年12月31日的動用情況及擬定動用情況明細：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

The net proceeds have been used according to the purposes as stated in the Prospectus, and there are no material change or delay in the use of proceeds.

所得款項淨額已根據招股章程所述用途動用，且所得款項用途並無重大變動或遞延。

4. Events After the Reporting Period

There has been an outbreak of the novel coronavirus that was first reported from Wuhan, China in December 2019. To prevent or control the epidemic, the Chinese government has adopted a series of measures nationwide, including among others, restrictions on enterprises from resuming work, traffic control and travel bans.

4. 報告期間後事項

新型冠狀病毒疫情自2019年12月由中國武漢呈報的首宗個案起爆發。為預防及控制疫情，中國政府已於全國各地採取一系列措施，其中包括限制企業復工、交通管制及旅遊禁令。

As of the date of this report, the assessment is still in progress, the Group will continue to closely monitor the development of the novel coronavirus, assess and actively respond to its impact on the financial condition, operating results and other aspects of the Group.

於本報告日期，評估工作仍在進行中，本集團將繼續密切監察新型冠狀病毒疫情的進展，評估並積極應對其對本集團財務狀況、經營業績及其他方面的影響。

On 14 January 2020, the Group issued senior notes due 16 April 2023 in an aggregate principal amount of US\$300,000,000. Please refer to the announcement dated 14 January 2020 for further details.

於2020年1月14日，本集團發行於2023年4月16日到期本金總額為300,000,000美元的優先票據。有關進一步詳情請參閱日期為2020年1月14日的公告。

Save as disclosed above, the Group had no other significant event after the Reporting Period.

除上文披露者外，本集團於報告期間後並無重大事項。

5. Payment of Dividends

The Board recommended the payment of a final dividend of RMB11.1 cents (equivalent to HK12.4 cents) per share.

5. 股息派發

董事會建議派發末期股息為每股人民幣11.1分（相當於12.4港仙）。

6. Purchase, Sale or Redemption of Any of the Company's Listed Securities

During the Reporting Period, neither the Group nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

6. 購買、出售或贖回本公司之任何上市證券

報告期間，本集團及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

7. Currency Risk

The Group primarily operates in the PRC and majority of the Group's transactions were denominated and settled in RMB.

7. 外幣風險

本集團主要在中國經營業務。本集團用以計值及對絕大部分交易進行清算的貨幣為人民幣。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

8. Corporate Governance

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the shareholders of the Group and enhance the corporate value as well as the responsibility commitments. The Group has adopted the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as its code of corporate governance.

The Group has always complied with all applicable code provisions of the CG Code. To the knowledge of the Directors, the Group has complied with all applicable code provisions of the CG Code for the year ended 31 December 2019, and the Directors will use their best endeavors to procure the Group to continue to comply with the CG Code.

9. Annual General Meeting

An annual general meeting (the “Annual General Meeting”) has been scheduled to be convened at 10 a.m. on 19 June 2020.

10. Closure of Register of Members

For the purpose of determining the rights to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 16 June 2020 to 19 June 2020, both days inclusive, during which period no transfer of shares will be registered. All transfer documents of the Company accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on 15 June 2020.

Subject to the approval of shareholders at the Annual General Meeting, the final dividend will be paid on or about 24 July 2020. For the purpose of determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from 6 July 2020 to 8 July 2020, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the

8. 企業管治

本集團致力於實現高標準企業管治，以保障本集團股東權益及提高企業價值與責任承擔。已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）作為企業管治守則。

本集團一直遵守企業管治守則項下所有適用守則條文。且據董事所知，截至2019年12月31日止年度已遵守企業管治守則所有適用守則條文，董事並將盡全力促使本集團繼續遵守企業管治守則。

9. 股東週年大會

擬定於2020年6月19日上午十時召開股東週年大會（「股東週年大會」）。

10. 暫停辦理股份過戶登記

為確定出席股東週年大會及於會上投票的權利，本公司將於2020年6月16日至2020年6月19日（包括首尾兩日）暫停辦理本公司的股份過戶登記手續，期間所有股份將暫停過戶。所有本公司過戶文件連同相關股票須於不遲於2020年6月15日下午四時三十分送交本公司位於香港證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，以作登記。

待股東於股東週年大會上批准，末期股息將於2020年7月24日或前後派付。為確定享有擬派末期股息的權利，本公司將於2020年7月6日至2020年7月8日（包括首尾兩日）暫停辦理本公司的股份過戶登記手續，期間所有股份將暫停過戶。為合資格享有擬派末期股息的權利，所有本公司過戶文件連同相關股票須於不遲於2020

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

proposed final dividend, all transfer documents of the Company accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on 3 July 2020.

11. Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its code for dealing in securities of the Company by the Directors. The Directors have confirmed their compliance with the required standard set out in the Model Code for the year ended 31 December 2019.

12. Review of Annual Results by the Audit Committee

The Board has established its audit committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision C.3 of the CG Code.

The primary duties of our audit committee are to review and monitor the Group's financial reporting process, risk management and internal control system, to oversee the audit process, to provide recommendation and advice to the Board, and to perform other duties and responsibilities as may be assigned by the Board. Our audit committee consists of four members, including Mr. Leung Yau Wan John, Mr. Jiang Daqiang, Mr. Lee Kwok Tung Louis and Mr. Au Yeung Po Fung. Our audit committee is chaired by Mr. Leung Yau Wan John, who has appropriate professional qualifications.

Our audit committee has reviewed the Company's audited consolidated financial statements for the year ended 31 December 2019 and confirmed that it has complied with all applicable accounting principles, standards and requirements, and made sufficient disclosures. Our audit committee has also discussed the matters of audit and financial reporting.

年7月3日下午四時三十分送交本公司位於香港證券登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖，以作登記。

11. 上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》(「標準守則」)作為董事買賣本公司證券的守則。董事確認，彼等於截至2019年12月31日止年度一直遵守標準守則所載規定準則。

12. 審核委員會審閱年度業績

董事會已遵照上市規則第3.21條及3.22條及企業管治守則的守則條文第C.3條成立審核委員會，並設定書面職權範圍。

審核委員會的主要職責為審閱及監察本集團的財務匯報程序、風險管理及內部控制系統、監督審核程序、向董事會提出建議及意見，並履行其他可能由董事會指派的職責及責任。審核委員會包括四名成員，即梁又穩先生、蔣達強先生、李國棟先生及歐陽寶豐先生。審核委員會主席為具備合適專業資格的梁又穩先生。

審核委員會已審閱本公司截至2019年12月31日止年度的經審核綜合財務報表，並確認已遵從所有適用的會計原則、準則及規定及已作出足夠披露。審核委員會亦已討論審計及財務報告事宜。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

OUTLOOK FOR 2020

Since the beginning of 2020, the outbreak and spread of the novel coronavirus has caused significant adverse impacts on the macro economy and the real estate industry. The weak consumption and sluggish transportation and catering industries caused by the epidemic has not only affected economic growth, but also severely and adversely hit the residential and commercial real estate sectors in the short term. Nevertheless, we consider that the impacts of the epidemic on the economy and the real estate market are merely of short-term and temporary nature, and the epidemic will not have significant impact on the economy and real estate market in China in the medium and long-term.

The year 2020 is a critical year for the successful establishment of a well-off society and implementation of the 13th Five-Year Plan. At the macro economy level, it is anticipated that fiscal policies will play greater roles in counter-cyclical adjustments and the overall monetary policies will remain stable. As for the real estate industry, the general direction of the policy that “houses are for living, not for speculation” will remain unchanged.

For commercial real estate sector, returning to “quality” operation in 2020 will be the main direction of commercial property business. In particular, the continuous consumption upgrade of many third- and fourth-tier cities will create both opportunities and challenges for commercial real estate operators. The integration of online and offline channels together with innovative consumer experience are all key aspects for improving the quality of business services.

2020年展望

2020年開年以來新型冠狀病毒疫情的爆發和蔓延，對宏觀經濟和房地產行業造成重大負面影響。疫情帶來的消費、交通運輸和餐飲業的萎靡，不僅影響經濟增長，對住宅和商業地產來說，也帶來短期的重大負面衝擊。儘管如此，我們判斷疫情對經濟和房地產市場的衝擊只是短期和暫時性的，對中國經濟和房地產市場的中長期趨勢不會有重大影響。

2020年是決勝全面建成小康社會和「十三五」規劃的收官之年。宏觀經濟層面，預計財政政策將在逆週期調節方面發揮更大的作用，貨幣政策總體保持穩健，對房地產行業而言，「房住不炒」的總體政策方針不會改變。

商業地產方面，2020年回歸「有質量」的運營將是商業地產的主要方向。其中廣大三四線城市的持續消費升級對於商業地產運營商來說既是機遇也是挑戰，而線上和線下的融合、體驗式消費的創新都是提升商業服務質量的重要方面。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

In 2020, the Group will continue to foster the “dual-driven” business strategy, while “Quality and Efficacy Enhancement” will become the main theme of our operation in year 2020. For property development, under the guidance of the general direction of “penetrating the Greater Jiangsu Region, strengthening foothold in the Yangtze River Delta Region and expanding into major metropolitan areas”, we will adhere to a nationwide strategic layout and further solidify our efforts in selected regions in Jiangsu and Yangtze River Delta, along with uplifting the quality of products and services, and strengthening the profitability and the ability to withstand risks. For commercial real estate, the Company will stress both expansion of scale and enhancement of operation quality. While exploring high-quality projects through diversified models such as entrusted management, leasing and self-holding, the Company will also continuously optimize and upgrade its business portfolio and foster innovation as well as enhance consumer experience, so as to create benchmark commercial property projects, thereby creating better return on assets of its commercial real estate business.

Under the framework of mechanism and culture, the Group has established a team of talents with high efficiency, thereby creating a highly efficient operating system and improving the capital efficiency, so as to realize the strategic vision of “becoming a respected creator of a better life” (成為受人尊敬的美好生活創造者), earning the respect of our customers, industry peers, employees and business partners as well as the community. The Group will continue with its business development by capitalizing on various financing channels such as bonds issuance, through the listing platform of Hong Kong, with an aim to creating return to each of our shareholders.

2020年，本集團繼續推進「雙輪驅動」的業務戰略，同時以「提質增效」為2020年經營主題。地產開發方面，在「做透大江蘇、深耕長三角、佈局都市圈」的總方針指引下，將繼續堅持全國化的戰略佈局，並進一步加強在大江蘇和長三角重點區域的深耕，同時提升產品和服務品質，強化利潤管理，提升抗風險能力。商業地產方面，規模拓展和經營質量提升並重，一方面通過委管、租賃、自持等多種模式拓展優質項目，另一方面持續優化升級業務組合，推陳出新，優化消費體驗，打造標杆商業地產項目，提升商業地產資產回報水平。

本集團以機制和文化為引領，建立高效能的人才體系，打造高效的運營體系，提升資金使用效率，目標是實現「成為受人尊敬的美好生活創造者」的戰略願景，贏得客戶、行業、員工和合作夥伴以及社會的尊敬。本集團也將繼續借助香港上市平台，綜合債券等多種融資方式，助力業務發展，回饋每位股東。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. ZENG Huansha (曾煥沙), aged 52, is the founder of our Group and has been our chairman and Director since December 21, 2017. He was re-designated as the chairman of our Board and an executive Director on March 15, 2018. Mr. Zeng is primarily responsible for the overall development strategy and daily operations of our Group. He is the director of Redsun Properties, Redsun Properties Investment (Holdings) and Hong Yang Properties Investment. He is also the general manager of our Subsidiaries, including Redsun Properties Investment (Holdings), Hong Yang Properties Investment and Redsun Properties.

Mr. Zeng established Nanjing Redsun Business World in 1995 and began his involvement in the business of construction and building materials. In December 1999, Mr. Zeng established Redsun Properties and began engaging in residential property development in Nanjing, Jiangsu province. Since establishing Hong Yang Group Company in 2003, Mr. Zeng's businesses have mainly focused on real estate development, commercial operations and property services.

Mr. Zeng has served as the executive vice president of the China Overseas Chinese Entrepreneurs Investment Enterprise Association (中國僑商會常務副會長) since January 2008; a member of the standing committee of the China Federation of Overseas Chinese (中國僑聯常務委員) since December 2013; the vice chairman of the Jiangsu Federation of Overseas Chinese (江蘇僑聯副主席) since August 2017; and a member of the standing committee of the Jiangsu Chinese People's Political Consultative Conference (江蘇政協常委) since January 2018. Additionally, in April 2001 he was selected as one of the Ten Young Entrepreneurs of Jiangsu province (江蘇省十大傑出青年); in September 2002, he was recognized as an Outstanding Individual of Provincial Returned Overseas Chinese (江蘇省全省歸僑僑眷先進個人); and in August 2017, he was awarded as an Outstanding Overseas Chinese Individual of Jiangsu province (江蘇省僑界傑出人物). Mr. Zeng received a master's degree in Economics from Shanghai Academy of Social Sciences (SACC) in August 2010.

執行董事

曾煥沙先生，52歲，為本集團創始人，自2017年12月21日起一直擔任主席兼董事。其於2018年3月15日獲重選為董事會主席兼執行董事。曾先生主要負責本集團的整體發展策略及日常運營。其為弘陽置地、弘陽地產投資(控股)及弘陽地產投資的董事。其亦為包括弘陽地產投資(控股)、弘陽地產投資及弘陽置地在內的我們附屬公司的總經理。

曾先生於1995年成立南京紅太陽商業大世界有限公司，並開始參與建築及建材業務。1999年12月，曾先生成立弘陽置地，並開始在江蘇省南京市從事住宅物業開發。自2003年成立弘陽集團後，曾先生的業務主要側重於房地產開發、商業運營及物業服務。

曾先生自2008年1月起擔任中國僑商會常務副會長；自2013年12月起擔任中國僑聯常務委員；自2017年8月起擔任江蘇僑聯副主席；及自2018年1月起擔任江蘇政協常委。另外，他於2001年4月被選為江蘇省十大傑出青年之一；於2002年9月，他榮獲江蘇省全省歸僑僑眷先進個人；及於2017年8月，他被評為江蘇省僑界傑出人物。曾先生於2010年8月獲得上海社會科學院經濟碩士學位。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. HE Jie (何捷), aged 56, has been our executive Director and chief executive officer since March 15, 2018. Mr. He is primarily responsible for assisting the planning of corporate strategy of our Group. In addition, Mr. He currently holds the position of director or other managing positions in several subsidiaries.

Mr. He joined Hong Yang Group Company as a vice president in October 2012, and remained in position until March 15, 2018. He served as the president of Hong Yang Group Company's properties department from May 2017 to March 2018, during which he was responsible for the business operations of real estates. Prior to joining Hong Yang Group Company, Mr. He was the executive president of Tianzheng Group Nanjing Properties Co., Ltd. (天正集團南京置業有限公司), and was primarily in charge of the company's business and management, formulating properties development strategies and properties investment from 2005 to 2012. He served as the chief executive officer of Tianzheng Group Shanghai Investment Co., Ltd. (天正集團上海投資有限公司) from 2001 to 2005, during which his responsibilities included managing the company's business operations, formulating investment and management procedures, and articulating and implementing the company's investment plans.

Mr. He received a bachelor's degree from Zhejiang University in July 1985. He later obtained a master's degree in Engineering from the same university in June 1988. In April 2003, Mr. He obtained a Master of Business Administration degree from China Europe International Business School (CEIBS).

Mr. Lui Wai Pang, aged 47, has been our executive Director and vice president since July 5, 2019. Prior to joining our Group, Mr. Lui was the chief financial officer, the joint company secretary and the authorised representative of Times China Holdings Limited (stock code: 1233), since March 2015 and was re-designated as the chief financial officer, the company secretary and the authorised representative from August 2018 to June 2019. From September 2006 to March 2015, Mr. Lui worked with Agile Group Holdings Limited (stock code: 3383), with his last position as a financial controller. Mr. Lui also worked in several listed companies in Hong Kong, during which he participated in initial public offering projects and was responsible for matters relating to corporate finance and financial reporting.

何捷先生，56歲，自2018年3月15日起一直擔任執行董事及行政總裁。何先生主要負責協助規劃公司戰略。何先生亦於本集團若干附屬公司擔任董事或其他管理崗位。

何先生於2012年10月加入弘陽集團擔任集團副總裁，並服務至2018年3月15日。何先生於2017年5月至2018年3月擔任弘陽集團地產部門總裁，期間負責集團地產業務之營運。加入本集團前，何先生曾於2005年至2012年在天正集團南京置業有限公司擔任執行總裁，期間負責公司之業務與營運、制度房地產發展計劃及物業投資。何先生亦曾於2001年至2005年間在天正集團上海投資有限公司擔任執行總裁，負責經營公司業務、制定地產投資及管理程序，以及制定與執行公司之投資計劃。

何先生於1985年7月獲得浙江大學學士學位。隨後他於1988年6月獲得該所大學的工學碩士學位。於2003年4月，何先生獲得中歐國際工商學院工商管理碩士學位。

雷偉彬先生，47歲，自2019年7月5日起擔任執行董事及副總裁。加入本集團前，雷先生自2015年3月起擔任時代中國控股有限公司(股份代號：1233)的首席財務官、聯席公司秘書兼授權代表，並於2018年8月至2019年6月調任為首席財務官、公司秘書兼授權代表。自2006年9月至2015年3月，雷先生任職於雅居樂集團控股有限公司(股份代號：3383)，最後擔任的職位為財務總監。雷先生亦曾於香港多家上市公司任職，參與首次公開發售項目並負責企業融資及財務報告有關的事宜。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Lui has over 20 years of working experience in accounting, corporate finance and investor relations. Mr. Lui is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He holds a bachelor degree of Business Administration in Accounting from the Hong Kong University of Science and Technology.

NON-EXECUTIVE DIRECTORS

Mr. JIANG Daqiang (蔣達強), aged 43, has been our non-executive Director since March 15, 2018. Mr. Jiang is primarily responsible for providing strategic advice and recommendations on the operations and management of our Group. He joined Hong Yang Group Company in March 2018 as an executive president and has served as president since January 2019. Mr. Jiang has since been responsible for overall operation and management of Hong Yang Group Company. Mr. Jiang has over 16 years of experience in real estates and commercial property development and business development. Prior to joining our Group, Mr. Jiang was the manager of China Resources (Holdings) Co., Ltd. from 2002 to 2004, where he was responsible for the investment and development of China Resources Land Limited (Stock Exchange stock code:1109) and the strategic discussion and corporate culture of China Resources Group. From 2004 to 2006, Mr. Jiang was the person in charge of the regional investment of CK Hutchison Holdings Limited (formerly known as Hutchison Whampoa Limited) (Stock Exchange stock code: 1), where he was primarily responsible for the company's investment and development projects in North, East and Central China. From 2006 to 2012, Mr. Jiang was the vice general manager of Joy City Property Limited (Stock Exchange stock code: 0207). Mr. Jiang was one of the early founders of the company, and was responsible for the company's early acquisition, investment and development projects. Mr. Jiang then moved on to become the vice president of CIFI Holdings (Group) Co., Ltd., (Stock Exchange stock code: 0884) from 2012 to 2018. Mr. Jiang was responsible for the overall management of certain subsidiaries of the company.

Mr. Jiang obtained a bachelor's degree in Civil Engineering from Tianjin Chengjian University in July 2000. He then acquired a master's degree in History of Science and Technology from Shanghai Jiaotong University in March 2003 and a Master of Business Administration degree from China Europe International Business School (CEIBS) in November 2019.

雷先生在會計、企業融資及投資者關係方面擁有逾20年工作經驗。雷先生為英國特許公認會計師公會資深會員及香港會計師公會會員。其於香港科技大學取得工商管理(會計學)學士學位。

非執行董事

蔣達強先生，43歲，自2018年3月15日加入本集團起一直任非執行董事。蔣先生主要負責對本集團的運營及管理提供戰略性建議及意見。蔣先生於2018年3月加入弘陽集團並擔任執行總裁，自2019年1月起任總裁，他負責弘陽集團全面經營管理工作。蔣先生於房地產及商業地產開發及業務發展擁有逾16年之經驗。加入本集團前，蔣先生於2002年至2004年期間擔任華潤(集團)有限公司經理，負責華潤置地有限公司(聯交所股份代號：1109)的投資及發展以及華潤集團的策略討論及企業文化。自2004年至2006年，蔣先生擔任長江和記實業有限公司(前稱和記黃埔有限公司)(聯交所股份代號：1)區域投資的負責人，主要負責該公司於華北、華東及華中地區的投資及開發項目。自2006年至2012年，蔣先生擔任大悅城地產有限公司(聯交所股份代號：0207)副總經理。蔣先生為該公司早期創始人之一，負責該公司的早期收購、投資及開發項目。蔣先生後於2012年至2018年期間擔任旭輝控股(集團)有限公司(聯交所股份代號：0884)副總裁，負責該公司若干附屬公司的整體管理。

蔣先生於2000年7月獲得天津城市建設大學建築工程專業學士學位，隨後於2003年3月獲得上海交通大學科技史系碩士學位，及於2019年11月獲得中歐國際工商學院工商管理碩士學位。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. ZHANG Liang (張良), aged 46, has been our non-executive Director since March 15, 2018. Mr. Zhang is primarily responsible for providing strategic advice and recommendations on the operations and management of our Group. Since November 2017, Mr. Zhang has served as the executive president of Hong Yang Group Company, where he is responsible for human resources, information flow and brand culture. In addition, Mr. Zhang has worked in CIFI Holdings (Group) Co., Ltd. (Stock Exchange stock code: 0884) as a vice president and chief human resources officer from 2012 to 2016, during which he was responsible for human resources, information flow and customer service. Mr. Zhang then became the chief operating officer and chief human resources officer of 3D Medicines in June 2016, and was responsible for the company's operations, finance and human resources. He served in that position until November 2017. From September 2017 to April 2018, Mr. Zhang has been the chairman of the supervisory board of Zhongnan Group (Shenzhen Stock Exchange stock code: SZ000961).

Previously, Mr. Zhang worked in SPH Ke Yuan Xinhai Pharmaceutical Co., Ltd. (formerly known as CITIC Pharma Co., Ltd.) as the chief human resources officer from July 2010 to January 2012. He also worked in Tianjin Tasly Group Co., Ltd. as the assistant to the president and the director of the human resources center from April 2005 to July 2010. Mr. Zhang had worked in Motorola (China) Electronics Limited from December 1995 to April 2005 as the human resources manager of the semi-conductor department and the Asia Pacific representative of the Global Performance Management Project.

Mr. Zhang received a bachelor's degree in English from Tianjin Foreign Studies University in October 2003. He graduated with a master's degree in Business Administration from China Europe International Business School (CEIBS) in September 2005.

張良先生，46歲，自2018年3月15日起一直擔任非執行董事。張先生主要負責對本集團的運營及管理提供戰略性意見及建議。張先生自2017年11月起擔任弘陽集團的執行總裁，負責人力資源、信息流程及品牌文化。此外，張先生自2012年至2016年擔任旭輝控股(集團)有限公司(聯交所股份代號：0884)副總裁及首席人力資源官，在此期間負責人力資源、信息流程及客戶服務。隨後張先生於2016年6月成為思路迪的營運總監及首席人力資源官，負責公司營運、財務及人力資源。彼一直擔任該職位直至2017年11月。自2017年9月至2018年4月，張先生擔任中南集團(深圳證券交易所證券代碼：SZ000961)監事會主席。

加入本集團前，張先生自2010年7月至2012年1月出任上藥科園信海醫藥有限公司(前稱中信醫藥實業有限公司)首席人力資源官。自2005年4月至2010年7月，張先生在天津天士力集團有限公司出任集團總裁助理兼人力資源中心總監。於1995年12月至2005年4月期間，張先生在摩托羅拉(中國)電子有限公司出任半導體事業部人力資源經理及全球業績表現管理專案組亞太地區專案代表。

張先生於2003年10月獲得天津外國語大學英文專業學士學位。隨後彼於2005年9月獲得中歐國際工商學院工商管理碩士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LEUNG Yau Wan John (梁又穩), aged 60, has been our independent non-executive Director since June 25, 2018. He is responsible for supervising and providing independent judgment to our Board. Since January 2014, Mr. Leung has served as an executive director of Easternflair Investment & Development Group, where he is responsible for managing project developments and project finance, and a senior partner at Linkers CPA Limited, a company principally engaged in corporate compliance and corporate secretarial services. Additionally, Mr. Leung has been the managing director at JR Plus Capital Limited, since November 2015. Mr. Leung has over 15 years of experience in the PRC real estate industry. Before joining our Group, Mr. Leung served as the chief financial officer of listed real estate and commercial property development companies, including China Aoyuan Group Limited (Stock Exchange stock code: 3883) and South China Land Limited (currently known as South China Assets Holdings Limited) (Stock Exchange stock code: 8155) between May 2010 and October 2013. In addition, Mr. Leung served as the general manager of finance department (Eastern China) of K Wah Construction Materials (China) Limited and the group financial controller of SPG Land (Holdings) Limited (currently known as Greenland Hong Kong Holdings Limited (Stock Exchange stock code: 0337)) between June 2006 and May 2010. Previously, Mr. Leung had also served as the company secretary of China Aoyuan Group Limited and the company secretary and authorized representative of South China Assets Holdings Limited.

In addition, Mr. Leung was the chief executive officer of SMI Corporation Limited (currently known as SMI Holdings Group Limited (Stock Exchange stock code: 198)), from November 2005 to February 2006; the financial controller and deputy general manager of Beijing Oriental Plaza Co., Ltd., a commercial property development company, from July 2003 to May 2005; and the deputy general manager of the finance department of GD Holdings, an investment holding company, as well as the director and chief financial officer of Guangdong Assets Management Ltd. from July 2000 to May 2003. From July 2002 to May 2003, Mr. Leung was also the director and chief financial officer of Guangdong Alliance Ltd.

獨立非執行董事

梁又穩先生，60歲，自2018年6月25日起擔任獨立非執行董事，負責監督及向董事會提供獨立意見。自2014年1月起，梁先生擔任東彥投資發展集團的執行董事，其於該公司負責管理項目開發及項目融資；其亦擔任連城會計師事務所有限公司（一家主要從事企業合規及公司秘書服務的公司）的高級合夥人。此外，自2015年11月起，梁先生亦為卓穩資本有限公司的董事總經理。梁先生於中國房地產業擁有逾十五年經驗。加入本集團之前，梁先生於2010年5月至2013年10月曾擔任上市房地產及商業物業開發公司的首席財務官，其中包括中國奧園集團股份有限公司（聯交所股份代號：3883）；南華置地有限公司（現為南華資產控股有限公司）（聯交所股份代號：8155）。此外，於2006年6月至2010年5月，梁先生亦曾擔任嘉華建材（中國）有限公司的（華東）財務部總經理及擔任盛高置地（控股）有限公司（現稱綠地香港控股有限公司，聯交所股份代號：0337）的集團財務總監。梁先生在中國奧園集團股份有限公司任職期間還兼任公司秘書，在南華資產控股有限公司任職期間還兼任公司秘書及授權代表。

此外，梁先生於2005年11月至2006年2月擔任星美國際集團有限公司（現稱星美控股集團有限公司，聯交所股份代號：198）的行政總裁；2003年7月至2005年5月擔任商業物業開發公司北京東方廣場有限公司的財務總監兼副總經理；2000年7月至2003年5月擔任投資控股公司廣東粵海控股集團有限公司的財務部副總經理，兼任粵海資產管理有限公司的董事及首席財務官。2002年7月至2003年5月，梁先生亦擔任廣聯有限公司的董事及首席財務官。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Since November 2019, Mr. Leung has been an independent non-executive director of Beng Soon Machinery Holdings Limited (Stock Exchange stock code: 1987). Since February 2020, Mr. Leung has been an independent non-executive director of Siberian Mining Group Company Limited (Stock Exchange stock code: 1142).

Mr. Leung received a master's degree in Business Administration from the University of East Asia Macau (currently known as the University of Macau) in October 1988 and a master's degree of Accounting Studies from the University of New England, Australia in April 1994. In November 1995, Mr. Leung was admitted as a Certified Practising Accountant of the Australian Society of Certified Practising Accountants (currently known as CPA Australia), and registered as a Certified Public Accountant with The Hong Kong Institute of Certified Public Accountants in February 1996. Additionally, he is a fellow of the Association of Taxation and Management Accountants, a founding member of the Hong Kong Business Accountants Association and a founding associate member of The Hong Kong Independent Non-Executive Director Association.

Mr. LEE Kwok Tung Louis (李國棟), aged 52, has been our independent non-executive Director since June 25, 2018. He is responsible for supervising and providing independent judgment to our Board.

Mr. Lee has possessed extensive experience with unlisted groups, listed groups and professional firms in financial management, accounting and auditing since 1993.

自2019年11月起，梁先生為Beng Soon Machinery Holdings Limited (聯交所股份代號：1987)之獨立非執行董事；自2020年2月起，梁先生為西伯利亞礦業集團有限公司 (聯交所股份代號：1142)之獨立非執行董事。

梁先生於1988年10月獲得澳門東亞大學 (現稱澳門大學) 工商管理碩士學位，並於1994年4月獲得澳洲新英格蘭大學會計學碩士學位。1995年11月，梁先生成為澳大利亞註冊會計師公會 (現稱澳大利亞會計師公會) 註冊會計師，後於1996年2月註冊為香港會計師公會註冊會計師。此外，他是稅務及管理會計師公會的資深會員；香港商界會計師協會創會會員及香港獨立非執行董事協會創會會員。

李國棟先生，52歲，自2018年6月25日起一直為獨立非執行董事。他負責監督及向董事會提供獨立意見。

李先生自1993年起，通過擔任非上市公司、上市公司及專業事務所等職務累積了大量有關財務管理、會計及審計之經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

In addition, Mr. Lee currently holds or had held directorships in a number of listed companies, including those set out below:

此外，李先生目前或曾經在包括下列公司在內的多家上市公司擔任董事職位：

Name of entity 實體名稱	Principal Business 主要業務	Place of listing and stock code 上市地點及股份代號	Position and duration of service 職位及任職期限
CGN Mining Company Limited (中廣核礦業有限公司)	Investment holding company principally engaged in the trading of natural uranium 主要從事天然鈾貿易的投資控股公司	Main Board of the Stock Exchange (Stock code: 1164) 聯交所主板 (股份代號：1164)	Independent non-executive director from August 2014 to present 2014年8月至今，擔任獨立非執行董事
Windmill Group Limited (海鑫集團有限公司)	Installation, maintenance, repairs and inspection of various fire services 安裝、維護、維修及檢查各類消防服務	Main Board of the Stock Exchange (stock code: 1850) 聯交所主板 (股份代號：1850)	Independent non-executive director from March 2017 to present 2017年3月至今，擔任獨立非執行董事
Fusen Pharmaceutical Company Limited (福森藥業有限公司)	Manufacturing and sale of pharmaceutical products 主要從事製造及銷售藥品	Main Board of the Stock Exchange (Stock code: 1652) 聯交所主板 (股份代號：1652)	Independent non-executive director from April 2019 to present 2019年4月至今，擔任獨立非執行董事
Zhong Ao Home Group (中奧到家集團有限公司)	Independent property management 獨立物業管理	Main Board of the Stock Exchange (stock code: 1538) 聯交所主板 (股份代號：1538)	Independent non-executive director from November 2015 to July 2017 2015年11月至2017年7月，擔任獨立非執行董事
Worldgate Global Logistics Limited (盛良物流有限公司)	Integrated logistics solution provider principally engaged in the provision of international freight services 主要從事提供國際貨運服務的綜合物流解決方案供應商	GEM of the Stock Exchange (stock code: 8292) 聯交所GEM (股份代號：8292)	Independent non-executive director from June 2016 to June 2019 2016年6月至2019年6月，擔任獨立非執行董事
China Singyes New Materials Holdings Limited (中國興業鑫材料控股有限公司)	Supplier of ITO (Indium Tin Oxide) coating-Precision wet coating smart film ITO (銦錫氧化物) 精密塗層濕式調光膜供應商	GEM of the Stock Exchange (stock code: 8073) 聯交所GEM (股份代號：8073)	Independent non-executive director from June 2017 to December 2019 2017年6月至2019年12月，擔任獨立非執行董事

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. Lee expects that the time to be spent on his above roles will occupy only a limited portion of his working time. As such, he will have sufficient time to regularly attend the Board meetings and serve as the chairman of the remuneration committee and a member of the audit committee and nomination committee of the Board. He will be able to fulfill his responsibilities and functions as an independent non-executive Director.

Mr. Lee was awarded the Bachelor of Economics from Macquarie University, Australia in April 1993. Mr. Lee was admitted as a Certified Practising Accountant of CPA Australia (formerly known as the Australian Society of Certified Practising Accountants) in June 1996 and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants (「HKICPA」) in October 1999. Mr. Lee is currently a Fellow Certified Practising Accountant of CPA Australia and a Fellow Certified Public Accountant of HKICPA.

Mr. AU YEUNG Po Fung (歐陽寶豐), aged 52, has been our independent non-executive Director since June 25, 2018. He is responsible for supervising and providing independent judgment to our Board.

Mr. Au Yeung has extensive experience in the PRC real estate industry. He holds or had held senior management positions in a number of listed real estate companies, including those set out below:

李先生預計，任職於上述職位所花費之時間將僅佔據其有限的工作時間。因此，李先生將擁有足夠的時間定期出席董事會會議，並擔任公司薪酬委員會之主席、審核委員會及提名委員會成員。他將能夠履行其作為獨立非執行董事的職責及職能。

李先生於1993年4月獲得澳大利亞麥考瑞大學經濟學學士學位。1996年6月，李先生成為澳大利亞會計師公會（前稱澳大利亞註冊會計師學會）註冊會計師，並於1999年10月成為香港會計師公會註冊會計師。現為澳大利亞會計師公會資深會計師及香港會計師公會資深會計師。

歐陽寶豐先生，52歲，自2018年6月25日起擔任獨立非執行董事，負責監督及向董事會提供獨立意見。

歐陽先生在中國房地產行業擁有豐富經驗。他目前或曾經在包括下列公司在內的多家上市房地產公司擔任高級管理職位：

Name of entity 實體名稱	Principal Business 主要業務	Place of listing and stock code 上市地點及股份代號	Position and duration of service 職位及任職期限
Sinic Holdings (Group) Company Limited (新力控股(集團)有限公司)	Property development and investment 物業開發及投資	Main Board of the Stock Exchange (stock code: 2103) 聯交所主板 (股份代號：2103)	Independent non-executive director, chairman of the remuneration committee and member of the audit committee and nomination committee since August 2019 2019年8月起，擔任獨立非執行董事、薪酬委員會主席、審核委員會與提名委員會成員

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Name of entity 實體名稱	Principal Business 主要業務	Place of listing and stock code 上市地點及股份代號	Position and duration of service 職位及任職期限
Zhongliang Holdings Group Company Limited (中梁控股集團有限公司)	Property development and investment 物業開發及投資	Main Board of the Stock Exchange (stock code: 2772) 聯交所主板 (股份代號：2772)	Independent non-executive director, chairman of the audit committee and member of the remuneration committee since June 2019 2019年6月起，擔任獨立 非執行董事、審核委員會 主席及薪酬委員會成員
GR Properties Limited (國銳地產有限公司)	Property management, property development and investment 物業管理、物業開發及投資	Main Board of the Stock Exchange (stock code: 108) 聯交所主板 (股份代號：108)	Independent non-executive director, chairman of the remuneration committee and member of the audit committee and nomination committee from July 2017 to February 2020 2017年7月至2020年2月， 擔任獨立非執行董事、薪 酬委員會主席、審核委員 會與提名委員會成員
Sansheng Holdings (Group) Co. Ltd. (三盛控股(集團) 有限公司)	Property development and investment 物業開發及投資	Main Board of the Stock Exchange (stock code: 2183) 聯交所主板 (股份代號：2183)	Vice president of Fujian Sansheng Real Estate Development Co., Ltd. (福 建三盛房地產開發有限公 司) and the chief financial officer of Sansheng Holdings (Group) Co. Ltd. from August 2017 to January 2018 2017年8月至2018年1月， 擔任福建三盛房地產開發 有限公司副總裁及三盛控 股(集團)有限公司財務 總監

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Name of entity 實體名稱	Principal Business 主要業務	Place of listing and stock code 上市地點及股份代號	Position and duration of service 職位及任職期限
Sun Hung Kai Properties Limited (新鴻基地產發展有限公司)	Development of properties for sale and investment 銷售及投資物業的開發	Main Board of the Stock Exchange (stock code: 16) 聯交所主板 (股份代號：16)	Chief financial officer (China) from October 2011 to December 2013 2011年10月至2013年 12月，擔任(中國)財務 總監
Powerlong Real Estate Holdings Limited (寶龍地產控股 有限公司)	Real estate, commerce, hotel and tourism, culture and arts, and industry and information 房地產、商業、酒店和 旅遊、文化和藝術及工業與 信息	Main Board of the Stock Exchange (stock code: 1238) 聯交所主板 (股份代號：1238)	Vice president and chief financial officer from November 2007 to October 2011 2007年11月至2011年 10月，擔任副總裁兼財務 總監
Landsea Green Properties Co., Ltd. (南京朗詩置業股份 有限公司)	Green residential property development 綠色住宅物業開發	Main Board of the Stock Exchange (stock code: 106) 聯交所主板 (股份代號：106)	Chief financial officer and company secretary from March 2005 to October 2005 2005年3月至2005年10 月，擔任財務總監兼公司 秘書

In addition, Mr. Au Yeung served as the chief financial officer of Fu Wah International Group Co., Ltd., a commercial property development and management company, from December 1996 to May 1998, during which he was in charge of managing the company's assets. He also served as a vice president and chief financial officer of Fosun Property Holdings (復星地產控股集團), a global real estate investment and management company and a subsidiary of Fosun International Limited (Stock Exchange stock code: 656), from February 2014 to September 2014.

此外，歐陽先生於1996年12月至1998年5月擔任商業地產開發和管理公司富華國際集團有限公司的財務總監，負責管理公司的資產。自2014年2月至2014年9月，其亦擔任復星地產控股集團(一家全球性房地產投資及管理公司及復星國際有限公司(聯交所股份代號：656)的附屬公司)的副總裁及財務總監。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Au Yeung also has extensive experience serving in other industries. Mr. Au Yeung was an auditing assistant manager at Arthur Andersen from July 1990 to December 1996, during which he was responsible for matters related to audit and investigation. Mr. Au Yeung had also held senior management positions in a number of listed companies, including those set out below:

歐陽先生亦擁有其他行業的豐富經驗。歐陽先生於1990年7月至1996年12月擔任安達信會計師事務所審計助理經理，負責審計及調查相關的事宜。歐陽先生亦曾在包括下列公司在內的多家上市公司擔任高級管理職位：

Name of entity 實體名稱	Principal Business 主要業務	Place of listing and stock code 上市地點及股份代號	Position and duration of service 職位及任職期限
China LNG Group Limited (中國天然氣集團有限公司)	Investment in and trading of assets and engaged in the development of new energy businesses 資產投資和交易及從事新能源業務開發	Main Board of the Stock Exchange (stock code: 931) 聯交所主板 (股份代號：931)	Independent non-executive director, chairman of the remuneration committee and member of the audit committee and nomination committee from July 2016 to September 2019 2016年7月至2019年9月，擔任獨立非執行董事、薪酬委員會主席、審核委員會與提名委員會成員
South China Holdings Company Limited (南華集團控股有限公司)	Trading and manufacturing, property investment and development, agriculture and forestry 貿易與製造、物業投資及開發和農林業務	Main Board of the Stock Exchange (stock code: 413) 聯交所主板 (股份代號：413)	Chief financial officer (China Properties) from July 2016 to August 2017 2016年7月至2017年8月，擔任(中國物業)財務總監
Hong Kong Exchanges and Clearing Limited (香港交易及結算所有限公司)	Stock and futures operations 股票和期貨業務	Main Board of the Stock Exchange (stock code: 388) 聯交所主板 (股份代號：388)	Senior manager from January 2001 to January 2005 2001年1月至2005年1月，擔任高級經理
Shanshan Brand Management Co., Ltd. (杉杉品牌運營股份有限公司)	Fashion 時裝	Main Board of the Stock Exchange (stock code: 1749) 聯交所主板 (股份代號：1749)	Independent non-executive director since May 2018 2018年5月起，擔任獨立非執行董事
eBroker Group Limited (電子交易集團有限公司)	Financial technology solution provider 金融科技解決方案供應商	GEM of the Stock Exchange (stock code: 8036) 聯交所GEM (股份代號：8036)	Independent non-executive director since February 2019 2019年2月起，擔任獨立非執行董事

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. Au Yeung expects that the time to be spent on his abovementioned existing roles other than that as an independent non-executive Director will occupy approximately 20% of his working time. As such, he will have sufficient time to regularly attend the Board meetings and serve as a member of the audit committee, remuneration committee and nomination committee. He will be able to fulfill his responsibilities and functions as an independent non-executive Director.

Mr. Au Yeung received a bachelor of Arts degree in Business Studies from The Hong Kong Polytechnic University in November 1990. Mr. Au Yeung is a fellow member of the Institute of Chartered Accountants in England and Wales and a Chartered Financial Analyst charterholder. Additionally, he is a fellow member of The Association of Chartered Certified Accountant and a fellow member of the Hong Kong Institute of Certified Public Accountants.

SENIOR MANAGEMENT

Mr. HE Jie (何捷), please refer to the above disclosure.

Mr. Yuan Chun (袁春), aged 46, has been served as an associate president of the Group since 31 October 2019 and was the president of Hongkun Group Co., Ltd.* (鴻坤集團有限公司) from December 2017 to October 2019. He served as the general manager of Hangzhou Longfor Real Estate Development Co., Ltd.* (杭州龍湖房地產開發有限公司) from March 2010 to May 2014, and was re-designated as the vice president of Longfor Group Holdings Limited (龍湖集團控股有限公司) together with its subsidiaries, a company listed on The Stock Exchange of Hong Kong Limited (stock code: 00960), from May 2014 to December 2017. Prior to joining Hangzhou Longfor Real Estate Development Co., Ltd.*, he worked for China Overseas Land & Investment Ltd. (中國海外發展有限公司) from July 1996 to March 2010.

He graduated from Tongji University (同濟大學) in the People's Republic of China and obtained a bachelor degree in Heating and Ventilating in 1996.

歐陽先生預計，任職於上述現任職位(擔任獨立非執行董事除外)所花費之時間將佔據其大約20%之工作時間。因此，歐陽先生將擁有足夠的時間定期出席董事會會議，並擔任審核委員會、薪酬委員會及提名委員會成員。他將能夠履行其作為獨立非執行董事的職責及職能。

歐陽先生於1990年11月獲得香港理工學院商學學士學位。歐陽先生是英格蘭及威爾士特許會計師協會的資深會員及特許金融分析師持證人。此外，他是特許公認會計師公會的資深會員及香港會計師公會的資深會員。

高級管理層

何捷先生，請參考上文披露。

袁春先生，46歲，自2019年10月31日起擔任本公司聯席總裁，於2017年12月至2019年10月曾擔任鴻坤集團有限公司總裁。彼於2010年3月至2014年5月擔任杭州龍湖房地產開發有限公司總經理，並於2014年5月至2017年12月獲調任為龍湖集團控股有限公司(連同其附屬公司)副總裁，該公司為於香港聯合交易所有限公司上市的公司(股份代號：00960)。於加入杭州龍湖房地產開發有限公司前，彼於1996年7月至2010年3月曾任職於中國海外發展有限公司。

彼於1996年畢業於中華人民共和國同濟大學，取得暖通專業學士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Lui Wai Pang (雷偉彬), please refer to the above disclosure.

雷偉彬先生，請參考上文披露。

Mr. GE Chunhua (葛春華), aged 54, has been our vice chief executive officer since March 15, 2018. Mr. Ge has about 18 years of experience in the PRC real estate industry. Mr. Ge joined Hong Yang Group Company in January 2004, and successively served as the assistant of the general manager, vice general manager and general manager of Nanjing Redsun from January 2004 to December 2014, where he was responsible for formulating and supervising the company's overall strategies, daily operations management, and meeting the company's annual business objectives. He then served as the general manager of the properties development division of Hong Yang Group Company from January 2015 to March 2018, where his responsibilities remained the same. Mr. Ge served as the manager of Nanjing Redsun Business World from October 2001 to January 2004.

葛春華先生，54歲，自2018年3月15日起擔任本公司副總裁。葛先生在中國房地產行業擁有約18年的經驗。葛先生於2004年1月加入弘陽集團，並自2004年1月至2014年12月先後擔任南京紅太陽的總經理助理、副總經理，以及總經理，期間負責制定及監督公司策略、日常業務管理以及達成公司年度業務目標。此後，葛先生於2015年1月至2018年3月擔任弘陽集團地產部門的總經理，期間職責與南京紅太陽相同。葛先生於2001年10月至2004年1月擔任南京紅太陽商業大世界經理。

Mr. Ge obtained a degree from Chemical Industry Department Huainan Chemical Construction Installation School (化學工業部淮南化工建築安裝學校) in December 1992. He later obtained an advanced training course certificate in Engineering Management from Nanjing University in December 2008. Mr. Ge has been pursuing an executive master's degree in Business Administration in Nanjing University since November 2016. Mr. Ge is a National People's Congress deputy of Pukou district, Nanjing City.

葛先生於1992年12月獲得化學工業部淮南化工建築安裝學校工業與民用建築學位，後於2008年12月獲得南京大學工程管理高級培訓課程證書。葛先生自2016年11月起一直在攻讀南京大學高級管理人員工商管理碩士學位。葛先生是南京市浦口區人大代表。

Mr. ZHANG Di (張鎬), aged 47, obtained a bachelor's degree in Architecture from Tianjin University, a master's degree in Business Administration from Nankai University and is also a member of the Youth Committee of China Green Building Council.

張鎬先生，47歲，天津大學建築學學士，南開大學高級工商管理碩士，中國綠色建築青年委員會委員。

From 2001 to May 2018, Mr. Zhang served as the chief architect of China Overseas Real Estate in Beijing, the director and deputy general manager of China Overseas Real Estate in Suzhou, the regional deputy general manager of China Overseas Real Estate in Eastern China region and the general manager of China Overseas Real Estate in Nanchang. From September 2018 to December 2018, he served as the assistant president of Huaxia Xingfu Jiye Peacock City Group. Since January 2019, he has been serving as the Company's vice president.

張先生於2001年至2018年5月期間，歷任中海地產北京公司主任建築師，中海地產蘇州公司董事、副總經理，中海地產華東區域公司區域副總經理，中海地產南昌公司總經理；2018年9月至2018年12月，任華夏幸福基業孔雀城集團助理總裁；2019年1月起任公司副總裁。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. CHEN Bin (陳彬), male, aged 51, obtained a bachelor's degree in refrigeration engineering from Tianjin University of Commerce and a master's degree in Engineering Management from Shanghai Jiao Tong University.

From June 2006 to November 2013, Mr. Chen served as the general manager of the Wuxi Project of Vanke Real Estate in Southern Jiangsu, where he also served as the executive deputy general manager. From December 2013 to February 2018, he served as the regional executive deputy general manager of Shanghai Regional Business Department of CIFI Holdings, the general manager of Qingdao Business Department in Pan-Shandong region of CIFI Holdings. He served as the Company's assistant president from March 2018 to March 2019 and has been serving as the Company's vice president since March 2019.

Mr. SHEN Guangping (申廣平), aged 35, obtained a bachelor's degree in Accounting from Tongji University, a master's degree in Accounting from Shanghai Jiao Tong University and is pursuing an EMBA in the China Europe International Business School. He is a fellow of the Royal Chartered Management Accountant, a member of the Institute of Public Accountants, Australia, and a Chartered Global Management Accountant. Mr. Shen has more than 10 years of experience in financial management in the real estate sector and has extensive knowledge of finance and taxation. He is also familiar with financial and operational management and control of real estate group companies as well as financing in domestic and overseas capital market.

From July 2006 to June 2018, Mr. Shen served as the financial controller and the head of funding and financing department of the subsidiary of Jingrui Holdings Ltd. as well as the chief financial officer and the general manager of the financial center of the group. From June 2018 to November 2018, he served as the general manager of the financial management center of Hong Yang Group Company Limited. Since 2018, he has been serving as the Company's financial controller.

陳彬先生，51歲，天津商學院製冷工程學士學位，上海交通大學工程管理碩士。

陳先生於2006年6月至2013年11月期間，歷任蘇南萬科地產無錫項目總經理、蘇南萬科地產常務副總經理等職務；2013年12月至2018年2月期間，歷任旭輝集團上海區域事業部區域常務副總經理、旭輝集團青島事業部泛山東區域城市總經理；2018年3月至2019年3月，任公司助理總裁；2019年3月起任公司副總裁。

申廣平先生，35歲，同濟大學會計學學士，上海交通大學會計專業碩士，中歐工商管理學院EMBA在讀，系英國皇家特許管理會計師資深會員、澳大利亞公共會計師協會會員、全球特許管理會計師。申先生擁有十年以上房地產領域財務管理經驗，具備豐富的財稅知識，熟悉地產集團型公司財務經營管控、境內外資本市場融資。

申先生於2006年7月至2018年6月期間，歷任景瑞控股有限公司子公司財務負責人、資金及融資負責人、集團財務總監、集團財務中心總經理；2018年6月至2018年11月擔任弘陽集團有限公司財務管理中心總經理。2018年起擔任公司財務總監。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

COMPANY SECRETARY

Mr. Li Yonggang (李永剛), aged 43, has been appointed as a joint company secretary of the Company since 23 April 2019. He has been the head of listing office of Hong Yang Group Company Limited since September 2016. He is primarily responsible for the listing and compliance matters of the Group. Mr. Li has over 10 years of experience in the corporate governance and company secretarial field. Before joining the Company, from 2000 to 2008, he served as a financial staff of Anhui BBCA Biochemical Co., Ltd., LTD (now renamed as COFCO Biotechnology Co., Ltd. SZ000930) and Anhui Fengyuan Pharmaceutical Co., Ltd. (SZ000153), and served as a chief financial officer of BBCA France SAS and BBCA Belgium NV, the deputy head of financial department and investment development department of Anhui Fengyuan Group Co., Limited. From 2008 to 2011, he served as secretary to the board and chief financial officer of Anhui Tiger Biotechnology Co., Ltd. From 2011 to 2016, he served as the deputy general manager and secretary to the board of Taifu Industrial Co., Ltd. (now renamed as Shandong Geo-Mineral Co., Ltd., SZ000409).

Mr. Li obtained a bachelor degree of economics from Zhengzhou Grain College (now known as Henan University of Technology) in June 2000 and a master degree of management from Anhui University of Finance and Economics in June 2013. Mr. Li was awarded the qualification of Middle Grade Accountant by the Personnel Department in Anhui Province in May 2009, and he was awarded the qualification of Middle Grade Economist by the Human Resources and Social Security Department in Shandong Province in November 2014. With extensive working experience, Mr. Li is familiar with the PRC laws, company secretarial and compliance matters of the Company. Mr. Li was a core team member participating in the whole process of the preparation for the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Mr. Yim Lok Kwan (嚴洛鈞) was appointed on June 12, 2018 as the company secretary of our Company. Mr. Yim is a manager of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specializing in corporate services. He has over six years of experience in corporate services field.

Mr. Yim graduated from Hong Kong Shue Yan University with a bachelor's degree in Accounting in July 2010 and The Hong Kong Polytechnic University with a master's degree in Corporate Governance in September 2016. Mr. Yim is an associate member of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators).

公司秘書

李永剛先生，43歲，自2019年4月23日起，獲委任為本公司的聯席公司秘書。自2016年9月起為弘陽集團有限公司上市辦公室主任。彼主要負責本集團的上市及合規事宜。李先生於企業管治及公司秘書方面擁有超過10年經驗。加入本公司前，於2000年至2008年，彼擔任安徽豐原生物化學股份有限公司（現稱為中糧生物科技股份有限公司（股票代號：SZ000930）及安徽豐原藥業股份有限公司（股票代號：SZ000153）的財務人員，以及擔任豐原法國公司及豐原比利時公司的財務負責人，以及安徽豐原集團有限公司的財務部及投資發展部副部長。於2008年至2011年，彼擔任安徽泰格生物技術股份有限公司的董事會秘書及財務總監。於2011年至2016年，彼擔任泰復實業股份有限公司（現稱為山東地礦股份有限公司，股票代號：SZ000409）的副總經理及董事會秘書。

李先生於2000年6月取得鄭州糧食學院（現稱為河南工業大學）的經濟學學士學位，及於2013年6月取得安徽財經大學的管理學碩士學位。李先生於2009年5月獲安徽省人事廳授予中級會計師職稱，並於2014年11月獲山東省人力資源和社會保障廳授予中級經濟師職稱。李先生擁有豐富的工作經驗，熟悉中國法律以及本公司公司秘書及合規事宜。李先生為核心小組成員，參與本公司於香港聯合交易所有限公司（「聯交所」）主板上市的整個籌備過程。

嚴洛鈞先生於2018年6月12日獲委任為本公司的公司秘書。嚴先生目前擔任方圓企業服務集團（香港）有限公司（一家專注於企業服務的專業服務供應商）的經理。其在企業服務領域擁有逾六年的經驗。

嚴先生於2010年7月畢業於香港樹仁大學，獲會計學士學位，於2016年9月畢業於香港理工大學，獲公司管治碩士學位。嚴先生是香港特許秘書公會和特許公司治理公會（前稱為特許秘書及行政人員公會）的會士。

DIRECTORS' REPORT

董事會報告

The Board presents the directors' report for the financial year ended 31 December 2019.

CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands under the Cayman Companies Law, as an exempted company with limited liability on 21 December 2017. The shares of the Company (the "Shares") were listed on the main board of the Stock Exchange on 12 July 2018 (the "Listing Date").

PRINCIPAL OPERATIONS

The Group is a comprehensive property enterprise with established presence in the Yangtze River Delta region and keen on national expansion, focusing on the development of residential properties and the development, operation and management of commercial and comprehensive properties. Through the penetration strategy of "penetrating the Greater Jiangsu Region, strengthening foothold in the Yangtze River Delta Region and expanding into major metropolitan areas", in 2019, we expanded to a number of metropolitan core cities of China, while at the same time we continued to intensify our efforts in key regions, further extending the breadth and depth of our strategies and attaining the holistic change from a regional real estate company to a nationwide real estate company.

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

RESULTS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of comprehensive income of the Group in this annual report.

董事會提呈截至2019年12月31日止財政年度的董事會報告。

公司資料

本公司於2017年12月21日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。本公司股份(「股份」)於2018年7月12日(「上市日期」)在聯交所主板上市。

主要業務

本集團為深耕長三角並進行全國化佈局的綜合性房商，專注於住宅物業開發以及商業及綜合用途物業的開發、運營及管理，通過「做透大江蘇，深耕長三角，布局都市圈」的佈局策略，2019年拓展了全國多個都市圈的核心城市，同時持續推進重點區域的深耕，進一步拓展了戰略縱深，實現從區域性房產到全國性房產的全面轉變。

本集團主要附屬公司的主要業務詳情載於本年報內的本集團綜合財務報表附註1。截至2019年12月31日止年度，本集團的主要業務性質並無發生重大變動。於本年報日期，董事會不擬大幅變更本集團的主要業務。

業績

本集團截至2019年12月31日止年度的業績載於本年報內的本集團綜合全面收入表。

DIRECTORS' REPORT

董事會報告

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are set out in the section headed "Management Discussion and Analysis — Outlook for 2020". An analysis of the Group's performance during the year using financial key performance indicators is set out in the section headed "Management Discussion and Analysis". Save as disclosed in the section headed "Directors' Report — Subsequent Events After The Reporting Period" in this annual report, the Group has no significant events after the end of the financial year ended 31 December 2019 and up to the date of this annual report.

MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in the section headed "Management Discussion and Analysis — Material Acquisitions and Disposals" in this annual report, during the year ended 31 December 2019 and up to the date of this annual report, the Group did not have any material acquisition or disposal of subsidiaries and associated companies.

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS

Details of the borrowings of the Group as at 31 December 2019 are set out in note 27, 28 to the consolidated financial statements of the Group in this annual report.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2019 are set out in the consolidated statement of changes in equity in this annual report. As at 31 December 2019, the distributable reserve of the Company amounted to approximately RMB7,977.2 million.

業務回顧

對本集團年內的業務回顧及對本集團未來業務發展的討論載於「管理層之討論及分析 — 2020年展望」一節。使用主要財務業績指標對本集團年內的表現所作的分析載於「管理層之討論及分析」一節。除本年度報告「董事會報告 — 報告期後的後續事件」一節所披露者外，本集團於截至2019年12月31日止財政年度完結至本年報日期為止並無重大事件發生。

重大收購及出售事項

除於本年報「管理層之討論及分析 — 重大收購及出售事項」一節披露者外，於截至2019年12月31日止年度至本年報日期，本集團沒有任何有關附屬公司及聯營公司的重大收購或出售。

物業、廠房及設備

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

借款

本集團於2019年12月31日的借款詳情載於本年報內的本集團綜合財務報表附註27、28。

儲備

本集團截至2019年12月31日止年度的儲備變動詳情載於本年報內的綜合權益變動表。截至2019年12月31日，本公司的可分派儲備約為人民幣7,977.2百萬元。

DIRECTORS' REPORT
董事會報告**DIVIDEND**

The Board recommends payment of a final dividend of RMB11.1 cents (equivalent to HK12.4 cents) per share. A circular containing, among other things, further information relating to the proposed distribution of final dividend and the forthcoming annual general meeting will be despatched to the shareholders in due course.

MAJOR CUSTOMERS AND SUPPLIERS**Major Customers**

The customers of the Group are individual and corporate purchasers of its residential properties and tenants of its commercial properties. For the year ended 31 December 2019, the five largest customers of the Group accounted for less than 30% of the revenue of the Group.

Major Suppliers

The major suppliers of the Group are construction material suppliers and construction contractors. For the year ended 31 December 2019, the five largest suppliers of the Group, which are all independent third parties, accounted for less than 30% of the total purchases of the Group.

股息

董事會建議派發末期股息為每股人民幣11.1分(相當於12.4港仙)。載有(其中包括)建議分派末期股息及應屆股東週年大會的進一步資料的通函將於適當時候寄發予股東。

主要客戶及供應商**主要客戶**

本集團的客戶為住宅物業的個人及企業買家，以及商業物業的租戶。截至2019年12月31日止年度，五大客戶佔本集團收入30%以下。

主要供應商

本集團的主要供應商為建築材料供應商及建築承包商。截至2019年12月31日止年度，五大供應商(均為獨立第三方)佔本集團採購總額30%以下。

DIRECTORS' REPORT

董事會報告

RELATIONSHIP WITH STAKEHOLDERS

The Group recognises that the employees, customers and suppliers are keys to corporate sustainability and are keen on developing long-term relationships with stakeholders. The Company places significant emphasis on human capital and strives to foster an environment in which the employee can develop their full potential and to assist their personal and professional growth. The Company provides a fair and safe workplace, promoting diversity to its staff, providing competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts on-going efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions. The Company understands that it is important to maintain good relationship with customers. The Group has established procedures in place for handling customers' complaints and customer satisfaction surveys in order to ensure customers' complaints are dealt with in a prompt and timely manner. The Group is also dedicated to develop good relationship with suppliers as long-term business partners to ensure stable supplies and timely delivery of materials. The Group reinforces business partnerships with suppliers and contractors by recurring communication in proactive and effective manner so as to ensure quality and delivery.

SHARE CAPITAL

As at the date of this annual report, the Company has 3,320,000,000 Shares in issue.

與持份者的關係

本集團認可僱員、客戶及供應商對本公司的持續發展至關重要並熱衷發展與持份者的長期關係。本公司非常注重人力資本並致力營建令僱員可全面開發其潛能並協助彼等實現個人及專業發展的環境。本公司提供公平安全的工作場所，提倡員工多元化發展，並根據其成績及表現提供具競爭力的薪酬及福利以及職業發展機會。本集團亦持續努力為僱員提供完備的培訓及發展資源，令彼等能夠緊跟市場及行業最新發展，同時改善其表現及其在職務上的自我實現。本公司明白保持與客戶的良好關係非常重要。本集團已制定程序處理客戶投訴及進行客戶滿意度調查，以確保客戶投訴得以快速及時處理。本集團亦致力於發展與供應商（為長期業務夥伴）的良好關係，以確保材料的穩定供應及時交付。本集團透過不斷與供應商及承包商進行積極有效的溝通加強與彼等的業務合作關係以確保質量及交付。

股本

於本年報日期，本公司已發行股份為3,320,000,000股。



DIRECTORS' REPORT 董事會報告

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors

Mr. Zeng Huansha (*Chairman*)
Mr. He Jie
Mr. Lui Wai Pang (*appointed on July 5, 2019*)

Non-Executive Directors

Mr. Jiang Daqiang
Mr. Zhang Liang
Mr. Zhang Hongwu (*retired on June 21, 2019*)

Independent Non-executive Directors

Mr. Lee Kwok Tung Louis
Mr. Leung Yau Wan John
Mr. Au Yeung Po Fung

Directors' Service Contracts

Each of Mr. Zeng Huansha and Mr. He Jie, as executive Directors, has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date respectively. Mr. Lui Wai Pang, an executive Director, has entered into a service contract with the Company for an initial term of three years commencing from July 5, 2019.

Each of the non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years commencing from 25 June 2018.

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

董事及董事服務合約

於截至2019年12月31日止年度及直至本年報日期止之董事為：

執行董事

曾煥沙先生(主席)
何捷先生
雷偉彬先生(於2019年7月5日獲委任)

非執行董事

蔣達強先生
張良先生
張宏武先生(於2019年6月21日退任)

獨立非執行董事

李國棟先生
梁又穩先生
歐陽寶豐先生

董事服務合約

執行董事曾煥沙先生及何捷先生已各自分別與本公司訂立服務合約，初始期限為自上市日期起計為期三年。執行董事雷偉彬先生已與本公司訂立服務合約，初始期限為自2019年7月5日起計為期三年。

各非執行董事已與本公司訂立委任書，初始期限均為自上市日期起計為期三年。

各獨立非執行董事已與本公司訂立委任書，初始期限均為自2018年6月25日起計為期三年。

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

DIRECTORS' REPORT

董事會報告

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

In accordance with the disclosure requirements of Rule 13.21 of the Listing Rules, the Directors reported below the loan facility which exists during the year and includes a condition relating to specific performance of the controlling shareholder of the Company.

Pursuant to the facility agreement (the "**Facility Agreement**") dated 17 December 2019, a term loan facility in the amount of US\$70,000,000 (the "**Loan Facility**") will be made available to the Company for a term of 36 months from the date of the Facility Agreement.

Pursuant to the Facility Agreement, the Loan Facility may be immediately cancelled and all amounts outstanding under the Loan Facility may become immediately due and payable if, amongst other things: (i) Mr. Zeng Huansha ("**Mr. Zeng**") ceases to own directly or indirectly 51% or more of the issued shares of the Company or if any of such shares is subject to any security; (ii) Mr. Zeng ceases to maintain control of the Company; or (iii) Mr. Zeng ceases to remain or continue to act as the chairman of the board of directors of the Company.

For details, please refer to the announcement dated 17 December 2019 of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2019, none of the controlling shareholders of the Group or the Directors was engaged or had interest in any business, apart from the business of the Group, which competes or is likely to compete, directly or indirectly, with the Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

獨立非執行董事的獨立性確認函

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

根據上市規則的持續披露責任

根據上市規則第13.21條的披露規定，董事呈報以下於年內存續且包括一項與本公司控股股東的特定履約責任有關的條件的貸款融資。

根據日期為2019年12月17日的融資協議（「**融資協議**」），本公司將自融資協議日期起計36個月內獲得一項金額為70,000,000美元的定期貸款融資（「**貸款融資**」）。

根據融資協議，在（其中包括）下列情況下，貸款融資可即時註銷，而貸款融資項下所有未償還金額可能須即時到期支付：(i) 曾煥沙先生（「**曾先生**」）不再直接或間接擁有本公司已發行股份51%或以上，或倘任何該等股份須受限於任何抵押；(ii) 曾先生不再維持對本公司的控制權；或(iii) 曾先生不再留任或繼續擔任本公司董事會主席。

詳情請參閱本公司日期為2019年12月17日的公告。

董事於競爭性業務的權益

截至2019年12月31日，本集團控股股東或董事概無從事直接或間接與本集團業務構成或可能構成競爭的任何業務（本集團的業務除外）或於其中擁有須根據上市規則第8.10條作出披露的權益。

DIRECTORS' REPORT 董事會報告

COMPLIANCE WITH NON-COMPETITION UNDERTAKINGS

Deed of Non-Competition

The Group's controlling shareholders, namely, Mr. Zeng Huansha, Redsun Properties Group (Holdings) Limited, Hong Yang Group (Holdings) Limited, Hong Yang International Limited and Hong Yang Group Company (together, the "Covenantors") entered into a deed of non-competition on 25 June 2018 (the "Deed of Non-Competition") in favour of the Company, pursuant to which each of the Covenantors has, among other things, irrevocably and unconditionally undertaken, jointly and severally, with the Company that, save for the businesses carried on by them as already disclosed in the prospectus of the Company dated 29 June 2018, the Covenantors shall not, and shall procure that its/his close associates (other than members of the Group) shall not, directly or indirectly, carry on, engage in, invest in, participate in, attempt to participate in, render any services to, provide any financial support to or otherwise be involved in or interested in, whether alone or jointly with another person and whether directly or indirectly or on behalf of or to assist or act in concert with any other person, any business or investment activities in the PRC and Hong Kong which is the same as, similar to or in competition with the business carried on or contemplated to be carried on by any member of the Group from time to time (the "Restricted Business").

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

Annual Review

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

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

遵守不競爭承諾

不競爭契據

本集團控股股東(即曾煥沙先生、弘陽地產集團(控股)有限公司、弘陽集團(控股)有限公司、弘陽國際有限公司及弘陽集團有限公司,共同稱為「契諾人」)已於2018年6月25日以本公司為受益人訂立不競爭契據(「不競爭契據」),據此,各契諾人(其中包括)共同及個別不可撤回及無條件地向本公司承諾,除本公司日期為2018年6月29日的招股章程已披露其所開展的業務外,契諾人不得並須促使其緊密聯繫人(本集團成員公司除外)不得直接或間接在中國及香港進行、從事、投資、參與、試圖參與、提供任何服務、提供任何財務資助或以其他方式涉足與本集團任何成員公司不時進行或擬進行的業務相同、類似或存在競爭的任何業務或投資活動(不論單獨或聯同另一人士,亦不論直接或間接或代表或協助任何其他人士或與任何其他人士一致行動)(「受限制業務」),亦不得於其中擁有權益。

不競爭契據於以下較早日期屆滿:(i)契諾人及(視乎情況而定)其任何緊密聯繫人不再直接或間接合共實益持有本公司已發行股本30%或以上(或上市規則訂明構成控股股東的其他持股比例)或以其他方式於其中擁有實益權益當日;或(ii)股份不再於聯交所上市(股份暫停買賣除外)當日。

年度審閱

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

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

DIRECTORS' REPORT

董事會報告

CONTINUING CONNECTED TRANSACTIONS

Pursuant to Chapter 14A of the Listing Rules, details of the Company's continuing connected transactions for the year ended 31 December 2019 are as follows:

1. Leasing of property to Nanjing Hong Yang Home Furnishing Co. Ltd.

The Group, as landlord, has entered into the following lease as set out below (the "Lease"):

Date of the lease agreement: 租賃協議日期：	1 October 2017, as amended by a supplemental agreement dated December 30, 2017 2017年10月1日(經日期為2017年12月30日的補充協議修訂)
Term of the lease: 租約期限：	10 years from 1 October 2017 由2017年10月1日起10年
Landlord: 業主：	Nanjing Redsun Real Estate Development Co., Ltd., a subsidiary of the Company 本公司附屬公司南京紅太陽房地產開發有限公司
Tenant: 租戶：	Nanjing Hong Yang Home Furnishing Co. Ltd. 南京弘陽家居有限公司
Use of property: 物業用途：	Home furnishing mall 家居商場
Location and size of property: 物業位置及面積：	Aggregate lettable floor area of 158,750.61 square meters in Area A Nanjing Hong Yang Plaza, No. 48 Daqiao Road North, Pukou District, Nanjing (the "Premises") 南京弘陽廣場A區，地址是南京浦口區大橋北路48號(「該物業」)，可出租建築面積合共158,750.61平方米
Monthly rent per square meter: 月租金每平方米：	RMB31.5 during the period from 1 October 2017 to 31 December 2017; RMB108 for the period from 1 January 2018 to 30 September 2020; RMB124.2 for the period from 1 October 2020 to 30 September 2023; RMB142.83 for the period from 1 October 2023 to 30 September 2026; and RMB157.11 for the period from 1 October 2026 to 30 September 2027. 自2017年10月1日至2017年12月31日期間：人民幣31.5元；自2018年1月1日至2020年9月30日期間：人民幣108元；自2020年10月1日至2023年9月30日期間：人民幣124.2元；自2023年10月1日至2026年9月30日期間：人民幣142.83元；及自2026年10月1日至2027年9月30日期間：人民幣157.11元。

持續關連交易

根據上市規則第14A章，本公司截至2019年12月31日止年度的持續關連交易詳情如下：

1. 出租物業予南京弘陽家居有限公司

作為業主，本集團已訂立以下租約(「租約」)：

DIRECTORS' REPORT

董事會報告

The annual caps for the rental fees payable by Nanjing Hong Yang Home Furnishing Co. Ltd. for each of the three years ending 31 December 2020 in relation to the leasing of premises is RMB205,741,791, RMB205,741,791 and RMB213,456,070, respectively.

Nanjing Hong Yang Home Furnishing Co. Ltd. is wholly-owned by Mr. Zeng Huansha, a controlling shareholder of the Company and a Director. Thus, Nanjing Hong Yang Home Furnishing Co. Ltd. is an associate of Mr. Zeng Huansha and therefore a connected person of the Company.

