



招商局 置地有限公司
CHINA MERCHANTS LAND LIMITED

Stock Code 股份代號：978

2019

ANNUAL REPORT
年度報告



CONTENTS 目錄

2	CORPORATE INFORMATION	公司資料
5	CHAIRMAN'S STATEMENT	主席報告
9	DIRECTORS AND SENIOR MANAGEMENT PROFILE	董事及高級管理人員履歷
20	MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析
46	ENVIRONMENTAL, POLICIES AND PERFORMANCE	環境、政策及表現
53	REPORT OF THE DIRECTORS	董事會報告
83	CORPORATE GOVERNANCE REPORT	企業管治報告
108	INDEPENDENT AUDITOR'S REPORT	獨立核數師報告
	AUDITED CONSOLIDATED FINANCIAL STATEMENTS	經審核綜合財務報表
	Statement of profit or loss and other comprehensive income	損益及其他全面收益表
118		
119	Statement of financial position	財務狀況表
121	Statement of changes in equity	權益變動表
123	Statement of cash flows	現金流量表
126	Notes to the financial statements	財務報表附註
272	FIVE-YEAR FINANCIAL SUMMARY	五年財務資料概要



CORPORATE INFORMATION

公司資料

DIRECTORS

Non-executive Directors

Mr. XU Yongjun (*Chairman*)
Mr. HUANG Junlong
Ms. LIU Ning

Executive Directors

Dr. SO Shu Fai
Mr. YU Zhiliang
Mr. WONG King Yuen

Independent Non-executive Directors

Dr. WONG Wing Kuen, Albert
Ms. CHEN Yanping
Dr. SHI Xinping
Mr. HE Qi

AUDIT COMMITTEE

Dr. WONG Wing Kuen, Albert (*Chairman*)
Ms. LIU Ning
Dr. SHI Xinping

NOMINATION COMMITTEE

Mr. XU Yongjun (*Chairman*)
Ms. CHEN Yanping
Dr. SHI Xinping

REMUNERATION COMMITTEE

Ms. CHEN Yanping (*Chairman*)
Mr. HUANG Junlong
Dr. WONG Wing Kuen, Albert

COMPANY SECRETARY

Mr. TSUI Kin Fung
(resigned on 31 May 2019)
Mr. Ng Ho
(appointed on 31 May 2019)

AUDITOR

Deloitte Touche Tohmatsu

董事

非執行董事

許永軍先生(*主席*)
黃均隆先生
劉寧女士

執行董事

蘇樹輝博士
余志良先生
黃競源先生

獨立非執行董事

王永權博士
陳燕萍女士
史新平博士
何琦先生

審核委員會

王永權博士(*主席*)
劉寧女士
史新平博士

提名委員會

許永軍先生(*主席*)
陳燕萍女士
史新平博士

薪酬委員會

陳燕萍女士(*主席*)
黃均隆先生
王永權博士

公司秘書

徐建峰先生
(於二零一九年五月三十一日辭任)
吳昊先生
(於二零一九年五月三十一日獲委任)

核數師

德勤 • 關黃陳方會計師行

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

P.O. Box 309, Uglan House,
Grand Cayman,
KY1-1104,
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 2603 to 2606, 26/F
China Merchants Tower, Shun Tak Centre
Nos. 168–200 Connaught Road Central
Hong Kong

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Co., Ltd.
Bank of Communications Co., Ltd. Hong Kong Branch
China Construction Bank Corporation
China Construction Bank (Asia) Corporation Limited
China Everbright Bank Co., Ltd.
China Merchants Bank Co., Ltd.
DBS Bank Limited
ING Bank N.V.
Industrial and Commercial Bank of China (Asia) Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia (China) Limited
China Minsheng Bank Corp., Ltd.
Dah Sing Bank
OCBC Wing Hang Bank Limited

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor
24 Shedden Road
P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

註冊辦事處

P.O. Box 309, Uglan House,
Grand Cayman,
KY1-1104,
Cayman Islands

總辦事處及主要營業地點

香港
干諾道中168–200號
信德中心招商局大廈
26樓2603–2606室

主要來往銀行

中國農業銀行股份有限公司
中國銀行(香港)有限公司
中國銀行股份有限公司
交通銀行股份有限公司
交通銀行股份有限公司·香港分行
中國建設銀行股份有限公司
中國建設銀行(亞洲)股份有限公司
中國光大銀行股份有限公司
招商銀行股份有限公司
星展銀行有限公司
荷蘭商業銀行
中國工商銀行(亞洲)有限公司
中國工商銀行股份有限公司
興業銀行股份有限公司
上海浦東發展銀行股份有限公司
香港上海滙豐銀行有限公司
東亞銀行(中國)有限公司
中國民生銀行
大新銀行
華僑永亨銀行

主要股份過戶及登記總處

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor
24 Shedden Road
P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

CORPORATE INFORMATION

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

SOLICITORS

Jun He Law Offices

WEBSITE

<http://ir.cmland.hk>

STOCK CODE

978

香港股份過戶及登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

律師

君合律師事務所

網址

<http://ir.cmland.hk>

股份代號

978

CHAIRMAN'S STATEMENT

主席報告

To Shareholders,

I hereby present to you the report of annual results of China Merchants Land Limited ("China Merchants Land" or the "Company", Stock Code: 00978) and its subsidiaries (together as the "Group" or "We") for the year ended 31 December 2019.

During the period under review, turnover of the Group increased by approximately 63% over last year to approximately RMB19,453,295,000, and profit attributable to the owners of the parent company rose by approximately 48% over last year to approximately RMB1,794,470,000. Profit attributable to the shareholders per share was approximately RMB36.58 cents (2018: RMB24.79 cents). The Group continues to maintain steady increase in cash return for the shareholders. The Board proposes payment of final dividends for the year ended 31 December 2019 of HK\$0.14 per share.

Not only did the year of 2019 representing the 70th anniversary of the founding of the new China, but also a critical year of building a well-off society in an all-round way. The PRC has transformed from a country of poverty to the world's second largest economy. Through integration of the nation's strength, the country has made an impressive historical step.

But at the moment, China's economy is also undergoing a sea change: uncertainties such as the US-China trade dispute and the Brexit continue to plague global markets. China's real estate sector, which is closely related to the macro economy, is facing unpredictable changes in the external environment, resulting in increased downward pressure on the internal economy, tightening of the financing environment and cooling of the land market. During the period under review, new home prices in the 100 cities (China Residential House Price Index (HPI-100)) continued to rise in a low range.

2019 was a key year to our development. As the era of China's real estate stock trading bringing prosperous prospect and growth potential to the asset management business, we had continued the promotion and implementation of our strategic transformation.

致各位股東：

本人欣然提呈招商局置地有限公司(「招商置地」或「本公司」，股份代號：00978)及其附屬公司(統稱「本集團」或「我們」)截至二零一九年十二月三十一日止之全年業績報告。

回顧期內，本集團營業收入按年增長約63%至約人民幣19,453,295,000元；母公司擁有人應佔溢利按年增長約48%至約為人民幣1,794,470,000元。每股股東應佔溢利約為人民幣36.58分(二零一八年：人民幣24.79分)。我們繼續穩定地提高股東現金回報，董事會建議派付截至二零一九年十二月三十一日止年度的末期股息每股港幣0.14元。

二零一九年是新中國成立七十周年，也是全面建成小康社會的關鍵之年。中國從一個積貧積弱的國家，一躍成為當今世界第二大經濟體，綜合國力的歷史性跨越讓世人矚目。

但此刻，中國經濟亦經歷著大變革大調整：中美貿易糾紛、英國脫歐等不明朗因素，持續困擾環球市場。與宏觀經濟緊密相關的中國房地產行業，面對外部環境變化莫測，內部經濟下行壓力加大，融資環境不斷收緊，土地市場熱度降溫，於回顧期內百城新建住宅價格環比漲幅持續在低位區間。

二零一九年是我們發展歷程中關鍵的一年。隨著中國房地產存量時代的到來為資產管理業務帶來廣泛前景和增長潛力，我們亦就此繼續推進和落實戰略轉型。

CHAIRMAN'S STATEMENT

主席報告

We had further amended and restated non-competition deed with China Merchants Shekou Industrial Zone Holdings Co., Ltd. ("CMSK"), our controlling shareholder, to synergize with CMSK and its heavy asset development business, to improve the operating results of the properties held in Beijing and Shanghai with our professional asset management capability, as well as to obtain stable management fee income from real estate management related business. Besides, we are allowed to involve in qualified development projects through minority investment so as to enjoy high return from investment.

In addition, the successful listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") of the China Merchants Commercial Real Estate Investment Trust ("CMC REIT"), of which China Merchants Land Asset Management Co., Ltd. ("CMLAM" or the "REIT Manager"), a wholly owned subsidiary of China Merchants Land, in December 2019, has enabled us to take an important step forward in developing our light asset real estate business. Backed by CMSK's extensive property and land reserves, China Merchants Land's specialized property finance and asset management businesses will be able to rapidly replicate and develop to unlock significant growth potential.

Property Development

During the year under review, we had seized the right time to grasp the opportunities brought by industry integration and adjustment, which showcased our outstanding marketing capability albeit downward situation. In 2019, the aggregate contracted sales amount of the Group was approximately RMB37,633,312,000, while the aggregate contracted sales area was approximately 2,116,012 sq.m., representing increases of approximately 9% and approximately 21% as compared to those of 2018, respectively. Moreover, we had made our first ever extension to the large scale residential development project in Hong Kong during the period, and, by partnering with the developers in Hong Kong, won the bid for the development right of the Tseung Kwan O project. To achieve the sustainable and qualified growth, we will continue to strengthen our ability to implement the project in various aspects including progress, quality, safety, customer services, costs and marketing, etc.

我們與控股股東招商局蛇口工業區控股股份有限公司（「招商蛇口」）進一步修訂及重列不競爭契據，與招商蛇口的重資產開發業務協同發展，以專業的資產管理能力，協助提升北京、上海持有型物業的運營業績，及負責房地產管理相關業務而獲得穩定的管理費收入；同時可以小股投資參與優質開發項目，享受高投資回報。

此外，招商局置地資管有限公司（「招商局置地管理」或「房託管理人」）（為招商置地全資附屬公司）擔任管理人的招商局商業房地產投資信託基金（「招商局房託基金」）更於二零一九年十二月成功於香港聯合交易所有限公司（「聯交所」）主板上市，令我們就發展輕資產房地產業務邁進重要一步。背靠招商蛇口大量持有形物業和土地儲備，招商置地之特色地產金融和資產管理業務將得以快速複製發展，增長潛力大大釋放。

房地產開發

我們於回顧年度內仍不失時機地搶抓行業整合與調整所帶來的機遇，在逆勢中展現了傲人的營銷能力。二零一九年，本集團合同銷售總額達約人民幣37,633,312,000元，合同銷售總面積約為2,116,012平方米，較二零一八年分別增長約9%和約21%。此外，我們於期內首次進軍大型香港住宅開發項目，夥拍香港發展商成功投得將軍澳項目的發展權。為實現可持續、有品質的增長，我們繼續加強對項目進度、品質、安全、客服、成本和行銷等實力。

CHAIRMAN'S STATEMENT

主席報告

Land Bank

We actively responded to city-specific policies, and conducted appropriate expansion of our business scale in other cities with sound investment strategies and deepened collaborative development. During the year under review, we continued to focus on and develop the cities with high quality and newly acquired 10 pieces of land with a total capacity area of approximately 1,479,667 sq.m. at a total land cost of approximately RMB11,955,620,000. As at 31 December 2019, the Group had land bank of approximately 5,954,429 sq.m. The management believes that the existing land bank is sufficient to fulfill the needs of the Company's project development for the next 3 years.

Capital and Finance

China Merchants Land robust capital structure is conducive to our resilience to economic cycles. At the end of 2019, our net gearing ratio was approximately 43%, which is at a healthy level in the property industry. The bank balances and cash amounted to approximately RMB8,957,799,000 and the balance of the interest-bearing debts excluding lease liabilities was amounted to approximately RMB21,961,032,000. The weighted average cost of the capital was approximately 4.99% of the annualised interest rate in 2019. At the same time, the Group placed great efforts in improving the cash collection of sales proceeds, hence achieving an annual cash collection of sales proceeds of approximately RMB34,049,904,000 and a cash collection rate of approximately 90.3%. The capital turnover remains stable and safe. In respect of management of foreign exchange risks, we will closely monitor the changes in foreign exchange market, so as to make swift response.

Outlook and Prospect

Looking forward to the year of 2020, although the Sino-U.S. trade conflict has temporarily cooled down due to the agreement on the "phase one" trade deal between the two countries, the global wave of interest rate cuts has reflected a further uncertainty in the outlook of the economic development of the world. The central government will follow out the overall principle of seeking progress while ensuring stability by implementing proactive fiscal policies and prudent monetary policies and maintaining a good balance between short-term growth and long-term development, so as to achieve steady growth, make structural adjustments, improve people's livelihood, promote reform and avert risks. In terms of real estate control policies, the central government will continue to insist on not considering real estate as a short-term measures to stimulate the economy. At the same time, the government will moderately maintain the room and flexibility for improvement of monetary policies in accordance with the basic principle of city-specific policies, maximizing the countercyclical adjustments in its macroeconomic policy. In this context, the real estate market is expected to achieve stable performance despite adversity in 2020.

土地儲備

我們積極應對因城施策，投資策略穩健，深化協同發展，適度擴大在其他城市的經營規模。回顧年內我們繼續聚焦深耕優質城市，新增土地10塊，總計容面積約1,479,667平方米，土地總價約人民幣11,955,620,000元。截至二零一九年十二月三十一日止，本集團持有土地儲備總額約5,954,429平方米。管理層相信現有土地儲備將滿足公司未來3年以上之項目發展需要。

資金與財務

招商置地穩健的資本結構有助公司抵抗經濟週期。於二零一九年底，我們的淨槓桿率約43%，在房地產行業屬健康水平；銀行結餘及現金折合約人民幣8,957,799,000元；有息負債餘額（不包括租賃負債）折合約人民幣21,961,032,000元，二零一九年加權平均資金成本為年化利率約4.99%。同時，我們加大銷售回款力度，全年銷售回款達約人民幣34,049,904,000元，回款率約90.3%，資金周轉平穩、安全。匯率風險管理方面，我們將密切關注外匯市場變化，以作出第一時間反應。

前景展望

展望二零二零年，雖然中美達成了第一階段經貿協議，貿易衝突暫時緩和，但全球降息潮的出現反映世界經濟發展前景進一步不明朗。中央政府將貫徹穩中求進工作總基調，把握積極的財政政策與穩健的貨幣政策，短期增長與長期發展的協調統一，以達到穩增長、調結構、惠民生、促改革、防風險的目的。中國房地產調控仍將繼續堅持不將房地產作為短期刺激經濟的手段，同時按照因城施策的基本原則，適度保持貨幣政策優化的空間和靈活性，加大宏觀政策逆周期調節力度。在此背景下，二零二零年房地產市場表現有望在逆勢中回復平穩勢態。

CHAIRMAN'S STATEMENT

主席報告

In January 2020, the epidemic has spread across the world and all sectors are affected. We carefully address the current situation of the epidemic of novel coronavirus to reduce the risks relating to our business operations and continue to adopt precautionary measures to protect the safety of all the staff members and working partners as necessary. While ensuring a high degree of business continuity, we strive to support the community in fighting the epidemic and ride out the storm together. We sincerely hope that the epidemic will soon be over.

We have been taking the responsibilities of implementing the Group's overseas strategy, seeking overseas development and achieving industrial synergy. We will maintain stable and cautious financial strategies and optimise our financial structure. Adhering to the principle of "sustained intensive engagement and innovative development", we will seize opportunities of shifting from production to stocking up in terms of the real estate market and promote the strategic transformation of the Group proactively. We will fully capitalise on the advantages of overseas listing to explore a larger market, and always use our best endeavors to create values for shareholders.

Appreciation

On behalf of the Board, I wish to take this opportunity to express our sincere gratitude to all of our dedicated staff for their diligence and contribution, as well as our shareholders and business partners for their endless support and confidence in the Group.

XU Yongjun

Chairman

27 March 2020

二零二零年一月，全球面對疫情來襲，誰也不能獨善其身。我們謹慎處理當前新冠肺炎病毒情況以減低企業運營風險，並繼續採取必要預防措施保障所有員工及工作夥伴的安全。我們在確保業務高度持續性的同時，努力支持我們的社區攜手抗疫，一起渡過難關。我們深切盼望新冠疫情可早日遠去。

我們一直肩負著踐行集團海外戰略、謀求海外發展、實現產業協同的責任，我們將恪守穩健審慎的財政策略，優化財務結構；秉承「持續深耕，創新發展」的原則開發業務，把握房地產市場從增量走向存量的機遇，積極推進集團戰略轉型，充分發揮境外上市平台的優勢，開拓更大的市場，時刻思考為股東們創造價值。

致謝

藉此機會，本人謹代表董事會全人，對一直以來盡心奉獻、辛勤努力的全體員工、各位股東及業務夥伴不遺餘力的支持和信任，表示最衷心的感謝。

許永軍

主席

二零二零年三月二十七日

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

The Directors' updated information is set out below, save as disclosed below, there is no financial, business, family or other material/relevant relationship among the Directors. The change of directors' information pursuant to Rule 13.51B of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") since the Company's last published interim report is set out in the section "Change of Information relating to Directors":

NON-EXECUTIVE DIRECTOR

Mr. XU Yongjun, aged 56, non-executive director of the Company, the chairman of the Board and the chairman of the nomination committee of the Company appointed on 18 March 2016.