截至2020年12月31日止三個年度各年南京弘陽家居有限公司就租賃物業應付租金金額年度上限分別為人民幣205,741,791元、人民幣205,741,791元及人民幣213,456,070元。

南京弘陽家居有限公司由本公司控股股東兼董事曾煥沙先生全資擁有，因此南京弘陽家居有限公司為曾煥沙先生的聯繫人，亦因此為本公司關連人士。

2. Provision of management services to the Group

(i) Provision of pre-delivery management services to the residential property projects

The Group has entered into the following framework agreement to regulate the transactions between the Group and Nanjing Hong Yang Property Management Co. Ltd. in relation to the provision of pre-delivery property management services (the **"Framework Pre-Delivery Property Management Services Agreement"**):

Date of agreement: 協議日期：	25 June 2018 2018年6月25日
Effective period: 有效期：	From the Listing Date and up to and including 31 December 2020 自上市日期起至2020年12月31日(包括當日)
Parties: 訂約方：	Nanjing Hong Yang Property Management Co. Ltd. (as service provider); and 南京弘陽物業管理有限公司(作為服務供應商)；及 the Company (for itself and for and on behalf of the members of the Group) 本公司(為其本身及本集團成員公司並代表本集團成員公司)

2. 向本集團提供管理服務

(i) 向住宅物業項目提供交付前管理服務

本集團已訂立以下框架協議，以規管本集團與南京弘陽物業管理有限公司之間有關提供交付前物業管理服務(「交付前物業管理服務框架協議」)的交易：

DIRECTORS' REPORT

董事會報告

Property management fees:

The pre-delivery property management service fees payable shall be based on the fee quotes to be submitted by Nanjing Hong Yang Property Management Co. Ltd. under the relevant tender process. The bids review shall assess (i) the qualification of the potential bidder; (ii) the bidder's relevant experience in the property management service industry; (iii) the price as quoted by the bidder, which shall not be higher than the guidance rate set by the relevant government authorities; (iv) the quality of the property management service to be offered; (v) how the service proposal submitted is able to satisfy the Company's specific needs for the relevant property projects; and (vi) whether the service proposal is congruent with the Company's corporate culture.

物業管理費：

交付前物業管理服務費應以南京弘陽物業管理有限公司在相關投標過程中提交的報價為基準。投標審查應評估(i)潛在投標人的資格；(ii)投標人在物業管理服務行業的相關經驗；(iii)投標人的報價，該報價不得高於有關政府部門設定的指導價；(iv)將提供的物業管理服務的質量；(v)提交的服務提案如何能滿足本公司對相關物業項目的具體需求；及(vi)服務提案是否符合本公司的企業文化。

The annual caps for the property management fees to payable to Nanjing Hong Yang Property Management Co. Ltd. in relation to the pre-delivery property management services for each of the three years ended 31 December 2018, 2019 and 2020 is RMB8.5 million, RMB9.1 million and RMB10.5 million, respectively.

截至2018年、2019年及2020年12月31日止三個年度各年，向南京弘陽物業管理有限公司就交付前物業管理服務支付的物業管理費年度上限分別為人民幣8.5百萬元、人民幣9.1百萬元及人民幣10.5百萬元。

Nanjing Hong Yang Property Management Co. Ltd. is wholly-owned by Mr. Zeng Huansha, a controlling shareholder of the Company and a Director. Thus, Nanjing Hong Yang Property Management Co. Ltd. is an associate of Mr. Zeng Huansha and therefore a connected person of the Company.

南京弘陽物業管理有限公司由本公司控股股東兼董事曾煥沙先生全資擁有。因此，南京弘陽物業管理有限公司為曾煥沙先生的聯繫人，並為本公司關連人士。



DIRECTORS' REPORT
董事會報告

(ii) Provision of management services to the Group's residential property projects during sales period and prior to delivery of properties

The Company has entered into the following framework management services agreement in relation to the management and related services to the display units and sales offices of the property projects during the sales period of the property projects and prior to the delivery of the properties to the purchasers, including but not limited to cleaning, gardening, maintenance of public order and security services to the aforesaid venues (the **"Management Services Agreement for Residential Properties"**):

Date of agreement: 協議日期：	25 June 2018 2018年6月25日
Effective period: 有效期：	From the Listing Date and up to and including 31 December 2020 自上市日期起至2020年12月31日(包括當日)
Parties: 訂約方：	Nanjing Hong Yang Property Management Co. Ltd. (as service provider); and 南京弘陽物業管理有限公司(作為服務供應商)；及 the Company (for itself and for and on behalf of the members of the Group) 本公司(為其本身及本集團成員公司並代表本集團成員公司)
Management fees:	The management fees payable by the Group shall be based on the fee quotes to be submitted by Nanjing Hong Yang Property Management Co. Ltd. under the relevant tender bids, taking into account a wide range of factors such as nature, age and infrastructure features of the relevant property projects, geographic location and neighborhood profile. The fee quotes submitted by Nanjing Hong Yang Property Management Co. Ltd. will be subject to the tender process.
物業管理費：	本集團應付的管理費應基於南京弘陽物業管理有限公司根據相關投標競標提交的報價，同時考慮到相關物業項目的性質、樓齡和基礎設施、地理位置和鄰里情況等諸多因素而得出。南京弘陽物業管理有限公司提交的報價將須受招標程序所規限。

(ii) 在銷售期間及物業交付前向本集團的住宅物業項目提供管理服務

本公司已訂立以下框架管理服務協議，以在物業項目的銷售期內及向買家交付物業之前提供關於物業項目的專櫃及銷售辦事處的管理及相關服務，包括但不限於為上述場所提供清潔、園藝、維護公共秩序和安保服務(「住宅物業管理服務協議」)：

DIRECTORS' REPORT

董事會報告

The annual caps for the property management fees payable to Nanjing Hong Yang Property Management Co. Ltd. in respect of the services to the display units and sales offices of the property projects for each of the three years ending December 31, 2018, 2019 and 2020 is RMB28.0 million, RMB62.6 million and RMB68.0 million, respectively.

截至2018年、2019年及2020年12月31日止三個年度各年，向南京弘陽物業管理有限公司就關於物業項目的專櫃及銷售辦事處的服務支付的物業管理費年度上限分別為人民幣28.0百萬元、人民幣62.6百萬元及人民幣68.0百萬元。

(iii) Provision of management services to the office areas, hotels and shopping malls

The Company has entered into the following framework management services agreement in relation to the management and related services to the office areas, hotels and shopping malls (the "Management Services Agreement for Commercial Properties"):

(iii) 向辦公區、酒店及購物商場提供管理服務

本公司已就辦公區、酒店及購物商場的管理及相關服務訂立以下框架管理服務協議（「商業物業管理服務協議」）：

Date of agreement: 協議日期：	25 June 2018 2018年6月25日
Effective period: 有效期：	From the Listing Date and up to and including 31 December 2020 自上市日期起至2020年12月31日（包括當日）
Parties: 訂約方：	Nanjing Hong Yang Property Management Co. Ltd. (as service provider); and 南京弘陽物業管理有限公司（作為服務供應商）；及 the Company (for itself and for and on behalf of the members of the Group) 本公司（為其本身及本集團成員公司並代表本集團成員公司）
Management fees:	The management fees payable by the Group shall be based on the fee quotes to be submitted by Nanjing Hong Yang Property Management Co. Ltd. under the relevant tender bids, taking into account a wide range of factors such as nature, age and infrastructure features of the relevant office areas, hotels and shopping malls, geographic location and neighborhood profile. The fee quotes submitted by Nanjing Hong Yang Property Management Co. Ltd. will be subject to the tender process.
物業管理費：	本集團應付的管理費應基於南京弘陽物業管理有限公司根據相關投標競標提交的報價，同時考慮到相關辦公區、酒店及購物商場的性質、樓齡和基礎設施、地理位置和鄰里情況等諸多因素而得出。南京弘陽物業管理有限公司提交的報價將須受招標程序所規限。

DIRECTORS' REPORT 董事會報告

The annual caps of management fees payable to Nanjing Hong Yang Property Management Co. Ltd. in relation to the office areas, hotels and shopping malls for each of the three years ending 31 December 2020 is RMB43,618,000, RMB47,470,000 and RMB48,143,000, respectively.

On 11 March 2020, the Company and Nanjing Hongyang Property Management Co. Ltd. entered into the property management services master framework agreement (the **"Property Management Services Master Framework Agreement"**) for a term from 11 March 2020 to 31 December 2022, to combine the Framework Pre-Delivery Property Management Services Agreement, the Management Services Agreement for Residential Properties and the Management Services Agreement for Commercial Properties. Upon the Property Management Services Master Framework Agreement taking effect, the Framework Pre-Delivery Property Management Services Agreement, the Management Services Agreement for Residential Properties and the Management Services Agreement for Commercial Properties were terminated and superseded in their entirety.

截至2020年12月31日止三個年度各年，向南京弘陽物業管理有限公司就辦公區、酒店及購物商場支付的管理費年度上限分別為人民幣43,618,000元、人民幣47,470,000元及人民幣48,143,000元。

於2020年3月11日，本公司與南京弘陽物業管理訂立物業管理服務框架協議（「物業管理服務框架協議」），年期由2020年3月11日至2022年12月31日，以匯併交付前物業管理服務框架協議、住宅物業管理服務協議及商業物業管理服務協議。物業管理服務框架協議一經生效，交付前物業管理服務框架協議、住宅物業管理服務協議及商業物業管理服務協議已告終止且被完全取替。

DIRECTORS' REPORT

董事會報告

The proposed annual caps for the transactions contemplated under the Property Management Services Master Framework Agreement for the three years ending 31 December 2022 are set out as follows:

物業管理服務框架協議項下擬進行交易截至2022年12月31日止三個年度的建議年度上限載列如下：

	For the year ending 31 December 2020 截至2020年 12月31日 止年度 (RMB in thousands) (人民幣千元)	For the year ending 31 December 2021 截至2021年 12月31日 止年度 (RMB in thousands) (人民幣千元)	For the year ending 31 December 2022 截至2022年 12月31日 止年度 (RMB in thousands) (人民幣千元)
Expected maximum amount for the services to be charged to the Company and its subsidiaries and 30%-controlled companies by the Nanjing Hongyang Property Management Co. Ltd. and its subsidiaries	226,933	284,171	325,973
南京弘陽物業管理有限公司及其附屬公司將由服務向本公司及其附屬公司以及30%受控公司收取的估計最高金額			

DIRECTORS' REPORT

董事會報告

3. Provision of raw materials and services by connected persons

(i) Provision of construction services by Nanjing Guangde Construction Co., Ltd.

The Group entered into the following framework purchase agreement to govern the terms and conditions of the transactions between the Group and Nanjing Guangde Construction Co., Ltd. (“Nanjing Guangde”) in connection with the provision of construction services to the Group (the “Zeng Suqing Framework Purchase Agreement”):

Date of agreement: 協議日期：	25 June 2018 2018年6月25日
Effective period: 有效期：	From the Listing Date and up to and including 31 December 2020 自上市日期起至2020年12月31日(包括當日)
Parties: 訂約方：	Nanjing Guangde; and 南京廣德；及 the Company (for itself and for and on behalf of the members of the Group) 本公司(為其本身及本集團成員公司並代表本集團成員公司)
Purchase price/service fees: 採購價格／服務費：	The engagement for provision of construction services of Nanjing Guangde will be subject to a selection process overseen by the evaluation committee and the final purchase prices/service fees cannot exceed the price cap to be determined by the Company. 聘請南京廣德建築工程有限公司提供建築服務須通過評估委員會監督的遴選程序，且最終採購價格／服務費不得超過本公司釐定的價格上限。

On 22 November 2019, the Company entered into a supplemental agreement with Nanjing Guangde to revise the existing annual caps under the Zeng Suqing Framework Purchase Agreement for the year ending 31 December 2019 and the year ending 31 December 2020 respectively (the “Supplemental Zeng Suqing Framework Purchase Agreement”). Save for the revisions to the relevant existing annual caps, all other terms and conditions (including the pricing policy and basis) under the Zeng Suqing Framework Purchase Agreement shall remain in full force and effect.

3. 關連人士提供原材料及服務

(i) 南京廣德建築工程有限公司提供的建築服務

本集團已訂立以下框架採購協議，以管理本集團與南京廣德建築工程有限公司(「南京廣德」)就向本集團提供建築服務所訂立交易的條款及條件(「曾素清框架採購協議」)：

於2019年11月22日，本公司與南京廣德訂立補充協議，以修訂曾素清框架採購協議項下分別截至2019年12月31日止年度及截至2020年12月31日止年度的現有年度上限(「補充曾素清框架採購協議」)。除修訂相關現有年度上限外，曾素清框架採購協議項下之所有其他條款及條件(包括定價政策及基準)將仍具十足效力及作用。

DIRECTORS' REPORT

董事會報告

Pursuant to the Supplemental Zeng Suqing Framework Purchase Agreement, the maximum amounts to be incurred by the Group to Nanjing Guangde in relation to its provision of construction services to the Group for the year ending 31 December 2019 and the year ending 31 December 2020 respectively are revised as follows:

根據補充曾素清框架採購協議，本集團向南京廣德就其分別於截至2019年12月31日止年度及截至2020年12月31日止年度向本集團提供建築服務須予發生的最高金額修訂如下：

		For the year ending 31 December 2019 截至2019年 12月31日 止年度 (RMB in thousands) (人民幣千元)	For the year ending 31 December 2020 截至2020年 12月31日 止年度 (RMB in thousands) (人民幣千元)
Existing annual caps	現有年度上限	40,000	30,000
Revised annual caps	經修訂年度上限	80,000	80,000

Nanjing Guangde is owned 99% by Ms. Zeng Suqing, the sister of Mr. Zeng Huansha. Thus, Nanjing Guangde is an associate of Mr. Zeng Huansha and therefore a connected person of the Company.

南京廣德由曾煥沙先生之姊妹曾素清女士擁有99%股權。因此，南京廣德為曾煥沙先生的聯繫人，並為本公司關連人士。

DIRECTORS' REPORT
董事會報告

(ii) *Provision of building stones, sanitary wares and bricks and construction services by Nanjing Houning Construction Materials Co., Ltd. and Nanjing Randong Trading Co., Ltd.*

The Group entered into the following framework purchase agreement with to govern the terms and conditions of the transactions between the Group and Nanjing Houning Construction Materials Co., Ltd. (“**Nanjing Houning**”) and Nanjing Randong Trading Co., Ltd. (“**Nanjing Randong**”) in connection with the provision of raw materials and construction services to the Group (the “**Zeng Huandong Framework Purchase Agreement**”):

(ii) *南京厚寧建築材料有限公司及南京冉東貿易有限公司提供建築石材、衛生潔具及磚塊以及建築服務*

本集團已訂立以下框架採購協議，以規範本集團與南京厚寧建築材料有限公司（「**南京厚寧**」）及南京冉東貿易有限公司（「**南京冉東**」）就向本集團提供原材料及建築服務所訂立交易的條款及條件（「**曾煥東框架採購協議**」）：

Date of agreement: 協議日期：	25 June 2018 2018年6月25日
Effective period: 有效期：	From the Listing Date and up to and including 31 December 2020 自上市日期起至2020年12月31日（包括當日）
Parties: 訂約方：	Nanjing Houning; 南京厚寧； Nanjing Randong; and 南京冉東；及 the Company (for itself and for and on behalf of the members of the Group) 本公司（為其本身及本集團成員公司並代表本集團成員公司）
Purchase price/service fees:	The purchases of building stones, sanitary wares and bricks from and the engagement for provision of the related supplementary installation services and construction services of Nanjing Houning and Nanjing Randong will be subject to a selection process overseen by the evaluation committee and the final purchase prices/service fees cannot exceed the price cap to be determined by the Company.
採購價格／服務費：	自南京厚寧及南京冉東採購建築石材、衛生潔具及磚塊，以及聘請南京厚寧及南京冉東提供相關配套安裝服務及建築服務須通過評估委員會監督的遴選程序，且最終採購價格／服務費不得超過本公司釐定的價格上限。

DIRECTORS' REPORT

董事會報告

On 22 November 2019, the Company entered into a supplemental agreement with Nanjing Houning and Nanjing Randong to revise the existing annual caps under the Zeng Huandong Framework Purchase Agreement for the year ending 31 December 2019 and the year ending 31 December 2020 respectively (the “**Supplemental Zeng Huandong Framework Purchase Agreement**”). Save for the revisions to the relevant existing annual caps, all other terms and conditions (including the pricing policy and basis) under the Zeng Huandong Framework Purchase Agreement shall remain in full force and effect.

Pursuant to the Supplemental Zeng Huandong Framework Purchase Agreement, the maximum amount to be incurred by the Group to each of Nanjing Houning and Nanjing Randong in relation to their provision of raw materials including building stones, sanitary wares and bricks and/or the related supplementary installation services to the Group for the year ending 31 December 2019 and the year ending 31 December 2020 respectively are revised as follows:

於2019年11月22日，本公司與南京厚寧及南京冉東訂立補充協議，以修訂曾煥東框架採購協議項下分別截至2019年12月31日止年度及截至2020年12月31日止年度的現有年度上限（「**補充曾煥東框架採購協議**」）。除修訂相關現有年度上限外，曾煥東框架採購協議項下之所有其他條款及條件（包括定價政策及基準）將仍具十足效力及作用。

根據補充曾煥東框架採購協議，本集團向南京厚寧及南京冉東各自就彼等分別於截至2019年12月31日止年度及截至2020年12月31日止年度向本集團提供原材料（包括建築石材、衛生潔具及磚塊）及／或相關配套安裝服務須予發生的最高金額修訂如下：

		For the year ending 31 December 2019 截至2019年 12月31日 止年度	For the year ending 31 December 2020 截至2020年 12月31日 止年度
		(RMB in thousands) (人民幣千元)	(RMB in thousands) (人民幣千元)
Nanjing Houning	南京厚寧		
Existing annual caps	現有年度上限	0	0
Revised annual caps	經修訂年度上限	30,000	30,000
Nanjing Randong	南京冉東		
Existing annual caps	現有年度上限	0	0
Revised annual caps	經修訂年度上限	2,000	2,000
Total	總計		
Existing annual caps	現有年度上限	0	0
Revised annual caps	經修訂年度上限	32,000	32,000

DIRECTORS' REPORT

董事會報告

Nanjing Houning is owned as to 90% by Ms. Zeng Jiahui, a niece of Mr. Zeng, and Nanjing Randong is owned as to 90% by Mr. Zeng Huandong, a brother of Mr. Zeng. Thus, Nanjing Houning and Nanjing Randong are associates of Mr. Zeng Huansha and therefore connected persons of the Company.

南京厚寧由曾先生的侄女曾佳慧女士擁有90%股權，南京冉東由曾先生的兄弟曾煥東先生擁有90%權益。因此，南京厚寧及南京冉東為曾煥沙先生的聯繫人，並為本公司關連人士。

(iii) Provision of building stones, sanitary wares and bricks construction services by Nanjing Baohong Construction Co., Ltd.

The Group entered into the following framework purchase agreement to govern the terms and conditions of the transactions between the Group and Nanjing Baohong Construction Co., Ltd. ("**Nanjing Baohong**") in connection with the provision of raw materials including building stones, sanitary wares and bricks and/or the related supplementary installation services (the "**Chen Baoshan Framework Purchase Agreement**"):

(iii) 南京寶弘建材有限公司提供建築石材、衛生潔具及磚塊施工服務

本集團已訂立以下框架採購協議，以規範本集團與南京寶弘建材有限公司（「**南京寶弘**」）就向本集團提供原材料（包括建築石材、衛生潔具及磚塊）及／或相關配套安裝服務（「**陳寶山框架採購協議**」）：

Date of agreement:	25 June 2018
協議日期：	2018年6月25日
Effective period:	From the Listing Date and up to and including 31 December 2020
有效期：	自上市日期起至2020年12月31日（包括當日）
Parties:	Nanjing Baohong; and
訂約方：	南京寶弘；及
	the Company (for itself and for and on behalf of the members of the Group) 本公司（為其本身及本集團成員公司並代表本集團成員公司）
Purchase price/service fees:	The purchases of raw materials including building stones, sanitary wares and bricks and/or the related supplementary installation services from Nanjing Baohong will be subject to a selection process overseen by the evaluation committee and the final purchase prices/ service fees cannot exceed the price cap to be determined by the Company.
採購價格／服務費：	向南京寶弘採購原材料（包括建築石材、衛生潔具及磚塊）及／或相關配套安裝服務將須通過評估委員會監督的遴選程序，且最終採購價格／服務費不得超過本公司釐定的價格上限。

DIRECTORS' REPORT

董事會報告

On 22 November 2019, the Company entered into a supplemental agreement with Nanjing Baohong to revise the existing annual caps under the Chen Baoshan Framework Purchase Agreement for the year ending 31 December 2019 and the year ending 31 December 2020, respectively (the **"Supplemental Chen Baoshan Framework Purchase Agreement"**). Save for the revisions to the relevant existing annual caps, all other terms and conditions (including the pricing policy and basis) under the Chen Baoshan Framework Purchase Agreement shall remain in full force and effect.

Pursuant to the Supplemental Chen Baoshan Framework Purchase Agreement, the maximum amount to be incurred by the Group to Nanjing Baohong in relation to its provision of raw materials including building stones, sanitary wares and bricks and/or other related supplementary installation services to the Group for the year ending 31 December 2019 and the year ending 31 December 2020, respectively, are revised as follows:

於2019年11月22日，本公司與南京寶弘訂立補充協議，以修訂陳寶山框架採購協議項下分別截至2019年12月31日止年度及截至2020年12月31日止年度的現有年度上限（「**補充陳寶山框架採購協議**」）。除修訂相關現有年度上限外，陳寶山框架採購協議項下之所有其他條款及條件（包括定價政策及基準）將仍具十足效力及作用。

根據補充陳寶山框架採購協議，本集團向南京寶弘就其分別於截至2019年12月31日止年度及截至2020年12月31日止年度向本集團提供原材料（包括建築石材、衛生潔具及磚塊）及／或相關配套安裝服務須予發生的最高金額修訂如下：

		For the year ending 31 December 2019 截至2019年 12月31日 止年度 (RMB in thousands) (人民幣千元)	For the year ending 31 December 2020 截至2020年 12月31日 止年度 (RMB in thousands) (人民幣千元)
Existing annual caps	現有年度上限	0	0
Revised annual caps	經修訂年度上限	20,000	20,000

Nanjing Baohong is wholly-owned by Mr. Chen Baoshan, the nephew of Mr. Zeng Huansha. Thus, Nanjing Baohong is an associate of Mr. Zeng Huansha and therefore a connected person of the Company.

南京寶弘由曾煥沙先生的外甥陳寶山先生全資擁有。因此，南京寶弘為曾煥沙先生的聯繫人，並為本公司關連人士。

DIRECTORS' REPORT 董事會報告

Confirmation from the independent non-executive Directors

The independent non-executive Directors have reviewed the continuing connected transactions mentioned above and confirmed that the transactions have been entered into in the ordinary and usual course of the business of the Group, on normal commercial terms or better, and in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders as a whole.

Confirmation from the auditor

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

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

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

獨立非執行董事確認

獨立非執行董事已審閱上述持續關連交易，並確認該等交易乃於本集團一般日常業務中，按一般或更佳商業條款並根據規管該等交易之有關協議進行，且條款均屬公平合理，符合股東整體利益。

核數師確認

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

就持續關連交易而言，本公司核數師已確認：

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

DIRECTORS' REPORT

董事會報告

RELATED PARTY TRANSACTIONS

A summary of the related party transactions entered into by the Group during the year ended 31 December 2019 is contained in note 40 to the consolidated financial statements of the Group in this annual report. The transactions summarised in note 40 to the consolidated financial statements of the Group fall under the definition of "connected transactions" under the Listing Rules. The Company has complied with the disclosure requirements set out in Chapter 14A of the Listing Rules.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS

Other than those transactions disclosed in note 43 to the consolidated financial statements of the Group in this annual report and in the paragraphs headed "Directors' Interests in Competing Business" and "Continuing Connected Transactions" in this section, no Director or Controlling Shareholder of the Company has any material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the Group's business to which the Company, any of its subsidiaries, fellow subsidiaries or its parent companies were a party subsisted at the end of the year or at any time during the year ended 31 December 2019.

PRINCIPAL RISKS AND UNCERTAINTIES

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

- (i) The business and prospects are dependent on economic conditions in the PRC and the performance of the PRC property market, and in particular on the performance of the markets in Nanjing and various major cities in the Yangtze River Delta, and therefore any potential decline in property sales or prices or demand for properties in the PRC generally, or in the major cities in this region, could have a material adverse effect on the Group's business, financial condition and results of operations. The Group will closely monitor the sales position at all times and adopt strategies with flexibilities to cope with the risks.

關聯方交易

本集團截至2019年12月31日止年度進行的關聯方交易概要載於本年報內的本集團綜合財務報表附註40。本集團綜合財務報表附註40概述的交易屬於上市規則界定的「關連交易」。本公司已遵守上市規則第14A章所載的披露規定。

董事及控股股東於交易、安排或合約的權益

除本年報內的本集團綜合財務報表附註43及本節「董事於競爭性業務的權益」以及「持續關連交易」兩段所披露者外，概無本公司董事或本公司控股股東於對本集團業務屬重大而本公司、其任何附屬公司、同系附屬公司或其母公司為訂約方且於年末或截至2019年12月31日止年度任何時間仍然存續的交易、安排或合約中直接或間接擁有任何重大權益。

主要風險及不確定性因素

本集團面臨的主要風險及不確定性因素包括(其中包括)：

- (i) 業務及前景均依賴於中國的經濟狀況及中國房地產市場的表現，尤其是南京及長江三角洲各主要城市房地產市場的表現，因此，中國整體上或該區域主要城市的房地產銷售或價格或房地產需求的任何潛在下降，均可能對本集團的業務、財務狀況及經營業績造成重大不利影響。本集團將密切監察銷售情況，並採取靈活策略應對風險。

DIRECTORS' REPORT 董事會報告

- (ii) The Group may not be able to acquire land reserves in desirable locations that are suitable for development at commercially acceptable prices in the future, which may affect the Group's business, financial condition, results of operations and prospects. The Group will obtain adequate land reserves through various means including merger and acquisition and co-operation with other property developers.
- (ii) 本集團日後或不能在適合開發的理想地段按商業上合理的價格收購土地儲備，其或會對本集團的業務、財務狀況、經營業績及前景產生影響。本集團將透過各種方式(包括併購及與其他物業發展商合作)獲取足夠土地儲備。
- (iii) The Group may not be able to obtain adequate financing to fund the future land acquisitions and property development, and such capital resources may not be available on commercially reasonable terms or at all. The Group will obtain adequate cashflow through bank borrowings and issuance of United States Dollar-denominated bonds.
- (iii) 本集團可能無法獲得充沛的資金支持未來的土地收購及房地產開發，而且該等資金資源可能無法按商業上合理的條款獲得，甚或根本無法獲得。本集團將透過銀行借款及發行以美元計值的債券獲取足夠現金流量。
- (iv) The results of operations of the Group largely depend on a number of factors including the schedule of the property development and the timing of property sales and may therefore vary significantly from year to year. The Group will diversify the risk with national expansion of specific areas.
- (iv) 本集團經營業績很大程度上取決於多項因素，包括房地產開發的安排及物業銷售的時間，因此可能每年都出現重大波動。本集團將透過進行特定地區的國家擴充分散風險。
- (v) The business may be adversely affected if the Group fail to obtain, or experience material delays in obtaining, necessary government approvals to carry out the property development and management operations. The Group will strictly follow the applicable laws and regulations to ensure the operations are in compliance with the relevant provisions.
- (v) 倘本集團在進行物業開發及運營管理時未能取得必要的政府批文或出現重大延誤，業務或會受到不利影響。本集團將嚴格遵守適用法律法規以確保業務符合相關規定。

COMPLIANCE WITH LAWS AND REGULATIONS

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

遵守法律法規

本集團已制定合規程序，以確保遵守對本集團有重大影響的適用法律、規則及法規。於本年報日期，除年報所披露者外，本集團於所有重大方面已遵守所有適用及有關中國房地產開發及管理業務的法律及法規。本集團已就經營其業務取得所有執照、許可證及證書。

DIRECTORS' REPORT

董事會報告

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

SHARE OPTION SCHEMES

The Company approved and adopted a pre-IPO share option scheme (the "**Pre-IPO Share Option Scheme**") on June 14, 2018 and a post-IPO share option scheme (the "**Post-IPO Share Option Scheme**") on 25 June 2018. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Option Scheme will not involve the grant of options by the Company to subscribe for shares after the listing of the shares of the Company. The Post-IPO Share Option Scheme is subject to the requirements under Chapter 17 of the Listing Rules.

Pre-IPO Share Option Scheme

(1) Purpose

The purpose of the Pre-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interest in the Company and to encourage selected participants to work toward enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole. The Pre-IPO Share Option Scheme provides the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to the selected participants.

(2) Participants

The Board may determine any Directors and employees of any member of the Group and Hong Yang Group Company Limited ("Hong Yang Group Company"), which the Board considers, in its sole discretion, have contributed to the Group, to take up options to subscribe for Shares.

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

購股權計劃

本公司於2018年6月14日批准並採納首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」）及於2018年6月25日採納首次公開發售後購股權計劃（「**首次公開發售後購股權計劃**」）。由於本公司股份上市後首次公開發售前購股權計劃將不涉及本公司授出可認購股份的購股權，因此，首次公開發售前購股權計劃的條款不受《上市規則》第十七章的條文規限。首次公開發售後購股權計劃受上市規則第十七章的條文規限。

首次公開發售前購股權計劃

(1) 目的

首次公開發售前購股權計劃旨在為選定參與者提供機會購買本公司所有人權益，並激勵該等人士為本公司及其股東的整體利益作出努力，提升本公司及其股份價值。首次公開發售前購股權計劃使本公司靈活留任、激勵、獎勵選定參與者並給予酬勞、補償及／或福利。

(2) 參與者

董事會可決定邀請董事會全權酌情認為已為本集團作出貢獻的本集團及弘陽集團有限公司（「弘陽集團」）任何成員公司的任何董事及僱員接納購股權以認購股份。



DIRECTORS' REPORT

董事會報告

(3) *The maximum number of shares*

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Share Option Scheme at any time shall not exceed 112,000,000 Shares, representing 3.5% of the total issued share capital of the Company on the date the Shares commenced trading on the Stock Exchange, and 3.37% of the total issued share capital of the Company as of the date of this annual report.

(4) *Exercise of option*

Any option may be exercised in accordance with the terms of the Pre-IPO Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination under the Pre-IPO Share Option Scheme.

(5) *Subscription price for shares and consideration for the option*

The subscription price in relation to each option granted under the Pre-IPO Share Option Scheme shall be 80% of the offer price of the Shares at the global offering of the Company.

A nominal consideration of RMB1.00 is payable by a grantee upon acceptance of the grant of options.

(3) *股份數目上限*

因根據首次公開發售前購股權計劃授出但尚未行使的所有發行在外購股權獲行使而可予發行的股份數目整體限額，於任何時候不得超過112,000,000股股份（佔股份開始在聯交所買賣當日本公司已發行股本總數3.5%及截至本年報日期本公司已發行股本總數3.37%）。

(4) *行使購股權*

購股權可於董事釐定及知會各承授人的期間內，根據首次公開發售前購股權計劃的條款隨時行使，該期間可於建議授出購股權日期翌日開始，但在任何情況下須於授出購股權日期起計十年內結束，惟可根據首次公開發售前購股權計劃的條文提前終止。

(5) *股份認購價及購股權代價*

根據首次公開發售前購股權計劃授出的各購股權之認購價為本公司全球發售的股份發售價的80%。

承授人接納授出的購股權後，須支付人民幣1.00元的象徵式代價。

DIRECTORS' REPORT

董事會報告

(6) Vesting Period

The underlying Shares in respect of the options shall be vested in the grantees in accordance with the vesting schedule set out below, subject to the satisfaction of performance condition as determined by the Board at its discretion.

(6) 歸屬期

有關購股權的相關股份可根據下文所載歸屬時間表歸屬於承授人，惟須達成董事會酌情釐定的表現條件。

Vesting date	歸屬日期	Maximum percentage of underlying Shares in respect of the options which may be exercised 可能獲行使之有關購股權的相關股份的最高百分比
July 1, 2019	2019年7月1日	25%
July 1, 2020	2020年7月1日	25%
July 1, 2021	2021年7月1日	25%
July 1, 2022	2022年7月1日	25%

Notwithstanding the above, the Board may in its sole discretion amend the vesting schedule and vest any percentage of the underlying Shares in respect of the options.

儘管如此，董事會仍可全權酌情修訂歸屬時間表及歸屬有關購股權的相關股份的任何百分比。

(7) Duration

The Pre-IPO Share Option Scheme shall be valid and effective for the period commencing on June 14, 2018 and ending on June 20, 2018, after which no further options shall be offered or granted, but in all other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme. The option period shall not expire later than 10 years from the date of the grant of the option subject to the provisions of early termination under the Pre-IPO Share Options Scheme.

(7) 期限

首次公開發售前購股權計劃於2018年6月14日起至2018年6月20日止期間有效及具效力(此後不得根據首次公開發售前購股權計劃提呈或授出其他購股權)，但首次公開發售前購股權計劃的條文在所有其他方面將仍具全面效力，惟須以有效行使首次公開發售前購股權計劃屆滿前所授出的任何購股權或首次公開發售前購股權計劃規則條文規定的其他情況為限。根據首次公開發售前購股權計劃，購股權期限不得超過授出購股權日期起計10年，並受提早終止的條文規限。

DIRECTORS' REPORT

董事會報告

Details of the Pre-IPO Share Options Granted

The table below sets out the movement during the year ended 31 December 2019 of the share options granted under the Pre-IPO Share Option Scheme:

已授出的首次公開發售前購股權詳情

下表列示截至2019年12月31日止年度，根據首次公開發售前購股權計劃授出的購股權變動：

Name of Grantee 承授人姓名	Date of grant 授出日期	Number of underlying shares comprised in share options 購股權涉及之相關股份數目					Balance as at 31/12/2019 於2019年 12月31日的結餘	Exercise price per share 每股行使價 HK\$ 港元	Option period 購股權期間
		Balance as at 01/01/2019 於2019年 1月1日的結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled during the year 於年內註銷	Lapsed during the year 於年內失效			
Directors 董事									
Jiang Daqiang 蔣達強	14/06/2018 2018年6月14日	11,814,000	—	—	—	—	11,814,000	1.824	From the respective vesting date to 30 June 2024 自相應歸屬日期至2024年6月30日
Zhang Liang 張良	14/06/2018 2018年6月14日	9,845,000	—	—	—	—	9,845,000	1.824	From the respective vesting date to 30 June 2024 自相應歸屬日期至2024年6月30日
He Jie 何捷	14/06/2018 2018年6月14日	7,357,000	—	—	—	—	7,357,000	1.824	From the respective vesting date to 30 June 2024 自相應歸屬日期至2024年6月30日
Total 合計		29,016,000					29,016,000		
Other employees (in aggregate) 其他僱員 (合共)									
		82,984,000	—	—	—	—	82,984,000	—	From the respective vesting date to 30 June 2024 自相應歸屬日期至2024年6月30日
Total 總計		112,000,000	—	—	—	—	112,000,000	—	

Save as set out above, no other options had been granted or agreed to be granted by the Company under the Pre-IPO Share Option Scheme and no further options will be granted under the Pre-IPO Share Option Scheme. In order to facilitate the administration of the Pre-IPO Share Option Scheme, the Company has established a Pre-IPO Share Option Scheme trust by entering into a trust deed with Acheson Limited, as trustee of the trust.

除上文所載者外，本公司概無根據首次公開發售前購股權計劃授出或同意授出其他購股權，且不得根據首次公開發售前購股權計劃授出其他購股權。為便於首次公開發售前購股權計劃的行政管理，本公司已通過與Acheson Limited (作為信託的受託人) 訂立信託契據成立首次公開發售前購股權計劃信託。

DIRECTORS' REPORT

董事會報告

Post-IPO Share Option Scheme

(1) Purpose

The purpose of the Post-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interest in the Company and to encourage selected participants to work toward enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole. The Post-IPO Share Option Scheme provides the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to the selected participants.

(2) Participants

Any individual, being an employee, director, officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate who the Board or its delegate(s) considers, in their sole discretion, to have contributed or will contribute to the Group is entitled to be offered and grant options. However, no individual who is resident in a place where the grant, acceptance or exercise of options pursuant to the Post-IPO Share Option Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, is eligible to be offered or grant options.

(3) Maximum number of shares available for issue

The total number of Shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and any other schemes is 320,000,000, being no more than 10% of the Shares in issue on the date the Shares commence trading on the Stock Exchange (the “**Option Scheme Mandate Limit**”) and 9.6% of the total issued share capital of the Company as of the date of this annual report. Options which have lapsed in accordance with the terms of the rules of the Post-IPO Share Option Scheme (or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Option Scheme Mandate Limit.

首次公開發售後購股權計劃

(1) 目的

首次公開發售後購股權計劃旨在為選定參與者提供機會獲取本公司自有權益，並激勵選定參與者為本公司及其股東的整體利益作出努力，提升本公司及其股份價值。首次公開發售後購股權計劃將使本公司靈活留任、激勵、獎勵選定參與者並給予酬勞、補償及／或福利。

(2) 參與者

董事會或其代表全權酌情認為已或將為本集團作出貢獻之個人（即本集團任何成員公司或任何聯屬公司的僱員、董事、高級人員、專家、顧問、分銷商、承包商、客戶、供應商、代理、業務夥伴、合營業務夥伴或服務供應商）有權獲提供及獲授購股權。惟倘任何個人，其所處居住地之法律法規禁止授出、接納或行使首次公開發售後購股權計劃項下之購股權，或董事會或其代表認為，為遵守該地適用法律法規而排除有關個人屬必要或合適，則有關個人無權獲提供或獲授購股權。

(3) 可供發行的股份數目上限

因根據首次公開發售後購股權計劃及任何其他計劃將授出的全部購股權獲行使而可予發行的股份總數為320,000,000股，即不超過於股份開始在聯交所買賣之日已發行股份的10%及截至本年報日期本公司已發行股本總數的9.6%（「**購股權計劃授權上限**」）。計算購股權計劃授權上限時，不應計及根據首次公開發售後購股權計劃（或本公司任何其他購股權計劃）規則條款已失效的購股權。

DIRECTORS' REPORT

董事會報告

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and any other share option schemes of the Company at any time (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time (the “**Option Scheme Limit**”). No options may be granted under any schemes of the Company (or its subsidiaries) if this will result in the Option Scheme Limit being exceeded.

The Option Scheme Mandate Limit may be refreshed at any time by obtaining prior approval of the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time. However, the refreshed Share Option Scheme Limit cannot exceed 10% of the Shares in issue at the date of such approval. Options previously granted under the Post-IPO Share Option Scheme and any other share option schemes of the Company (and to which provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, canceled or lapsed in accordance with its terms or exercised), shall not be counted for the purpose of calculating the refreshed Option Scheme Mandate Limit.

The Company may also grant options in excess of the Option Scheme Mandate Limit, provided such grant is to specifically identified participant and is first approved by shareholders in general meeting.

(4) *The maximum entitlement of each participant*

Unless approved by the Shareholders in the manner set out in the Pre-IPO Share Option Scheme, the total number of shares issued and to be issued upon exercise of the options granted and to be granted under the Pre-IPO Share Option Scheme to each Participant (including both exercised and outstanding options) in any 12 months period shall not exceed 1% of the total number of shares in issue.

因根據首次公開發售後購股權計劃及本公司於任何時候的任何其他購股權計劃(《上市規則》第十七章之條文適用於該等計劃)已授出但尚未行使的全部發行在外購股權獲行使而可予發行的股份整體數目上限不得超過不時已發行股份的30%([購股權計劃上限])。倘授出購股權會導致超出購股權計劃上限，則不得根據本公司(或其附屬公司)之任何計劃授出購股權。

購股權計劃授權上限可隨時根據本公司股東於股東大會上的事先批准及/或《上市規則》不時規定之其他要求予以更新。惟經更新購股權計劃上限不得超過取得批准當日已發行股份的10%。計算經更新購股權計劃授權上限時，不應計及之前根據首次公開發售後購股權計劃及本公司任何其他購股權計劃(《上市規則》第十七章之條文適用於相關計劃)授出的購股權(包括尚未行使、根據購股權條款已註銷或失效或已行使的相關購股權)。

本公司亦可超逾購股權計劃授權上限授出購股權，惟有關購股權乃授予具體指定之參與者且應首先於股東大會上取得股東批准。

(4) *每名參與者可獲授權益上限*

除非股東按照首次公開發售前購股權計劃所載方式批准，否則於任何十二個月期間，因根據首次公開發售前購股權計劃向每名參與者已授出及將予授出的購股權(包括已行使及尚未行使者)獲行使而已發行及將予發行的股份總數，不得超過當時已發行股本1%。

DIRECTORS' REPORT

董事會報告

(5) *Exercise of option*

An option may, subject to the terms and conditions upon which such option is granted, be exercised in whole or in part by the grantee giving notice in writing to the Company in such form as the Board may from time to time determine stating that the option is thereby exercised and the number of Shares in respect of which it is exercised.

(6) *Subscription price for shares and consideration for the Option*

The amount payable for each share to be subscribed for under an option in the event of the option being exercised shall be determined by the Board but shall be not less than the greater of:

- (i) the closing price of a share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a share on the date of grant.

A nominal consideration of HK\$1.00 is payable by a grantee upon acceptance of the grant of options.

(7) *Duration*

The Post-IPO Share Option Scheme shall be valid and effective for the period of 10 years commencing on 12 July 2018 (after which, no further options shall be offered or granted under the Post-IPO Share Option Scheme), but in all other respects the provisions of the Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the rules of the Post-IPO Share Option Scheme.

As of 31 December 2019, no option had been granted under the Post-IPO Share Option Scheme.

(5) *行使購股權*

於不違反授出購股權之條款及條件的情況下，承授人可按董事會可能不時決定之形式向本公司寄發書面通知，其中說明藉此行使購股權及所行使的購股權所涉及的股份數目，以行使全部或部分購股權。

(6) *股份認購價及購股權代價*

於行使購股權時，認購購股權項下每股股份應付之金額由董事會釐定，但不得低於下列各項中最高者：

- (i) 股份於授出日期在聯交所發出的每日報價表所列明的收市價；
- (ii) 股份於緊接授出日期前的五個營業日在聯交所發出的每日報價表所列明的平均收市價；及
- (iii) 股份於授出日期的面值。

承授人於接納授出購股權時須支付1.00港元的象徵式代價。

(7) *期限*

首次公開發售後購股權計劃於2018年7月12日起計10年期間有效及具效力（此後不得根據首次公開發售後購股權計劃提呈或授出其他購股權），但首次公開發售後購股權計劃的條文在所有其他方面將仍具全面效力，惟須以有效行使首次公開發售後購股權計劃屆滿前所授出的任何購股權或首次公開發售後購股權計劃規則條文規定的其他情況為限。

截至2019年12月31日，概無根據首次公開發售後購股權計劃授出購股權。

DIRECTORS' REPORT

董事會報告

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

As of 31 December 2019, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO")) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required, to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

Long position in the Shares of the Company

Name of Director 董事名稱	Nature of interest 權益性質	Number of Shares 股份數目	Percentage of shareholding 股權的百分比
Mr. Zeng Huansha ⁽¹⁾ 曾煥沙先生 ⁽¹⁾	Interest in controlled corporation 受控法團權益	2,400,000,000	72.29%

Note:

(1) Redsun Properties Group (Holdings) Limited ("Redsun Properties Group (Holdings)") is wholly owned by Hong Yang Group Company, which in turn is wholly owned by Hong Yang International Limited ("Hong Yang International"), which in turn is owned as to 50% and 50% by Hong Yang Group (Holdings) Limited ("Hong Yang Group (Holdings)") (a company wholly owned by Mr. Zeng Huansha) and Mr. Zeng Huansha, respectively. Accordingly, each of Hong Yang Group Company, Hong Yang International, Hong Yang Group (Holdings) and Mr. Zeng Huansha is deemed to be interested in the Shares held by Redsun Properties Group (Holdings) by virtue of the SFO.

董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債權證中的權益及淡倉

截至2019年12月31日，董事及本公司最高行政人員於本公司或其相聯法團(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)的股份、相關股份及債權證中，擁有須於本公司根據《證券及期貨條例》第352條存置的登記冊中登記或根據標準守則須通知本公司及聯交所的權益及淡倉如下：

於本公司股份之好倉

附註：

(1) 弘陽地產集團(控股)有限公司(「弘陽地產集團(控股)」)由弘陽集團全資擁有，而弘陽集團由弘陽國際有限公司(「弘陽國際」)全資擁有。弘陽國際由弘陽集團(控股)有限公司(「弘陽集團(控股)」)(曾煥沙先生全資擁有的公司)及曾煥沙先生分別擁有50%及50%。因此，根據《證券及期貨條例》，弘陽集團、弘陽國際、弘陽集團(控股)及曾煥沙先生均被視為於弘陽地產集團(控股)持有的股份中擁有權益。

DIRECTORS' REPORT

董事會報告

Long positions in underlying Shares

相關股份之好倉

Name of Director	Nature of interest	Number of underlying Shares subject to the Pre-IPO Share Options 首次公開發售前購股權所涉相關股份數目	Approximate percentage of shareholding ⁽¹⁾ 股權概約百分比 ⁽¹⁾
董事名稱	權益性質		
Jiang Daqiang 蔣達強	Beneficial owner 實益擁有人	11,814,000	0.37%
Zhang Liang 張良	Beneficial owner 實益擁有人	9,845,000	0.31%
He Jie 何捷	Beneficial owner 實益擁有人	7,357,000	0.23%

Long positions in the shares of associated corporations

相聯法團股份之好倉

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding ⁽¹⁾ 股權概約百分比 ⁽¹⁾
董事姓名	權益性質	相聯法團名稱	
Mr. Zeng Huansha 曾煥沙先生	Interest in controlled corporation 受控法團權益	Redsun Properties Group (Holdings) 弘陽地產集團(控股)	100%
	Interest in controlled corporation 受控法團權益	Hong Yang Group Company 弘陽集團	100%
	Interest in controlled corporation 受控法團權益	Hong Yang International 弘陽國際	100%
	Interest in controlled corporation 受控法團權益	Hong Seng Limited ⁽¹⁾ 弘昇有限公司 ⁽¹⁾	100%

DIRECTORS' REPORT
董事會報告

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding⁽¹⁾
董事姓名	權益性質	相聯法團名稱	股權 概約百分比⁽¹⁾
	Interest in controlled corporation 受控法團權益	Huaibei Hong Yang Furniture Management Co., Ltd. ⁽¹⁾ 淮北弘陽家居管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Jiangsu Hong Yang Furniture Co., Ltd. ⁽¹⁾ 江蘇弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Life Real Estate Consulting Co., Ltd. ⁽¹⁾ 南京弘生活置業顧問有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Yantai Hong Yang Furniture Co., Ltd. ⁽¹⁾ 煙台市弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Qingdao Hong Yang Furniture Co., Ltd. ⁽¹⁾ 青島弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Jiangsu Red Sun Industrial Raw Materials City Co., Ltd. ⁽¹⁾ 江蘇紅太陽工業原料城有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Chuzhou Hong Yang Furniture Co., Ltd. ⁽¹⁾ 滁州弘陽環滁家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Yang Furniture Co., Ltd. ⁽¹⁾ 南京弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Hong Life Property Management Co., Ltd. ⁽¹⁾ 弘生活物業服務管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Life Investment Management Co., Ltd. ⁽¹⁾ 南京弘生活投資管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Life Info Tech Ltd. ⁽¹⁾ 南京弘生活信息科技有限公司 ⁽¹⁾	100%

DIRECTORS' REPORT

董事會報告

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding ⁽¹⁾
董事姓名	權益性質	相聯法團名稱	股權 概約百分比 ⁽¹⁾
	Interest in controlled corporation 受控法團權益	Nanjing Hong Life Pension Service Corporation Co., Ltd. ⁽¹⁾ 南京弘生活養老服務有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Bengbu Hong Yang Commercial Management Co., Ltd. ⁽¹⁾ 蚌埠弘陽商業管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Wuhu Hong Yang Furniture Co., Ltd. ⁽¹⁾ 蕪湖弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Tianjin Hong Yang Furniture Co., Ltd. ⁽¹⁾ 天津弘陽家居有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Shanghai Hong Yang Info Tech Development Co., Ltd. ⁽¹⁾ 上海弘陽信息科技發展有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Zhi Cheng Info Tech Co., Ltd. ⁽¹⁾ 南京智誠信息科技有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Hong Yang Commercial Factoring (Shenzhen) Co., Ltd. ⁽¹⁾ 弘陽商業保理(深圳)有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Nan Hui Enterprise Management and Consulting Co., Ltd. ⁽¹⁾ 南京南慧企業管理諮詢有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Bang Enterprise Management and Consulting Co., Ltd. ⁽¹⁾ 南京宏邦企業管理諮詢有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Jiangsu Feng He Construction Management Co., Ltd. ⁽¹⁾ 江蘇豐和建設管理有限公司 ⁽¹⁾	100%

DIRECTORS' REPORT
董事會報告

Name of Director	Nature of interest	Name of associated corporation	Approximate percentage of shareholding⁽¹⁾
董事姓名	權益性質	相聯法團名稱	股權 概約百分比⁽¹⁾
	Interest in controlled corporation 受控法團權益	Nanjing Hong Cheng Property Management Co., Ltd. ⁽¹⁾ 南京弘誠物業管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Zhejiang Hong Han Marketing Services Co., Ltd. ⁽¹⁾ 浙江弘瀚營銷服務有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Jiangsu Hong Yang Small Town Operation and Development Co., Ltd. ⁽¹⁾ 江蘇弘陽小鎮運營發展有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Yang E-Commerce Co., Ltd. ⁽¹⁾ 南京弘陽電子商務有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Yang Enterprise Management Co., Ltd. ⁽¹⁾ 南京弘陽企業管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Yang Life Commercial Management Co., Ltd. ⁽¹⁾ 南京弘陽全生活商業管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Nanjing Hong Yang Property Management Co., Ltd. ⁽¹⁾ 南京弘陽物業管理有限公司 ⁽¹⁾	100%
	Interest in controlled corporation 受控法團權益	Wuxi Hong Yang Commercial Management Co., Ltd. ⁽¹⁾ 無錫弘陽商業管理有限公司 ⁽¹⁾	100%

DIRECTORS' REPORT

董事會報告

Note:

(1) These companies are subsidiaries of Hong Yang Group Company.

附註：

(1) 該等公司為弘陽集團的附屬公司。

Interest in debentures of the Company

於本公司債權證的權益

Name of Director	Currency of debentures	Amount of debentures bought	Amount of debentures in same class in issue
董事姓名	債權證貨幣	所購入債權證數量	已發行同類債權證數量
Jiang Daqiang 蔣達強	US\$ 美元	1,000,000	250,000,000

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

除上文披露者外，截至2019年12月31日，概無董事及本公司最高行政人員於本公司或其相聯法團的股份、相關股份及債權證中，擁有須於本公司根據《證券及期貨條例》第352條存置的登記冊中登記或根據標準守則須通知本公司及聯交所的任何權益及淡倉。

DIRECTORS' REPORT

董事會報告

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

Long positions in the Shares of the Company

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

主要股東於本公司股份及相關股份的權益及淡倉

於本公司股份之好倉

就本公司所知，截至2019年12月31日，誠如本公司根據《證券及期貨條例》第336條規定須存置的登記冊所記錄，除董事或本公司最高行政人員外，下列人士於股份或相關股份中擁有5%或以上權益：

Name of Substantial Shareholder 主要股東名稱	Nature of Interest 權益性質	Number of shares 股份數目	Approximate percentage 概約百分比
Redsun Properties Group (Holdings) ⁽¹⁾ 弘陽地產集團(控股) ⁽¹⁾	Beneficial owner 實益擁有人	2,400,000,000	72.29%
Hong Yang Group Company ⁽¹⁾ 弘陽集團 ⁽¹⁾	Interest in controlled corporation 受控法團權益	2,400,000,000	72.29%
Hong Yang International ⁽¹⁾ 弘陽國際 ⁽¹⁾	Interest in controlled corporation 受控法團權益	2,400,000,000	72.29%
Hong Yang Group (Holdings) ⁽¹⁾ 弘陽集團(控股) ⁽¹⁾	Interest in controlled corporation 受控法團權益	2,400,000,000	72.29%
Ms. Chen Sihong ⁽²⁾ 陳思紅女士 ⁽²⁾	Interest of spouse 配偶權益	2,400,000,000	72.29%

DIRECTORS' REPORT

董事會報告

Notes:

- (1) Redsun Properties Group (Holdings) is wholly owned by Hong Yang Group Company, which in turn is wholly owned by Hong Yang International, which in turn is owned as to 50% and 50% by Hong Yang Group (holdings) (a company wholly owned by Mr. Zeng Huansha) and Mr. Zeng Huansha, respectively. Accordingly, each of Hong Yang Group Company, Hong Yang International, Hong Yang Group (Holdings) and Mr. Zeng Huansha is deemed to be interested in the Shares held by Redsun Properties Group (Holdings) by virtue of the SFO.
- (2) Ms. Chen Sihong is the spouse of Mr. Zeng Huansha and is therefore deemed to be interested in the Shares in which Mr. Zeng Huansha is interested by virtue of the SFO.

Save as disclosed above, as at 31 December 2019, the Company had not been notified of any persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.

MANAGEMENT CONTRACTS

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

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

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

附註：

- (1) 弘陽地產集團(控股)由弘陽集團全資擁有，而弘陽集團由弘陽國際全資擁有。弘陽國際由弘陽集團(控股)(曾煥沙先生全資擁有的公司)及曾煥沙先生分別擁有50%及50%。因此，根據《證券及期貨條例》，弘陽集團、弘陽國際、弘陽集團(控股)及曾煥沙先生被視為於弘陽地產集團(控股)持有的股份中擁有權益。
- (2) 陳思紅女士乃曾煥沙先生的配偶，因此根據《證券及期貨條例》，被視為於曾煥沙先生擁有權益的股份中擁有權益。

除上文所披露者外，截至2019年12月31日，本公司並無獲知會任何人士(董事或本公司最高行政人員除外)於股份或相關股份中擁有須於根據《證券及期貨條例》第336條存置的登記冊中登記的權益或淡倉。

管理合約

截至2019年12月31日止年度，概無就本公司整體或任何重大部分業務的管理及行政方面訂立任何合約，亦不存續有關合約。

購買股份或債權證的安排

截至2019年12月31日止年度，任何董事或彼等各自的配偶或未滿18歲子女概無獲授任何權利可透過購入本公司股份或債權證而獲取利益，彼等亦無行使任何該等權利。此外，本公司、其控股公司或其任何附屬公司或同系附屬公司亦無訂立任何安排，致使董事可取得任何其他法人團體的該等權利。

DIRECTORS' REPORT 董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTING SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

PRE-EMPTIVE RIGHTS

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

CORPORATE GOVERNANCE

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

EMPLOYEE AND REMUNERATION POLICY

As of 31 December 2019, the Group had 3,802 employees in total, in which 3,066 employees were engaged in the real estate development business, 586 employees were engaged in the commercial property operation business, and 150 employees were engaged in the hotel management business.

The emolument of the employees of the Group is mainly determined based on the prevailing market level of remuneration and the individual performance and work experience of the employees. Bonuses are also distributed based on the performance of the employees. The Group provides employees with career development opportunities and considers if their remuneration should be raised or if they should be promoted with reference to their individual performance and potential. Other benefits provided by the Group include medical benefits and specialized training schemes.

購買、出售或贖回本公司之上市證券

截至2019年12月31日止年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

優先購買權

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

企業管治

本公司採納的主要企業管治常規載於本年報「企業管治報告」一節。

僱員及薪酬政策

截至2019年12月31日，本集團共有3,802名僱員，其中3,066名僱員從事房地產開發業務，586名僱員從事商業物業運營業務，150名僱員從事酒店管理業務。

本集團僱員之薪酬主要根據市場現行薪酬水平、僱員個人業績表現及工作經驗而決定，獎金亦按僱員業績表現進行發放。本集團為僱員提供職業發展機會，參照僱員個人業績表現及潛力確定是否增加其薪酬或提拔升職。本集團其他福利包括醫療福利及專項培訓計劃。

DIRECTORS' REPORT

董事會報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental Protection

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

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

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

Social Responsibility

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

環境、社會及管治

環境保護

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

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

於2019年12月31日，本集團在物業竣工時為通過相關環保當局所進行的檢驗未出現任何重大問題。於截至2019年12月31日止年度及直至本年報日期止，本集團並無因違反中國環境法律及法規而被處以重大罰款或遭受處罰。於本年報日期，本集團已就本集團的開發中項目取得一切有關環境影響報告的所需批准（如適用）。

社會責任

本集團已根據適用中國法律及法規與僱員訂立僱傭合同。

DIRECTORS' REPORT 董事會報告

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

Health and Work Safety

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

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

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

INDEMNITY AND INSURANCE PROVISIONS

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

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

健康及工作安全

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

本集團的主席辦公室負責記錄及處理工程事故以及保存健康及工作安全合規記錄。

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

彌償及保險規定

本公司組織章程細則規定本公司其時的董事、董事總經理、替任董事、核數師、秘書及其他高級人員及其時就本公司任何事務行事的受託人(如有)，以及他們各自的遺囑執行人或遺產管理人，就他們或他們當中任何人、他們或他們的任何遺囑執行人或遺產管理人因執行其各自職務或信託事宜中的職責或假定職責時應會或可能招致或因任何作為、同意或遺漏而蒙受的一切訴訟、成本、收費、損失、損害及開支，應獲得以本公司資產作出的彌償及保障他們免受傷害。本公司已就董事可能面對的法律行動安排適當的董事及主要職員責任保險。

DIRECTORS' REPORT

董事會報告

SENIOR NOTES

In March 2019, the Company issued the US\$300 million senior notes bearing a coupon interest rate of 11.5% due 2021.

In April 2019, the Company issued the US\$300 million senior notes bearing a coupon interest rate of 9.95% due 2022 (the “**9.95% Original Notes**”).

In July 2019, the Company issued the US\$250 million senior notes bearing a coupon interest rate of 10.5% due 2022.

In October 2019, the Company issued the US\$100 million senior notes bearing a coupon interest rate of 13% due 2021.

In November 2019, the Company issued the US\$150 million senior notes bearing a coupon interest rate of 9.95% due 2022, which would be consolidated and form a single class with the 9.95% Original Notes.

In December 2019, the Company repurchased an aggregate principal amount of US\$108.8 million of the US\$380 million senior notes bearing a coupon interest rate of 13.5% due 2020 (the “**13.5% Notes**”) at 101.56% of the principal amount of the 13.5% Notes plus accrued and unpaid interest.

The issuance of the abovementioned senior notes was for the purpose of refinancing existing indebtedness and for general corporate purposes. For details of the senior notes of the Company, please refer to note 28 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

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

優先票據

於2019年3月，本公司發行票面利率為11.5%於2021年到期的300百萬美元優先票據。

於2019年4月，本公司發行票面利率為9.95%於2022年到期的300百萬美元優先票據（「**9.95%原票據**」）。

於2019年7月，本公司發行票面利率為10.5%於2022年到期的250百萬美元優先票據。

於2019年10月，本公司發行票面利率為13%於2021年到期的100百萬美元優先票據。

於2019年11月，本公司發行票面利率為9.95%於2022年到期的150百萬美元優先票據，其將與9.95%原票據合併及構成單一類別。

於2019年12月，本公司按本金總額108.8百萬美元購回票面利率為13.5%於2020年到期的380百萬美元優先票據（「**13.5%票據**」），代價為13.5%票據本金總額的101.56%另加應計及未付利息。

發行上述優先票據的目的是為現有債務再融資及作一般企業用途。有關本公司優先票據的詳情，請參閱綜合財務報表附註28。

股票掛鈎協議

除本年報所載首次公開發售前購股權計劃及首次公開發售後購股權計劃外，截至2019年12月31日止年度，本集團並無訂立股票掛鈎協議或有關協議仍然生效。

DIRECTORS' REPORT 董事會報告

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There has been an outbreak of the novel coronavirus that was first reported from Wuhan, China in December 2019. To prevent or control the epidemic, the Chinese government has adopted a series of measures nationwide, including among others, restrictions on enterprises from resuming work, traffic control and travel bans.

As of the date of this report, the assessment is still in progress, the Group will continue to closely monitor the development of the novel coronavirus, assess and actively respond to its impact on the financial condition, operating results and other aspects of the Group.

On 14 January 2020, the Company issued the 9.70% senior notes in the aggregate principal amount of US\$300 million which will mature on 16 March 2023. For further details, please refer to the Company's announcement dated 14 January 2020.

Except as disclosed above, the Group had no material events after the reporting period.

SUFFICIENCY OF PUBLIC FLOAT

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

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

報告期後的後續事件

新型冠狀病毒疫情自2019年12月由中國武漢呈報的首宗個案起爆發。為預防及控制疫情，中國政府已於全國各地採取一系列措施，其中包括限制企業復工、交通管制及旅遊禁令。

於本報告日期，評估仍在進行中，本集團將繼續密切監察新型冠狀病毒疫情的進度，評估並積極應對其對本集團財務狀況、經營業績及其他方面的影響。

於2020年1月14日，本公司發行9.70%優先票據，本金總額為300百萬美元，將於2023年3月16日到期。詳情請參閱本公司日期為2020年1月14日的公告。

除上文所披露者外，本集團於報告期後並無重大事項。

足夠公眾持股量

上市規則第8.08條規定尋求上市的證券必須有公開市場且發行人的上市證券須維持足夠公眾持股量。該規定通常表示在任何時間發行人的已發行股本總數最少25%必須由公眾持有。

基於本公司所獲公開資料及就董事所知，於刊發本年報前的最後實際可行日期，本公司已維持上市規則規定的足夠公眾持股量。

DIRECTORS' REPORT

董事會報告

CHARITABLE DONATIONS

During the year ended 31 December 2019, the Group made charitable and other donations in a total amount of RMB8.95 million.

AUDITOR

The consolidated financial statements for the year ended 31 December 2019 have been audited by Ernst & Young. A resolution for the re-appointment of Ernst & Young as the Company's auditor is to be proposed at the AGM.

PROFESSIONAL TAX ADVICE RECOMMENDED

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

For and on behalf of the Board
Redsun Properties Group Limited
Zeng Huansha
Chairman

Hong Kong, 25 March 2020

慈善捐款

截至2019年12月31日止年度，本集團作出慈善及其他捐款共計人民幣8.95百萬元。

核數師

安永會計師事務所已審核截至2019年12月31日止年度的綜合財務報表。有關續聘安永會計師事務所為本公司核數師的決議案將於股東週年大會上獲提呈。

建議諮詢專業稅務意見

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

代表董事會
弘陽地產集團有限公司
曾煥沙
主席

香港，2020年3月25日



CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders and enhance the corporate value as well as the responsibility commitments. The Company has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) as its own code of corporate governance.

To the best knowledge of the Directors, the Company has complied with all applicable code provisions set out in the CG Code during the year ended 31 December 2019 and up to the date of this annual report (the “Relevant Period”). The directors of the Company (the “Directors”) will use their best endeavors to procure the Company to continue to comply with the CG Code.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Each Director is provided with the necessary induction and information to ensure that he has a proper understanding of the Company’s operations and businesses as well as his responsibilities under relevant statutes, by-laws, laws, rules and regulations. The Company will continue to arrange regular seminars to provide the Directors with updates on the latest developments and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company’s performance, position and prospects to enable the Board as a whole and each Director to discharge his duty.

企業管治

本集團致力於實現高標準企業管治，以保障股東權益及提高企業價值與責任承擔。本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）作為其本身的企業管治守則。

據董事所深知，於截至2019年12月31日止年度及直至本年報日期止期間（「相關期間」），本公司已遵守企業管治守則所載的所有適用守則條文。本公司董事（「董事」）將盡最大努力促使本公司繼續遵守企業管治守則。

入職培訓及持續專業發展

各董事將獲提供所需入職培訓及資料，確保彼對本公司營運及業務以及彼根據相關法規、細則、法律、規則及法例承擔的責任有充分了解。本公司將繼續定期安排講座，以不時向董事提供上市規則及其他相關法律及法規的最新發展及不時變動。董事亦不時獲提供本公司表現、地位及前景的最新情況，以讓董事會整體及各董事履行彼等的職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2019, the Company provided training materials to the Directors and the management of the Company regarding the Listing Rules and other applicable regulatory requirements.

於截至2019年12月31日止年度，本公司向董事及本公司管理層提供有關上市規則及其他適用監管規定的培訓資料。

Name of Director	董事名稱	Types of Continuous Professional Development Training 持續專業發展培訓類型
		Reading materials 閱讀材料
Executive Directors		
Mr. Zeng Huansha	曾煥沙先生	✓
Mr. He Jie	何捷先生	✓
Mr. Lui Wai Pang ⁽¹⁾	雷偉彬先生 ⁽¹⁾	✓
Non-Executive Directors		
Mr. Jiang Daqiang	蔣達強先生	✓
Mr. Zhang Liang	張良先生	✓
Mr. Zhang Hongwu ⁽²⁾	張宏武先生 ⁽²⁾	✓
Independent Non-Executive Directors		
Mr. Lee Kwok Tung Louis	李國棟先生	✓
Mr. Leung Yau Wan John	梁又穩先生	✓
Mr. Au Yeung Po Fung	歐陽寶豐先生	✓

Notes:

附註：

- (1) Mr. Lui Wai Pang has been appointed as an executive Director with effect from 5 July 2019.
- (2) Mr. Zhang Hongwu has retired as a non-executive Director with effect from the conclusion of the annual general meeting of the Company held on 21 June 2019.

- (1) 雷偉彬先生自2019年7月5日起獲委任為執行董事。

- (2) 張宏武先生自本公司於2019年6月21日舉行的股東週年大會結束時起退任非執行董事職務。

CORPORATE GOVERNANCE REPORT 企業管治報告

THE BOARD

1. Responsibilities

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

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

2. Board Composition

Executive Directors

Mr. Zeng Huansha (*Chairman*)
Mr. He Jie (*Chief Executive Officer*)
Mr. Lui Wai Pang⁽¹⁾ (*Vice President*)

Non-Executive Directors

Mr. Jiang Daqiang
Mr. Zhang Liang
Mr. Zhang Hongwu⁽²⁾

Independent Non-Executive Directors

Mr. Lee Kwok Tung Louis
Mr. Leung Yau Wan John
Mr. Au Yeung Po Fung

Notes:

(1) Mr. Lui Wai Pang had been appointed as an executive Director and a vice president with effect from 5 July 2019.

董事會

1. 職責

董事會負責領導及控制本公司，並監管及審批有關本公司財務表現、策略發展目標及業務的重大決定。董事會向管理層授出根據董事會的指示負責本公司的日常經營及業務管理的權力及責任。董事會已成立三個委員會，即董事會轄下審核委員會、薪酬委員會及提名委員會（統稱為「董事委員會」），並向董事委員會委派多項職責。所有董事委員會均根據其各自的職權範圍履行不同的責任。

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

2. 董事會組成

執行董事

曾煥沙先生 (*主席*)
何捷先生 (*行政總裁*)
雷偉彬先生⁽¹⁾ (*副總裁*)

非執行董事

蔣達強先生
張良先生
張宏武先生⁽²⁾

獨立非執行董事

李國棟先生
梁又穩先生
歐陽寶豐先生

附註：

(1) 雷偉彬先生自2019年7月5日起獲委任為執行董事兼副總裁。

CORPORATE GOVERNANCE REPORT

企業管治報告

- (2) Mr. Zhang Hongwu had retired as a non-executive Director with effect from the conclusion of the annual general meeting of the Company held on 21 June 2019.

There is no material financial, business, family or other relationship between any members of the Board. The biographies of the Directors are set out under the section headed "Directors and Senior Management" in this annual report. All the Directors, including the independent non-executive Directors, bring a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are invited to serve on the audit committee, remuneration committee and nomination committee of the Company.

During the Relevant Period, the Board at all times met the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules by the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

During the Relevant Period, the Company also complied with Rule 3.10A of the Listing Rules, which relates to the appointment of independent non-executive Directors representing at least one-third of the Board. The Company has received a confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all the independent non-executive Directors are considered to be independent pursuant to the Listing Rules.

Each of the non-executive Directors and independent non-executive Directors has entered into an appointment letter with the Company for a term of three years.

- (2) 張宏武先生自本公司於2019年6月21日舉行的股東週年大會結束時起退任非執行董事職務。

董事會任何成員之間概無重大財務、業務、家庭或其他關係。董事履歷載於本年報「董事及高級管理層」一節。全體董事（包括獨立非執行董事）為董事會帶來廣泛而寶貴的業務經驗、知識及專業技巧，以使董事會發揮高效及有效職能。獨立非執行董事受邀於本公司審核委員會、薪酬委員會及提名委員會任職。

於相關期間，董事會通過委任至少三名獨立非執行董事且其中至少一名獨立非執行董事（具備適當專業資格或會計或相關財務管理專長），始終符合上市規則第3.10(1)條及第3.10(2)條項下的規定。

於相關期間，本公司亦已遵守上市規則第3.10A條有關委任至少相當於董事會成員人數三分之一的獨立非執行董事的規定。本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定就其獨立性發出的確認書。董事會已根據上市規則評估彼等的獨立性並確認所有獨立非執行董事被視作獨立。

各非執行董事及獨立非執行董事已與本公司訂立為期三年的委任函。



CORPORATE GOVERNANCE REPORT 企業管治報告

3. Chairman and Chief Executive Officer

The roles of the chairman and the chief executive officer of the Company have been separated as required by Code Provision A.2.1 of the CG Code. For the year ended 31 December 2019, Mr. Zeng Huansha served as the Chairman of Company and Mr. He Jie served as the chief executive officer of the Company (the “**Chief Executive Officer**”).

4. Board Meetings

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

The Company has adopted the practice of holding Board meetings regularly. Notice of not less than 14 days is given of all regular Board meetings to provide all Directors with the opportunity to attend and include matters in the agenda. For other committee meetings, 7 days’ notice is given. The agenda and accompanying board papers are despatched to the Directors or committee members at least three days before meetings to ensure that they have sufficient time to review these documents and be adequately prepared. When the Directors or committee members are unable to attend a meeting, they are advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting.