Mr. XU joined China Merchants Logistics Holdings Co., Ltd.* since May 2001 and held various positions as chief marketing director, deputy general manager, executive deputy general manager and general manager until January 2016. On 30 December 2015, he was appointed as the director and general manager of China Merchants Shekou Industrial Zone Holdings Co., Ltd. ("CMSK"), an intermediate controlling shareholder of the Company, and is currently being the chairman of the Board of CMSK.

Mr. XU graduated from Fuyang Normal University* in Anhui province in July 1984. He graduated from Applied Chemistry Department of Northwest Institute of Light Industry* (currently renamed as Shanxi University of Science & Technology*) with a Master's Degree in Engineering in November 1987.

Mr. HUANG Junlong, aged 54, non-executive director of the Company and a member of the remuneration committee of the Company appointed on 18 March 2016.

Mr. HUANG is currently the chief financial officer of CMSK. He joined China Merchants Shekou Industrial Zone* as deputy supervisor of the finance department in 1988 and holds various positions as deputy in charge of finance department of China Merchants Group*, chief financial officer of China Merchants Logistics Group Co., Ltd.*, chief financial officer of China Merchants Port Service Co., Ltd.*, chief financial officer of Shenzhen China Merchants Petrochemical Co., Ltd.* and the financial controller of finance department of China Merchants Shekou Industrial Zone*.

* For identification purpose only

董事之最新資料載於下文。除下文披露者外，董事之間概無財務、業務、家族或其他重大／相關關係。自本公司最後刊發之中期報告後，根據香港聯合交易所有限公司證券上市規則（「上市規則」）第13.51B條董事資料之變動載於「有關董事資料之變動」一節：

非執行董事

許永軍先生，現年56歲，於二零一六年三月十八日獲委任為本公司非執行董事、董事會主席及本公司提名委員會主席。

許先生於二零零一年五月加入招商局物流集團有限公司歷任市場總監、副總經理、常務副總經理及總經理至二零一六年一月。於二零一五年十二月三十日獲委任為本公司間接控股股東招商局蛇口工業區控股股份有限公司（「招商蛇口」）之董事及總經理，現為招商蛇口之董事長。

許先生於一九八四年七月畢業於安徽省阜陽師範學院，一九八七年十一月於西北輕工業學院（現更名為陝西科技大學）就讀應用化學專業，獲工學碩士學位。

黃均隆先生，現年54歲，於二零一六年三月十八日獲委任為本公司非執行董事及本公司薪酬委員會成員。

黃先生現為招商蛇口之財務總監，彼於一九八八年加入招商局蛇口工業區任職財務部副主任，及後歷任招商局集團財務部副部長、招商局物流集團有限公司財務總監、招商港務股份有限公司財務總監、深圳招商石化有限公司財務總監及招商局蛇口工業區財務總監。

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

He was appointed as a non-executive director and the chairman of the Board of the REIT Manager of the China Merchants Commercial Real Estate Investment Trust (Stock Code: 1503), which is listed on the Stock Exchange, since 11 July 2019.

In July 1988, Mr. HUANG graduated from Changsha Institute of Communications* with a Bachelor's Degree in Finance and Accounting Profession. He graduated from China Europe International Business School* with a Master of Business Administration Degree in September 2008.

Ms. LIU Ning, aged 51, non-executive Director appointed on 2 June 2012. Ms. LIU is a member of the audit committee of the Board.

Ms. Liu has over 16 years experience in the securities industry and has been the secretary of the board of directors of CMSK since December 2015. She was appointed as the representative of securities affairs of China Merchants Property Development Co., Ltd ("CMPD") (a company merged with CMSK in December 2016) in October 2001, and the head of the secretariat of the board of directors of CMPD in July 2004, and the secretary of the board of directors of CMPD from 2008 to 2015. Ms. Liu has been a member of the 9th Listing Committee of the Shenzhen Stock Exchange from September 2016 to September 2018 and a pre-vetting specialist for the 2nd Corporate Bond Listing of the Shenzhen Stock Exchange from May 2017 to May 2019. She has been appointed as a non-executive director of the REIT Manager of the China Merchants Commercial Real Estate Investment Trust (Stock Code: 1503), which is listed on the Stock Exchange, since 11 July 2019. For relationship between the Company and CMC REIT, please refer to the section headed "Continuing Connected Transactions" in this annual report.

Ms. Liu obtained her MBA degree from the Macau University of Science and Technology after completing her postgraduate studies in Business Administration at the School of International Business, Nankai University in 2000.

彼自二零一九年七月十一日起，獲委任為在聯交所上市的招商局商業房地產投資信託基金(股份代號：1503)房託管理人的非執行董事兼董事會主席。

黃先生於一九八八年七月畢業於長沙交通學院管理系財務會計專業，獲學士學位，後於二零零八年九月畢業於中歐國際工商學院，獲工商管理碩士學位。

劉寧女士，現年51歲，自二零一二年六月二日加入本公司為非執行董事。劉女士為董事會審核委員會成員。

劉女士於證券業擁有超過16年經驗，並於二零一五年十二月起擔任招商蛇口董事會秘書。彼於二零零一年十月獲委任為招商局地產控股股份有限公司(「招商地產」)(於二零一六年十二月與招商蛇口合併的一家公司)證券事務代表、於二零零四年七月獲委任為招商地產董事會秘書處主任，並從二零零八年至二零一五年間，擔任招商地產之董事會秘書。劉女士自二零一六年九月至二零一八年九月期間出任深圳證券交易所第九屆上市委員會委員，以及自二零一七年五月至二零一九年五月期間出任深圳證券交易所第二屆公司債券上市預審核專家。彼自二零一九年七月十一日起，獲委任為在聯交所上市的招商局商業房地產投資信託基金(股份代號：1503)房託管理人的非執行董事。關於本公司與招商局房託基金之間的關係，請參見本年度報告中題為的「持續關連交易」之部分。

劉女士於二零零零年完成南開大學國際商學院工商管理專業研究生課程後就讀於澳門科技大學獲工商管理碩士學位。

* For identification purpose only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

EXECUTIVE DIRECTOR

Dr. SO Shu Fai, aged 68, executive Director and chairman of the executive committee appointed on 11 December 2010 and was elected chairman of the Company on 31 December 2010. Dr. SO resigned from his position as the chairman of the Board and his board committee position on 23 June 2012 and remains an executive Director.

Dr. SO is the vice-chairman, an executive director and CEO of SJM Holdings Limited, which is listed on the Stock Exchange. He is a director of Estoril-Sol, SGPS, S.A. which is listed on Euronext Lisbon and the chairman of the board of directors of MACAUPORT – Sociedade de Administração de Portos, S.A.

Dr. SO was a member of the 9th, 10th, 11th and 12th National Committee of the Chinese People's Political Consultative Conference ("CPPCC"). He is presently the honorary consul of the Republic of Portugal in the Hong Kong SAR and a consultant of the Economic Development Council of the Macau SAR Government. Dr. SO is the president of Clube Militar de Macau, a member of the board of directors of The University of Hong Kong Foundation for Educational Development and Research, as well as a member of the 10th National Committee of China Federation of Literary and Arts Circles.

Dr. SO was awarded the Honorary University Fellowship by The University of Hong Kong in 2005, the Medal of Merit – Culture by the Macau SAR Government in 2009 and the Doctor of Social Sciences *honoris causa* by the University of Macau in 2012. He was conferred as Commendador Order of Merit by the Portuguese Government in 2014.

Dr. SO is a Chartered Secretary and a Fellow member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. He is a fellow member of The Hong Kong Institute of Directors. He graduated with a Bachelor of Science Degree from The University of Hong Kong in 1973, and received a Doctoral Degree in Management Studies from IMC/Southern Cross University in 2001.

執行董事

蘇樹輝博士，現年68歲，於二零一零年十二月十一日加入本公司出任執行董事兼執行委員會主席，並於二零一零年十二月三十一日獲選為本公司主席。蘇博士於二零一二年六月二十三日辭任董事會主席及於董事委員會的全部職位，但留任執行董事。

蘇博士為聯交所上市公司澳門博彩控股有限公司之副主席、執行董事兼行政總裁。彼為Euronext里斯本上市公司Estoril-Sol, SGPS, S.A.董事，以及MACAUPORT– Sociedade de Administração de Portos, S.A.董事會主席。

蘇博士為中國人民政治協商會議(「政協」)第九屆、第十屆、第十一屆及第十二屆全國委員會委員。現任葡萄牙共和國駐香港特別行政區名譽領事及澳門特區政府經濟發展委員會顧問。蘇博士為澳門陸軍俱樂部主席、香港大學教研發展基金董事局成員，以及中國文學藝術界聯合會第十屆全國委員會委員。

蘇博士於二零零五年獲香港大學授予名譽大學院士銜。二零零九年，彼獲澳門特區政府頒授文化功績勳章。二零一二年，彼獲澳門大學頒授榮譽社會科學博士學位，二零一四年，獲葡萄牙總統頒授司令級功績勳章。

蘇博士為特許秘書，並為香港特許秘書公會資深會士及英國特許秘書及行政人員公會資深會士及香港董事學會資深會員。彼於一九七三年畢業於香港大學，獲授理學學士學位，並於二零零一年獲IMC/Southern Cross University授予管理學博士學位。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

Mr. YU Zhiliang, aged 41, joined the Company as an executive Director since 2 June 2012. He served as a general manager of the Company since 18 August 2016. He was the Company's Chief Financial Officer during the period from 29 June 2012 to 17 August 2016. Mr. YU has served as a director of Champion Apex Limited since January 2013 and a director of Harvest Allied Investments Limited since April 2013. Mr. YU is responsible for strategic development, and to facilitate and implement the operational plans of the Group.

Mr. YU has served as the chief financial officer of China Merchants Property (Xiamen) Co. Ltd.* (招商局地產(廈門)有限公司) and Fujian Zhong Lian Sheng Estate Development Ltd.* (福建中聯盛房地產開發有限公司) since 2010. Mr. YU is a director of certain major subsidiaries of the Company. He has been appointed as a non-executive Director of the REIT Manager of the China Merchants Commercial Real Estate Investment Trust (Stock Code: 1503), which is listed on the Stock Exchange, since 11 July 2019. For relationship between the Company and CMC REIT, please refer to the section headed "Continuing Connected Transactions" in this annual report.

He obtains a Bachelor's Degree in Accounting from Xiamen University* (廈門大學) and obtains an MBA Degree with a concentration in finance from the Chinese University of Hong Kong. Mr. YU is an accountant of the People's Republic of China (the "PRC").

Mr. WONG King Yuen, aged 52, executive director of the Company appointed on 18 March 2016.

Mr. WONG has over 20 years of experience in real estate industry. He served as assistant property manager in property agency department in China Merchants Properties Development Limited in February 1995 and subsequently he was promoted as deputy manager, manager, deputy general manager and the current position of director and general manager. From January 1999, he acted as general manager assistant in China Merchants Property Agency Limited and later he was promoted to the position of deputy general manager and the current position of director and general manager. From September 2001 to December 2002, he served as director and general manager in China Merchants Property Management (Hong Kong) Limited and from September 2017, he also acted as director and general manager in China Merchants Property Management (Overseas) Limited.

Mr. WONG graduated from Hong Kong Baptist University with a Bachelor's Degree of Business Administration (Honours) majoring in finance in November 1990. He obtained a Master's Degree of Science in real estate from the University of Hong Kong in December 2006. In 1999, he obtained estate agents license (individual) from Hong Kong Estate Agents Authority. In 2010, he was awarded the membership of Hong Kong Institute of Real Estate Administrators.

* For identification purpose only

余志良先生，現年41歲，自二零一二年六月二日加入本公司為執行董事。彼自二零一六年八月十八日起擔任本公司總經理；自二零一二年六月二十九日至二零一六年八月十七日期間出任本公司財務總監。自二零一三年一月起，余先生擔任華先有限公司之董事，並自二零一三年四月起出任滙泰投資有限公司之董事。余先生負責執行集團戰略，並推進經營計劃與落實。

余先生自二零一零年起擔任招商局地產(廈門)有限公司及福建中聯盛房地產開發有限公司之財務總監。余先生為本公司若干主要附屬公司之董事。彼自二零一九年七月十一日起，獲委任為在聯交所上市的招商局商業房地產投資信託基金(股份代號：1503)房託管理人的非執行董事。關於本公司與招商局房託基金之間的關係，請參見本年度報告中題為的「持續關連交易」之部分。

彼獲得廈門大學會計學士學位，並獲得香港中文大學工商管理(金融方向)碩士學位。余先生為中華人民共和國(「中國」)會計師。

黃競源先生，現年52歲，於二零一六年三月十八日獲委任為本公司執行董事。

黃先生於房地產行業擁有超過20年經驗。彼於一九九五年二月加入招商局置業有限公司地產代理部任職助理物業經理，後晉升至副部門經理、部門經理、副總經理及至今之董事及總經理職位。期間於一九九九年一月兼任招商局地產代理有限公司總經理助理，後晉升至副總經理及至今之董事及總經理職位。於二零零一年九月至二零零二年十二月亦曾擔任招商局物業管理(香港)有限公司之董事及總經理，並於二零一七年九月至今兼任招商局物業管理(海外)有限公司之董事及總經理。

黃先生於一九九零年十一月畢業於香港浸會大學工商管理學士(榮譽)學位，主修財務學。及後於二零零六年十二月獲得香港大學理科碩士(房地產)。黃先生於一九九九年獲得香港地產代理監管局之地產代理(個人)牌照。於二零一零年成為香港地產行政師學會之會員。

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. WONG Wing Kuen, Albert, aged 68, joined the Company as an independent non-executive Director on 2 June 2012. Dr. WONG is the chairman of the audit committee and a member of the remuneration committee of the Company. Dr. WONG currently holds the following positions in other listed companies:

- independent non-executive director of China VAST Industrial Urban Development Company Limited, a company listed on the Stock Exchange (Stock Code: 6166);
- independent non-executive director of APAC Resources Limited, a company listed on the Stock Exchange (Stock Code: 1104);
- independent non-executive director of Solargiga Energy Holdings Limited, a company listed on the Stock Exchange (Stock Code: 757);
- independent non-executive director of China Wan Tong Yuan (Holdings) Limited, (its shares have transferred of listing from GEM to main board with stock code 6966 since 17 December 2019);
- independent non-executive director of Capital Finance Holdings Limited, a company listed on the Stock Exchange (Stock Code: 8239);
- independent non-executive director of China Medical & HealthCare Group Limited, a company listed on the Stock Exchange (Stock Code: 383); and
- independent non-executive director of Dexin China Holdings Company Limited, a company listed on the Stock Exchange (Stock Code: 2019).