Minutes of the Board meetings and committee meetings are recorded in detail and include the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and committee meeting are sent to the Directors within a reasonable time after the date on which the meeting is held so that they have an opportunity to request amendments.

3. 主席兼行政總裁

本公司主席與行政總裁的角色已根據企業管治守則的守則條文第A.2.1條規定予以區分。截至2019年12月31日止年度，曾煥沙先生為本公司的主席，而何捷先生為本公司的行政總裁（「**行政總裁**」）。

4. 董事會會議

企業管治守則的守則條文第A.1.1條規定，每年至少召開四次定期董事會會議，大約每季一次，且大多數董事須積極參與會議（無論親身或通過電子通訊方式）。

本公司已採納定期召開董事會會議的慣例。本公司就所有定期舉行的董事會會議發出不少於14天的通知，以給予全體董事出席定期會議及將相關事項納入議程的機會。就其他委員會會議而言，將會發出7天通知。議程及隨附的董事會文件會於舉行會議前最少3天寄發予董事或委員會成員，以確保彼等有充足時間審閱該等文件並作充分準備。當董事或委員會成員未能出席會議，彼等將獲知會有關將予討論的事宜，並有機會在舉行會議前向主席發表意見。

董事會會議及委員會會議的會議記錄會詳盡記錄及包括董事會及委員會所考慮的事宜及所達致的決定，包括董事提出的任何問題。各董事會會議及委員會會議的會議記錄草擬本會於會議舉行日期後的合理時間內發送至董事，使彼等有機會要求作出修訂。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company convened an annual general meeting and 19 Board meetings during the year ended 31 December 2019 and up to the date of this annual report. The table below sets forth the details of the attendance at these Board meetings:

於截至2019年12月31日止年度及直至本年報日期止，本公司召開一次股東週年大會及19次董事會會議。下表載列該等董事會會議的出席詳情：

Name of Director 董事名稱		Number of meetings attended/held during the Director's term of office 董事於任期內出席／舉行會議次數	
		Board meetings 董事會會議	Annual general meeting 股東週年大會
Executive Directors 執行董事			
Mr. Zeng Huansha	曾煥沙先生	19/19	1/1
Mr. He Jie	何捷先生	19/19	1/1
Mr. Lui Wai Pang ⁽¹⁾	雷偉彬先生 ⁽¹⁾	10/10	N/A 不適用
Non-Executive Directors 非執行董事			
Mr. Jiang Daqiang	蔣達強先生	19/19	1/1
Mr. Zhang Liang	張良先生	19/19	1/1
Mr. Zhang Hongwu ⁽²⁾	張宏武先生 ⁽²⁾	7/7	1/1
Independent Non-Executive Directors 獨立非執行董事			
Mr. Lee Kwok Tung Louis	李國棟先生	19/19	1/1
Mr. Leung Yau Wan John	梁又穩先生	19/19	1/1
Mr. Au Yeung Po Fung	歐陽寶豐先生	19/19	1/1

Notes:

- (1) Mr. Lui Wai Pang has been appointed as an executive Director and a vice president with effect from 5 July 2019.
- (2) Mr. Zhang Hongwu has retired as a non-executive Director with effect from the conclusion of the annual general meeting of the Company held on 21 June 2019.

附註：

- (1) 雷偉彬先生自2019年7月5日起獲委任為執行董事兼副總裁。
- (2) 張宏武先生自本公司於2019年6月21日舉行的股東週年大會結束時起退任非執行董事職務。

CORPORATE GOVERNANCE REPORT 企業管治報告

BOARD COMMITTEES

The Company has established an audit committee, a remuneration committee and a nomination committee. Each of these committees has specific written terms of reference which deal clearly with their authority and duties. The chairmen of these committees will report their findings and recommendations to the Board after each meeting.

1. Audit Committee

Our Board has established an audit committee in compliance with Rules 3.21 and 3.22 of the Listing Rules and Code C.3 of the CG Code, and has adopted written terms of reference. The primary duties of our audit committee are to review and monitor the Group's financial reporting process, risk management and internal control system, to oversee the audit process, to provide advice and comments to our Board, and to perform other duties and responsibilities as may be assigned by the Board. Our audit committee currently consists of one non-executive Director, being Mr. Jiang Daqiang, and three independent non-executive Directors, being Mr. Leung Yau Wan John, Mr. Lee Kwok Tung Louis and Mr. Au Yeung Po Fung. Our audit committee is currently chaired by Mr. Leung Yau Wan John, who possesses suitable professional qualifications.

董事委員會

本公司已成立審核委員會、薪酬委員會及提名委員會。各委員會設有特定書面職權範圍，清晰列明其職權及職責。該等委員會的主席於會議後將向董事會報告其發現及推薦建議。

1. 審核委員會

董事會已根據上市規則第3.21條及第3.22條及企業管治守則守則第C.3條設立審核委員會，並已採納書面職權範圍。審核委員會的主要職責為檢討及檢察本集團的財務匯報程序、風險管理及內部監控系統、監督審核過程、向董事會提供建議及意見，並履行董事會可能委派的其他職責及責任。審核委員會目前由一名非執行董事（即蔣達強先生），及三名獨立非執行董事（即梁又穩先生、李國棟先生及歐陽寶豐先生）組成。審核委員會現時由梁又穩先生出任主席，其擁有適當專業資格。

CORPORATE GOVERNANCE REPORT

企業管治報告

Our audit committee convened 2 meetings during the Relevant Period. The table below sets forth the details of the attendance at these meetings:

於相關期間，審核委員會召開2次會議。下表載列該等會議的出席詳情：

Name of committee member	委員會成員名稱	Number of meetings attended/held during the Director's term of office 董事於任期內 出席／舉行會議次數
Mr. Leung Yau Wan John (<i>Chairman</i>)	梁又穩先生 (<i>主席</i>)	2/2
Mr. Zhang Hongwu ⁽¹⁾	張宏武先生 ⁽¹⁾	1/1
Mr. Jiang Daqiang	蔣達強先生	2/2
Mr. Lee Kwok Tung Louis	李國棟先生	2/2
Mr. Au Yeung Po Fung	歐陽寶豐先生	2/2

Note:

- (1) Mr. Zhang Hongwu has retired as a non-executive Director and ceased to be a member of the audit committee with effect from the conclusion of the annual general meeting of the Company held on 21 June 2019.

附註：

- (1) 張宏武先生自本公司於2019年6月21日舉行的股東週年大會結束時起退任非執行董事職務，且不再為審核委員會成員。

Our audit committee has reviewed the Company's audited consolidated financial statements for the year ended 31 December 2019 and confirmed that it has complied all applicable accounting principles, standards and requirements, and made sufficient disclosures. The audit committee has also discussed the matters of audit and financial reporting. Our audit committee has also reviewed the significant issues on the financial reporting and compliance procedures, internal control and risk management systems and connected transactions, and have discussed with the auditor of the Company about the tasks they performed.

審核委員會已審閱本公司截至2019年12月31日止年度的經審核綜合財務報表，並確認其已遵守所有適用會計原則、準則及規定，並已作出充分披露。審核委員會亦已就審核及財務匯報事宜進行討論。審核委員會亦已審閱有關財務匯報、合規程序、內部監控、風險管理系統及關連交易的重大議題，並與本公司核數師討論其進行的工作。

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

審核委員會已審閱截至2019年12月31日止年度核數師的薪酬，並建議董事會重新委任安永會計師事務所為本公司截至2020年12月31日止年度的核數師，惟須待股東於股東週年大會上批准後，方可作實。

CORPORATE GOVERNANCE REPORT 企業管治報告

The work performed by our audit committee during the Relevant Period included, among others, the following:

- reviewed the audited consolidated financial statements of the Company for the financial year ended 31 December 2018;
- reviewed the unaudited consolidated financial statements of the Company for the six months ended 30 June 2019;
- reviewed the cash flow projections and monitored the Company's overall financial condition;
- made recommendations to the Board on the re-appointment of auditor for the year 2019;
- reviewed the appropriateness and effectiveness of the risk management and internal control systems of the Company and made recommendations to the Board on the improvement of the risk management and internal control systems of the Company;
- reviewed the appropriateness and effectiveness of the internal audit function of the Company and made recommendations to the Board on the improvement of the internal audit function of the Company; and
- reviewed the arrangements which employees can raise concerns on possible improprieties in financial reporting, internal control or other matters, and the investigation of these matters for appropriate follow-up actions.

審核委員會於相關期間進行的工作包括(其中包括)以下各項：

- 審閱本公司截至2018年12月31日止財政年度的經審核綜合財務報表；
- 審閱本公司截至2019年6月30日止六個月的未經審核綜合財務報表；
- 審閱現金流量預測及監控本公司的整體財務狀況；
- 就於2019年重新委任核數師向董事會提供推薦建議；
- 審閱本公司風險管理及內部監控系統的適當性及有效性，並就改進本公司風險管理及內部監控系統向董事會提供推薦建議；
- 審閱本公司內部審核職能的適當性及有效性，並就改善本公司的內部審核職能向董事會提供推薦建議；及
- 檢討僱員就財務匯報、內部監控或其他事宜的潛在不當行為提出疑問的安排，並調查該等事宜及作出適當的跟進行動。

CORPORATE GOVERNANCE REPORT

企業管治報告

2. Remuneration Committee

Our Board has established a remuneration committee in compliance with Rules 3.25 and 3.26 of the Listing Rules and Code B.1.1 to B.1.5 of the CG Code, and has adopted written terms of reference. The primary duties of our remuneration committee are to establish, review and make recommendations to the Directors on our policy and structure concerning remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration, determine the terms of the specific remuneration package of each executive Director and senior management and review and approve performance-based remuneration by reference to corporate goals and objectives. Our remuneration committee currently consists of one executive Director, being Mr. He Jie, one non-executive Director, being Mr. Zhang Liang and three independent non-executive Directors, being Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Au Yeung Po Fung. Our remuneration committee is currently chaired by Mr. Lee Kwok Tung Louis.

Our remuneration committee convened 3 meetings during the Relevant Period. The table below sets forth the details of the attendance at the meeting:

2. 薪酬委員會

董事會已根據上市規則第3.25條及第3.26條以及企業管治守則第B.1.1條至第B.1.5條設立薪酬委員會，並已採納書面職權範圍。薪酬委員會的主要職責為訂立、審閱有關董事及高級管理層的薪酬政策及架構以及就設立有關制定薪酬政策的正式及透明程序，並就此向董事會提供推薦建議、釐定各執行董事及高級管理層具體薪酬待遇的條款，以及在參照公司目標及宗旨後審閱及批准與表現掛鈎的薪酬。薪酬委員會現時由一名執行董事（即何捷先生）、一名非執行董事（即張良先生）及三名獨立非執行董事（即李國棟先生、梁又穩先生及歐陽寶豐先生）組成。薪酬委員會現時由李國棟先生出任主席。

於相關期間，薪酬委員會召開3次會議。下表載列該等會議的出席詳情：

Name of committee member	委員會成員名稱	Number of meetings attended/held during the Director's term of office 董事於任期內出席／舉行會議次數
Mr. Lee Kwok Tung Louis (<i>Chairman</i>)	李國棟先生 (主席)	3/3
Mr. Zhang Liang	張良先生	3/3
Mr. He Jie	何捷先生	3/3
Mr. Leung Yau Wan John	梁又穩先生	3/3
Mr. Au Yeung Po Fung	歐陽寶豐先生	3/3

CORPORATE GOVERNANCE REPORT 企業管治報告

The major work performed by our remuneration committee during the Relevant Period included, among others, the following:

- reviewed and made recommendations to the Board of the remuneration packages and overall benefits for the Directors and the senior management of the Company;
- made recommendations to the Board in relation to all consultancy agreements and service contracts or any variations, renewals or modifications thereof, entered into between the Company and the Directors and senior management of the Company or any associate company of any of them;
- considered what details of the remuneration/benefits of the Directors should be reported in the Company's corporate governance report in the annual report and how those details should be presented, including determining the policy for the remuneration of Directors, assessing performance of executive Directors and approving the terms of executive Directors' service contracts; and
- made recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for formulating remuneration policy.

Compensation of the Directors and senior management

The Directors and members of our senior management receive compensation from our Company in the form of salaries, bonuses and other benefits in kind such as contributions to pension plans.

The Company incurred expenses in relation to remuneration (including fees, salaries, contributions to pension schemes and social welfare, discretionary bonuses, housing and other allowances and other benefits in kind) for the Directors for the year ended 31 December 2019 was approximately RMB22,241,000.

薪酬委員會於相關期間進行的主要工作包括(其中包括)以下各項：

- 檢討董事及本公司高級管理層的薪酬待遇及整體福利並就此向董事會提供推薦建議；
- 就本公司與董事及本公司高級管理層或其任何聯屬公司訂立的所有顧問協議及服務合約或其任何更改、重續或修訂向董事會提供推薦建議；
- 考慮需於本公司年報的企業管治報告中呈報的薪酬／待遇詳情，及該等詳情的呈報方式，包括釐定董事薪酬的政策、評估執行董事的表現及批准執行董事服務合約的條款；及
- 就有關本公司對全體董事及高級管理層實行的薪酬政策及架構及有關設立用以制定薪酬政策的正式及透明程序向董事會提供推薦建議。

董事及高級管理層的薪酬

董事及高級管理層成員向本公司收取酬金，形式為薪酬、花紅及其他實物利益(例如養老計劃供款)。

截至2019年12月31日止年度，本公司就董事薪酬(包括袍金、薪金、養老計劃及社會福利供款、酌情花紅、住房及其他津貼以及其他實物利益)產生的開支為約人民幣22,241,000元。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company incurred expenses in relation to remuneration (including fees, salaries, contributions to pension schemes and social welfare, discretionary bonuses, housing and other allowances and other benefits in kind) for our Company's five highest paid individuals (including the Directors) for the year ended 31 December 2019 was approximately RMB23,106,000.

None of the Directors had waived or agreed to waive any remuneration for the year ended 31 December 2019.

Our Board will review and determine the remuneration and compensation packages of the Directors and senior management and will receive recommendation from our remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of our Company.

For additional information on the Directors' remuneration for the year ended 31 December 2019 as well as information on the highest paid individuals, please refer to Notes 8 and 9 in the Accountants' Report.

In addition, pursuant to code provision B.1.5 of the CG Code, the annual remuneration of members of the senior management by band for the year ended 31 December 2019 is set out below:

截至2019年12月31日止年度，本公司就五名最高薪人士(包括董事)的薪酬(包括袍金、薪金、養老計劃及社會福利供款、酌情花紅、住房及其他津貼以及其他實物福利)產生的開支為約人民幣23,106,000元。

截至2019年12月31日止年度，概無董事放棄或同意放棄任何薪酬。

董事會將審閱及釐定董事及高級管理層的薪金及薪酬待遇，並聽取薪酬委員會的推薦建議。薪酬委員會將考慮可比較公司支付的薪金、董事投入的時間及職責以及本公司的表現。

有關截至2019年12月31日止年度董事薪酬的進一步詳情，以及最高薪人士的資料，請參閱會計師報告附註8及9。

此外，根據企業管治守則守則條文第B.1.5條，高級管理層成員於截至2019年12月31日止年度的年度薪酬範圍如下：

Remuneration band	薪酬範圍	Number of persons 人數
HK\$2 million above	200萬港元以上	3
HK\$500,000 to HK\$1 million	50萬港元至100萬港元	3
HK\$500,000 below	50萬港元以下	1

CORPORATE GOVERNANCE REPORT

企業管治報告

3. Nomination Committee

Our Board has established a nomination committee in compliance with Code A.5 of the CG Code, and has adopted written terms of reference. The primary duties of our nomination committee are to review the structure, size and composition of our Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of our Board, identify, select or make recommendations to our Board on the selection of individuals nominated for directorship, and ensuring the diversity of our Board members, assess the independence of our independent non-executive Directors and make recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of the Directors and succession planning for the Directors. Our nomination committee currently consists of two executive Directors, being Mr. Zeng Huansha and Mr. Lui Wai Pang, and three independent non-executive Directors, being Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Au Yeung Po Fung. Our nomination committee is currently chaired by Mr. Zeng Huansha.

Our nomination committee convened 2 meetings during the Relevant Period. The table below sets forth the details of the attendance at the meeting:

3. 提名委員會

董事會已根據企業管治守則守則第A.5條成立提名委員會，並採納書面職權範圍。提名委員會的主要職責為定期檢討董事會的架構、規模及組成，並就董事會組成的任何建議變動向董事會提供推薦建議，物色、挑選或就提名董事人選向董事會提供推薦建議，確保董事會成員的多元性、評估獨立非執行董事的獨立性並就有關委任、重新委任或辭任董事及董事繼任計劃的相關事宜向董事會提供推薦建議。提名委員會目前由兩名執行董事（即曾煥沙先生及雷偉彬先生）以及三名獨立非執行董事（即李國棟先生、梁又穩先生及歐陽寶豐先生）組成。提名委員會目前由曾煥沙先生出任主席。

於相關期間，提名委員會召開2次會議。下表載列該會議的出席詳情：

Name of committee member	委員會成員名稱	Number of meetings attended/held during the Director's term of office 董事於任期內出席／舉行會議次數
Mr. Zeng Huansha (<i>Chairman</i>)	曾煥沙先生 (主席)	2/2
Mr. Lui Wai Pang ⁽¹⁾	雷偉彬先生 ⁽¹⁾	1/1
Mr. Zhang Hongwu ⁽²⁾	張宏武先生 ⁽²⁾	1/1
Mr. Lee Kwok Tung Louis	李國棟先生	2/2
Mr. Leung Yau Wan John	梁又穩先生	2/2
Mr. Au Yeung Po Fung	歐陽寶豐先生	2/2

CORPORATE GOVERNANCE REPORT

企業管治報告

Notes:

- (1) Mr. Lui Wai Pang has been appointed as a member of the nomination committee following his appointment as an executive Director on 5 July 2019.
- (2) Mr. Zhang Hongwu has ceased to be a member of the nomination committee following his retirement as a non-executive Director with effect from the conclusion of the annual general meeting of the Company held on 21 June 2019.

The work performed by our nomination committee included, among others, the following:

- reviewed the structure, size, composition and diversity of the Board;
- assessed the independence of the independent non-executive Directors;
- made recommendations to the Board on the appointment and re-appointment of Directors; and
- reviewed and made recommendations to the Board on the nomination policy.

Nomination Policy

(i) Objective

The nomination committee shall nominate suitable candidates to the Board for it to consider and make recommendations to the Shareholders for election as the Directors at general meetings or appoint as Directors to fill casual vacancies.

The nomination committee may, as it considers appropriate, nominate a number of candidates more than the number of Directors to be appointed or re-appointed at a general meeting, or the number of casual vacancies to be filled.

附註：

- (1) 雷偉彬先生隨著自2019年7月5日起獲委任為執行董事後獲委任為提名委員會成員。
- (2) 張宏武先生隨著自本公司於2019年6月21日舉行的股東週年大會結束時起退任非執行董事職務後不再為提名委員會成員。

提名委員會於相關期間進行的工作包括(其中包括)以下各項：

- 審閱董事會的架構、規模、組成及多元性；
- 評估獨立非執行董事的獨立性；
- 就委任及重新委任董事向董事會提供推薦建議；及
- 檢討提名政策並就此向董事會提供推薦建議。

提名政策

(i) 目的

提名委員會須向董事會提名合適人選，以供其考慮及於股東大會上向股東推薦選舉為董事或委任為董事以填補臨時空缺。

提名委員會可酌情提名多名候選人，可多於將於股東大會上獲委任或重新委任的董事人數或待填補的臨時空缺董事人數。

CORPORATE GOVERNANCE REPORT 企業管治報告

(ii) Selection Criteria

In assessing a proposed candidate for the recommendation of appointment or re-appointment of the members of the Board, the factors would be used as reference by the nomination committee include but not limited to the following:

- (a) integrity;
- (b) accomplishment and experience in the industry of which the Company is a part;
- (c) commitment in respect of available time and relevant interest;
- (d) diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- (e) fulfilment of independence guidelines for the appointment of independent non-executive Directors as set out in Rule 3.13 of the Listing Rules; and
- (f) any factors as the nomination committee or the Board may from time to time consider appropriate.

The nomination committee will ask proposed candidates to submit the necessary personal information in a prescribed form.

The nomination committee may request candidates to provide additional information and documents, if considered necessary.

The appointment of any proposed candidate to the Board or re-appointment of any existing members of the Board shall be made in accordance with the Articles of Association of the Company and other applicable rules and regulations.

(ii) 甄選標準

提名委員會在評估候選人時考慮的因素包括(但不限於)以下各項，並就委任董事會候選人或重新委任董事會現有成員作出推薦建議：

- (a) 誠信；
- (b) 在本公司業務行業的成就及經驗；
- (c) 將投入的時間及相關利益承諾；
- (d) 在各方面的多元性，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、種族、專業經驗、技能、知識及服務年限；
- (e) 符合載列於上市規則第3.13條對委任獨立非執行董事所規定的獨立性準則；及
- (f) 提名委員會或董事會不時認為合適的任何其他因素。

提名委員會將要求候選人按指定的形式提交必要的個人資料。

倘提名委員會認為屬必要，其可要求候選人提供補充資料及文件。

無論是委任任何董事會候選人或重新委任董事會任何現有成員，均須根據本公司的組織章程細則及其他適用規則和規例進行。

CORPORATE GOVERNANCE REPORT

企業管治報告

(iii) *Nomination Procedures*

The secretary of the nomination committee shall call a meeting of the nomination committee, and invite nominations of candidates from the members of the Board, if any, for consideration by the nomination committee prior to its meeting. The nomination committee may also put forward candidates for consideration.

In the context of appointment of any proposed candidate to the Board, the nomination committee shall undertake adequate due diligence in respect of such individual candidate and make recommendations for the Board's consideration and approval.

In the context of re-appointment of any existing members of the Board, the Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

Please refer to the "Procedures for Appointment, Election and Removal of Directors", which is available on the Company's website, for procedures for Shareholders' nomination of any proposed candidate for election as a Director.

The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

(iii) *提名程序*

提名委員會秘書應召集委員會會議，並邀請董事會成員於會議前提名候選人（如有）供提名委員會考慮。提名委員會亦可提名候選人供其考慮。

就委任任何董事會候選人而言，委員會須就個別候選人進行充分的盡職審查並提供推薦建議，以供董事會考慮及審批。

就重新委任董事會任何現有成員而言，委員會須提交建議供董事會考慮及作出推薦，讓候選人可於股東大會上膺選連任。

有關股東提名任何候選人參選董事的程序，請參閱登載於本公司網站的「委任、選舉及罷免董事的程序」。

對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。



CORPORATE GOVERNANCE REPORT 企業管治報告

Board Diversity Policy

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

The Directors have a balanced mix of knowledge and skills, including overall management and strategic development, human resources, information technology, accounting and financial management, risk management, corporate governance and evaluation of properties and assets. They obtained degrees in various majors including economics, business administration and accounting studies. The Board has three independent non-executive Directors with different industry backgrounds, representing more than one third of the members of our Board. Furthermore, our Board has a wide range of age, ranging from 43 years old to 60 years old. Taking into account our existing business model and specific needs as well as the different background of the Directors, the composition of our Board satisfies our board diversity policy.

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

董事會多元化政策

為提高董事會的效率及維持高度企業管治水平，本公司已採納董事會多元化政策，其載列達致及維持董事會多元化的目的及方法。根據董事會多元化政策，本公司透過於甄選董事會人選時考慮多項因素而力求達致董事會多元化，其中包括但不限於性別、技能、年齡、專業經驗、知識、文化、教育背景、種族及服務年期。最終的委任決定將根據有能者居之的原則以及獲選人員將為董事會帶來的貢獻而決定。

董事具備均衡的知識及技能，包括整體管理及策略發展、人力資源、資訊科技、會計及財務管理、風險管理、企業管治以及物業及資產評估。董事取得不同專業的學位，包括經濟學、工商管理及會計學。董事會的三名獨立非執行董事均具有不同的行業背景，人數佔董事會成員的三分之一以上。此外，董事會的年齡跨度廣，介乎43至60歲。經考慮現時的業務模式、具體需要及董事的不同背景，董事會組成符合董事會多元化政策。

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

CORPORATE GOVERNANCE REPORT

企業管治報告

4. Corporate Governance Functions

The Board is responsible for performing the functions set out in the Code Provision D.3.1 of the CG Code.

During the year ended 31 December 2019, the Board met 2 times to review the Company's corporate governance policies and practices, training and continuous professional development of the Directors and the senior management of the Company, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this section.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its code for dealing in securities in the Company by the Directors. After specific enquiries made to all Directors, the Directors have confirmed compliance with the required standard set out in the Model Code for the year ended 31 December 2019.

4. 企業管治職能

董事會負責履行企業管治守則守則條文第D.3.1條所載的職能。

於截至2019年12月31日止年度，董事會舉行2次會議以檢討本公司的企業管治政策及常規、董事及本公司高級管理層的培訓及持續專業發展、本公司於遵守法律及法規方面的政策及常規、標準守則的合規情況、本公司遵守企業管治守則及其於本節的披露資料。

遵守上市發行人進行證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人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守則。於向全體董事作出具體查詢後，董事已確認於截至2019年12月31日止年度遵守標準守則所載規定準則。



CORPORATE GOVERNANCE REPORT 企業管治報告

DIVIDEND POLICY

The Company has adopted a dividend policy (the “**Dividend Policy**”), pursuant to which the Board has absolute discretion in determining whether to pay dividend, subject to the approval of the Shareholders (if applicable). The Dividend Policy aims to enable the Shareholders to participate in the profits of the Company and for the Company to retain adequate liquidity for grasping future growth opportunities. In determining whether to recommend a declaration of dividend and the amount of dividend to be paid, the Board will evaluate the Company’s earnings, cash flow, financial condition, capital requirements, prevailing economic conditions, future prospects and any other factors that the Directors deem relevant. The Board may pay dividend as appeared to the Board to be justified by the profits of the Company. The Board may also from time to time pay interim dividend or special dividend. The Board will review the Dividend Policy from time to time and may make appropriate changes if considered necessary.

PURCHASE, SALE OR REDEMPTION OF ANY OF THE COMPANY’S LISTED SECURITIES

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the Relevant Period.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information available to our Company and the knowledge of the Directors, our Company maintained sufficient public float during the Relevant Period.

股息政策

本公司已採納股息政策（「**股息政策**」），據此，董事會可全權決定是否派付股息，惟須經股東批准（如適用）。股息政策旨在使股東分享本公司溢利，同時保留本公司的流動資金以把握未來增長機遇。在決定是否建議宣派股息及將予派付的股息數額將取決於本公司的盈利、現金流量、財務狀況、資本需求、當前經濟狀況、未來前景及董事認為相關的任何其他因素。董事可向股東派付彼等認為就本公司的溢利而言屬合理的股息。董事會亦可不時支付中期股息或特別股息。董事會將不時檢討股息政策並可能於必要時作出適當變動。

購買、出售或贖回本公司任何上市證券

於相關期間，本公司及其附屬公司並無購買、出售或贖回本公司任何上市證券。

公眾持股量的充足性

根據本公司所得資料及據董事所知悉，本公司於相關期間維持足夠的公眾持股量。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

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

核數師酬金

截至2019年12月31日止年度，就審核服務及非審核服務向本公司外聘核數師支付／應付的費用載列如下：

		Year ended 31 December 2019 截至2019年 12月31日止年度 RMB million 人民幣百萬元
Audit and related service:	審核及相關服務：	4.9
Non-audit service:	非審核服務：	1.8

ACCOUNTABILITY AND AUDIT

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

問責制及審核

董事知悉彼等有責任編製本公司截至2019年12月31日止年度的綜合財務報表所載的所有資料及陳述，當中就本公司於相關期間的狀況、業績及現金流量作出真實公允的意見。董事認為本公司截至2019年12月31日止年度的綜合財務報表已根據所有適用會計準則及規定編製，且金額反映董事會及管理層的最佳估計及合理、知情及謹慎判斷。董事並不知悉有關可能對本公司持續經營能力構成重大疑問的事件或情況的任何重大不確定性。因此，董事已按照持續經營基準編製本公司的財務報表。本公司的核數師對本公司綜合財務報表的匯報責任的聲明載於本年報「獨立核數師報告」一節。

CORPORATE GOVERNANCE REPORT 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

The Board is responsible for the risk management and internal control systems of the Company and for reviewing their effectiveness.

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

In order to meet these challenges, the Company have adopted, a series of internal control policies, procedures and plans that are designed to reasonably assure effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations.

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

- The Board is responsible and has general powers over the management and conduct of the business of the Group. Any significant business decision involving material risks, such as decisions to expand into new geographic regions or to incur significant corporate finance transactions, are reviewed, analyzed and approved at the Board level to ensure a thorough examination of the associated risks at our highest corporate governance body.

風險管理及內部監控

風險管理

董事會負責本公司的風險管理及內部監控系統，並檢討其有效性。

本公司深明風險管理對中國的任何房地產開發商的成功至關重要。本公司面臨的主要風險包括整體市場條件的變化、中國房地產市場的監管環境變動、在商業上價格可接受的可供開發的適合地塊的可用性、當地經濟環境、進入新城市或地區的擴張風險、及時優質完成我們建設項目的能力、支持我們發展的可用融資、來自其他地產開發商的競爭，以及我們推廣和及時銷售物業的能力。

為迎接這些挑戰，我們已經採用一系列內部監控政策、程序及計劃，旨在合理保證有效和高效的經營、可靠的財務報告，並遵守適用的法律法規。

為確保有效落實該等內部監控政策，本公司已持續採納多項措施，其中包括下列各項：

- 董事會對本集團業務的管理和經營負責並擁有一般權力。任何涉及重大風險的重大業務決策，如擴張到新地區或產生重大公司財務交易的決定，都會在董事會層面進行審議、分析及批准，以確保在本公司最高治理機構對相關風險進行徹底審查。

CORPORATE GOVERNANCE REPORT

企業管治報告

- The Chief Executive Officer is accountable to the Board regarding the effectiveness of comprehensive risk management, which in turn is accountable to the general meetings of the Company. The Chief Executive Officer is able to authorize relevant department heads who take charge of the establishment and daily operation of the risk management systems.
- The audit and legal department of the Company is responsible for proposing risk management strategies, formulating rules and regulations on risk management, preparing annual risk management assessments and reports, guiding all departments and subsidiaries on relevant tasks, and conducting risk management trainings. It is also in charge of designing a comprehensive risk management evaluation system, and supervising the implementation of risk management measures.
- Each of functional departments and subsidiaries of the Company is in charge of the daily business operations and risk monitoring, and is responsible for the supervision of the respective fields of operations on a daily basis as well as the supervision and approval of any material business decisions of the city and project companies of the Group. Each functional department and subsidiary of the Company has a responsible person who takes charge of risk management issues, and can establish a contact person base on needs.
- 行政總裁就全面風險管理的有效性對董事會負責，而董事會對本公司股東大會負責。行政總裁能夠授權相關部門領導負責風險管理系統的建立和日常運作。
- 本公司的審計法務部負責起草風險管理戰略，制定有關風險管理的規則和條例，編製年度風險管理評估和報告，指導各部門和附屬公司完成相關任務，並進行風險管理培訓。其亦負責設計全面的風險管理評估體系，監督風險管理措施的實施。
- 本公司各個職能部門和附屬公司負責日常業務操作和風險監控，並負責對各自業務領域的日常監督以及對本市和項目公司的任何重大業務決策的監督和批准。各部門和附屬公司都有負責風險管理事項的負責人，並能根據需要確立聯絡人。



CORPORATE GOVERNANCE REPORT 企業管治報告

INTERNAL CONTROL

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

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

INFORMATION DISCLOSURE

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

內部監控

本公司的內部監控系統旨在於實現有效及高效經營、可靠財務匯報及遵守適用法律法規方面提供合理適當保證。

內部監控系統涵蓋經營的各個重大方面，包括(其中包括)銷售、採購、資產管理、預算及會計程序。為有效落實該等程序，本公司已建立一套全面政策及指引，其中載列有關內部監控準則、職責劃分、審批程序及人員問責的各方面詳情。本公司亦定期進行內部評估及提供培訓，確保僱員充分了解相關政策及指引。

資料披露

本公司按照上市規則及其他適用法律向公眾披露資料及根據相關法律法規定期刊發報告及公告。尤其是，本公司已根據證券及期貨條例就披露內幕消息建立健全框架。該框架載列及時處理及發佈內幕消息的程序及內部監控，以令持份者了解本公司的最新情況。董事會定期檢討該框架及其效用。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL AUDIT

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

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

COMPANY SECRETARY

The Company has engaged SWCS Corporate Services Group (Hong Kong) Limited ("SWCS"), external service provider, and Mr. Yim Lok Kwan has been appointed as a company secretary. The Company has further appointed Mr. Li Yonggang as a joint company secretary with effect from 23 April 2019. Mr. Li Yonggang is the primary contact person at the Company for SWCS.

Each of the joint company secretary attended sufficient professional training as required under the Listing Rules for the year ended 31 December 2019 to update their skills and knowledge.

內部審核

本公司設有內部審核職能。內部審核職能的主要職責為協助董事會及本公司高級管理層保障本公司財產、聲譽及可持續發展。內部審核職能就本公司管理層所制訂及陳述的本公司風險管理、監控及管治程序框架的設計及運行成效是否足夠提供獨立客觀的核證。本公司的內部審核職能獨立於本公司的風險管理及內部監控制度。

審核工作結果及對整體風險管理及監控框架的評估結果在適當情況下向審核委員會呈報。在正式確認審核所發現問題整改完畢之前，內部審核職能亦負責檢討本公司管理層就審核所發現問題提出的整改計劃並核實緩減措施的充足性及有效性。

公司秘書

本公司已委聘方圓企業服務集團(香港)有限公司(「方圓」)為外部服務供應商，而嚴洛鈞先生已獲委任為公司秘書。本公司另委任李永剛先生為聯席公司秘書，自2019年4月23日起生效。李永剛先生為方圓於本公司的主要聯絡人。

截至2019年12月31日止年度，各聯席公司秘書已接受上市規則所規定的充足專業培訓，以增進其技能及知識。

CORPORATE GOVERNANCE REPORT 企業管治報告

SHAREHOLDERS

Communication with Shareholders and Investors

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

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

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

股東

與股東及投資者的溝通

本公司致力與股東保持良好溝通，並及時向股東、投資者及其他持份者披露本公司的重大發展情況。

本公司的股東週年大會為股東與董事會的有效溝通平台。股東週年大會通告連同會議材料均於召開股東週年大會前不少於21天及不少於20個完整營業日前向全體股東寄發。作為保障股東利益及權利措施之一，本公司將於股東大會上就各重大事宜提呈決議案，包括選舉個別董事，以讓股東考慮及投票。此外，本公司認為股東週年大會為重大事件，故全體董事、所有董事會委員會主席、高級管理層及外聘核數師將出席本公司的股東週年大會，以解答股東的疑問。倘董事會主席或各董事會委員會主席無法出席會議，則各董事會委員會的其他成員將受邀參加股東週年大會，並解答股東的疑問。於股東大會提呈的所有決議案將以投票形式進行投票。投票結果將於相關股東大會當日刊登於聯交所網站(www.hkexnews.hk)及本公司網站(www.rsunproperty.hk)。

為促進有效溝通，本公司設有網站(www.rsunproperty.hk)，刊發有關業務營運及發展、企業管治常規的最新消息及更新情況、投資者關係聯絡資料及其他資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Shareholders to Convene an Extraordinary General Meeting

In accordance with article 64 of the articles of association of the Company, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at the general meetings of the Company shall at all times have the rights, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to process to convene such meeting, the 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 General Meetings

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

Shareholders may at any time lodge the aforesaid requisition to the Board in writing at the Company's principal place of business in Hong Kong at Unit 6111-12, 61/F, The Center, No. 99 Queen's Road Central, Hong Kong.

股東召開股東特別大會的程序

根據本公司組織章程細則第64條，任何一名或多名於提請要求當日持有不少於本公司繳足股本（賦予權利在本公司股東大會上投票）十分之一的股東，可隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的任何事項，且有關大會須於提請該要求後兩個月內舉行。倘提請後21天內董事會未有召開大會，則提請人可自行以相同方式召開大會，而本公司須向提請人補償提請人因董事會未能召開大會而產生的所有合理開支。

於股東大會提呈決議案的程序

本公司組織章程細則及開曼群島公司法並無條文批准股東於股東大會上提呈新決議案。然而，有意提呈決議案的股東可按本公司組織章程細則第64條要求召開股東特別大會並於該會議上提呈決議案。細則第64條的要求及程序載於上文。

股東可隨時以書面形式將上述要求發送至本公司香港主要營業地點（地址為香港皇后大道中99號中環中心61樓6111-12室），以提交董事會。

CORPORATE GOVERNANCE REPORT 企業管治報告

Procedures for Directing Shareholders' Enquiries to the Board

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

Address: Unit 6111-12, 61/F, The Center,
No. 99 Queen's Road Central, Hong Kong

Email: touzizhe@rsun.com

AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATIONS

During the Relevant Period, there has not been any change in the Company's memorandum and articles of association.

On behalf of the Board
Redsun Properties Group Limited
Zeng Huansha
Chairman

Hong Kong, 25 March 2020

股東向董事會作出查詢的程序

股東可隨時透過投資者關係以書面形式向董事會寄發其查詢及關注事宜，其聯絡詳情載列如下：

地址：香港皇后大道中99號
中環中心61樓6111-12室

電子郵件：touzizhe@rsun.com

組織章程大綱及細則的修訂

於相關期間，本公司的組織章程大綱及細則概無任何變動。

代表董事會
弘陽地產集團有限公司
曾煥沙
主席

香港，2020年3月25日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告





宸暉系

弘陽地產 | 打造四大產品線

Redsun Properties Group Limited - Four major project series

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Basis of Preparation

This Environmental, Social and Governance Report (the “**Report**” or “**ESG Report**”) has been prepared by the Group in compliance with the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) This Report is in compliance with the “comply or explain” provisions of the ESG Guide and has been prepared based on the four reporting principles of materiality, quantitative, balance and consistency.

This is the second ESG Report published by the Group to the public, with the focus on disclosing the sustainable development strategies of and relevant work performed by the Group in 2019. The content regarding the corporate governance of the Company will be presented separately in the section headed “Corporate Governance Report” in this annual report.

Scope of the Report

The content of this Report mainly includes the core business of the Group in mainland China, covering the Company and its subsidiaries. Unless otherwise stated, the reporting period is from 1 January to 31 December 2019 (the “**Year**”).

Declaration of the Report

The Board of the Group is responsible for the strategies and report on environmental, social and governance. This Report has been prepared in two languages: traditional Chinese and English. Should there be any discrepancy in the understanding of the content, the traditional Chinese text of this Report shall prevail.

關於本報告

編製基準

本集團按照香港聯合交易所有限公司（「**聯交所**」）發表的《香港聯合交易所有限公司證券上市規則》（「**上市規則**」）附錄二十七《環境、社會及管治報告指引》（「**ESG 指引**」）編製此「環境、社會及管治報告」（「**本報告**」或「**ESG報告**」）。本報告遵守ESG指引中有關「不遵守就解釋」的條文，並且以重要性、量化、平衡、一致性這四項匯報原則作為編製基礎。

本報告為本集團第二次對外公開發佈的ESG報告，著重披露本集團於2019年度內的可持續發展策略及相關工作。有關公司管治部分的內容於本年報中的「企業管治報告」部分單獨陳述。

報告範圍

本報告的內容主要涵蓋本集團於中國內地的核心業務，涵蓋本公司及旗下附屬公司。除另有說明，報告期間為2019年1月1日至12月31日（「**本年度**」）。

報告聲明

本集團董事會對環境、社會及管治策略及匯報承擔全部責任。本報告以兩種語言：中文繁體及英文進行發佈。報告內容如有歧義，請以中文繁體版為準。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1. PERSPECTIVE OF SUSTAINABLE DEVELOPMENT

1.1 Transparent Communication

1.1.1 Stakeholder Communication

Stakeholder communication is an integral part of the Group's work to promote sustainable development. By constantly maintaining good communication with stakeholders through different channels, the Group fully understands the expectations and needs of various stakeholders towards the Group. Sustainable development strategies of the Group are formulated from a practical perspective to better fulfill its corporate social responsibility. Please refer to the table below for ways of communication with and response to the major stakeholders of the Group:

1. 可持續發展觀

1.1 透明溝通

1.1.1 利益相關方溝通

利益相關方溝通是本集團推進可持續發展工作中不可或缺的一部分。本集團持續通過不同渠道與利益相關方保持良好溝通，充分了解各利益相關方對本集團的期望及需求，從實際的角度出發制定本集團的可持續發展策略，以更好地履行企業社會責任。有關本集團主要利益相關方的溝通及回應方式請參見下表：

Stakeholders 利益相關方	Ways of communication and response 溝通與回應方式	
Customers 客戶	Company homepage WeChat official account	公司主頁 微信公眾號
Shareholders and investors 股東及投資者	General meetings Listed information disclosure Annual report conferences	股東大會 上市信息披露 年報發佈會
Employees 僱員	Surveys Activities held by unions and the Party Employees trainings and employees activities	問卷調查 工會及黨群活動 僱員培訓及僱員活動
The government and regulatory bodies 政府與監管機構	Regular communication with the government and regulatory bodies government and regulatory bodies Submission of the compliance report in accordance with the regulatory requirements	與政府及監管機構定期溝通 提交符合監管要求的合規報告
Suppliers 供應商	Mails Suppliers meetings Regular communication via phone calls	郵件 供應商大會 定期溝通電話
Media 媒體	News conference Mails Phone calls	新聞發佈會 郵件 電話
Community 社區	Participation in various charity events	參與各類公益活動

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1.1.2 Material Issues Assessment

The Group expects that this Report could serve as a bridge of communication with different stakeholders. During the Year, the Group conducted a survey to perform material issues assessment. This provides a reference for formulating sustainable development strategies with corporate characteristics and the key disclosure scope of this Report.

The flow of this material issues assessment has been categorized into four steps, namely “identification”, “sequencing”, “assessment” and “review”, particulars of which are as follows:

I. Identification

The Group communicated with major stakeholders to understand their expectations. With combination of references made to the ESG Guide, industry peer benchmark analysis and corporate development characteristics, a total of 12 sustainable development issues were shortlisted. This creates a database of the Group with regards to sustainable development issues.

II. Sequencing

The Group invited its employees, customers, suppliers, investors, and decision-makers of the Company to perform assessment in form of online questionnaires. They ranked respective sustainable development issues from the database according to the degree of concerns for sequencing. In the survey, a total of 905 valid questionnaires were collected.

III. Assessment

The Group examined the materiality of each issue according to two dimensions, namely “degree of impact on Redsun Properties” and “degree of impact on stakeholders”.

1.1.2 實質性議題評估

本集團期望本報告可以作為與不同利益相關方之間的溝通橋樑。於本年度，本集團採用問卷調查的方式開展實質性議題評估，為制定具有企業特色的可持續發展策略和本報告的重點披露範圍提供了參考。

有關本次實質性議題的評估流程主要分為「識別」、「排序」、「評估」和「檢視」四個步驟，其具體內容如下：

I. 識別

本集團透過與主要利益相關方的溝通以了解他們的期望，並結合參考ESG指引、同行基準分析及企業發展特色，篩選出共12個可持續發展議題，創建本集團的可持續發展議題庫。

II. 排序

本集團邀請僱員、客戶、供應商、投資者及公司決策層以網上問卷的形式進行評估，按照其對可持續發展議題庫中各議題的關注程度進行排序。調查一共收到905份有效問卷。

III. 評估

本集團根據「對弘陽地產的影響程度」及「對利益相關方的影響程度」兩個維度審視各議題的重要性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

IV. Review

The Group reviewed the shortlisted material issues and confirmed their materiality to the Group's stakeholders, so as to make a targeted disclosure in this Report.

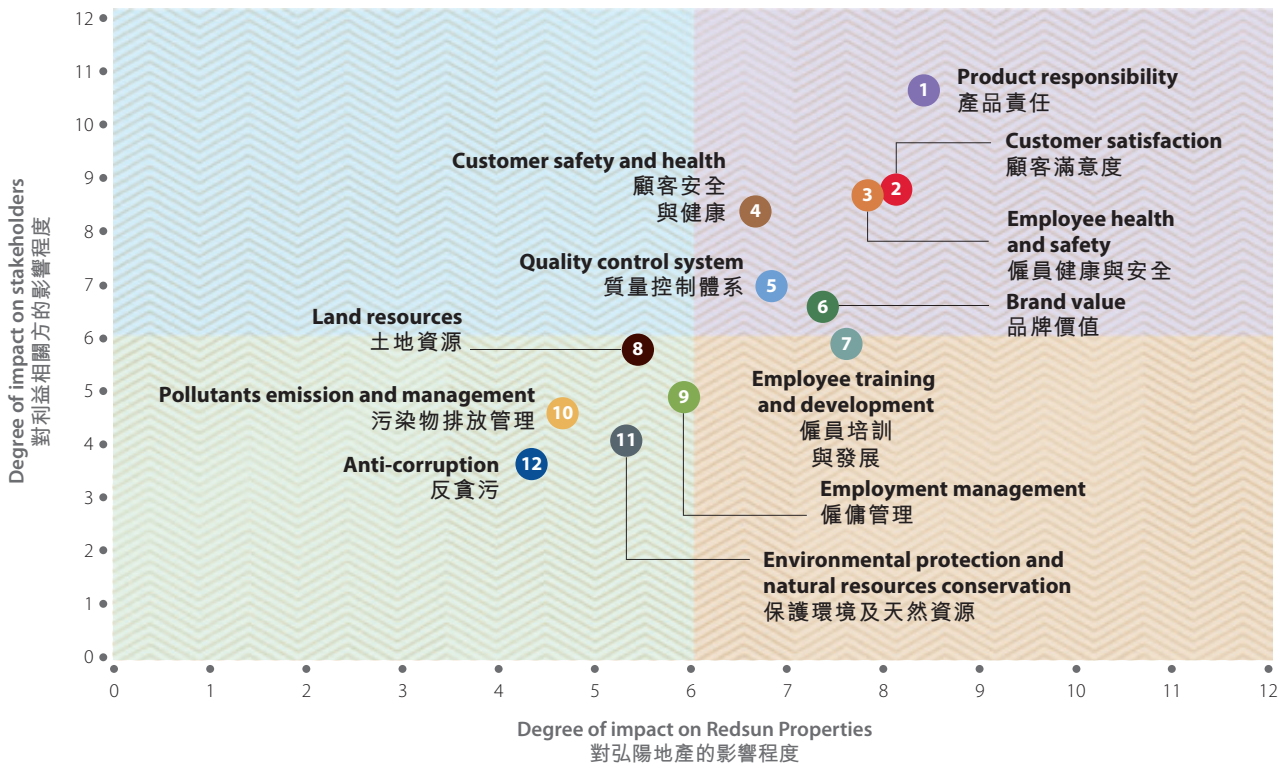
Please refer to the below graph for the results of the material issues assessment:

IV. 檢視

本集團檢視篩選出來的實質性議題並確認其對本集團利益相關方的重要意義，從而有針對性地於本報告中披露。

有關實質性議題評估結果請參見下圖：

Material Issues Assessment
實質性議題評估



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Level 1 issues¹:

- Product responsibility
- Customer satisfaction
- Employee health and safety
- Customer safety and health
- Quality control system
- Brand value

第一層次議題¹：

- 產品責任
- 顧客滿意度
- 僱員健康與安全
- 顧客安全與健康
- 質量控制體系
- 品牌價值

Level 2 issues²:

- Employee training and development

第二層次議題²：

- 僱員培訓與發展

Level 3 issues³:

- Employment management
- Land resources
- Environmental protection and natural resources conservation
- Pollutants emission and management
- Anti-corruption

第三層次議題³：

- 僱傭管理
- 土地資源
- 保護環境及天然資源
- 污染物排放管理
- 反貪污

¹ Level 1 issues : In this Report, detailed responses to relevant strategies and practices will be made

² Level 2 issues : In this Report, responses to certain relevant implementation will be made

³ Level 3 issues : Ongoing concerns

¹ 第一層次議題：於本報告中，將詳細回應與其有關的策略及做法

² 第二層次議題：於本報告中，將回應與其有關的部分實踐

³ 第三層次議題：持續關注

1.2 Brand Management

Since the incorporation of Nanjing Red Sun in 1999, Redsun Properties has been engaging in property development and sales for nearly two decades and has successfully established the "Redsun" brand. In order to further enhance its consumer loyalty, reputation and recognition, the Group adheres to the core values of "professionalism and building credibility for the long term" and continues to establish its brand from multidimensions including a brand of employers and the public, an industrial brand of investment, financing, management and exit ("IFME"), a brand of products and services as well as a brand of public welfare and corporate culture, with an aim to continuously raising the brand value of Redsun Properties.

1.2 品牌管理

自1999年南京紅太陽註冊成立，弘陽地產已在房地產開發及銷售領域耕耘了近二十年之久，成功建立了「弘陽」品牌。為了進一步提升消費者的忠誠度、美譽度和認可度，本集團秉承「在商言人 誠者致遠」的核心價值觀，持續從僱主與公眾品牌、投融管退行業品牌、產品服務品牌、公益與企業文化品牌等多維度出發，以期不斷提升弘陽地產的品牌價值。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

<p>A brand of employers and the public 僱主與公眾品牌</p>	<p>The Group cherishes talents and is dedicated to build a sincere, warm and positive employer brand image. In terms of employee management, the Group continuously optimizes employee salary system and incentive system to avoid talent loss to a certain extent and at the same time, maximizes the motivation and cohesion of the employees, assisting the employees to grow with the corporation, building a brand of employers and the public.</p> <p>本集團珍視人才，致力打造真誠、溫暖、積極的僱主品牌形象。在僱員的管理上，本集團持續優化僱員薪酬體系和激勵制度，在一定程度上避免了人才流失的同時，最大化地提高僱員積極性和黏合度，幫助僱員和企業共同成長，塑造僱主與公眾品牌。</p>
<p>An industrial brand of IFME 投融管退行業品牌</p>	<p>IFME is the core commercial logics followed by the Group in operation and development, requiring the integration of these four elements including investment, financing, management (operation) and exit (marketing). In terms of management, the Group focuses on building excellent professional managers to lead a reform of the whole business line gradually, forming a positive cycle development from aspect of strategies, objectives, organization, abilities, assessment and incentives. In terms of investment, the Group has developed a detailed indicator evaluation system. By an efficient and modern management model, maximized returns on investment can be ensure. In terms of financing, the Group follows prudent financial management practices and sound financial policies to broaden our financial channels to meet our need for capital.</p> <p>「投融管退」是本集團在經營發展中遵循的核心商業邏輯，要求切實做到投資、融資、管理（運營）及退出（營銷）四個方面的互為輔助、有機融合。在管理方面，本集團踐行以建立優秀職業經理人為抓手，逐步帶動整個條線的改革，從戰略、目標、組織、能力、評價到激勵各個維度，形成正循環發展；在投資方面，本集團建立了詳細的指標評價體系，通過高效的現代化管理模式以確保投資收益的最大化；在融資方面，本集團奉行審慎的金融管理做法和實施穩健的財務政策，不斷豐富融資渠道以滿足資本需求。</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A brand of products and services

產品服務品牌

The Group adheres to the corporate mission of “讓生活更有溫度 (Bringing Enthusiasm to Life)”, striving to create quality lifestyle for more people. To meet the various needs of customers, the Group has launched four major project series, from properties with the best improvement, to high-quality rigid demand housing, namely, “Times Series”, “Sunrise Joy Series”, “Imperial Sunlight Series (宸暉系)” and “Great Signature Series (弘著系)”. The Group focuses on developing high quality products and service system and strictly controls quality. By continuous expansion and nationwide deployment, the Group further extends the reach of our brand.

本集團秉承「讓生活更有溫度」的企業使命，致力為更多人創造高品質的生活方式。本集團針對不同客戶的需求，推出了覆蓋從頂級改善到質量剛需的「時光系」、「昕悅系」、「宸暉系」、「弘著系」四大產品線，專注產品力和服務體系的打造，嚴把質量關，通過不斷開疆拓土、佈局全國，進一步擴散品牌的影響力。

A brand of public welfare and corporate culture

公益與企業文化品牌

Hong Yang Group Company has long paid attention to the education environment and the growth of young people in the impoverished districts, and facilitated the implementation and popularization of quality education to better promote the balanced allocation of cultural resources. In 2017, Hong Yang Group Company launched its first supporting facility, namely Redsun Primary School (弘陽小學) at Guishuang in Liping County of Guizhou Province.

弘陽集團長期關注貧困地區教育及青少年成長，助力素質教育的實施與普及，以更好地推動文化資源的均衡配置，於2017年落地首個援建陣地——貴州省黎平縣歸雙弘陽小學。

Mr. Zeng Huansha, the chairman of Hong Yang Group Company, has been caring about the society with his unwavering original determination of helping students “get out of the remotes area” through his financial aid for education. In response to the appeal for “health, diligence and love” by Hong Yang Group Company, the Group also actively adheres to such corporate culture and continuously implement and consistently uphold such spirit so as to remain committed to fulfilling its social responsibility.

弘陽集團董事長曾煥沙先生心繫社會、初衷不改，希望通過助學資助，幫助求學孩子「走出大山」。在響應弘陽集團號召的基礎上，本集團亦積極遵循「健康、拼搏、大愛」的企業文化精神，持續投入並始終如一的貫徹堅持，為切實踐行社會責任而努力。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Listed on the TOP 30 Brand of China Real Estate Companies (中國房地產公司品牌價值榜TOP 30) 榮登中國房地產公司品牌價值榜TOP 30

The 2019 China Real Estate Brand Value Research Results Release Conference cum 16th China Real Estate Brand Development Summit (2019年中國房地產品牌價值研究成果發佈會暨第十六屆中國房地產品牌發展高峰論壇) was held in Beijing. Redsun Properties was granted the award of “2019 Top 30 Brand of China Real Estate Companies (mixed all 11-30) (2019中國房地產公司品牌價值TOP 30 (混合所有11-30))”.



2019年中國房地產品牌價值研究成果發佈會暨第十六屆中國房地產品牌發展高峰論壇在北京舉行。弘陽地產榮獲「2019中國房地產公司品牌價值TOP 30 (混合所有11-30)」。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1.3 Operation with Integrity

1.3.1 Anti-corruption

The Group highly emphasizes the integrity and professional ethics of employees, and strictly complies with the laws and regulations such as the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Criminal Law of the People's Republic of China (《中華人民共和國刑法》) and the Regulations of Shanghai Municipality against Unfair Competition (《上海市反不正當競爭條例》) as well as maintains its internal systems namely the Management System against Malpractice of Redsun Properties Group Limited (《弘陽地產集團有限公司反舞弊管理制度》) and the Internal Auditing System of Redsun Properties Group Limited (《弘陽地產集團有限公司內部審計制度》). During the Year, the Group did not receive any legal cases in relation to corruption.

The Management System against Malpractice of Redsun Properties Group Limited (《弘陽地產集團有限公司反舞弊管理制度》) stipulates that senior management of the Group shall regard the work against malpractice as part of their daily management and shall proactively support the daily operation of the permanent anti-fraud establishment (i.e. the Audit and Inspection Centre) and provide with sufficient protection in areas of budgeting, personnel deployment, seniority deployment and work conditions. The Audit and Inspection Centre shall convene a meeting at least once a year to report about the enforcement of actions against malpractice, and is responsible for setting up a hotline and e-mail box for reporting issues regarding occupational ethics and cases of malpractice and disclosing such issues and cases such that our employees and parties within the community can report the issues regarding the breach of occupational ethics by the Group and its staff members. The Group has set up a mechanism of accountability for malpractices, including leadership responsibility and direct responsibility. The Audit and Inspection Centre shall report any employees who have been verified to be involved in malpractices, regardless of constituting criminal acts or not, to the senior management and suggest penalties accordingly. If such malpractices infringe criminal laws, the case shall be passed to the judiciary for handling in accordance with the laws.

1.3 誠信營運

1.3.1 反腐倡廉

本集團高度重視僱員的誠信及職業操守，嚴格遵守《中華人民共和國公司法》、《中華人民共和國刑法》、《上海市反不正當競爭條例》等法律法規，並制定了《弘陽地產集團有限公司反舞弊管理制度》及《弘陽地產集團有限公司內部審計制度》。於本年度，本集團並未接獲任何有關貪污訴訟的案件。

《弘陽地產集團有限公司反舞弊管理制度》規定本集團高級管理層應將反舞弊工作作為日常管理工作的一部分，應積極支持反舞弊工作常設機構（即審計監察中心）的日常工作，並從預算、人員配置及職級配置、工作條件準備上給予充分保障。審計監察中心每年需至少召開一次反舞弊情況通報會，同時負責建立及公開職業道德問題及舞弊案件的舉報電話熱線、電子郵件信箱，供僱員及社會各方舉報本集團及其人員違反職業道德問題的情況。本集團對舞弊行為進行追究的責任包括領導責任和直接責任。所有證實有舞弊行為的僱員，無論是否達到刑事犯罪的程度，審計監察中心均應向高級管理層匯報，並建議相應的處罰；若行為觸犯刑律，則移交司法機關依法處理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Leadership responsibility

領導責任

- Refers to the responsibility that relevant management personnel with corresponding leadership authority shall be liable for the inaccuracy in accounting information caused by the malpractices due to the failure in performance of duty or oversight within the scope of work under their supervision;
- 指負有相應領導職權的管理人員在其主管或分管工作範圍內因失職、失察導致舞弊事件，造成會計信息失真等所應承擔的責任；

Direct responsibility

直接責任

- Refers to the responsibility that management personnel and their relevant personnel shall be liable for the inaccuracy in accounting information caused by the malpractices due to their direct operation or involvement in the concerned decisions, or their authorization, instruction, order, connivance, harboring, and incorrect performance of duty within their responsible scope of work;
- 指管理人員及其相關人員在其職責範圍內，直接操作或參與相關決策，或授意、指使、強令、縱容、包庇他人等舞弊以及未正確履行職責等過失行為，造成會計信息失真等所應承擔的責任；

In order to further prevent mistakes and malpractices and ensure the reliability of internal management reports and financial reports, the Internal Auditing System of Redsun Properties Group Limited (《弘陽地產集團有限公司內部審計制度》) provides that internal audit department may directly accept any complaint or information provided by staff members regarding possible fraud, waste, abuse of authority and other irregular activities, and that the Audit and Inspection Centre may propose awards or incentives to those personnel who contributed audit trails and helped reveal and report the violations of rules and regulations of the Company.

為了進一步防止錯誤和舞弊行為的發生，保證內部管理報告和財務報告的可靠性，《弘陽地產集團有限公司內部審計制度》規定內部審計可以直接受理工作人員就可能存在的欺詐、浪費、濫用職權等其他不規範活動提出的投訴或信息。對揭發、檢舉違反公司規章制度行為，提供審計線索的有功人員，審計監察中心可建議給予表彰或獎勵。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



The management and the members of risk control ("Risk Control") team of our regional companies in Jiangsu and Shanghai held a ceremony of administering an oath of business integrity and signed the "Integrity Undertaking".
蘇滬區域公司管理層成員及風控(「風險控制」)小組成員進行廉潔從業宣誓儀式並簽訂《廉潔承諾書》

1.3.2 Sunshine Procurement

The Group has been carefully selecting suppliers for cooperation. In compliance with the laws and regulations such as The Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Group has formulated a series of systems in respect of the environmental and social risks of the supply chain such as the Supplier Management Measures of Redsun Properties Group (《弘陽地產集團供應商管理辦法》), the Rules of Evaluation of Suppliers of Redsun Properties Group (《弘陽地產集團供應商評估細則》), the Construction Technology Management System (《工程技術管理制度》) and the Construction Assessment Management System (《工程考核管理制度》), examples of which are detailed as follows:

1.3.2 陽光採購

本集團一直慎重選擇合作供應商，在遵循《中華人民共和國招標投標法》等法律法規的基礎上，針對供應鏈的環境及社會風險制定了如《弘陽地產集團供應商管理辦法》、《弘陽地產集團供應商評估細則》、《工程技術管理制度》及《工程考核管理制度》等一系列制度，具體舉例如下：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

<p>Supplier Management Measures of Redsun Properties Group (《弘陽地產集團供應商管理辦法》)</p> <p>《弘陽地產集團供應商管理辦法》</p>	<p>It stipulates that, at the prequalification stage, suppliers shall have no records for any material quality and safety incidents and defaulting on payment of wages to their migrant workers in recent three years, and shall have obtained safety, quality and environmental certification; and their safety production permit shall remain valid;</p> <p>資格預審階段規定供應商近三年無重大質量、安全事故及拖欠農民工工資行為，並已取得安全、質量、環境認證；安全生產許可證在有效期範圍內；</p>
<p>Rules of Evaluation of Suppliers of Redsun Properties Group (《弘陽地產集團供應商評估細則》)</p> <p>《弘陽地產集團供應商評估細則》</p>	<p>It stipulates that, suppliers who have willfully defaulted on payment of wages to their migrant workers, gathered a crowd and caused disturbance, surrounded property owners and governmental authorities, etc. will be included in the supplier blacklist; and that the Group shall have the right to terminate the cooperation agreement with the suppliers in the event that a material safety incident occurs or a material complaint arises in relation to a cooperative project;</p> <p>規定對出現惡意拖欠農民工工資、聚眾鬧事、圍堵業主及政府機關等情況的供應商列入供方黑名單；如在合作項目出現重大安全事故，或引起重大投訴，本集團有權終止合作協議；</p>
<p>Construction Technology Management System (《工程技術管理制度》)</p> <p>《工程技術管理制度》</p>	<p>It stipulates that, suppliers shall strengthen safety technology measures in the construction plans for more dangerous sub-projects as provided by the Notice [2009] No. 87 of the Ministry of Housing and Urban-Rural Construction Development of the People's Republic of China (中華人民共和國住房和城鄉建設部[2009]87號文件);</p> <p>針對中華人民共和國住房和城鄉建設部[2009]87號文件所規定的危險性較大的分部分項工程，供應商在施工方案內必須加強安全技術措施；</p>
<p>Construction Assessment Management System (《工程考核管理制度》)</p> <p>《工程考核管理制度》</p>	<p>It stipulates that, suppliers shall implement a system for safety production accountability, which requires regular safety education and training and the formulation of fire measures, systems, and fire extinguishing equipment; and adopt measures to prevent the outflow of mud, sewage and wastewater or blocked sewers and drainage channels; and be assessed for the separation of their on-site accommodation areas and their measures taken for keeping the dormitory warm, preventing gas poisoning, avoiding being suffered from summer heat and preventing mosquitoes and flies; and be inspected in respect of the implementation of measures in relation to health care and first aid, community services, prevention of dust, noise and light pollution as well as carrying out construction without disturbing the neighborhood, etc. so as to ensure environmentally friendly and socially responsible engineering construction;</p> <p>要求供應商落實安全生產責任制，定期開展安全教育，安全培訓，並制定消防措施、制度、配備滅火器材；採取防止泥漿、污水、廢水外流或堵塞下水道和排水河道措施；考核供應商現場住宿區劃分，以及宿舍保暖、防煤氣中毒、消暑和防蚊蠅等措施；對供應商採取的保健救急，社區服務，防粉塵、防噪音、防光污染措施及施工不擾民等措施進行檢查，確保工程建設與環境、社會層面友好關係；</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In order to further ensure that the bidding process will be undertaken in an impartial, fair, legal and transparent way, and standardize the management measures for bidding and procurement, and protect the public interests and the legitimate rights and interests of parties involved in bidding and tendering activities, the Group has established the Bidding and Procurement Management System of Redsun Properties Group (《弘陽地產集團招採管理制度》), the Bidding and Procurement Management Rules for Construction Projects of Redsun Properties Group (《弘陽地產集團建設項目招標採購管理規定》), the Operation Rules of Selected Suppliers of Bidding Projects of Redsun Properties Group (《弘陽地產集團招標項目供應商入圍操作細則》), the Tender Selection Rules for Bidding and Procurement Projects of Redsun Properties Group (《弘陽地產集團招標採購項目定標細則》) and the Rules of Evaluation of Suppliers of Construction Projects of Redsun Properties Group (《弘陽地產集團建設項目供應商評估細則》). The Group has also established relevant implementation rules to standardize the procurement process, such as the Guidance on Standardized Procurement Process for Engineering Projects (《弘陽地產集團工程採購標準化流程指引》).

為了進一步保證招標流程的公正、公平、合法、透明，規範招標採購工作管理，保護社會公共利益和招標投標活動當事人的合法權益，本集團先後制定了《弘陽地產集團招採管理制度》、《弘陽地產集團建設項目招標採購管理規定》、《弘陽地產集團招標項目供應商入圍操作細則》、《弘陽地產集團招標採購項目定標細則》、《弘陽地產集團建設項目供應商評估細則》。針對採購的標準流程，本集團亦制定了《弘陽地產集團工程採購標準化流程指引》等相關實施細則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Bidding and Procurement Management Rules for Construction Projects of Redsun Properties Group (《弘陽地產集團建設項目招標採購管理規定》) highlights the principles of bidding and procurement of new construction projects and projects under construction, which cover the comprehensiveness of bidding, fullness of bidding, qualification verification, fairness and impartiality, transparency and justice and confidentiality. The decision-making body for bidding comprises the bidding and procurement committee set up by Redsun Properties and the decision groups of bidding set up by regional offices. Members of the decision groups of bidding include the head of engineering division, the head of technical division, the respective person in charge of the departments of cost, technology, finance, bidding and procurement and their relevant professional technical personnel. All the Group's staff members who handle issues relating to bidding are forbidden to accept any feasts or gifts from any tendering units. In case of bribery or any act which harms the interests of the Company, the case shall be passed to the Audit and Inspection Centre of the Group for investigation and penalty.

《弘陽地產集團建設項目招標採購管理規定》強調了有關新建項目和在建項目招標採購的工作原則，包括全面招標原則、整體招標原則、資質審查原則、公平公正原則、透明公正原則和保密原則。招標工作的決策機構由弘陽地產設立的招標採購委員會和各城市公司設立的招標決策小組構成，有關招標決策小組的成員具體包括工程分管領導、技術分管領導、成本、技術、財務、招標採購等各部門負責人及相關的專業技術人員。本集團規定所有招標工作人員不得接受投標單位的任何宴請、餽贈，若發生索賄、受賄、損害公司利益行為的，將交由本集團審計監察中心查處。

On 21 May 2019, the Group's bidding and procurement line organized activities for the promotion and implementation of integrity and anti-corruption.
本集團招標採購條線於2019年5月21日舉辦了廉正專題宣貫活動



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2. REDSUN'S PLAN: PROFESSIONALISM

2.1 Safeguarding Employees' Rights and Interests

The Group puts great emphasis on employees' rights and interests and strictly abides by laws and regulations which have material impact on the Group in respect of remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, other remuneration and benefits, including the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Implementation Regulations for the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》), the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》) and the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), showing its commitment to creating a fair, healthy and safe workplace for its employees with potential for development. During the Year, the Group did not receive any violation of laws and regulations in relation to recruitment, dismissal, remuneration, promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination.

In order to scientifically and rationally select and recruit all sorts of high-calibre talents in a timely and effective manner, according to the Recruitment Management System of Hong Yang Group Company Limited (《弘陽集團有限公司招聘管理制度》), the Group adheres to the recruitment values of "Strict Control on Recruitment — adhering to the criteria of selecting talents with a one-vote veto on those whose integrity is in doubt", "Sustainable Selection of Talents — talents not only being qualified at the moment, but also the future" and "Scientific Standards — talent selection with reference to clear and articulate talent selection standards with professional and appropriate tools and methods adopted to follow standardized procedures", in carrying out its recruitment work and insists to treat any applicants equally regardless of gender, age, race and physical disabilities. During the Year, the Group had a total of 3,802 employees, among whom 2,228 were male and 1,574 were female. The Group's employees come from all parts of the country, bringing together talents with a variety of cultures and backgrounds.

2. 弘圖 • 在商言人

2.1 維護僱員權益

本集團重視僱員權益，嚴格遵守在薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面對本集團有重大影響的法律法規，如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國勞動合同法實施條例》、《中華人民共和國未成年人保護法》、《中華人民共和國社會保險法》等，致力為僱員締造公平、健康、安全、具發展潛力的工作環境。於本年度，本集團未有接獲與招聘、解僱、薪酬、晉升、工作時數、假期、平等機會、多元化、反歧視相關的違法違規事件。

為科學合理地選拔、適時有效地招聘各類優秀人才，本集團根據《弘陽集團有限公司招聘管理制度》，秉持「嚴把進人關 — 堅守人才選聘標準，如有誠信操守問題實行一票否決」、「可持續選才 — 人才不僅能夠勝任現在，更能勝任未來」及「科學規範 — 人才引進依據清晰明確的人才選聘標準，採用專業並適配的工具與方法，遵守標準流程」的招聘價值觀開展招聘工作，並決不以性別、年齡、種族、身體障礙等原因區分對待任何應聘者。於本年度，本集團一共擁有3,802名僱員，其中男性僱員2,228位，女性僱員1,574位，旗下僱員來自全國各個地區，匯集了不同文化背景的人才。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

The Group
本集團

	Gender 性別	Number of Employees 僱員人數	Employees' Ratio 僱員比例
Male	男	2,228	58.60%
Female	女	1,574	41.40%

	Employment Type 僱傭類型	Number of Employees 僱員人數	Employees' Ratio 僱員比例
Senior Management	高級管理層	210	5.52%
Middle Management	中級管理層	2,050	53.92%
General Staff	基層員工	1,542	40.56%

	Age 年齡	Number of Employees 僱員人數	Employees' Ratio 僱員比例
Below 30	30歲以下	1,511	39.74%
30-39	30-39歲	2,082	54.76%
40-49	40-49歲	199	5.23%
50 or above	50歲或以上	10	0.26%
Total	合計	3,802	100%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the recruitment process, the Group checks every applicant's age and verifies it with the information presented on the identity card to resolutely refuse to hire child labor. Upon employment, the Group signs labor contracts with employees to clarify labor relations and conditions and prevent forced labor. During the Year, the Group insisted on legal employment, management in compliance with laws and eliminating cases of child labor and forced labor. During the process of promotion to management, the Group follows the principle that ability is the core value, never discriminates against any candidate by gender, age, race, physical barriers, etc., and guarantees a fair competitive environment. Apart from relevant conditions that have been clearly stipulated (for example, if an employee seriously violates labor discipline or the corporate regulations and systems, the Group may terminate the labor contract according to the provisions of the Employment Termination Management Measures of Hong Yang Group (《弘陽集團員工離職管理辦法》)), the Group stands against unfair or unreasonable dismissal.