In addition, Dr. WONG served as the managing director of Charise Financial Planning Limited, a private professional consulting firm in Hong Kong since October 2005 to 2 January 2014 and served as Principal Consultant of KND & Co., CPA Limited, a private professional auditing firm in Hong Kong since 2 January 2014 to 2017. Dr. WONG was appointed as the Principal Consultant by KND Associates CPA Limited, Hong Kong on 2 January 2018. Dr. WONG was elected or admitted:

- a fellow of The Institute of Chartered Secretaries and Administrators in September 2002;
- a fellow of The Hong Kong Institute of Chartered Secretaries in February 2002;

獨立非執行董事

王永權博士，現年68歲，自二零一二年六月二日加入本公司為獨立非執行董事。王博士為本公司審核委員會主席及薪酬委員會成員。王博士現於其他上市公司擔任以下職位：

- 中國宏泰產業市鎮發展有限公司(於聯交所上市的公司；股份代號：6166)的獨立非執行董事；
- 亞太資源有限公司(於聯交所上市的公司；股份代號：1104)的獨立非執行董事；
- 陽光能源控股有限公司(於聯交所上市的公司；股份代號：757)的獨立非執行董事；
- 中國萬桐園(控股)有限公司(其股份由二零一九年十二月十七日起由創業板轉往主板掛牌，股份代號：6966)的獨立非執行董事；
- 首都金融控股有限公司(於聯交所上市的公司；股份代號：8239)的獨立非執行董事；
- 中國醫療網絡有限公司(於聯交所上市的公司；股份代號：383)的獨立非執行董事；及
- 德信中國控股有限公司(於聯交所上市的公司；股份代號：2019)的獨立非執行董事。

此外，王博士自二零零五年十月起至二零一四年一月二日期間擔任卓昇財務策劃有限公司(為一家香港私人專業顧問公司)的董事總經理，亦於二零一四年一月二日至二零一七年期間擔任冠達會計師事務所有限公司(為一家香港私人執業核數師公司)的首席顧問。於二零一八年一月二日，王博士獲委任為香港冠泓會計師行有限公司的首席顧問。王博士於：

- 二零零二年九月獲選為英國特許秘書及行政人員公會資深會員；
- 二零零二年二月獲選為香港特許秘書公會資深會員；

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

- a fellow of the Taxation Institute of Hong Kong in January 1999;
- a member of The Hong Kong Securities and Investment Institute in November 2012;
- a fellow member of Association of International Accountants in September 2005;
- a fellow member of The Institute of Certified Public Accountants in Ireland in August 2000;
- a member of the Chartered Institute of Arbitrators in May 2002; and
- a Certified Tax Adviser of Hong Kong for the year 2013 by the Taxation Institute of Hong Kong.
- 一九九九年一月獲選為香港稅務學會資深會員；
- 二零一二年十一月獲選為香港證券及投資學會會員；
- 二零零五年九月獲選為國際會計師公會資深會員；
- 二零零零年八月獲選為愛爾蘭註冊會計師協會資深會員；
- 二零零二年五月獲選為英國特許仲裁員公會會員；及
- 二零一三年獲香港稅務學會頒授香港註冊稅務師資格。

Dr. WONG received a Doctoral Degree in Business Administration from Bulacan State University, Republic of the Philippines in December 2010 and a Bachelor's Degree in commerce from a joint program held by Shenzhen University and Clayton University, Missouri, USA in May 1990. He also received a Bachelor's Degree and a Master's Degree in Business Administration from Nottingham Trent University, UK in December 2005 and December 2007, respectively.

Ms. CHEN Yanping, aged 61, joined the Company as an independent non-executive Director on 2 June 2012.

Ms. CHEN had attended a "China Management Training Program" in University of California, Los Angeles from November 2003 to November 2004. Ms. CHEN received a Bachelor's Degree and a Master's Degree in urban planning profession from the Faculty of Architecture of Tongji University in January 1982 and November 1984, respectively. Ms. CHEN was qualified as a senior engineer in December 1993 and subsequently qualified as a registered planner of the PRC in October 2000.

Ms. CHEN had been an independent director of CMPD from October 2007 to November 2011. Ms. CHEN is the chairlady of the remuneration committee and a member of the nomination committee of the Company. Ms. CHEN is a professor of Architecture and Urban Planning School in Shenzhen University from December 2000.

王博士於二零一零年十二月於菲律賓比立勤國立大學獲得工商管理博士學位以及於一九九零年五月獲深圳大學及美國密蘇里Clayton University聯合項目商務學士學位。彼亦分別於二零零五年十二月及二零零七年十二月獲得英國Nottingham Trent University工商管理學士學位及碩士學位。

陳燕萍女士，現年61歲，自二零一二年六月二日加入本公司為獨立非執行董事。

陳女士自二零零三年十一月至二零零四年十一月曾於加州大學洛杉磯分校出席「中國管理層培訓計劃」。彼分別於一九八二年一月及一九八四年十一月獲得同濟大學建築系城市規劃專業學士及碩士學位。陳女士於一九九三年十二月獲高級工程師資格，及後於二零零零年十月獲中國註冊規劃師資格。

自二零零七年十月至二零一一年十一月，陳女士為招商地產獨立董事。陳女士為本公司薪酬委員會主席及提名委員會成員。陳女士自二零零零年十二月起為深圳大學建築與城市規劃學院教授。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

Dr. SHI Xiping, aged 61, joined the Company as an independent non-executive Director on 2 June 2012. Dr. SHI had been an independent director of CMPD from July 2001 to October 2007. Dr. SHI is a member of the audit committee and a member of the nomination committee of the Company.

Dr. SHI was an associate professor of the Department of Finance and Decision Sciences in Hong Kong Baptist University before retirement. He is also an independent non-executive director of Renewable Energy Trade Board Corporation (formerly known as “China Technology Development Group Corporation”), a company listed on Nasdaq.

Dr. SHI received a Bachelor’s Degree from North-western Polytechnic University in July 1982, an MBA Degree from Lancaster University, UK in December 1990 and a PhD Degree from Middlesex University, UK in July 1995.

Mr. HE Qi, aged 64, was appointed as an independent non-executive Director of the Company on 1 November 2013. Mr. HE currently is an independent non-executive director of China Evergrande Group, a company listed on the Stock Exchange (Stock Code: 3333) since 14 October 2009. Since 10 September 2014, Mr. HE has been serving as the independent non-executive director of Orient Victory Travel Group Company Limited, a company listed on the Stock Exchange (Stock code: 265), and also the secretary of the Distribution Services and Leasing Committee of the China Real Estate Association. Mr. HE had been serving as the deputy secretary of the China Real Estate Association until June 2016. He was an executive of the Development Centre of the China Real Estate Association from 1995 to 1999.

史新平博士，現年61歲，自二零一二年六月二日加入本公司為獨立非執行董事。史博士自二零零一年七月至二零零七年十月為招商地產的獨立董事。史博士為本公司審核委員會及提名委員會的成員。

史博士榮休前為香港浸會大學財務及決策學系副教授。彼亦為納斯達克上市公司可再生能源交易所(原名「中國科技發展集團有限公司」)獨立非執行董事。

史博士於一九八二年七月獲得西北工業大學學士學位、於一九九零年十二月獲得英國 Lancaster University 工商管理碩士學位及於一九九五年七月獲得英國 Middlesex University 博士學位。

何琦先生，現年64歲，於二零一三年十一月一日獲委任為本公司獨立非執行董事。自二零零九年十月十四日起，何先生為聯交所上市公司中國恒大集團(股份代號：3333)的獨立非執行董事。自二零一四年九月十日起，何先生為聯交所上市公司東勝旅遊集團有限公司(股份代號：265)的獨立非執行董事，亦為中國房地產協會流通服務和租賃委員會秘書長。何先生曾擔任中國房地產協會副秘書長，直至二零一六年六月份。彼於一九九五年至一九九九年擔任中國房地產協會產業協會發展院主任。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

CHANGE OF INFORMATION RELATING TO DIRECTORS

Changes in directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

有關董事資料之變動

根據上市規則第13.51B(1)條規定須予披露有關董事資料變動之資料變動載列下文：

Name of director 董事姓名	Details of change 變動詳情
Mr. Xu Yongjun 許永軍先生	During the year ended 31 December 2019, Mr. XU was appointed as chairman of the Board of CMSK, and no longer act as General Manager of CMSK. 截至二零一九年十二月三十一日止年度，許先生獲委任為招商蛇口之董事長及不再擔任招商蛇口之總經理。
Mr. Huang Junlong 黃均隆先生	During the year ended 31 December 2019, Mr. HUANG was appointed as non-executive director and chairman of REIT Manager of CMC REIT (listed on the Stock Exchange with Stock Code:1503). 截至二零一九年十二月三十一日止年度，黃先生獲委任為招商局房託基金(於聯交所上市，股份代號：1503)房託管理人之非執行董事及主席。
Ms. LIU Ning 劉寧女士	During the year ended 31 December 2019, Ms. LIU was appointed as Non-Executive Director of REIT Manager of CMC REIT (listed on the Stock Exchange with Stock Code:1503). 截至二零一九年十二月三十一日止年度，劉女士獲委任為招商局房託基金(於聯交所上市，股份代號：1503)房託管理人之非執行董事。
Mr. YU Zhiliang 余志良先生	During the year ended 31 December 2019, Mr. YU received annual emoluments of RMB2,279,201 which were determined by reference to his experience and responsibilities, the Company's performance and remuneration policy and the prevailing market conditions. He was appointed as non-executive director of REIT Manager of CMC REIT (listed on the Stock Exchange with Stock Code:1503). 截至二零一九年十二月三十一日止年度，余先生收取年度酬金人民幣2,279,201元，有關酬金乃經參考彼之經驗及職責、本公司之表現及薪酬政策以及現行市況而釐定。彼亦獲委任為招商局房託基金(於聯交所上市，股份代號：1503)房託管理人之非執行董事。
Dr. WONG Wing Kuen, Albert 王永權博士	During the year ended 31 December 2019, China Wan Tong Yuan (Holdings) Limited, in which Dr. Wong acts as an independent non-executive director, has completed transfer of listing from GEM to the main board of the Stock Exchange with new stock code 6966. 截至二零一九年十二月三十一日止年度，王博士擔任獨立非執行董事之中國萬桐園(控股)有限公司之股份完成由創業板轉為聯交所主板掛牌，新股份代號為6966。

Upon specific enquiry by the Company and confirmations from Directors, save as otherwise set out in this Report, there are no other changes in the directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published interim report.

經本公司作出具體查詢並獲董事確認，除本報告其他部分所載列者外，自本公司最後刊發之中期報告後，概無根據上市規則第13.51B(1)條須予披露有關董事資料之其他變動。

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

SENIOR MANAGEMENT PROFILE

Mr. Zhang Tao, aged 51, is responsible for managing real estate development projects.

Mr. Zhang joined of CMPD Operation Management Center as deputy general manager in December 2012, and later became general manager of Dalian Company in March 2013, general manager of Qingdao Company in January 2015, and general manager of Sunan Company in March 2016. Since 2019, Mr. Zhang has been the Deputy General Manager (in charge of work) of Jiangnan Region (south of the Yangtze River) and the General Manager of Sunan Company and Nanjing Company.

Mr. Zhang graduated from Changchun Institute of Technology in July 1990 and Peking University in July 2000 with a master's degree in political economics.

Mr. HUANG Qinghao, aged 44, is responsible for the management of property development projects.

Mr. HUANG joined the Construction Management Center of CMPD in May 2005 as a structural engineer and was subsequently redesignated to Foshan Company in February 2008. He initially served as a manager of design and engineering department and was subsequently promoted as general manager assistant and deputy general manager. In January 2014, he was promoted as the general manager of Foshan Company.

Prior to joining the Group, Mr. HUANG worked in Shenzhen General Institute of Architectural Design & Research Third Institute (深圳市建築設計研究總院三部) from October 2001 and October 2003 as a structural engineer. From October 2003 to May 2005, Mr. HUANG worked in Arch Engineers Design Co. Ltd* (藝藝工程設計公司) as a structural engineer.

Mr. HUANG graduated from Central South University* and was awarded a Bachelor's Degree in Industrial and Civil Construction in June 1997. Mr. HUANG was qualified as an engineer in September 2001 and subsequently was qualified as a first-class qualified structural engineer in October 2005. He was awarded a Master's Degree in Civil Engineering Profession from Shenzhen University* in June 2006 and qualified as an architectural construction senior engineer in December 2007.

* For Identification Purpose Only

高級管理人員履歷

張濤先生，現年51歲，負責管理房地產開發項目。

張先生於二零一二年十二月加入招商地產運營管理中心擔任副總經理，其後於二零一三年三月擔任大連公司總經理、二零一五年一月擔任青島公司總經理、二零一六年三月擔任蘇南公司總經理、二零一九年至今擔任江南區域副總經理(主持工作)兼蘇南、南京公司總經理。

張先生於一九九零年七月畢業於長春工程學院，二零零零年七月畢業於北京大學，並授予政治經濟學專業碩士學位。

黃慶浩先生，現年44歲，負責管理房地產開發項目。

黃先生於二零零五年五月加入招商地產工程管理中心擔任結構工程師，其後於二零零八年二月調任至佛山公司，最初擔任設計工程部經理，後晉升為總經理助理及副總經理。於二零一四年一月，再次晉升至佛山公司總經理。

於加入本集團前，黃先生自二零零一年十月至二零零三年十月任職於深圳市建築設計研究總院三部擔任結構工程師。及後，於二零零三年十月至二零零五年五月擔任藝藝工程設計公司的結構工程師。

黃先生於一九九七年六月畢業於中南大學，並獲授工業與民用建築專業學士學位。黃先生於二零零一年九月獲工程師資格，及後於二零零五年十月獲一級註冊結構工程師資格。於二零零六年六月於深圳大學獲授結構工程專業碩士學位及於二零零七年十二月獲授建築施工高級工程師資格。

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

Mr. LI Zhaohui, aged 49, is responsible for the management of property development projects.

Mr. LI joined the Project Department of CMPD as an engineer in March 2002 and subsequently, he worked as a senior project manager for Construction Management Center in February 2005 and was promoted to deputy technical director in December 2005. In April 2007, he was redesignated to Chongqing Company as general manager assistant and was subsequently promoted to deputy general manager of Chongqing Company in February 2009. He was further promoted to deputy general manager of Chongqing Company (monitoring works) in July 2015.

Prior to joining the Group, Mr. LI worked in Zhenjiang Construction and Design Institute* in Jiangsu Province from July 1992 to March 2002.

Mr. LI graduated from the Faculty of Water Supply and Drainage Engineering of Urban Construction in Chongqing Construction Engineering University* in July 1992 and subsequently obtained the qualification as a water supply and drainage professional engineer in November 1998.

Mr. HE JunLi, aged 42, is responsible for the management of the property development projects.

Mr. HE joined CMPD in April 2003 as a planning manager for the Huangjintai project, later was promoted as senior manager in December 2005. He was a vice development director of Chongqing (Chengdu) in May 2008 and was promoted as assistant to general manager of Chongqing Company in February 2011. In June 2016, he was further promoted as vice general manager of Chongqing Company and also took up the position of a general manager of Chongqing China Merchants Jinshan Yiku Business Management Company* (重慶招商金山意庫商業管理公司). He was redesignated as a general manager of Xi'an Company in September 2017.

Before joining the Group, Mr. HE worked in the property department of Vanke as engineer trainee from August 2001 to April 2002, and joined Sinolink (Shenzhen) as property development manager from April 2002 to April 2003.

Mr. HE graduated from Southeast University* in June 2001 with a bachelor degree in professional architectural engineering.

李朝暉先生，現年49歲，負責管理房地產開發項目。

李先生於二零零二年三月加入招商地產項目部擔任工程師，其後於二零零五年二月擔任工程管理中心項目高級經理及於二零零五年十二月晉升為技術副總監。於二零零七年四月調任至重慶公司擔任總經理助理，及後於二零零九年二月晉升為重慶公司副總經理。於二零一五年七月再度晉升為重慶公司副總經理(主持工作)。

於加入本集團前，李先生自一九九二年七月至二零零二年三月任職於江蘇省鎮江市建築設計研究院。

李先生於一九九二年七月畢業於重慶建築工程學院城市建設工程系給水排水工程專業。及後，於一九九八年十一月獲授給排水專業工程師資格。

何軍利先生，現年42歲，負責管理房地產開發項目。

何先生於二零零三年四月加入招商地產擔任黃金台項目策劃經理，其後於二零零五年十二月任高級經理，於二零零八年五月任重慶(成都)發展副總監，於二零一一年二月晉升重慶公司總經理助理，於二零一六年六月晉升重慶公司副總經理兼任重慶招商金山意庫商業管理公司總經理。彼於二零一七年九月調任西安公司擔任總經理。

於加盟本集團前，何先生自二零零一年八月至二零零二年四月擔任萬科地產項目部見習工程師，後於二零零二年四月至二零零三年四月擔任深圳百仕達地產發展經理。

何先生於二零零一年六月畢業於東南大學，獲授建築工程專業工學學士學位。

* For Identification Purpose Only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT PROFILE

董事及高級管理人員履歷

Ms. CHEN Yan, aged 42, appointed as the financial controller of the Company since January 2018. She has served in various roles at CMSK, a controlling shareholder of the Company. She joined CMSK in October 2009, and served as a senior manager of the financial department until July 2016. Meanwhile, she was appointed as a senior directing finance manager from July 2016 to May 2017. She had been a vice-financial controller of the Company during the period from May 2017 up to January 2018 and served as internal auditor of REIT manager of CMC REIT since December 2019. For relationship between the Company and CMC REIT, please refer to the section headed “Continuing Connected Transactions” in this annual report.

Ms. CHEN Yan was graduated from Sun Yat-Sen University Business School with a Master’s Degree in Accounting and Business Studies in 2002. She was qualified as a Certified Public Accountant in the PRC in 2002.

Mr. NG Ho, aged 32, appointed as Company Secretary of the Company since 31 May 2019. Mr. Ng holds a Master of Business degree from Monash University in Australia and is an associate of both The Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. He has over 6 years of experience in compliance and listed company secretarial practice.

陳燕女士，現年42歲，自二零一八年一月份起擔任本公司財務總監。彼曾於本公司之控股股東招商蛇口擔任多個職位。彼於二零零九年十月加入招商蛇口，出任財務部高級經理，直至二零一六年七月止。同時，自二零一六年七月至二零一七年五月，彼亦獲委任為招商蛇口財務部之高級主任財務管理師。自二零一七年五月至二零一八年一月期間曾出任本公司財務副總監及自二零一九年十二月起出任招商局房託基金的房託管理人之內部核數師。關於本公司與招商局房託基金之間的關係，請參見本年度報告中題為的「持續關連交易」之部分。

陳女士於二零零二年畢業於中山大學管理學院，取得會計學商學碩士學位。於二零零二年，彼獲得中國註冊會計師資格。

吳昊先生，現年32歲，自二零一九年五月三十一日起擔任本公司公司秘書。吳先生持有澳洲蒙納士大學商業碩士學位，並均為香港特許秘書公會及英國特許秘書及行政人員公會的會士。彼在合規和上市公司秘書實務方面擁有逾六年經驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MARKET REVIEW

In 2019, the global economic growth was the weakest since the global financial crisis ten years ago, reflecting the common factors affecting various countries and country-specific factors. During the year, the addition of trade barriers and relevant uncertainties adversely affected global business confidence and economic activities. In some economies including China, existing periodic and structural slowdown was intensified by such uncertainty. In terms of the growth rate of other economies worldwide during the year, China was still ranked among the highest. The gross domestic product (GDP) of China in 2019 was RMB99.0865 trillion, representing an increase of 6.1% as compared with that of last year, with the GDP per capita passing the threshold of US\$10,000 and reaching US\$10,276 at the average exchange rate of the year.

For the real estate industry in China, being one of the pillars of domestic economic growth, the National Real Estate Climate Index in 2019 remained at moderate level, and the industry maintained a generally high growth rate. In 2019, investment in real estate development in the PRC was RMB13.2194 trillion, representing an increase of 9.9% as compared with that of last year, and a growth of 0.4 percentage point compared to last year. Among which, investment in residential buildings was RMB9,707.1 billion, representing an increase of 13.9%, and a growth of 0.5 percentage point compared to last year.

In 2019, the area of commercial houses sold was 1,715.58 million square metres, representing a decrease of 0.1% as compared with that of last year, where the growth from January to November was 0.2%, compared to the growth of 1.3% last year. Among which, the area of residential properties sold increased by 1.5%, the area of office buildings sold decreased by 14.7%, and the area of commercial business properties sold decreased by 15.0%. The sales of commercial houses was RMB15,972.5 billion, representing an increase of 6.5%, where the growth rate down by 0.8 percentage point from January to November, and down by 5.7 percentage point from last year. Among which, the sales of residential properties increased by 10.3%, the sales of office buildings decreased by 15.1%, and the sales of commercial business properties decreased by 16.5%.

市場回顧

二零一九年全球增長速度是十年前全球金融危機以來最慢的，反映了影響各國的共同因素和國家特定因素。年內，貿易壁壘的增加和相關的不確定性在全球範圍內對商業信心和經濟活動造成不利影響。在包括中國在內的部分經濟體，這種發展變化加劇了已經開始的週期性和結構性增長放緩。縱觀全球年內其他經濟體的增長速度，中國仍然名列前茅。中國二零一九年國內生產總值為人民幣99.0865萬億元，比上年增長6.1%；按年平均匯率折算，人均GDP突破1萬美元大關，達到10,276美元。

作為國內經濟增長支柱之一，中國房地產行業於二零一九年的開發景氣指數保持在適度景氣水平，整體保持較快增速。二零一九年，全國房地產開發投資人民幣13,219.4億元，比上年增長9.9%，增速比上年加快0.4個百分點。其中，住宅投資人民幣9,707.1億元，增長13.9%，增速比上年加快0.5個百分點。

二零一九年，商品房銷售面積171,558萬平方米，比上年下降0.1%，1-11月份為增長0.2%，上年為增長1.3%。其中，住宅銷售面積增長1.5%，辦公樓銷售面積下降14.7%，商業營業用房銷售面積下降15.0%。商品房銷售額人民幣15,972.5億元，增長6.5%，增速比1-11月份回落0.8個百分點，比上年回落5.7個百分點。其中，住宅銷售額增長10.3%，辦公樓銷售額下降15.1%，商業營業用房銷售額下降16.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

For the year of 2019, profit amounted to RMB2,699,736,000 (2018: RMB2,205,512,000), representing a year-on-year increase of approximately 22%. The profit attributable to the owners of the Company was RMB1,794,470,000 (2018: RMB1,216,132,000), representing a year-on-year increase of approximately 48%. Basic earnings per share was RMB36.58 cents (2018: RMB24.79 cents), representing a year-on-year increase of approximately 48%.

Equity attributable to owners of the Company was RMB9,505,741,000 as at 31 December 2019 (2018: RMB8,117,893,000), representing an increase of approximately 17% as compared with that of the end of last year.

The Group, together with its associates and joint ventures, achieved aggregate contracted sales of RMB37,633,312,000 (2018: RMB34,431,766,000), representing a year-on-year increase of approximately 9%. Aggregate contracted sales area was 2,116,012 sq.m. (2018: 1,741,931 sq.m.), representing a year-on-year increase of approximately 21%. The average selling price was approximately RMB17,785 per sq.m. (2018: RMB19,766 per sq.m.), representing a year-on-year decrease of approximately 10%.

財務回顧

於二零一九年內，溢利為人民幣2,699,736,000元（二零一八年：人民幣2,205,512,000元），同比增加約22%。本公司擁有人應佔溢利為人民幣1,794,470,000元（二零一八年：人民幣1,216,132,000元），同比增加約48%。每股基本盈利為人民幣36.58分（二零一八年：人民幣24.79分），同比增加約48%。

於二零一九年十二月三十一日，本公司擁有人應佔權益為人民幣9,505,741,000元（二零一八年：人民幣8,117,893,000元），與去年年底相比上升約17%。

本集團連同其聯營公司及合營企業實現合同銷售總額為人民幣37,633,312,000元（二零一八年：人民幣34,431,766,000元），同比增長約9%。合同銷售總面積為2,116,012平方米（二零一八年：1,741,931平方米），同比增長約21%。平均售價約為每平方米人民幣17,785元（二零一八年：每平方米人民幣19,766元），同比減少約10%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

TURNOVER

In 2019, the Group recorded turnover of RMB19,453,295,000 (2018: RMB11,955,899,000), representing a year-on-year increase of approximately 63%. This was mainly due to the increase in the total gross floor area completed and delivered in 2019. In 2019, projects in Foshan, Guangzhou, Chongqing, Nanjing and Jurong and Xi'an accounted for approximately 18%, 25%, 18%, 28%, and 11%, respectively, of the total revenue of the Group.

GROSS PROFIT

Gross profit amounted to RMB6,329,628,000 (2018: RMB3,988,020,000), representing a year-on-year increase of approximately 59%. This was mainly due to the increase in the total gross floor area completed and delivered in 2019. The gross profit margin was approximately 33% (2018: 33%), which was at previous year's level.

SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates was RMB433,017,000 (2018: RMB326,002,000), representing a year-on-year increase of approximately 33%, which was mainly attributable to the completion of the projects by Guangzhou Lianzhou Real Estate Company Limited (廣州聯洲房地產有限公司) in 2019 and carrying forward of the revenue thereof.

SHARE OF PROFITS OF JOINT VENTURES

Share of profits of joint ventures was RMB40,423,000 (2018: RMB386,509,000), representing a year-on-year decrease of approximately 90%, was mainly due to the completion of a project of a joint venture Nanjing Zhaoyang Real Estate Development Company Limited (南京招陽房地產開發有限公司) ("Nanjing Zhaoyang") in 2018 and contributed share of profits amounted to approximately RMB364 million. In 2019, the project of Nanjing Zhaoyang contributed share of profits amounted to approximately RMB9 million.

營業額

二零一九年，本集團營業額為人民幣19,453,295,000元（二零一八年：人民幣11,955,899,000元），同比增長約63%，主要由於二零一九年竣工及交付之總建築面積增加。二零一九年，於佛山、廣州、重慶、南京及句容以及西安之項目佔本集團總收益之比例分別約為18%、25%、18%、28%及11%。

毛利

毛利為人民幣6,329,628,000元（二零一八年：人民幣3,988,020,000元），同比增加約59%，這主要由於二零一九年竣工及交付之總建築面積增加所致。毛利率約為33%（二零一八年：33%），與上年持平。

分佔聯營公司之溢利

分佔聯營公司之溢利為人民幣433,017,000元（二零一八年：人民幣326,002,000元），同比上升約33%，主要是由於廣州聯洲房地產有限公司之項目於二零一九年完工並結轉收入導致。

分佔合營企業之溢利

分佔合營企業之溢利為人民幣40,423,000元（二零一八年：人民幣386,509,000元），按年減少約90%，主要由於合營企業南京招陽房地產開發有限公司（「南京招陽」）之項目於二零一八年竣工並產生分佔溢利約人民幣364,000,000元。於二零一九年，南京招陽產生分佔溢利約人民幣9,000,000元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Property Development Business

As at 31 December 2019, the Group's portfolio of property development projects consisted of 33 projects in Guangzhou, Foshan, Chongqing, Xi'an, Nanjing and Jurong, with a primary focus on the development of residential properties, as well as residential and commercial complex properties, types of products include apartments, villas, offices and retail shops, etc.

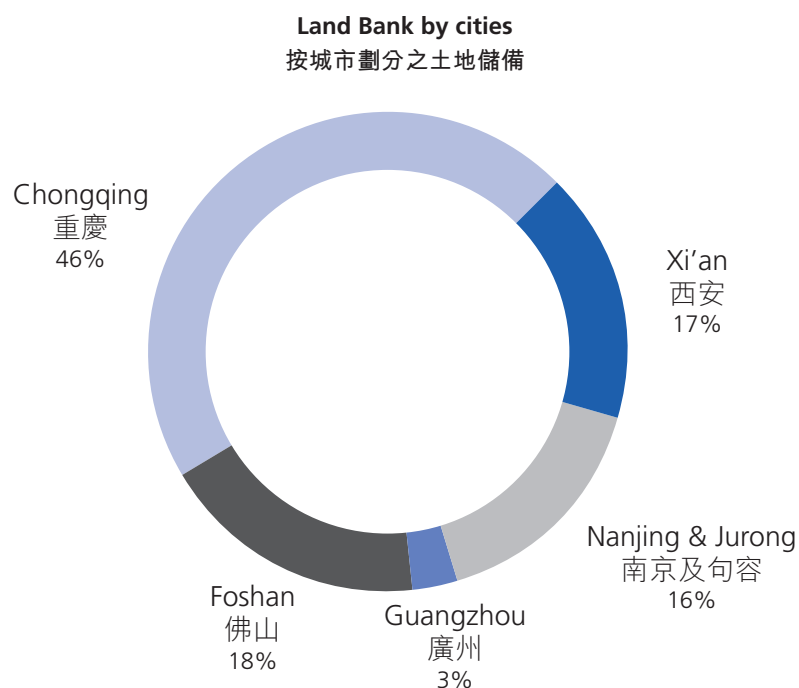
A breakdown of land bank by cities and a map showing the geographical locations and the land bank of the projects of the Group in the PRC are set out below. The saleable gross floor area of properties which had not been sold or presold as at 31 December 2019 ("Land Bank") was 5,954,429 square metres.

業務回顧

房地產開發業務

於二零一九年十二月三十一日，本集團在廣州、佛山、重慶、西安、南京及句容擁有33個房地產開發項目，主要集中開發住宅物業以及住宅及商業綜合物業，產品類型包括公寓、別墅、辦公樓及零售商舖等。

下圖列示按城市劃分之土地儲備明細及本集團項目在中國之地理位置及土地儲備。於二零一九年十二月三十一日，未售或未預售之物業項目之可售建築面積（「土地儲備」）為5,954,429平方米。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

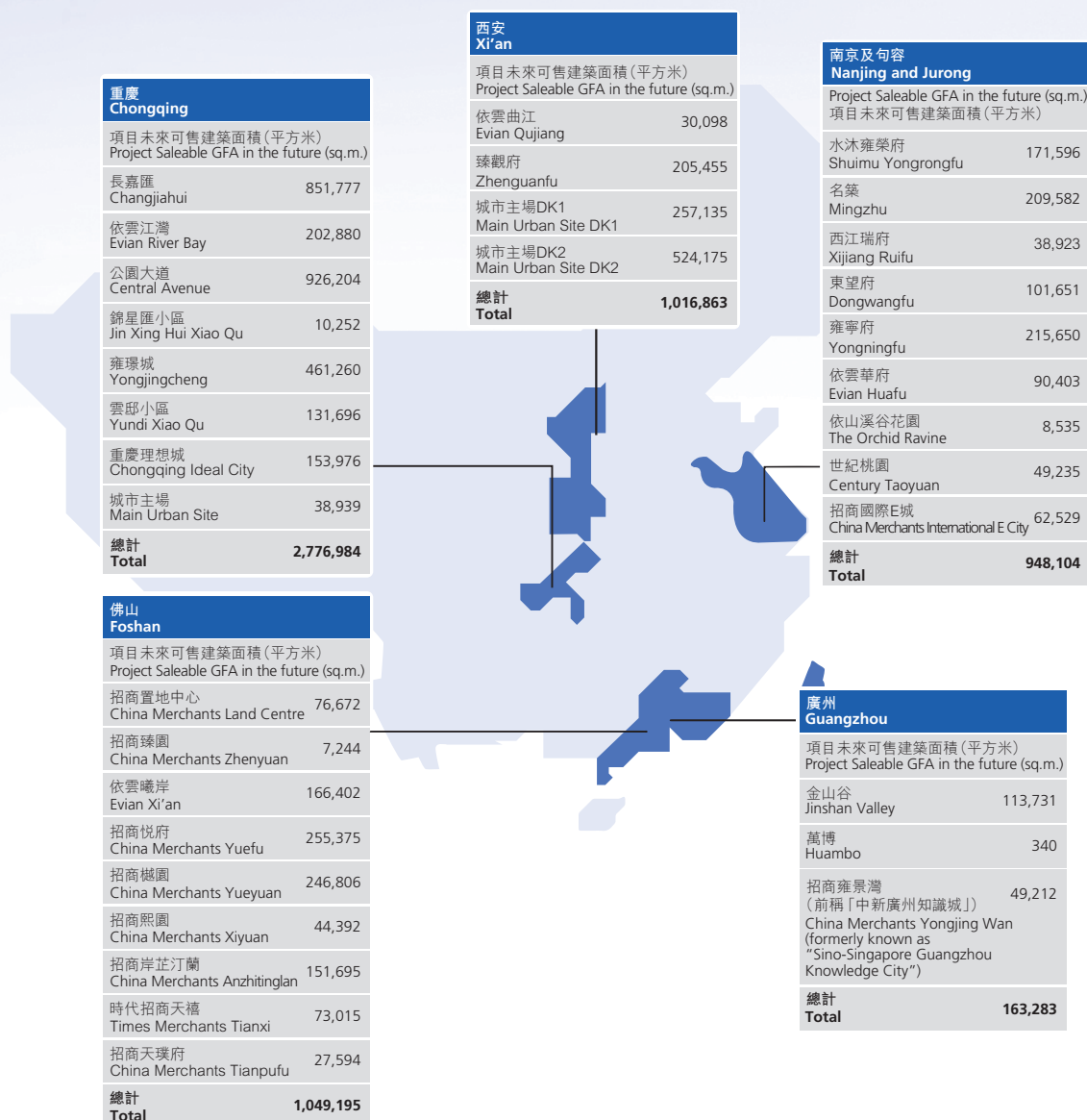
Property Development Business (continued)

業務回顧(續)

房地產開發業務(續)

A map showing the geographical location and land bank of the projects of the Group in the PRC as at 31 December 2019

下圖顯示本集團於二零一九年十二月三十一日在中國之項目之地理位置及土地儲備



MANAGEMENT DISCUSSION AND ANALYSIS

管理圖討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

The table below shows the details of the Group's property development projects as at 31 December 2019 which (i) had been completed; (ii) were under development; or (iii) were held for future development. All figures in relation to area are rounded up to the nearest whole number:

業務回顧(續) 房地產開發業務(續)