本集團在招聘過程中，通過核查應聘者的年齡與身份證信息，嚴防僱傭童工；一旦錄用，本集團將與僱傭人員簽訂勞動合同，明確勞動關係及條件，杜絕強制勞工。於本年度，本集團始終堅持合法用工、依法管理，不存在使用童工或強制勞工的情況。在僱員晉升管理過程中，本集團遵循以能力為中心的原則，決不以性別、年齡、種族、身體障礙等原因歧視任何候選人，保障平等的競爭環境。除已訂明的相關情形（如僱員出現嚴重違反勞動紀律或企業規章制度的情況，可根據《弘陽集團員工離職管理辦法》中的規定對僱員提出解除勞動合同）之外，本集團反對任何不公平或不合理的解僱事件發生。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

To achieve the Group's long-term development goals and objectives, as well as to encourage and retain outstanding employees, the Group endeavors to set up a remuneration incentive system that is market-competitive while aligning with the Group's characteristics. The Remuneration Management System of Hong Yang Group Co., Ltd (《弘陽集團有限公司薪酬管理制度》) states that employees' remuneration follows the strategies of professionalism, differentiation and unification, competitiveness and fairness, high remuneration and controllability, which constitute a holistic remuneration incentive system comprising fixed wages, cash allowance, short- and medium-term incentives, long-term incentives and benefits. In addition to abiding by national and local policies on labor, insurance, and welfare such as the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), the Group further implements internal policies such as the Management Measures on Expat Staff (Provisional) of Hong Yang Group (《弘陽集團駐外人員管理辦法(暫行)》), the Transport Subsidy Management System (《交通補貼管理制度》), the Employees' Low-rent Housing Management System (《員工廉租房管理制度》), the Employees' Emergency Relief and Subsidy Management System (《員工急難救濟補助管理制度》) and the Attendance and Leaves Management System of Hong Yang Group Co., Ltd (《弘陽集團有限公司考勤及假期管理制度》). The Group implements 40-hour week system and stipulates that employees should be entitled to sick leave, work-related injury leave, maternity leave, marriage and bereavement leave and paid annual leave. The Group encourages and advocates its employees to finish their work with high efficiency within the specified working hours. In principle, the Group does not advocate employees to extend working hours or work overtime, and if there is a need for overtime work and it is approved by relevant heads, the Group will offer compensation to employees by offering alternative leave or paying overtime allowance.

為實現本集團的長期企業發展目標及宗旨，激勵及挽留優秀僱員，本集團努力建立既具有市場競爭力又符合本集團特點的薪酬激勵制度，《弘陽集團有限公司薪酬管理制度》中提出僱員薪酬待遇遵循專業化、差異化與統一化、競爭性與公平性、高薪酬、可控性的策略，以固定工資、現金津貼、中短期激勵、長期激勵和福利構成全面薪酬激勵體系。在遵守《中華人民共和國社會保險法》等國家及地方有關勞動、保險、福利等政策規定的基礎上，本集團進一步落實《弘陽地產集團駐外人員管理辦法(暫行)》、《交通補貼管理制度》、《員工廉租房管理制度》、《員工急難救濟補助管理制度》及《弘陽集團有限公司考勤及假期管理制度》等內部政策，實行每週40小時工作制，並規定僱員享有病假、工傷假、產假、婚喪假，以及帶薪年假等假別。本集團鼓勵和提倡僱員在規定工作時間內高效完成工作，原則上不提倡僱員延長工作時間或者加班，如確因工作需要加班並經過相關領導審批同意後，本集團將主要通過調休或結算加班工資給予僱員相關補償。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2.2 Maintaining Health and Safety

The Group strictly complies with laws and regulations that have material impact on the Group in respect of providing safe working environment and protecting employees from occupational hazards, such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Regulations on Prevention and Control of Occupational Diseases of Jiangsu Province (《江蘇省職業病防治條例》), the Regulations of Jiangsu Province on Work Safety (《江蘇省安全生產條例》), the Regulations on Prevention and Control of Occupational Diseases of Shanghai (《上海職業病防治條例》) and the Regulations of Shanghai on Work Safety (《上海安全生產條例》), and create a comfortable, healthy and safe working environment for employees from two aspects, which are, firstly to monitor the construction contractors to ensure the safety of the construction environment, and secondly to create a harmonious and comfortable working atmosphere and a healthy and safe public office environment for employees through arranging body check for employees and holding physical fitness enhancement activities in the normal course of operation, despite the fact that the major working environment of employees is office workplace such as office buildings which do not involve environmental safety issues that significantly affect their health. Specific measures are as follows:

2.2 守護健康安全

在有關提供安全工作環境及保障僱員避免職業性危害方面嚴格遵守對本集團有重大影響的法律法規，如《中華人民共和國職業病防治法》、《江蘇省職業病防治條例》、《江蘇省安全生產條例》、《上海職業病防治條例》、《上海安全生產條例》，並從兩個維度出發為僱員打造舒適、健康與安全的工作環境，一是通過管理施工商，保障施工環境的安全；二是在主營業務運營中，即使僱員的主要工作環境為寫字樓等辦公場所，不涉及重大影響僱員身體健康的環境安全因素，但本集團依然希望通過組織僱員體檢、舉辦增強體質等活動為僱員創造和諧舒適的工作氛圍和健康安全的公共辦公環境，具體措施如下：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

<p>Construction safety</p> <p>施工安全</p>	<p>The Group formulated documents such as the Construction Assessment Management System (《工程考核管理制度》) and the Construction Technology Management System (《工程技術管理制度》), requiring constructors to enhance safety measures. Please refer to the section headed “Sunshine Procurement” for details.</p> <p>制定如《工程考核管理制度》、《工程技術管理制度》等文件要求施工商加強安全措施，具體可查閱「陽光採購」章節。</p>
<p>Physical health of employees</p> <p>僱員身體健康</p>	<p>The Group organized health check for its employees. In particular, the Group issued the Notice of Organization of Body Check for Staff at Headquarter of Property Division in 2019 (《關於組織2019年度地產總部員工體檢的通知》) on 29 October 2019 to offer employee discounts to the family members of its employees for making appointments for body check.</p> <p>組織僱員健康體檢，如本集團於2019年10月29日發佈《關於組織2019年度地產總部員工體檢的通知》，同時為僱員家屬提供僱員優惠價格預約體檢。</p>
<p>Mental health of employees</p> <p>僱員心裡健康</p>	<p>The Group organized various activities for employees such as team building activities and festive activities, to provide employees with opportunities to relax when they are off duty, and encourage friendship among employees and thereby enhancing their sense of belonging to the Group.</p> <p>通過舉辦不同類型的活動，如團體建設、節日活動等，為僱員提供工作之外放鬆身心的機會，促進僱員間友誼，並藉此增強僱員對本集團的歸屬感。</p>
<p>Increased awareness of employees</p> <p>僱員意識提升</p>	<p>The Group provided trainings in relation to health and safety.</p> <p>提供安全健康方面內容的培訓。</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

On 17 July 2019, Mr. Zeng Zhao Gong (曾朝恭), a guest lecturer from Redsun Devoted Running Team (弘陽極客跑團), was invited to share his expertise, including the ways of healthy running and methods of relieving office fatigue through self-restoration trainings, with our employees in the seminar named "Running for a Wonderful Life (跑步，讓生命更精彩)"

2019年7月17日，弘陽極客跑團特邀講師曾朝恭先生在「跑步，讓生命更精彩」講座中向僱員分享了如何健康地跑步以及如何通過自我修復訓練舒緩辦公勞累等專業知識



On 28 September 2019, the headquarter of Redsun Properties organized a "20km Walk Challenge for Staff (全員聚力20km徒步挑戰賽)" in Shanghai

2019年9月28日，弘陽地產總部「全員聚力20km徒步挑戰賽」在上海舉行



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2.3 Creating a Platform for Development

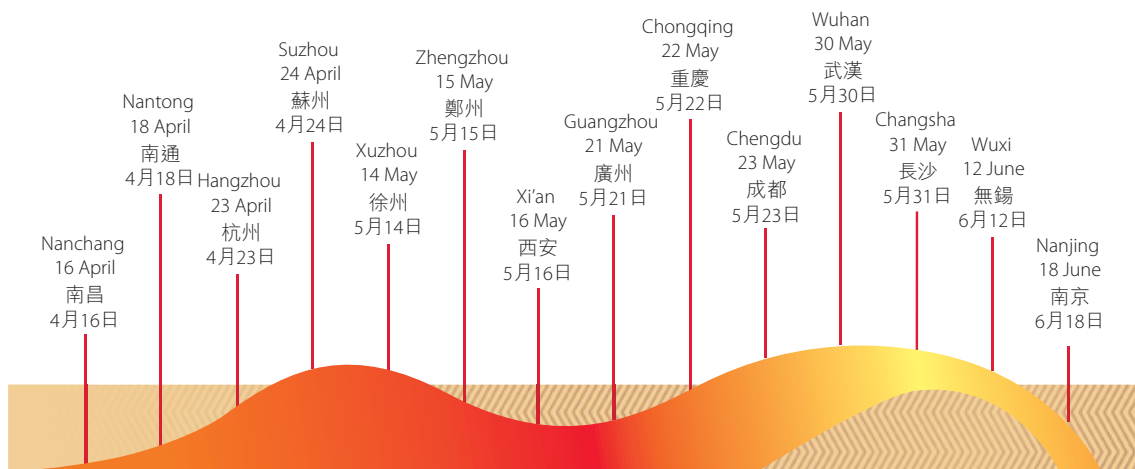
The Group places high emphasis on the training of talents and the establishment of a competent team, and strives to incorporate employees' self-development with the Group's long-term development. Catered for the needs of trainings of various types of employees including core staff of lines, high-calibre and high-performance talents and new recruits, the Group prepared tailor-made training programmes and clear career development plans such as the "Redsun's Elites (弘英生)" programme and the training system of "Redsun Management Trainees (弘鵠生)" and invited both internal and external mentors to provide professional trainings, so as to ensure employees possess the knowledge and skills required by the jobs on an ongoing basis.

In the second quarter of 2019, the Operational Management Department, the Engineering Management Department, the Bidding and Procurement Department, the Cost Management Department and the Customer Relations Department of the Group jointly launched a training programme named "Gear Actions (齒輪行動)". Over the two months from 16 April 2019 to 18 June 2019, nearly 20 lecturers were invited and a total of more than 450 first-line employees from our regional companies in Nanchang (the first stop), Nantong, Hangzhou, Suzhou, Xuzhou, Zhengzhou, Xi'an, Guangzhou, Chongqing, Chengdu, Wuhan, Changsha, Wuxi and Nanjing (the last stop) took part in this training.

2.3 創造成長平台

本集團重視培訓人才和建立能力超卓的團隊，致力把僱員的個人發展與本集團的長遠發展相連接。針對核心骨幹、雙高人才、新進人員等不同類型僱員的培訓需求，本集團編製了針對性的培訓計劃和清晰的職業發展規劃，如「弘英生」計劃、「弘鵠生」培養體系，並通過邀請內外外部培訓師開展專業培訓，確保僱員持續具備工作所需知識及技能。

於2019年第二季度，本集團運營管理部、工程管理部、招標採購部、成本管理部門、客戶關係部聯合開展了「齒輪行動」培訓。由2019年4月16日的首站南昌，歷經南通、杭州、蘇州、徐州、鄭州、西安、廣州、重慶、成都、武漢、長沙、無錫，至2019年6月18日的末站南京區域公司，在2個多月的時間裡邀請了近20位講師，共有450餘人次的一線同事參與本次培訓。



Route map of 2019 "Gear Actions (齒輪行動)"
2019年「齒輪行動」培訓路線圖

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In this training, the functional departments of the Group penetrated first line to provide on-site trainings and counselling to project members, of which, the Operational Management Department presented the operation management system of the Group in great detail and from various perspectives; the Engineering Management Department explained the engineering management system by focusing on two aspects, namely the management system and the system and structure; the Bidding and Procurement Department specified main responsibilities of each department throughout the bidding process and analyzed relevant specialty issues through typical cases; the Cost Management Department systematically described the cost management system by focusing on front end management system; and the Customer Relations Department further presented the target breakdown of customers' satisfaction during the Year and introduced the workflow of general operations in relation to customer services.

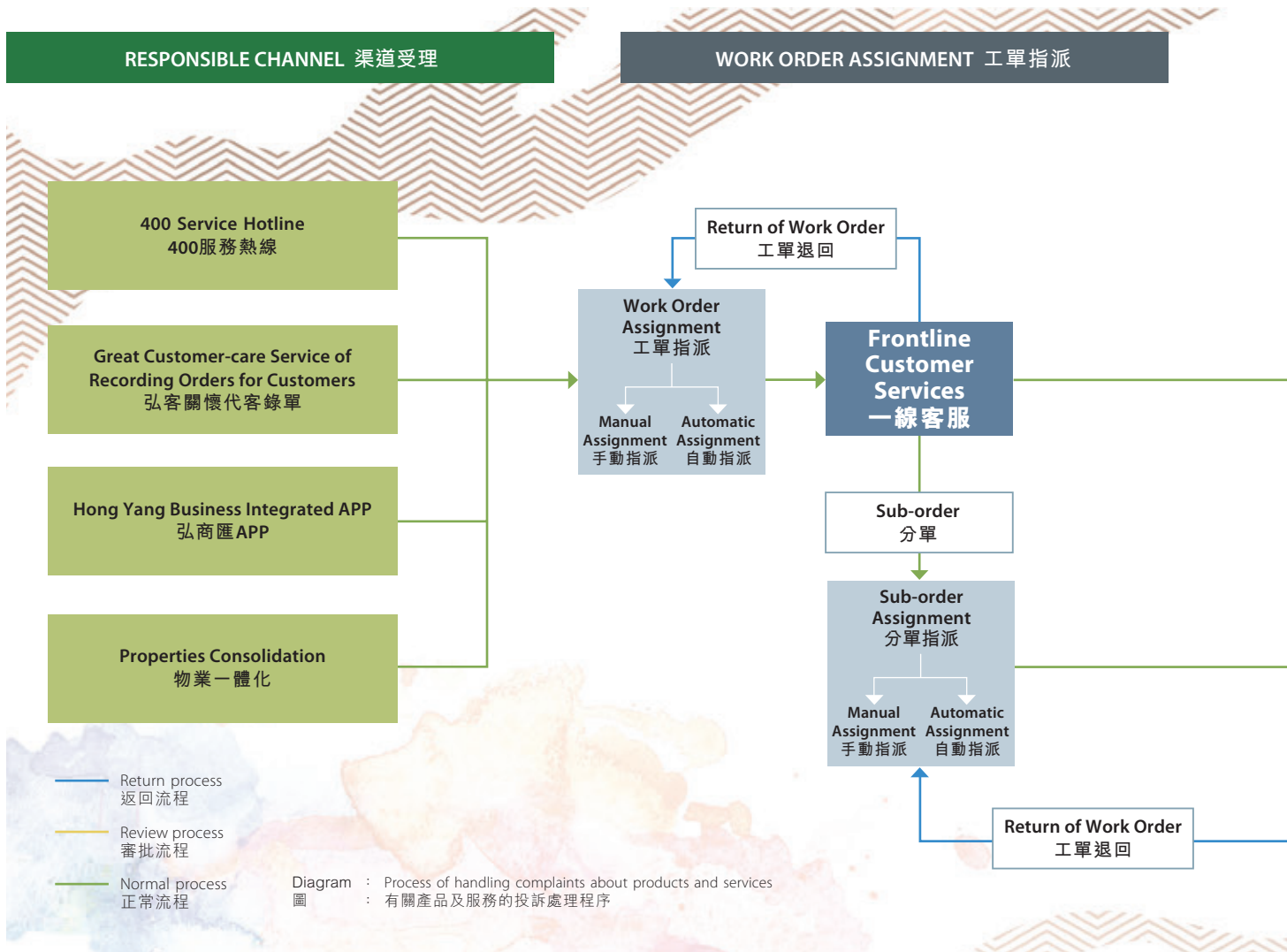
在本次培訓中，本集團職能部門深入一線對項目人員進行現場培訓和輔導。其中，運營管理部深層次、多方位地介紹了本集團運營管控體系；工程管理部以管理制度及體系架構兩個方面內容為核心講解了工程管控體系；招標管理部則明確了招標全流程中各部門的主要職責，並通過經典案例解析了專業相關問題；成本管理部門圍繞前端管控系統地闡述了成本管控體系；客戶關係部進一步講解了本年度客戶滿意度目標分解情況，並對客戶服務相關基礎業務工作流程進行介紹。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告



3. REDSUN'S BUSINESS — BUILDING CREDIBILITY

3.1 Superior Quality

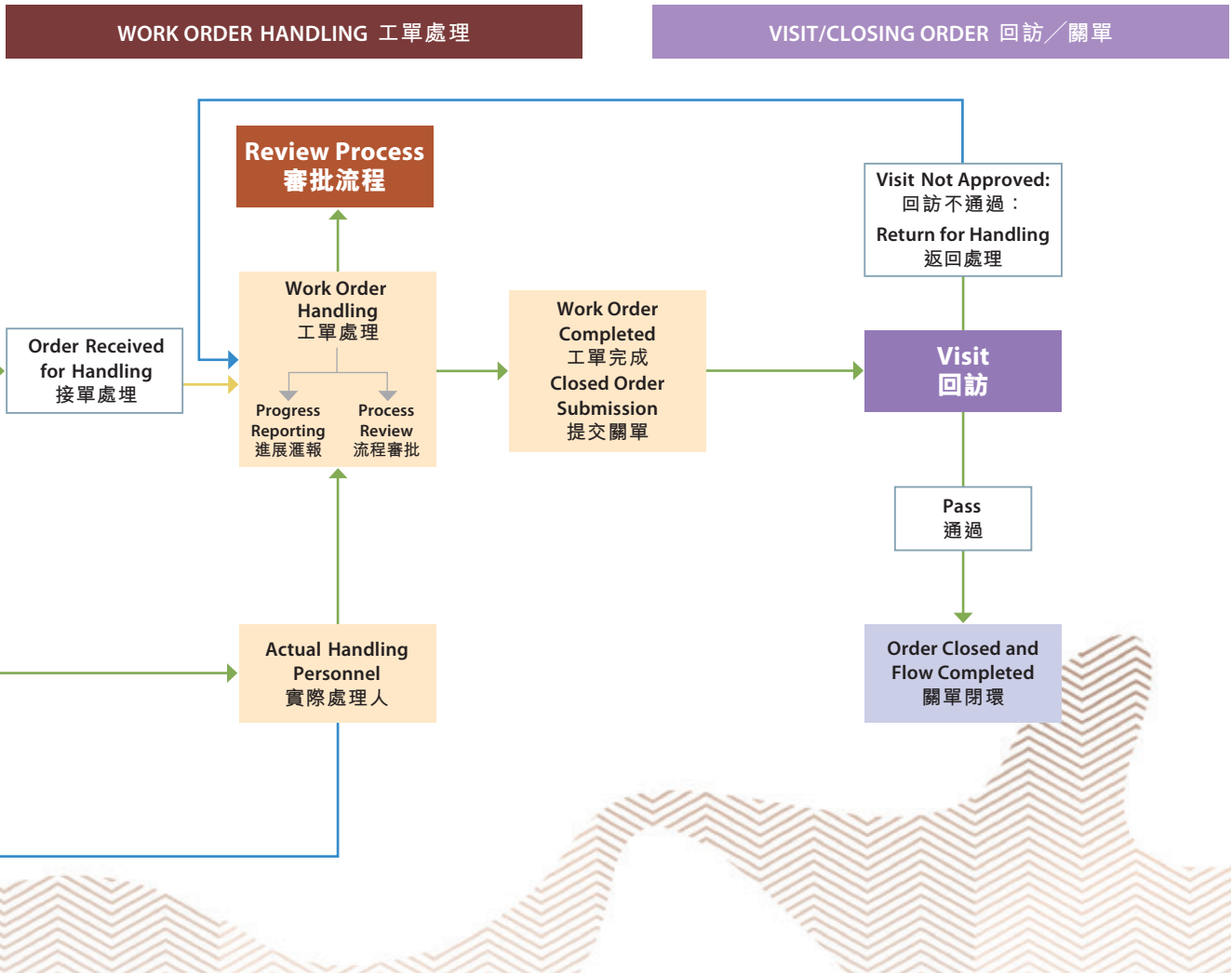
The Group adheres to practicing humanistic care through our products and strictly complies with the relevant laws and regulations in relation to health, safety issues and remedies in the delivery of products and services, such as the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), the Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》), Standardized Specifications for Engineering

3. 弘業·誠者築城

3.1 匠心品質

本集團堅持用產品踐行人文關懷，嚴格遵守與所提供的產品和服務中涉及健康、安全事宜及補救方法相關的法律法規，如《中華人民共和國產品質量法》、《中華人民共和國城市房地產管理法》、《建築施工安全技術統一規範》(GB50870-2013)，並制定了《工程技術管理制度》、《工程考核管理制度》等內部政策，從設計、招標採購、施工、驗收、評估等各個環節入手，對產品質

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告



Construction Safety and Technology (《建築施工安全技術統一規範》) (GB50870-2013). The Group has formulated internal policies such as the Construction Technology Management System (《工程技術管理制度》) and the Construction Assessment Management System (《工程考核管理制度》), so as to strictly control product quality in terms of health and safety at each stage including design, bidding and procurement, construction, inspection upon delivery and assessment. During the Year, the Group did not receive any return of products sold or delivered due to safety and health issues.

量尤其是其健康與安全部分進行嚴格把控。於本年度，本集團未曾接獲已售或已提供產品中因安全與健康理由被退回的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has stipulated in the Construction Technology Management System (《工程技術管理制度》) that construction arrangement and design shall be subject to the principle of “To obtain an approval before the construction commences”, and no construction shall be carried out by any of the parties in relation to the construction without the approval for the construction arrangement and design. Details of the keys of review of the construction arrangement and design and the specific construction plan of Redsun Properties are as follows:

- Construction plan: to review whether construction schedule, materials, equipment and design meet the requirements of the project schedule;
 - Construction technic and technology: to review whether related technical parameters, construction process and construction methods are compliance with the regulations and meet the requirements of contracts;
 - Overall construction layout: to review whether the layout meets the overall planning requirements, and whether the appropriateness of on-site construction conditions to each of the construction parties has been considered;
 - Quality assurance measures: to review whether there are any measures specifically adopted for tackling common quality problems;
 - Construction materials: to review whether the materials selected meet the requirements of contracts and regulations and our financial budget;
 - Construction safety assurance measures: to review whether organizational protection, technical measures, safety technical measures, contingency plans, monitoring and control meet the construction requirements;
 - Labor force plan: to review whether the labor force plan meets construction safety requirements and the implementation of deploying dedicated personnel for the administration of production safety.
- 本集團在《工程技術管理制度》中規定施工組織設計需遵循「先審批，後施工」原則，任何單位工程的施工組織設計未經審批，均不得進行施工。關於弘陽地產施工組織設計以及專項施工方案審核要點，具體包括如下內容：
- 施工計劃：審核施工進度計劃以及材料設備進場設計是否符合項目進度要求；
 - 施工工藝技術：審核相關技術參數、工藝流程、施工方法是否符合規範以及合同要求；
 - 施工總平面佈置：審核是否符合總體策劃要求、是否考慮現場施工條件與各單位的配合；
 - 質量保證措施：審核其對常見的質量通病是否有針對性措施；
 - 工程材料：審核材料的選擇是否符合合同以及規範規定要求、是否符合經濟性要求；
 - 施工安全保證措施：審核組織保障、技術措施、安全技術措施、應急預案、監測監控是否滿足施工要求；
 - 勞動力計劃：審核勞動力進場計劃是否滿足施工安全要求，以及專職安全生產管理人員落實情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

At the project construction stage, the Group has formulated the Standards for Construction Safety and Civilization of Redsun Properties (《弘陽地產安全文明施工標準》), which provides clear requirements for the aspects such as “civilized construction”, “safety protection”, “bulky equipment”, “on-site fire prevention” and “temporary use of electricity”, thereby further enhancing the standards for construction safety and civilization for the projects under construction. Specific examples are as follows:

在項目建設階段，本集團制定了《弘陽地產安全文明施工標準》，通過對「文明施工」、「安全防護」、「大型設備」、「現場防火」、「施工臨時用電」等方面作出明確規定，以進一步提升在建項目安全文明施工水平，具體示例如下：

Example
示例

“Safety Protection” — Safety Aisles 「安全防護」— 安全通道

1. The safety aisles and freight elevator aisles are scaffolded with double-deck protective covers. Both decks should be fully covered with bamboo fencing or formwork and the surroundings shall be well-labelled with safety slogans;

安全通道及人貨梯通道口搭設雙層防護棚，兩層均需用竹筴或模板鋪設密實，周邊安全宣傳標語設置完整：



2. Both sides of the protective covers should be closed. The inner side shall be posted with safety labels and posters for safety production and remain neat and good appearance.

防護棚兩側須進行封閉，內側面張貼安全標識、安全生產宣傳畫，並保證整潔，美觀。

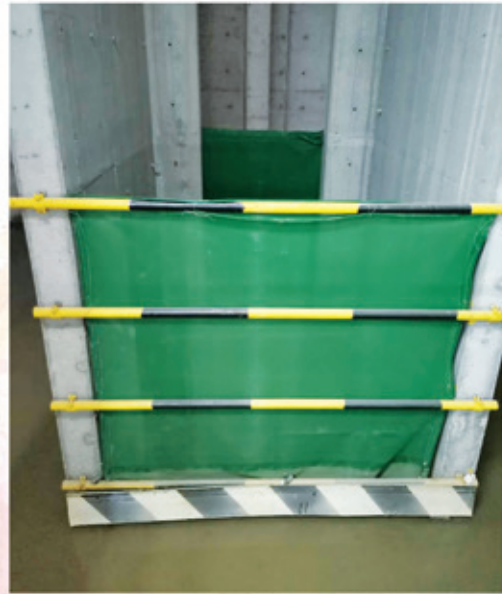
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Example
示例

“Safety Protection” — Basement Sumps 「安全防護」— 地下室集水坑

1. The basement sumps are built with grille cover plates that are made with welded steel bars and painted in yellow. The intervals between the steel bars are not greater than 11 cm;
地下室集水坑採用鋼筋焊接格柵蓋板，刷黃色油漆，鋼筋間距不大於11厘米；
2. The corners are equipped with openable grilles for switching on the water pump when pumping and switching it off after completion.
邊角處留設可開啟式格柵，抽水時開啟放置水泵，抽水完成後關閉。



Example
示例

“On-site Fire Prevention” — Fire Prevention Arrangement and Fire Extinguishing Facilities 「現場防火」— 防火佈置、消防設施

1. On-site fire prevention should be carried out by regions with reasonable installation of equipment and an identifiable responsible person;
現場防火應按區域進行劃分、設備佈置合理並明確責任人；
2. All construction regions of the construction sites should be equipped with fire extinguishing facilities and undergone regular checks;
施工現場各施工區域均需放置滅火設備並做到定期檢查；
3. Fire-fighting water should be set up to the construction floors based on the requirements in each establishment;
消防水需按照各地方規定設置至施工樓層；
4. On the typical floors, each floor should be equipped with no less than 2 fire extinguishers put at the entrance of freight elevators.
標準層內，每層不少於2支滅火器，放置於人貨電梯口。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

At the quality assessment stage, the Group introduces a third-party assessment mechanism to the quality assessment system to further ensure the product quality. The third-party assessment mechanism includes process assessment and delivery assessment. Process assessment mainly involves “quality inspection”, “quality risk”, “safety and civilization”, “management behavior” and “progress control”. Delivery assessment is divided into assessment of delivery in bare-shell state and assessment of delivery in fine decoration state. The specific assessment details include “leakage prevention test”, “indoor perception”, “quality inspection”, “public area”, “external facade”, “garden” and “electrical and mechanical installation”. To maintain the advancement of the assessment system, the third-party assessment will consider various aspects together with any feedbacks received so as to update or adjust specific indicators. For example, the 2019 process assessment system made the following updates to “quality inspection”, “quality risk”, “safety and civilization” and “management behavior”:

在質量評估階段，本集團通過在質量評估體系中引入第三方評估機制以進一步保障產品品質。第三方評估機制包括過程評估和交付評估。過程評估主要涉及「實測實量」、「質量風險」、「安全文明」、「管理行為」以及「進度管控」。交付評估分為毛坯交付評估和精裝交付評估，具體評估內容涉及「防滲漏試驗」、「戶內觀感」、「實測實量」、「公眾部位」、「外立面」、「園林」以及「機電安裝」。為了保持評估體系的先進性，第三方評估內容會綜合多方面考慮及反饋，從而對具體指標進行更新或調整，如2019年過程評估體系對「實測實量」、「質量風險」、「安全文明」、「管理行為」作出了如下的更新：

<p>Quality inspection</p> <p>實測實量</p>	<ul style="list-style-type: none"> • Adding masonry nodes, public area decorations, electrical and mechanical installation checks, etc. to quality inspection for civil engineering construction • Adding the “fine decoration quality inspection” dimension, the inspection of which mainly includes furnishing works, door and window works, equipment installation works, electrical and mechanical installation, etc. • 土建實測實量增加砌築節點、公區裝飾、機電安裝檢查等內容 • 新增「精裝實測實量」維度，主要檢查內容包括塗飾工程、門窗工程、設備安裝工程、機電安裝等
<p>Quality risk</p> <p>質量風險</p>	<ul style="list-style-type: none"> • Adding segment inspection for functional defects to quality risk arising in civil engineering construction • Adding the “fine decoration quality risk” dimension, the inspection of which mainly includes leakage, hollowing/cracking, perception quality, finished product protection and functional defects • 土建質量風險中增加功能缺陷分項檢查內容 • 新增「精裝質量風險」維度，主要檢查內容包括滲漏、空鼓／開裂、觀感質量、成品保護及功能缺陷
<p>Safety and Civilization</p> <p>安全文明</p>	<p>Conducting safety risk control over the aspects with rather significant safety concerns through adjusting the weighting and increase deductions in the point mechanism 通過調整權重、加大扣分的方式，對存在較大安全隱患的內容進行安全風險控制</p>
<p>Management behavior</p> <p>管理行為</p>	<p>Adjusting the “behavior inspection table” 調整「動作檢查表」</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

3.2 Customer-oriented

The Group regards customer needs as a means to boost its service quality enhancement and strictly complies with relevant laws and regulations in relation to advertising, privacy issues and remedies in the delivery of products and services, such as the State Secrets Protection Law of the People's Republic of China (《中華人民共和國保守國家秘密法》), the Implementation Regulations for the State Secrets Protection Law of the People's Republic of China (《中華人民共和國保守國家秘密法實施條例》), the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), the Regulations on Control of Advertisement (《廣告管理條例》) and the Provisions on the Release of Real Estate Advertisement (《房地產廣告發佈規定》). The Group continuously strengthens its management of various aspects such as "broadening customer communication channels", "protecting customers' privacy", "promotion of integrity", so as to continuously increase customer satisfaction.

In order to continuously enhance market competitiveness and increase customer satisfaction, apart from actively providing customers with information about products and operating activities of the Group, the Group also formulates requirements regarding methods for dealing with customer complaints about our products and services. Customers may monitor and give feedback on our products and services via channels such as "400 Service Hotline", "Great Customer-care Service of Recording Orders for Customers (弘客關懷代客錄單)", "Hong Yang Business Integrated App (弘商匯APP)" and "Properties Consolidation (物業一體化)" (as illustrated in the diagram below). The Group will assign specialized personnel to follow up and handle the cases according to the service types and project information. When handling customers' feedback and complaints, the Group stipulates that the responsible personnel shall provide solutions before submission for review and approval and report the progress, so as to further raise their awareness of regulatory requirements when handling complaints about products and services. As of the end of this Year, the Group's 400 Call Center received a total of 2,238 incoming complaint calls from property owners.

3.2 客戶導向

本集團以客戶的需求驅動服務質素的提升，嚴格遵守與所提供產品和服務中涉及廣告、私隱事宜及補救方法相關的法律法規，如《中華人民共和國保守國家秘密法》、《中華人民共和國保守國家秘密法實施條例》、《中華人民共和國廣告法》、《中華人民共和國商標法》、《廣告管理條例》、《房地產廣告發佈規定》，通過持續加強在「拓寬客戶溝通渠道」、「保護客戶隱私」、「誠信宣傳」等多面的管理，不斷提升客戶滿意度。

為了不斷提升市場競爭力，提升客戶滿意度，本集團在積極向客戶提供有關本集團產品及運營活動等方面信息的基礎上，亦對客戶關於產品及服務的投訴應對方法做出了具體規定。客戶可通過「400服務熱線」、「弘客關懷代客錄單」、「弘商匯APP」以及「物業一體化」(如下圖所示)等渠道對本集團產品及服務進行監督和反饋。本集團將會根據服務類型以及項目信息選擇對應的負責人進行跟蹤處理。在客戶意見和投訴處理過程中，本集團規定負責人須於提交審批前列明處理方案，並對處理進展進行匯報，以進一步提高操作人員在處理有關產品及服務投訴過程中的規範意識。截至本年度末，本集團400呼叫中心共接收業主呼入投訴工單2,238單。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group attaches importance to customers' privacy and strictly abides by relevant laws and regulations such as the State Secrets Protection Law of the People's Republic of China (《中華人民共和國保守國家秘密法》), the Implementation Regulations for the State Secrets Protection Law of the People's Republic of China (《中華人民共和國保守國家秘密法實施條例》). It also stringently performs its work based on the Call Center Management Handbook of Hong Yang Group Company (弘陽集團呼叫中心管理手冊), which clearly states the confidentiality scope, confidentiality measures, as well as the obligations and penalties for the "400 Call Center". The specific regulations are as follows:

- Strictly cover up our customers' information, which shall not be disseminated and revealed to any unrelated personnel inside and outside the "400 Call Center" by any means;
 - Prohibit the printing and copying of all kinds of information of the Company in private and its unauthorized outspread;
 - No prying into and interfering in the information which is not within the job duty of oneself from the staff in other positions in the center;
 - Relevant confidential documents and information kept by the managers/supervisors should be stored inside a locked cabinet;
 - Without the consent of conference organizers, the personnel in attendance shall not distribute the conference content at their own will to the personnel yet to attend the conference;
 - Before leaving the workplace when they are off duty, center staff should put the documents and information at the designated places and should not take them away from the workplace;
 - At their deployment or resignation, center staff should hand over the documents or information in their own possession to their supervisors and shall not transfer them to other personnel at their own will;
 - Prohibit the use of USB flash disks, card readers, etc. at their seats.
- 本集團重視客戶隱私，嚴格遵守《中華人民共和國保守國家秘密法》、《中華人民共和國保守國家秘密法實施條例》等有關法律法規，並嚴格按照《弘陽集團呼叫中心管理手冊》開展工作。該手冊明確寫明了「400呼叫中心」的保密範圍、保密措施，以及責任和處罰，具體規定如下：
 - 嚴守客戶信息，不得以任何形式向「400呼叫中心」內外無關人員散佈、泄露；
 - 嚴禁私自打印、複製公司的各類信息資料，並擅自向外傳播；
 - 不得向中心其他崗位員工窺探、過問非本人工作職責內的信息；
 - 經理／主管保管的相關保密文件和資料應存放在上鎖櫃內；
 - 參加會議人員未經會議組織者同意不得隨意向未參會人員傳播會議內容；
 - 中心員工下班離開職場前，須將文件、資料放置在指定位置，不得帶離職場；
 - 調職、離職時，必須將自己經管的文件或資料交至上級，不可隨意移交給其他人員；
 - 嚴禁在台席上使用U盤、讀卡器等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

To further strengthen and standardize the marketing management such as advertising and labelling, show respect to the fruit of labor of others and protect the intellectual property, while abiding by laws and regulations such as the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Group further implements the management rules in relation to products promotion under the New Media Management System of Hong Yang Group Company (《弘陽集團新媒體管理制度》) and the Visual Image Management System of Hong Yang Group Company (《弘陽集團視覺形像管理制度》), strictly avoiding the use of false statements and the infringement of intellectual property during product and service promotion and trading process. For all kinds of information externally released by official new media, the Group requests the publisher to complete a content review as required by the responsible body before release, and exaggeration and misleading promotion are prohibited. If the information involves the names or portraits of public figures or the use of pictures or text of which others have copyrights results in the infringement of the copyrights, the publisher shall seek the consent of the party involved in writing in advance such as a letter of authorization or a cooperation agreement, and be undergone the required procedures for prior review and approval. If any employees violates the New Media Management System of Hong Yang Group Company (《弘陽集團新媒體管理制度》), once verified, the Group may affix the responsibility and impose penalties in accordance with relevant systems according to the Accountability System of Hong Yang Group Company (《弘陽集團責任追究制度》).

為進一步加強和規範廣告、標籤等市場宣傳工作管理、尊重他人勞動成果和保護知識產權，本集團在遵守《中華人民共和國廣告法》、《中華人民共和國專利法》、《中華人民共和國著作權法》等法律法規的同時，進一步執行《弘陽集團新媒體管理制度》、《弘陽集團視覺形像管理制度》中與產品宣傳相關的管理規定，嚴格規避在產品、服務宣傳和交易過程中出現虛假陳述或侵犯知識產權事件。針對官方新媒體對外發佈的各類信息內容，本集團要求發佈人在發佈前須按各責任主體管理要求完成內容審核，不得出現誇大及誤導性宣傳等；若信息內容中包含公眾人物姓名、肖像，或使用他人擁有著作權的圖片、文字等可能造成侵權的，應事先書面征得對方同意(含授權書、合作合同等)，並嚴格按照規定的流程進行事前審批，如有僱員違反《弘陽集團新媒體管理制度》，一經查實，本集團將參考《弘陽集團責任追究制度》等相關制度進行責任追究和處罰。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

4. REDSUN'S PERSEVERANCE — ENVIRONMENTAL PROTECTION IN PRACTICE

The Group recognized the importance of environmental protection and has adopted relevant environmental measures to ensure the compliance with laws and regulations that have material impact on the Group's business such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》), the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) and the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》).

In the specific construction phase of projects, the major work is handed over to constructors with professional qualifications for execution. Therefore, the environmental impacts arising from the Group's property development and sales business mainly include the use of resources and energy in office, emission of greenhouse gas, discharge of atmospheric pollutants and discharge of wastes. In order to reduce part of these environmental impacts, the Group has formulated series of environmental policies and measures in response to the green office policies and facilitated the employees to build up green awareness in aspects of energy saving and reducing emissions, water saving and reducing wastes.

4. 弘毅·踐行環保

本集團認識到環境保護的重要性，並已採取相關的環保措施，以確保符合與廢氣排放、溫室氣體排放、向水及土地排放、廢棄物排放等對本集團業務有重大影響的法律法規，如《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國節約能源法》等。

在項目具體的施工建造階段，其主要工作交由具有專業資質的承包商執行，故本集團房地產開發與銷售業務的環境影響主要包括於辦公場所產生的資源能源使用、溫室氣體排放、大氣污染物排放及廢棄物排放。為了降低該部分環境影響，本集團響應綠色辦公政策，制定一系列環保政策及措施，促進員工樹立了節能減排、節水及減廢等方面的環保意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

On energy and water resource management, the major types of energy consuming activities of the Group's property development and sales business during the Year were the electricity used in office and automotive fuel; the major type of water consuming activities was the water used in office. Pursuant to the documents including the Comprehensive Work Plan for Energy Conservation and Emission Reduction under the 13th Five-Year Plan (《「十三五」節能減排綜合工作方案》) issued by the State Council of the People's Republic of China, the Group has formulated management measures regarding electricity and water saving so as to increase employees' awareness of the conservation of energy and water resources. On this basis, the Group has further made an enhancement plan for the replacement and procurement of environmental protection equipment. The specific environmental policies and measures are set out below:

在能源與水資源管理方面，本集團房地產開發與銷售業務於本年度使用能源的主要活動類別為辦公用電和汽車燃油，使用水資源的主要活動為辦公用水。為了提高員工在能源和水資源方面的節約意識，本集團根據中華人民共和國國務院《「十三五」節能減排綜合工作方案》等文件，制定了與節約用電用水相關的管理措施，並在此基礎上進一步對環保設備的更新和購置作出了改善計劃。具體環保政策及措施如下：

Use of Resources and Energy 資源能源使用

Environmental Policies and Measures (including but not limited to) 環保政策及措施(包括但不限於)

Use of energy 能源使用

- To label green messages in relation to "energy saving"
- To control the air-conditioning temperature
- To switch off idle appliances, computers and lightings when not in use or after working hours
- To prefer the use of energy-saving, efficient and environmental-friendly equipment recommended by the government and the industry



- 張貼「節約用電」的環保標語
- 控制空調溫度
- 在非使用時或工作時間後，關閉閒置設備、電腦及照明
- 優先使用國家、行業推薦的節能、高效、環保的設備

Use of water resources 水資源使用

- To label green messages in relation to "water saving"
- To promote the awareness of water saving and to guide the employees for the reasonable use of water resources
- To adopt water saving systems and tools
- 張貼「節約用水」的環保標語
- 推廣節水意識，引導僱員合理利用水資源
- 採用節水系統和器具

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Energy Consumption ⁴ 能源消耗量 ⁴	2019 2019年	2018 2018年	Unit 單位
Total energy consumption 電力消耗總量	4,668,225.22	2,479,487.62	kWh 千瓦時
Total energy consumption intensity 電力消耗密度	179.68	92.06	kWh/m ² of Gross Floor Area (GFA) 千瓦時／平方米建築面積
Total consumption of fuel (automotive petrol) 燃油消耗總量(汽車汽油)	127,363.48	132,872.62	Liters 公升
Total consumption intensity of fuel (automotive petrol) 燃油消耗密度(汽車汽油)	3,184.09	2,415.87	Liters per car 公升／每輛汽車
Total consumption of fuel (automotive diesel) 燃油消耗總量(汽車柴油)	0	265	Liters 公升
Total consumption intensity of fuel (automotive diesel) 燃油消耗密度(汽車柴油)	0	265	Liters per car 公升／每輛汽車
Total consumption of fuel (automotive ethanol gasoline) 燃油消耗總量(汽車乙醇汽油)	7,319.56	11,006.10	Liters 公升
Total consumption intensity of fuel (automotive ethanol gasoline) 燃油消耗密度(汽車乙醇汽油)	2,439.85	2,751.53	Liters per car 公升／每輛汽車

⁴ The Group's businesses involve development and sales of properties, investment and operation of commercial properties and hotel business. Considering the fact that revenue generated from development and sales of properties are the main sources of the total revenue for the corresponding period, unless otherwise stated in the scope of statistical data of this section, statistical subject is the designated office area of each company that actually operates in the development and sales of properties business. As the operation scale and operation stage of project companies under that business varies from year to year, for example, the time length of the use of sales department during the Year increased as compared to 2018 due to the needs arisen from the development of project companies and thus the energy consumption increased accordingly.

⁴ 本集團的業務涉及房地產開發與銷售、商業物業投資與經營以及酒店業務，因考慮到房地產開發與銷售業務產生的收入是同期收入總額的主要來源，故在本章節的數據統計範圍若沒有特殊說明時，以房地產開發與銷售業務中實際運營的各公司固定辦公區為統計主體。由於該業務下項目公司的運營規模和運營階段在不同年度之間均有變化，如部分項目公司隨著發展需要，於本年度運營使用售樓部的時長相比於2018年有所增加，故期間消耗的資源能源量亦相應增加。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Water Consumption 水資源消耗量	2019 2019年	2018 2018年	Unit 單位
Total water consumption 總耗水量	348,506.96	113,421.02	Tonnes 公噸
Total water consumption intensity 總耗水密度	13.41	4.99	Tonnes/m ² of GFA 公噸／平方米建築面積

In relation to the discharge of pollutants and wastes, the Group has strictly complied with relevant laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》) and the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》). During the Year, the atmospheric pollutants produced by the Group in property development and sales business were mainly from the use of vehicles and the sewage was mainly produced in the course of daily operation. Thus, the management measures implemented by the Group targeting on the use of vehicles included: (1) encouraging its employees to take public transportation and travel green; (2) promptly carrying out maintenance for any office vehicles upon the report and request for maintenance by their users; (3) carrying out maintenance for certain vehicles once in every 5,000 km. The disposal method for domestic sewage of the Group is to transmit such sewage to local municipal facilities or third parties with sewage treatment licenses via municipal pipelines for centralized disposal and encouraging its employees to develop the habit in water saving as well, so as to reduce the discharge of sewage at source.

在污染物及排放物管理方面，本集團已嚴格遵守《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》等相關法律及規定。於本年度，本集團在房地產開發與銷售業務中產生的大氣污染物主要來源於車輛的使用，廢水主要來源於辦公營運過程中產生的生活污水。為此，本集團針對車輛使用推行的管理措施包括(1)號召僱員乘坐公共交通、綠色出行；(2)當辦公車輛使用人員作出報修後，維修人員應即開展維修；(3)對部分車輛實施每5,000公里保養一次。針對生活污水的處置方式，本集團通過市政管道輸送至當地市政或持有專業執照的第三方進行集中處置，並號召僱員養成節約用水的習慣，從而在源頭上減少污水排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Emission of Air Pollutants from Vehicles ⁵ 汽車空氣污染物排放 ⁵	2019 2019年	2018 2018年	Unit 單位
Emissions of CO CO排放量	1,242.04	1,396.75	Kg 千克
Emissions of NOx NOx排放量	67.28	108.79	Kg 千克
Emissions of SOx SOx排放量	2.05	2.21	Kg 千克
Emissions of PM _{2.5} PM _{2.5} 排放量	6.89	7.74	Kg 千克
Emissions of PM ₁₀ PM ₁₀ 排放量	7.18	8.37	Kg 千克

Discharge of Wastewater 廢水排放	2019 2019年	2018 2018年	Unit 單位
Discharge of wastewater ⁶ 廢水排放量 ⁶	313,656.26	102,078.92	Tonnes 噸

⁵ The emissions of air pollutants from the use of vehicles are calculated with reference to Technical Guide for Air Pollutant Emission Inventory for On-road Vehicles (Provisional) (《道路機動車大氣污染物排放清單編製技術指南(試行)》) published by the Ministry of Ecology and Environment of the People's Republic of China.

⁶ The calculation of the discharge of sewage in the city category under the discharge of wastewater is with reference to the coefficient from the Code of Urban Wastewater Engineering Planning (GB50318-2017) (《城市排水工程規劃規範GB50318-2017》).

⁵ 有關汽車使用產生的空氣污染物排放計算方法參照中華人民共和國生態環境部發佈的《道路機動車大氣污染物排放清單編製技術指南(試行)》。

⁶ 有關廢水排放的城市分類污水排放係數參考《城市排水工程規劃規範GB50318-2017》。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In respect of greenhouse gas emissions, as the global warming, glacier meltdowns and the rise of sea levels have become the global issues that the human beings are facing together. As a corporate with social responsibility, the Group is paying close attention to climate change. During the Year, the greenhouse gas emissions generated from the Group's property development and sales business were mainly from the direct emissions generated by vehicles as well as the indirect emissions generated by purchased electricity during the production process. To this end, while implementing the aforementioned measures in relation to energy saving and the enhancement of efficiency of the use of vehicles, the Group called for its employees' action on charitable work, such as tree-planting activities, with an aim to protect the environment and support the development of ecological civilization.

在溫室氣體排放管理方面，由於全球氣候變暖、冰川融化、海平面上漲等多方面問題的出現，氣候變化已經成為人類共同面臨的全球性問題。作為一家有社會責任感的企業，本集團密切關注氣候變化。於本年度，本集團在房地產開發與銷售業務中產生的溫室氣體排放主要來源於車輛使用所產生的直接排放及外購電力在生產過程中產生的間接排放，為此，本集團在執行前文所述關於節約能源、提高車輛使用效率等措施的同時，亦號召僱員積極參加植樹造林等公益活動，致力做綠色環境的擁護者、生態文明的建設者。

Emission of Greenhouse Gas (Scope 1 and Scope 2) 溫室氣體排放 (範圍1和範圍2)	2019 2019年	2018 2018年	Unit 單位
Emissions from vehicles (scope 1) ⁷ 汽車排放 (範圍1) ⁷	302.35	318.69	Tonnes 公噸
Emissions from refrigerant (scope 1) 製冷劑排放 (範圍1)	2.64	89.42	Tonnes 公噸
Greenhouse gas offset by owned trees (scope 1) ⁸ 擁有樹木的溫室氣體抵消量 (範圍1) ⁸	0.64	0.74	Tonnes 公噸
Emissions from electricity consumption (scope 2) ⁹ 電力使用排放 (範圍2) ⁹	2,780.78	1,737.52	Tonnes 公噸
Total greenhouse gas emissions 總溫室氣體排放量	3,085.12	2,144.89	Tonnes 公噸
Intensity of total greenhouse gas emissions 總溫室氣體排放密度	0.12	—	Tonnes/m ² of GFA 公噸/平方米建築面積

⁷ The calculation of greenhouse gas emissions from the use of vehicles (scope 1) and relevant coefficient is with reference to the Industrial Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions by Enterprises of Other Industries (Provisional) (《工業其他行業企業溫室氣體排放核算方法與報告指南 (試行)》) and the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions by Overland Transportation Enterprises (Provisional) (《陸上交通運輸企業溫室氣體排放核算方法與報告指南 (試行)》) issued by the National Development and Reform Commission of the People's Republic of China.

⁸ The coefficient of emission reduction by trees is based on the coefficient provided in Reporting Guidance on Environmental KPIs (《環境關鍵績效指標匯報指引》) in Appendix II of How to Prepare an ESG Report (《如何準備環境、社會及管治報告》).

⁹ The calculation of greenhouse gas emissions from purchased electricity (scope 2) and relevant coefficient is with reference to the 2011-2012 Average CO₂ Emission Factors of Regional Power Grid in China (《2011年和2012年中國區域電網平均二氧化碳排放因子》) published by the National Development and Reform Commission of the People's Republic of China.

⁷ 有關汽車使用產生的溫室氣體排放 (範圍一) 的計算方法及相關排放系數參考中華人民共和國國家發展和改革委員會發佈的《工業其他行業企業溫室氣體排放核算方法與報告指南 (試行)》及《陸上交通運輸企業溫室氣體排放核算方法與報告指南 (試行)》。

⁸ 樹木的減排系數採用《如何準備環境、社會及管治報告》附錄二之《環境關鍵績效指標匯報指引》中所給出系數。

⁹ 有關外購電力產生的溫室氣體排放 (範圍二) 的計算方法及相關排放系數參考中華人民共和國國家發展和改革委員會發佈的《2011年和2012年中國區域電網平均二氧化碳排放因子》。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

In respect of the management of waste discharge, the Group complies with the Materials Management System of Hong Yang Group Co., Ltd (《弘陽集團有限公司物資管理制度》), which stipulates that the distribution of office materials by relevant department each time shall be in a minimum number of units to ensure work can be done while achieving the spirit of conservation. The monthly materials procurement data shall be reasonably budgeted according to the materials allocation standards and actual needs of work. Plans for extra procurement are not allowed so as to avoid accretion and waste of materials. Conserved and appropriate use of materials are advocated to extend their life cycles.

在廢棄物排放管理方面，本集團遵循《弘陽集團有限公司物資管理制度》，要求相關部門每次以最小單位數量配發辦公物資，在確保工作需要的同時履行節約精神；月度採購物資數據亦應按照物資配備標準和工作實際需求進行合理預算，不得多計劃多採購，避免造成物資積壓和浪費；提倡愛護、愛惜和正確使用物資，延長使用壽命。

Wastes Discharge 廢棄物排放

Environmental Policies and Measures (including but not limited to) 環保政策及措施（包括但不限於）

Hazardous wastes 有害廢棄物

To categorize the wastes collected and dispose them in a proper manner and hand over to third parties for proper disposal in accordance with relevant requirements in relation to the prevention and control of environmental pollution caused by hazardous wastes set out in the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》)

根據《中華人民共和國固體廢物污染環境防治法》對危險廢物污染環境防治的相關規定，將廢棄物分類收集、妥善處置，交予第三方進行妥善處置

Non-hazardous wastes 無害廢棄物

- To advocate reasonable use of paper and double-sided printing and copying
 - To encourage cutting down the use of disposables
 - To advocate the use of emails to exchange information in everyday office as much as possible to achieve paperless offices
 - To put a cardboard underneath the carbon paper when writing on it to increase its life time
 - To optimize the office network system and authorize the access to the information on the office network and store information in the computer to reduce distribution of documents and the use of storage appliances
- 倡導合理用紙，鼓勵打印、複印紙張做到兩面使用
 - 倡導少用一次性用品
 - 在日常辦公中提倡盡量使用電子郵件傳遞信息，實行無紙化辦公
 - 使用複寫紙時，在其下面墊上紙板，增加複寫紙的使用壽命
 - 完善網絡辦公系統，盡量通過授權在辦公網絡上查閱和利用電腦儲存資料，減少文件資料發放和存儲設施

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Major Hazardous Wastes 主要有害廢棄物	2019 ¹⁰ 2019年 ¹⁰	2018 2018年	Unit 單位
Produced from fluorescent tube 熒光燈管產生量	322.00	194	Pieces 個
Produced from used batteries 廢舊電池產生量	374.10	—	Kg 千克
Produced from cartridge 墨盒產生量	626.00	615	Pieces 個
Produced from equipment maintenance liquid wastes 設備維護廢液產生量	37.60	71	Liters 公升

Major Non-hazardous Wastes 主要無害廢棄物	2019 ¹⁰ 2019年 ¹⁰	2018 2018年	Unit 單位
Disposal of paper 紙張棄置量	4,055.76	2,799.75	Kg 千克
Intensity of discharge of disposed paper 廢棄紙張棄置密度	0.16	0.13	Kg/m ² of GFA 千克/平方米建築面積
Paper recycled 紙張回收量	724.50	306.40	Kg 千克
Disposal of metal 金屬棄置量	1,311.00	—	Kg 千克
Intensity of discharge of disposed metal 廢棄金屬棄置密度	0.05	—	Kg/m ² of GFA 千克/平方米建築面積
Metal recycled 金屬回收量	351.00	—	Kg 千克
Disposal of plastics 塑料棄置量	2,664.20	386.70	Kg 千克
Intensity of discharge of disposed plastics 廢棄塑料棄置密度	0.10	0.02	Kg/m ² of GFA 千克/平方米建築面積
Plastics recycled 塑料回收量	1,068.00	35.50	Kg 千克
Disposal of glass 玻璃棄置量	283.50	—	Kg 千克
Intensity of discharge of disposed glass 廢棄玻璃棄置密度	0.01	—	Kg/m ² of GFA 千克/平方米建築面積
Glass recycled 玻璃回收量	2.00	—	Kg 千克

¹⁰ During the Year, the data of major hazardous and non-hazardous wastes excluded the hazardous and non-hazardous wastes produced by some project companies at the workplace operated by their contractors.

¹⁰ 於本年度，主要有害無害廢棄物數據不包含部分項目公司在承包商負責運營的辦公場所中所產生的有害無害廢棄物量。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

5. REDSUN'S LOVE AND CARE — GIVING BACK TO THE SOCIETY

5.1 Building the Community

The Group truly understands the importance of giving back to the society and take the interest of the community as one of the social responsibilities of the Group. On the basis of complying with the Welfare Donations Law of the People's Republic of China (《中華人民共和國公益事業捐贈法》), the Group proactively implements regulations and ideals related to voluntary services under the orders and ordinances such as the Voluntary Service Regulations (Order No. 685) (《志願服務條例》(國令第685號)). By upholding the principles of volunteerism, gratuitousness, equal, integrity and lawfulness, the Group embarks on charitable and voluntary campaigns. During the Year, the Group organized and participated in various charity events such as "Meet at the Great Time and Develop a Better Path for Children (相遇錦時 美好童行)", "Unite Love and Draw the Dream — Celebration of the 70th Anniversary of Motherland (凝聚愛·繪夢想 — 慶祝祖國70週年)", and paid active attention to multiple social issues including the growth and education of children. The Group is committed to creating a better environment for teenagers and bringing momentum for sustainable development to the community.

5. 弘愛·回饋社會

5.1 助力社區

本集團深明回饋社會的重要性，並將社區利益視為本集團的社會責任之一，在遵循《中華人民共和國公益事業捐贈法》的基礎上，積極貫徹《志願服務條例》(國令第685號)等法令條例中關於志願服務的規定和理念，遵循自願、無償、平等、誠信、合法的原則開展公益和志願者活動，於本年度，本集團聯合組織及參與了如「相遇錦時 美好童行」、「凝聚愛·繪夢想 — 慶祝祖國70週年」等多項公益活動，並積極關注兒童成長、教育等多方面社會議題，致力為青少年創造更優質的環境，為社區注入可持續發展的動力。



The charitable activity named Meet at the Great Time and Develop a Better Path for Children (相遇錦時 美好童行)「相遇錦時 美好童行」公益活動



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告



The charitable activity series named "Unite Love and Draw the Dream-Celebration of the 70th Anniversary of Motherland (凝聚愛·繪夢想 — 慶祝祖國70週年)「凝聚愛·繪夢想 — 慶祝祖國70週年」系列公益活動

Case 案例

The charity book donation named "Praising and Sending Care to Yandu (書頌愛心 溫暖鹽瀆)" organized by Yancheng Sunrise Joy Residence (鹽城昕悅府)「書頌愛心 溫暖鹽瀆」鹽城昕悅府公益捐書活動

Yancheng Sunrise Joy Residence co-hosted a charity book donation to Yancheng Hi-tech Primary School (鹽城高新區小學) with the Charity Federation of Yancheng City (鹽城市慈善總工會) on 10 November 2019. A total of 2,000 books with total worth of approximately RMB60,000 were donated with reference to the growth needs in student stage which involves scientific knowledge and encyclopedia, emotion management, character development, thinking training and safety education.

鹽城昕悅府項目於2019年11月10日攜手鹽城市慈善總工會向鹽城高新區小學舉辦了公益捐書活動。所捐的書籍參考了學生階段的成長需求，涉及科普百科、情緒管理、品格培養、思維訓練、安全教育等方面，共計捐贈了2,000冊書籍，價值約6萬元人民幣。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Case 案例

Regional companies in Jiangsu and Shanghai of Redsun Properties launched the charity activity named “Little Red Book (小弘書)”

弘陽地產蘇滬區域公司開展「小弘書」公益行

Regional companies in Jiangsu and Shanghai of Redsun Properties and Suzhou 99 Gongyi (蘇州玖玖公益) co-sponsored the charity book donation named “Little Red Book (小弘書)” between 26 August and 31 August 2019, and delivered 200 books collected with blessing during the activity and 60 sets of Disney stationery to Gartse Boarding School (瓜什則寄宿制學校) in Tongren County, Huangnan Tibetan Autonomous Prefecture, Qinghai Province, helping the students to achieve their dreams through books.

2019年8月26日 — 8月31日，弘陽地產蘇滬區域公司與蘇州玖玖公益合作發起「小弘書」公益捐書活動，並將在活動期間收集到的200本滿載祝福的圖書，與60套迪士尼文具套裝寄送至青海省黃南州同仁縣瓜什則寄宿制學校，幫助學校學生通過書籍實現心中的夢想。



5.2 Epidemic Relief

In view of the sudden outbreak of the novel coronavirus pneumonia and its immense significance to the society, the Group hopes to report to each of the stakeholders on the status of relevant work in a timely manner. During the outbreak, Redsun Properties responded to the call of the country rapidly and proactively participated in and supported the series of material donations organized by Hong Yang Group Company. On 31 December 2019, being the first day on which Wuhan reported the disease, the party and political leader of Hong Yang Group Company immediately formed an epidemic prevention task force with the person in charge of the regional company in Wuhan for the prompt exchange of information and formulated prevention guidelines. On 25 January 2020, a batch of medical masks that organized by Hong Yang Group Company with urgency in the early stage arrived in Wuhan; on 26 January 2020, Hong Yang Group Company announced that RMB10 million would be donated for setting up a special fund for combating the novel coronavirus pneumonia and not less than RMB5 million worth medical equipment and materials would be donated in the first phrase.

5.2 抗疫救災

鑒於新型冠狀病毒肺炎事件的突發性和對社會的影響之大，本集團期望能及時地向各利益相關方作出相關工作情況的匯報。在疫情爆發期間，弘陽地產響應國家號召，迅速反應、積極參與並支持弘陽集團組織的一系列物資捐贈活動。於2019年12月31日武漢首次通報疫情當天，弘陽集團黨政領導即與武漢區域公司負責人建立防疫專項工作小組，及時溝通信息，制定防護操作指引。於2020年1月25日，弘陽集團前期緊急組織的一批醫用口罩運抵武漢；於2020年1月26日，弘陽集團宣佈捐贈1,000萬元人民幣設立抗擊新型冠狀病毒肺炎疫情專項基金，首期捐贈價值不少於500萬元人民幣的醫療設備與物資。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Case 案例

Assisting in Building the Testing Laboratory 援建檢測實驗室

The supply of the medical material such as N95 masks and medical protective clothing was tightening along with the development of the epidemic. The accurate identification of patients, knowing the number of infected cases and cutting the source of infection is the immediate priority of prevention work in Hubei province. To this end, Hong Yang Group Company has proactively considered and explored the effective actions that help with the frontline. Through investigation and research, Hong Yang Group Company noted that 3D Biomedicine Science & Technology Co., Limited ("3D Med") had carried out diagnostic tests in the frontline in Wuhan. Having considered that the donation of a testing laboratory in Hubei province not only truly helps the frontline health care workers, but also the laboratory itself will become a core component of the local public health system after the epidemic and help resolve the local problem of disease diagnosis. Hong Yang Group Company then contacted with 3D Med immediately and planned for the specific assistance arrangement. During this assistance, Hong Yang Group Company was mainly responsible for providing funds for purchasing equipment and reagents.



由於隨著疫情的發展，N95口罩、醫用防護服等醫療物資供應越來越緊張，準確識別患者，掌握感染人數，及時切斷傳染源，亦成為湖北疫情防控的當務之急。為此，弘陽集團積極思考和摸索援助一線的有效行動。通過調查和研究，弘陽集團瞭解到思路迪生物醫藥(上海)有限公司已在武漢一線開展診斷檢測工作，考慮到在湖北捐贈檢測實驗室不僅能真正地幫助一線戰疫人員，實驗室在疫情過後亦能成為當地公共衛生體系中的重要組成部分，為當地分擔解決疾病診斷問題。弘陽集團隨即與思路迪取得聯繫，策劃安排具體援助事宜。在此次援助中，弘陽集團則主要負責提供資金購買設備和試劑。

After providing assistance to the construction of the clinical molecular testing laboratories in Xiaogan and Ezhou, 10,000 sets of RMB2 million worth protective clothing that Hong Yang Group Company purchased together with the Chinese Estates Holdings (華人集團) arrived in Hubei province on 1 March 2020, to further support the epidemic prevention work in areas such as Xiaogan, Ezhou and Hanyang.

繼向孝感、鄂州兩地援建臨床分子檢測實驗室之後，弘陽集團於2020年3月1日攜手華人集團採購價值200萬人民幣的10,000套防護服運抵湖北，以進一步支援孝感、鄂州、漢陽等地抗疫工作。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

INDEPENDENT ASSURANCE STATEMENT

To the Board of Directors of Redsun Properties Group Limited:

CECEP (HK) Advisory Company Limited (“**CECEPAC (HK)**” or “**We**”) has been engaged by Redsun Properties Group Limited (“**Redsun Properties**”) to conduct an independent limited assurance engagement on the information and data in the 2019 Environmental, Social and Governance Report (“**ESG Report**”) of Redsun Properties.

This independent assurance statement has been prepared in Chinese and English versions. Should there be any discrepancies between these versions, the Chinese version shall prevail.

I. Redsun Properties’ Responsibilities

Redsun Properties is responsible for the preparation and presentation of the ESG Report in accordance with the Environmental, Social and Governance Reporting Guide (“**ESG Reporting Guide**”) contained in Appendix 27 of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (“**SEHK**”). Redsun Properties is also responsible for implementing internal control procedures to ensure that the contents of the ESG Report are free from material misstatement, whether due to fraud or error.

II. Assurance Provider’s Responsibilities

CECEPAC (HK) is responsible for issuing an independent assurance statement to the Board of Directors of Redsun Properties. This independent assurance statement applies solely to express a conclusion on the assurance work in the specified scope of Redsun Properties’ ESG Report and does not serve any other intents or purposes.

CECEPAC (HK) ensures that all personnel involved in the assurance work meet professional qualification, training and experience requirements, and are demonstrably competent. CECEPAC (HK) also ensures that personnel involved in the assurance work are capable of conducting assurance engagements. All results of assurance are internally reviewed by senior staff to ensure that methodologies used in the process are sufficiently stringent and transparent.

獨立審驗聲明

致弘陽地產集團有限公司董事會：

中國節能皓信(香港)諮詢有限公司(「**中國節能皓信(香港)**」、「**我們**」)接受弘陽地產集團有限公司(「**弘陽地產**」)的委託，對弘陽地產《2019年度環境、社會及管治報告》(「**《環境、社會及管治報告》**」)中披露的有關可持續發展的信息及數據執行獨立有限審驗工作。

此獨立審驗聲明有中文和英文版本，如有任何歧義，請以中文版本為準。

一、弘陽地產責任

弘陽地產的責任是依照香港聯合交易所有限公司(「**聯交所**」)發佈的《香港聯合交易所有限公司證券上市規則》附錄二十七《環境、社會及管治報告指引》(「**《環境、社會及管治報告指引》**」)準備及編製其《環境、社會及管治報告》，並實施相關內部控制程序，以使《環境、社會及管治報告》中的內容不存在由於欺詐或錯誤導致的重大錯誤陳述。

二、審驗機構責任

中國節能皓信(香港)的責任是向弘陽地產董事會出具獨立審驗聲明。此獨立審驗聲明僅作為對下列弘陽地產《環境、社會及管治報告》中所界定範圍內的相關事項進行審驗之結論，而不作為其他之用途。

中國節能皓信(香港)確保基於個人資格、培訓和經驗來選擇合適和有能力的員工。中國節能皓信(香港)保證參與審驗的人員有實施審驗的能力。所有核實的結果均由資深人員進行內部評審以確保我們所使用的方法是嚴謹和透明的。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

III. Assurance Type and Criteria

CECEPAC (HK) conducted the assurance to the ESG Report of Redsun Properties in accordance with the AA1000 Assurance Standard (2008) (“AA1000AS”). The assurance type is AA1000AS Type 2, and the assurance level is Moderate.

CECEPAC (HK) evaluated the nature and extent of Redsun Properties’ adherence to the three AA1000 Account Ability Principles, which are the Principles of Inclusivity, Materiality, and Responsiveness. AA1000AS also requires an evaluation of the quality of the reported sustainability performance information. For this, CECEPAC (HK) employed the Reporting Principles (Materiality, Quantitative, Balance, and Consistency) in SEHK’s ESG Reporting Guide.

IV. Assurance Scope

- The scope of the assurance engagement is confined to information and data in the ESG Report that relate to Redsun Properties and its subsidiaries only and does not include Redsun Properties’ suppliers, contractors, and information or data provided by other third parties.
- Three specified sustainability performance indicators disclosed in the ESG Report agreed upon and selected between Redsun Properties and CECEPAC (HK). The selected specified performance indicators are as follows :
 - B6 General Disclosure
 - Key Performance Indicator B6.4
 - Key Performance Indicator B6.5
- The scope of the assurance engagement is limited to the information on the aforementioned three specified sustainability performance indicators disclosed for the 1 January 2019 to 31 December 2019 period, and any information that falls outside this period or any other data that is disclosed in the ESG Report is not included within the assurance scope. Therefore, we do not express any conclusions on this information;

三、審驗類型及標準

中國節能皓信(香港)根據AA1000審驗標準(2008)(「AA1000AS」)為弘陽地產的環境、社會及管治報告進行審驗。審驗深度和類型為AA1000AS中度審驗類型二。

中國節能皓信(香港)對弘陽地產遵循三項AA1000原則(2008)(包容性、重要性及回應性)的性質進行評估。AA1000AS還要求評估報告的可持續發展績效信息的質量。為此，中國節能皓信(香港)採用了聯交所《環境、社會及管治報告指引》中的報告原則(重要性、量化、平衡和一致性)。

四、審驗範圍

- 審驗的組織範圍限於《環境、社會及管治報告》涵蓋的弘陽地產及其附屬公司的信息及數據，不包括弘陽地產的供應商、承包商以及其他第三方的信息及數據；
- 弘陽地產與中國節能皓信(香港)達成一致協議選定了《環境、社會及管治報告》中的三項特定績效信息作出審驗，選取的信息如下：
 - B6 一般披露
 - 關鍵績效指標 B6.4
 - 關鍵績效指標 B6.5
- 中國節能皓信(香港)的審驗工作僅限於針對2019年1月1日至2019年12月31日的上述三項特定績效信息的披露資料，對於此時間範圍外的資料或在《環境、社會及管治報告》中所包括的任何其他資料均不在我們的審驗工作範圍內，因此我們不就此等信息發表任何結論；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

- The scope of the assurance engagement is confined to the information provided by Redsun Properties only. Any queries regarding the content or related matters within this assurance statement should be addressed to Redsun Properties only;

V. Methodology

CECEPAC (HK)'s assurance engagement was conducted, and the assurance work included:

- Evaluating the suitability of Redsun Properties' stakeholder engagement participation process;
- Conducting interviews with personnel responsible for sustainability management, report preparation and the provision of other relevant information;
- Assessing whether the reporting and management approach for the ESG Report have been conducted in line with the AA1000 AccountAbility Principles of Inclusivity, Materiality, and Responsiveness;
- Assessing the supporting evidence for specified sustainability performance indicators;
- Assessing the extent to which the ESG Report aligns with the ESG Reporting Guide;
- Performing other procedures we deemed necessary.

Assurance work was performed and the conclusions within were based upon information and data provided by Redsun Properties to CECEPAC (HK), and on assumptions that the information provided was complete and accurate.

- 審驗範圍乃基於並侷限於弘陽地產提供的資訊內容。對於本獨立審驗聲明所載內容或相關事項之任何疑問，將由弘陽地產一併回覆。

五、審驗方法

中國節能皓信(香港)開展審驗工作，工作內容包括：

- 評估弘陽地產的利益相關方參與過程的合適性；
- 與負責可持續性管理、報告編製及有關資訊提供的員工進行訪談；
- 審查《環境、社會及管治報告》的編製與管理流程是否按照AA1000AS之包容性、重要性及回應性原則進行；
- 對特定績效信息相關的支持性證據進行審查；
- 評估《環境、社會及管治報告》與《環境、社會及管治報告指引》的符合性；
- 我們認為必要的其他工作。

審驗工作及結論是基於弘陽地產確保其所提供予中國節能皓信(香港)之相關資訊是完整及準確的情況下所進行。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. Limitations

The absence of a significant body of established international practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

VII. Conclusions

Regarding the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness, the ESG Reporting Guide published by SEHK, and the specified sustainability performance information, our conclusions are as follows:

Inclusivity

Redsun Properties has identified key stakeholders, explored their concerns, and collected their opinions through various forms of communication. Regarding Redsun Properties' formulation of business policies and daily operation, stakeholders' expectations as well as the impacts on them have been taken into consideration. Concurrently, following the instructions from Hong Yang Group Company Limited, Redsun Properties has conducted stakeholder engagement in the communities. In our professional opinion, Redsun Properties adheres to the Principle of Inclusivity.

Materiality

Redsun Properties has conducted a material issue analysis for its ESG Report. The opinions of its stakeholders have been collected; its material issues have been identified through an appropriate method; the materiality levels of its issues have been divided into three levels in its ESG Report. In our professional opinion, Redsun Properties adheres to the Principle of Materiality.

六、侷限性

由於非財務資料未有國際公認和通用於評估和計量的標準，故此不同但均為可接受的信息和計量技術應用或會影響與其他機構的可比性。

七、結論

針對AA1000AS中包括的包容性原則、重要性原則、回應性原則，以及聯交所發佈的《環境、社會及管治報告指引》和特定績效信息的審驗結論如下：

包容性

弘陽地產識別了關鍵的利益相關方，並透過不同形式的溝通渠道瞭解利益相關方的訴求和意見。弘陽地產在制定業務政策及日常運營中，考慮了利益相關方的期望和其對他們的影響。同時，弘陽地產通過執行弘陽集團有限公司的指示開展針對社區的利益相關方溝通。我們的專業意見為，弘陽地產遵循包容性原則。

重要性

弘陽地產為其《環境、社會及管治報告》進行了重要性議題分析，收集了利益相關方的意見，透過合適的方法識別出重要性議題，並於其《環境、社會及管治報告》中將議題的重要性程度劃分為三個層次。我們的專業意見為，弘陽地產遵循重要性原則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Responsiveness

Redsun Properties has developed channels for its stakeholders to collect their concerns, while policies have been developed to assist the discussion, resolution, tracking and improvement of the concerns. The relevant policies and mechanisms for responding to stakeholders' concerns have been disclosed in its ESG Report. In our professional opinion, Redsun Properties adheres to the Principle of Responsiveness.

SEHK's ESG Reporting Guide

Disclosures for general disclosures and key performance indicators of environmental and social aspects have been provided in accordance with the "Comply or Explain" provisions, in all material aspects, in alignment with the ESG Reporting Guide issued by SEHK. Redsun Properties identified its material issues and reported accordingly; the external impacts of its business are described objectively, and consistent methodologies were adopted in the ESG Report. The references of the methods for calculating environmental key performance indicators have been disclosed in the ESG Report. Our observations and recommendations for the ESG Report have been adopted by Redsun Properties before the issuance of this assurance statement.

Specified Performance Indicators

Based on the procedures CECEPAC (HK) has performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the disclosure of the three selected specified sustainability performance indicators in the ESG Report for the 1 January 2019 to 31 December 2019 period is unreliable or inaccurate, in all material respects.

回應性

弘陽地產對其利益相關方等均建立了相關的渠道收集利益相關方關注的事宜，並且制定了相關政策以支持針對利益相關方關注事宜的討論、解決、跟蹤和改善工作的開展與執行。弘陽地產已於《環境、社會及管治報告》中披露了其用於回應利益相關方關注事宜的政策和機制。我們的專業意見為，弘陽地產遵循回應性原則。

聯交所《環境、社會及管治報告指引》

《環境、社會及管治報告》之環境及社會範疇的一般披露和關鍵績效指標，在所有重大方面，乃按照聯交所《環境、社會及管治報告指引》中的「不遵守就解釋」條文進行披露。弘陽地產識別了其重要性議題並相應作出了匯報；報告客觀描述其業務所帶來的外部影響，並採用與上一年度一致的披露統計方法。環境範疇關鍵績效指標的計算方法參考已披露於《環境、社會及管治報告》中；有關《環境、社會及管治報告》的改善意見已被弘陽地產於發出本審驗聲明前採納。

特定績效信息

基於中國節能皓信(香港)執行的審驗程序及取得的證據，對於時間範圍限於2019年1月1日至2019年12月31日的《環境、社會及管治報告》中選定的三項特定績效指標的披露，在所有重大方面，我們沒有發現任何事項使我們懷疑其可靠性及準確性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. Recommendations

We recommend that Redsun Properties considers strengthening the below items in the future:

- Establishing an ongoing stakeholder identification mechanism, while regularly reviewing and assessing stakeholder communication mechanisms to continuously enhance the breadth and depth of communications in the future;
- Through the establishment of internal policies, clarifying the roles of stakeholders in terms of Redsun Properties' governance, strategy and relevant decision-making processes;
- Continuously enhancing the reliability of the materiality determination process so as to help Redsun Properties to accurately understand the risks and opportunities it is exposed to;
- Setting long-term goals and action plans to continuously support the company's response to material issues, and to improve relevant management mechanisms in order to enhance the effectiveness of the communication, monitoring and reviewing of the material issues in Redsun Properties.

IX. Independence and Competence

CECEPAC (HK) was not involved in data collection and calculation, nor in the development of this ESG Report. CECEPAC (HK)'s activities are independent of Redsun Properties. There is no relationship between Redsun Properties and CECEPAC (HK) beyond the contractual agreement for providing this assurance engagement.

八、建議

我們建議弘陽地產可考慮在未來進一步加強以下事宜：

- 建立持續的利益相關方識別機制，同時定期審視及評估與利益相關方的溝通機制以強化未來溝通的廣度和深度；
- 通過建立內部政策，明確利益相關方於弘陽地產的治理、戰略和相關決策流程中的作用；
- 完善重要性議題的評估過程，不斷強化重要性議題識別過程的可靠性，以準確理解弘陽地產面對的風險和機會；
- 設定長期的目標和行動計劃以持續支持弘陽地產對重要性議題的回應，並完善相關管理機制以增強公司內部對重要性議題的溝通、監測和審視有效性。

九、獨立性與能力

中國節能皓信(香港)沒有參與收集和計算《環境、社會及管治報告》內的數據或編撰《環境、社會及管治報告》。中國節能皓信(香港)進行的審驗工作獨立於弘陽地產。除了審驗合約訂明的合適服務，中國節能皓信(香港)與弘陽地產沒有其他聯繫。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

APPENDIX 1: THE “COMPLY OR EXPLAIN” PROVISIONS OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX

附錄1：《環境、社會及管治報告指引》「不遵守就解釋」條文索引

Aspect 層面	KPIs 指標	Content 指標內容	Disclosure 披露情況	Section in the Report or Explanation 所在報告章節或解釋
Environmental				
環境				
A1: Emissions	General disclosure	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.	•	Redsun’s Perseverance — Environmental Protection in Practice
A1：排放物	一般披露	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		弘毅·踐行環保
	A1.1	Types of emissions and respective emissions data.	•	Redsun’s Perseverance — Environmental Protection in Practice
	A1.1	排放物種類及相關排放資料		弘毅·踐行環保
	A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	•	Redsun’s Perseverance — Environmental Protection in Practice
	A1.2	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）		弘毅·踐行環保
	A1.3	Total hazardous waste generated (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	•	Redsun’s Perseverance — Environmental Protection in Practice
	A1.3	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）		弘毅·踐行環保
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	•	Redsun’s Perseverance — Environmental Protection in Practice
	A1.4	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）		弘毅·踐行環保

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPIs 指標	Content 指標內容	Disclosure 披露情況	Section in the Report or Explanation 所在報告章節或解釋
	A1.5	Description of measures to mitigate emissions and results achieved.	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
	A1.5	描述減低排放量的措施及所得成果		
	A1.6	Description of how hazardous and nonhazardous wastes are handled, reduction initiatives and results achieved.	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
	A1.6	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		
A2: Use of Resources	General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
A2 : 資源使用	一般披露	有效使用資源(包括能源、水及其他原材料)的政策		
	A2.1	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).	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
	A2.1	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)		
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
	A2.2	總耗水量及密度(如以每產量單位、每項設施計算)		
	A2.3	Description of energy use efficiency initiatives and results achieved.	•	Redsun's Perseverance — Environmental Protection in Practice 弘毅·踐行環保
	A2.3	描述能源使用效益計劃及所得成果		
	A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, water use efficiency initiatives and results achieved.	•	Water was primarily sourced from municipal water treatment plants, and there was no issue in sourcing water that was fit for the purpose Redsun's Perseverance — Environmental Protection in Practice 用水主要來自市政，無求取適用水源問題 弘毅·踐行環保
	A2.4	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		

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPIs 指標	Content 指標內容	Disclosure 披露情況	Section in the Report or Explanation 所在報告章節或解釋
	A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		Not applicable to primary businesses
	A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量		主要業務不適用
A3: Environment and Natural Resources	General disclosure	Policies on minimizing the issuers' significant impact on the environment and natural resources.	•	Redsun's Perseverance — Environmental Protection in Practice
A3 : 環境及天然資源	一般披露	減低發行人對環境及天然資源造成重大影響的政策		弘毅·踐行環保
	A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	•	Redsun's Perseverance — Environmental Protection in Practice
	A3.1	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		弘毅·踐行環保
Social				
社會				
B1: Employment	General disclosure	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, leaves, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	•	Safeguarding Employees' Rights and Interests
B1 : 僱傭	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		維護僱員權益

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPIs 指標	Content 指標內容	Disclosure 披露情況	Section in the Report or Explanation 所在報告章節或解釋
B2: Health and Safety	General disclosure	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.	•	Maintaining Health and Safety
B2 : 健康與安全	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		守護健康安全
B3: Development and Training	General disclosure	Policies on improving employees' knowledge and skills for discharging job duties. Description of training programmes.	•	Creating a Platform for Development
B3 : 發展及培訓	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		創造成長平台
B4: Labor Standards	General disclosure	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 or forced labour.	•	Safeguarding Employees' Rights and Interests
B4 : 勞工準則	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		維護僱員權益
B5: Supply Chain Management	General disclosure	Policies on managing environmental and social risks of the supply chain.	•	Sunshine Procurement
B5 : 供應鏈管理	一般披露	管理供應鏈的環境及社會風險政策		陽光採購

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect 層面	KPIs 指標	Content 指標內容	Disclosure 披露情況	Section in the Report or Explanation 所在報告章節或解釋
B6: Product Responsibilities	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling ¹¹ and privacy matters regarding products and services provided and methods of redress.	•	Redsun's Business — Building Credibility
B6 : 產品責任	一般披露	有關所提供產品和服務的健康與安全、廣告、標籤 ¹¹ 及私隱事宜以及補救方法的： (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		弘業·誠者築城
B7: Anti-Corruption	General disclosure	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
B7 : 反貪污	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		反腐倡廉
B8: Community Investment	General disclosure	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.	•	Redsun's Love and Care — Giving Back to the Society
B8 : 社區投資	一般披露	有關以社區參與來了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		弘愛·回饋社會

¹¹ Due to the nature of the industry, the Group's primary businesses do not involve in packaging products, therefore, the disclosure issues in relation to "labelling" are not applicable to the Group.

¹¹ 由於行業性質，本集團主要業務不涉及包裝產品，故有關披露「標籤」的事宜不適用本集團。



FINANCIAL STATEMENTS
財務報表





弘著·乐

弘陽地產 | 打造四大產品線
Redsun Properties Group Limited - Four major project series

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the shareholders of Redsun Properties Group Limited
(Incorporated in the Cayman Islands with limited liability)

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

安永會計師事務所
香港中環添美道1號
中信大廈22樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

OPINION

We have audited the consolidated financial statements of Redsun Properties Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 215 to 415, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致弘陽地產集團有限公司股東
(於開曼群島註冊成立之有限公司)

意見

我們已審核列載於第215頁至第415頁的弘陽地產集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於2019年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映了貴集團於2019年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的香港審核準則(「香港審核準則」)進行審核。我們在該等準則下承擔的責任已在本報告核數師就審核綜合財務報表須承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS

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

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

Key audit matter

關鍵審核事項

Valuation of investment properties

The Group owns investment properties in Mainland China which are measured at fair value and their aggregate carrying amounts were approximately RMB11,572,037,000 as at 31 December 2019, which represented approximately 12% of the Group's total assets. The Group engaged an external valuer to perform the valuations of these properties as at 31 December 2019.

貴集團在中國內地擁有多項按公允價值計量的投資物業，該等物業於2019年12月31日的賬面總值約為人民幣11,572,037,000元，分別佔貴集團總資產約12%。貴集團已聘請外部估值師對該等物業於2019年12月31日的價值進行估值。

Significant judgement is required to determine the fair values of the investment properties, which reflected market conditions as at the end of the reporting period. The use of different valuation techniques and assumptions could produce significantly different estimates of fair values.

在釐定投資物業的公允價值時需要作出重大判斷，該等公允價值反映報告期末的市況。採用不同的估值技術及假設可能導致公允價值的估計出現重大差異。

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

有關投資物業的會計政策及披露載於綜合財務報表附註2.4、3及14。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期間綜合財務報表的審核最為重要的事項。這些事項是在對綜合財務報表整體進行審核並形成意見的背景下進行處理的，我們不對這些事項提供單獨的意見。我們對下述每一事項在審核中是如何應對的描述也以此為背景。

我們已經履行了本報告核數師就審核綜合財務報表須承擔的責任部分闡述的責任，包括與這些關鍵審核事項相關的責任。相應地，我們的審核工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審核程序。我們執行審核程序的結果，包括應對下述關鍵審核事項所執行的程序，為綜合財務報表整體發表審核意見提供了基礎。

How our audit addressed the key audit matter

我們審核時如何處理關鍵審核事項

投資物業之估值

We evaluated the competency, independence and objectivity of the external valuer. We understood the valuation approach and key assumptions used by the external valuer.

吾等已評估外部估值師的能力、獨立性及客觀性。吾等瞭解外部估值師所使用的估值方法及主要假設。

Furthermore, we assessed the correctness of the property-related data used as inputs for the valuations and involved our internal valuation experts to assist us in evaluating the valuation methodology and the underlying assumptions. We evaluated the source data used in the valuation by benchmarking them to relevant market information on a sample basis.

此外，吾等已評估用作估值輸入數據的物業相關數據的正確性，並責成內部估值專家協助吾等評估估值方法及相關假設。吾等按抽樣基準將相關數據與相關市場資料進行比對，以評估估值過程中使用的源數據。

In addition, we evaluated the adequacy of disclosures on the valuation of investment properties.

此外，吾等已評估對投資物業估值所作披露的充分性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

Provision for land appreciation tax

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

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

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

有關土地增值稅撥備的會計政策及披露載於綜合財務報表附註3及10。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

How our audit addressed the key audit matter

我們審核時如何處理關鍵審核事項

土地增值稅撥備

We involved internal tax specialists to assist us to perform a review on the LAT position, including the review of the estimates and assumptions used by the Group and the evaluation of tax exposure based on communications received from the relevant tax authorities and applying our local knowledge and experience. We also recalculated the tax computation and compared our calculations with the amounts recorded by the Group.

吾等已責成內部稅務專家協助吾等對土地增值稅狀況進行審查，包括審查貴集團使用的估計及假設，以及根據相關稅務部門發出的通訊資料及應用本地知識及經驗評估稅務風險。吾等亦已重新計算稅項計算結果，並將吾等的計算結果與貴集團錄得的金額進行比較。

載於年報的其他資料

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

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

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助貴公司董事履行彼等監督貴集團財務報告程序的責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

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

核數師就審核綜合財務報表須承擔的責任

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

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

在根據香港審核準則進行審核的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計適當的審核程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期止所取得的審核憑證而作出。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以便對綜合財務報表發表意見。吾等負責集團審核的方向、監督及執行。吾等就審核意見承擔全部責任。

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Lawrence K.W. Lau.

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

出具本獨立核數師報告的審核項目合夥人為劉國華 (Lawrence K.W. Lau)。

Ernst & Young

Certified Public Accountants

Hong Kong

25 March 2020

安永會計師事務所

執業會計師

香港

2020年3月25日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

Year ended 31 December 2019
截至2019年12月31日止年度

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
REVENUE	收入	5	15,169,506	9,238,741
Cost of sales	銷售成本		(11,356,243)	(6,351,656)
Gross profit	毛利		3,813,263	2,887,085
Other income and gains	其他收入及收益	5	331,217	235,973
Selling and distribution expenses	銷售及分銷開支		(651,982)	(341,771)
Administrative expenses	行政開支		(1,089,711)	(686,271)
Fair value gains on investment properties	投資物業的公允價值收益		310,456	260,803
Other expenses	其他開支		(36,560)	(48,159)
Finance costs	融資成本	7	(634,309)	(499,297)
Share of profits and losses of:	應佔以下單位利潤及虧損：			
Joint ventures	合營企業		97,724	387,008
Associates	聯營公司		595,285	(19,993)
PROFIT BEFORE TAX	稅前利潤	6	2,735,383	2,175,378
Income tax expense	所得稅開支	10	(1,099,523)	(852,253)
PROFIT FOR THE YEAR	年度利潤		1,635,860	1,323,125
Attributable to:	以下各方應佔：			
Owners of the parent	母公司擁有人		1,467,555	1,412,264
Non-controlling interests	非控股權益		168,305	(89,139)
			1,635,860	1,323,125
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人應佔每股盈利	12		
Basic	基本			
— For profit for the year	— 就年度利潤而言		RMB0.44 人民幣0.44元	RMB0.66 人民幣0.66元
Diluted	攤薄			
— For profit for the year	— 就年度利潤而言		RMB0.44 人民幣0.44元	RMB0.66 人民幣0.66元

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

Year ended 31 December 2019

截至2019年12月31日止年度

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
PROFIT FOR THE YEAR	年內利潤	1,635,860	1,323,125
OTHER COMPREHENSIVE INCOME	其他全面收入		
Gains on property revaluation:	物業重估收益：		
Change in use from an owner-occupied property to an investment property carried at fair value	變更自用物業用途作按公允價值列賬的投資物業	27,896	—
Income tax effect	所得稅的影響	(6,974)	—
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	年內其他全面收入，扣除稅項	20,922	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收入總額	1,656,782	1,323,125
Attributable to:	以下各方應佔：		
Owners of the parent	母公司擁有人	1,488,477	1,412,264
Non-controlling interests	非控股權益	168,305	(89,139)
		1,656,782	1,323,125

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2019

2019年12月31日

		Notes	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	807,938	988,556
Investment properties	投資物業	14	11,572,037	9,397,000
Right-of-use assets	使用權資產	15(b)	157,721	—
Prepaid land lease payments	預付土地租賃款項	15(a)	—	28,903
Other intangible assets	其他無形資產	16	12,426	11,998
Investments in joint ventures	於合營企業的投資	17	2,236,978	1,026,466
Investments in associates	於聯營公司的投資	18	5,584,394	1,712,839
Deferred tax assets	遞延稅項資產	29	727,598	443,060
Total non-current assets	非流動資產總值		21,099,092	13,608,822
CURRENT ASSETS	流動資產			
Inventories	存貨		12,613	4,054
Properties under development	開發中物業	19	36,280,854	29,702,386
Completed properties held for sale	持作出售的已完工物業	20	3,327,897	1,162,901
Trade receivables	貿易應收款項	21	6,767	23,728
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	22	7,705,396	2,643,862
Due from related companies	應收關聯公司款項	40	8,454,905	6,949,865
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	23	1,148,390	1,130,607
Tax recoverable	可收回稅項		516,753	239,800
Restricted cash	受限制現金	24	2,304,586	2,644,723
Pledged deposits	已質押存款	24	5,848,309	3,578,720
Cash and cash equivalents	現金及現金等價物	24	8,691,522	6,232,596
Total current assets	流動資產總值		74,297,992	54,313,242

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2019

2019年12月31日

		Notes	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
		附註		
CURRENT LIABILITIES	流動負債			
Trade and bills payables	貿易應付款項及應付票據	25	4,845,588	2,885,646
Other payables and accruals	其他應付款項及應計費用	26	32,015,529	20,391,991
Interest-bearing bank and other borrowings	計息銀行及其他借款	27	10,516,391	8,233,697
Senior notes	優先票據	28	1,894,998	2,592,868
Lease liabilities	租賃負債	15	46,809	—
Due to related companies	應付關聯公司款項	40	5,387,256	4,941,489
Tax payable	應繳稅項		2,169,259	1,603,664
Total current liabilities	流動負債總額		56,875,830	40,649,355
NET CURRENT ASSETS	流動資產淨值		17,422,162	13,663,887
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		38,521,254	27,272,709
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借款	27	9,755,355	11,092,804
Senior notes	優先票據	28	7,379,644	—
Lease liabilities	租賃負債	15	911,477	—
Deferred tax liabilities	遞延稅項負債	29	2,428,329	2,330,160
Total non-current liabilities	非流動負債總額		20,474,805	13,422,964
Net assets	資產淨值		18,046,449	13,849,745
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	30	28,254	28,254
Share premium	股本溢價	30	2,628,301	2,931,914
Other reserves	其他儲備	32	11,231,190	9,734,737
Non-controlling interests	非控股權益		13,887,745	12,694,905
			4,158,704	1,154,840
Total equity	權益總額		18,046,449	13,849,745

Mr. Zeng Huansha
曾煥沙先生
Director
董事

Mr. He Jie
何捷先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2019

截至2019年12月31日止年度

		Attributable to owners of the parent 母公司擁有人應佔									
		Share capital	Share premium	Merger and other reserve	Share option reserve	Asset revaluation reserve	Statutory surplus reserves	Retained profits	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		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 30	Note 30	Note 32	Note 31		Note 32				
		附註30	附註30	附註32	附註31		附註32				
At 31 December 2018 and 1 January 2019	於2018年12月31日及2019年1月1日	28,254	2,931,914	2,106,855*	24,326*	—*	880,534*	6,723,022*	12,694,905	1,154,840	13,849,745
Profit for the year	年度利潤	—	—	—	—	—	—	1,467,555	1,467,555	168,305	1,635,860
Other comprehensive income for the year:	年內其他全面收入：										
Change in use from an owner-occupied property to an investment property carried at fair value, net of tax	變更自用物業用途作按公允價值列賬的投資物業，扣除稅項	—	—	—	—	20,922	—	—	20,922	—	20,922
Total comprehensive income for the year	年內全面收入總額	—	—	—	—	20,922	—	1,467,555	1,488,477	168,305	1,656,782
Equity-settled share option arrangements (note 31)	以股權結算的購股權安排(附註31)	—	—	—	31,329	—	—	—	31,329	—	31,329
Capital injection from non-controlling shareholders	非控股股東注資	—	—	(22,095)	—	—	—	—	(22,095)	3,728,474	3,706,379
Disposal of partial interests in subsidiaries to non-controlling interests	向非控股權益出售附屬公司的部分權益	—	—	—	—	—	—	—	—	3,000	3,000
Acquisition of non-controlling interests	收購非控股權益	—	—	(1,258)	—	—	—	—	(1,258)	(877,609)	(878,867)
Disposal of subsidiaries (note 35)	出售附屬公司(附註35)	—	—	—	—	—	—	—	—	(18,306)	(18,306)
Appropriations to statutory surplus reserves	轉撥至法定盈餘儲備	—	—	—	—	—	213,417	(213,417)	—	—	—
Final 2018 dividend declared	已宣派2018年末期股息	—	(303,613)	—	—	—	—	—	(303,613)	—	(303,613)
At 31 December 2019	於2019年12月31日	28,254	2,628,301	2,083,502*	55,655*	20,922*	1,093,951*	7,977,160*	13,887,745	4,158,704	18,046,449

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2019

截至2019年12月31日止年度

	Attributable to owners of the parent 母公司擁有人應佔									Non-controlling interests 非控股權益	Total equity 總額
	Share capital 股本	Share premium 股份溢價	Merger and other reserve 合併及其他儲備	Share option reserve 購股權儲備	Asset revaluation reserve 資產重估儲備	Statutory surplus reserves 法定盈餘儲備	Retained profits 保留利潤	Total	Total		
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 30 附註30	Note 30 附註30	Note 32 附註32	Note 31 附註31		Note 32 附註32					
At 31 December 2017 and 1 January 2018	於2017年12月31日及2018年1月1日	—	—	2,106,855*	—*	—*	719,602*	5,471,690*	8,298,147	158,719	8,456,866
Total comprehensive income for the year	年內全面收入總額	—	—	—	—	—	—	1,412,264	1,412,264	(89,139)	1,323,125
Issue of shares	發行股份	28,254	2,981,973	—	—	—	—	—	3,010,227	—	3,010,227
Share issue expenses	股份發行開支	—	(50,059)	—	—	—	—	—	(50,059)	—	(50,059)
Equity-settled share option arrangements (note 31)	以股權結算的購股權安排(附註31)	—	—	—	24,326	—	—	—	24,326	—	24,326
Capital injection from non-controlling shareholders	非控股股東注資	—	—	—	—	—	—	—	—	152,955	152,955
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	—	—	—	—	932,305	932,305
Appropriations to statutory surplus reserves	轉撥至法定盈餘儲備	—	—	—	—	—	160,932	(160,932)	—	—	—
At 31 December 2018	於2018年12月31日	28,254	2,931,914	2,106,855*	24,326*	—*	880,534*	6,723,022*	12,694,905	1,154,840	13,849,745

* These reserve accounts comprise the consolidated other reserves of RMB11,231,190,000 (2018: RMB9,734,737,000) in the consolidated statement of financial position.

* 該等儲備賬目包括於綜合財務狀況表中的綜合其他儲備人民幣11,231,190,000元(2018年: 人民幣9,734,737,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2019

截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	稅前利潤	2,735,383	2,175,378
Adjustments for:	調整項目：		
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	78,861	74,925
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	—	793
Depreciation of right-of-use assets	使用權資產折舊	42,399	—
Amortisation of other intangible assets	其他無形資產攤銷	7,175	4,787
Losses/(Gains) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損/(收益)	8,716	(210)
Share of profits and losses of:	應佔以下單位利潤及虧損：		
Joint ventures	合營企業	(97,724)	(387,008)
Associates	聯營公司	(595,285)	19,993
Net foreign exchange gain	外匯收益淨額	(1,431)	(19,941)
Equity-settled share option expense	以股權結算的購股權開支	31,329	24,326
Fair value gain on investment properties	投資物業公允價值收益	(310,456)	(260,803)
Gain on disposal of a subsidiary	出售一家附屬公司的收益	(14,874)	—
Impairment losses recognised	確認減值虧損	27,589	116,782
Impairment losses reversed	撥回減值虧損	—	(37,380)
Impairment losses written off	撤銷減值虧損	(205,807)	(68,726)
Finance costs	融資成本	634,309	499,297
Interest income	利息收入	(154,895)	(105,654)
Investment income	投資收入	(120,939)	(2,121)
Fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產公允價值收益	(13,648)	(8,233)
		2,050,702	2,026,205
Increase in properties under development and completed properties held for sale	開發中物業及持作出售的已完工物業增加	(7,359,522)	(5,011,136)
Increase in inventories	存貨增加	(8,559)	(2,418)
Decrease/(Increase) in restricted cash	受限制現金減少/(增加)	340,136	(1,903,150)
(Increase)/Decrease in pledged deposits	已質押存款(增加)/減少	(72,548)	5,664
Decrease/(Increase) in trade receivables	貿易應收款項減少/(增加)	16,961	(22,214)
(Increase)/Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產(增加)/減少	(4,399,684)	1,246,721
Increase in trade and bills payables	貿易應付款項及應付票據增加	1,975,719	273,745
Increase in other payables and accruals	其他應付款項及應計費用增加	11,532,075	2,857,836
Decrease in amounts due from related companies	應收關聯公司款項減少	36,105	—
Increase/(Decrease) in amounts due to related companies	應付關聯公司款項增加/(減少)	31,941	(137,475)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2019

截至2019年12月31日止年度

	Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cash generated from/(used in) operations	經營所得/(所用)現金	4,143,326	(666,222)
Interest received	已收利息	144,360	69,376
Interest paid	已付利息	(2,278,696)	(1,577,497)
Tax paid	已繳稅項	(1,019,263)	(453,655)
Net cash flows from/(used in) operating activities	經營活動所得/(所用)現金 流量淨額	989,727	(2,627,998)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目 所得款項	21,254	—
Purchase of items of property, plant and equipment	購買物業、廠房及設備項目	(99,437)	(316,478)
Purchase of other intangible assets	購置其他無形資產	(7,603)	(2,561)
Additions in investment properties	添置投資物業	(861,876)	(413,338)
Acquisition of subsidiaries	收購附屬公司	(567,022)	(736,511)
Acquisition of joint ventures and associates	收購合營企業及聯營公司	(4,294,915)	(868,763)
Disposal of subsidiaries	出售附屬公司	(29,184)	—
Proceeds from disposal of other long-term assets	出售其他長期資產所得款項	—	14,800
Purchase of financial assets at fair value though profit or loss	購買按公允價值計入損益的 金融資產	(2,482,696)	(1,105,374)
Disposal of financial assets at fair value though profit or loss	出售按公允價值計入損益的 金融資產	2,599,500	2,013,453
Repayment of advances to related companies	向關聯公司作出的墊款償還	3,125	—
Increase in loans to joint ventures and associates	向合營企業及聯營公司貸款 增加	(765,106)	(2,565,461)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(6,483,960)	(3,980,233)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2019

截至2019年12月31日止年度

			2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量			
Issue of shares	發行股份	30	—	2,960,168
Acquisition of non-controlling interests	收購非控股權益		(878,867)	—
Capital injection by the non-controlling shareholders	非控股股東注資		3,706,379	152,955
Proceeds from disposal of partial interests in subsidiaries to non-controlling interests	向非控股權益出售附屬公司的部分權益所得款項		3,000	—
Principal portion of lease payments	租賃付款本金部分	15	(49,038)	—
Dividends paid	已付股息		(303,613)	—
Advances from other related companies	其他關聯公司墊款		—	6,199,524
Repayments of advances from other related companies	償還其他關聯公司墊款		(328,995)	(5,879,523)
Increase in pledged deposits	已質押存款增加		(2,197,041)	(2,593,146)
Proceeds from the issuance of senior notes	發行優先票據所得款項		7,883,110	2,598,646
Repayment of senior notes	償還優先票據		(1,210,218)	—
Proceeds from interest-bearing bank and other borrowings	計息銀行及其他借款所得款項		23,268,107	14,156,690
Repayments of interest-bearing bank and other borrowings	償還計息銀行及其他借款		(22,008,124)	(7,232,550)
Net cash flows from financing activities	融資活動所得現金流量淨額		7,884,700	10,362,764
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額		2,390,467	3,754,533
Cash and cash equivalents at beginning of year	年初現金及現金等價物		6,232,596	2,478,063
Effect of foreign exchange rate changes, net	外匯匯率變動的影響淨額		68,459	—
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物		8,691,522	6,232,596
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	24	16,844,417	12,456,039
Less: Restricted cash	減：受限制現金	24	2,304,586	2,644,723
Pledged deposits	已質押存款	24	5,848,309	3,578,720
Cash and cash equivalents as stated in the statement of cash flows	現金流量表所列現金及現金等價物		8,691,522	6,232,596

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION

Redsun Properties Group Limited was incorporated as an exempted company with limited liability in the Cayman Islands. The registered office of the Company is located at Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands.

During the year, the Group was involved in the following principal activities:

- Property development
- Commercial property investment and operations
- Hotel operations

In the opinion of the directors, the holding company of the Company is Redsun Properties Group (Holdings) Limited, which is incorporated in the British Virgin Islands.

1. 公司及集團資料

弘陽地產集團有限公司在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Walkers Corporate Limited，位於Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands。

年內，本集團涉足以下主要活動：

- 物業開發
- 商業物業投資與經營
- 酒店經營

董事認為，本公司的控股公司為於英屬維爾京群島註冊成立的弘陽地產集團(控股)有限公司。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料(續)

有關附屬公司的資料

本公司主要附屬公司的詳情如下：

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Redsun Properties Investment (Holdings) Limited** 弘陽地產投資(控股)有限公司**	British Virgin Islands 英屬維爾京群島	USD1 1美元	100	—	Investment holding 投資控股
Hong Yang Properties Investment Limited** 弘陽地產投資有限公司**	Hong Kong 香港	HKD1, RMB1,990,446,210 1港元、 人民幣1,990,446,210元	—	100	Investment holding 投資控股
Hopeful Huge Limited** 慶合有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股
Profit Icon Development Limited** 溢同發展有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股
W Ocean Company Limited** 傲瞬有限公司**	Hong Kong 香港	HKD100 100港元	—	100	Investment holding 投資控股
Huge Winning Limited** 浩聚有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Sunny Honesty Limited** 聖信有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股
Skillful Point Resources Limited** 信同資源有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股
Winning Leap Worldwide Limited** 謙利環球有限公司**	British Virgin Islands 英屬維爾京群島	USD50,000 50,000美元	—	100	Investment holding 投資控股
Nanjing Red Sun Real Estate Development Co., Ltd. (Nanjing Red Sun)* (Renamed as "Redsun Properties (Group) Co., Ltd." on 25 February 2020) 南京紅太陽房地產開發有限公司(南京紅太陽)* (於2020年2月25日更名為「弘陽置地(集團) 有限公司」)	PRC/Mainland China 中國/內地	RMB1,990,446,211 人民幣1,990,446,211元	—	100	Property development and property leasing 物業開發及物業租賃
Nanjing Hong Yang Rui Shang Real Estate Development Co., Ltd.* 南京弘陽瑞尚房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB22,220,000 人民幣22,220,000元	—	99	Property development 物業開發
Ju Rong Zi Jin Real Estate Development Co., Ltd.* 句容紫金房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB100,000,000 人民幣100,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Laian Hong Jia Real Estate Development Co., Ltd.* 來安弘嘉房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB1,740,000 人民幣1,740,000元	—	99	Property development 物業開發
Chuzhou Hong Yang Real Estate Development Co., Ltd.*® 滁州弘陽房地產開發有限公司*®	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	40	Property development 物業開發
Nanjing Hong Yang Business Management Co., Ltd.* 南京弘陽商業管理有限公司*	PRC/Mainland China 中國/內地	RMB5,000,000 人民幣5,000,000元	—	100	Commercial property management 商業物業管理
Nanjing Hong Yang Hotel Co., Ltd.* 南京弘陽酒店有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Hotel operation 酒店業務
Changshu Hong Yang Real Estate Development Co., Ltd.* 常熟弘陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB197,770,000 人民幣197,770,000元	—	99	Property development 物業開發
Suzhou Hong Yang Real Estate Development Co., Ltd.* 蘇州弘陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB944,440,000 人民幣944,440,000元	—	99	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Xuzhou Xincheng Yihui Real Estate Development Co., Ltd. (Xuzhou Xincheng Yihui)* 徐州新城億輝房地產開發有限公司 (徐州新城億輝)*	PRC/Mainland China 中國/內地	RMB202,050,000 人民幣202,050,000元	—	85	Property development 物業開發
Suzhou Hong Yang Properties Co., Ltd.* 蘇州弘陽置業有限公司*	PRC/Mainland China 中國/內地	RMB300,000,000 人民幣300,000,000元	—	99	Property development 物業開發
Suzhou Hong Yang Land Co., Ltd.* 蘇州弘陽置地有限公司*	PRC/Mainland China 中國/內地	RMB120,000,000 人民幣120,000,000元	—	99	Property development 物業開發
Wuxi Su Yuan Tan Xi Wan Properties Co., Ltd.* 無錫蘇源檀溪灣置業有限公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	100	Property development 物業開發
Jiangsu Mao Hong Corporate Management Co., Ltd.* 江蘇茂弘企業管理有限公司*	PRC/Mainland China 中國/內地	RMB400,000,000 人民幣400,000,000元	—	100	Commercial property management 商業物業管理
Changzhou Hong Yang Plaza Properties Co., Ltd.* 常州弘陽廣場置業有限公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	100	Property development and property leasing 物業開發及物業租賃

1. 公司及集團資料(續)

有關附屬公司的資料(續)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Hong Yang Group Nantong Real Estate Co., Ltd.* 弘陽集團南通房地產有限公司*	PRC/Mainland China 中國/內地	RMB334,440,000 人民幣334,440,000元	—	99	Property development 物業開發
Nantong Jin Li Properties Co., Ltd.* ^o 南通錦力置業有限公司* ^o	PRC/Mainland China 中國/內地	RMB8,000,000 人民幣8,000,000元	—	33	Property development 物業開發
Anhui Hong Lan Real Estate Development Co., Ltd.* 安徽弘嵐房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB406,000,000 人民幣406,000,000元	—	100	Property development 物業開發
Anhui Hong Peng Properties Co., Ltd.* 安徽弘鵬置業有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	80	Property development 物業開發
Nanjing Hong Yu Life Services Co., Ltd.* 南京弘寓生活服務有限責任公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	100	House keeping leasing 房務租賃
Nanjing Rui Sheng Real Estate Development Co., Ltd.* [^] 南京銳晟房地產開發有限公司* [^]	PRC/Mainland China 中國/內地	RMB25,000,000 人民幣25,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Nanjing Lin Rui Properties Co., Ltd.* 南京麟瑞置業有限公司*	PRC/Mainland China 中國/內地	RMB5,000,000 人民幣5,000,000元	—	100	Property development 物業開發
Changzhou Sang Ma Culture Expo Park Co., Ltd.* 常州桑麻文化博覽園有限公司*	PRC/Mainland China 中國/內地	RMB400,000,000 人民幣400,000,000元	—	70	Property leasing 物業租賃
Zhangjiagang Hong Chen Properties Co., Ltd.* 張家港弘晨置業有限公司*	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	69	Property development 物業開發
Changzhou Xu Jing Properties Co., Ltd. (Changzhou Xu Jing)* 常州旭景置業有限公司(常州旭景)*	PRC/Mainland China 中國/內地	RMB40,000,000 人民幣40,000,000元	—	50	Property development 物業開發
Changzhou Jin Tan Xu Run Properties Co., Ltd.* 常州市金壇旭潤置業有限公司*	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	50	Property development 物業開發
Suzhou Quan Zhuo Properties Co., Ltd.* 蘇州全卓置業有限公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	50	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Zhangjiagang Rui Cheng Properties Co., Ltd.* 張家港銳誠置業有限公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	50	Property development 物業開發
Taixing Rui Shang Real Estate Development Co., Ltd.* 泰興市瑞尚房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	99	Property development 物業開發
Laian Jin Hong Xin Real Estate Co., Ltd.* 來安金弘新房地產有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	33	Property development 物業開發
Xuzhou Xiangyun Resort Management Co., Ltd.* 徐州祥雲景區管理有限公司*	PRC/Mainland China 中國/內地	RMB80,000,000 人民幣80,000,000元	—	75	Property development 物業開發
Changzhou Sang Ma Properties Co., Ltd.* 常州桑麻置業有限公司*	PRC/Mainland China 中國/內地	RMB150,000,000 人民幣150,000,000元	—	70	Property development and property leasing 物業開發及物業租賃
Jiangyin Jia Hong Real Estate Development Co., Ltd.* 江陰嘉鴻房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Wuxi Xu Yang Real Estate Development Co., Ltd.* 無錫煦陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB300,000,000 人民幣300,000,000元	—	100	Property development 物業開發
Xuzhou Hong Yang Real Estate Development Co., Ltd.* 徐州弘陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發
Changzhou Hua Feng Properties Co., Ltd (Changzhou Hua Feng)* 常州華風置業有限公司(常州華風)*	PRC/Mainland China 中國/內地	RMB120,000,000 人民幣120,000,000元	—	85	Property development 物業開發
Hefei Hong Yang Business Management Co., Ltd.* 合肥弘陽商業管理有限公司*	PRC/Mainland China 中國/內地	RMB30,010,000 人民幣30,010,000元	—	100	Commercial property management 商業物業管理
Chongqing Bo Jing Ming Xia Properties Co., Ltd.*^ 重慶柏景銘廈置業有限公司*^	PRC/Mainland China 中國/內地	RMB200,000,000 人民幣200,000,000元	—	100	Property development 物業開發
Anhui Wei Lin Properties Co., Ltd.* 安徽威林置業有限公司*	PRC/Mainland China 中國/內地	RMB38,490,000 人民幣38,490,000元	—	51	Property development 物業開發
Chongqing Hong Jing Industrial Co., Ltd.*^ 重慶弘璟實業有限公司*^	PRC/Mainland China 中國/內地	RMB505,000,000 人民幣505,000,000元	—	95	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Chongqing Hong Jia Industrial Co., Ltd.* 重慶弘嘉實業有限公司*	PRC/Mainland China 中國/內地	RMB149,919,300 人民幣149,919,300元	—	95	Property development 物業開發
Hangzhou Hong Yang Real Estate Development Co., Ltd.* 杭州弘陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發
Jiangyin Tong Yang Real Estate Development Co., Ltd (Jiangyin Tong Yang)* ^⑥ [^] 江陰通陽房地產開發有限公司(江陰通陽)* ^⑥ [^]	PRC/Mainland China 中國/內地	RMB538,020,500 人民幣538,020,500元	—	50	Property development 物業開發
Wuhan Hong Yang Han Du Real Estate Development Co., Ltd.* 武漢弘陽漢都房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	99	Property development 物業開發
Shanghai Hong Yu Hotel Co., Ltd.* 上海弘寓酒店管理有限責任公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Hotel operation 酒店業務
Huzhou Hong Rui Real Estate Development Co., Ltd.* 湖州弘瑞房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB120,000,000 人民幣120,000,000元	—	94	Property development 物業開發
Chengdu Hong Yang Shu Xing Real Estate Development Co., Ltd.* 成都市弘陽蜀興房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	95	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Kaifeng Bao Long Real Estate Development Co., Ltd. (Kaifeng Bao Long)*	PRC/Mainland China 中國/內地	RMB100,000,000 人民幣100,000,000元	—	94	Property development 物業開發
Huzhou Hong Yuan Real Estate Development Co., Ltd.*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	94	Property development 物業開發
Foshan Hong Jian Real Estate Development Co., Ltd.*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	78	Property development 物業開發
Nantong Hong Jun Real Estate Development Co., Ltd.*®	PRC/Mainland China 中國/內地	RMB25,000,000 人民幣25,000,000元	—	36	Property development 物業開發
Mingliu Properties Wuhan Co., Ltd. (Mingliu Properties)*^	PRC/Mainland China 中國/內地	RMB1,205,000,000 人民幣1,205,000,000元	—	90	Property development 物業開發
Sichuan Ren Shou San Yu Properties Co., Ltd. (Sichuan Ren Shou)*^	PRC/Mainland China 中國/內地	RMB26,670,000 人民幣26,670,000元	—	100	Property development 物業開發
Xuzhou Hong Ran Real Estate Development Co., Ltd.*^	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Yantai Hong Yang Business Management Co., Ltd.* 煙臺弘陽商業管理有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Commercial property management 商業物業管理
Bengbu Xin Hong Real Estate Co., Ltd.* [Ⓐ] 蚌埠新弘房地產有限公司* [Ⓐ]	PRC/Mainland China 中國/內地	RMB86,000,000 人民幣86,000,000元	—	48	Property development 物業開發
Nanchang Hong Yang Real Estate Development Co., Ltd.* [Ⓐ] 南昌弘陽房地產開發有限公司* [Ⓐ]	PRC/Mainland China 中國/內地	RMB20,000,000 人民幣20,000,000元	—	95	Property development 物業開發
Guangzhou Hong Yang Real Estate Development Co., Ltd.* 廣州市弘陽房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發
Xi'an Hong Yang Jin Ye Properties Co., Ltd.* [Ⓔ] 西安弘陽錦業置業有限公司* [Ⓔ]	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	48	Property development 物業開發
Shanghai Lue Qi Engineering Management Co, Ltd.* 上海略啟工程管理有限公司*	PRC/Mainland China 中國/內地	RMB5,000,000 人民幣5,000,000元	—	100	Scientific research and technology services 科學研究及技術服務
Shanghai Hong Di Technology Development Co, Ltd.* 上海弘隸信息科技發展有限公司*	PRC/Mainland China 中國/內地	RMB5,000,000 人民幣5,000,000元	—	100	Retail business 零售業務
Shanghai Hong Yu Enterprise Management Co, Ltd. 上海弘御企業管理有限公司	PRC/Mainland China 中國/內地	RMB2,000,000,000 人民幣2,000,000,000元	—	51	Leasing and commercial services 租賃及商業服務

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Shanghai Hong Bian Enterprise Management Co, Ltd. 上海弘汭企業管理有限公司	PRC/Mainland China 中國/內地	RMB1,000,000,000 人民幣1,000,000,000元	—	51	Leasing and commercial services 租賃及商業服務
Suzhou Hong Yang Investment Co, Ltd.*^ 蘇州弘陽投資有限公司*^	PRC/Mainland China 中國/內地	RMB222,460,400 人民幣222,460,400元	—	99	Property development 物業開發
Shanghai Hong Zhuang Business Management Co, Ltd.* 上海弘壯企業管理有限公司*	PRC/Mainland China 中國/內地	RMB5,000,000 人民幣5,000,000元	—	100	Leasing and commercial services 租賃及商業服務
Shanghai Hong Qing Business Management Co, Ltd.* 上海弘擎企業管理有限公司*	PRC/Mainland China 中國/內地	RMB1,000,000,000 人民幣1,000,000,000元	—	51	Leasing and commercial services 租賃及商業服務
Nanjing Hong Run Real Estate Development Co, Ltd.*@ 南京弘潤房地產開發有限公司*@	PRC/Mainland China 中國/內地	RMB280,000,000 人民幣280,000,000元	—	48	Property development 物業開發
Zhangjiagang Hong Sheng Properties Co, Ltd.*@ 張家港弘盛置業有限公司*@	PRC/Mainland China 中國/內地	RMB250,000,000 人民幣250,000,000元	—	47	Property development 物業開發
Changzhou Hong Jing Run Real Estate Development Co, Ltd.* 常州弘璟潤房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Fuyang Hong Zhuang Real Estate Development Co., Ltd.*^ 阜陽弘壯房地產開發有限公司*^	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	95	Property development 物業開發
Foshan Hong Sheng Real Estate Development Co., Ltd.*^ 佛山市弘升房地產開發有限公司*^	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	95	Property development 物業開發
Hunan De Yi Real Estate Development Co., Ltd. (Hunan De Yi)* 湖南德一房地產開發有限公司(湖南德一)*	PRC/Mainland China 中國/內地	RMB100,000,000 人民幣100,000,000元	—	66	Property development 物業開發
Changsha Hong Shi Real Estate Development Co., Ltd.* 長沙弘石房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	51	Property development 物業開發
Wuxi Hong Lang Real Estate Development Co., Ltd.* 無錫弘朗房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發
Xuzhou Hong Hou Real Estate Development Co., Ltd.* 徐州泓厚房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB50,000,000 人民幣50,000,000元	—	100	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION
(Continued)

Information about subsidiaries (Continued)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Chengdu Jin Xin Yao Real Estate Development Co., Ltd.* 成都金鑫堯房地產開發有限公司**	PRC/Mainland China 中國/內地	RMB600,000,000 人民幣600,000,000元	—	50	Property development 物業開發
Chengdu Hong Yang Jin Hua Real Estate Development Co., Ltd.* 成都市弘陽錦華房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB200,000,000 人民幣200,000,000元	—	100	Property development 物業開發
Jiangxi Xin Yue Hong Lan Real Estate Development Co., Ltd (Jiangxi Xin Yue Hong Lan)** 江西新越弘嵐房地產開發有限公司 (江西新越弘嵐)**	PRC/Mainland China 中國/內地	RMB650,000,000 人民幣650,000,000元	—	44	Property development 物業開發
Zhengzhou Rong Wan Properties Development Co., Ltd (Zhengzhou Rong Wan)* 鄭州榮萬置業發展有限公司(鄭州榮萬)*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發

* Registered as limited liability companies under PRC law.

** Registered as wholly-foreign-owned enterprises under PRC law.

© As the Group has exposure or rights to variable returns from its involvement with those companies, and has the ability to affect those returns through its majority voting position and the existing rights to direct the relevant activities including, but not limited to, the budget, pricing and promotion strategies of these companies, the Group has control over these companies and these companies are thus accounted for as subsidiaries of the Group.

^ As 31 December 2019, the equity interests of these companies were pledged to secure certain bank and other borrowings of RMB4,187,792,000 (2018: RMB5,349,586,000) granted to the Group (note 27 (c)).

1. 公司及集團資料(續)

有關附屬公司的資料(續)

Subsidiaries 附屬公司	Place of incorporation/ registration and business 註冊成立/註冊以及 營業地點	Issued ordinary/ registered share capital 已發行普通/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股權百分比		Principal activities 主營業務
			Direct 直接	Indirect 間接	
Chengdu Jin Xin Yao Real Estate Development Co., Ltd.* 成都金鑫堯房地產開發有限公司**	PRC/Mainland China 中國/內地	RMB600,000,000 人民幣600,000,000元	—	50	Property development 物業開發
Chengdu Hong Yang Jin Hua Real Estate Development Co., Ltd.* 成都市弘陽錦華房地產開發有限公司*	PRC/Mainland China 中國/內地	RMB200,000,000 人民幣200,000,000元	—	100	Property development 物業開發
Jiangxi Xin Yue Hong Lan Real Estate Development Co., Ltd (Jiangxi Xin Yue Hong Lan)** 江西新越弘嵐房地產開發有限公司 (江西新越弘嵐)**	PRC/Mainland China 中國/內地	RMB650,000,000 人民幣650,000,000元	—	44	Property development 物業開發
Zhengzhou Rong Wan Properties Development Co., Ltd (Zhengzhou Rong Wan)* 鄭州榮萬置業發展有限公司(鄭州榮萬)*	PRC/Mainland China 中國/內地	RMB10,000,000 人民幣10,000,000元	—	100	Property development 物業開發

* 根據中國法律註冊為有限責任公司。

** 根據中國法律註冊為外商獨資企業。

© 由於本集團因參與該等公司業務而有可變回報的風險或權利，並能透過其多數投票權及現有權利影響相關活動的該等回報，包括但不限於預算、定價及推廣該等公司的策略，本集團對該等公司擁有控制權，因此該等公司被視為本集團的附屬公司。

^ 於2019年12月31日，該等公司的股權權益已質押以作授予本集團的若干銀行及其他借款人民幣4,187,792,000元(2018年：人民幣5,349,586,000元)的抵押(附註27(c))。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Note:

The English translation of the names is for reference only. The official names of these enterprises are in Chinese.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司及集團資料(續)

有關附屬公司的資料(續)

附註：

該等名稱的英文翻譯僅供參考。該等企業的官方名稱以中文為準。

上表列出董事認為主要影響本年度業績或構成本集團資產淨值主要部分的本公司附屬公司。董事認為，提供其他附屬公司的詳情會導致篇幅冗長。

2.1 編製基準

該等財務報表乃根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」，包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)以及香港公司條例的披露規定編製。該等財務報表乃根據歷史成本慣例編製，惟已按公允價值計量的投資物業及按公允價值計入損益的金融資產除外。該等財務報表以人民幣(「人民幣」)呈列，除另有說明外，所有金額約整至最接近千位數。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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.

2.1 編製基準(續)

綜合入賬基準

該等綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至2019年12月31日止年度的財務報表。附屬公司為受本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務所得的浮動回報承擔風險或享有權利以及能透過對投資對象的權力(即本集團獲賦予現有能以主導投資對象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大多數表決權或類似權利,則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況,包括:

- (a) 與投資對象其他表決權持有人的合約安排;
- (b) 其他合約安排所產生權利;及
- (c) 本集團的表決權及潛在表決權。

附屬公司的財務報表乃就本公司的相同報告期間使用貫徹一致的會計政策編製。附屬公司的業績乃自本集團獲取控制權之日開始作綜合入賬,並繼續綜合入賬直至有關控制權終止之日為止。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.1 BASIS OF PREPARATION (Continued)**Basis of consolidation (Continued)**

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

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

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

2.1 編製基準(續)**綜合入賬基準(續)**

即使導致非控股權益出現虧絀結餘，損益及其他全面收入各組成部分仍歸屬於本集團母公司擁有人及非控股權益。所有有關本集團各成員公司間交易的集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合賬目時全數抵銷。

倘有事實及情況顯示上述三項控制因素其中一項或以上出現變動，則本集團會重新評估是否仍控制投資對象。附屬公司的擁有權權益變動（並無喪失控制權）被視為股本交易入賬。

倘本集團失去對附屬公司的控制權，則會終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計匯兌差額；並確認(i)已收代價的公允價值；(ii)任何保留投資的公允價值；及(iii)所產生任何計入損益的盈餘或虧絀。先前已於其他全面收入確認的本集團應佔組成部分乃重新分類至損益或保留溢利(如適用)，基準與本集團直接出售相關資產或負債所需依據的基準相同。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

Except for the amendments to IFRS 9 and IAS 19, and Annual Improvements to IFRSs 2015–2017 Cycle, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised IFRSs are described below:

2.2 會計政策及披露變動

本集團已於本年度財務報表首次採納以下新訂及經修訂國際財務報告準則。

國際財務報告準則第9號的修訂	<i>具有負補償的預付款項特點</i>
國際財務報告準則第16號	<i>租賃</i>
國際會計準則第19號的修訂	<i>計劃調整、削減或結算</i>
國際會計準則第28號的修訂	<i>於聯營公司及合營企業之長期權益</i>
國際財務報告詮釋委員會第23號	<i>所得稅處理的不確定性</i>
國際財務報告準則2015年至2017年週期的年度改進	對國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號的修訂

除與編製本集團財務報表並不相關的國際財務報告準則第9號及國際會計準則第19號的修訂以及國際財務報告準則2015年至2017年週期的年度改進外，新訂及經修訂國際財務報告準則的性質及影響闡述如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (a) IFRS 16 replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC 15 *Operating Leases — Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in IAS 17.

For a sublease arrangement, the classification of the sublease is made by reference to the right-of-use asset arising from the head lease, instead of by reference to the underlying asset.

IFRS 16 did not have any significant impact on leases where the Group is the lessor.

The Group has adopted IFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under IAS 17 and related interpretations.

2.2 會計政策及披露變動(續)

- (a) 國際財務報告準則第16號取代國際會計準則第17號租賃、國際財務報告詮釋委員會第4號釐定安排是否包括租賃、準則詮釋委員會第15號經營租賃 — 優惠及準則詮釋委員會第27號評估涉及租賃法律形式交易的内容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人根據單一資產負債表模式入賬所有租賃，以確認及計量使用權資產及租賃負債，惟若干確認豁免除外。國際財務報告準則第16號項下出租人會計處理與國際會計準則第17號項下者大致不變。出租人繼續按照與國際會計準則第17號相類的原則將租賃分類為經營租賃或融資租賃。

就分租安排而言，分租乃經參照主租賃所產生使用權資產而非參照相關資產歸類。

國際財務報告準則第16號對本集團作為出租人的租賃並無任何重大影響。

本集團採用修訂追溯法採納國際財務報告準則第16號，首次應用日期為2019年1月1日。根據該方法，該準則予以追溯應用，而首次採納的累計影響確認為對保留盈利於2019年1月1日的期初結餘的調整，而2018年的比較資料不予重列，並繼續根據國際會計準則第17號及相關詮釋呈報。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

New definition of a lease

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

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of IFRS 16

The Group has lease contracts for various items of property, machinery, motor vehicles and other equipment. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under IFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less (“short-term leases”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

2.2 會計政策及披露變動(續)

(a) (續)

租賃的新定義

根據國際財務報告準則第16號，若合約表明在一段時間內為換取代價而擁有控制一項已識別資產的使用權，則該合約為租賃或包含租賃。倘客戶有權從使用已識別資產中獲取絕大部分經濟利益及有權主導已識別資產的使用，則表示擁有控制權。本集團選擇使用過渡可行權宜方法，僅在首次應用日期對先前應用國際會計準則第17號及國際財務報告詮釋委員會第4號識別為租賃的合約應用該準則。根據國際會計準則第17號及國際財務報告詮釋委員會第4號並無識別為租賃的合約不予重估。因此，國際財務報告準則第16號項下租賃的定義僅適用於在2019年1月1日或之後訂立或變更的合約。

作為承租人 — 先前分類為經營租賃的租賃

採納國際財務報告準則第16號的影響性質

本集團擁有多項涉及不同物業、機器、汽車及其他設備項目的租賃合約。作為承租人，本集團先前按該租賃是否評估為已將其資產所有權的絕大部分回報和風險轉予本集團，將租賃分類為融資租賃或經營租賃。根據國際財務報告準則第16號，本集團就所有租賃應用單一的方法確認和計量使用權資產和租賃負債，惟就低價值資產租賃(按個別租賃基準選擇)和租賃期為12個月或以下的租賃(「短期租賃」，按相關資產類別選擇)的兩種可選擇豁免除外。本集團確認使用權資產折舊(及減值(如有))及未償還租賃負債所產生利息(為融資成本)，而非於自2019年1月1日開始的租賃期按直線法確認經營租賃項下租金開支。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

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

Impact on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019.

All these assets were assessed for any impairment based on IAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position. No lease assets were recognised under finance leases previously.

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

For the leases previously accounted for as operating leases and entered into for earning sublease rental income, the related right-of-use assets of the head leases amounting to RMB763,200,000 were measured at fair value at 1 January 2019, and have been accounted for and classified as investment properties applying IAS 40 from that date.

2.2 會計政策及披露變動(續)

(a) (續)

作為承租人 — 先前分類為經營租賃的租賃(續)

過渡的影響

於2019年1月1日的租賃負債按剩餘租賃付款的現值，經使用2019年1月1日的遞增借款利率貼現後予以確認。使用權資產按租賃負債的金額計量，並以任何與緊接2019年1月1日前在財務狀況表確認的租賃有關的預付或應計租賃付款的金額予以調整。

所有此等資產均於該日期按國際會計準則第36號作減值評估。本集團選擇在財務狀況表內獨立呈列使用權資產。先前概無租賃資產獲確認為融資租賃。

就先前計入投資物業並按公允價值計量的租賃土地及樓宇(持作賺取租金收入及/或資本增值)而言，本集團繼續將其計入於2019年1月1日的投資物業，並繼續應用國際會計準則第40號按公允價值計量。

就先前入賬列為經營租賃及為賺取分租租金收入而訂立的租賃而言，主租賃的相關使用權資產人民幣763,200,000元於2019年1月1日按公允價值計量，並已自該日期起應用國際會計準則第40號入賬列為及分類為投資物業。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

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

Impact on transition (Continued)

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

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

Financial impact at 1 January 2019

The impact arising from the adoption of IFRS 16 at 1 January 2019 was as follows:

2.2 會計政策及披露變動(續)

(a) (續)

作為承租人 — 先前分類為經營租賃的租賃(續)

過渡的影響(續)

於2019年1月1日應用國際財務報告準則第16號時，本集團已應用以下可選擇可行權宜方法：

- 對租賃期於首次應用日期起12個月內結束的租賃應用短期租賃豁免
- 倘合約包含延期／終止租賃的選擇權，則使用事後方式釐定租賃期

於2019年1月1日的財務影響

於2019年1月1日採納國際財務報告準則第16號所產生影響如下：

		Increase/ (decrease) 增加／(減少) RMB'000 人民幣千元
Assets	資產	
Increase in right-of-use assets	使用權資產增加	171,086
Increase in investment properties	投資物業增加	763,200
Decrease in property, plant and equipment	物業、廠房及設備減少	(20,397)
Decrease in prepaid land lease payments	預付土地租賃款項減少	(28,903)
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少	(17,023)
Increase in total assets	總資產增加	867,963
Liabilities	負債	
Increase in lease liabilities	租賃負債增加	867,963
Increase in total liabilities	總負債增加	867,963

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

Financial impact at 1 January 2019 (Continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

2.2 會計政策及披露變動(續)

(a) (續)

於2019年1月1日的財務影響(續)

於2019年1月1日的租賃負債與於2018年12月31日的經營租賃承擔對賬如下：

		RMB'000 人民幣千元
Operating lease commitments as at 31 December 2018	於2018年12月31日的經營租賃承擔	1,323,942
Less: Commitments relating to short-term leases and those leases with a remaining lease term ended on or before 31 December 2019	減：與短期租賃及餘下租賃期於2019年12月31日或之前結束的租賃相關的承擔	(476)
Commitments relating to leases of low-value assets	與低價值資產租賃相關的承擔	(43)
		1,323,423
Weighted average incremental borrowing rate as at 1 January 2019	於2019年1月1日的加權平均遞增借款利率	4.93%
Discounted operating lease commitments as at 1 January 2019	於2019年1月1日的貼現經營租賃承擔	867,963
Lease liabilities as at 1 January 2019	於2019年1月1日的租賃負債	867,963

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (b) Amendments to IAS 28 clarify that the scope exclusion of IFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies IFRS 9, rather than IAS 28, including the impairment requirements under IFRS 9, in accounting for such long-term interests. IAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continued to be measured at amortised cost in accordance with IFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

2.2 會計政策及披露變動(續)

- (b) 國際會計準則第28號的修訂明確說明國際財務報告準則第9號的豁免範圍僅包括就此應用權益法的於聯營公司或合營企業的權益，而不包括實質上構成於聯營公司或合營企業的投資淨額一部分的長期權益(並無就此應用權益法)。因此，實體應用國際財務報告準則第9號而非國際會計準則第28號(包括國際財務報告準則第9號項下的減值規定)將該等長期權益入賬。僅就確認聯營公司或合營企業的虧損及於聯營公司或合營企業的投資淨額的減值而言，國際會計準則第28號繼而應用於投資淨額(包括長期權益)。於2019年1月1日採納該等修訂後，本集團評估其於聯營公司及合營企業的長期權益的業務模式，並得出結論認為，於聯營公司及合營企業的長期權益繼續按照國際財務報告準則第9號按攤銷成本計量。因此，該等修訂對本集團的財務狀況或表現並無任何影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

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

2.2 會計政策及披露變動(續)

(c) 國際財務報告詮釋委員會第23號處理倘稅項處理涉及影響國際會計準則第12號的應用的不確定性(通常指「不確定的稅務狀況」)時的所得稅(即期及遞延)會計處理方法。該詮釋不適用於國際會計準則第12號範圍外的稅項或徵稅,亦無特別包括與不確定稅項處理相關的利息及處罰相關規定。詮釋具體處理(i)實體是否單獨考慮不確定稅項處理;(ii)實體對稅務機關的稅項處理檢查所作的假設;(iii)實體如何釐定應課稅利潤或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率;及(iv)實體如何考慮事實及情況變動。於採納該詮釋後,本集團已考慮是否存在因集團內公司間銷售的轉讓定價而產生的任何不確定的稅務狀況。基於本集團的稅務合規及轉讓定價研究,本集團釐定,其轉讓定價政策可能將獲稅務機關接納。因此,該詮釋對本集團的財務狀況或表現並無任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 3	<i>Definition of a Business</i> ¹
Amendments to IFRS 9, IAS 39 and IFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
IFRS 17	<i>Insurance Contracts</i> ²
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i> ¹
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i> ⁴

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ No mandatory effective date yet determined but available for adoption

⁴ Effective for annual period beginning on or after 1 January 2022

Further information about those IFRSs that are expected to be applicable to the Group is described below.

2.3 已頒佈但未生效的國際財務報告準則

本集團尚未於該等財務報表內應用下列已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則 第3號的修訂	業務之定義 ¹
國際財務報告準則 第9號、國際會計 準則第39號、國際 財務報告準則第7 號的修訂	利率指標改革 ¹
國際財務報告準則 第10號及國際會計 準則第28號的修訂	投資者與其聯營公司 或合營企業之間的 資產出售或注資 ³
國際財務報告準則 第17號	保險合約 ²
國際會計準則 第1號及國際會計 準則第8號的修訂	重大之定義 ¹
國際會計準則 第1號的修訂	將負債分類為流動或 非流動 ⁴

¹ 於2020年1月1日或之後開始之年度期間生效

² 於2021年1月1日或之後開始之年度期間生效

³ 尚未釐定強制生效日期，惟可供採納

⁴ 於2022年1月1日或之後開始之年度期間生效

下述為有關預期適用於本集團的該等國際財務報告準則的進一步資料。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to IFRS 9, IAS 39 and IFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但未生效的國際財務報告準則 (續)

國際財務報告準則第3號的修訂闡明並提供有關業務定義之額外指引。該等修訂闡明一套綜合活動及資產將被視為業務，其必須至少包括可對產出能力有重大貢獻之投入及實質性進程。在不包括需要創造產出之所有投入及進程時業務可以存在。該等修訂移除評估市場參與者是否有能力收購業務並持續產出。相反，專注點在於所收購之投入及所收購之實質性進程能否共同對創造產出之能力作出重大貢獻。該等修訂亦縮小產出的定義以注重向客戶提供的商品或服務、一般活動之投資收入或其他收入。此外，該等修訂提供指引以評估所收購之進程是否為實質性的並引入可選擇的公允價值集中度測試，以允許簡化評估一系列所收購之活動及資產是否為業務。本集團預期自2020年1月1日起採納該等修訂。由於修訂本預期適用於首次應用日期或之後發生的交易或其他事件，因此本集團在過渡日期將不受這些修訂的影響。

國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號之修訂本旨在解決銀行同業拆息改革對財務申報之影響。該等修訂本提供可在替換現有利率基準前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂本規訂公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。該等修訂本於2020年1月1日或其後開始的年度生效，可提前獲採納。預期該等修訂本將不會對本集團財務報表造成任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但未生效的國際財務報告準則 (續)

國際財務報告準則第10號及國際會計準則第28號的修訂提出國際財務報告準則第10號及國際會計準則第28號有關處理投資者與其聯營公司或合營企業間之資產出售或注入的規定時的不一致情況。該等修訂規定當投資者與其聯營公司或合營企業間之資產出售或注入構成一項業務時，需全數確認收益或虧損。就涉及不構成一項業務的資產交易而言，交易產生的收益或虧損於投資者的損益確認，並僅以無關聯投資者於該聯營公司或合營企業的權益為限。該等修訂將按預期基準應用。國際會計準則理事會已於2015年12月廢除國際財務報告準則第10號及國際會計準則第28號的修訂的先前強制生效日期，而新強制生效日期將於完成對聯營公司及合營企業會計處理作更廣泛檢討後釐定。然而，該等修訂現時可供採納。

國際會計準則第1號及國際會計準則第8號修訂本對重大予以新定義。新定義列明，倘資料遭忽略、錯報或隱瞞時可合理預期會影響一般用途財務報表主要使用者根據該等財務報表作出的決定，則有關資料屬重大。該等修訂澄清重大與否視乎資料的性質或幅度。倘可合理預期會影響主要使用者的決定，則資料錯報屬重大。本集團預期自2020年1月1日起前瞻性採納該等修訂。該等修訂預期不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Investments in associates and joint ventures**

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

2.4 主要會計政策概要**於聯營公司及合營企業的投資**

聯營公司指本集團長期擁有合共不少於20%股本投票權且可對其行使重大影響力之企業。重大影響力指的是參與投資對象之財務及經營決策之權力，但不是控制或共同控制該等決策之權力。

合營企業指一種合資安排，對安排擁有共同控制權之訂約方據此對合營企業之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有控制，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。

本集團於聯營公司及合營企業之投資以權益會計法按本集團應佔資產淨值扣除任何減值虧損在綜合財務狀況表列賬。

本集團應佔聯營公司及合營企業之收購後業績及其他全面收入分別計入綜合損益表及綜合全面收入表。此外，倘於聯營公司或合營企業之權益直接確認出現變動，則本集團會於綜合權益變動表確認其應佔任何變動（倘適用）。本集團與其聯營公司或合營企業交易所產生未變現收益及虧損按本集團於聯營公司或合營企業之投資為限的方式對銷，惟倘未變現虧損有證據顯示所轉讓資產出現減值則除外。收購聯營公司或合營企業產生之商譽計入為本集團於聯營公司或合營企業投資之一部分。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

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.

2.4 主要會計政策概要(續)

於聯營公司及合營企業的投資(續)

倘於聯營公司之投資成為與合營企業之投資(反之亦然)，則保留權益不會重新計量，而該項投資會繼續以權益法入賬。在所有其他情況下，於失去對聯營公司之重大影響力或對合營企業之共同控制權時，本集團按其公允價值計量並確認任何保留投資。於失去重大影響力或共同控制權後之聯營公司或合營企業賬面值與保留投資公允價值及出售事項所得款項之任何差異，於損益賬中確認。

當對聯營公司或合營企業的投資被分類為持有待售時，則根據國際財務報告準則第5號持有待售之非流動資產及已終止業務進行處理。

業務合併及商譽

業務合併使用收購法入賬。所轉讓代價按收購日期的公允價值計量，即本集團轉讓的資產、本集團向原擁有人承擔的負債及本集團為交換被收購方控制權而發行的股權於收購日期的公允價值總和。就各業務合併而言，本集團選擇被收購方中屬於現時擁有權且令持有人可在被收購方清盤時獲得該實體一定份額的非控股權益，按公允價值或按佔被收購方的可識別資產淨值的比例計量。非控股權益的所有其他部分按公允價值確認。收購相關成本於產生時列為開支。

當本集團收購業務時，其評估金融資產及所承擔負債，以按照合約條款、收購日期的經濟情況及相關狀況進行適當分類及指定。這包括將被收購方主合約中的嵌入式衍生工具分開。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Business combinations and goodwill (Continued)**

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 as at 31 December. 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.