下表載列於二零一九年十二月三十一日本集團(i)已落成；(ii)開發中；或(iii)作未來開發之物業開發項目詳情。所有有關面積之數據均取至最接近整數：

Project	項目	The Company's attributable interest in the projects 本公司於項目所佔權益	Total GFA 總建築面積	Future GFA saleable of the projects 項目物業未來可售建築面積	GFA completed 落成建築面積	Total GFA saleable/rentable 可售/出租總建築面積	Completed 已落成			Under development 開發中			Future development 未來開發		
							Of which sold and delivered 已售及交付	Of which sold but not yet delivered 已售但未交付	Of which not pre-sold/ held for investment 未銷售/持作投資	GFA under development 開發中建築面積	Total GFA saleable/rentable 可售/出租總建築面積	Of which sold 已售	GFA 建築面積	Total GFA saleable/rentable 可售/出租總建築面積	
Evan Tianhu	依雲天匯	50%	293,503	-	293,503	272,364	-	-	-	-	-	-	-	-	-
Evan Xicheng	依雲禧城	50%	438,393	-	438,393	398,707	-	-	-	-	-	-	-	-	-
Park 1872	公園1872	100%	308,694	-	308,694	270,338	24,648	-	-	-	-	-	-	-	-
China Merchants Land Center	招商置業中心	51%	222,684	76,672	222,684	196,810	58,542	76,672	-	-	-	-	-	-	-
Evan Yongjingwan	依雲榮景灣	50%	233,851	-	233,851	213,269	-	-	-	-	-	-	-	-	-
Evan Huaru	依雲華府	50%	383,025	-	383,025	356,227	87	-	-	-	-	-	-	-	-
Evan Gongguan	依雲公館	55%	317,111	-	317,111	290,689	6,299	-	-	-	-	-	-	-	-
China Merchants Zhenyuan	招商臻園	50%	133,683	7,244	133,683	121,656	114,412	7,244	-	-	-	-	-	-	-
China Merchants Xi'an	招商驪園	60%	231,602	166,402	107,354	97,835	15,206	22,890	59,739	124,248	5,952	-	-	-	-
China Merchants Yuefu	招商悅府	50%	315,441	255,375	104,987	100,617	26,183	21,122	53,312	118,203	-	92,251	116,141	-	-
China Merchants Yueyuan	招商樾園	50%	313,768	246,806	-	-	-	-	-	313,768	38,155	-	284,961	-	-
China Merchants Xiyuan	招商熙園	100%	128,836	44,392	128,836	123,121	-	18,397	44,392	-	-	-	-	-	-
Times Merchants Tianxi	時代招商天禧	50%	159,375	73,015	-	-	-	-	-	159,375	41,109	-	114,124	-	-
China Merchants Tianpufu	招商天樸府	100%	40,442	27,594	-	-	-	-	-	40,442	-	-	27,594	-	-
China Merchants Anzhitinglan	招商岸上汀蘭	100%	178,649	151,695	-	-	-	-	-	178,649	20,983	-	172,678	-	-
Foshan subtotal	佛山合計		3,699,057	1,049,195	2,672,121	2,441,720	2,048,376	151,985	241,359	934,685	838,113	106,199	92,251	85,922	-
Jinshan Valley	金山谷	100%	1,276,523	113,731	1,198,538	995,696	899,015	33,138	63,543	77,985	60,767	10,579	-	-	-
Huambo	萬博	51%	126,202	340	126,202	104,216	103,796	80	340	-	-	-	-	-	-
China Merchants Yongjing Wan	招商榮景灣	60%	392,674	49,212	392,674	275,016	195,711	30,093	49,212	-	-	-	-	-	-
Guangzhou subtotal	廣州合計		1,795,399	163,283	1,717,414	1,374,928	1,198,522	63,311	113,095	77,985	60,767	10,579	-	-	-

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

業務回顧(續) 房地產開發業務(續)

BUSINESS REVIEW (continued) Property Development Business (continued)

Project	項目	The Company's attributable interest in the projects 本公司於項目所佔權益	Total GFA 總建築面積	Future GFA saleable of the projects 未來可售項目物業建築面積	GFA completed 落成建築面積	Total GFA saleable/rentable 可售/出租總建築面積	Completed 已落成			Under development 開發中			Future development 未來開發	
							Of which sold and delivered 已售及交付	Of which sold but not yet delivered 已售但未交付	Of which pre-sold/ held for investment 未銷售/持作投資	GFA under development 開發中建築面積	Total GFA saleable/rentable 可售/出租總建築面積	Of which sold 已售	GFA 建築面積	Total GFA saleable/rentable 可售/出租總建築面積
Changluhui	阜嘉匯	50%	1,897,545	851,777	772,411	742,648	515,282	2,367	224,999	423,790	422,690	230,559	701,344	434,647
Evan River Bay	依雲江灣	100%	540,430	202,880	270,889	260,713	222,553	14,183	23,977	187,126	178,539	81,796	82,415	81,160
Central Avenue	公園大道	50%	1,599,435	926,204	540,058	527,508	365,756	144	161,608	927,303	865,482	232,610	132,074	131,724
Lin Xing Hui Xiao Qu	錦星匯小區	100%	97,594	10,252	97,594	95,440	84,574	614	10,252	-	-	-	-	-
Yangjingcheng	榮景城	100%	525,386	461,260	-	-	-	-	-	209,726	200,243	48,427	315,660	309,444
Yundu Xiao Qu	雲都小區	100%	135,756	131,696	-	-	-	-	-	135,756	131,696	-	-	-
Chongqing Ideal City	重慶理想城	51%	186,408	153,976	-	-	-	-	-	186,408	178,699	24,723	-	-
Main Urban Site	城市主場	100%	47,012	38,939	-	-	-	-	-	47,012	45,492	6,553	-	-
Chongqing subtotal	重慶合計		5,029,566	2,776,984	1,680,952	1,626,309	1,188,165	17,308	420,836	2,117,121	2,022,841	624,668	1,231,493	957,975
Zhishan No.1	紫金山一號	51%	213,870	-	213,870	145,376	145,376	-	-	-	-	-	-	-
China Merchants International E City	招商國際E城	100%	372,916	62,529	372,916	324,531	255,412	6,590	62,529	-	-	-	-	-
Evan Huafu	依雲華府	51%	358,646	90,403	358,646	276,163	185,760	90,403	90,403	-	-	-	-	-
The Orchid Ravine	依雲溪谷花園	51%	345,296	8,535	345,296	273,174	264,421	218	8,535	-	-	-	-	-
Century Taoyuan	世紀桃源	18%	221,743	49,235	127,799	127,762	102,231	25,531	-	93,944	83,703	34,468	-	-
Dongyiwangfu	東望府	51%	324,279	101,651	-	-	-	-	-	324,279	255,677	154,026	-	-
Xijiang Ruifu	西江瑞府	31%	72,670	38,923	-	-	-	-	-	72,670	57,270	18,347	-	-
Mingzhu	名築	20%	278,840	209,582	-	-	-	-	-	278,840	1,300	-	277,540	208,282
Shuimu Yongrongfu	水沐雍榮府	28%	243,760	171,596	-	-	-	-	-	243,760	171,596	-	-	-
Yongningfu	雍寧府	51%	351,434	215,650	-	-	-	-	-	351,434	263,765	48,115	-	-
Nanjing subtotal	南京合計		2,788,454	948,104	1,418,527	1,147,006	953,200	32,339	161,467	1,087,387	833,311	254,956	277,540	208,282
Evan Qujiang	依雲曲江	100%	538,269	30,098	538,269	497,185	415,263	51,824	30,098	-	-	-	-	-
Merchants Zhongyuanfu	招商鐘園府	100%	230,634	205,455	-	-	-	-	-	230,634	205,455	-	-	-
Main Urban Site DK1	城市主場DK1	51%	263,086	257,135	-	-	-	-	-	263,086	257,135	-	-	-
Main Urban Site DK2	城市主場DK2	51%	533,188	524,175	-	-	-	-	-	533,188	524,175	-	-	-
Xi'an subtotal	西安合計		1,565,177	1,016,863	538,269	497,185	415,263	51,824	30,098	1,026,908	986,765	-	-	-
Total	總計		14,872,653	5,954,429	8,027,283	7,087,148	5,803,526	316,767	966,855	5,244,086	4,731,797	996,402	1,601,284	1,252,179

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Note: The following table shows the address, existing use, and actual or expected earliest full or phased completion date of the Group's property development projects as at 31 December 2019.

業務回顧(續)

房地產開發業務(續)

附註：下表顯示本集團於二零一九年十二月三十一日之房地產發展項目之地址、現有用途及實際或估計的最早之全期或分期落成日期。

Project 項目	Address	地址	Existing usage 現有用途	Actual/expected completion date (Year/Month) 實際/估計 落成日期 (年/月)
Foshan 佛山				
Evian Tianhui 依雲天匯	Qiandenghu Park, Nanping Road, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 南平路千燈湖公園	Residential and commercial 住宅及商業	September 2013 二零一三年九月
Evian Xicheng 依雲曦城	No. 3 Keji North Road, Shishan Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 獅山鎮 科技北路3號	Residential and commercial 住宅及商業	June 2013 二零一三年六月
Park 1872 公園1872	Northern side of Xingye Road and eastern side of Longpan West Road, Desheng Business District, Shunde New Town, Shunde District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 順德區 順德新城 德勝商業區 興業路北側與 龍盤西路東側	Residential and commercial 住宅及商業	February 2016 二零一六年二月
China Merchants Land Centre 招商置地中心	Western side of a planning road, eastern side of Guilan Road, northern side of a planning road, and southern side of Haiqi Road, A27 Block of Guicheng Street, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 桂城街道A27街區 一規劃路西側· 桂瀾路東側· 一規劃道路北側與 海七路南側	Commercial 商業	November 2016 二零一六年十一月
Evian Yongjingwan 依雲雍景灣	Northern side of Jihua Bridge, western side of Tung Ping River, Chancheng District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 禪城區 季華大橋北側 東平河西側	Residential and commercial 住宅及商業	March 2016 二零一六年三月
Evian Huafu 依雲華府	"Xinyou Innovative Technology Industrial Park", Beihu 1st Road, Luocun Management Office, Shishan Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 獅山鎮羅村管理處 北湖一路「信友產業園」 地段	Residential and commercial 住宅及商業	December 2015 二零一五年十二月
Evian Gongguan 依雲公館	Dazheng Road, Jiujiang Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 九江鎮 大正路地段	Residential and commercial 住宅及商業	December 2015 二零一五年十二月
China Merchants Zhenyuan 招商臻園	Eastern side of Wenhua Road and, northern side of Caihong Road, Chancheng District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 禪城區 文華路東側 彩虹路北側	Residential and commercial 住宅及商業	November 2016 二零一六年十一月
China Merchants Xi'an 招商曦岸	South Jititang Road in the east to Foshan, 1st Ring in the west, from Tanzhou Water Channel in the south to Fochan Road in the north, Southern side of South Jinchang Road, Chencun Town, Shunde District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 順德區陳村鎮 金鑽南路南側 東至集體塘南路· 西至佛山一環· 南至潭州水道· 北至佛陳路	Residential and commercial 住宅及商業	January 2019 二零一九年一月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

業務回顧(續)

房地產開發業務(續)

Project 項目	Address	地址	Existing usage 現有用途	Actual/expected completion date (Year/Month) 實際/估計 落成日期 (年/月)
China Merchants Yuefu 招商悅府	Nan Jin Village Committee Lot, Sha Long Road, Jiujiang Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 九江鎮 沙龍路 南金村委會地段	Residential and commercial 住宅及商業	October 2019 二零一九年十月
China Merchants Yueyuan 招商樾園	Plot 1, the western side of Jianshe Yilu, Xinan Street, Sanshui District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 三水區 西南街道 建設一路西側地塊一	Residential and commercial 住宅及商業	January 2020 二零二零年一月
China Merchants Xiyuan 招商熙園	West of South Cangjiang Road, North of Sanjiang Road, Hecheng Street, Gaoming District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 高明區 荷城街道 滄江南路以西、 三江路以北	Residential and commercial 住宅及商業	June 2019 二零一九年六月
Time Merchants Tianxi 時代招商天禧	Taiping Industrial District Lot, Taiping Avenue, Dali Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 大瀝鎮 太平大道 太平工業區地段	Residential and commercial 住宅及商業	November 2020 二零二零年十一月
China Merchants Tianfu 招商天璞府	Shuitou Industrial District Lot, Dali Town, Nanhai District, Foshan City, Guangdong Province, The PRC	中國 廣東省佛山市 南海區 大瀝鎮 水頭工業區地段	Residential and commercial 住宅及商業	July 2021 二零二一年七月
China Merchants Anzhitinglan 招商岸芷汀蘭	The northern side of Jiangwan 2nd Road, and western side of Wugang Road, Chancheng District, Foshan City, Guangdong Province, The PRC	中國廣東省 佛山市 禪城區 江灣二路北側、 霧崗路西側	Residential and commercial 住宅及商業	June 2020 二零二零年六月
Guangzhou 廣州				
Jinshan Valley 金山谷	Fei E Ling, Donghuan Street, Panyu District, Guangzhou City, Guangdong Province, The PRC	中國 廣東省 廣州市 番禺區 東環街飛鵝嶺	Residential and commercial 住宅及商業	December 2020 二零二零年十二月
Huambo 萬博	Huambo Business District, Nancun Town, Panyu District, Guangzhou City, Guangdong Province, The PRC	中國 廣東省 廣州市 番禺區 南村鎮 萬博商務區	Commercial 商業	September 2016 二零一六年九月
China Merchants Yongjing Wan 招商雍景灣	The northern side of No. KS3-2 Gui Hua Road and eastern side of the northern extension lane of No. KS4-4 Road, Sino-Singapore Guangzhou Knowledge City Southern Start-up Area, The PRC	中國 中新廣州知識城南 起步區KS3-2號規劃路 以北、KS4-4號路北 延線以東	Residential and commercial 住宅及商業	July 2019 二零一九年七月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

業務回顧(續)

房地產開發業務(續)

Project 項目	Address	地址	Existing usage 現有用途	Actual/expected completion date (Year/Month) 實際/估計 落成日期 (年/月)
Chongqing 重慶				
Changjiahui 長嘉匯	Danzishi Nan'an District, Chongqing City, The PRC	中國 重慶市 南岸區彈子石	Residential and commercial 住宅及商業	August 2021 二零二一年八月
Evian River Bay 依雲江灣	Eastern side of Babin Road and northern side of Neihuan Expressway, Banan District, Chongqing City, The PRC	中國 重慶市 巴南區 巴濱路東側與 內環快速北側	Residential and commercial 住宅及商業	July 2021 二零二一年七月
Central Avenue 公園大道	Standard Sub-zone F, Lianglu Zone, Yubei District, Chongqing City, The PRC	中國 重慶市 渝北區 兩路組團F標準分區	Residential and commercial 住宅及商業	August 2024 二零二四年八月
Jin Xing Hui Xiao Qu 錦星匯小區	Eastern side of Yu Ao Avenue and western side of Jian Bei Si Zhi Lu, Jiang Bei District, Chongqing City, The PRC	中國 重慶市 江北區 渝澳大道東側、 建北四支路西側	Residential and commercial 住宅及商業	July 2017 二零一七年七月
Yongjingcheng 雍璟城	Sub-zone J, Lianglu Zone, Liangjiang New District, Chongqing City, The PRC	中國 重慶市 兩江新區 兩路組團J分區	Residential and commercial 住宅及商業	March 2020 二零二零年三月
Yundi Xiao Qu 雲邸小區	Nanping Business Centre, Nan'an District, Chongqing City, The PRC	中國 重慶市 南岸區 南坪商圈	Residential and commercial 住宅及商業	September 2020 二零二零年九月
Main Urban Site 城市主場	Guanyin Bridge Business Centre, Jiang Bei District, Chongqing City, The PRC	中國 重慶市 江北區 觀音橋商圈	Residential and commercial 住宅及商業	April 2021 二零二一年四月
Ideal City 理想城	Xiyong Area, Shapingba District, Chongqing City, The PRC	中國 重慶市 沙坪壩區 西永片區	Residential and commercial 住宅及商業	September 2021 二零二一年九月
Nanjing 南京				
Zijinshan No.1 紫金山一號	Northeast corner of Zhongshanmen Avenue and Taiyangcheng Road, Qixia District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市 棲霞區 中山門大街與 太陽城路東北角	Residential and commercial 住宅及商業	November 2013 二零一三年十一月
China Merchants International E City 招商國際E城	Eastern side of Baosi Road, southern side of Jingjiu Road, Baohua Town, Jurong City, Jiangsu Province, The PRC	中國 江蘇省句容市 寶華鎮寶四路東側 經九路南側	Commercial and residential 商業及住宅	December 2021 二零二一年十二月
Evian Huafu 依雲華府	Western side of Jing 5th Road in phrase 2 Maigaoqiao Street, Qixia District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市 棲霞區 邁皋橋街道經 五路二期西側	Residential and commercial 住宅及商業	November 2019 二零一九年十一月
The Orchid Ravine 依雲溪谷花園	East of Xing Huo Bei Lu and south of Yong Xin Lu, Pukou Gaoxin Zone, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市 浦口高新區 星火北路以東 永新路以南	Residential and commercial 住宅及商業	September 2018 二零一八年九月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

業務回顧(續)

房地產開發業務(續)