2.4 主要會計政策概要(續)**業務合併及商譽(續)**

倘業務合併分階段實現，早前持有的股權按收購日期的公允價值重新計量，因此產生的任何收益或虧損於損益確認。

收購方將予轉讓的任何或然代價乃按收購日期的公允價值確認。分類為資產或負債的或然代價按公允價值計量，公允價值變動於損益確認。分類為權益的或然代價不予重新計量，而其後結算於權益入賬。

商譽初步按成本(即所轉讓代價、就非控股權益確認的金額及本集團先前於被收購方持有的股權公允價值的總額，超出所收購可識別資產淨值及所承擔負債的部分)計量。倘該代價與其他項目的總和低於所收購淨資產的公允價值，差額經重新評估後於損益確認為議價購買收益。

於初步確認後，商譽按成本減任何累計減值虧損入賬。商譽每年進行減值測試，倘有事件或情況變化表明賬面值可能減值，則更頻繁地進行減值測試。本集團於12月31日對商譽進行年度減值測試。就減值測試而言，業務合併中收購的商譽自收購日期起分配至預期受益於合併協同效益的本集團各現金產生單位或現金產生單位組別(不論本集團其他資產或負債是否分配予該等單位或單位組別)。

NOTES TO FINANCIAL STATEMENTS**財務報表附註**

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Business combinations and goodwill (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.

Fair value measurement

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

2.4 主要會計政策概要(續)**業務合併及商譽(續)**

減值透過評估商譽涉及的現金產生單位(現金產生單位組別)的可收回金額而釐定。倘現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值虧損。就商譽確認的減值虧損不會於隨後期間撥回。

倘商譽分配予現金產生單位(或現金產生單位組別)，且該單位內部分經營被出售，則與被出售經營有關的商譽在釐定出售收益或虧損時計入經營的賬面值。在該等情況下，被出售的商譽基於所出售經營及所保留現金產生單位部分的相對價值計量。

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、衍生金融工具及權益投資。公允價值指於計量日期之市場參與者之間之有序交易中，就出售資產所收取之價格或轉讓負債所支付之價格。公允價值計量乃基於假設出售資產或轉讓負債之交易於資產或負債之主要市場，或在未有主要市場之情況下，則於資產或負債之最有利市場進行。主要或最有利市場須位於本集團能到達之地方。資產或負債之公允價值乃使用市場參與者為資產或負債定價所用之假設計量(假設市場參與者依照彼等之最佳經濟利益行事)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Fair value measurement (Continued)**

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

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

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

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.4 主要會計政策概要(續)**公允價值計量(續)**

非金融資產之公允價值計量乃經計及一名市場參與者透過使用其資產之最高及最佳用途或透過將資產出售予將使用其最高及最佳用途之另一名市場參與者而能夠產生經濟利益之能力。

本集團使用適用於不同情況之估值技術，而其有足夠數據計量公允價值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表計量或披露公允價值之所有資產及負債，均根據對公允價值計量整體而言屬重要之最低層輸入數據在下述公允價值等級架構內進行分類：

- 第1級 — 按相同資產或負債於活躍市場之報價(未經調整)計算
- 第2級 — 按估值技巧計算(對公允價值計量而言屬重要之最低層輸入數據為可直接或間接觀察)
- 第3級 — 按估值技巧計算(對公允價值計量而言屬重要之最低層輸入數據為不可觀察)

就按經常性基準於財務報表確認之資產及負債而言，本集團於每個報告期末通過重新評估分類(基於對公允價值計量整體而言屬重大之最低層輸入數據)以決定等級架構內各層之間是否有轉移。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

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

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

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

2.4 主要會計政策概要(續)

非金融資產的減值

倘出現減值跡象或須對資產(不包括存貨、合約資產、遞延稅項資產、金融資產、投資物業及非流動資產/分類為持作出售的出售組別)進行年度減值測試,則會估計資產的可收回金額。資產的可收回金額乃資產或現金產生單位使用價值與其公允價值減出售成本兩者中的較高者,並且就個別資產釐定,如果資產並不產生大部分獨立於其他資產或資產組合的現金流入,在該情況下,可收回金額則按資產所屬的現金產生單位釐定。

減值虧損僅於資產賬面值超過其可收回金額時確認。評估使用價值時,估計未來現金流量乃以反映貨幣時間值及資產特定風險的除稅前貼現率貼現至其現值。減值虧損於其產生之期間在損益表中支銷,並計入與減值資產之功能一致之有關費用類別內。

於各報告期末,會就是否有任何跡象顯示先前確認之減值虧損不再存在或可能已減少作出評估。倘有該等跡象,便會估計可收回金額。先前就資產(不包括商譽)確認之減值虧損,僅於用以釐定該資產之可收回金額之估計有變時予以撥回,但撥回金額不得高於假設過往年度並無就該資產確認減值虧損而應有之賬面值(扣除任何折舊/攤銷)。此減值虧損之撥回計入發生當期之損益表內,除非資產以重估金額入賬,於此情況下,則減值虧損撥回將根據該重估資產的相關會計政策入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

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

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (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;

2.4 主要會計政策概要(續)

關聯方

任何一方如屬以下情況，即被視為本集團之關聯方：

- (a) 該人士為個人或與該個人關係密切的家庭成員，且該個人
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 該人士為適用以下任何情況的實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一實體為另一實體(或其他實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (iv) 一實體為第三方實體之合營企業，而其他實體為第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職後福利計劃；

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5, as further explained in the accounting policy for "Non-current assets and disposal groups held for sale". 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 the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策概要(續)

關聯方(續)

(b) (續)

- (vi) 該實體受(a)所識別人士控制或共同控制；
- (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員；及
- (viii) 該實體或其所屬集團的成員公司向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備及折舊

物業、廠房及設備(在建工程除外)按成本減去累計折舊和任何減值虧損入賬。倘物業、廠房及設備被分類為持作出售或屬於分類為持作出售之待售組別其中部分,則毋須折舊,並按國際財務報告準則第5號入賬(詳見「持作出售之非流動資產及待售組別」之會計政策)。物業、廠房及設備項目之成本包括其購買價格和將資產運抵指定地點並使其達到能夠按照預定之方式進行運作狀態之任何直接可歸屬成本。

物業、廠房及設備項目投入運行後產生之開支,如維修和保養,通常在開支發生當期之損益表中扣除。倘符合確認標準,主要檢查之開支於資產賬面值中資本化為重置成本。倘物業、廠房及設備之重要部分須不時更換,則本集團將該等部分確認為具有特定使用年限之個別資產並相應對其計提折舊。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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

Buildings	2% to 5%
Hotel properties	5%
Plant and machinery	10%–19%
Motor vehicles	24%
Furniture and fixtures	19%–32%
Leasehold improvements	Over the shorter of the lease terms and 20%

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

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

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

物業、廠房及設備各項目在採用直線法計算折舊之估計使用期限內撇銷其成本至其殘值。就此目的之比率如下：

樓宇	2%–5%
酒店物業	5%
廠房及機器	10%–19%
汽車	24%
傢俬及裝置	19%–32%
租賃物業裝修	租賃年期及20% (以較短者為準)

如果某項物業、廠房及設備項目其中部分的可使用年期不同，該項目的成本會按合理基準分配至有關部分，而各部分均分開計提折舊。剩餘價值、可使用年期及折舊方法將至少於各財政年度末檢討及按需要作出調整。

物業、廠房及設備項目(包括任何初次確認的重大部分)於出售或預期使用或出售有關項目不會產生未來經濟利益時取消確認。於取消確認資產年度在損益表確認的出售或報廢資產的收益或虧損，為出售有關資產所得款項淨額與其賬面值兩者間的差額。

在建工程指在建的樓宇，按成本減任何減值虧損列賬且不作折舊。成本包括建設期內的直接建設成本及相關借入資金的資本化借款成本。當在建工程完成並可使用時，將被重新分類至適當物業、廠房及設備類別。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset (2018: leasehold property under an operating lease) which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

2.4 主要會計政策概要(續)

投資物業

投資物業指為賺取租金收入及／或資本增值而持有的土地及樓宇權益(包括符合投資物業定義的持作使用權資產的租賃物業(2018年：經營租賃下的租賃物業))，但不包括用作生產或供應貨品或提供服務或行政管理用途者；或在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。首次確認後，投資物業按公允價值列賬，其反映報告期間末之市況。

投資物業公允價值變動產生的收益或虧損列入產生年度的損益表。

報廢或出售投資物業之任何收益或虧損於報廢或出售期間於損益表內確認。

對於從投資物業到自置物業或存貨的轉移，其後續會計處理的視同成本是其使用改變之日的公允價值。如果本集團作為自置物業所有者佔有的物業成為投資物業，則本集團按照「物業，廠房及設備及折舊」中規定的政策對擁有的物業和／或該物業根據「使用權資產」中規定的政策進行會計處理，持有至使用變更之日為止作為使用權資產的物業，以及該日物業賬面價值與公允價值之間的差額根據上述「物業，廠房及設備及折舊」中所述的政策，將該物業記為重估。對於從存貨到投資物業的轉移，在該日期的物業公允價值與其先前的賬面價值之間的任何差額均在損益表中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Properties under development**

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realisable value.

Properties under development are classified as current assets unless those will not be realised in the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Completed properties held for sale

Completed properties held for sale are stated in the statement of financial position at the lower of cost and net realisable value. Cost is determined by an apportionment of the total costs of land and buildings attributable to the unsold properties. Net realisable value takes into account the price ultimately expected to be realised, less estimated costs to be incurred in selling the properties.

Allocation of property development cost

Land costs are allocated to each unit according to their respective saleable gross floor area ("GFA") to the total saleable GFA. Construction costs relating to units were identified and allocated specifically. Common construction costs have been allocated according to the saleable GFA similar to land costs.

2.4 主要會計政策概要(續)**開發中物業**

開發中物業擬於落成後持作待售。

開發中物業按成本與可變現淨值之較低者列賬，成本包括土地成本、建築成本、借貸成本、專業費用及於發展期內與有關物業直接相關的其他成本。

除非開發中物業不會於一個正常營運週期內落成，否則相關開發中物業分類為流動資產。物業於落成時轉至持作待售的已竣工物業。

持作出售的已完工物業

持作出售的已完工物業按成本與可變現淨值兩者之較低者於財務狀況表列賬。成本按未售物業應佔土地及樓宇成本總額的分攤比例釐定，可變現淨值按預期最終將變現的價格減出售物業產生的估計成本計算。

分配物業開發成本

土地成本根據各單位的可售建築面積(「建築面積」)佔可售總建築面積的比例分配至各單位。單位相關建築成本按個別情況識別及分配。一般建築成本按與土地成本相若的方式根據可售建築面積分配。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Leases (applicable from 1 January 2019)

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At inception or on reassessment of a contract that contains a lease component and non-lease component(s), the Group adopts the practical expedient not to separate non-lease component(s) and to account for the lease component and the associated non-lease component(s) (e.g., property management services for leases of properties) as a single lease component.

2.4 主要會計政策概要(續)

無形資產(商譽除外)

分開購入的無形資產於初次確認時按成本計量。於業務合併購入無形資產之成本為於收購日期之公允價值。無形資產的可使用年期被評估為有限或無限。可使用年期有限的無形資產其後在可用的經濟年期內攤銷，並在有跡象顯示無形資產可能已減值時進行減值評估。可使用年期有限的無形資產的攤銷期和攤銷法至少於各財政年度末作檢討。

租賃(由2019年1月1日起適用)

本集團在合約開始時評估合約是否為租賃或包含租賃。若合約表明在一段時間內為換取代價而擁有控制一項已識別資產的使用權，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃採用單一確認及計量方法(短期租賃及低價值資產租賃除外)。本集團確認租賃負債以作出租賃付款及使用權資產(代表使用相關資產的權利)。

於訂立或重新評估包含租賃組成部分及非租賃組成部分的合同時，本集團採用實際權宜之計，不對非租賃組成部分進行分離，並考慮租賃組成部分及相關的非租賃組成部分(例如，用於物業租賃的物業管理服務)作為單個租賃組成部分。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued)

Group as a lessee (Continued)(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. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. 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 land	40 years
Office	1 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for "inventories". When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

2.4 主要會計政策概要(續)

租賃(由2019年1月1日起適用)(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產在租賃開始日(即相關資產可供使用之日)確認。使用權資產按成本減去任何累計折舊和任何減值損失後的金額進行計量,並根據租賃負債的重新計量進行調整。使用權資產的成本包括已確認的租賃負債金額,已發生的初始直接成本以及在開始日期或之前支付的租賃付款額減已收到的任何租賃激勵措施。在適用的情況下,使用權資產的成本還包括拆除和移除相關資產或恢復相關資產或資產所在地點的成本估算。使用權資產按租賃期和資產的估計使用壽命中的較短者按直線法計提折舊:

租賃土地	40年
辦公室	1至5年

如果租賃資產的所有權在租賃期結束時轉移至本集團或成本反映了購買期權的行使,則使用資產的估計使用壽命計算折舊。

當使用權資產與作為存貨持有的租賃土地的權益相關時,彼等其後根據本集團的「存貨」政策按成本與可變現淨值的較低者計量。當使用權資產符合投資物業的定義時,則計入投資物業中。相應的使用權資產初始按成本計量,其後根據本集團的「投資物業」政策按公允價值計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued)

Group as a lessee (Continued)

(b) *Lease liabilities*

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

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

2.4 主要會計政策概要(續)

租賃(由2019年1月1日起適用)(續)

本集團作為承租人(續)

(b) *租賃負債*

於租賃開始日期按租賃期內將作出的租賃付款現值確認租賃負債。租賃付款包括固定付款(包括實質固定付款)減任何租賃優惠應收款項、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及支付終止租賃的罰款(倘租賃條款反映本集團行使選擇權終止租賃)。並非取決於指數或利率的可變租賃付款在出現導致付款的事件或條件所發生期間內確認為開支。

於計算租賃付款的現值時，倘租賃中所隱含的利率不易確定，則本集團於租賃開始日期使用增量借貸利率。於開始日期後，租賃負債金額的增加反映了利息的增長及減少租賃付款。此外，倘存租賃期的修改、租賃付款變動(例如：由指數或利率變動引致的未來租賃付款變動)或購買相關資產期權的評估變動，則重新計量租賃負債的賬面值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of 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 office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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.

2.4 主要會計政策概要(續)

租賃(由2019年1月1日起適用)(續)

本集團作為承租人(續)

(c) 短期租賃和低價值資產租賃

本集團對其機械設備的短期租賃(即自開始之日起租賃期為12個月或更短且不包含購買期權的租賃)採用短期租賃確認豁免。它還將低價值資產租賃的確認豁免應用於被認為具有低價值的辦公設備和手提電腦的租賃。

短期租賃和低價值資產租賃的租賃付款在租賃期內按直線法確認為費用。

本集團作為出租人

當本集團作為出租人時，在租賃開始時(或發生租賃變更時)將其每個租賃分類為經營租賃或融資租賃。

本集團實質上不轉移與資產所有權有關的全部風險和報酬的租賃分類為經營租賃。當合同包含租賃和非租賃組成部分時，本集團以相對獨立的銷售價格為基礎將合同中的對價分配給每個組成部分。租金收入在租賃期內按直線法入賬，由於其經營性質，計入當期損益表收益。協商和安排經營租賃所發生的初始直接費用被加到租賃資產的賬面價值中，並在租賃期內以與租金收入相同的基礎確認。或然租金在賺取期間確認為收益。

實質上將與相關資產所有權有關的所有風險和報酬轉移給承租人的租賃，作為融資租賃入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued) Group as a lessor (Continued)

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

Leases (applicable before 1 January 2019)

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

2.4 主要會計政策概要(續)

租賃(由2019年1月1日起適用)(續) 本集團作為出租人(續)

當本集團為中介出租人時，轉租參照主要租賃產生的使用權資產分類為融資租賃或經營租賃。如果總租約是本集團對其資產負債表內確認豁免適用的短期租約，則本集團將轉租分類為經營租約。

租賃(於2019年1月1日前適用)

凡將資產所有權(法定所有權除外)大部分回報及風險撥歸本集團的租賃均列為融資租賃。融資租賃訂定時，租賃資產的成本將按最低租金付款的現值資本化，並連同反映購買及融資的債務(不包括利息部分)入賬。以資本化融資租賃持有的資產(包括融資租賃項下預付土地租賃款項)包括在物業、廠房及設備項下，並按租約期或資產的估計可使用年期兩者中較短者計算折舊。上述租賃的融資成本於損益表扣減，以在租約期按固定比率扣除。

通過具有融資性質的租購合約收購的資產乃列作融資租賃，有關資產乃按估計可使用年期予以折舊。

資產所有權之絕大部分回報與風險仍歸於出租人之租賃列作經營租賃。倘本集團為出租人，由本集團以經營租賃出租的資產乃計入非流動資產，而經營租賃的應收租金按租約年期以直線法計入損益表。倘本集團為承租人，則經營租賃之應付租金(扣除出租人給予之優惠)按照租期以直線法在損益表扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable before 1 January 2019) (Continued)

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策概要(續)

租賃(於2019年1月1日前適用)(續)

根據經營租賃預付的土地租金首次乃成本列賬，而隨後則按租期以直線法確認。

租金不可於土地及樓宇部分可靠地分配時，全部租金作為物業、廠房及設備的融資租賃於土地及樓宇的成本中列賬。

投資及其他金融資產

初始確認及計量

金融資產於初步確認時分類，其後按攤銷成本計量，並按公允價值計入其他全面收入及公允價值計入損益。

初步確認時的金融資產分類取決於金融資產的合約現金流量特徵以及本集團管理彼等的業務模式。除了並不包含顯著的融資組成部份或本集團已就此應用簡易處理方法而非調整重大融資組成部分影響，本集團初始按公允價值加上(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。不含重大融資組成部分或本集團已採用實際權宜之方法的貿易應收款項，根據下文「收益確認」所載之政策，根據國際財務報告準則第15號釐定之交易價格計量。

為使金融資產按攤銷成本進行分類及計量，需就未償還本金產生「純粹支付本金及利息」的現金流量。現金流量不是純粹支付本金及利息的金融資產被分類並按公允價值計入損益，而與業務模型無關。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初始確認及計量(續)

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。以攤銷成本分類和計量的金融資產被保存在一種商業模型中，其目的是持有金融資產以收合同現金流量，而按公允價值計入其他全面收入的金融資產則被保存在一種商業模型中，既收取合同現金流量並且出售作為目的。不屬於上述業務模式的金融資產，按照公允價值計入損益。

所有一般買賣之金融資產於交易日確認，即本集團承諾購買或出售該資產之日。一般買賣指須按照市場一般設立之規定或慣例在一定期間內交付資產之金融資產買賣。

後續計量

金融資產的後續計量取決於其分類，如下所示：

按攤銷成本列賬的金融資產(債務工具)

以攤銷成本後續計量使用實際利率法的金融資產受減值影響。當資產終止確認、修改或減值時，收益及虧損在損益表中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Investments and other financial assets (Continued)***Subsequent measurement (Continued)**Financial assets at fair value through other comprehensive income (debt instruments)*

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要(續)**投資及其他金融資產(續)***後續計量(續)**按公允價值計入其他全面收入的金融資產(債務工具)*

就按公允價值計入其他全面收入的債務投資而言，利息收入、外匯重估及減值虧損或撥回於損益表中確認，並按與按攤銷成本計量的金融資產相同的方式計量。其餘公允價值變動於其他全面收入中確認。終止確認時，於其他全面收入中確認的累計公允價值變動將重新計入損益表。

指定按公允價值計入其他全面收入的金融資產(權益投資)

於初步確認後，倘權益投資符合國際會計準則第32號金融工具：呈列項下的股權定義，且並非持作買賣，本集團可選擇不可撤回地將該權益投資分類為指定按公允價值計入其他全面收入的權益投資。分類乃按個別工具基準而釐定。

該等金融資產的收益及虧損永不回流損益表。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則股息會於損益表確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分金融資產成本則作別論，在此情況下，有關收益會入賬為其他全面收入。指定按公允價值計入其他全面收入的權益投資無須進行減值評估。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

按公允價值計入損益的金融資產

按公允價值計入損益的金融資產乃於財務狀況表按公允價值列賬，而公允價值變動淨額則於損益表確認。

該類別包括本集團不可撤回地選擇按公允價值計入其他全面收入進行分類的衍生工具及權益投資。分類為按公允價值計入損益的金融資產的權益投資的股息亦在支付權確立時於損益確認為其他收入，與股息有關的經濟利益很大機會流入本集團，且能夠可靠計量股息金額。

當嵌入混合合約(包含金融負債及非金融主體)的衍生工具具備與主體不緊密相關的經濟特徵及風險；具備與嵌入式衍生工具相同條款的單獨工具符合衍生工具的定義；且混合合約並非按公允價值計入損益計量，則該衍生工具與主體分開並作為單獨衍生工具列賬。嵌入式衍生工具按公允價值計量，且其變動計入損益表。僅當合約條款出現變動，以致大幅改變其他情況下所須現金流量時或當原分類至按公允價值計入損益的金融資產獲重新分類時，方進行重新評估。

嵌入混合合約(包含金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為按公允價值計入損益的金融資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

終止確認金融資產

金融資產(或如適用,金融資產的一部分或一組類似金融資產的一部分)主要於以下情況終止確認(即從本集團的財務狀況表刪除):

- 自資產收取現金流量的權利已經屆滿;或
- 本集團已轉讓其自資產收取現金流量的權利或已承擔責任根據「轉讓」安排在並無重大延誤下將其全數支付予第三方;及(a)本集團已轉讓該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資產的絕大部分風險及回報,但已轉讓該產的控制權。

當本集團已轉讓其自資產收取現金流量的權利或已訂立轉讓安排,其會評估有否保留所有權的風險及回報,以及其程度。當本集團並無轉讓或保留該資產的絕大部分風險及回報及並無轉讓該資產的控制權,本集團以本集團持續滲入程度為限繼續確認所轉讓資產。在此情況下,本集團亦確認相關負債。經轉讓資產及相關負債乃按反映本集團已保留的權利及責任為基準計量。

持續滲入乃以被轉讓資產作出的一項保證的形式出現,並以該項資產的原賬面值及本集團或須償還的代價數額上限(以較低者為準)計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

2.4 主要會計政策概要(續)

金融資產減值

本集團確認對並非按公允價值計入損益的所有債務工具預期信貸虧損(「預期信貸虧損」)的撥備。預期信貸虧損乃基於根據合約到期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的現金流量或組成合約條款的其他信貸提升措施。

一般方法

預期信貸虧損分兩個階段進行確認。就自初步確認起未有顯著增加的信貸風險而言，預期信貸虧損提供予由未來十二個月內可能發生違約事件而導致的信貸虧損(十二個月預期信貸損失)。就自初步確認起經已顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的預期信貸虧損均須計提虧損撥備(存續期預期信貸虧損)。

本集團在各報告日期評估相關金融工具的信用風險自初始確認後是否已顯著增加。於作出評估時，本集團將報告日期金融工具出現違約事件之風險與初步確認日期金融工具出現違約事件之風險進行比較，並會考慮合理且可證實的資料(毋須過高成本或太多工序便可查閱)，包括過往經驗及前瞻性資料。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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.

Debt investments at fair value through other comprehensive income 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 and contract assets 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

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

就按公允價值計入其他全面收入的債務投資，本集團採用低信用風險簡化措施。於各報告日，本集團使用所有無需花費過多成本或力量即可獲得的合理且可支持的信息，評估債務投資是否被認為具有較低的信用風險。在進行評估時，本集團重新評估了債務投資的外部信用評級。此外，本集團認為，當合同付款逾期超過30天時，信用風險顯著增加。

當合約付款已逾期90天，本集團會將金融資產視為違約。然而，在若干情況，在計及本集團所持的任何信貸增強時前，當內部或外部資料指出本集團不大可能悉數收回尚未償還合約金額，則本集團亦可能將金融資產視為違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按公允價值計入其他全面收入的債務投資和以攤銷成本計量的金融資產在一般方法下會發生減值，並且在以下階段進行預期信貸損失的計量時分類，而應收貿易賬款和合同資產採用簡化方法的情況則除外，詳情如下：

第一階段 – 金融工具的信用風險自初始確認後並未顯著增加，且虧損撥備以等同於12個月預期信貸虧損的金額計量

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

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 and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade receivables and contract assets that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

第二階段 – 金融工具的信用風險自初始確認後顯著增加，惟其並非信貸減值的金融資產，其虧損撥備以等同於存續期預期信貸虧損的金額計量

第三階段 – 於報告日期信貸減值的金融資產(惟其並非購買或原信貸減值)，其虧損撥備以等同於存續期預期信貸虧損的金額計量

簡化方法

並無重大融資成分或本集團應用可行權宜方法不調整重大融資成分影響的貿易應收款項及合約資產，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並無追蹤信貸風險的變動，而是根據各報告日期的存續期預期信貸虧損確認虧損撥備。本集團已建立撥備矩陣，乃根據其過往信貸虧損經驗評估預期虧損率，並按債務人特定的前瞻性因素及經濟環境作出調整。

就包括重大融資成分及應收租賃款項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選擇採納上述政策所述之簡化方法作為其會計政策。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF 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, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, an amount due to the ultimate holding company, derivative financial instruments and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss 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 statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

2.4 主要會計政策概要(續)**金融負債***初始確認及計量*

金融負債在初始確認時分類為：按公允價值計入損益的金融負債、貸款及借款、應付款項，或在有效對沖中指定為對沖工具的衍生工具。

初步確認所有金融負債時，乃以公允價值及(倘屬貸款、借款及應付款項)扣除直接應佔交易成本計量。

本集團的金融負債包括貿易和其他應付款項，應付最終控股公司的款項，衍生金融工具以及計息銀行和其他借款。

後續計量

金融負債的後續計量取決於其分類，如下所示：

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交易性金融負債和初始確認時指定為按公允價值計入損益的金融負債。

倘產生金融負債的目的為於近期回購，則該金融負債分類為持作買賣。此分類包括本集團根據國際財務報告準則第9號所界定之對沖關係不被指定為對沖工具之衍生金融工具。獨立嵌入式衍生工具亦分類為持作買賣，除非其被指定為有效的對沖工具則另作別論。持作買賣的負債收益或虧損於損益表內確認。在損益表中確認的公允價值淨損益不包括對這些金融負債收取的任何利息。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Financial liabilities designated upon initial recognition as at fair value through profit or loss 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 fair value through profit or loss are recognised in the 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 statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of 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 the statement of profit or loss.

2.4 主要會計政策概要(續)

金融負債(續)

後續計量(續)

按公允價值計入損益的金融負債(續)

於初始確認時指定為按公允價值計入損益的金融負債在初始確認日期且僅在符合國際財務報告準則第9號項下標準時指定。指定為按公允價值計入損益的負債的損益在損益表中確認，惟本集團自身信用風險產生的損益在其他全面收入中列示，且其後不重新分類至損益表。在損益表中確認的公允價值淨損益不包括對這些金融負債收取的任何利息。

按攤銷成本列賬的金融負債(貸款和借款)

初始確認後，有息貸款和借款隨後採用實際利率法按攤銷成本進行計量，除非折現的影響不重大，在這種情況下以成本列示。終止確認負債時以及通過實際利率攤銷過程在損益表中確認損益。

攤銷成本的計算方法是考慮任何收購折價或溢價以及作為實際利率一部分的費用或成本。有效利率攤銷計入損益表中的融資成本。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Financial liabilities (Continued)***Subsequent measurement (Continued)**Financial guarantee contracts*

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

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 the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 主要會計政策概要(續)**金融負債(續)***後續計量(續)**財務擔保合約*

本集團發行的財務擔保合約為要求作出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的損失的合約。財務擔保合約初步按公允價值確認為一項負債，並就發行擔保直接產生的交易成本作出調整。於初步確認後，本集團按以下兩者的較高者計量財務擔保合約：(i)根據「金融資產減值」所載政策釐定的預期信貸虧損撥備；及(ii)初步確認的金額減(如適用)累計攤銷。

終止確認金融負債

當負債項目下的責任被解除或取消或屆滿，金融負債須予終止確認。

如現有金融負債由同一放債人以幾乎完全不同條款的負債所取代，或現有負債的條款實質上幾乎已完全修訂，此類取代或修訂將被視為終止確認原負債及確認新負債處理，而有關賬面值的差額須於損益表確認。

抵銷金融工具

倘目前有合法可強制執行權利抵銷已確認的金額，且有意按淨額基準支付或同時將資產變現及結算負債，則抵銷金融資產及金融負債，而其淨額須列於財務狀況表內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, 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 finance costs in the statement of profit or loss.

2.4 主要會計政策概要(續)

存貨

存貨成本值及可變現淨值之較低者入賬。成本以先進先出的原則確定，就在製品和製成品而言，成本包括直接材料、直接人工和適當比例的間接費用。可變現淨值是基於估計的售價減去完成和處置所需的任何估計成本。

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、活期存款及可隨時轉換為已知數額現金、價值變動風險極低及一般自購入後三個月內到期的短期高流動性投資，但須扣減應要求償還及構成本集團現金管理不可分割部分的銀行透支。

就綜合財務狀況表而言，現金及現金等價物由手頭現金及銀行現金組成，包括定期存款及與現金性質類似及用途不受限制的資產。

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。貼現現值隨時間流逝而增加的金額，並計入損益表中的融資成本。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期和遞延稅項。與損益外確認的科目相關的所得稅不在損益確認，而在其他全面收入或直接在權益中確認。

即期稅項資產和負債以報告期末已頒佈或實質已頒佈的稅率(及稅法)，並考慮本集團運營所在國家的詮釋及慣例，按照預期自稅務機關收回或向稅務機關支付的金額進行計量。

遞延稅項使用負債法就報告期末資產及負債稅基與其作財務呈報的賬面值之間的一切暫時差額作出撥備。

所有應課稅暫時差額均確認為遞延稅項負債，除非：

- 遞延稅項負債是由商譽或不構成業務合併交易中的資產或負債的初始確認所產生，而在交易時既不影響會計利潤也不影響應課稅利潤或虧損；及
- 就有關附屬公司、合營企業及聯營公司投資所產生的應課稅暫時差額而言，撥回暫時差額的時間可受控制，而暫時差額於可預見的將來可能不會撥回。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.4 主要會計政策概要(續)

所得稅(續)

所有可扣減暫時差額及未動用稅項抵免及任何未動用稅項虧損結轉，均被確認為遞延稅項資產。倘可能具有應課稅利潤抵銷可扣減暫時差額，以及可動用結轉的未動用稅項抵免及稅項虧損，則會確認遞延稅項資產，惟下述情況除外：

- 因有關可扣減暫時差額的遞延稅項資產源自初始確認一項交易(並非業務合併)中的資產或負債，而有關交易進行時既不影響會計利潤也不影響應課稅利潤或虧損；及
- 就有關附屬公司、聯營公司及合營企業投資所產生的可扣減暫時差額而言，遞延稅項資產僅於暫時差額於可預見的將來可能撥回，而且具有應課稅利潤用以抵銷暫時差額時，方會予以確認。

遞延稅項資產的賬面值於各報告期末進行審閱，並扣減至不再可能有足夠應課稅利潤以扣減所有或部分將予動用的遞延稅項資產為止。未確認遞延稅項資產於各報告期末重新評核，並於可能有足夠應課稅利潤以扣減所有或部分將予收回的遞延稅項資產時予以確認。

遞延稅項資產及負債以預期適用於資產變現或負債清還期間的稅率計量，並以報告期末已頒佈或實質已頒佈的稅率(及稅法)為基準。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Income tax (Continued)**

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

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.

2.4 主要會計政策概要(續)**所得稅(續)**

當及僅當本集團有在法律上可強制執行的權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產及遞延稅項負債與同一稅務機關對同一應課稅實體或不同應課稅實體徵收的所得稅相關，而該等不同的應課稅實體於各未來期間預期有大額遞延稅項負債或資產將予結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補助

政府補助在合理確信可收取及一切附帶條件均可達成的情況下按其公允價值予以確認。倘補助涉及一項支出，則在與其擬補償而支銷相關成本的期間內，有系統地確認為收入。

當政府補助與某個資產項目相關聯時，公允價值先計入遞延收入賬，並根據相關資產之預期使用年期以年限平均法計入損益表，或者從資產的賬面值中減去並通過減少折舊費用的方式計入損益表。

收入確認***客戶合同收入***

客戶合約之收益應於商品或服務控制權轉讓至客戶時確認，其金額反映本集團預期就交換該等商品或服務而有權獲得之代價。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

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.

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 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.

2.4 主要會計政策概要(續)

收入確認(續)

客戶合同收入(續)

當合同中的對價包括可變金額時，本集團將有權獲得對價以交換將商品或服務轉讓給客戶的金額。可變對價在合同開始時進行估計，並受到約束，直到很可能在隨後解決與可變對價相關的不確定性時，在確認的累計收入金額中不會發生重大的收入沖銷。

當合同中包含為客戶提供向其轉移貨品或服務超過一年的重大融資利益的融資部分時，收益按應收金額的現值計量，並以本集團與客戶之間於合約開始時的獨立融資交易所反映的折現率折現。當合同中包含為本集團提供超過一年的重大財務利益的融資部分時，根據合約確認的收益包括按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與轉移承諾商品或服務之間的期限為一年或以下的合約，交易價格不會根據國際財務報告準則第15號的實際權宜方法就重大融資部分的影響而調整。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) 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.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

2.4 主要會計政策概要(續)

(a) 銷售物業

於資產控制權轉移至買方時確認收入。視乎合約條款及該合約的適用法例，資產控制權可在一段時間內或某一時間點轉移。倘本集團在履約過程中滿足下列各項，則資產控制權隨時間轉移：

- 本集團履約所帶來的利益由買家同時接收並消耗；或
- 本集團履約時創建及強化由買家控制的資產；或
- 並無創建一項對本集團具可替代用途的資產，且本集團就迄今為止已完成的履約有可強制執行的支付權利。

倘資產控制權隨時間轉移，收入會於整個合約期間經參考已完成履約責任的進度予以確認。否則，收入於買家取得資產控制權的時間點確認。

完成履約責任的進度乃基於本集團履行履約責任的支出或投入，經參考截至報告期末已產生的合約成本佔每份合約的估計總成本的百分比計量。

當存在重大融資成分時，本集團將會調整代價的承諾金額。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Provision of management services

Revenue from the provision of management services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要(續)

(b) 提供管理服務

提供管理服務的收益在預定的期限內按直線法確認，因為客戶同時獲得和使用本集團提供的利益。

來自其他來源的收入

租金收入於租賃期限內按時間比例確認。並不依賴指數或利率的可變租賃付款在產生的會計期間確認為收入。

其他收入

利息收入按應計基準以實際利率法透過採用將金融工具的估計未來所收現金在預計可使用年期內或更短時間內(倘合適)準確貼現至金融資產賬面值淨值的利率予以確認。

股息收入於確立股東收取股息的權利時確認。與股息有關的經濟利益很可能會流入本集團，而股息的金額能夠可靠地計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

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).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised. Other contract costs are expensed as incurred.

2.4 主要會計政策概要(續)**合約資產**

合約資產為收取向客戶轉讓貨物或服務作為交換的代價。倘本集團於客戶支付代價或付款到期前向客戶轉讓貨物或服務，則就所賺取的有條件代價確認合約資產。合約資產需要進行減值評估，其詳情包括在金融資產減值的會計政策中。

合約負債

當本集團轉移相關的商品或服務之前，收到客戶的款項或應付款(以較早者為準)時，確認合約負債。當本集團根據合約履行合約時(即將相關商品或服務的控制權轉讓給客戶)，合約負債確認為收益。

合約成本

除滿足以下所有條件的資本化作為存貨、物業、廠房和設備以及無形資產的費用外，與客戶履行合同產生的成本也資本化為資產：

- (a) 有關成本與實體可特定地識別之合約或預期訂立之合約有直接關係。
- (b) 有關成本令實體將用於完成(或持續完成)日後履約責任之資源得以產生或有所增加。
- (c) 有關成本預期可收回。

資本化合約成本按系統基準進行攤銷並自損益表中扣除，與確認相關資產的收益模式一致。其他合約成本於產生時列為開支。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract costs (Continued)

Incremental costs of obtaining a contract were those costs that the Group incurs to obtain a contract with a customer it would not have incurred if the contract had not been obtained e.g., commission to sales agents. Incremental costs of obtaining a contract are capitalised when incurred if the costs related to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expense when incurred.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 31 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 主要會計政策概要(續)

合約成本(續)

取得合約的增加成本是本集團為獲得與客戶簽訂的合約而產生的成本，如果未取得合約，則該等成本不會產生(例如：給予銷售經紀的佣金)。如果與收入有關的成本在以後的報告期中確認，並且預期將收回這些成本，則在發生時將取得合約的增量成本資本化。獲得合約的其他成本在發生時為費用。

以股份為基礎之付款

本公司設有購股權計劃，旨在給予為本集團業務成功作出貢獻之合資格參與者鼓勵及獎勵。本集團僱員(包括董事)按以股付款形式收取酬金，而僱員則提供服務作為股本工具之代價(「股權結算交易」)。

與僱員之股權結算交易之成本乃參考購股權授出之日之公允價值計算。外部估值師採用二項式模型釐訂公允價值，有關進一步詳情載於財務報表附註31。

在滿足表現及／或服務條件的期間，應確認股權結算交易費用為僱員福利開支，並同時相應增加權益。在股權結算交易於各報告期末至歸屬日期間確認之累計開支，反映所過去歸屬期以及本集團就最後歸屬之股本工具之數目之最佳估計。期內在損益表扣除或計入損益表之金額，指於該段期初及期終所確認之累計開支變動。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Share-based payments (Continued)**

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

2.4 主要會計政策概要(續)**以股份為基礎之付款(續)**

釐定於獎勵授出日之公允價值並無考慮服務及非市場表現條件，惟評定能達成條件之可能性部分在於為最終將歸屬為本集團權益工具之最佳估計數目。市場表現條件將反映在授出日之公允價值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。反映非歸屬條件之獎勵公允價值若當中不包含服務及／或表現條件，則須即時予以支銷。

因未能達至非市場表現及／或服務條件，而導致最終並無歸屬之獎勵並不會確認支銷。當獎勵包括一項市場或非歸屬條件，則無論市場或非歸屬條件是否達成，其均仍被視為歸屬，但必須符合所有其他表現及／或服務條件。

倘股權結算交易之條款被修訂，則確認最低開支，猶如條款未被修改及給予的原條款獲履行。此外，任何修訂將確認開支，增加股份付款之公允價值總額，或對以修訂日期計算有關公允價值之僱員有利。

倘股權結算獎勵被註銷，則被視為已於註銷日期被歸屬，而未就獎勵確認之開支則即時確認。這包括在本集團或僱員控制範圍以內之非歸屬條件未能獲履行的任何獎勵。然而，倘被註銷獎勵被新獎勵所取代，則被視為於授出之日期替代獎勵處理，而所註銷及新獎勵之處理方法，乃猶如其為前段所述修訂原獎勵。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute a certain proportion of these payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 主要會計政策概要(續)

以股份為基礎之付款(續)

計算每股盈利時，尚未行使購股權之攤薄影響將列作額外股份攤薄效應。

僱員福利

退休金計劃

本集團根據《強制性公積金計劃條例》為有資格參加強積金計劃的僱員實施定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金的一定百分比作出，並於根據強積金計劃的規定應付時自損益表扣除。強積金計劃的資產與本集團的資產分開持有，並由獨立管理基金持有。本集團的僱主供款在向強積金計劃供款時完全歸屬於僱員。

本集團於中國內地經營業務之附屬公司之僱員須參與由地方市政府設立之中央退休金計劃。附屬公司必須將其工資成本的若干比例支付予中央退休金計劃。供款根據中央退休金計劃的規定於應付時自損益表扣除。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 主要會計政策概要(續)**借款成本**

直接用於購買、興建或生產合資格資產(即需待相當時間方可達致其擬定用途或出售的資產)的借款成本一律撥充作為該等資產的部分成本。一旦資產大致可供擬定用途或出售,則有關借款成本不再撥充資本。特定借款於用作合資格資產開支前的臨時投資所賺取的投資收入於已資本化的借款成本中扣減。所有其他借款成本均於產生期間支銷。借款成本包括實體就借用資金產生的利息及其他成本。

股息

末期股息於股東大會上獲股東批准時確認為負債。擬派末期股息於財務報表附註披露。

中期股息於建議同時宣派,乃因本公司之組織章程大綱及細則授權董事宣派中期股息。因此,中期股息於建議及宣派後隨即確認為負債。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 主要會計政策概要(續)

外幣

該等財務報表以人民幣列示，為本公司的功能貨幣。本集團內各實體決定其自身的功能貨幣，列入各實體財務報表的項目使用該呈列貨幣計量。本集團內實體錄得的外幣交易初步使用交易日期的通行功能貨幣匯率入賬。以外幣計值的貨幣資產及負債按報告期末的通行外幣匯率換算。結算或換算貨幣項目時產生的差額於損益表確認。

以外幣為單位而按歷史成本入賬的非貨幣項目按首次交易日的匯率換算。以外幣為單位而按公允價值計量的非貨幣項目按計量公允價值當日的匯率換算。換算按公允價值計量的非貨幣項目產生的收益或虧損按與確認項目公允價值變動的收益或虧損一致的方式處理(即公允價值收益或虧損於其他全面收入或損益中確認的項目的匯兌差額亦分別於其他全面收入或損益中確認)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Foreign currencies (Continued)**

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)**外幣(續)**

釐定有關資產於初步確認時、終止確認與預付代價有關的非貨幣性資產或非貨幣性負債產生的開支或收入的匯率時，初步交易日期為本集團初步確認因預付代價而產生非貨幣性資產或非貨幣性負債的日期。倘存在多次付款或預收款項，本集團釐定預付代價各付款或收款交易日期。

若干海外附屬公司、合營企業和聯營公司的功能貨幣是人民幣以外的貨幣。於報告期末，這些實體的資產和負債按照報告期末的匯率折算成人民幣，其損益表按年內加權平均匯率折算成人民幣。

因此而產生的匯兌差額於其他全面收入確認並於匯兌波動儲備累計。出售外國業務時，與該項外國業務有關的其他全面收入的組成部分，會在損益表確認。

就綜合現金流量表而言，海外附屬公司的現金流量按照現金流量發生之日的匯率折算為人民幣。海外附屬公司全年經常發生的經常性現金流量，按年內加權平均匯率折算為人民幣。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計

編製本集團的財務報表時，管理層須於報告日作出會影響所呈報收入、開支、資產與負債的報告金額及其披露以及或然負債披露的判斷、估計及假設。有關該等假設及估計的不明朗因素可能導致可能須對日後受到影響的資產與負債的賬面值作出重大調整。

判斷

在應用本集團的會計政策時，除涉及估計的判斷外，管理層亦作出下列判斷，其對財務報表的已確認金額影響至為重大：

投資物業及自置物業的分類

本集團會釐定物業是否為投資物業，並已建立作出判斷的準則。投資物業為持有以賺取租金或資本增值或兩者的物業。因此，本集團會考慮物業是否大致獨立於本集團所持有的其他資產而產生現金流量。部分物業被持作賺取租金或資本增值用途，另一部分則被持作生產、貨物及服務供應或行政用途。倘若此等部分可分別出售或根據融資租賃分別出租，則本集團就將此等部分分別列賬。倘若該等部分無法分別出售，則只能於不重要部分作生產、貨物及服務供應或行政用途時，該物業方列為投資物業。按個別物業判斷以決定配套服務之重大程度是否足以使物業不再列為投資物業。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)*Judgements (Continued)**Classification between investment properties and properties held for sale*

The Group develops properties held for sale and properties held to earn rentals and/or for capital appreciation. Judgement is made by management on determining whether a property is designated as an investment property or a property held for sale. The Group considers its intention for holding the properties at the early development stage of the related properties. During the course of construction, the related properties under construction are accounted for as properties under development for sale included in current assets if the properties are intended for sale after its completion, whereas, the properties are accounted for as investment properties under construction included in investment properties if the properties are intended to be held to earn rentals and/or for capital appreciation. Upon completion of the properties, the properties held for sale are transferred to completed properties for sale and are stated at cost, while the properties held to earn rentals and/or for capital appreciation are transferred to completed investment properties. Investment properties, both under construction and completed, are subject to revaluation at the end of each reporting period.

Allocation of construction cost on properties under development for sale

When developing properties, the Group typically divides the development projects into phases. Costs directly related to the development of a phase are recorded as the cost of such phase. Costs that are common to each phase are allocated to each phase based on the saleable floor area of each phase as a percentage of the total saleable floor area of the entire project. The cost of the unit sold is determined by the floor area in square metres sold during the year multiplied by the average cost per square metre of that particular phase of the project.

3. 重大會計判斷及估計(續)*判斷(續)**投資物業及持作銷售物業的分類*

本集團開發持作銷售物業以及持作為賺取租金及／或資本增值的物業。管理層判斷以釐定是否將某物業指定為投資物業或持作銷售物業。本集團認為有意在相關物業的開發初期持有該物業。在建造過程中，如果擬在建造完成後將物業出售的，則在建相關物業記為流動資產中包括其中的待售開發中物業，而如果擬持有該物業以賺取租金及／或進行資本增值，則將這些物業計入投資物業中的在建投資物業。物業落成後，持作銷售物業轉為持作銷售已完工物業並以成本列示，而持作賺取租金及／或資本增值的物業則轉為已完工投資物業。在建和已完工的投資物業，將在每個報告期末進行重估。

待售開發中物業的建築成本分配

在開發物業時，本集團通常將開發項目分為多個階段。與階段的開發直接相關的成本記錄為該階段的成本。每個階段共有的成本是根據每個階段的可售面積(佔整個項目的總可售面積的百分比)分配給每個階段。售出單位的成本由年內售出的樓面面積(平方米)乘以該項目特定階段的每平方米平均成本釐定。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Property lease classification — Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

Whether the presumption that investment properties stated at fair value are recovered through sale is rebutted in determining deferred tax

The Group has investment properties located in the PRC which are measured at fair value. Investment property is property held to earn rentals or for capital appreciation or both. In considering whether the presumption in IAS 12 Income Taxes that an investment property measured at fair value will be recovered through sale is rebutted in determining deferred tax, the Group has developed certain criteria in making that judgement, such as whether an investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time or through sale. The presumption is rebutted only in the circumstance that there is sufficient evidence such as a historical transaction, future development plans and management's intention to demonstrate that the investment property is held with the objective to consume substantially all of the economic benefits over time, rather than through sale. Continuous assessments on the presumption will be made by management at each reporting date.

3. 重大會計判斷及估計(續)

判斷(續)

物業租賃分類 — 本集團作為出租人

本集團就其投資物業組合訂有商業物業租約。本集團根據對安排條款和條件的評估(例如租賃期不構成商業物業經濟壽命的主要部分,以及最低租賃付款額的現值大致不等於商業物業的所有公允價值),已經釐定其保留與這些出租物業所有權有關的所有重大風險和回報,並將有關合同作為經營租賃入賬。

釐定遞延稅項時以公允價值列示的投資物業透過出售收回的假設是否被駁回

本集團在中國擁有以公允價值計量的投資物業。投資物業是為賺取租金或資本增值或兩者兼有而持有的財產。在考慮是否應以國際會計準則第12號所得稅中假設以公允價值計量的投資物業將透過出售而收回的假設被駁回時,本集團在作出該判斷時制定了若干標準,例如是否在一個業務模型中持有該投資物業,而其目標是隨著時間的推移或通過銷售來消耗投資物業體現的幾乎所有經濟利益。只有在足夠的證據(例如歷史交易、未來發展計劃及管理層意圖證明持有投資物業的目的是隨著時間的推移而不是通過銷售長期消耗幾乎所有的經濟利益)方駁斥該假設。管理層將在每個報告日對假設進行連續評估。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)**Estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables and prepayments, other receivables and other assets

The Group uses a provision matrix to calculate ECLs for trade receivables and prepayments, other receivables and other assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The expected loss rate is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the properties sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and prepayments, other receivables and other assets is disclosed in note 24 and note 25 to the financial statements, respectively.

3. 重大會計判斷及估計(續)**估計不明朗因素**

下文所述可能引致資產及負債的賬面值於下個財政年度或須予以重大調整的重大風險且有關未來的主要假設，以及於報告期末存在的估計不明朗因素的其他主要來源。

貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分類組別(即按地理位置、產品類型、客戶類型及評級，以及信用證及其他形式的信貸保險的覆蓋範圍劃分)的逾期天數。

預期虧損率最初基於本集團歷史可觀察違約率。本集團將根據前瞻性資料調整矩陣以調整歷史信貸虧損經驗。例如，如預測經濟狀況(即國內生產總值)將在未來一年惡化，這可能導致房地產行業違約數量增加，則調整歷史違約率。於各報告日期，更新歷史可觀察違約率並分析前瞻性估計的變化。

對歷史可觀察違約率、預測經濟狀況與預期信貸虧損之間的相關性評估是一項重要估計。預期信貸虧損的數量對環境變化及預測經濟狀況敏感。本集團的歷史信貸虧損經驗及經濟狀況預測亦或無法代表客戶的未來實際違約情況。有關本集團貿易應收款項及預付款項、其他應收款項及其他資產的預期信貸虧損的資料分別於財務報表附註24及附註25中披露。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

租賃 — 評估增量借款率

本集團無法輕易釐定租賃內含的利率，因此，使用增量借款率（「增量借款率」）來計量租賃負債。增量借款率是指本集團在類似期限內以類似擔保，為獲得與類似經濟環境條件下的使用權資產具有相似價值的資產而所需的資金所必須支付以借回的利率。因此，增量借款率反映本集團「需要支付的」事宜，當沒有可觀察的利率（例如：未進行融資交易的附屬公司）或需要進行調整以反映租賃的條款和條件時（例如：當租賃不以附屬公司功能貨幣計值）而需要進行估算。本集團使用可觀察到的數據（例如市場利率（如果可用））估算增量借款率，並且需要進行作出若干特定實體的估算（例如附屬公司的獨立信用評級）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the dates of the transactions that occurred at those prices; and discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The carrying amount of investment properties at 31 December 2019 was RMB11,572,037,000 (2018: RMB9,397,000,000). Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are given in note 14 to the financial statements.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

投資物業公允價值估計

若無類似物業在活躍市場的現價，本集團將考慮來自多種來源之資料，其中包括：

- (a) 不同性質、狀況或地點之物業於活躍市場之現有價格(經調整以反映各項差異)；
- (b) 活躍程度稍遜之市場所提供同類物業近期價格(經調整以反映自按該等價格進行交易當日以來經濟狀況之任何變動)；及根據未來現金流量所作可靠估計預測之經貼現現金流量，此項預測以任何現有租約及其他合約之條款以及(在可行情況下)外來證據(如地點及狀況相同之類似物業現有市場租值)為憑證，並採用可反映有關現金流量金額及時間不明朗因素當時市場評估之貼現率。

於2019年12月31日，投資物業之賬面值為人民幣11,572,037,000元(2018年：人民幣9,397,000,000元)。進一步詳情(包括用作公允價值計量及敏感度分析之主要假設)載於財務報表附註14。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Provision for properties under development and completed properties held for sale

The Group's properties under development and completed properties held for sale are stated at the lower of cost and net realisable value. Based on the Group's historical experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion of properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in a provision for properties under development and completed properties held for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

PRC corporate income tax ("CIT")

The Group is subject to corporate income taxes in the PRC. As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realise.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

發展中物業及持作出售的已完工物業的撥備

本集團的開發中物業及持作出售的已完工物業以成本與可變現淨值的較低者入賬。本集團根據以往的經驗及所涉物業的性質估計發展中物業的售價與竣工成本，以及根據當前市況估計銷售物業將產生的費用。

倘竣工成本增加而銷售淨值降低，則可變現淨值會減少，可能導致須就發展中物業及持作銷售已竣工物業作出撥備。作出相關撥備時須運用判斷及估計。倘預期有別於原先估計，則會於變更估計期間相應調整物業賬面值及撥備。

中國企業所得稅(「企業所得稅」)

本集團須繳納中國企業所得稅。由於地方稅務局尚未確認有關所得稅的若干事宜，故釐定所得稅撥備時須根據目前已頒佈的稅法、法規及其他相關政策作出客觀估計及判斷。倘該等事項的最終稅款數額有別於原已記錄的數額，則差額會影響差額變現期間的所得稅及稅項撥備。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

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.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. 重大會計判斷及估計(續)*估計不明朗因素(續)**中國土地增值稅(「土地增值稅」)*

本集團須繳納中國土地增值稅。土地增值稅撥備根據管理層對中國相關稅務法律及法規所載規定的理解所作最佳估計計提。實際的土地增值稅負債須待物業發展項目竣工後由稅務機關釐定。本集團尚未就其全部物業發展項目與稅務機關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，差額會影響差額變現期間的土地增值稅開支及相關撥備。

遞延稅項資產

倘可能具有應課稅利潤抵銷虧損，則會就未動用稅項虧損確認遞延稅項資產。管理層在釐定可予以確認的遞延稅項資產金額時，須根據未來應課稅利潤可能出現的時間及水平連同未來稅務計劃策略作出重大判斷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

4. OPERATING 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) Property development;
- (b) Commercial property investment and operations;
- (c) Hotel operations.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that bank interest income, fair value gains on financial assets at fair value through profit or loss, equity-settled share option payment, net foreign exchange gains, investment income, non-lease-related finance costs as well as head office and corporate expenses are excluded from such measurement.

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

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

The Group's operations are mainly conducted in Mainland China. Management considered that there is no reportable geographic segment as all revenues from external customers are generated in Mainland China and the Group's significant non-current assets are located in Mainland China.

4. 經營分部資料

就管理而言，本集團根據本身的產品及服務劃分業務單位，並設有三個可報告經營分部如下：

- (a) 物業開發；
- (b) 商業物業投資與經營；
- (c) 酒店經營。

管理層獨立監察本集團經營分部業績，藉以作出有關資源分配及表現評核的決策。分部表現基於可報告分部利潤／虧損（為經調整稅前利潤／虧損的計量方式）評定。經調整稅前利潤／虧損的計量方式與本集團稅前利潤的計量方式一致，惟有關計量不包括銀行利息收入、按公允價值計入損益的金融資產公允價值收益、以股權結算的購股權付款、外匯收益淨額、投資收入、非租賃相關融資成本以及總部及企業開支。

分部資產不包括未分配總部及企業資產，原因為該等資產按集團基準管理。

分部負債不包括未分配總部及企業負債，原因為該等負債按集團基準管理。

本集團的業務主要在中國內地進行。管理層認為並無可報告地域分部，原因為來自外部客戶的所有收入均源自中國內地，且本集團的主要非流動資產位於中國內地。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

4. OPERATING SEGMENT INFORMATION
(Continued)

4. 經營分部資料(續)

Year ended 31 December 2019 截至2019年12月31日止年度		Property development 物業開發 RMB'000 人民幣千元	Commercial property investment and operation 商業物業 投資與經營 RMB'000 人民幣千元	Hotel operations 酒店經營 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue: Sales to external customers	分部收入： 銷售予外部客戶	14,718,381	411,368	39,757	15,169,506
Revenue	收入				15,169,506
Segment results	分部業績	2,714,797	461,614	(3,582)	3,172,829
<i>Reconciliation:</i>	<i>對賬：</i>				
Bank interest income	銀行利息收入				60,197
Fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產公允價值收益				13,648
Equity-settled share option expense	以股權結算的購股權開支				(31,329)
Net foreign exchange gains	外匯收益淨額				1,431
Investment income	投資收入				120,939
Finance costs (other than interest on lease liabilities)	融資成本 (不包括租賃負債利息)				(584,704)
Corporate and other unallocated expenses	企業及其他未分配開支				(17,628)
Profit before tax	稅前利潤				2,735,383
Segment assets	分部資產	82,162,018	12,099,989	338,383	94,600,390
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and other unallocated assets	企業及其他未分配資產				796,694
Total assets	總資產				95,397,084
Segment liabilities	分部負債	75,355,728	1,942,628	28,602	77,326,958
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and other unallocated liabilities	企業及其他未分配負債				23,677
Total liabilities	總負債				77,350,635
Other segment information	其他分部資料				
Share of profits and losses of:	應佔以下單位利潤及虧損：				
Joint ventures	合營企業	97,724	—	—	97,724
Associates	聯營公司	595,285	—	—	595,285
Impairment losses recognised	確認減值虧損	27,589	—	—	27,589
Impairment losses written off	撤銷減值虧損	(205,807)	—	—	(205,807)
Fair value gains on investment properties	投資物業的公允價值收益	—	310,456	—	310,456
Depreciation and amortisation	折舊及攤銷	74,115	27,535	26,785	128,435
Investments in associates	於聯營公司的投資	5,584,394	—	—	5,584,394
Investments in joint ventures	於合營企業的投資	2,236,978	—	—	2,236,978

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

4. OPERATING SEGMENT INFORMATION
(Continued)

4. 經營分部資料(續)

Year ended 31 December 2018	Property development	Commercial property investment and operation	Hotel operations	Total	
截至2018年12月31日止年度	物業開發 RMB'000 人民幣千元	商業物業 投資與經營 RMB'000 人民幣千元	酒店經營 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	
Segment revenue:	分部收入：				
Sales to external customers	銷售予外部客戶	8,843,003	359,026	36,712	9,238,741
Revenue	收入				9,238,741
Segment results	分部業績				
<i>Reconciliation:</i>	<i>對賬：</i>				
Bank interest income	銀行利息收入				9,124
Fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產公允價值收益				8,233
Equity-settled share option expense	以股權結算的購股權開支				(24,326)
Net foreign exchange gains	外匯收益淨額				19,941
Investment income	投資收入				2,121
Finance costs (other than interest on lease liabilities)	融資成本 (不包括租賃負債利息)				(499,297)
Corporate and other unallocated expenses	企業及其他未分配開支				(5,954)
Profit before tax	稅前利潤	2,242,489	428,395	(5,348)	2,665,536
Segment assets	分部資產				
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and other unallocated assets	企業及其他未分配資產	56,313,799	9,911,499	356,294	66,581,592
Total assets	總資產				67,922,064
Segment liabilities	分部負債				
<i>Reconciliation:</i>	<i>對賬：</i>				
Corporate and other unallocated liabilities	企業及其他未分配負債	53,784,844	105,570	8,047	53,898,461
Total liabilities	總負債				54,072,319
Other segment information	其他分部資料				
Share of profits and losses of:	應佔以下單位利潤及虧損：				
Joint ventures	合營企業	387,008	—	—	387,008
Associates	聯營公司	(19,993)	—	—	(19,993)
Impairment losses recognised	確認減值虧損	116,782	—	—	116,782
Impairment losses reversed	撥回減值虧損	(37,380)	—	—	(37,380)
Impairment losses written off	撇銷減值虧損	(68,726)	—	—	(68,726)
Fair value gain on investment properties	投資物業的公允價值收益	—	260,803	—	260,803
Depreciation and amortisation	折舊及攤銷	21,178	38,352	20,975	80,505
Investments in associates	於聯營公司的投資	1,712,839	—	—	1,712,839
Investments in joint ventures	於合營企業的投資	1,026,466	—	—	1,026,466

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

4. OPERATING SEGMENT INFORMATION (Continued)

Information about a major customer:

During the year, there was no revenue from a single customer which amounted for 10% or more of the Group's revenue.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

4. 經營分部資料(續)

有關主要客戶的資料：

年內，概無單一客戶收入佔本集團收入的10%或以上。

5. 收入、其他收入及收益

收入的分析如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收入	14,781,828	8,949,385
<i>Revenue from other sources</i>	<i>來自其他來源的收入</i>		
Gross rental income from investment property operating leases	來自投資物業經營租賃的 總租金收入	387,678	289,356
		15,169,506	9,238,741

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

For the year ended 31 December 2019

5. 收入、其他收入及收益(續)

客戶合約收入

(a) 收入資料明細

截至2019年12月31日止年度

Segments		Property development	Commercial property investment and operations	Hotel operations	Total
			Commercial property investment and operations		
分部		物業開發	商業物業投資與經營	酒店經營	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
Type of goods or services	貨品或服務類型				
Sale of properties	物業銷售	14,305,799	—	—	14,305,799
Hotel operations	酒店經營	—	—	39,757	39,757
Project management services	項目管理服務	412,582	—	—	412,582
Others	其他	—	23,690	—	23,690
Total revenue from contracts with customers	客戶合約收入總額	14,718,381	23,690	39,757	14,781,828
Timing of revenue recognition	收入確認時間				
Goods transferred at a point in time	於某一時間點轉移貨品	14,305,799	—	—	14,305,799
Services transferred over time	隨時間轉移服務	412,582	23,690	39,757	476,029
Total revenue from contracts with customers	客戶合約收入總額	14,718,381	23,690	39,757	14,781,828

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

Revenue from contracts with customers (Continued)

(a) Disaggregated revenue information (Continued)

For the year ended 31 December 2018

5. 收入、其他收入及收益(續)

客戶合約收入(續)

(a) 收入資料明細(續)

截至2018年12月31日止年度

Segments	Property development	Commercial property investment and operations	Hotel operations	Total
分部	物業開發	投資與經營	酒店經營	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
Type of goods or services	貨品或服務類型			
Sale of properties	8,843,003	—	—	8,843,003
Hotel operations	—	—	36,712	36,712
Others	—	69,670	—	69,670
Total revenue from contracts with customers	8,843,003	69,670	36,712	8,949,385
Timing of revenue recognition	收入確認時間			
Goods transferred at a point in time	8,843,003	—	—	8,843,003
Services transferred over time	—	69,670	36,712	106,382
Total revenue from contracts with customers	8,843,003	69,670	36,712	8,949,385

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

Revenue from contracts with customers (Continued)

(a) *Disaggregated revenue information (Continued)*

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	已確認收入(已計入報告期初的合約負債):		
Sale of properties	物業銷售	8,335,079	6,987,240

(b) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of properties

The performance obligation is satisfied upon delivery of the completed properties.

Hotel operations

The performance obligation is satisfied when services are rendered. Short-term advances are sometimes required before rendering the service.

5. 收入、其他收入及收益(續)

客戶合約收入(續)

(a) 收入資料明細(續)

下表列示計入報告期初的合約負債及已就於過往期間達成的履約責任於本報告期內確認的收入金額：

(b) 履約責任

有關本集團履約責任的資料概述如下：

物業銷售

履約責任於交付已完工物業時完成。

酒店經營

履約責任乃於提供服務時達成。有時須於提供服務前作出短期墊款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

5. REVENUE, OTHER INCOME AND GAINS
(Continued)

Revenue from contracts with customers (Continued)

(b) Performance obligations (Continued)

Property management services

The performance obligation is satisfied over time as services are rendered and short-term advances are sometimes required before rendering the service. Property management service contracts are for periods of one year or less, or are billed based on the time incurred.

5. 收入、其他收入及收益(續)

客戶合約收入(續)

(b) 履約責任(續)

物業管理服務

履約責任乃於提供服務時隨時間達成，且一般須於提供服務前作出短期墊款。物業管理服務合約的年期為一年或以下，或根據所產生時間支賬。

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	60,197	9,124
Interest income from associates and joint ventures	來自聯營公司及合營企業的利息收入	94,698	96,530
Investment income	投資收入	120,939	2,121
Forfeiture of deposits	沒收按金	2,716	1,547
Government grants	政府補助	3,714	1,353
Fair value gain on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產公允價值收益	13,648	8,233
Project management services provided to joint ventures and associates	向合營企業及聯營公司提供項目管理服務	—	63,771
Net foreign exchange gains	外匯收益淨額	1,431	19,941
Others	其他	33,874	33,353
		331,217	235,973

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

6. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

6. 稅前利潤

本集團來自持續經營業務的稅前利潤已扣除／(計入)以下各項：

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cost of inventories sold	已售存貨成本	20	11,344,897	6,204,908
Cost of services provided	提供服務成本		127,144	89,663
Impairment losses written off for properties completed held for sale	就持作出售的已完工物業撇銷減值虧損	20	(205,807)	(68,726)
Impairment losses recognised for properties under development and completed properties held for sale	就開發中物業及持作出售的已完工物業確認減值虧損	19, 20	27,589	116,782
Impairment losses reversed for properties under development	就開發中物業撥回減值虧損	19	—	(37,380)
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	13	78,861	74,925
Depreciation of right-of-use assets (2018: amortisation of land lease payments)	使用權資產折舊 (2018年：土地租賃付款攤銷)	15	42,399	793
Amortisation of other intangible assets	其他無形資產攤銷	16	7,175	4,787
Fair value gains on investment properties	投資物業公允價值收益		(310,456)	(260,803)
Losses/(Gains) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損／(收益)		8,716	(210)
Gains on disposal of a subsidiary	出售一家附屬公司的收益		(14,874)	—
Foreign exchange differences, net	外匯淨差額	5	(1,431)	(19,941)
Share of (gains)/losses of:	應佔以下單位(收益)／虧損：			
Joint ventures	合營企業		(97,724)	(387,008)
Associates	聯營公司		(595,285)	19,993
Auditor's remuneration	核數師酬金		4,900	2,880
Employee benefit expense (excluding directors' and chief executive's remuneration):	僱員福利開支 (不包括董事及最高行政人員薪酬)：			
Wages and salaries	工資及薪金		951,563	522,179
Equity-settled share option expense	以股權結算的購股權開支		31,329	24,326
Pension scheme contributions and social welfare	養老金計劃供款及社會福利		75,843	44,901
Less: Amount capitalised	減：資本化金額		(156,003)	(159,093)
			902,732	432,313

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

7. 融資成本

來自持續經營業務的融資成本分析如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Interest on bank loans, senior notes and other loans	銀行貸款、優先票據及其他貸款的利息	2,447,882	1,548,159
Interest on pre-sales deposits	預售訂金的利息	885,836	320,757
Interest on lease liabilities	租賃負債利息	49,605	—
Total interest expense	利息開支總額	3,383,323	1,868,916
Less: Interest capitalised	減：資本化利息	(2,749,014)	(1,369,619)
		634,309	499,297

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Fees	袍金	810	312
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	工資、津貼及實物福利	10,068	6,275
Performance-related bonuses*	表現掛鈎花紅*	2,608	3,350
Equity-settled share-based payment expenses	以股權結算以股份為基礎的 付款開支	8,485	7,358
Pension scheme contributions and social welfare	養老金計劃供款及社會福利	270	342
		22,241	17,637

* Certain executive directors of the Company are entitled to bonus payments which are associated with the profit after tax of the Group.

During the year, certain directors were granted shares options, in respect of their services to the Group, under the share option scheme of the Company. Further details are set out in note 31 to the financial statements. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the directors' and chief executive's remuneration disclosure.

8. 董事及最高行政人員薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部披露的本年度董事及最高行政人員薪酬如下：

* 本公司若干執行董事有權獲得與本集團稅後利潤相關的花紅付款。

年內，若干董事根據本公司購股權計劃就其對本集團的服務獲授購股權。進一步詳情載於財務報表附註31。該等於歸屬期內於損益表確認的購股權的公允價值於授出日釐定，而本年度財務報表所載金額已計入董事及最高行政人員的披露內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(a) Independent non-executive directors

Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Au Yeung Po Fung were appointed as independent non-executive directors of the Company on 15 March 2018. The fees paid to independent non-executive directors during the year were as follows:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Mr. Lee Kwok Tung Louis	李國棟先生	270	104
Mr. Leung Yau Wan John	梁又穩先生	270	104
Mr. Au Yeung Po Fung	歐陽寶豐先生	270	104
		810	312

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

8. 董事及最高行政人員薪酬(續)

(a) 獨立非執行董事

李國棟先生、梁又穩先生及歐陽寶豐先生於2018年3月15日獲委任為本公司獨立非執行董事。年內向獨立非執行董事支付的袍金如下：

年內並無應付獨立非執行董事的其他薪酬(2018年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, non-executive directors and the chief executive

8. 董事及最高行政人員薪酬(續)

(b) 執行董事、非執行董事及最高行政人員

		Salaries, allowances and benefits Fees	Performance- related bonuses	Equity-settled share-based payment expenses 以股權結算 以股份為基礎的	Pension scheme contributions and social welfare 及社會福利	Total remuneration
		袍金 RMB'000 人民幣千元	工資、津貼及 實物福利 RMB'000 人民幣千元	表現掛鈎花紅 RMB'000 人民幣千元	養老金計劃供款 及社會福利 RMB'000 人民幣千元	薪酬總計 RMB'000 人民幣千元
2019	2019年					
<i>Executive directors:</i>	<i>執行董事:</i>					
— Mr. Zeng Huansha*	— 曾煥沙先生*	—	156	—	61	217
— Mr. He Jie	— 何捷先生	—	3,184	1,546	93	6,974
— Mr. Lui Wai Pang**	— 雷偉彬先生**	—	2,680	—	8	2,688
		—	6,020	1,546	162	9,879
<i>Non-executive directors:</i>	<i>非執行董事:</i>					
— Mr. Zhang Liang	— 張良先生	—	1,723	531	33	5,166
— Mr. Jiang Daqiang	— 蔣達強先生	—	1,905	531	33	5,924
— Mr. Zhang Hongwu***	— 張宏武先生***	—	420	—	42	462
		—	4,048	1,062	108	11,552
		—	10,068	2,608	270	21,431
2018	2018年					
<i>Executive directors:</i>	<i>執行董事:</i>					
— Mr. Zeng Huansha*	— 曾煥沙先生*	—	156	—	68	224
— Mr. He Jie	— 何捷先生	—	3,267	1,758	96	6,719
		—	3,423	1,758	164	6,943
<i>Non-executive directors:</i>	<i>非執行董事:</i>					
— Mr. Zhang Liang	— 張良先生	—	1,325	883	—	4,345
— Mr. Jiang Daqiang	— 蔣達強先生	—	907	605	82	4,159
— Mr. Zhang Hongwu	— 張宏武先生	—	620	104	96	1,878
		—	2,852	1,592	178	10,382
		—	6,275	3,350	342	17,325

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, non-executive directors and the chief executive (Continued)

- * Mr. Zeng Huansha is the chairman and an executive director of the Company.
- ** Mr. Lui Wai Pang has been appointed as an executive director, a vice president and a member of the nomination committee with effect from 5 July 2019.
- *** Mr. Zhang Hongwu has retired as a non-executive director with effect from 21 June 2019.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2018: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining one (2018: one) highest paid employee who is neither a director nor chief executive of the Company are as follows:

8. 董事及最高行政人員薪酬(續)

(b) 執行董事、非執行董事及最高行政人員(續)

- * 曾煥沙先生為本公司主席兼執行董事。
- ** 雷偉彬先生自2019年7月5日起獲委任為執行董事、副總裁兼提名委員會成員。
- *** 張宏武先生自2019年6月21日起退任非執行董事職務。

年內，概無董事或最高行政人員放棄或同意放棄任何薪酬的安排。

9. 五名最高薪酬僱員

年內，五名最高薪酬僱員包括四名董事(2018年：四名董事)，其薪酬詳情載於上文附註8。並非本公司董事或最高行政人員的餘下一名(2018年：一名)最高薪酬僱員年內的薪酬詳情如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	工資、津貼及實物福利	2,046	1,109
Performance-related bonuses	表現掛鈎花紅	209	716
Equity-settled share-based payment expenses	以股權結算以股份為基礎的 付款開支	—	685
Pension and social welfare	養老金及社會福利	99	96
		2,354	2,606

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

9. FIVE HIGHEST PAID EMPLOYEES (Continued)

The remuneration of the non-director and non-chief executive highest paid employee fell within the following band as follows:

		Number of employees 僱員人數	
		2019 2019年	2018 2018年
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	—	1
		1	1

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Group's subsidiaries incorporated in the Cayman Islands and British Virgin Islands 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 profits currently arising in Hong Kong for the year ended 31 December 2019.

Subsidiaries of the Group operating in Mainland China are subject to PRC corporate income tax at a rate of 25% for the year.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Mainland China tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

9. 五名最高薪酬僱員(續)

薪酬位於以下範圍的非董事及非最高行政人員最高薪酬僱員如下：

10. 所得稅

本集團須就產生自或源自本集團成員公司註冊及經營所在稅務司法管轄區的利潤按實體基準繳納所得稅。根據開曼群島及英屬維爾京群島的規則及規例，本集團於開曼群島及英屬維爾京群島註冊成立的附屬公司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，因為該等公司於截至2019年12月31日止年度並無現時於香港產生的任何應課稅利潤。

年內，本集團於中國內地經營的附屬公司須按25%的稅率繳納中國企業所得稅。

土地增值稅乃按照30%至60%的累進稅率對土地增值額徵收，土地增值額為銷售物業所得款項減可扣減開支(包括土地成本、借款成本及其他物業開發開支)。本集團根據有關中國內地稅務法律法規的規定為土地增值稅估計、作出及計提稅項撥備。土地增值稅撥備須由地方稅務機關進行最終審核及批准。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

10. INCOME TAX (Continued)

10. 所得稅(續)

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current tax:	即期稅項：		
Corporate income tax	企業所得稅	736,140	638,948
LAT	土地增值稅	564,843	441,357
Deferred tax (note 29)	遞延稅項(附註29)	(201,460)	(228,052)
Total tax charge for the year	年內稅項支出總額	1,099,523	852,253

A reconciliation of income tax expense applicable to profit before tax at the statutory rates for the jurisdictions in which the Company and its subsidiaries are domiciled to the income tax expense at the effective income tax rate is follows:

本公司及其附屬公司註冊所在司法管轄區按法定稅率計算的稅前利潤適用的所得稅開支與實際所得稅率計算的所得稅開支對賬如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Profit before tax	稅前利潤	2,735,383	2,175,378
At the statutory income tax rate	按法定所得稅率計算	683,846	551,374
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司應佔利潤及虧損	(165,670)	(91,754)
Expenses not deductible for tax	不可扣稅開支	113,294	10,289
Tax losses utilised from previous years	過往年度利用的稅務虧損	(42,036)	(37,532)
Tax losses not recognised	未確認的稅務虧損	86,457	88,858
Provision for LAT	土地增值稅撥備	564,843	441,357
Tax effect on LAT	土地增值稅的稅務影響	(141,211)	(110,339)
Tax charge at the Group's effective rate	按本集團實際稅率計算的稅項支出	1,099,523	852,253

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

10. INCOME TAX (Continued)

Tax payable in the consolidated statement of financial position represents the following:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Corporate income tax payable	應付企業所得稅	1,010,944	753,260
LAT payable	應付土地增值稅	1,158,315	850,404
Total tax payable	應繳稅項總額	2,169,259	1,603,664

10. 所得稅(續)

綜合財務狀況表內的應繳稅項指以下項目：

11. DIVIDENDS

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Proposed final — RMB11.1 cents (2018: RMB9.1 cents) per ordinary share	建議末期 — 每股普通股 人民幣11.1分 (2018年：人民幣9.1分)	369,488	303,613

11. 股息

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

建議年度末期股息須待本公司股東於即將舉行的股東周年大會上批准後方可作實。

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 3,320,000,000 (2018: 2,129,501,370) shares in issue during the year, as adjusted to reflect the rights issue during the year.

12. 母公司普通權益持有人應佔每股盈利

每股基本盈利金額乃根據母公司普通權益持有人應佔年內利潤及年內已發行普通股的加權平均數3,320,000,000股(2018年：2,129,501,370股)計算，並就反映年內的供股作出調整。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

12. 母公司普通權益持有人應佔每股盈利 (續)

每股攤薄盈利金額乃根據母公司普通權益持有人應佔年內利潤計算。計算時採用的普通股加權平均數為年內已發行普通股數目，即與計算每股基本盈利所採用者相同，並假設普通股加權平均數已因全部攤薄潛在普通股被視為已行使為普通股，而按零代價發行。

每股基本及攤薄盈利的計算基準為：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	計算每股基本盈利所用母公司普通權益持有人應佔利潤	1,467,555	1,412,264
		Number of shares 股份數目	
		2019 2019年	2018 2018年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	計算每股基本盈利所用年內已發行普通股加權平均數	3,320,000,000	2,129,501,370
Effect of dilution — weighted average number of ordinary shares:	攤薄的影響 — 普通股加權平均數：		
Share options	購股權	32,230,641	22,211,762
		3,352,230,641	2,151,713,132

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Hotel properties	Plant and machinery	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in process	Total
		樓宇	酒店物業	廠房與機械	汽車	傢俱及裝置	租賃裝修	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2019	2019年12月31日								
At 31 December 2018:	於2018年12月31日：								
Cost	成本	194,690	399,091	567,655	39,031	67,613	107,381	31,150	1,406,611
Accumulated depreciation	累計折舊	(83,851)	(79,817)	(120,435)	(29,682)	(43,050)	(61,220)	—	(418,055)
Net carrying amount	賬面淨值	110,839	319,274	447,220	9,349	24,563	46,161	31,150	988,556
At 31 December 2018, net of accumulated depreciation and impairment	於2018年12月31日，扣除累計折舊及減值	110,839	319,274	447,220	9,349	24,563	46,161	31,150	988,556
Effect of adoption of IFRS 16	採納國際財務報告準則第16號的影響	—	—	—	—	—	(5,815)	(14,582)	(20,397)
At 1 January 2019, net of accumulated depreciation	於2019年1月1日，扣除累計折舊	110,839	319,274	447,220	9,349	24,563	40,346	16,568	968,159
Additions	添置	10,397	—	—	6,372	6,899	15,665	60,104	99,437
Transfer from construction in progress	轉撥自在建工程	3,817	—	5,053	—	829	36,791	(46,490)	—
Transfer to investment property (note 14)	轉撥至投資物業(附註14)	(54,784)	—	(96,104)	—	—	—	—	(150,888)
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	358	—	—	358
Disposal of subsidiaries (note 35)	出售附屬公司(附註35)	—	—	—	—	(160)	(137)	—	(297)
Disposals	出售	—	—	(26,775)	(2,814)	(381)	—	—	(29,970)
Depreciation provided during the year (note 6)	年內折舊撥備(附註6)	(9,074)	(22,694)	(23,499)	(4,191)	(9,547)	(9,856)	—	(78,861)
At 31 December 2019, net of accumulated depreciation	於2019年12月31日，扣除累計折舊	61,195	296,580	305,895	8,716	22,561	82,809	30,182	807,938
At 31 December 2019:	於2019年12月31日：								
Cost	成本	143,600	399,091	353,643	40,232	74,103	154,021	30,182	1,194,872
Accumulated depreciation	累計折舊	(82,405)	(102,511)	(47,748)	(31,516)	(51,542)	(71,212)	—	(386,934)
Net carrying amount	賬面淨值	61,195	296,580	305,895	8,716	22,561	82,809	30,182	807,938

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

13. PROPERTY, PLANT AND EQUIPMENT (Continued) 13. 物業、廠房及設備(續)

		Buildings	Hotel properties	Plant and machinery	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in process	Total equity
		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
31 December 2018	2018年12月31日								
At 31 December 2017 and 1 January 2018:	於2017年12月31日及2018年1月1日:								
Cost	成本	192,685	371,811	154,255	36,896	50,800	82,036	206,402	1,094,885
Accumulated depreciation	累計折舊	(75,907)	(58,842)	(101,612)	(29,185)	(32,128)	(50,220)	—	(347,894)
Net carrying amount	賬面淨值	116,778	312,969	52,643	7,711	18,672	31,816	206,402	746,991
At 1 January 2018, net of accumulated depreciation	於2018年1月1日，扣除累計折舊	116,778	312,969	52,643	7,711	18,672	31,816	206,402	746,991
Additions	添置	2,005	27,280	54,912	4,706	18,229	10,250	199,096	316,478
Transfer from construction in progress	轉撥自在建工程	—	—	359,440	—	—	14,908	(374,348)	—
Acquisition of subsidiaries	收購附屬公司	—	—	—	65	1,123	172	—	1,360
Disposals	出售	—	—	(352)	(170)	(826)	—	—	(1,348)
Depreciation provided during the year (note 6)	年內折舊撥備(附註6)	(7,944)	(20,975)	(19,423)	(2,963)	(12,635)	(10,985)	—	(74,925)
At 31 December 2018, net of accumulated depreciation	於2018年12月31日，扣除累計折舊	110,839	319,274	447,220	9,349	24,563	46,161	31,150	988,556
At 31 December 2018:	於2018年12月31日:								
Cost	成本	194,690	399,091	567,655	39,031	67,613	107,381	31,150	1,406,611
Accumulated depreciation	累計折舊	(83,851)	(79,817)	(120,435)	(29,682)	(43,050)	(61,220)	—	(418,055)
Net carrying amount	賬面淨值	110,839	319,274	447,220	9,349	24,563	46,161	31,150	988,556

As at 31 December 2019, certain of the Group's property, plant and equipment with an aggregate carrying amount of approximately RMB281,645,000 (2018: RMB631,914,000) have been pledged to secure bank and other borrowings granted to the Group (note 38).

於2019年12月31日，本集團已質押賬面總值約人民幣281,645,000元(2018年：人民幣631,914,000元)的若干物業、廠房及設備，以作為本集團獲授銀行及其他借款的抵押(附註38)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

14. INVESTMENT PROPERTIES

14. 投資物業

		Under construction 在建	Completed 已完工	Right-of- use assets 使用權資產	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
Carrying amount at 1 January 2018	於2018年1月1日的賬面值	836,459	7,886,400	—	8,722,859
Additions	添置	245,162	168,176	—	413,338
Transfer	轉撥	(659,645)	659,645	—	—
Net gain from a fair value adjustment	公允價值調整所得收益淨額	17,824	242,979	—	260,803
Carrying amount at 31 December 2018	於2018年12月31日的賬面值	439,800	8,957,200	—	9,397,000
Effect of adoption of IFRS 16	採納國際財務報告準則 第16號的影響	—	—	763,200	763,200
Carrying amount at 1 January 2019	於2019年1月1日的賬面值	439,800	8,957,200	763,200	10,160,200
Additions	添置	770,313	—	265,681	1,035,994
Change of contract terms (note 15)	合約條款變動(附註15)	—	—	(113,397)	(113,397)
Transfer from property, plant and equipment (note 13)	轉撥自物業、廠房及設備 (附註13)	—	150,888	—	150,888
Transferred to investment properties completed	轉撥至已完工投資物業 completed	(294,158)	294,158	—	—
Changes in fair value of investment properties	投資物業公允價值變動	54,282	285,854	(1,784)	338,352
Carrying amount at 31 December 2019	於2019年12月31日的賬面值	970,237	9,688,100	913,700	11,572,037

The Group is engaged with Savills Real Estate Valuation (Beijing) Company Limited and Lance (Beijing) Assets Valuation Co., Ltd., to value the investment properties, of which the fair value as at 31 December 2019 was RMB11,572,037,000 (31 December 2018: RMB9,397,000,000), on an open market, existing use basis. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's senior finance manager and the chief financial officer have discussions with the valuer on the valuation assumptions and valuation results when the valuation is performed for financial reporting.

本集團委聘北京第一太平戴維斯房地產與土地評估有限公司及藍策(北京)資產評估有限公司按公開市場當前用途基準對投資物業進行評估，於2019年12月31日，有關物業的公允價值為人民幣11,572,037,000元(2018年12月31日：人民幣9,397,000,000元)。甄選標準包括市場知識、聲譽、獨立性及是否保持專業標準。本集團的高級財務經理及財務總監已與估值師就進行財務報告估值的估值假設及估值結果進行討論。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

14. INVESTMENT PROPERTIES (Continued)

As at 31 December 2019, certain of the Group's investment properties with an aggregate carrying amount of approximately RMB8,375,881,000 (2018: RMB8,520,150,000) have been pledged to secure bank and other borrowings granted to the Group (note 38).

14. 投資物業(續)

於2019年12月31日，本集團已質押賬面總值約人民幣8,375,881,000元(2018年：人民幣8,520,150,000元)的若干投資物業，以作為本集團獲授銀行及其他借款的抵押(附註38)。

		Fair value measurement as at 31 December 2019 截至2019年12月31日的公允價值計量			
		Quoted prices in active markets 於活躍市場的 報價 (Level 1) (第1級) RMB'000 人民幣千元	Significant observable inputs 重大可觀察輸 入數據 (Level 2) (第2級) RMB'000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第3級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Recurring fair value measurement for:	就以下項目進行的經常性公允價值計量：				
Completed commercial properties	已完工商業物業	—	—	9,688,100	9,688,100
Commercial properties under Construction	在建商業物業	—	—	970,237	970,237
Right of use assets	使用權資產	—	—	913,700	913,700
		—	—	11,572,037	11,572,037

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

14. INVESTMENT PROPERTIES (Continued)

14. 投資物業(續)

Fair value measurement as at 31 December 2018

截至2018年12月31日的公允價值計量

	Quoted prices in active markets 於活躍市場的 報價 (Level 1) (第1級) RMB'000 人民幣千元	Significant observable inputs 重大可觀察輸 入數據 (Level 2) (第2級) RMB'000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第3級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Recurring fair value measurement for:	就以下項目進行的經常性公允價值計量：			
Completed commercial properties	—	—	8,957,200	8,957,200
Commercial properties under construction	—	—	439,800	439,800
	—	—	9,397,000	9,397,000

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

14. INVESTMENT PROPERTIES (Continued)

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 (2018: Nil).

14. 投資物業(續)

年內，第1級與第2級之間並無公允價值計量的轉撥，亦無轉入或轉出第3級(2018年：無)。

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或加權平均數	
			2019 2019年	2018 2018年
Right-of-use assets 使用權資產	Income capitalisation method 收入資本化法	Estimated rental value (RMB per sq.m. and per month) 估計租值(每平方米及每月人民幣)	46-150	—
		Capitalisation rate 資本化率	3.5%-5%	—
		Long term vacancy rate 長期空置率	10%-25%	—
Completed commercial properties 已完工商業物業	Income capitalisation method 收入資本化法	Estimated rental value (RMB per sq.m. and per month) 估計租值(每平方米及每月人民幣)	63-247	55-237
		Capitalisation rate 資本化率	3.5%-6.5%	4%-6.5%
		Long term vacancy rate 長期空置率	5%-20%	5%-15%
Commercial properties under construction 在建商業物業	Comparison method 比較法	Estimated land price 預期土地價格	3,480-10,184	3,200-4,600

The fair value of completed commercial properties is determined by the income capitalisation method by taking into account the net rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the fair value at an appropriate capitalisation rate. Where appropriate, reference has also been made to the comparable sales transactions as available in the relevant market.

已完工商業物業的公允價值乃通過收入資本化法釐定，方法是通過計及有關物業因現有租約而產生及/或在現行市況下可能取得的租金收入淨額(就租約的潛在續租收入作出充分撥備)，然後加以資本化，以按適當的資本化比率釐定公允價值。亦會在適當情況下參考相關市場上可獲得的可資比較銷售交易。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

14. INVESTMENT PROPERTIES (Continued)

A significant increase in the estimated rental value would result in a significant increase in the fair value of the investment properties. A significant increase (decrease) in the long term vacancy rate and the capitalisation rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties.

The fair value of the commercial properties under construction is determined by using the comparison method, and with reference to sales transactions as available in the relevant market, comparable land in close proximity has been selected and adjustments have been made to account for the difference in factors such as location and property size.

The higher the estimated land price, the higher is the fair value of the investment properties under construction.

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and machinery used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 40 years, and no ongoing payments will be made under the terms of these land leases.

(a) Prepaid land lease payments (before 1 January 2019)

14. 投資物業(續)

估計租值大幅增加將導致投資物業的公允價值大幅增加。長期空置率及資本化比率單獨大幅增加(減少)將導致投資物業的公允價值大幅減少(增加)。

在建商業物業的公允價值使用比較法釐定，並經參考相關市場上可獲得的銷售交易，選用鄰近可資比較土地以進行比較，以及就地點及物業規模等因素的差異作出調整。

估計土地價格越高，在建投資物業的公允價值越高。

15. 租賃

本集團作為承租人

本集團就其營運所用不同廠房及機械項目訂有租賃合約，並已提前作出一次性付款以向業主收購租賃土地，租期為40年，而根據該等土地租賃的條款，將不會繼續支付任何款項。

(a) 預付土地租賃款項(於2019年1月1日之前)

RMB'000
人民幣千元

Carrying amount at 1 January 2018	於2018年1月1日的賬面值	29,696
Recognised in profit or loss during the year	年內於損益確認	(793)
Carrying amount at 31 December 2018	於2018年12月31日的賬面值	28,903

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

15. LEASES (Continued)

The Group as a lessee (Continued)

(b) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Prepaid land lease payments 預付土地 租賃款項 RMB'000 人民幣千元	Office 辦公室 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019	於2019年1月1日	28,903	142,183	171,086
Additions	添置	—	29,034	29,034
Depreciation charge	折舊支出	(1,459)	(40,940)	(42,399)
As at 31 December 2019	於2019年12月31日	27,444	130,277	157,721

As at 31 December 2019, the Group's prepaid land lease payments with an aggregate carrying amount of approximately RMB9,377,000 (2018: RMB22,473,000) were pledged to secure bank and other borrowings granted to the Group (note 38).

15. 租賃(續)

本集團作為承租人(續)

(b) 使用權資產

本集團的使用權資產的賬面值以及於年內的變動如下：

於2019年12月31日，本集團已質押賬面總值約人民幣9,377,000元(2018年：人民幣22,473,000元)的預付土地租賃款項，以作為本集團獲授銀行及其他借款的抵押(附註38)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

15. LEASES (Continued)

The Group as a lessee (Continued)

(c) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the year are as follows:

15. 租賃(續)

本集團作為承租人(續)

(c) 租賃負債

租賃負債(計入計息銀行及其他借款)的賬面值以及於年內的變動如下:

		2019 2019年 Lease liabilities 租賃負債 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	867,963
New leases	新增租賃	203,153
Change of contract term	合約條款變動	(113,397)
Accretion of interest recognised during the year	年內確認利息增長	49,605
Payments	付款	(49,038)
Carrying amount at 31 December	於12月31日的賬面值	958,286
Analysed into:	分析為:	
Current portion	即期部分	46,809
Non-current portion	非即期部分	911,477

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

15. LEASES (Continued)

The Group as a lessee (Continued)

(d) *The amounts recognised in profit or loss in relation to leases are as follows:*

15. 租賃(續)

本集團作為承租人(續)

(d) 就租賃於損益確認的金額如下：

		2019 2019年 Lease liabilities 租賃負債 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債利息	49,605
Depreciation charge of right-of-use assets (note 6)	使用權資產折舊支出(附註6)	42,399
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in administrative expenses)	與短期租賃及餘下租賃期於2019年12月31日或之前結束的其他租賃相關的開支(計入行政開支)	810
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃相關的開支(計入行政開支)	295
Net loss from a fair value adjustment	公允價值調整所得虧損淨額	1,784
Total amount recognised in profit or loss	於損益確認的總金額	94,893

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

15. LEASES (Continued)

The Group as a lessor

The Group leases its investment properties (note 14) consisting of 15 commercial properties in Mainland China under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB387,678,000 (2018: RMB289,356,000), details of which are included in note 5 to the financial statements.

At 31 December 2019, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

15. 租賃(續)

本集團作為出租人

本集團根據經營租賃安排租賃其投資物業(附註14)，包括15項位於中國內地的商業物業。租賃條款一般規定租戶須支付保證金並訂明定期根據當時現行市況調整租金。本集團於年內確認的租金收入為人民幣387,678,000元(2018年：人民幣289,356,000元)，詳情載於財務報表附註5。

於2019年12月31日，本集團於未來期間根據與其租戶訂立的不可撤銷經營租賃應收未貼現租賃付款如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Within one year	一年內	137,709	97,568
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	292,742	173,957
After five years	五年後	98,031	184,253
		528,482	455,778

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

16. OTHER INTANGIBLE ASSETS

16. 其他無形資產

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Software	軟件		
At 1 January:	於1月1日：		
Cost	成本	29,663	27,102
Accumulated amortisation	累計攤銷	(17,665)	(12,878)
Net carrying amount	賬面淨值	11,998	14,224
Cost at 1 January, net of accumulated amortisation	於1月1日的成本，扣除累計攤銷	11,998	14,224
Additions	添置	7,603	2,561
Amortisation provided during the year	年內已撥備攤銷	(7,175)	(4,787)
Cost at 31 December, net of accumulated amortisation	於12月31日的成本，扣除累計攤銷	12,426	11,998
At 31 December:	於12月31日：		
Cost	成本	37,266	29,663
Accumulated amortisation	累計攤銷	(24,840)	(17,665)
Net carrying amount	賬面淨值	12,426	11,998

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

17. INVESTMENTS IN JOINT VENTURES

17. 於合營企業的投資

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Share of net assets	分佔資產淨值	2,236,978	1,026,466

The loans from joint ventures included in the Group's current liability are disclosed in note 40 to the financial statements.

計入本集團流動負債的合營公司的貸款於財務報表附註40披露。

Particulars of the Group's material joint venture are as follows:

本集團重大合營公司詳情：

Name 名稱	Paid-in capital 實繳資本	Place of registration and business 註冊及營業地點	Percentage of 佔以下各項的百分比			Principal activity 主要活動
			Ownership interest 所有權權益	Voting power 表決權	Profit sharing 溢利分派	
Nanjing Shun Hong Real Estate Development Co., Ltd	RMB150,000,000	PRC/Mainland China	50	50	50	Property development
南京舜鴻房地產開發有限公司	人民幣150,000,000元	中國/中國大陸	50	50	50	物業開發

Nanjing Shun Hong Real Estate Development Co., Ltd, which is considered a material joint venture of the Group, co-develops a property development project with the other associate partner in the PRC and is accounted for using the equity method.

南京舜鴻房地產開發有限公司(被視為本集團的重要合營企業)與其他中國聯營夥伴共同開發一個物業開發項目，採用權益法入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

17. INVESTMENTS IN JOINT VENTURES (Continued)

17. 於合營企業的投資(續)

The following table illustrates the summarised financial information in respect of Nanjing Shun Hong Real Estate Development Co., Ltd adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

下表列示有關南京舜鴻房地產開發有限公司的財務資料摘要，已就會計政策差異作出調整並與財務報表內的賬面值對賬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	61,705	384,230
Other current assets	其他流動資產	973,238	2,467,607
Current assets	流動資產	1,034,943	2,851,837
Non-current assets	非流動資產	31,606	18,517
Financial liabilities, excluding trade and other payables and provisions	金融負債(不包括貿易及其他應付款項及撥備)	(233,801)	(882,233)
Other current liabilities	其他流動負債	(440,325)	(1,798,292)
Current liabilities	流動負債	(674,126)	(2,680,525)
Non-current financial liabilities, excluding trade and other payables and provisions	非流動金融負債(不包括貿易及其他應付款項及撥備)	—	(127,200)
Non-current liabilities	非流動負債	—	(127,200)
Net assets	資產淨值	392,423	62,629
Reconciliation to the Group's interest in the joint venture:	與本集團於合營企業的權益對賬：		
Proportion of the Group's ownership	本集團所佔擁有權比例	50%	50%
Group's share of net assets of the joint venture	本集團應佔合營企業資產淨值	196,212	31,315
Carrying amount of the investment	投資的賬面值	196,212	31,315
Revenue	收入	1,584,773	12,265
Interest income	利息收入	728	2,445
Depreciation and amortisation	折舊及攤銷	(21)	(21)
Tax	稅項	(233,217)	(471)
Profit/(loss) and total comprehensive income/(loss) for the year	年內利潤/(虧損)及全面收入/(虧損)總額	329,794	(30,647)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

17. INVESTMENTS IN JOINT VENTURES (Continued)

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Share of the joint ventures' (loss)/profit for the year	年內應佔合營企業 (虧損)／利潤	(67,173)	402,332
Share of the joint ventures' total comprehensive (loss)/income	年內應佔合營企業全面 (虧損)／收益總額	(67,173)	402,332
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營企業投資的 賬面總值	2,040,766	995,151

17. 於合營企業的投資(續)

下表列示本集團個別非重大的合營企業的合計財務資料：

18. INVESTMENTS IN ASSOCIATES

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Share of net assets	應佔資產淨值	5,584,394	1,712,839

18. 於聯營公司的投資

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

The loans from associates included in the Group's current liabilities are disclosed in note 40 to the financial statements.

Particulars of the material associates are as follows:

18. 於聯營公司的投資(續)

計入本集團流動負債的聯營公司的貸款於財務報表附註40披露。

重大聯營公司詳情：

Name	Paid-in capital	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group 本集團 應佔所有 權權益 百分比	Principal activity
名稱	實繳資本	註冊成立／註冊及 營業地點		主要活動
Anhui Qian Tai Real Estate Development Co., Ltd ("Anhui Qian Tai") 安徽乾泰房地產開發有限公司 (「安徽乾泰」)	RMB200,000,000 人民幣 200,000,000元	PRC/Mainland China 中國／中國內地	25	Property development 物業開發
Changshu Xin Bi Real Estate Development Co., Ltd ("Changshu Xin Bi") 常熟市新碧房地產開發有限公司 (「常熟市新碧」)	RMB100,000,000 人民幣 100,000,000元	PRC/Mainland China 中國／中國內地	33	Property development 物業開發
Nanjing Hongweisheng Estate Development Co., Ltd (「Nanjing Hongweisheng」) 南京弘威盛房地產開發有限公司 (「南京弘威盛」)	RMB765,000,000 人民幣 765,000,000元	PRC/Mainland China 中國／中國內地	33	Property development 物業開發
Nantong Hong Yan Real Estate Development Co., Ltd (「Nantong Hong Yan」) 南通弘晏房地產有限公司 (「南通弘晏」)	RMB30,000,000 人民幣 30,000,000元	PRC/Mainland China 中國／中國內地	33	Property development 物業開發

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

Anhui Qian Tai, which is considered a material associate of the Group, is a strategic partner of the Group engaged in property development and is accounted for using the equity method.

The following table illustrates the summarised financial information in respect of Anhui Qian Tai adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

18. 於聯營公司的投資(續)

安徽乾泰(被視為本集團的重大聯營公司)為本集團的戰略合作夥伴，從事房地產開發業務，採用權益法入賬。

下表列示有關安徽乾泰的財務資料摘要，已就會計政策差異作出調整並與綜合財務報表內的賬面值對賬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current assets	流動資產	1,250,627	4,075,394
Non-current assets	非流動資產	1,347	47,046
Current liabilities	流動負債	(458,050)	(3,265,345)
Non-current liabilities	非流動負債	—	(700,000)
Net assets	資產淨值	793,924	157,095
Reconciliation to the Group's interest in the associate:	與本集團於聯營公司的權益對賬：		
Proportion of the Group's ownership	本集團所佔擁有權比例	25%	25%
Group's share of net assets of the associate	本集團應佔聯營公司資產淨值	198,481	39,274
Elimination of interest income	對銷利息收入	—	(7,760)
Carrying amount of the investment	投資的賬面值	198,481	31,514
Revenue	收入	3,833,778	2,117
Profit/(loss) for the year	年內利潤/(虧損)	636,829	(24,581)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	636,829	(24,581)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

Changshu Xin Bi, which is considered a material associate of the Group, is a strategic partner of the Group engaged in property development and is accounted for using the equity method.

The following table illustrates the summarised financial information in respect of Changshu Xin Bi adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

18. 於聯營公司的投資(續)

常熟市新碧(被視為本集團的重大聯營公司)為本集團的戰略合作夥伴，從事房地產開發業務，採用權益法入賬。

下表列示有關常熟市新碧的財務資料摘要，已就會計政策差異作出調整並與綜合財務報表內的賬面值對賬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current assets	流動資產	1,136,679	2,145,206
Non-current assets	非流動資產	53,077	20,796
Current liabilities	流動負債	(630,493)	(2,145,922)
Net assets	資產淨值	559,263	20,080
Reconciliation to the Group's interest in the associate:	與本集團於聯營公司的權益對賬：		
Proportion of the Group's ownership	本集團所佔擁有權比例	33%	33%
Group's share of net assets of the associate	本集團應佔聯營公司資產淨值	184,557	6,627
Carrying amount of the investment	投資的賬面值	184,557	6,627
Revenue	收入	1,990,047	36
Profit/(loss) for the year	年內利潤/(虧損)	539,183	(19,657)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	539,183	(19,657)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

Nanjing Hongweisheng, which is considered a material associate of the Group, is a strategic partner of the Group engaged in property development and is accounted for using the equity method.

The following table illustrates the summarised financial information in respect of Nanjing Hongweisheng adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

18. 於聯營公司的投資(續)

南京弘威盛(被視為本集團的重大聯營公司)為本集團的戰略合作夥伴，從事房地產開發業務，採用權益法入賬。

下表列示有關南京弘威盛的財務資料摘要，已就會計政策差異作出調整並與綜合財務報表內的賬面值對賬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current assets	流動資產	1,581,076	3,117,958
Non-current assets	非流動資產	2,461	16,038
Current liabilities	流動負債	(344,553)	(2,396,594)
Net assets	資產淨值	1,238,984	737,402
Reconciliation to the Group's interest in the associate:	與本集團於聯營公司的權益對賬：		
Proportion of the Group's ownership	本集團所佔擁有權比例	33%	33%
Group's share of net assets of the associate	本集團應佔聯營公司資產淨值	408,865	243,343
Elimination of interest income	對銷利息收入	—	(2,535)
Carrying amount of the investment	投資的賬面值	408,865	240,808
Revenue	收入	2,227,407	—
Profit/(loss) for the year	年內利潤/(虧損)	501,582	(28,341)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	501,582	(28,341)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

Nantong Hong Yan, which is considered a material associate of the Group, is a strategic partner of the Group engaged in property development and is accounted for using the equity method.

The following table illustrates the summarised financial information in respect of Nantong Hong Yan adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

18. 於聯營公司的投資(續)

南通弘晏(被視為本集團的重大聯營公司)為本集團的戰略合作夥伴，從事房地產開發業務，採用權益法入賬。

下表列示有關南通弘晏的財務資料摘要，已就會計政策差異作出調整並與綜合財務報表內的賬面值對賬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Current assets	流動資產	1,222,656	3,456,849
Non-current assets	非流動資產	186	45,526
Current liabilities	流動負債	(659,486)	(3,569,439)
Net assets	資產淨值	563,356	(67,064)
Reconciliation to the Group's interest in the associate:	與本集團於聯營公司的權益對賬：		
Proportion of the Group's ownership	本集團所佔擁有權比例	33%	33%
Group's share of net assets of the associate	本集團應佔聯營公司	188,161	(22,399)
Elimination of interest income	對銷利息收入	—	22,399
Carrying amount of the investment	投資的賬面值	188,161	—
Revenue	收入	3,205,629	—
Profit/(loss) for the year	年內利潤/(虧損)	630,420	(18,476)
Total comprehensive income/(loss) for the year	年內全面收入/(虧損)總額	630,420	(18,476)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

18. INVESTMENTS IN ASSOCIATES (Continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Share of the associates' (loss)/profit for the year	年內應佔聯營公司(虧損)/利潤	(117,935)	8,163
Share of the associates' total comprehensive (loss)/income	年內應佔聯營公司全面(虧損)/收入總額	(117,935)	8,163
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司投資的賬面總值	4,604,330	1,433,890

18. 於聯營公司的投資(續)

下表列示本集團個別非重大的聯營公司的合計財務資料：

19. PROPERTIES UNDER DEVELOPMENT

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	29,702,386	16,957,888
Additions	添置	20,279,883	12,201,284
Acquisition of subsidiaries	收購附屬公司	2,583,351	5,532,747
Disposals of subsidiaries	出售附屬公司	(2,953,091)	—
Transferred to completed properties held for sale (note 20)	轉撥至持作出售的已完工物業(附註20)	(13,550,971)	(4,933,911)
Impairment losses recognised (note 6)	確認的減值虧損(附註6)	—	(93,002)
Impairment losses reversed (note 6)	撥回的減值虧損(附註6)	—	37,380
Impairment losses transferred to completed properties held for sale (note 20)	轉撥至持作出售的已完工物業的減值虧損(附註20)	219,296	—
Carrying amount at 31 December	於12月31日的賬面值	36,280,854	29,702,386

19. 開發中物業

The Group's properties under development are situated on leasehold land in Mainland China.

本集團的開發中物業位於在中國內地的租賃土地。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

19. PROPERTIES UNDER DEVELOPMENT (Continued)

At 31 December 2019, the Group's properties under development with an aggregate carrying amount of approximately RMB18,592,645,000 (2018: RMB15,636,245,000) were pledged to secure bank and other borrowings granted to the Group (note 38).

The movements in provision for impairment of properties under development are as follows:

19. 開發中物業(續)

於2019年12月31日，本集團賬面總值約人民幣18,592,645,000元(2018年：人民幣15,636,245,000元)的開發中物業已質押，以獲得授予本集團的銀行及其他貸款(附註38)。

開發中物業的減值撥備變動如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	219,296	163,674
Impairment losses recognised (note 6)	確認的減值虧損(附註6)	—	93,002
Impairment losses reversed (note 6)	撥回的減值虧損(附註6)	—	(37,380)
Impairment losses transferred to completed properties held for sale (note 20)	轉撥至持作出售的已完工物業的減值虧損(附註20)	(219,296)	—
Carrying amount at 31 December	於12月31日的賬面值	—	219,296

The value of properties under development is assessed at the end of the reporting period. An impairment exists when the carrying value exceeds its realisable value.

開發中物業的價值於報告期末評估。倘賬面值超逾其可變現值，則視為已減值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

20. COMPLETED PROPERTIES HELD FOR SALE

20. 持作出售的已完工物業

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	1,162,901	1,842,510
Acquisition of subsidiaries	收購附屬公司	—	546,442
Transferred from properties under development (note 19)	轉撥自開發中物業(附註19)	13,550,971	4,933,911
Transferred to cost of sales (note 6)	轉撥至銷售成本(附註6)	(11,344,897)	(6,204,908)
Impairment losses recognised (note 6)	確認的減值虧損(附註6)	(27,589)	(23,780)
Impairment losses written off (note 6)	減值虧損撇銷(附註6)	205,807	68,726
Impairment losses transferred from properties under development (note 19)	轉撥自開發中物業的減值虧損(附註19)	(219,296)	—
Carrying amount at 31 December	於12月31日的賬面值	3,327,897	1,162,901

As at 31 December 2019, the Group's completed properties held for sale with an aggregate carrying amount of approximately RMB117,057,000 (2018: nil) have been pledged to secure bank and other borrowings granted to the Group (note 38).

於2019年12月31日，本集團賬面總值約人民幣117,057,000元(2018年：零)的持作出售已完工物業已質押，以獲得授予本集團的銀行及其他貸款(附註38)。

The movements in provision for impairment of completed properties held for sale are as follows:

持作出售的已完工物業的減值撥備變動如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Carrying amount at 1 January	於1月1日的賬面值	36,852	81,798
Impairment losses recognised (note 6)	確認的減值虧損(附註6)	27,589	23,780
Impairment losses written off (note 6)	減值虧損撇銷(附註6)	(205,807)	(68,726)
Impairment losses transferred from properties under development (note 19)	轉撥自開發中物業的減值虧損(附註19)	219,296	—
Carrying amount at 31 December	於12月31日的賬面值	77,930	36,852

The value of completed properties held for sale is assessed at the end of each reporting period. An impairment exists when the carrying value exceeds its realisable value.

持作出售的已完工物業的價值於各報告期末評估。倘賬面值超逾其可變現值，則視為已減值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

21. TRADE RECEIVABLES

The Group's trade receivables arise from the leasing of investment properties and provision of property management services.

Consideration in respect of properties is payable by the purchasers in accordance with the terms of the related sale and purchase agreements. The Group normally requires its customers to make payment of monthly/quarterly charges in advance in relation to the leasing of investment properties and provision of property management services.

Since the Group's trade receivables are related to a number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. All trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

21. 貿易應收款項

本集團的貿易應收款項源自租賃投資物業及提供物業管理服務。

買家須按照相關買賣協議的條款支付物業的代價。本集團一般就租賃投資物業及提供物業管理服務規定其客戶按月／季預付費用。

由於本集團的貿易應收款項涉及多名不同客戶，故並無重大信貸集中風險。本集團並無就其貿易應收款項結餘持有任何抵押品或其他信貸增強措施。所有貿易應收款項均為免息。

於報告期末，按發票日期及經扣除虧損撥備的貿易應收款項賬齡分析如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Within 1 month	1個月以內	1,989	4,371
1 to 3 months	1至3個月	2,653	245
3 to 6 months	3至6個月	1,668	506
6 to 12 months	6至12個月	447	18,098
Over 12 months	超過12個月	10	508
		6,767	23,728

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

22. 預付款項、其他應收款項及其他資產

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Due from non-controlling shareholders of subsidiaries (note 41)	應收附屬公司非控股股東款項 (附註41)	2,301,616	273,525
Other tax recoverable	其他可收回稅項	1,261,655	643,999
Prepayments for acquisition of land use rights	收購土地使用權的預付款項	2,030,376	694,571
Deposits	按金	784,666	445,951
Prepayments for construction cost	建築成本預付款項	605,628	198,632
Due from third parties (note 41)	應收第三方款項(附註41)	230,038	239,338
Other receivables (note 41)	其他應收款項(附註41)	188,665	73,887
Interest receivables (note 41)	應收利息(附註41)	150,624	14,629
Cost of obtaining contracts	取得合約的成本	156,075	67,851
		7,709,343	2,652,383
Impairment allowance	減值撥備	(3,947)	(8,521)
		7,705,396	2,643,862

Prepayments, other receivables and other assets are unsecured, non-interest-bearing and have no fixed terms of repayment.

The internal credit rating of amounts due from non-controlling shareholders of subsidiaries, amounts due from third parties, and loans to counterparties for acquisition of land use rights was performing. The Group has assessed that the credit risk of these receivables has not increased significantly since initial recognition. The expected loss rate of these receivables is assessed to be 0.1%. The Group has evaluated the expected loss rate and gross carrying amount, measured the impairment based on the 12-month expected credit losses, and assessed that the expected credit losses were RMB3,947,000 as at 31 December 2019 (2018: RMB8,521,000).

預付款項、其他應收款項及其他資產為無抵押、不計息且無固定還款期限。

應收附屬公司非控股股東款項及應收第三方款項及就收購土地使用權而向對手方作出的貸款的內部信用評級正在進行評定。本集團已評估該等應收款項的信貸風險自初步確認後並無顯著增加。該等應收款項的預期虧損率評估為0.1%。本集團已評估預期虧損率及賬面總額，並根據12個月的預期信貸虧計量減值，且已評估於2019年12月31日的預期信貸虧損為人民幣3,947,000元(2018年：人民幣8,521,000元)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23. 按公允價值計入損益的金融資產

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Listed equity investments, at fair value	上市權益投資，按公允價值計量	82,587	—
Other unlisted investments, at fair value	其他非上市投資，按公允價值計量	1,065,803	1,130,607
		1,148,390	1,130,607

The above equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China and a wealth management private fund in Hong Kong. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

At 31 December 2019, the Group's financial assets at fair value through profit or loss with an aggregate carrying amount of approximately RMB36,025,000 (2018: RMB441,600,000) were pledged to secure bank and other borrowings granted to the Group (note 38).

上述權益投資分類為按公允價值計入損益的金融資產，此乃由於其持作交易。

本集團投資於非上市投資，該等投資指中國內地銀行發行的財富管理產品及香港的財富管理私人基金。本集團根據具有類似條款及風險的工具的市場利率，採用現金流量貼現估值模式估計該等非上市投資的公允價值。

於2019年12月31日，本集團賬面總額約人民幣36,025,000元(2018年：人民幣441,600,000元)的按公允價值計入損益的金融資產已質押，以獲得授予本集團的銀行及其他借款(附註38)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

24. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

24. 現金及現金等價物以及已質押存款

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘		10,534,146	8,879,893
Time deposits	定期存款		6,310,271	3,576,146
			16,844,417	12,456,039
Less: Pledged deposits	減：已質押存款	(a)	5,848,309	3,578,720
Restricted cash	受限制現金	(b)	2,304,586	2,644,723
Cash and cash equivalents	現金及現金等價物		8,691,522	6,232,596

(a) As at 31 December 2019, bank deposits of RMB5,723,187,000 (2018: RMB3,526,146,000) were pledged as security for bank and other borrowings. As at 31 December 2019, bank deposits of RMB125,122,000 (2018: RMB52,574,000) were pledged as security for purchasers' mortgage loans or construction of projects, or pledged to banks as collateral for issuance of bank acceptance notes (note 38).

(b) Pursuant to relevant regulations in the PRC, certain property development companies of the Group are required to place certain amounts of cash in the designated bank accounts for a specified use. As at 31 December 2019, the restricted cash amounted to RMB2,304,586,000 (2018: RMB2,644,723,000).

(a) 截至2019年12月31日，為數人民幣5,723,187,000元（2018年：人民幣3,526,146,000元）的銀行存款已質押，作為銀行及其他借款的抵押品。截至2019年12月31日，為數人民幣125,122,000元（2018年：人民幣52,574,000元）的銀行存款已質押，作為買家按揭貸款或項目建設的抵押品，或質押予銀行作為發行銀行承兌票據（附註38）的抵押品。

(b) 根據有關中國法規，本集團若干房地產開發公司須將若干現金款項存置於指定銀行賬戶作特定用途。截至2019年12月31日，受限制現金為數人民幣2,304,586,000元（2018年：人民幣2,644,723,000元）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

24. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (Continued) 24. 現金及現金等價物以及已質押存款(續)

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物		
Denominated in RMB	以人民幣計值	7,113,024	6,040,006
Denominated in HKD	以港元計值	29,868	733
Denominated in USD	以美元計值	1,548,630	191,857
		8,691,522	6,232,596

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

As at 31 December 2019, the internal credit ratings of restricted cash, pledged deposits and cash and cash equivalents were performing. The Group has assessed that the credit risk of the restricted cash, pledged deposits and cash and cash equivalents has not increased significantly since initial recognition and measured the impairment based on 12-month expected credit losses, and has assessed that the expected credit losses are immaterial.

人民幣不得自由兌換為其他貨幣，但根據中國內地的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可通過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率按浮動利率賺取利息。銀行結餘乃存置於近期並無違約記錄的信譽良好銀行。現金及現金等價物的賬面值與其公允價值相若。

於2019年12月31日，受限制現金、已質押存款以及現金及現金等價物的內部信貸評級為表現良好。本集團評定，受限制現金、已質押存款以及現金及現金等價物自初始確認以來信貸風險並無顯著增加，並按12個月預期信貸虧損計量減值，亦評定預期信貸虧損並不重大。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

25. TRADE AND BILLS PAYABLES

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

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Within 1 year	1年以內	4,224,180	2,380,523
Over 1 year	1年以上	621,408	505,123
		4,845,588	2,885,646

The trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

25. 貿易應付款項及應付票據

於報告期末，按發票日期的貿易應付款項及應付票據賬齡分析如下：

貿易應付款項為無抵押及免息，一般基於工程進度結算。

26. OTHER PAYABLES AND ACCRUALS

		Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Contract liabilities	合約負債	(a)	24,974,641	16,639,157
Advances from non-controlling shareholders of subsidiaries (note 41)	附屬公司非控股股東墊款 (附註41)		4,473,878	2,027,651
Consideration payable (note 41)	應付代價 (附註41)		159,870	—
Advances from third parties related to land use right (note 41)	土地使用權相關的第三方墊款 (附註41)		420,048	500,000
Interest payable (note 41)	應付利息 (附註41)		400,311	32,731
Deposits	按金		981,236	257,930
Payroll and welfare payable	應付工資及福利		266,774	156,418
Maintenance fund (note 41)	維修基金 (附註41)		119,965	112,887
Proceeds from asset-backed securities (note 41)	資產支持證券所得款項 (附註41)	(b)	—	600,000
Others	其他		218,806	65,217
			32,015,529	20,391,991

26. 其他應付款項及應計費用

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

26. OTHER PAYABLES AND ACCRUALS (Continued)

Notes:

- (a) Details of contract liabilities are as follows:

		31 December 2019 2019年 12月31日 RMB'000 人民幣千元	31 December 2018 2018年 12月31日 RMB'000 人民幣千元	1 January 2018 2018年 1月1日 RMB'000 人民幣千元
<i>Short-term advances received from customers</i>	收取客戶的短期墊款			
Sale of properties	物業銷售	24,948,327	16,625,238	10,644,266
Rental	租賃	26,314	13,919	29,275
Total contract liabilities	合約負債總額	24,974,641	16,639,157	10,673,541

The Group receives payments from customers based on billing schedules as established in the property sales or rental contracts. Payments are usually received in advance of the performance under the contracts which are mainly from property development and sales and rental.

- (b) The balance represented proceeds received from a specific purpose entity ("SPE") set up by a financial institution in the PRC for issuance of asset-backed securities, to which the Group has collateralised the certain future trade receivables for the remaining receipts from sales of properties. Under an assignment arrangement between the Group and the SPE, as and when the Group receives the sales proceeds from customers, the Group would remit any cash flows it collects on behalf of the SPE.

26. 其他應付款項及應計費用(續)

附註：

- (a) 合約負債的細節如下：

本集團根據物業銷售或租賃合約所訂的繳費時間表收取客戶付款。根據合約，付款一般是在履約之前收到，主要來自房地產開發、銷售及租賃。

- (b) 結餘指由中國金融機構建立的特定目的實體（「特定目的實體」）就發行資產支持證券收取的所得款項，而本集團將銷售物業餘下收益的若干未來貿易應收款項作抵押。根據本集團及特定目的實體的分配協議，本集團自客戶收取銷售所得款項時，本集團將匯出其代表特定目的實體收取的任何現金流量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

27. INTEREST-BEARING BANK AND OTHER BORROWINGS

27. 計息銀行及其他借款

		31 December 2019 2019年12月31日			31 December 2018 2018年12月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元
Current	即期						
Bank loans — secured	銀行貸款 — 有抵押	4.00-6.00	2020	5,154,431	4.35-6.25	2019	3,121,497
Other loans — secured	其他貸款 — 有抵押	9.00-15.00	2020	2,191,995	8.00-15.00	2019	2,267,200
Other loans — unsecured	其他貸款 — 無抵押	—	—	—	12.20	2019	69,410
Current portion of long term bank loans — secured	長期銀行貸款的即期部分 — 有抵押	4.75-8.62	2020	1,347,366	4.46-6.65	2019	1,519,421
Current portion of long term bank loans — unsecured	長期銀行貸款的即期部分 — 無抵押	5.32	2020	90,000	5.25	2019	42,188
Current portion of long term other loans — secured	長期其他貸款的即期部分 — 有抵押	6.44-14.50	2020	1,732,599	6.48-12.07	2019	1,213,981
				10,516,391			8,233,697
Non-current	非即期						
Bank loans — secured	銀行貸款 — 有抵押	4.8-11.70	2021-31	7,769,528	4.46-11.68	2020-31	8,700,105
Bank loans — unsecured	銀行貸款 — 無抵押	5.04-5.32	2021	184,900	4.99-5.25	2021	242,813
Other loans — secured	其他貸款 — 有抵押	9-12.99	2021	1,800,927	6.48-14.5	2020-21	2,149,886
				9,755,355			11,092,804
				20,271,746			19,326,501

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

27. INTEREST-BEARING BANK AND OTHER
BORROWINGS (Continued)

27. 計息銀行及其他借款(續)

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Analysed into:	分析如下：		
Bank loans repayable:	須於以下期間償還的 銀行貸款：		
Within one year or on demand	一年內或按要求	6,591,797	4,683,106
In the second year	於第二年	3,872,529	2,912,256
In the third to fifth years, inclusive	於第三年至第五年 (包括首尾兩年)	2,967,633	4,950,053
Beyond five years	超過五年	1,114,266	1,080,609
		14,546,225	13,626,024
Other borrowings repayable:	須於以下期間償還的 其他借款：		
Within one year	一年內	3,924,594	3,550,591
In the second year	於第二年	1,800,927	1,347,022
In the third to fifth years, inclusive	於第三年至第五年 (包括首尾兩年)	—	802,864
		5,725,521	5,700,477
		20,271,746	19,326,501

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

27. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Notes:

- (a) Certain of the Group's bank and other borrowings are secured by the Group's bank deposits, property, plant and equipment, investment properties, right-of-use assets, properties under development, completed properties held for sale and financial assets at fair value through profit or loss, details of which are disclosed in note 38 to the financial statements.
- (b) Certain of the Group's bank and other borrowings with an aggregate amount of RMB5,831,652,000 (2018: RMB4,967,632,000) are guaranteed by related parties, including Mr. Zeng Huansha (曾煥沙), Ms. Chen Sihong (陳思紅), Hong Yang Group Co., Ltd. (弘陽集團有限公司), Nanjing Redsun Business World Co., Ltd. (南京紅太陽商業大世界有限公司) and Jiangsu Red Sun Industrial Raw Materials City Co., Ltd. (江蘇紅太陽工業原料城有限公司), as at the end of the reporting period.
- (c) Certain of the Group's bank and other borrowings with an aggregate amount of RMB4,187,792,000 (2018: RMB5,349,586,000) were secured by share charges in respect of the equity interests of certain subsidiaries of the Group, details of which are set out in note 1 to the financial statements.
- (d) All of the Group's bank and other borrowings were denominated in RMB.
- (e) At the end of the reporting period, except for certain bank and other borrowings of RMB11,656,841,000 (2018: RMB9,752,590,000) with fixed interest rates, all of the Group's bank and other borrowings bear interest at floating interest rates.

27. 計息銀行及其他借款(續)

附註：

- (a) 本集團若干銀行及其他借款乃由本集團之銀行存款、物業、廠房及設備、投資物業、使用權資產、開發中物業、持作出售的已完工物業及按公允價值計入損益的金融資產作抵押，有關詳情披露於財務報表附註38。
- (b) 本集團於報告期末總值人民幣5,831,652,000元(2018年：人民幣4,967,632,000元)的若干銀行及其他借款由關聯方，包括曾煥沙先生、陳思紅女士、弘陽集團有限公司、南京紅太陽商業大世界有限公司及江蘇紅太陽工業原料城有限公司擔保。
- (c) 本集團總值人民幣4,187,792,000元(2018年：人民幣5,349,586,000元)的若干銀行及其他借款乃由本集團若干附屬公司股權的股份作擔保，有關詳情載於財務報表附註1。
- (d) 本集團所有銀行及其他借款均以人民幣計值。
- (e) 於報告期末，除若干銀行及其他借款人民幣11,656,841,000元(2018年：人民幣9,752,590,000元)為按固定利率計息外，本集團所有銀行及其他借款均按浮動利率計息。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

28. SENIOR NOTES

28. 優先票據

		31 December 2019 2019年12月31日				31 December 2018 2018年12月31日				
Notes		Principal at original currency US\$'000 以原貨幣 的本金 千美元	Contractual interest rate (%) 合約利率(%)	Maturity 到期	RMB'000 人民幣千元	Principal at original currency US\$'000 以原貨幣 的本金 千美元	Contractual interest rate (%) 合約利率(%)	Maturity 到期	RMB'000 人民幣千元	
附註										
Senior notes due 2020 I ("2020 Notes I")	2020年到期的優先票據I (「2020年票據I」)	(i)	271,200	13.5%	2020	1,894,998	380,000	13.5%	2020	2,592,868
Senior notes due 2021 I ("2021 Notes I")	2021年到期的優先票據I (「2021年票據I」)	(ii)	300,000	11.5%	2021	2,015,098	—	—	—	—
Senior notes due 2022 I ("2022 Notes I")	2022年到期的優先票據I (「2022年票據I」)	(iii)	300,000	9.95%	2022	2,011,562	—	—	—	—
Senior notes due 2022 II ("2022 Notes II")	2022年到期的優先票據II (「2022年票據II」)	(iv)	250,000	10.50%	2022	1,714,932	—	—	—	—
Senior notes due 2021 II ("2021 Notes II")	2021年到期的優先票據II (「2021年票據II」)	(v)	100,000	13.00%	2021	664,203	—	—	—	—
Senior notes due 2022 III ("2022 Notes III")	2022年到期的優先票據III (「2022年票據III」)	(vi)	150,000	9.95%	2022	973,849	—	—	—	—
						9,274,642				2,592,868
Less: current portion	減：即期部分				1,894,998					2,592,868
Non-current portion	非即期部分				7,379,644					—

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

28. SENIOR NOTES (Continued)

28. 優先票據(續)

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
The Group's senior notes were repayable as follows:	本集團的優先票據償還情況如下：		
Repayable within one year	須於一年以內償還	1,894,998	2,592,868
Repayable in the second year	須於第二年償還	2,679,301	—
Repayable within two to five years	須於二至五年內償還	4,700,343	—
Subtotal	小計	7,379,644	—
		9,274,642	2,592,868

- (i) On 3 December 2018, the Company issued 2020 Notes I at a coupon rate of 13.5% due on 3 December 2020 with an aggregate principal amount of US\$180,000,000. The Company raised net proceeds of US\$175,898,000 (after deduction of the underwriting discount and commissions and other expenses).

On 20 December 2018, the Company issued 2020 Notes I at a coupon rate of 13.5% due on 3 December 2020 with an aggregate principal amount of US\$200,000,000. The Company raised net proceeds of US\$197,885,000 (after deduction of the underwriting discount and commissions and other expenses).

- (i) 於2018年12月3日，本公司發行2020年12月3日到期、票面利率為13.5%、本金總額為180,000,000美元的2020年票據I。本公司籌得所得款項淨額175,898,000美元(經扣除包銷折扣及佣金及其他開支)。

於2018年12月20日，本公司發行2020年12月3日到期、票面利率為13.5%、本金總額為200,000,000美元的2020年票據I。本公司籌得所得款項淨額197,885,000美元(經扣除包銷折扣及佣金及其他開支)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

28. SENIOR NOTES (Continued)

- (i) (Continued)
 Holders of the 2020 Notes I have the right, at their option, to require the Company to repurchase for cash all of their 2020 Notes I, or any portion of the principal thereof that is equal to US\$1,000 or any integral multiple of US\$1,000, on 3 December 2019 at the repurchase price equal to 101.56% of the principal amount of the 2020 Notes I to be repurchased, plus accrued and unpaid interest to, but excluding, 3 December 2019.

On 3 December 2019, the Company repurchased 2020 Notes I at a coupon rate of 13.5% due on 3 December 2020 with an aggregate principal amount of US\$108,800,000.

- (ii) On 4 March 2019, the Company issued 2021 Notes I at a coupon rate of 11.5% due on 4 March 2021 with an aggregate principal amount of US\$300,000,000. The Company raised net proceeds of US\$290,600,225 (after deduction of the underwriting discount and commissions and other expenses).
- (iii) On 11 April 2019, the Company issued 2022 Notes I at a coupon rate of 9.95% due on 11 April 2022 with an aggregate principal amount of US\$300,000,000. The Company raised net proceeds of US\$287,342,755 (after deduction of the underwriting discount and commissions and other expenses).
- (iv) On 3 July 2019, the Company issued 2022 Notes II at a coupon rate of 10.50% due on 3 October 2022 with an aggregate principal amount of US\$250,000,000. The Company raised net proceeds of US\$237,710,092 (after deduction of the underwriting discount and commissions and other expenses).

28. 優先票據(續)

- (i) (續)
 2020年票據I的持有人有權選擇要求本公司於2019年12月3日按相當於將予購回的2020年票據I本金額101.56%，另加截至2019年12月3日(但不包括該日)的應計未付利息，以現金購回彼等的所有2020年票據I，或任何相當於1,000美元或任何1,000美元完整倍數的本金部分。

於2019年12月3日，本公司購回2020年12月3日到期、票面利率為13.5%、本金總額為108,800,000美元的2020年票據I。

- (ii) 於2019年3月4日，本公司發行2021年3月4日到期、票面利率為11.5%、本金總額為300,000,000美元的2021年票據I。本公司籌得所得款項淨額290,600,225美元(經扣除包銷折扣及佣金及其他開支)。
- (iii) 於2019年4月11日，本公司發行2022年4月11日到期、票面利率為9.95%、本金總額為300,000,000美元的2022年票據I。本公司籌得所得款項淨額287,342,755美元(經扣除包銷折扣及佣金及其他開支)。
- (iv) 於2019年7月3日，本公司發行2022年10月3日到期、票面利率為10.50%、本金總額為250,000,000美元的2022年票據II。本公司籌得所得款項淨額237,710,092美元(經扣除包銷折扣及佣金及其他開支)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

28. SENIOR NOTES (Continued)

- (v) On 30 October 2019, the Company issued 2021 Notes II at a coupon rate of 13.00% due on 31 October 2021 with an aggregate principal amount of US\$100,000,000. The Company raised net proceeds of US\$95,496,128 (after deduction of the underwriting discount and commissions and other expenses).
- (vi) On 13 November 2019, the Company issued 2022 Notes III at a coupon rate of 9.95% due on 11 April 2022 with an aggregate principal amount of US\$150,000,000. The Company raised net proceeds of US\$140,961,958 (after deduction of the underwriting discount and commissions and other expenses).

The above senior notes are guaranteed by Redsun Properties Investment (Holdings) Limited and Hong Yang Properties Investment Limited.

29. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

		Unrealised revenue received in advance 未變現預收 收入 RMB'000 人民幣千元	Provision of LAT 土地增值稅 撥備 RMB'000 人民幣千元	Provision for construction cost 建築成本 撥備 RMB'000 人民幣千元	Impairment losses 減值虧損 RMB'000 人民幣千元	Tax losses 稅項虧損 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 31 December 2017 and 1 January 2018	於2017年12月31日及 2018年1月1日	169,470	145,191	59,293	47,690	31,280	4,224	457,148
Acquisition of subsidiaries	收購附屬公司	66,152	—	—	—	—	—	66,152
Deferred tax credited/(charged) to profit or loss during the year	年內計入/(扣除自)損益的 遞延稅項	115,149	73,409	(15,479)	(28,300)	54,362	21,819	220,960
At 31 December 2018 and 1 January 2019	於2018年12月31日及 2019年1月1日	350,771	218,600	43,814	19,390	85,642	26,043	744,260
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	1,014	—	1,014
Disposal of subsidiaries	出售附屬公司	(8,748)	—	—	—	(383)	—	(9,131)
Deferred tax credited/(charged) to profit or loss during the year	年內計入/(扣除自)損益的 遞延稅項	160,798	70,406	(7,798)	(3,999)	5,792	31,336	256,535
At 31 December 2019	於2019年12月31日	502,821	289,006	36,016	15,391	92,065	57,379	992,678

28. 優先票據(續)

- (v) 於2019年10月30日，本公司發行2021年10月31日到期、票面利率為13.00%、本金總額為100,000,000美元的2021年票據II。本公司籌得所得款項淨額95,496,128美元(經扣除包銷折扣及佣金及其他開支)。
- (vi) 於2019年11月13日，本公司發行2022年4月11日到期、票面利率為9.95%、本金總額為150,000,000美元的2022年票據III。本公司籌得所得款項淨額140,961,958美元(經扣除包銷折扣及佣金及其他開支)。

上述優先票據由弘陽地產投資(控股)有限公司及弘陽地產投資有限公司擔保。

29. 遞延稅項

年內的遞延稅項資產及負債的變動如下：

遞延稅項資產

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

29. DEFERRED TAX (Continued)

Deferred tax liabilities

29. 遞延稅項(續)

遞延稅項負債

		Fair value adjustment arising from investment properties 導致公允價 值調整 RMB'000 人民幣千元	Fair value adjustment arising from acquisition of subsidiaries 收購附屬 公司導致 公允價值調整 RMB'000 人民幣千元	Withholding Tax 預扣稅 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 31 December 2017 and 1 January 2018	於2017年12月31日及 2018年1月1日	1,710,049	301,462	170,000	851	2,182,362
Acquisition of subsidiaries	收購附屬公司	—	456,090	—	—	456,090
Deferred tax charged/(credited) to profit or loss during the year	年內扣除自/(計入) 損益的遞延稅項	57,291	(66,319)	—	1,936	(7,092)
At 31 December 2018	於2018年12月31日	1,767,340	691,233	170,000	2,787	2,631,360
Deferred tax charged/(credited) to profit or loss during the year	年內扣除自/(計入) 損益的遞延稅項	117,190	(60,757)	—	(1,358)	55,075
Deferred tax charged/(credited) to asset revaluation reserve during the year	年內扣除自/(計入) 資產重估儲備的 遞延稅項	6,974	—	—	—	6,974
At 31 December 2019	於2019年12月31日	1,891,504	630,476	170,000	1,429	2,693,409

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

29. DEFERRED TAX (Continued)

Deferred tax liabilities (Continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances for financial reporting purposes:

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的遞延稅項資產淨值	727,598	443,060
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內確認的遞延稅項負債淨值	(2,428,329)	(2,330,160)
		(1,700,731)	(1,887,100)

The Group also has tax losses arising in Mainland China of RMB1,114,403,000 (2018: RMB1,279,254,000) 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.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

29. 遞延稅項(續)

遞延稅項負債(續)

就呈列而言，若干遞延稅項資產及負債已於綜合財務狀況表內抵銷。以下為就財務申報目的遞延稅項結餘分析：

本集團亦有於中國內地產生的稅項虧損人民幣1,114,403,000元(2018年：人民幣1,279,254,000元)，將於一至五年屆滿，用以抵銷未來應課稅利潤。由於該等虧損乃源自蒙受虧損多時的附屬公司且不被視為可能將有可動用稅項虧損抵銷的應課稅利潤，故並無就該等虧損確認遞延稅項資產。

根據《中華人民共和國企業所得稅法》，在中國內地成立的外商投資企業向海外投資者宣派的股息將徵收10%的預扣稅。該規定自2008年1月1日起生效並適用於2007年12月31日後產生的盈利。倘中國內地與該海外投資者所處司法管轄區存在稅收安排，可採用較低預扣稅率。本集團的適用稅率為10%。因此，本集團須就該等在中國內地成立附屬公司就自2008年1月1日起產生的盈利所分派的股息繳納預扣稅。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

29. DEFERRED TAX (Continued)

Deferred tax liabilities (Continued)

As at 31 December 2019, RMB170,000,000 has been recognised as withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors of the Company, the Group's fund will be retained in Mainland China for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB8,671,293,000 (2018: RMB7,060,112,000).

29. 遞延稅項(續)

遞延稅項負債(續)

於2019年12月31日，已就本集團於中國內地成立的附屬公司須繳納預扣稅的未匯出盈利應付的預扣稅確認人民幣170,000,000元。本公司董事認為，本集團的資金將留存於中國內地，以擴充本集團的業務，因此該等附屬公司將不大可能於可預見未來分派該等盈利。與投資於中國內地附屬公司有關而尚未確認遞延稅項負債的暫時性差額總額約為人民幣8,671,293,000元(2018年：人民幣7,060,112,000元)。

30. SHARE CAPITAL

Shares

30. 股本

股份

		31 December 2019 2019年 12月31日	31 December 2018 2018年 12月31日
Authorised:	法定：		
100,000,000,000 (2018: 100,000,000,000) ordinary shares HK\$0.01 each	100,000,000,000股(2018年： 100,000,000,000股)每股 面值0.01港元的普通股	1,000,000,000	1,000,000,000
Issued and fully paid:	已發行及繳足：	RMB'000 人民幣千元	RMB'000 人民幣千元
3,320,000,000 (2018: 3,320,000,000) ordinary shares of HK\$0.01 each	3,320,000,000股(2018年： 3,320,000,000股)每股 面值0.01港元的普通股	28,254	28,254

The Company was incorporated in the Cayman Islands on 21 December 2017 with authorised share capital of HK\$380,000 dividing into 38,000,000 shares of HK\$0.01 par value each.

In preparation for the listing, on 25 June 2018, the authorised share capital of our company was increased to HK\$1,000,000,000 divided into 100,000,000,000 shares of HK\$0.01 each.

本公司於2017年12月21日在開曼群島註冊成立，法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份。

為籌備上市，於2018年6月25日，本公司法定股本增至1,000,000,000港元，分為100,000,000,000股每股面值0.01港元的股份。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

30. SHARE CAPITAL (Continued)

Shares (Continued)

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

		Number of shares in issue 已發行 股份數目	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	1	—	—	—
Issue of shares on 1 March 2018	於2018年3月1日發行股份	99	—	—	—
Issue of shares on 4 June 2018	於2018年6月4日發行股份	100	—	1,202,362	1,202,362
Effect of capitalisation issue on 12 July	於7月12日資本化發行的 影響	2,399,999,800	20,405	(20,405)	—
Issue of shares on 12 July 2018	於2018年7月12日發行股份	800,000,000	6,801	1,518,142	1,524,943
Issue of ordinary shares on an over- allotment option	因超額配股權發行普通股	120,000,000	1,048	231,815	232,863
At 31 December 2018	於2018年12月31日	3,320,000,000	28,254	2,931,914	2,960,168
Final 2018 dividend	2018年末期股息	—	—	(303,613)	(303,613)
At 31 December 2019	於2019年12月31日	3,320,000,000	28,254	2,628,301	2,656,555

On its date of incorporation, 1 ordinary share of HK\$0.01 was allotted by the Company to a subscriber and was transferred to Mr. Zeng Huansha. Mr. Zeng Huansha then transferred the share to Redsun Properties Group (Holdings) Limited on 4 January 2018.

On 1 March 2018, 99 shares were issued to Redsun Properties Group (Holdings) Limited as a consideration for acquisition of the entire equity interest in Nanjing Red Sun Real Estate Development Co., Ltd. On 4 June 2018, Redsun Properties Group (Holdings) Limited injected additional capital in an amount of US\$187,500,000 (equivalent to approximately RMB1,202,362,000) into the Company and 100 shares were issued to Redsun Properties Group (Holdings) Limited in return.

30. 股本(續)

股份(續)

本公司股本的變動概況如下：

於其註冊成立日期，本公司已將1股0.01港元的普通股配發予認購人，並轉讓予曾煥沙先生。曾煥沙先生隨後於2018年1月4日將該股份轉讓予弘陽地產集團(控股)有限公司。

於2018年3月1日，99股股份被發行予弘陽地產集團(控股)有限公司，作為本公司收購南京紅太陽房地產開發有限公司全部股本權益的對價。於2018年6月4日，弘陽地產集團(控股)有限公司向本公司注入額外資金187,500,000美元(相當於約人民幣1,202,362,000元)，作為回報，100股股份被發行予弘陽地產集團(控股)有限公司。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

30. SHARE CAPITAL (Continued)**Shares (Continued)**

On 12 July 2018, 2,399,999,800 shares were issued by way of capitalisation with a par value of HK\$0.01 each, and the corresponding share capital amount was approximately RMB20,405,000.

On 12 July 2018, upon its listing on the Hong Kong Stock Exchange, the Company issued 800,000,000 new ordinary shares with a par value of HK\$0.01 each at HK\$2.28 each for a total cash consideration of HK\$1,824,000,000 (equivalent to approximately RMB1,567,964,000). The corresponding share capital amount was approximately RMB6,802,000 and the share premium arising from the issuance was approximately RMB1,522,700,000, net of the share issuance costs. The share issuance costs paid and payable mainly include share underwriting commissions, lawyers' fees, a reporting accountant's fee and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These costs amounting to RMB45,264,000 were treated as a deduction against the share premium arising from the issuance.

On 6 August 2018, upon its listing on the Hong Kong Stock Exchange, the over-allotment option has been partially exercised and the Company allotted and issued 120,000,000 additional shares at HK\$2.28 per share for a total cash consideration of HK\$273,600,000 (equivalent to approximately RMB239,901,000). The corresponding share capital amount was approximately RMB1,048,000 and the share premium arising from the issuance was approximately RMB235,106,000, net of the share issuance costs. The share issuance costs paid and payable mainly include share underwriting commissions and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These costs amounting to RMB4,795,000 were treated as a deduction against the share premium arising from the issuance.

30. 股本(續)**股份(續)**

於2018年7月12日，2,399,999,800股每股面值0.01港元的股份以資本化方式發行，其相應股本金額約為人民幣20,405,000元。

於2018年7月12日，本公司於香港聯交所上市後，按每股2.28港元發行800,000,000股每股面值0.01港元的新普通股。總現金代價為1,824,000,000港元(相等於約人民幣1,567,964,000元)。相應的股本金額約為人民幣6,802,000元，而發行所產生的股份溢價約為人民幣1,522,700,000元(扣除股份發行成本後)。已支付及應付的股份發行成本主要包括股份包銷佣金、律師費、申報會計師費用及其他相關成本，其為發行新股直接應佔新增成本。金額為人民幣45,264,000元的費用被視為自發行所產生的股份溢價的扣減。

於2018年8月6日，本公司於香港聯交所上市時已部分行使超額配股權，並按每股2.28港元配發及發行120,000,000股額外股份，總現金代價為273,600,000港元(相等於約人民幣239,901,000元)。相應的股本金額約為人民幣1,048,000元，而發行所產生的股份溢價約為人民幣235,106,000元(扣除股份發行成本後)。已支付和應付的股票發行費用主要包括股份包銷佣金及其他相關費用，其為發行新股直接應佔新增成本。金額為人民幣4,795,000元的費用被視為自發行所產生的股份溢價的扣減。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME

As at 31 December 2019, the Company adopted the i) Pre-IPO Share Option Scheme ("Pre-IPO Scheme"), and ii) Post-IPO Share Option Scheme ("Post-IPO Scheme") of employee stock option plans and reserved certain ordinary shares of the Company to be issued upon exercise of options under such plans.