Project 項目	Address	地址	Existing usage 現有用途	Actual/expected completion date (Year/Month) 實際/估計 落成日期 (年/月)
Century Taoyuan 桃園世紀	Jiangjiayuan in the east to Chaha'er Road in the south to South Rehe Road in the west to Nanjing No.52 Middle School in the north, Gulou Street, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市鼓樓區，東至姜家園，南至察哈爾路，西至熱河南路，北至南京市第五十二中學	Residential and commercial 住宅及商業	August 2021 二零二一年八月
Dongwangfu 東望府	Junction between Hedong Road and Siwang Road, Qilin Street Jiuxiang, Jiangning District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市江寧區，南京市江寧區麒麟街道九鄉河東路與四望路交匯	Residential and commercial 住宅及商業	August 2021 二零二一年八月
Xijiang Ruifu (G35) 西江瑞府(G35)	Xiangxian Road in the east to Yuanfen Road in the south to a planning road in the west to Zi Chuang Road in the north, 02 Land Parcel, north of Zi Chuang Road and east of Jiangpu Street and Puyun Road, Pukou District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市浦口區江浦街道浦雲路以東，紫創路以南02地塊，東至象賢路，南至園騰路，西至規劃道路，北至紫創路	Residential and commercial 住宅及商業	March 2022 二零二二年三月
Mingzhu (G52) 寧瓏名築(G52)	a piece of land, east of Runqi Road and south of Tianhuan Road, Dongshan Street, Jiangning District, Gulou District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市鼓樓區江寧區東山街道潤麟路以東、天環路以南地塊	Residential 住宅	June 2021 二零二一年六月
Nanjing Shuimu Yongrongfu 南京水沐雍榮府	a piece of land, eastern side of Bisheng Road, Xijiang Street, Qixia District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市栖霞區西崗街道畢升路東側地塊	Residential 住宅	May 2022 二零二二年五月
Yongningfu 雍寧府	Yushan Xi Road in the east to Jianshe Road in the south to an existing in the west to Guangdian Road in the north, Pujiang Street, Pukou District, Nanjing City, Jiangsu Province, The PRC	中國 江蘇省南京市浦口區江浦街道東至雨山西路，南至建設路，西至現狀，北至廣電路	Residential 住宅	October 2021 二零二一年十月
Xi'an (西安)				
Evian Qujiang 依雲曲江	South of Jinyang Road, east of Xinkaimen South Road, north of Chuangyi Avenue and, west of Xikang Highway, West Fudao, Qujiang New District, Xi'an City Shaanxi Province, The PRC	中國 陝西省西安市曲江新區金羊路以南，新開門南路以東，創意大道以北，西康高速西輔道以西	Residential and commercial 住宅及商業	December 2019 二零一九年十二月
Zhenganfu 臻觀府	Northeast of the junction between Tiangu 1st Road and Yunshui 1st Road, Gaoxin Zone, Xi'an,	西安高新區 天穀一路和雲水一路十字東北角	Residential and commercial 住宅及商業	April 2023 二零二三年四月
China Merchants Main Urban Site 招商城市主場	South of freight line and east of west Gangwu Road, Xi'an International Port District	西安國際港務區 貨運綫以南，港務西路以東	Residential and commercial 住宅及商業	March 2023 二零二三年三月
Xi'an Merchants Silk Road Center 西安招商絲路中心	South of freight line and east of west Gangwu Road, Xi'an International Port District	西安國際港務區 貨運綫以南，港務西路以東	Commercial 商業	March 2023 二零二三年三月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Contracted sales

For the year ended 31 December 2019, the Group together with its associates and joint ventures, achieved aggregate contracted sales of approximately RMB37,633,312,000 and aggregate contracted sales area was approximately 2,116,012 sq.m.

業務回顧(續)

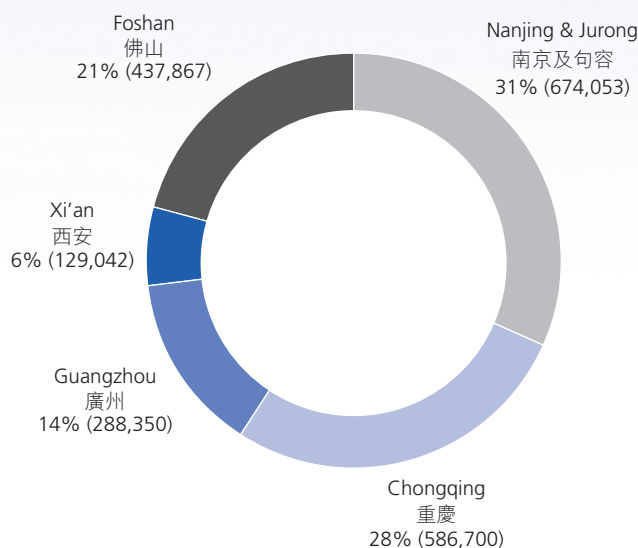
房地產開發業務(續)

合同銷售

截至二零一九年十二月三十一日止之年度，本集團連同其聯營公司及合營公司獲得合同銷售總額約為人民幣37,633,312,000元，而合同銷售總面積約為2,116,012平方米。

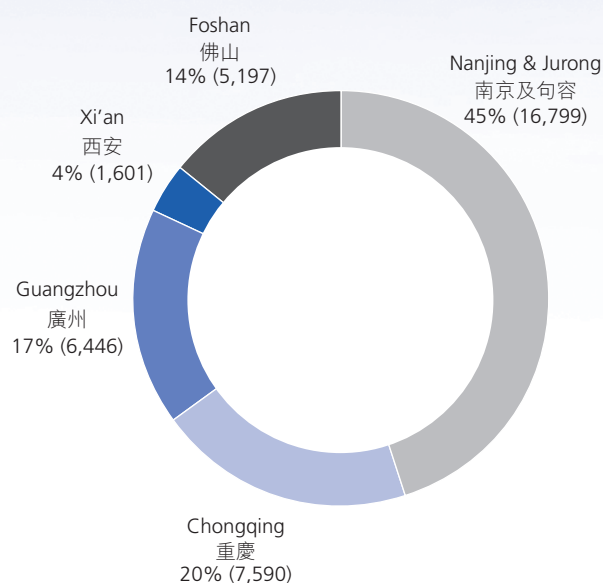
Contracted sales area by region in 2019 (sq.m.)

二零一九年按地區合同銷售面積(平方米)



Contracted sales amount by region in 2019 (RMB million)

二零一九年按地區合同銷售金額(人民幣百萬元)



Newly Acquired Land Bank

The newly acquired lands over which the Group has a majority control for the year ended 31 December 2019 are as follows:

新增土地儲備

截至二零一九年十二月三十一日止之年度，本集團新收購且擁有主要控制權之土地如下：

Projects	項目	Total land consideration 土地總價 (RMB million) (人民幣百萬元)	Total site area 總佔地面積 (sq.m.) (平方米)	Total permissible area 總計容面積 (sq.m.) (平方米)	Average land premium 平均地價 (RMB/sq.m.) (人民幣元/平方米)
Nanjing Mingzhu	南京名築	670	21,683	54,207	12,360
Nanjing Shuimu Yongrongfu	南京水沐雍榮府	3,140	79,884	175,744	17,867
Nanjing Xijiang Ruifu	南京西江瑞府	2,990	78,892	122,505	24,407
Xi'an Merchants Zhenguanfu	西安招商臻觀府	1,188	59,104	165,491	7,179
Xi'an Main Urban Site DK1	西安城市主場1期	595	79,201	192,053	3,098
Xi'an Main Urban Site DK2	西安城市主場2期	1,211	8,664	402,460	3,009
Xi'an Merchants Silk Road Center	西安招商絲路中心	141	20,288	88,337	1,596
Foshan Merchants Tianpufu	佛山招商天璞府	309	12,688	31,719	9,742
Foshan Times Merchants Tianxi	佛山時代招商天禧	988	43,518	115,221	8,575
Chongqing Ideal City	重慶理想城	723	74,723	131,930	5,479

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Foshan

In 2019, contracted sales amount in Foshan was approximately RMB5,197 million and contracted sales area was 437,867 sq.m. As at 31 December 2019, total GFA of the Group's projects in Foshan reached 3,699,057 sq.m. and the saleable GFA in the future will amount to 1,049,195 sq.m.

In 2019, sales of the Group's projects in Foshan mainly comprised of China Merchants Xi'an (招商曦岸) and Times Merchants Tianxi (時代招商天禧):

- Located in the northern part of Shunde, Foshan China Merchants Xi'an is situated at the bridgehead of Guangzhou-Foshan border and commands a 1,100,000 sq.m. landscape along Binjiang Hua'an in Chencun. The area where the project is located in enjoys a comprehensive "6 vertical and 4 horizontal" transportation network, is easily accessible to popular locations ranging from Changui, Foshan to Panyu, Guangzhou and central Guangzhou within 30 minutes. The project occupied a site area of approximately 69,000 sq.m. with a gross floor area of approximately 230,000 sq.m., and structures a distinctive phoenix-themed garden.

業務回顧(續)

房地產開發業務(續)

佛山

二零一九年，佛山之合同銷售金額約為人民幣5,197百萬元，合同銷售面積為437,867平方米。於二零一九年十二月三十一日，本集團於佛山的項目總建築面積達3,699,057平方米，未來可售建築面積為將達1,049,195平方米。

二零一九年，本集團在佛山銷售的項目主要有招商曦岸及時代招商天禧：

- 佛山招商曦岸位於順德北部，地處廣佛交界的橋頭堡，坐享陳村110萬平方米濱江花岸景觀帶。項目所在區域規劃有完善的「六縱四橫」交通網路配套，30分鐘暢通佛山禪桂、廣州番禺以及廣州中心城區等熱點板塊。項目佔地約6.9萬平方米，總建築面積約23萬平方米，極具鳳凰主題園林的特色。



Photo of Foshan China Merchants Xi'an
佛山招商曦岸實景圖



Photo of Foshan China Merchants Xi'an
佛山招商曦岸實景圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

Property Development Business *(continued)*

Foshan *(continued)*

- Located in Dali area, Nanhai District, Foshan, “Times Merchants Tianxi” enjoys the “three vertical and three horizontal” multi-dimensional transportation network, including Guangsan Expressway, Guangfo Road, etc., bring excellent accessibility to various locations, i.e. reaching Qiandeng Lake in 15 minutes. Further, it offers well-developed facilities in business, transportation, education and ecology in the surrounding area.

業務回顧 *(續)*

房地產開發業務 *(續)*

佛山 *(續)*

- 時代招商天禧位處佛山市南海區大瀝板塊項目擁享廣三高速、廣佛路等「三橫三縱」立體交通網絡，從項目地出發15分鐘即可到達千燈湖。無論商業、交通、教育或是生態配套都豐富成熟。



Computerised photo of Times Merchants Tianxi
時代招商天禧效果圖



Computerised photo of Times Merchants Tianxi
時代招商天禧效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Guangzhou

In 2019, contracted sales amount in Guangzhou was approximately RMB6,446 million and contracted sales area was 288,350 sq.m.. As at 31 December 2019, total GFA of the Group's projects in Guangzhou reached 1,795,399 sq.m. and the saleable GFA in the future will amount to 163,283 sq.m.

In 2019, sales of the Group's project in Guangzhou comprised of China Merchants Yongjing Wan:

Guangzhou China Merchants Yongjing Wan is located at Sino-Singapore Guangzhou Knowledge City, Huangpu District, Guangzhou, with a site area of 179,000 sq.m, GFA of 395,000 sq.m. and plot ratio of 1.49. The project is adjacent to Metro Line 21, four top hospitals, eight business centres and more than 20 schools, creating a comprehensive and quality living area.

業務回顧(續)

房地產開發業務(續)

廣州

二零一九年，廣州之合同銷售金額約為人民幣6,446百萬元，合同銷售面積為288,350平方米。截至二零一九年十二月三十一日，本集團於廣州市的項目總建築面積達1,795,399平方米，未來可售建築面積將為163,283平方米。

二零一九年，本集團於廣州之銷售項目包括招商雍景灣：

廣州招商雍景灣佔地面積17.9萬平方米，總建築面積39.5萬平方米，容積率為1.49，落位於廣州市黃埔區「廣州中新知識城」，周邊配套有21號地鐵線、4大頂級醫院、8大商業中心和20餘所學校，打造全能生活大區。



Computerised photo of Guangzhou China Merchants Yongjing Wan
廣州招商雍景灣效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

Property Development Business *(continued)*

Chongqing

In 2019, contracted sales amount in Chongqing was approximately RMB7,590 million and contracted sales area was 586,700 sq.m.. As at 31 December 2019, total GFA of the Group's projects in Chongqing reached 5,029,566 sq.m. and the saleable GFA in the future will amount to 2,776,984 sq.m.

In 2019, sales of the Group's projects in Chongqing mainly comprised of Yongjingcheng:

- Chongqing Yongjingcheng is located in the heart of the central area of northern district and only 31-meter away from Lianhua Station of Metro Line 3, which is “achievable” product in Airport New Town. Such project aims to construct an ideal, low-density and eco-friendly residential area through ingenious mansions which restore the sense of ritual of living by gardens in Yong's style. It possesses with one ring road, two railways and various arteries with great access to main business circles, providing convenient living style.

業務回顧 *(續)*

房地產開發業務 *(續)*

重慶

二零一九年，重慶之合同銷售金額約為人民幣7,590百萬元，合同銷售面積為586,700平方米。截至二零一九年十二月三十一日，本集團於重慶市之項目總建築面積達5,029,566平方米，未來可售建築面積將為2,776,984平方米。

二零一九年，本集團於重慶之銷售項目包括雍璟城：

- 重慶招商雍璟城位於北區中軸線城市熱土之上，距3號線蓮花站僅31米；是在空港新城的「成就系」首作。旨在通過雍系園林復原生活儀式感的匠心府邸，打造城市理想低密生態住區。一環雙規多幹道，便捷抵達著稱各大商圈，悅覽便捷生活。



Computerised photo of Chongqing Merchants Yongjingcheng
重慶招商雍璟城效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Nanjing and Jurong

In 2019, contracted sales amount in Nanjing and Jurong was approximately RMB16,799 million and contracted sales area was 674,053 sq.m.. As at 31 December 2019, total saleable GFA of the Group's projects in Nanjing and Jurong reached 2,783,454 sq.m. and the saleable GFA in the future will amount to 948,104 sq.m.

In 2019, strong sales of the Group's projects in Nanjing and Jurong mainly comprised of Nanjing Yongningfu and Dongwangfu:

- Nanjing Yongningfu, a flagship product by the brand name of China Merchants in Nanjing market, is located in the heart of Yushan Road, Jiangbei National New District and situated opposite to Hexi CBD. It is approximately 200 metres away from Yushan Road metro station and 1 kilometre away from Fifth Yangtze Bridge, which will be completed by the end of the year of 2020. It is in proximity to comprehensive facilities such as Wonder City (under construction), Pukou Citizen's Centre, G31 plot for business complex (under planning) and Hankai Academy, and is around 1 kilometer away from Lanxi Wetland Park.

業務回顧(續)

房地產開發業務(續)

南京及句容

二零一九年，南京及句容之合同銷售金額約為人民幣167.99億元，合同銷售面積為674,053平方米。截至二零一九年十二月三十一日，本集團於南京市及句容市的項目總可售建築面積達2,783,454平方米，未來可售建築面積將為948,104平方米。

二零一九年，本集團在南京及句容熱銷的項目包括南京雍寧府及東望府：

- 南京雍寧府，招商局品牌在南京市場的重點項目。位處江北國家級新區雨山路中心點，與河西CBD比肩對望。項目約200米直達雨山路地鐵站，距離二零二零年底建成的長江五橋約1公里。週邊蒼萃虹悅城(在建)、浦口市民中心、G31商業綜合體用地(規劃)、漢開書院等多種配套，距離蘭溪濕地公園僅約1公里。



Computerised photo of Nanjing Yongningfu
南京雍寧府效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

Property Development Business *(continued)*

Nanjing and Jurong *(continued)*

- Nanjing Dongwangfu is located at Jiangning district, Nanjing, the core district of Zidong area. The core district of Zidong area follows the structure of “one centre, two axes, three cores, five areas” in planning. The project is in vicinity of prestigious Xianlin University Town with rich academic atmosphere. It is merely 1 kilometre away from Dongliu Station of Metro Line 4 (opened). Nonetheless, the three main commercial areas, namely Xueze Road, Xianlin Jingying and Wan Da Mao, bring great convenience for residents.

業務回顧 *(續)*

房地產開發業務 *(續)*

南京及句容 *(續)*

- 南京東望府位於南京市江寧區，屬於紫東核心區板塊，紫東核心區遵循「一心、兩軸、三核、五片」的規劃結構。項目毗鄰仙林大學城，人文環境優越，距離已開通的地鐵4號線東流站僅1公里。更有學則路、仙林金鷹、萬達茂三大商圈環繞，生活便利。



Computerised photo of Nanjing Dongwangfu
南京東望府效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Property Development Business (continued)

Xi'an

In 2019, contracted sales amount in Xi'an was approximately RMB1,601 million and contracted sales area was 129,042 sq.m., As at 31 December 2019, total GFA of the Group's projects in Xi'an reached 1,565,177 sq.m. and the saleable GFA in the future will amount to 1,016,863 sq.m..

In 2019, the major sales of the Group's project in Xi'an comprised of Evian Qujiang:

As the first project by China Merchants Land to enter Xi'an, Evian Qujiang is located in the Qujiang phase II planning block in the southeast of Xi'an City District, about 10 kilometers from the landmark clock tower in downtown Xi'an.

The planned gross site area for construction is 135,638 sq.m., and total planned GFA is 537,026 sq.m. By introducing renowned kindergartens in addition to the planned public secondary and primary schools on the south side, demands from various owners for housing, education, shopping and leisure could be fully satisfied.

業務回顧(續)

房地產開發業務(續)

西安

於二零一九年，西安的合同銷售額約為人民幣1,601百萬元，而合同銷售面積為129,042平方米。於二零一九年十二月三十一日，本集團在西安的項目總建築面積達到1,565,177平方米，而未來可售建築面積將為1,016,863平方米。

二零一九年，本集團位於西安之主要銷售項目為依雲曲江：

依雲曲江為招商置地進入西安的首個項目，位於西安城區東南方向的曲江二期規劃板塊，距離西安市中心地標建築鐘樓約10公里。

規劃建設總用地為135,638平方米，規劃總建築面積為537,026平方米。小區內部引進知名幼兒園，南側規劃有公立中小學，可滿足居住、教育、購物、休閒等多方面需求。



Photo of Xi'an Evian Qujiang
西安依雲曲江實景圖



Computerised photo of Xi'an Evian Qujiang
西安依雲曲江效果圖

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

Asset Management Business

Upon the listing of the CMC REIT on the Stock Exchange on 10 December 2019, the Company has commenced its REIT management business through China Merchants Land Asset Management Co., Limited, a wholly-owned subsidiary of the Company and the REIT manager of the CMC REIT.

Trading Business

The Group did not conduct business in the trading segment in 2019 and decided to concentrate its strength on developing other principal businesses.

Financial and Treasury Management Principles

As at 31 December 2019, the net assets attributable to owners of the Company amounted to RMB9,505,741,000 (2018: RMB8,117,893,000).

On 18 December 2018, the Company completed the issuance of senior bonds due 2021 in the aggregate principal amount of RMB1.9 billion bearing coupon rate of 4.6% per annum.

As at 31 December 2019, bank balances and cash was RMB8,957,799,000 (2018: RMB6,866,261,000). In terms of currency denomination, bank balances and cash can be divided into RMB8,955,386,000 in Renminbi, RMB976,000 in US\$ and RMB1,437,000 in Hong Kong dollars ("HK\$").

業務回顧(續)

資產管理業務

招商局房託基金於二零一九年十二月十日在聯交所上市後，本公司通過招商局置地資產管理有限公司(本公司全資附屬公司及招商局房託基金的房託基金經理)開展其房地產投資信託管理業務。

貿易業務

本集團於二零一九年並無經營貿易分部業務並致力於集中精力發展其他主營業務。

財務及資金管理原則

於二零一九年十二月三十一日，本公司擁有人應佔資產淨值為人民幣9,505,741,000元(二零一八年：人民幣8,117,893,000元)。

於二零一八年十二月十八日，本公司完成發行本金總額為人民幣19億元之二零二一年到期優先債券，年票息為4.6%。

於二零一九年十二月三十一日，銀行結餘及現金為人民幣8,957,799,000元(二零一八年：人民幣6,866,261,000元)。以貨幣而言，銀行結餘及現金可分為以人民幣列值人民幣8,955,386,000元、以美元列值人民幣976,000元及以港幣(「港幣」)列值人民幣1,437,000元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Financial and Treasury Management Principles (continued)

As at 31 December 2019, total interest-bearing debt of the Group excluding lease liabilities was RMB21,961,032,000 (2018: RMB18,648,136,000). In terms of maturity, the outstanding total interest-bearing debt can be divided into RMB5,124,136,000 repayable within one year, RMB8,110,510,000 repayable after one year but within two years and RMB8,726,386,000 repayable after two years but within five years. In terms of currency denomination, the outstanding total interest-bearing debt can be divided into RMB21,260,119,000 in Renminbi and RMB700,913,000 in US\$.

At 31 December 2019, the Group's net interest-bearing debt excluding lease liabilities (total interest-bearing debt minus bank balances and cash) to equity of shareholders (including non-controlling interests) ratio (the "Net Gearing Ratio") was 45% (2018: 50%). Although the financial position of the Group is stable and the potential financing capacity is strong, the Group will continue to take the relatively stable financial policies and to control the net gearing ratio at the industry average level. The capital cost of the Group still remained at industry-low level. As at 31 December 2019, the weighted average finance costs is 4.99%.

The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in RMB, US\$ and HK\$. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities.

業務回顧(續)

財務及資金管理原則(續)

於二零一九年十二月三十一日，本集團的計息債務總額(不包括租賃負債)為人民幣21,961,032,000元(二零一八年：人民幣18,648,136,000元)。以到期日而言，尚未償還計息債務總額可分為人民幣5,124,136,000元(須於一年內償還)、人民幣8,110,510,000元(須於一至兩年內償還)及人民幣8,726,386,000元(須於兩年至五年內償還)。以貨幣而言，尚未償還計息債務總額可分為以人民幣列值人民幣21,260,119,000元及以美元列值人民幣700,913,000元。

於二零一九年十二月三十一日，本集團的計息債務總額(不包括租賃負債)(計息債務總額減銀行結餘及現金)對股東權益(包括非控股權益)比率(「淨槓桿率」)為45%(二零一八年：50%)。儘管本集團財務狀況健康及潛在融資能力較強，本集團仍將奉行相對穩健的財務政策，淨槓桿率將控制在行業平均水平。本集團資金成本仍維持行業較低水平，於二零一九年十二月三十一日的加權平均融資成本為4.99%。

本集團之貨幣資產及負債以及業務交易主要以人民幣、美元及港幣列賬和進行。本集團恪守審慎之外匯風險管理政策，透過維持貨幣性資產與貨幣性負債之平衡，將外匯風險減至最低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

NON-COMPETITION DEED

To minimise actual and potential competition, the Group and China Merchants Property Development Co., Ltd.* (招商局地產控股股份有限公司) (“CMPD”) (a company later merged with CMSK (as defined below) in December 2015) entered into a non-competition deed on 19 June 2013 as amended and supplemented on 4 October 2013 (the “Non-Competition Deed”). On 30 December 2015, the Company, CMPD and China Merchants Shekou Industrial Zone Holdings Co., Ltd. (招商局蛇口工業區控股股份有限公司) (“CMSK”) ^{Note 1} had entered into a deed of amendment and novation (“Novation Deed”) pursuant to which all the obligations, undertakings, interests and benefits of CMPD under the Non-Competition Deed were novated to and undertaken by CMSK in replacement of CMPD as if CMSK has been a party to the Non-Competition Deed in substitution of CMPD with effective from 30 December 2015. Other than that, all the other terms of the Non-Competition Deed shall remain unchanged ^{Note 2}. On 17 December 2018, the Company and CMSK entered into an amended and restated non-competition deed which supersede and replace in its entirety the Non-Competition Deed (the “Amended and Restated Non-Competition Deed”), and subsequently entered into a re-amended and restated non-competition deed (the “Re-amended and Restated Non-Competition Deed”) on 21 October 2019, which supersedes and replaces in its entirety the Amended and Restated Non-Competition Deed.

Notes:

1. According to the announcements published by CMSK and CMPD on the Shenzhen Stock Exchange, on 30 December 2015, CMSK and CMPD had completed the major asset restructuring and integration exercise pursuant to which, among other things, all assets, liabilities, businesses, employees, contracts and all other rights and obligations of CMPD have been taken up and assumed by CMSK in replacement of CMPD, CMPD was delisted from the Shenzhen Stock Exchange and the shares of CMSK became listed on the Shenzhen Stock Exchange, all with effect from 30 December 2015.
2. In the above paragraph under the heading of “Non-competition Deed”, for the avoidance of doubt, references to CMSK should be construed as referring to CMPD in the context of any time before 30 December 2015.

不競爭契據

為最小化實際及潛在競爭，本集團與招商局地產控股股份有限公司(「招商地產」)(其後於二零一五年十二月與招商蛇口(定義見下文)合併的一家公司)於二零一三年六月十九日訂立不競爭契據(於二零一三年十月四日經修訂及補充)(「不競爭契據」)。於二零一五年十二月三十日，本公司、招商地產及招商招商局蛇口工業區控股股份有限公司(「招商蛇口」)^{附註1}訂立一項修訂及更替契據(「更替契據」)，據此，招商地產於不競爭契據項下所有責任、承諾、權益及利益將更替予招商蛇口並由招商蛇口代替招商地產承擔，猶如招商蛇口一直為代替招商地產之不競爭契據之訂約方，自二零一五年十二月三十日起生效。除此以外，不競爭契據之所有其他條款維持不變^{附註2}。於二零一八年十二月十七日，本公司與招商蛇口訂立一項經修訂及重列之不競爭契據，其取代及代替整份不競爭契據(「經修訂及重列之不競爭契據」)，並已於其後在二零一九年十月二十一日訂立經重新修訂及重列之不競爭契據(「經重新修訂及重列之不競爭契據」)，以取代及更換整份經重新修訂及重列之不競爭契約。

附註：

1. 根據招商蛇口及招商地產在深圳證券交易所刊發之公告，於二零一五年十二月三十日，招商蛇口與招商地產完成重大資產重組及整合，據此(其中包括)招商地產所有資產、負債、業務、僱員、合約及所有其他權利及義務已經由招商蛇口代替招商地產接收及承擔。招商地產終止於深圳證券交易所上市，而招商蛇口股份於深圳證券交易所上市，均自二零一五年十二月三十日起生效。
2. 為避免疑問，在上文「不競爭契據」一段中，對招商蛇口之提述於二零一五年十二月三十日前任何時間內應視為對招商地產之提述。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

NON-COMPETITION DEED (continued)

Pursuant to the Amended and Restated Non-Competition Deed, (i) CMSK and its subsidiaries (excluding the Group) (“CMSK Group”) will not compete with the Group in the cities of Foshan, Guangzhou, Nanjing and Jurong (the “Four CML Cities”) except for certain operation transitional assets (“Operation Transitional Assets”) located in Foshan which would be retained by CMSK Group but managed by the Group under certain operation agreement entered into between the Group and CMSK; (ii) with respect to Chongqing and Xi’an, the Company is considering to cease to conduct Property Business (other than participating in property-related investments on a minority basis across the PRC (the “Non-Controlling Investment Arrangement”)) in and exit from such two cities in due course, depending on the results of an annual review process; (iii) CMSK Group will not compete with the Group in the cities of Chongqing and Xi’an unless the Group ceases to conduct Property Business (other than the Non-Controlling Investment Arrangement) in such city; (iv) the Group will not compete with CMSK in 46 other cities in the PRC (“CMSK Cities”) except the Group will have the rights to participate in the Non-Controlling Investment Arrangement across the PRC (including the CMSK Cities); (v) the Group will also be entitled to conduct the Asset Management Business for office premises in Beijing and Shanghai exclusively, subject to the duly transfer of all equity interest of CMSK Group in Asset Management Business for office premises in Beijing and Shanghai to the Group (the “Proposed Transfer I”); and (vi) the Company will no longer have the perpetual right of first refusal to conduct Property Business (the “Right of First Refusal”) for other cities in the PRC in which neither the Group nor the CMSK Group has an Property Business as at the date of the Non-Competition Deed (“Unoccupied Cities”).

Pursuant to the Re-amended and Restated Non-Competition Deed, the Group will have the rights to participate in the REIT Management Business for REITs with underlying properties permitted to be situated in or come from all over the PRC on an exclusive basis. In return, the Company (by itself or through its subsidiaries) are entitled to receive cash and/or units in the REITs. Other than the inclusion of the REIT Management Business and the updates to the terms with respect to the Asset Management Business for Office Premises in Beijing and Shanghai in order to reflect the situation at the time of the completion of the Proposed Transfer I, the other terms with respect to the (a) Non-Controlling Investment Arrangement; (b) Asset Management Business for Office Premises in CML Cities plus Beijing and Shanghai; and (c) Property Business of the Re-Amended and Restated Non-Competition Deed remain unchanged compared to the Amended and Restated Non-Competition Deed.

不競爭契據(續)

根據經修訂及重列之不競爭契據，(i)招商蛇口及其附屬公司(不包括本集團)(「招商蛇口集團」)不會與本集團在佛山、廣州、南京及句容(「四個招商局置地城市」)競爭，惟位於佛山之若干管理過渡資產(「管理過渡資產」)除外，該等資產將由招商蛇口集團保留，但由本集團根據本集團與招商蛇口訂立之若干運營協議管理；(ii)就重慶及西安而言，視乎年度審閱程序之結果，本公司正考慮終止進行房地產業務(按少數基準參與中國之房地產相關投資(「非控股投資安排」)除外)並將適時退出該兩個城市；(iii)招商蛇口集團不會於重慶及西安與本集團競爭，除非本集團不再於該等城市進行房地產業務(非控股投資安排除外)；(iv)本集團將不會與招商蛇口於中國46個其他城市(「招商蛇口城市」)競爭，惟本集團將有權參與中國(包括招商蛇口城市)之非控股投資安排；(v)待招商蛇口集團將位於北京及上海辦公室物業的資產管理業務之全部股權正式轉讓予本集團(「第一項建議轉讓」)後，本集團亦將有權就位於北京及上海之辦公室物業獨家進行資產管理業務；及(vi)本公司將不再擁有於中國其他城市展開房地產業務的永久優先選擇權(「優先選擇權」)，即本集團或招商蛇口集團於不競爭契據日期並無進行房地產業務的其他中國城市(「未涉足城市」)。

根據經重新修訂及重列之不競爭契據，本集團將有權獨家參與房地產投資信託基金之房地產投資信託管理業務，而獲允許的相關物業均位於或來自中國各地。本公司(以其本身或透過其附屬公司)有權收取現金及/或房地產投資信託基金單位作為回報。除納入房地產投資信託管理業務及更新有關北京及上海辦公室物業之資產管理業務之條款以反映第一項建議轉讓完成時之狀況外，與經修訂及重列之不競爭契據相比，經重新修訂及重列之不競爭契據有關(a)非控股投資安排；(b)招商局置地城市以及北京及上海辦公室物業之資產管理業務；及(c)房地產業務之其他條款維持不變。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

NON-COMPETITION DEED (continued)

For details of the Non-Competition Deed and Operation Transitional Assets, please refer to the section headed “Relationship with the Controlling Shareholders” in the circular of the Company dated 10 October 2013.

For details of the Amended and Restated Non-Competition Deed, the Four CML Cities, Property Business, Non-Controlling Investment Arrangement, the CMSK Cities, Asset Management Business, the Proposed Transfer I, the Right of First Refusal and the Unoccupied Cities, please refer to the circular of the Company dated 10 January 2019.

For the details of the Re-amended and Restated Non-Competition Deed, REIT Management Business and REITs, please refer to the circular of the Company dated 21 October 2019.

The independent board committee comprising all the independent non-executive Directors of the Company, had (i) reviewed the quarterly reports prepared by the Company’s management containing latest information on the respective property projects portfolios of CMSK Group and the Group; (ii) carried out a review on the implementation of and compliance with the Amended and Restated Non-Competition Deed and/or Re-amended and Restated Non-Competition Deed by CMSK Group and the Group during the year ended 31 December 2019; and (iii) confirmed that the terms of the Amended and Restated Non-Competition Deed and/or Re-amended and Restated Non-Competition Deed had been complied with by CMSK Group and the Group during the year ended 31 December 2019.

The Group will gradually transform into an asset-light property operator, while continue to operate its traditional property development business in Guangzhou, Foshan, Nanjing, Jurong, Chongqing and Xi’an (subject to the Company’s plan to exit from Chongqing and Xi’an). Upon the annual review of the portfolio of the Group’s Property Business for the year ended 31 December 2019, taking into account the financial resources available to the Group at the relevant time and the relevant market conditions, the Group decides to continue its Property Business in Chongqing and Xi’an for the time being.