Pre-IPO Share Option Scheme ("Pre-IPO Scheme")

The Company operates the Pre-IPO Scheme for the purpose of providing selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. The Pre-IPO Scheme provides the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to selected participants. The Pre-IPO Scheme became effective on 14 June 2018 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Pre-IPO Scheme is 112,000,000 shares, representing 3.5% of the shares in issue immediately upon completion of the Global Offering in July and August 2018. The exercise price of share options under the scheme is HK\$1.82.

31. 購股權計劃

截至2019年12月31日，本公司已採納僱員購股權計劃(i)首次公開發售前購股權計劃(「首次公開發售前計劃」)及(ii)首次公開發售後購股權計劃(「首次公開發售後計劃」)，並預留本公司若干普通股待有關計劃項下的購股權獲行使時發行。

首次公開發售前購股權計劃(「首次公開發售前計劃」)

首次公開發售前計劃旨在為選定參與者提供機會購買本公司資本權益，並激勵該等人士為本公司及其股東的整體利益作出努力，提升本公司及其股份價值。首次公開發售前計劃使本公司靈活留聘、激勵、獎勵選定參與者並給予酬勞、補償及／或福利。首次公開發售前計劃自2018年6月14日生效，除非另行註銷或修訂，否則自當日起維持有效十年。

根據首次公開發售前計劃，現時可授出的未行使購股權最高數目為112,000,000股股份(佔於2018年7月及8月緊隨全球發售完成後已發行股本3.5%)。計劃下購股權的行使價為1.82港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME (Continued)

Pre-IPO Share Option Scheme ("Pre-IPO Scheme")
(Continued)

The share option vesting schedules are:

Vesting date in respect of the option may be vested	Maximum percentage of underlying shares
1 July 2019	25%
1 July 2020	25%
1 July 2021	25%
1 July 2022	25%

The following share options were outstanding under the Pre-IPO Scheme during the year:

31. 購股權計劃(續)

首次公開發售前購股權計劃(「首次公開發售前計劃」)(續)

購股權的歸屬時間表為：

可能獲歸屬的購股權的歸屬日期	相關股份的最高百分比
2019年7月1日	25%
2020年7月1日	25%
2021年7月1日	25%
2022年7月1日	25%

年內根據首次公開發售前計劃尚未行使的購股權如下：

		2019 2019年		2018 2018年	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價 HK\$ per share 每股港元	購股權數目 '000 千股	加權平均行使價 HK\$ per share 每股港元	購股權數目 '000 千股
At 1 January	於1月1日	1.82	112,000	—	—
Granted during the year	年內授出	—	—	1.82	112,000
Forfeited during the year	年內沒收	1.82	(4,870)	—	—
Exercised during the year	年內行使	—	—	—	—
At 31 December	於12月31日	1.82	107,130	—	112,000

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME (Continued)

Pre-IPO Share Option Scheme (“Pre-IPO Scheme”)
(Continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

2019

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ 每股港元 per share	Exercise period 行使期
26,783	1.82	1July 2019 to 1July 2028 2019年7月1日至2028年7月1日
26,783	1.82	1July 2020 to 1July 2028 2020年7月1日至2028年7月1日
26,782	1.82	1July 2021 to 1July 2028 2021年7月1日至2028年7月1日
26,782	1.82	1July 2022 to 1July 2028 2022年7月1日至2028年7月1日
107,130		

2018

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ 每股港元 per share	Exercise period 行使期
28,000	1.82	1July 2019 to 1July 2028 2019年7月1日至2028年7月1日
28,000	1.82	1July 2020 to 1July 2028 2020年7月1日至2028年7月1日
28,000	1.82	1July 2021 to 1July 2028 2021年7月1日至2028年7月1日
28,000	1.82	1July 2022 to 1July 2028 2022年7月1日至2028年7月1日
112,000		

31. 購股權計劃(續)

首次公開發售前購股權計劃(「首次公開發售前計劃」)(續)

於報告期末，尚未行使的購股權的行使價及行使期載列如下：

2019年

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME (Continued)

Pre-IPO Share Option Scheme ("Pre-IPO Scheme")
(Continued)

The fair value of the share options granted during 2018 was RMB87,985,000 (HK\$0.95 each), of which the Group recognised a share option expense of RMB31,329,000 (2018: RMB24,326,000) during the year ended 31 December 2019.

The fair value of equity-settled share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

		2019 2019年	2018 2018年
Dividend yield (%)	股息率(%)	—	2.14
Expected volatility (%)	預期波幅(%)	—	43.66
Risk-free interest rate (%)	無風險利率(%)	—	3.64
Expected life of options (year)	購股權預計有效年期(年)	—	4.62-7.17
Weighted average share price (HK\$ per share)	加權平均股價(每股港元)	—	2.28

The expected life of the options is based on the benchmark of the industry and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption management made and is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

At the end of the reporting period, the Company had 107,130,000 share options outstanding under the Pre-IPO Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 107,130,000 additional ordinary shares of the Company and additional share capital of RMB161,432,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 107,130,000 share options outstanding under the Pre-IPO Scheme, which represented approximately 3.2% of the Company's shares.

31. 購股權計劃(續)

首次公開發售前購股權計劃(「首次公開發售前計劃」)(續)

於2018年內授出的購股權公允價值為人民幣87,985,000元(每份0.95港元)，其中本集團於截至2019年12月31日止年度確認人民幣31,329,000元(2018年：人民幣24,326,000元)的購股權開支。

本年度授出的股權支付購股權於授出日期按二項式估算，估算時將授出購股權的條件及條款納入考慮。下表載列該模式所使用的參數：

購股權的預計年期乃基於行業基準且並不一定反映可能出現的行權方式。預期波幅反映管理層的假設且能表明未來趨勢(但不一定為實際結果)。

公允價值的計算並無計入已授出的購股權的其他特點。

於報告期末，本公司在首次公開發售前計劃下擁有107,130,000份尚未行使的購股權。在本公司現行資本架構下，行使全數未行使的購股權將會導致本公司發行107,130,000股額外普通股及人民幣161,432,000元額外股本(扣除發行開支前)。

截至該等財務報表批准之日，本公司在首次公開發售前計劃下有107,130,000份尚未行使的購股權，相等於本公司股份的約3.2%。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME (Continued)

Post-IPO Share Option Scheme (“Post-IPO Scheme”)

The Company operates the Post-IPO Scheme for the purpose of providing selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and shareholders as a whole. The Post-IPO Scheme will provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to selected participants. The Post-IPO Scheme became effective on 25 June 2018 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares that may be granted is 320,000,000 representing 10% of the shares in issue immediately upon completion of the Global Offering in July and August 2018. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

31. 購股權計劃(續)

首次公開發售後購股權計劃(「首次公開發售後計劃」)

首次公開發售後計劃旨在為選定參與者提供機會購買本公司資本權益，並激勵該等人士為本公司及其股東的整體利益作出努力，提升本公司及其股份價值。首次公開發售後計劃使本公司靈活留聘、激勵、獎勵選定參與者並給予酬勞、補償及／或福利。首次公開發售後計劃自2018年6月25日生效，除非另行註銷或修訂，否則自當日起維持有效十年。

現時可授出的未行使購股權最高數目為320,000,000股股份(佔於2018年7月及8月緊隨全球發售完成後已發行股本10%)。於任何12個月期間，根據計劃授予各合資格參與者的購股權可予發行股份最高數目限於本公司於任何時間的已發行股份的1%。如欲進一步授出超越此限額的任何購股權，須獲本公司股東於股東大會批准。

將購股權授予董事或本公司主要股東、行政總裁或任何彼等聯繫人士前，須預先獲得獨立非執行董事的批准。此外，於任何12個月期間，授予主要股東或本公司獨立非執行董事或任何彼等聯繫人士的任何購股權倘逾本公司於任何時間已發行的股份的0.1%，或總額(根據授出日期，本公司的股價)逾5百萬港元，須預先於股東大會獲得股東批准。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

31. SHARE OPTION SCHEME (Continued)**Post-IPO Share Option Scheme (“Post-IPO Scheme”)
(Continued)**

The offer of a grant of share options may be accepted within 20 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. Pursuant to the Post-IPO Scheme, the Board is authorised at any time to make an offer of share options to any qualified employee in its absolute discretion. Share options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise as the board may determine. There were 320,000,000 ordinary shares initially reserved for the issuance of options under this scheme.

Share options do not confer rights on the holders to dividends or to vote at shareholders’ meetings.

According to the Post-IPO Scheme, the vesting schedule of the option to be issued under this plan will be specified in the respective option grant notice. Up to 31 December 2019, there were no options granted under the Post-IPO Scheme.

31. 購股權計劃(續)**首次公開發售後購股權計劃(「首次公開發售後計劃」)(續)**

承授人支付1港元的象徵式總代價後，授出的購股權的要約可於授出日期起計20日內接納。根據首次公開發售後計劃，董事會獲授權可全權酌情決定隨時向任何合資格僱員提呈購股權。董事會可決定購股權的歸屬、行使或其他方面的條款及條件。在本計劃項下就發行購股權初步預留320,000,000股普通股。

購股權並無賦予持有人獲派股息或於股東大會上投票的權利。

根據首次公開發售後計劃，在本計劃項下發行的購股權的歸屬時間表將於各購股權的授出通知內列出。截至2019年12月31日，概無根據首次公開發售後計劃授出購股權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

32. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 219 to 220 of this annual report.

(a) Statutory surplus reserves

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profits after tax, as determined under the Chinese Accounting Standards, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the Group, the statutory surplus reserves may be used either to offset losses, or to be converted to increase share capital, provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

(b) Merger reserve

The merger reserve of the Group represents the issued capital of the then holding company of the companies now comprising the Group and the capital contributions from the equity holders of certain subsidiaries now comprising the Group before the completion of the corporate restructuring and the reorganisation.

32. 儲備

截至本年度及之前年度，本集團的儲備金額及其變動呈列於本年報第219至220頁的綜合權益變動表。

(a) 法定盈餘公積

根據中國《公司法》及於中國成立的附屬公司的組織章程細則，本集團須按稅後利潤淨額的10%計提法定盈餘公積，此乃根據中國會計準則釐定，直至儲備餘額達到其註冊資本50%為止。受相關中國法規及本集團組織章程細則所載若干限制的規限，法定盈餘公積可用於抵銷虧損或轉換為增加股本，但轉換後儲備餘額不得少於本集團註冊資本的25%。儲備不得用作其設立目的以外的用途，亦不得作為現金股息分派。

(b) 合併儲備

本集團的合併儲備指公司重組及重組完成前本集團現時旗下公司的當時控股公司的已發行股本及本集團現時旗下的若干附屬公司權益持有人的注資。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

33. 擁有重大非控股權益的非全資附屬公司

本集團擁有重大非控股權益的附屬公司詳情載列如下：

		2019 2019年	2018 2018年
Percentage of equity interest held by non-controlling interests:	通過非控股權益持有的股權百分比：		
Jiangxi Xin Yue Hong Lan	江西新越弘嵐	56%	—
Jiangyin Tong Yang	江陰通陽	50%	—
Mingliu Properties	名流置業	10%	45%
Changzhou Xu Jing	常州旭景	50%	50%
		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Profit/(loss) for the year allocated to non-controlling interests:	分配至非控股權益的年內利潤／(虧損)：		
Jiangxi Xin Yue Hong Lan	江西新越弘嵐	(3,742)	—
Jiangyin Tong Yang	江陰通陽	(825)	—
Mingliu Properties	名流置業	17,917	(15,770)
Changzhou Xu Jing	常州旭景	143,830	(18,084)
Accumulated balances of non-controlling interests at the reporting date:	於報告日期，非控股權益累計結餘：		
Jiangxi Xin Yue Hong Lan	江西新越弘嵐	343,683	—
Jiangyin Tong Yang	江陰通陽	268,185	—
Mingliu Properties	名流置業	204,885	907,451
Changzhou Xu Jing	常州旭景	115,123	(28,707)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (Continued)

The following tables illustrate the summarised financial information of the above subsidiaries, from the date they became subsidiaries of the Group to 31 December 2018 and 2019. The amounts disclosed are before any inter-company eliminations:

33. 擁有重大非控股權益的非全資附屬公司 (續)

下表說明上述附屬公司的財務資料概要(自彼等成為本集團附屬公司之日起至2018年及2019年12月31日止)。所披露的金額未計及任何公司間抵銷：

2019	2019年	Jiangxi	Changzhou	Jiangyin	Mingliu
		Xin Yue Hong Lan 江西 新越弘嵐 RMB'000 人民幣千元	Xu Jing 常州旭景 RMB'000 人民幣千元	Tong Yang 江陰通陽 RMB'000 人民幣千元	Properties 名流置業 RMB'000 人民幣千元
Revenue	收入	—	2,333,590	—	48,752
Total expenses	開支總額	(8,770)	(32,178)	(2,165)	(22,403)
(Loss)/profit for the period	期內(虧損)/利潤	(6,709)	287,660	(1,650)	21,025
Total comprehensive (loss)/profit for the period	期內全面(虧損)/利潤總額	(6,709)	287,660	(1,650)	21,025
Current assets	流動資產	1,846,374	705,176	743,043	6,549,175
Non-current assets	非流動資產	23,716	5,287	932	108,891
Current liabilities	流動負債	(620,870)	(479,342)	(107,604)	(4,153,831)
Non-current liabilities	非流動負債	(605,930)	(875)	(100,000)	(455,387)
Net cash flows (used in)/from operating activities	經營活動(所用)/所得現金流量淨額	(684,496)	319,339	(524,419)	1,445,282
Net cash flows used in investing activities	投資活動所用現金流量淨額	(200)	—	(110,922)	—
Net cash flows from/(used in) financing activities	融資活動所得/(所用)現金流量淨額	731,133	(103,075)	688,235	(2,030,524)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	46,437	216,264	52,894	(585,242)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

33. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (Continued)

The following tables illustrate the summarised financial information of the above subsidiaries, from the date they became subsidiaries of the Group to 31 December 2018 and 2019. The amounts disclosed are before any inter-company eliminations: (continued)

33. 擁有重大非控股權益的非全資附屬公司 (續)

下表說明上述附屬公司的財務資料概要(自彼等成為本集團附屬公司之日起至2018年及2019年12月31日止)。所披露的金額未計及任何公司間抵銷:(續)

2018	2018年	Changzhou Xu Jing 常州旭景 RMB'000 人民幣千元	Mingliu Properties 名流置業 RMB'000 人民幣千元
Revenue	收入	—	327,452
Total expenses	開支總額	(48,386)	(23,000)
Loss for the period	期內虧損	(36,167)	(35,241)
Total comprehensive loss for the period	期內全面虧損總額	(36,167)	(35,241)
Current assets	流動資產	2,520,437	4,871,735
Non-current assets	非流動資產	45,227	62,470
Current liabilities	流動負債	(2,622,349)	(2,077,322)
Non-current liabilities	非流動負債	(729)	(829,060)
Net cash flows from operating activities	經營活動所得現金流量淨額	1,260,900	361,367
Net cash flows used in investing activities	投資活動所用現金流量淨額	(101)	(21)
Net cash flows used in financing activities	融資活動所用現金流量淨額	(1,402,009)	(171,722)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(141,210)	189,624

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES

(a) Acquisition of subsidiaries that are not businesses

Year ended 31 December 2019

During the year ended 31 December 2019, the Group acquired certain assets through acquisition of subsidiaries. The following table summarises the financial information in relation to the acquisition of subsidiaries.

34. 收購附屬公司

(a) 收購非業務的附屬公司

截至2019年12月31日止年度

截至2019年12月31日止年度，本集團通過收購附屬公司收購了若干資產。下表總結有關收購附屬公司的財務資料。

		Xuzhou Xincheng Hongyang Property Development Co., Ltd. 徐州新城弘陽 房地產開發 有限公司	Sichuan Ren Shou 四川仁壽	Xuzhou Xincheng Yihui 徐州新城億輝	Total
		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
Property, plant and equipment	物業、廠房及設備	—	345	13	358
Deferred tax assets	遞延稅項資產	383	—	631	1,014
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	860	1,767	2,469	5,096
Properties under development	開發中物業	1,892,113	235,288	455,950	2,583,351
Cash and cash equivalents	現金及現金等價物	190	448	140	778
Trade and bills payables	貿易應付款項及應付票據	(9,345)	(1,810)	(13,784)	(24,939)
Other payables and accruals	其他應付款項及應計費用	(583,666)	(56,480)	(324,329)	(964,475)
Due to related companies	應付關聯公司款項	(387,535)	(179,558)	(101,090)	(668,183)
Total identifiable net assets	可識別資產淨值總額	913,000	—	20,000	933,000
Reclassification from pre-existing interests in a joint venture to investment in a subsidiary	從一家合營企業中已存在的權益重新分類為於一家附屬公司的投資	(365,200)	—	—	(365,200)
Satisfied by cash	以現金支付	547,800	—	20,000	567,800

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(a) Acquisition of subsidiaries that are not businesses (Continued)

Year ended 31 December 2019 (Continued)

An analysis of the net inflow of cash and cash equivalents in respect of the above acquisitions is as follows:

		Xuzhou Xincheng Hongyang Property Development Co., Ltd. 徐州新城弘陽 房地產開發 有限公司 RMB'000 人民幣千元	Sichuan Ren Shou 四川仁壽 RMB'000 人民幣千元	Xuzhou Xincheng Yihui 徐州新城億輝 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cash consideration	現金代價	(547,800)	—	(20,000)	(567,800)
Cash and bank balances acquired	所收購現金及銀行結餘	190	448	140	778
Net outflow of cash and cash equivalents included in cash flows from investing activities	包括於投資活動現金流量的現金及現金等價物流出淨額	(547,610)	448	(19,860)	(567,022)

(b) Acquisition of subsidiaries that are businesses

Year ended 31 December 2018

Pursuant to the share transfer agreement entered into on 4 February 2018, the Group acquired 85% equity interests of Changzhou Hua Feng from its original shareholders.

34. 收購附屬公司(續)

(a) 收購非業務的附屬公司(續)

截至2019年12月31日止年度(續)

有關上述收購的現金及現金等價物流入淨額的分析如下：

(b) 收購屬於業務的附屬公司

截至2018年12月31日止年度

根據於2018年2月4日訂立的股份轉讓協議，本集團從常州華風的原先股東收購其85%股本權益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses
(Continued)

Year ended 31 December 2018 (Continued)

The fair values of the identifiable assets and liabilities of Changzhou Hua Feng as at the date of acquisition were as follows:

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

常州華風的可識別資產及負債於收購日期的公允價值如下：

		Fair value recognised on acquisition 於收購時確認 的公允價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	212
Properties under development	開發中物業	380,600
Completed properties held for sale	持作出售的已完工物業	70,300
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產	297
Cash and cash equivalents	現金及現金等價物	1,003
Trade and bills payables	貿易應付款項及應付票據	(3,346)
Other payables and accruals	其他應付款項及應計費用	(347,687)
Tax payables	應繳稅項	(17)
Deferred tax liabilities	遞延稅項負債	(44,027)
Total identifiable net assets at fair value	按公允價值計量的可識別資產淨 值總額	57,335
Non-controlling interests	非控股權益	(8,600)
Gain on bargain purchase recognised in acquisition of a subsidiary	收購一家附屬公司的已確認議價 購買收益	(701)
Satisfied by cash	以現金支付	48,034

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses (Continued)

Year ended 31 December 2018 (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Changzhou Hua Feng is as follows:

Cash paid	已付現金	(48,034)
Cash and cash equivalents acquired	已購現金及現金等價物	1,003
Net outflow of cash and cash equivalents in respect of the acquisition of Changzhou Hua Feng	收購常州華風的現金及現金等價物流出淨額	(47,031)

The Group incurred transaction costs of RMB160,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

Pursuant to the share transfer agreement entered into on 16 August 2018, the Group acquired 100% equity interests in Kaifeng Bao Long from its original shareholders.

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

有關收購常州華風的現金及現金等價物流出淨額的分析如下：

本集團從該收購產生交易成本人民幣160,000元。該等交易成本已經支銷，並計入綜合損益表的其他開支。

根據於2018年8月16日訂立的股份轉讓協議，本集團從開封市寶隆的原先股東收購其100%股本權益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses
(Continued)

Year ended 31 December 2018 (Continued)

The fair values of the identifiable assets and liabilities of Kaifeng Bao Long as at the date of acquisition were as follows:

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

於收購日期，開封市寶隆的可識別資產及負債的公允價值如下：

		Fair value recognised on acquisition 於收購時確認 的公允價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	708
Inventories	存貨	42
Properties under development	開發中物業	888,100
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產	36,378
Cash and cash equivalents	現金及現金等價物	1,578
Trade and bills payables	貿易應付款項及應付票據	(84,939)
Other payables and accruals	其他應付款項及應計費用	(411,404)
Deferred tax liabilities	遞延稅項負債	(57,886)
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借款	(100,000)
Total identifiable net assets at fair value	按公允價值計量的可識別資產淨 值總額	272,577
Gain on bargain purchase recognised in acquisition of a subsidiary	收購一家附屬公司的已確認議價 購買收益	(2,244)
Satisfied by cash	以現金支付	270,333

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses (Continued)

Year ended 31 December 2018 (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Kaifeng Bao Long is as follows:

Cash paid	已付現金	(270,333)
Cash and cash equivalents acquired	已購現金及現金等價物	1,578
Net outflow of cash and cash equivalents in respect of the acquisition of Kaifeng Bao Long	收購開封市寶隆的現金及現金等價物流出淨額	(268,755)

The Group incurred transaction costs of RMB160,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

Pursuant to the share transfer agreement entered into on 25 September 2018, the Group acquired 55.25% equity interests in Mingliu Properties from its original shareholders.

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

有關收購開封市寶隆的現金及現金等價物流出淨額的分析如下：

本集團從該收購產生交易成本人民幣160,000元。該等交易成本已經支銷，並計入綜合損益表的其他開支。

根據於2018年9月25日訂立的股份轉讓協議，本集團從名流置業的原先股東收購其55.25%股本權益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses (Continued)

Year ended 31 December 2018 (Continued)

The fair values of the identifiable assets and liabilities of Mingliu Properties as at the date of acquisition were as follows:

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

於收購日期，名流置業的可識別資產及負債的公允價值如下：

		Fair value recognised on acquisition 於收購時確認 的公允價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	440
Properties under development	開發中物業	3,339,582
Completed properties held for sale	持作出售的已完工物業	476,142
Prepayments, other receivables and other assets	預付款項、其他應收款項及 其他資產	741,906
Due from related companies	應收關聯公司款項	461,568
Tax recoverable	可收回稅項	7,146
Cash and cash equivalents	現金及現金等價物	854,666
Trade and bills payables	貿易應付款項及應付票據	(442,890)
Other payables and accruals	其他應付款項及應計費用	(1,877,330)
Due to related companies	應付關聯公司款項	(555,000)
Deferred tax liabilities	遞延稅項負債	(223,167)
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借款	(720,000)
Total identifiable net assets at fair value	按公允價值計量的可識別資產淨 值總額	2,063,063
Non-controlling interests	非控股權益	(923,221)
Satisfied by cash	以現金支付	1,139,842

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

(b) Acquisition of subsidiaries that are businesses (Continued)

Year ended 31 December 2018 (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of Mingliu Properties is as follows:

Cash paid	已付現金	(1,139,842)
Cash and cash equivalents acquired	已購現金及現金等價物	854,666
Net outflow of cash and cash equivalents in respect of the acquisition of Mingliu Properties	收購名流置業的現金及現金等價物流出淨額	(285,176)

The Group incurred transaction costs of RMB5,025,000 for this acquisition. These transaction costs have been expensed and are included in other expenses in the consolidated statement of profit or loss.

34. 收購附屬公司(續)

(b) 收購屬於業務的附屬公司(續)

截至2018年12月31日止年度(續)

有關收購名流置業的現金及現金等價物流出淨額的分析如下：

本集團從該收購產生交易成本人民幣5,025,000元。該等交易成本已經支銷，並計入綜合損益表的其他開支。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

35. DISPOSAL OF SUBSIDIARIES

(a) Disposal of subsidiaries

The effect of such disposals on the Group's assets and liabilities is set out below:

35. 出售附屬公司

(a) 出售附屬公司

有關出售對本集團資產及負債的影響載列如下：

		Notes 附註	2019 2019年 RMB'000 人民幣千元
Net assets disposed of:	出售以下的資產淨值：		
Property, plant and equipment	物業、廠房及設備	13	297
Deferred tax assets	遞延稅項資產	29	5,572
Properties under development	開發中物業	19	2,650,256
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		25,526
Tax recoverable	可收回稅項		6,574
Due from related companies	應收關聯公司款項		13,849
Cash and cash equivalents	現金及現金等價物		24,862
Trade and bills payables	貿易應付款項及應付票據		(33,249)
Other payables and accruals	其他應付款項及應計費用		(1,133,311)
Due to related companies	應付關聯公司款項		(653,191)
			907,185
Non-controlling interests	非控股權益		441
Net assets attributable to the Group disposed of:	出售以下本集團應佔資產淨值：		907,626
Gain on disposal of subsidiaries	出售附屬公司的收益	5	14,874
			922,500
Satisfied by:	由以下支付：		
Cash	現金		141,950
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		273,900
Fair value of the retained equity interest in a joint venture	於一間合營企業的保留股權權益的公允價值		506,650

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

35. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of subsidiaries (Continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

35. 出售附屬公司(續)

(a) 出售附屬公司(續)

有關出售附屬公司的現金及現金等價物流入淨額的分析如下：

		2019 2019年
Cash consideration	現金代價	141,950
Cash and bank balances disposed of	出售現金及銀行結餘	(24,862)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司的現金及現金等價物流入淨額	117,088

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

35. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Deemed disposal of a subsidiary

The effect of such disposal on the Group's assets and liabilities is set out below:

35. 出售附屬公司(續)

(b) 被視為出售一間附屬公司

有關出售對本集團資產及負債的影響載列如下：

	Notes 附註	2019 2019年 RMB'000 人民幣千元
Net assets disposed of:	出售以下的資產淨值：	
Deferred tax assets	遞延稅項資產 29	3,559
Properties under development	開發中物業 19	302,835
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	33,531
Due from related companies	應收關聯公司款項	29,517
Tax recoverable	可收回稅項	3,074
Restricted cash	受限制現金	105,965
Cash and cash equivalents	現金及現金等價物	40,307
Trade and bills payables	貿易應付款項及應付票據	(7,468)
Other payables and accruals	其他應付款項及應計費用	(224,214)
Tax payable	應付稅項	(2,724)
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借款	(247,089)
		37,293
Non-controlling interests	非控股權益	(18,747)
Net assets attributable to the Group disposed of:	出售以下本集團應佔資產淨值：	18,546
Reclassification to investments in joint ventures at fair value at date of deemed disposal	於被視為出售日期按公允價值重新分類為於合營企業的投資	18,546

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

35. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Deemed disposal of a subsidiary (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the deemed disposal of a subsidiary is as follows:

		2019 2019年
Cash and bank balances deconsolidated and outflow of cash and cash equivalents in respect of the deemed disposal of subsidiaries	不再綜合入賬的現金及銀行結餘以及就被視為出售附屬公司的現金及現金等價物流出	(146,272)

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB89,756,000 and RMB89,756,000, respectively, in respect of lease arrangements for plant and equipment (2018: Nil).

36. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就廠房及設備租賃安排對使用權資產及租賃負債有非現金添置分別為人民幣89,756,000元及人民幣89,756,000元（2018年：零）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued) 36. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities

(b) 融資活動產生的負債變動

		Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Senior notes 優先票據 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Due to related companies 應付關聯公司款項 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於2018年1月1日	11,629,499	—	—	2,835,539	14,465,038
Cash flows from financing activities	融資活動所得現金流量	6,924,140	2,598,646	—	320,001	9,842,787
Acquisition of subsidiaries	收購附屬公司	820,000	—	—	550,000	1,370,000
Cash flows from non-financing activities	非融資活動現金流量	—	—	—	1,235,949	1,235,949
Non-cash changes:	非現金變動：					
Accrual of interest	應計利息	(47,138)	27,498	—	—	(19,640)
Exchange difference	匯兌差額	—	(33,276)	—	—	(33,276)
At 31 December 2018	於2018年12月31日	19,326,501	2,592,868	—	4,941,489	26,860,858
Effect of adoption of IFRS16	採納國際財務報告準則第16號的影響	—	—	867,963	—	867,963
At 1 January 2019 (restated)	於2019年1月1日(經重列)	19,326,501	2,592,868	867,963	4,941,489	27,728,821
Cash flows from financing activities	融資活動所得現金流量	1,259,983	6,672,892	(49,038)	(328,995)	7,554,842
Disposal of subsidiaries	出售附屬公司	(247,089)	—	—	—	(247,089)
Cash flows from non-financing activities	非融資活動現金流量	—	—	—	774,762	774,762
New leases	新租賃	—	—	203,153	—	203,153
Change of contract terms	合約條款變動	—	—	(113,397)	—	(113,397)
Interest expense	利息開支	—	—	49,605	—	49,605
Non-cash changes:	非現金變動：					
Accrual of interest	應計利息	(67,649)	104,836	—	—	37,187
Exchange difference	匯兌差額	—	(95,954)	—	—	(95,954)
At 31 December 2019	於2019年12月31日	20,271,746	9,274,642	958,286	5,387,256	35,891,930

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

36. 綜合現金流量表附註(續)

(c) 租賃現金流出總額

包括在現金流量表的租賃現金流出總額如下：

		2019 2019年 RMB'000 人民幣千元
Within financing activities	融資活動內	49,038

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

37. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

37. 或然負債

於報告期末，並未於財務報表內撥備的或然負債如下：

	Notes 附註	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Guarantees given to banks in connection with facilities granted to purchasers of the Group's properties	(i)	8,454,930	5,800,192
Guarantees given to banks and other lenders in connection with credit facilities granted to joint ventures and associates, net of counter-guarantees from joint venture partners		3,424,290	1,784,700
Add : counter-guarantees from joint venture partners		229,500	—
Guarantees given to banks and other institutions in connection with facilities granted to related companies	(ii)	3,653,790	1,784,700
		12,108,720	7,584,892

(i) The Group provided guarantees in respect of mortgage facilities granted by certain banks to the purchasers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible to repay the outstanding mortgage principals together with any accrued interest and penalties owed by the defaulted purchasers to those banks.

(i) 本集團就若干銀行向本集團持作出售的已完工物業買家授出的抵押融資提供擔保。根據擔保安排的條款，如買家拖欠按揭付款，本集團負責向該等銀行償還未償還抵押本金及違約買家所欠的任何應計利息及罰款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

37. CONTINGENT LIABILITIES (Continued)

(i) (Continued)

Under the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans, and upon default on mortgage repayments by these purchasers, the banks are entitled to take over the legal titles and will realise the pledged properties through open auction.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon the issuance and registration of property ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties.

The fair value of the guarantees at initial recognition and the ECL allowance are not significant as the directors of the Company consider that in the event of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principal together with the accrued interest and penalties.

37. 或然負債(續)

(i) (續)

根據上述安排，相關物業已質押予該等銀行作為抵押貸款的抵押品；倘該等買家拖欠抵押還款，該等銀行有權接管有關法定業權，並通過公開拍賣將抵押物業變現。

本集團的擔保期由授出相關抵押貸款日期起至買家獲發物業所有權證及辦理登記止，有關證明一般會於買家接管相關物業後的一至兩年內取得。

初始確認時的擔保的公允價值和預期信貸虧損撥備並不重大，因為本公司董事認為，如果付款方面發生違約，相關物業的可變現淨值可涵蓋要償還的按揭本金，連同應計利息及罰款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

37. CONTINGENT LIABILITIES (Continued)

- (ii) As at 31 December 2019, the Group provided guarantees to the extent of RMB3,653,790,000 (2018: RMB1,784,700,000) in respect of credit facilities granted to the joint ventures and associates. In addition, as at 31 December 2019, the joint venture partners entered into counter-guarantee agreements with the Group, pursuant to which the joint venture partners provided counter-guarantees to the Group in proportion to those joint venture partners' respective interests in the joint ventures in respect of guarantees provided by the Group to the banks and other lenders on behalf of the joint venture partners. In the event of default on payment by the joint ventures, the Group is responsible for repaying the outstanding loan principals together with the accrued interest and penalties owed by the joint ventures, and the Group has the right to recover from the joint venture partners the attributable portion of liabilities paid pursuant to the counter-guarantee agreements.

In the opinion of the directors, the fair values of the guarantees at initial recognition and the ECL allowance are not significant.

37. 或然負債(續)

- (ii) 於2019年12月31日，本集團就授予合營企業及聯營公司的信貸融資提供擔保人民幣3,653,790,000元(2018年：人民幣1,784,700,000元)。此外，於2019年12月31日，合營企業合夥人與本集團訂立反擔保協議，據此，合營企業合夥人按該等合營企業合夥人各自於合營企業的權益比例向本集團提供反擔保，乃就本集團向銀行及其他貸款人代表合營企業合夥人提供的擔保而作出。倘合營企業拖欠還款，本集團有責任償還未償還的貸款本金以及合營企業所欠的應計利息及罰款，而本集團有權根據反擔保協議向合營企業合夥人收回已付負債應佔部分。

董事認為，初步確認之擔保之公允價值及預期信貸虧損撥備並不重大。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

38. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to secure certain bank and other borrowings granted to the Group and the related companies:

38. 資產抵押

於報告期末，本集團以下列資產作抵押，以抵押授予本集團及關連公司的若干銀行及其他借款：

			31 December 2019 2019年 12月31日 RMB'000 人民幣千元	31 December 2018 2018年 12月31日 RMB'000 人民幣千元
Investment properties	投資物業	14, (a)	8,375,881	8,520,150
Property, plant and equipment	物業、廠房及設備	13, (a)	281,645	631,914
Pledged deposits	已質押存款	24, (a)	5,723,187	3,526,146
Right-of-use assets	使用權資產	15, (a)	9,377	—
Prepaid land lease payments	預付土地租賃款項	15, (a)	—	22,473
Properties under development	開發中物業	19, (a)	18,592,645	15,636,245
Completed properties held for sale	持作出售的已完工物業	20, (a)	117,057	—
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	23, (a)	36,025	441,600
Interests in joint ventures and associates	於合營企業及聯營公司的權益	(b)	534,108	37,142
			33,669,925	28,815,670

Notes:

- (a) These assets were pledged to secure certain bank and other borrowings granted to the Group.
- (b) Interests in joint ventures and associates were pledged to secure certain bank and other borrowings granted to the Group's joint ventures.

附註：

- (a) 該等資產已抵押作為授予本集團的若干銀行及其他借款的抵押品。
- (b) 已抵押合營企業及聯營公司的權益，作為授予本集團合營企業的若干銀行及其他借款的抵押品。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

39. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

39. 承擔

於報告期末，本集團有以下資本承擔：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但尚未撥備：		
Property development activities	物業開發活動	8,667,601	5,274,248
Acquisition of land use rights	收購土地使用權	818,607	338,400
Property, plant and equipment	物業、廠房及設備	51,618	12,245
Investment properties	投資物業	27,878	193,428
Capital contributions payable to	向以下注資：		
Joint venture	合營企業	54,630	—
Associates	聯營公司	30,000	145,386
		9,650,334	5,963,707

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

40. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

40. 關聯方交易

- (a) 除本財務報表其他部分詳述的交易外，本集團本年度與關聯方的交易如下：

			2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
		Notes 附註		
Associates:	聯營公司：			
Project management service income	項目管理服務收入	(i)	332,269	63,771
Interest income	利息收入	(ii)	94,698	96,530
Joint ventures:	合營企業：			
Project management service income	項目管理服務收入	(i)	80,313	—
Other related parties:	其他關聯方：			
Rental income from related parties*	來自關聯方的租金收入*	(iii)	205,246	205,081
Rental expense to related parties	給予關聯方的租金開支		2,031	—
Property management services from related parties*	來自關聯方的物業管理服務*	(iv)	118,017	61,516
Raw materials purchased from related parties*	自關聯方購置的原材料*	(v)	90,941	42,058
Interest expenses to related parties	給予關聯方的利息開支	(vi)	—	519,666
Advertising and business development expenses from related parties*	來自關聯方的廣告及業務發展開支*		—	4,100

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

40. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Notes:

- (i) The income was derived from management consulting services from joint ventures and associates at rates similar to the terms and conditions set out in the contracts entered into with the other major customers of the Group.
- (ii) This represented the interest income from the associates and joint ventures, which is after the elimination of interest between the Group and the associates or joint ventures. The Group has provided funds to the associates and joint ventures.
- (iii) The income was derived from the leasing of the Group's investment properties to related companies controlled by the controlling shareholder at rates similar to the terms and conditions set out in the rental agreements entered into with other tenants of the Group.
- (iv) Property management service charged from related parties at rates similar to terms and conditions was set out in the contracts entered into with other suppliers.
- (v) The Company purchased certain raw materials and services from related parties in the ordinary course of business.
- (vi) This represented interest expenses from the related parties controlled by the controlling shareholders.

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

- * These related party transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Other transactions with related parties:

As at 31 December 2019, the Group provided guarantees to the extent of RMB3,653,790,000 (2018: RMB1,784,700,000) in respect of credit facilities granted to the joint ventures and associates.

40. 關聯方交易(續)

(a) (續)

附註：

- (i) 收入來自合營企業和聯營公司的管理諮詢服務，其利率與本集團其他主要客戶訂立的合同中規定的條款和條件相近。
- (ii) 此為聯營公司及合營企業的利息收入，乃本集團與聯營公司或合營企業之間沖銷利息後的收入。本集團已向聯營公司及合營企業提供資金。
- (iii) 收入來自本集團向控股股東控制的關聯公司以與本集團其他租戶訂立的租賃協議中規定的條款和條件相近的利率出租投資物業所產生的收入。
- (iv) 與其他供應商訂立的合同中載有向關聯方以與條款和條件相似的費率收取的物業管理服務的費用。
- (v) 本公司在日常業務過程中向關聯方購買了某些原材料和服務。
- (vi) 此為控股股東控制的關聯方的利息支出。

這些交易乃根據有關各方共同商定的條款和條件進行的。

- * 此等關聯方交易構成上市規則第14A章定義下的持續關連交易。

(b) 與關聯方的其他交易：

於2019年12月31日，本集團就授予合營企業及聯營公司的信貸融資提供擔保人民幣3,653,790,000元(2018年：人民幣1,784,700,000元)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

40. RELATED PARTY TRANSACTIONS (Continued)

40. 關聯方交易(續)

(c) Outstanding balances with related parties:

(c) 與關聯方的未付結餘：

		31 December 2019 2019年 12月31日 RMB'000 人民幣千元	31 December 2018 2018年 12月31日 RMB'000 人民幣千元
Due from joint ventures and associates:	應收合營企業及聯營公司款項：	8,346,905	6,802,635
Due from other related parties:	應收其他關聯方款項：		
Non-trade related	非貿易相關	—	3,125
Trade related	與貿易相關	108,000	144,105
		8,454,905	6,949,865
Due to joint ventures and associates:	應付合營企業及聯營公司款項：	5,321,272	4,578,451
Due to other related parties:	應付其他關聯方款項：		
Non-trade related	非貿易相關	—	328,995
Trade related	與貿易相關	65,984	34,043
		5,387,256	4,941,489

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

40. RELATED PARTY TRANSACTIONS (Continued)

40. 關聯方交易(續)

(d) Compensation of key management personnel of the Group:

(d) 本集團主要管理人員薪酬：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	工資、津貼及實物福利	5,692	4,746
Performance-related bonuses	績效獎金	1,817	2,574
Pension scheme contributions and social welfare	養老金計劃供款及社會福利	242	249
Equity-settled share-based payment expenses	股本結算股份付款開支	4,410	2,563
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	12,161	10,132

Further details of directors' emoluments are included in note 8 to the financial statements.

有關董事酬金的進一步詳情載於財務報表附註8。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

41. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2019

Financial assets

41. 按類別劃分的金融工具

於報告期末各類金融工具的賬面值如下：

2019年

金融資產

		Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產	Financial assets at amortised cost 按攤銷成本 列賬的金融 資產	Total 總計
		Mandatorily designated as such 強制指定	RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets included in prepayments, other receivables and other assets (note 22)	計入預付款項、其他應收款項及其他資產的金融資產(附註22)	—	2,870,943	2,870,943
Trade receivables (note 21)	貿易應收款項(附註21)	—	6,767	6,767
Financial assets at fair value through profit or loss (note 23)	按公允價值計入損益的金融資產(附註23)	1,148,390	—	1,148,390
Due from related companies (note 40)	應收關聯公司款項(附註40)	—	8,454,905	8,454,905
Restricted cash (note 24)	受限制現金(附註24)	—	2,304,586	2,304,586
Pledged deposits (note 24)	已質押存款(附註24)	—	5,848,309	5,848,309
Cash and cash equivalents (note 24)	現金及現金等價物(附註24)	—	8,691,522	8,691,522
		1,148,390	28,177,032	29,325,422

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

41. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

2019 (Continued)

Financial liabilities

41. 按類別劃分的金融工具(續)

2019年(續)

金融負債

		Financial liabilities at amortised cost 按攤銷 成本列賬的 金融負債 RMB'000 人民幣千元
Trade and bills payables (note 25)	貿易應付款項及應付票據(附註25)	4,845,588
Financial liabilities included in other payables and accruals (note 26)	計入其他應付款項及應計費用的 金融負債(附註26)	5,574,072
Interest-bearing bank and other borrowings (note 27)	計息銀行及其他借款(附註27)	20,271,746
Senior notes (note 28)	優先票據(附註28)	9,274,642
Lease liabilities (note 15)	租賃負債(附註15)	958,286
Due to related companies (note 40)	應付關聯公司款項(附註40)	5,387,256
		46,311,590

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

41. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

2018

Financial assets

41. 按類別劃分的金融工具(續)

2018年

金融資產

		Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產	Financial assets at amortised cost 按攤銷成本 列賬的金融 資產	Total 總計	
		Mandatorily designated as such 強制指定	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets included in prepayments, other receivables and other assets (note 22)	計入預付款項、其他應收款項及其他資產的金融資產(附註22)	—	601,379	601,379	601,379
Trade receivables (note 21)	貿易應收款項(附註21)	—	23,728	23,728	23,728
Financial assets at fair value through profit or loss (note 23)	按公允價值計入損益的金融資產(附註23)	1,130,607	—	1,130,607	1,130,607
Due from related companies (note 40)	應收關聯公司款項(附註40)	—	6,949,865	6,949,865	6,949,865
Restricted cash (note 24)	受限制現金(附註24)	—	2,644,723	2,644,723	2,644,723
Pledged deposits (note 24)	已質押存款(附註24)	—	3,578,720	3,578,720	3,578,720
Cash and cash equivalents (note 24)	現金及現金等價物(附註24)	—	6,232,596	6,232,596	6,232,596
			1,130,607	20,031,011	21,161,618

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

41. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

2018 (Continued)

Financial liabilities

41. 按類別劃分的金融工具(續)

2018年(續)

金融負債

Financial liabilities
at amortised
cost
按攤銷成本列
賬的金融負債
RMB'000
人民幣千元

Trade and bills payables (note 25)	貿易應付款項及應付票據(附註25)	2,885,646
Financial liabilities included in other payables, and accruals (note 26)	計入其他應付款項及應計費用的 金融負債(附註26)	3,273,269
Interest-bearing bank and other borrowings (note 27)	計息銀行及其他借款(附註27)	19,326,501
Senior notes (note 28)	優先票據(附註28)	2,592,868
Due to related companies (note 40)	應付關聯公司款項(附註40)	4,941,489
		33,019,773

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. 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:

42. 金融工具的公允價值及公允價值層級

本集團金融工具(不包括該等賬面值與公允價值合理相若的金融工具)的賬面值及公允價值如下:

		Carrying amounts		Fair values	
		賬面值		公允價值	
		2109 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Financial assets	金融資產				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	1,148,390	1,130,607	1,148,390	1,130,607
		1,148,390	1,130,607	1,148,390	1,130,607
Financial liabilities	金融負債				
Interest-bearing bank and other borrowings	計息銀行貸款及其他借款	20,271,746	19,326,501	20,193,239	19,174,923
Senior notes	優先票據	9,274,642	2,592,868	9,686,053	2,612,371
		29,546,388	21,919,369	29,879,292	21,787,294

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, restricted cash, amounts due from related companies, trade receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, lease liabilities, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

管理層已評估現金及現金等價物、已質押存款、受限制現金、應收關聯公司款項、貿易應收款項、貿易應付款項及應付票據、計入預付款項、其他應收款項及其他資產的金融資產、租賃負債、計入其他應付款項及應計費用的金融負債的公允價值很大程度與其賬面值相若，這是由於該等工具的到期日較短所致。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

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 each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2019 were assessed to be insignificant.

The fair values of senior notes are based on quoted market prices.

The fair values of listed equity investments are based on quoted market prices.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China and wealth management private funds in Hong Kong. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

42. 金融工具的公允價值及公允價值層級 (續)

本集團財務部門由財務經理帶領，負責釐定金融工具公允價值計量的政策及程序。財務經理直接向財務總監及審核委員會彙報。於各報告日期，財務部門分析金融工具價值的變動，確定估值採用的主要輸入數據。估值由財務總監審批。每年與審核委員會討論兩次評估過程和結果，以進行中期和年度財務報告。

金融資產及負債的公允價值以該工具自願交易方(強迫或清盤出售除外)當前交易下可交易金額入賬。以下方法及假設均用來估算公允價值：

計息銀行貸款及其他借款的公允價值已就預期未來現金流量按條款、信貸風險及剩餘到期情況相類似的工具的目前可用比率貼現計算。截至2019年12月31日，本集團計息銀行貸款及其他借款的未履約風險引致的公允價值變動被評定為不重大。

優先票據的公允價值乃基於市場報價。

上市權益投資的公允價值基於市場報價。

本集團投資於非上市投資，即中國內地銀行發行的理財產品及及香港理財產品私募基金。本集團已使用貼現現金流估值模型，按條款及風險相似的工具的市場利率，估計該等非上市投資的公允價值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2019

42. 金融工具的公允價值及公允價值層級 (續)

公允價值層級

下表說明本集團金融工具的公允價值層級：

以公允價值計量的資產：

於2019年12月31日

		Fair value measurement using 使用下列數據的公允價值計量			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場報價 (第1級)	重大可觀察 輸入數據 (第2級)	重大不可觀察 輸入數據 (第3級)	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets at fair value through profit or loss	按公允價值計入損益的 金融資產	82,587	1,065,803	—	1,148,390
		82,587	1,065,803	—	1,148,390

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

As at 31 December 2018

42. 金融工具的公允價值及公允價值層級 (續)

公允價值層級(續)

於2018年12月31日

Fair value measurement using
使用下列數據的公允價值計量

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	活躍市場報價 (第1級)	重大可觀察 輸入數據 (第2級)	重大不可觀察 輸入數據 (第3級)	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets at fair value through profit or loss	—	1,130,607	—	1,130,607
	—	1,130,607	—	1,130,607

按公允價值計入損益的
金融資產

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 31 December 2019 and 2018.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2018: Nil).

Liabilities for which fair values are disclosed:

As at 31 December 2019

42. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

以公允價值計量的負債：

截至2019年及2018年12月31日，本集團並無按公允價值計量任何金融負債。

年內，第1級與第2級之間並無公允價值計量的轉撥，亦無金融資產及金融負債轉入或轉出第3級（2018年：無）。

披露公允價值的負債：

於2019年12月31日

		Fair value measurement using 使用下列數據的公允價值計量			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場報價 (第1級)	重大可觀察 輸入數據 (第2級)	重大不可觀察 輸入數據 (第3級)	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
Interest-bearing bank and other borrowings	計息銀行及其他借款	—	20,271,746	—	20,271,746
Senior notes	優先票據	9,274,642	—	—	9,274,642
		9,274,642	20,271,746	—	29,546,388

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

As at 31 December 2018

42. 金融工具的公允價值及公允價值層級 (續)

公允價值層級(續)

於2018年12月31日

		Fair value measurement using 使用下列數據的公允價值計量			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		重大可觀察 活躍市場報價 (第1級)	重大不可觀察 輸入數據 (第2級)	重大不可觀察 輸入數據 (第3級)	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
Interest-bearing bank and other borrowings	計息銀行及其他借款	—	19,326,501	—	19,326,501
Senior notes	優先票據	2,592,868	—	—	2,592,868
		2,592,868	19,326,501	—	21,919,369

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, senior notes, lease liabilities, financial instruments at fair value through profit or loss, pledged deposits, amounts with related companies and other receivables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as cash and bank balances, restricted cash, trade receivables, and trade and other payables, which arise directly from its operations.

43. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行和其他借款、優先票據、租賃負債、按公允價值計入損益的金融工具、已質押存款、與關聯公司的往來款項和其他應收款項。這些金融工具的主要目的是為集團的運營籌集資金。集團擁有各種自其營運所直接產生的其他金融資產和負債，例如現金和銀行結餘、受限制現金、貿易應收款項以及貿易應付款項和其他應付款項。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

		Increase/ (decrease) in basis points 基點 增加/(減少)	Increase/ (decrease) in profit before tax 稅前利潤 增加/(減少) RMB'000 人民幣千元
31 December 2019	於2019年12月31日		
RMB	人民幣	25	(21,537)
RMB	人民幣	(25)	21,537
31 December 2018	於2018年12月31日		
RMB	人民幣	25	(23,935)
RMB	人民幣	(25)	23,935

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the year and has applied the exposure to interest rate risk to those bank and other borrowings in existence at that date. The estimated percentage increase or decrease represents management's assessment of a reasonably possible change in interest rates over the year until the end of the next reporting period.

43. 財務風險管理目標及政策(續)

本集團金融工具產生的主要風險包括利率風險、外幣風險、信貸風險及流動資金風險。董事會檢討及協定控制各類風險的政策，有關政策概述如下：

利率風險

本集團所承受市場利率變動風險主要與本集團的浮動利率長期債務有關。

下表載列在所有其他變數維持不變之情況下，本集團之稅前利潤(透過浮動利率借款所受影響)對利率合理可能出現變動之敏感程度。

以上的敏感度分析乃假設利率變動已於年終時發生而釐定，並已計入於該日存在的銀行貸款及其他借款所面臨的利率風險。估計百分比上調或下調指管理層對直至下一個報告期間結束年度利率的可能合理變動的評估。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. None of the Group's sales (2018: Nil) were denominated in currencies other than the functional currencies of the operating units making the sale, whilst 100% (2018: 100%) of costs were denominated in the units' functional currencies.

In addition, the Group has currency exposures from its cash and cash equivalents, financial assets at fair value through profit or loss and senior notes.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the USD and HKD exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities).

43. 財務風險管理目標及政策(續)

外匯風險

本集團面臨交易貨幣風險。有關風險源自與非功能貨幣單位的購貨及銷售交易。本集團的銷售均無(2018年：無)以進行出售的經營單位的功能貨幣以外的貨幣計算，而100%(2018年：100%)的成本則以該等單位的功能貨幣計算。

此外，本集團因現金及現金等價物、按公允價值計入損益的金融資產及優先票據而面臨外匯風險。

下表闡述於各報告期末，在所有其他變數維持不變的情況下，本集團的稅前利潤(由貨幣資產及負債的公允價值變動所致)對美元及港元匯率合理可能變動的敏感度：

		Increase/ (decrease) in USD/HKD rate 美元/港元 匯率上升/ (下降) %	Increase/ (decrease) in profit before tax 稅前利潤上升 (下降) RMB'000 人民幣千元
2019	2019年		
If the RMB weakens against the USD	如人民幣兌美元貶值	-5%	(117,484)
If the RMB strengthens against the USD	如人民幣兌美元升值	+5%	117,484
If the RMB weakens against the HKD	如人民幣兌港元貶值	-5%	933
If the RMB strengthens against the HKD	如人民幣兌港元升值	+5%	(933)
2018	2018年		
If the RMB weakens against the USD	如人民幣兌美元貶值	-5%	(2,155)
If the RMB strengthens against the USD	如人民幣兌美元升值	+5%	2,155
If the RMB weakens against the HKD	如人民幣兌港元貶值	-5%	71
If the RMB strengthens against the HKD	如人民幣兌港元升值	+5%	(71)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**Credit risk**

The Group divides financial instruments on the basis of shared credit risk characteristics, such as instrument types and credit risk ratings for the purpose of determining significant increases in credit risk and calculation of impairment. To manage risk arising from trade receivables, the Group has policies in place to ensure that credit terms are made only to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the Group's counterparties. The credit period granted to the customers is generally six months and the credit quality of these customers is assessed, taking into account their financial position, past experience and other factors. The Group also has other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews regularly the recoverable amount of trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spread over a large number of counterparties and customers.

Management makes periodic collective assessments for financial assets included in prepayments and other receivables and amounts due from related companies as well as individual assessments on the recoverability of other receivables and amounts due from related companies based on historical settlement records and past experience. The Group classified financial assets included in prepayments and other receivables and amounts due from related companies in Stage 1 and continuously monitored their credit risk. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of financial assets included in prepayments and other receivables and amounts due from related companies.

43. 財務風險管理目標及政策(續)**信貸風險**

本集團根據共同的信貸風險特徵(例如工具類型和信貸風險等級)劃分金融工具,以確定信貸風險的重大增加和減值的計算。為管理貿易應收款項產生的風險,本集團已制定政策以確保信貸條件僅適用於具有適當信貸記錄的交易對手,並且管理層對本集團的交易對手進行持續的信貸評估。授予客戶的信貸期通常為六個月,並根據其財務狀況、過往經驗和其他因素評估這些客戶的信貸質量。本集團還有其他監控程序,以確保採取後續行動以收回逾期應收款項。此外,本集團定期檢討貿易應收款項的可收回金額,以確保就無法收回的金額計提足夠的減值虧損。本集團並無重大信貸風險集中,風險分散於大量交易對手及客戶。

管理層根據歷史還款記錄及過往經驗定期對計入預付款項及其他應收款項的金融資產及應收關聯公司款項進行共同評估,並對其他應收款項及應收關聯公司款項的可收回性進行單獨評估。本集團將計入預付款項及其他應收款項的金融資產及應收關聯公司款項分為第1階段,並持續監控其信貸風險。本公司董事認本集團計入預付款項及其他應收款項的金融資產以及應收關聯公司款項並無固有的重大信貸風險。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2019

		12-month ECLs 12個月 預期信貸虧損	Lifetime ECLs 存續期預期信貸虧損			Total 總計
		Stage 1 第1階段 RMB'000 人民幣千元	Stage 2 第2階段 RMB'000 人民幣千元	Stage 3 第3階段 RMB'000 人民幣千元	Simplified approach 簡化方法 RMB'000 人民幣千元	RMB'000 人民幣千元
Trade receivables*	貿易應收款項*	—	—	—	6,767	6,767
Financial assets included in prepayments, other receivables and other assets — Normal**	計入預付款項、其他應 收款項及其他資產 的金融資產 — 正常**	3,810,526	—	—	—	3,810,526
Due from related companies	應收關聯公司款項	8,454,905	—	—	—	8,454,905
Pledged deposits	已質押存款	5,848,309	—	—	—	5,848,309
Restricted Cash	受限制現金	2,304,586	—	—	—	2,304,586
Cash and cash equivalents	現金及現金等價物	8,691,522	—	—	—	8,691,522
		29,109,848	—	—	6,767	29,116,615

43. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及年結階段

下表載列基於本集團的信貸政策的信貸質素及最高信貸風險，主要基於逾期資料(除非其他資料可在無須付出不必要成本或努力的情況下獲得)及年結階段分析。所呈列的有關金額指金融資產總賬面值。

於2019年12月31日

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2018

		12-month ECLs	Lifetime ECLs			Total
		12個月 預期信貸虧損	存續期預期信貸虧損			
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第1階段	第2階段	第3階段	簡化方法	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
Trade receivables*	貿易應收款項*	—	—	—	23,728	23,728
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產					
— Normal**	— 正常**	1,189,464	—	—	—	1,189,464
Due from related companies	應收關聯公司款項	6,949,865	—	—	—	6,949,865
Pledged deposits	已質押存款	3,578,720	—	—	—	3,578,720
Restricted Cash	受限制現金	2,644,723	—	—	—	2,644,723
Cash and cash equivalents	現金及現金等價物	6,232,596	—	—	—	6,232,596
		20,595,368	—	—	23,728	20,619,096

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the expected credit losses is disclosed in note 21. There is no significant concentration of credit risk.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings, senior notes, trade and bills payables, lease liabilities, amounts due to related companies and other payables. Cash flows are being closely monitored on an ongoing basis.

43. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及年結階段(續)

於2018年12月31日

* 就本集團應用簡化減值方法的貿易應收款項，基於預期信貸虧損所作出資料於附註21披露。概無重大信貸集中風險。

** 計入預付款項、其他應收款項及其他資產中的金融資產信貸質量在未逾期時被視為「正常」，並且沒有資料表明該等金融資產自初始確認以來信貸風險顯著增加。

流動資金風險

本集團的目標是通過使用計息銀行及其他借款、優先票據、貿易應付款項及應付票據、租賃負債、應付關聯公司款項及其他應付款項維持資金持續性及靈活性之間的平衡。現金流量的情況受持續密切監控。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		On demand 按要求 RMB'000 人民幣千元	Less than 3 months 3個月以內 RMB'000 人民幣千元	3 to 12 months 3至12個月 RMB'000 人民幣千元	Over 1 year 1年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2019	2019年12月31日					
Interest-bearing bank and other borrowings	計息銀行及其他借款	—	2,820,064	8,581,689	11,404,228	22,805,981
Senior notes	優先票據	—	262,756	2,678,677	8,200,455	11,141,888
Trade and bills payables	貿易應付款項及應付票據	4,845,588	—	—	—	4,845,588
Financial liability included in other payables	計入其他應付款項的金融負債	5,574,072	—	—	—	5,574,072
Lease liabilities	租賃負債	—	14,767	51,464	1,442,831	1,509,062
Due to related companies	應付關聯公司款項	5,387,256	—	—	—	5,387,256
		15,806,916	3,097,587	11,311,830	21,047,514	51,263,847

43. 財務風險管理目標及政策(續)

流動資金風險(續)

本集團於報告期末按合約未貼現付款計算的金融負債的到期情況如下：

		On demand 按要求 RMB'000 人民幣千元	Less than 3 months 3個月以內 RMB'000 人民幣千元	3 to 12 months 3至12個月 RMB'000 人民幣千元	Over 1 year 1年以上 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
31 December 2018	2018年12月31日					
Interest-bearing bank and other borrowings	計息銀行及其他借款	—	489,727	9,105,041	13,145,711	22,740,479
Senior notes	優先票據	—	—	2,976,374	—	2,976,374
Trade and bills payables	貿易應付款項及應付票據	2,885,646	—	—	—	2,885,646
Financial liability included in other payables	計入其他應付款項的金融負債	3,273,269	—	—	—	3,273,269
Due to related companies	應付關聯公司款項	4,941,489	—	—	—	4,941,489
		11,100,404	489,727	12,081,415	13,145,711	36,817,257

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**Capital management**

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 31 December 2018.

43. 財務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是為保障本集團持續經營並維持穩健的資本比率的能力，以支持其業務並使股東價值最大化。

本集團會根據經濟狀況變化及相關資產的風險特色管理及調整其資本架構。為維持或調整資本架構，本集團可調整派付予股東的股息、向股東歸還資本或發行新股。本集團不受限於任何外部施加的資本要求。截至2019年12月31日止年度及截至2018年12月31日止年度，資本管理的目標、政策或流程未發生變化。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The Group monitors capital using a gearing ratio, which is net debt divided by the adjusted capital plus net debt. Net debt includes interest-bearing bank and other borrowings, senior notes, trade and bills payables, other payables and accruals, lease liabilities and amounts due to related companies less cash and cash equivalents. Capital includes equity attributable to owners of the parent. The gearing ratios as at the end of the reporting periods were as follows:

		31 December 2019 2019年 12月31日	31 December 2018 2018年 12月31日
Trade and bills payables	貿易應付款項及應付票據	4,845,588	2,885,646
Other payables and accruals	其他應付款項及應計費用	5,574,072	3,273,269
Interest-bearing bank and other borrowings	計息銀行及其他借款	20,271,746	19,326,501
Senior notes	優先票據	9,274,642	2,592,868
Lease liabilities	租賃負債	958,286	—
Due to related companies	應付關聯公司款項	5,387,256	4,941,489
Less: Cash and cash equivalents	減：現金及現金等價物	(8,691,522)	(6,232,596)
Net debt	債務淨額	37,620,068	26,787,177
Equity attributable to owners of the parent	母公司擁有人應佔權益	13,887,745	12,694,905
Capital and net debt	資本及債務淨額	51,507,813	39,482,082
Gearing ratio	資本負債比率	73%	68%

Note: The Group has adopted IFRS 16 using the modified retrospective approach and the effect of the initial adoption is adjusted against the opening balances as at 1 January 2019 with no adjustments to the comparative amounts as at 31 December 2018. This resulted in an increase in the Group's net debt, and hence, the Group's gearing ratio increased from 68% to 69% on 1 January 2019 when compared with the position as at 31 December 2018.

43. 財務風險管理目標及政策(續)

資本管理(續)

本集團採用資本負債比率(即債務淨額除以經調整資本與債務淨額的和)來監控資本。債務淨額包括計息銀行及其他借款、優先票據、貿易應付款項及應付票據、其他應付款項及應計費用、租賃負債及應付關聯公司款項減現金及現金等價物。資本包括母公司擁有人應佔權益。於報告期末的資本負債比率如下：

附註：本集團已經採納國際財務報告準則第16號使用經修改追溯法，而初次採用的影響按2019年1月1日的年初結餘作出調整，對2018年12月31日的可資比較金額概無調整。此引致本集團的債務淨額增加，因此與2018年12月31日的狀況比較，本集團的資本負債比率於2019年1月1日由68%增至69%。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

44. EVENTS AFTER THE REPORTING PERIOD

On 14 January 2020, the Company issued senior notes with a principal amount of US\$300,000,000 due in 2023. The senior notes bear interest at 9.70% per annum which is payable semi-annually in arrears. The maturity date of the senior notes is 16 April 2023.

There has been an outbreak of the novel coronavirus that was first reported from Wuhan, China in December 2019. To prevent or control the epidemic, the Chinese government has adopted a series of measures nationwide, including among others, restrictions on enterprises from resuming work, traffic control and travel bans.

As of the date of this financial statements, the assessment is still in progress, the Group will continue to closely monitor the development of the novel coronavirus, assess and actively respond to its impact on the financial condition, operating results and other aspects of the Group.

45. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, the Group adopted IFRS 16 on 1 January 2019 using the modified retrospective approach. Under this approach, the comparative amounts in the financial statements were not restated and continued to be reported under the requirements of the previous standard, IAS 17, and related interpretations.

44. 報告期間後事項

於2020年1月14日，本公司發行於2023年到期本金額為300,000,000美元的優先票據。優先票據按年利率9.70%計息，每半年支付一次。優先票據到期日為2023年4月16日。

新型冠狀病毒疫情自2019年12月由中國武漢呈報的首宗個案起爆發。為預防及控制疫情，中國政府已於全國各地採取一系列措施，其中包括限制企業復工、交通管制及旅遊禁令。

於本財務報表日期，評估工作仍在進行中，本集團將繼續密切監察新型冠狀病毒疫情的進展，評估並積極應對其對本集團財務狀況、經營業績及其他方面的影響。

45. 可資比較金額

誠如財務報表附註2.2所解釋，本集團於2019年1月1日採納國際財務報告準則第16號並使用經修改追溯法。根據此法，財務報表的可資比較金額並無重列，繼續按先前國際會計準則第17號及相關詮釋的準則規定報告。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

46. 本公司的財務狀況表

有關本公司於報告期末的財務狀況表的資料如下：

		2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
NON-CURRENT ASSET	非流動資產		
Investment in a subsidiary	於一間附屬公司的投資	1,945,919	1,945,919
Total non-current assets	非流動資產總值	1,945,919	1,945,919
CURRENT ASSETS	流動資產		
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	139,032	13,561
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	492,898	343,160
Due from subsidiaries	應收附屬公司款項	3,644,367	2,205,807
Pledged deposits	已質押存款	6,199,771	2,830,946
Cash and cash equivalents	現金及現金等價物	1,019,448	190,321
Total current assets	流動資產總值	11,495,516	5,583,795
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	267,723	—
Due to a subsidiary	應付一間附屬公司款項	—	46,735
Senior notes	優先票據	1,894,998	2,592,868
Total current liabilities	流動負債總值	2,162,721	2,639,603
NET CURRENT ASSETS	流動資產淨值	9,332,795	2,944,192
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	11,278,714	4,890,111
NON-CURRENT LIABILITIES	非流動負債		
Senior notes	優先票據	7,379,644	—
Total non-current liabilities	非流動負債總值	7,379,644	—
Net assets	資產總值	3,899,070	4,890,111
EQUITY	權益		
Share capital	股本	28,254	28,254
Share premium	股份溢價	4,574,220	4,877,833
Other reserves	其他儲備	(703,404)	(15,976)
Total equity	權益總額	3,899,070	4,890,111

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2019

2019年12月31日

46. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

46. 本公司的財務狀況表(續)

附註：

本公司的儲備概要如下：

		Share Capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Accumulated loss 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2018	於2018年1月1日的結餘	—	—	—	—	—
Issuance of new shares	發行新股份	28,254	—	—	—	28,254
Share premium	股份溢價	—	2,981,973	—	—	2,981,973
Capital contribution from the controlling shareholder	控股股東注資	—	1,945,919	—	—	1,945,919
Share issue expense	股份發行開支	—	(50,059)	—	—	(50,059)
Equity-settled share option arrangements	以股權結算之購股權安排	—	—	24,326	—	24,326
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	—	(40,302)	(40,302)
Total identifiable net assets	可識別資產淨值總額	28,254	4,877,833	24,326	(40,302)	4,890,111
Balance at 1 January 2019 and 31 December 2018	於2019年1月1日及2018年12月31日的結餘	28,254	4,877,833	24,326	(40,302)	4,890,111
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	—	—	—	(718,757)	(718,757)
Equity-settled share option arrangements	以股權結算之購股權安排	—	—	31,329	—	31,329
Final 2018 dividend declared	2018年已宣派末期股息	—	(303,613)	—	—	(303,613)
Balance at 31 December 2019	於2019年12月31日的結餘	28,254	4,574,220	55,655	(759,059)	3,899,070

47. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2020.

47. 核准財務報表

財務報表已於2020年3月25日經董事會批准並授權刊發。

FINANCIAL SUMMARY

財務概要

		2015	2016	2017	2018	2019
		2015年	2016年	2017年	2018年	2019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
Revenue	收入	5,376,799	8,775,465	6,139,672	9,238,741	15,169,506
Cost of sales	銷售成本	(3,125,008)	(6,219,879)	(3,648,023)	(6,351,656)	(11,356,243)
Gross profit	毛利	2,251,791	2,555,586	2,491,649	2,887,085	3,813,263
Other income	其他收入	98,096	94,597	282,946	235,973	331,217
Selling and distribution expenses	銷售及分銷開支	(159,503)	(222,844)	(240,256)	(341,771)	(651,982)
Administrative expenses	行政開支	(186,481)	(228,085)	(305,204)	(686,271)	(1,089,711)
Other expenses	其他開支	(26,479)	(41,234)	(17,478)	(48,159)	(36,560)
Fair value gains/(losses) on investment properties	投資物業的公允價值 收益/(虧損)	614,065	(109,822)	(287,414)	260,803	310,456
Finance costs	融資成本	(358,084)	(354,428)	(441,537)	(499,297)	(634,309)
Share of result of Joint Ventures	分佔合營企業業績	(10,200)	(17,106)	486,563	387,008	97,724
Share of result of Associates	分佔聯營公司業績	(4,978)	(14,810)	(68,485)	(19,993)	595,285
Profit before income tax	除所得稅前利潤	2,218,227	1,661,854	1,900,784	2,175,378	2,735,383
Income tax expense	所得稅開支	(889,573)	(730,774)	(705,301)	(852,253)	(1,099,523)
Profit for the year	年度利潤	1,328,654	931,080	1,195,483	1,323,125	1,635,860
Owners of the parent	母公司擁有人	1,328,654	931,080	1,220,728	1,412,264	1,467,555
Non-controlling interests	非控股權益	—	—	(25,245)	(89,139)	168,305
		1,328,654	931,080	1,195,483	1,323,125	1,635,860
Total non current assets	非流動資產總值	8,963,224	9,288,743	11,159,712	13,608,822	21,099,092
Total current assets	流動資產總值	16,876,416	20,798,585	30,165,631	54,313,242	74,297,992
Total assets	總資產	25,839,640	30,087,328	41,325,343	67,922,064	95,397,084
Total non current liabilities	非流動負債總額	5,161,874	7,052,672	8,915,078	13,422,964	20,474,805
Total current liabilities	流動負債總額	15,933,154	17,378,464	23,953,399	40,649,355	56,875,830
Total liabilities	總負債	21,095,028	24,431,136	32,868,477	54,072,319	77,350,635
Total equity attributable to the Group	本集團應佔總權益					
Equity attributable to the parent company	歸屬於母公司權益	4,744,612	5,656,192	8,298,147	12,694,905	13,887,745
Non-controlling equity	非控股權益	—	—	158,719	1,154,840	4,158,704
Total equity	總權益	4,744,612	5,656,192	8,456,866	13,849,745	18,046,449

Rsun 弘陽

弘陽地產集團有限公司
Redsun Properties Group Limited