不競爭契據(續)

請參閱本公司日期為二零一三年十月十日的通函內「與控股股東的關係」一節，以瞭解不競爭契據及管理過渡資產的詳情。

請參閱本公司日期為二零一九年一月十日的通函，以瞭解經修訂及重列之不競爭契據、四個招商局置地城市、房地產業務、非控股投資安排、招商蛇口城市、資產管理業務、第一項建議轉讓、優先選擇權及未涉足城市的詳情。

請參閱本公司日期為二零一九年十月二十一日之通函，以瞭解經重新修訂及重列之不競爭契據、房地產投資信託管理業務及房地產投資信託基金的詳情。

由本公司全體獨立非執行董事組成的獨立董事委員會已(i)審閱本公司管理層編製之季度報告，當中載有招商蛇口集團及本集團相關物業項目組合的最新資料；(ii)就招商蛇口集團及本集團於截至二零一九年十二月三十一日止年度期間執行及遵守經修訂及重列之不競爭契據及／或經重新修訂及重列之不競爭契據之情況進行審閱；及(iii)確認招商蛇口集團及本集團於截至二零一九年十二月三十一日止年度期間遵守經修訂及重列之不競爭契據及／或經重新修訂及重列之不競爭契據之條款。

本公司將逐步轉型為輕資產房地產營運商，並繼續於廣州、佛山、南京、句容、重慶及西安(須視乎本公司退出重慶及西安之計劃)經營其傳統房地產開發業務。於對本集團截至二零一九年十二月三十一日止年度的房地產業務組合進行年度審閱後以及經計及本集團於相關時間可得的財務資源及相關市場狀況，本集團決定繼續於重慶及西安進行其房地產業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK AND PROSPECTS

Looking forward to the year of 2020, global economy will under the influence of risks arising from various factors such as the outbreak of novel coronavirus (COVID-19), political and economy conditions. It is expected that the economy will slow down in the first half of the year, but may bottom-out in the second half of the year. The growth rate for the year may be slightly declined in comparing to 2019, where the characteristics of global economy will mainly consist of high financialisation, high liquidity, low growth rate, low inflation rate and huge bubble. At the same time, risks and challenges that the PRC economy is exposed to have increased due to the uncertainty on whether the trade tariff between the U.S. and the PRC will be cancelled or increased. With respect to the pre-judgement on the PRC economy, based on the achievement of the top three goals: “doubling GDP and income of urban and rural residents”, building a moderately prosperous society in all respects and overcoming “middle-income trap”, it is expected that the macro policies in 2020 will adhere to the bottom-line concept and aim to strengthen the risk awareness, as well as set stabilizing growth as the core of macroeconomic control measures.

For the real estate industry in PRC, on top of the overarching themes of “houses are for living not for speculation” and “carrying out city-specific policies” in the past years, it is expected that, in 2020, the first priority of the Ministry of Housing and Urban-Rural Development of the PRC is to stable land prices, housing prices and market expectations, and improve housing security system across cities and towns, in order to strengthen the housing security for the needs across cities; planning and developing leased residential properties to resolve the housing problems of new citizens; and enhancing the quality of cities and living environment to build “beautiful city” and serve cities as “living organism”, thereby facilitating the high quality development of cities.

前景展望

展望二零二零年，環球經濟受新冠肺炎疫情 (COVID-19) 暴發、政治、經濟等因素的風險交織影響，預計上半年出現下滑，下半年有望築底，全年增速可能較二零一九年略有下降。而環球經濟高度金融化，高流動性、低增長、低通脹和高泡沫為主要特徵，加之中美貿易關稅取消或加徵的不確定性等，中國經濟面臨的風險和挑戰增多。對中國經濟預判從實現「兩個翻番」、全面建成小康社會和跨越「中等收入陷阱」三大目標來看，二零二零年宏觀政策預計將堅持底線思維，增強憂患意識，把穩增長作為宏觀調控政策的核心。

對中國房地產行業而言，在延續往年「房住不炒」、「因城施策」的基調上，預期中國住建部二零二零年度的工作將首要著力於穩地價穩房價穩預期，同時結合完善城鎮住房保障體系，加大城市困難群眾住房保障工作力度；培育和發展租賃住房，促進解決新市民等群體的住房問題；以及提升城市品質和人居環境品質，建設「美麗城市」、把城市作為「有機生命體」，推動城市高品質發展等方面。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK AND PROSPECTS (continued)

The Group will continue to carry out asset management business to create a new income sources for the shareholders of the Group and continue to strengthen its governance capabilities, including a results-oriented plan incorporating a detailed completion timeline and individual accountability will be made by the REIT Manager with the onshore operations team. It is expected that the completion of asset enhancement initiatives together with the approaching launch of Shenzhen Metro Line 12 in 2022 will promote the overall rental level of the properties year by year. Leases are managed effectively and proactively, improving the degree of refinement in tenant composition and professionalism of value-added services. For the acquisition of new assets, the REIT Manager will search for special investment opportunities in addition to actively screening the assets of China Merchants Group for suitable injections into China Merchants Commercial REIT. Increasing operational income is essential to the revenue of the asset management business and the interest of shareholders of the Group.

The Group will continue to adhere to the principle of “sustaining intensive engagement and innovative development” by leveraging on the abundant inventory resources of CMG and CMSK and actively grasp market investment opportunities.

EMPLOYEE REMUNERATION AND RELATIONS

The Group remunerates the employees by reference to their qualifications, experience, responsibilities, profitability of the Group and current market conditions.

As at 31 December 2019, the Group had 872 (2018: 808) employees in the PRC and Hong Kong.

The Group determines its staff remuneration based on various factors such as qualifications, years of experience, market conditions and performance of the individual employees. A share option scheme was adopted at the annual general meeting of the Company held on 27 September 2011 (the “2011 Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who have contributed to the success of the Group’s operations. No grants under the 2011 Share Option Scheme were made during the year ended 31 December 2019.

前景展望(續)

本集團將繼續開展資產管理業務為本集團之股東創增收益來源，並不斷加強管治實力，具體包括房託管理人將與現場運營團隊一起制定落實到時間、個人及結果導向的詳細時間表，在二零二零年深圳地鐵十二號綫開通之際，我們希望完成後的提升改造能使物業整體的租金水平逐年提高。我們也會有效和前瞻地管理租約，並在租戶組成、增值服務等加強精細化和專業化程度；另一方面是增量資產的獲取，除了積極地從招商局集團篩選合適招商局商業房託基金的資產，房託管理人也將密切關注特殊投資機遇的項目。提升經營收益對資產管理業務收入及本集團的股東利益至關重要。

本集團將繼續秉承「持續深耕，創新發展」的原則開發業務，並立足招商局集團和招商蛇口存量資源基礎，積極拓展市場投資機遇。

僱員薪酬及僱員關係

本集團乃根據員工之資歷、經驗、職責、本集團之盈利及現時市況釐定員工薪酬。

於二零一九年十二月三十一日，本集團在中國及香港僱用872名員工(二零一八年：808名)。

本集團根據資歷、服務年期、市況及個別僱員之表現等因素釐定員工薪酬。本公司於二零一一年九月二十七日舉行之股東週年大會上採納購股權計劃(「二零一一年購股權計劃」)，旨在向曾對本集團業務成就作出貢獻之合資格參與人士提供獎勵及獎賞。截至二零一九年十二月三十一日止年度，並無根據二零一一年購股權計劃授出購股權。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

This report covers the environmental, policies and performance of the Company during the year ended 31 December 2019. The Environmental, Social and Corporate Governance Report prepared in accordance with Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) will be published on the websites of the Company and the Stock Exchange in due course.

GREEN CONSTRUCTION

We have combined the community and environment requirements into the construction process and conducted investigations in depth with our cooperative partners to improve construction management and innovate construction technology. We would consider using materials available from the neighborhood as much as possible and to reduce the consumption of materials, energy and water in the course of construction for creating a clear, clean, comfortable and safe construction environment. Besides, we also launched a “Harmonious Neighborhood Scheme” to extensively collect the opinions from the residents who live nearby with an aim to doing our best to reduce the effects of construction works on the surrounding natural, cultural and social environments.

GREEN OFFICE

We have formulated the “Green action guide for employee” to strengthen the daily management of energy saving and emission reduction and carry out the education in every corner and to every employee, making the idea of green development deeply rooted in their mind to develop the habits of saving energy, water, papers, oil and gas.

CO-OPERATION WITH INTERNATIONAL ORGANISATIONS

We build up close ties and co-operative connections with international organisations like UNEP, UNEP-SBCI, UNEP GI-REC, WWF to combine each other’s edges to promote the sustainable development.

本報告涵蓋截至二零一九年十二月三十一日止年度本公司之環境、政策及表現。根據香港聯合交易所有限公司(「聯交所」)證券上市規則附錄27所編製之環境、社會及企業管治報告將適時於本公司及聯交所網站刊載。

綠色施工

我們將社區和環境要求融入施工過程，還會同合作單位深入研究，加強施工管理、創新施工技術，盡可能考慮就近取材，減少施工過程中的物耗、能耗與水耗，營造乾淨、整潔、舒適、安全的施工環境，並推廣「睦鄰計畫」廣泛收集周邊居民意見，努力降低施工對周邊自然環境、人文環境、社會環境造成的影響。

綠色辦公

我們制定《員工綠色行為指引》，從細節入手加強節能減排日常管理，並將宣傳教育延伸到每個角落和每名員工，促進綠色發展理念深植員工心中，形成自覺節電、節水、節紙、節油、節氣的習慣。

與國際機構合作

我們與聯合國環境規劃署(UNEP)、可持續建築與氣候促進會(UNEP-SBCI)、資源節約型城市全球促進會(UNEP GI-REC)、世界自然基金會(WWF)等國際機構建立密切的聯繫與合作關係，整合優勢資源推動可持續發展。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

SAFE AND CIVILISED CONSTRUCTION

The Company has set up a Safety Management Committee. Each project has established its own safety management team to proactively promote the standardised management of safe and civilised construction so as to protect the health and safety of every front line construction workers and back office staff with best efforts.

REINFORCEMENT OF SAFE AND CIVILISED CONSTRUCTION MANAGEMENT

We have strengthened the measures to achieve a safe and standardised construction. We have organised and updated management requirements and practices for safe and civilised construction with a precise goal of safe and civilised construction management. We have strengthened the investigation standard for hidden dangers on-site. We carry out regular safety check and introduce the assessment system for subcontractors in order to ensure the worry-free construction. No fire accident, major equipment safety and casualty accidents occurred during the year.

PURSUIT OF “ZERO” ENERGY WASTAGE IN CONSTRUCTION

Following the consolidation process and with many years of experience, we have gradually forged an ecological and high efficient green technology system. The development model for green construction was also upgraded into a comprehensive model with combination of “Green Planning”, “Technique Application” and “Energy Saving through Action”. As early as in 2015, the Company built up a green research and development and application system named “Green Life+” and issued the “Green Ranking Guide” and “Energy Efficiency Management Guide” in order to continuously promote the innovation and breakthrough of the green technology.

PROTECTING THE BIO-DIVERSITY

We have implemented the idea of protecting the bio-diversity throughout the core process of our development and operation and pay attention to protecting the original natural vegetation and the habitats in the development zone during the process of planning and project construction. Through these efforts, we systematically repair the eco-system which is degenerated or damaged by project development. In addition, by building the landscape water system and seedling transplantation according to location and situations, we can reduce the effects of project development on local environment.

安全文明施工

本公司設立安全管理委員會，各項目設立安全管理小組，積極推進安全文明施工標準化管理，全力保障每一位前線建築工人以及後勤支援員工的健康與安全。

加強安全文明施工管理

我們加強各項措施，以達致安全標準化建設，並組織更新安全文明施工管理規定和管理規範，明確安全文明施工管理目標。我們已加強現場隱患排查標準，定期組織安全檢查並引入協力廠商評估機制，努力打造放心工程。全年未發生火災事故、重大設備安全事故及重大工地傷亡事故。

追求建築「0」能耗化

經過多年經驗沉澱與積累，我們逐步形成生態高效的綠色技術體系，綠色建築發展模式也由傳統的技术應用升級為「綠色規劃、技術應用、行為節能」三位一體的綜合模式。早於二零一五年，公司建立「綠色生活+」綠色研發應用體系，發佈《綠色評星工作指引》與《能效管理工作指引》，不斷推進綠色技術的革新和突破。

保護生物多樣性

我們將保護生物多樣性的理念貫穿於開發運營核心環節，在規劃設計和項目建設過程中注重對開發區域內原有自然植被、棲息環境的保護，系統修復因項目開發而退化或者破壞的生態，並通過在景觀水系構造、苗木移栽中因地制宜，減少項目開發對當地生態環境的影響。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

EQUAL EMPLOYMENT AND DIVERSITY

Our recruitment principles are on the basis of fairness, justice and transparency. We provide every employee an equal employment opportunity. No employee will face differential treatment for their gender, age, ethnicity or cultural background. We try our best effort to provide an ideal career environment for their development.

平等僱傭與多元化

我們堅持公開、公正、公平及透明的招聘原則，給予每一位員工平等的僱傭機會，不因性別、年齡、民族、文化背景不同而對員工差別化對待，全力為員工的發展提供良好的職業環境。

RIGHT PROTECTION OF CONSTRUCTION WORKERS

The Company is highly concerned about the right protection of the front line construction workers. It has incorporated a system to evaluate the performance of potential suppliers in safeguarding construction worker's rights. In selecting partners, we have taken into account the protective measures with our standard evaluation system. We conduct regular checks and monitor contractors to ensure they have complied with protective measures and have adequately implemented the policies, with a view to safeguard the rights of construction workers.

建築工人權益保障

公司高度重視前線建築工人的權益保障，並已將潛在供應商保障建築工人權益的履行情況納入評價體系當中。於甄選合夥人時，我們將保障措施與水準評價體系一併仔細考慮，確保彼等遵守保障措施並充份實施有關政策，旨在維護建築工人權益。

Wages Guarantee

工資保障

- Require the general contractor to open a specialised account for depositing of workers' wages and deposit the wages in advance
- 要求工程總承包企業開設工人工資保證金專戶，預存工資保證金
- Implement real-name system management for workers, establish an alert mechanism for worker's wage and inspect regularly on the payment of worker's wage by the construction cooperation units
- 實施工人實名制管理，建立工人工資預警機制，定期檢查合作施工單位的工人工資發放情況
- Require the general contractor to pay the wages of its own workers in priority and consider this as a compulsory check item in the annual review of qualified suppliers
- 要求施工總承包商優先支付所屬工人工資，並將其作為年度合格供方評審必查項

Safety Guarantee

安全保障

- Deploy facilities for safety production and industrial diseases protection pursuant to the requirements and provide compliant protective equipment for workers
- 按規定配備安全生產和職業病防護設施，為工人發放符合要求的勞動防護用品
- Construction unit must execute their works according to construction practice guidelines on site, and simple medical facility must be equipped on site
- 施工單位必須按工地施工規範執行，現場必須配備簡單的醫療設備
- Strictly implement the Company's three-tier safety education system and prevent the occurrence of workers attending for work without receiving the three-tier safety education
- 嚴格執行公司的三級安全教育制度，杜絕未經三級安全教育就直接上班的現象

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

BUILDING UP RESPONSIBLE SUPPLY CHAIN

As the Company regards supply chain competitiveness as one of the core corporate competitiveness, we have maintained supply chain management strategy of balancing between quality and efficiency. Through the standardised and specialised suppliers' closed-loop management system and open communication sharing mechanism between suppliers, we strived to build up a responsible supply chain, to facilitate and strengthen for mutual interests with the enterprises in the supply chain.

SAFEGUARD THE INTERESTS OF SUPPLIERS

We have maintained a concept of purchasing under a transparent and open regime, and hence we have strengthened tendering process and enhanced the standardisation and specialisation of tendering. We have strived to explore new paths for purchasing information and have stringently complied with the contracts, and have safeguarded the basic rights of suppliers with fairness, justice and openness.

ASSESSMENT AND REVIEW OF SUPPLIERS

We highly recognised a long-term cooperation relationship with our suppliers and has built up a positive cycle of general purchasing, annual cooperation and strategic purchasing. We have enhanced the comprehensiveness and closed-loop management for certification, selection, examination and assessment towards suppliers from different levels and types. We have identified and fostered possible strategic relation with our suppliers through the ERP Purchasing Management Platform.

UPGRADE OF SUPPLIERS' CAPABILITIES

The stable operation of the Company and long-term development are supported by the high-quality supply chain, which also favors the core concept of our corporation and implementation of our social responsibilities. We will help the suppliers to enhance their competitiveness, achieve a mutual development with suppliers and create a continuous win-win approach and development through various measures and activities. From unilateral examination to bilateral examination, we invite professional consultant agency to conduct satisfaction research to suppliers from engineering, marketing, design and properties and put their feedback into the evaluation of the project management. We also build a monthly report system for key suppliers and have senior management conducting on-site visit for key suppliers and regularly invite outstanding partners to share their sophisticated experience in order to mutually improve the ability to perform both parties' duties. Meanwhile, we endeavor to cultivate strategic suppliers with high quality for long-term cooperation. For those suppliers with high quality, they will be registered in our selected unit automatically and entitled to higher percentage of payments upon goods delivered and awarded with public recognition. For existing issues, we will sort out corresponding solutions one by one.

打造責任供應鏈

由於本公司視供應鏈競爭力為企業的核心競爭力之一，我們已堅持品質與效益並重的供應鏈管理方針，通過規範化和專業化的供應商閉環管理制度、暢通的供應商溝通分享機制打造責任供應鏈，與供應鏈企業相互促進、共同成長。

保障供應商權益

我們堅持具透明度且開放的採購理念，因而得以加強招標流程並提升招標工作規範性與專業化。我們積極探索採購資訊化創新路徑，嚴格信守合同承諾，以公平、公正、公開的方式保障供應商基本權益。

供應商評估與審核

我們高度重視與供應商之間的長期合作關係並已建立常規採購、年度合作及戰略採購的良性循環。我們已加強對各級各類供應商認證、選擇、考核、評估的完整性及閉環管理。我們已通過ERP採購管理平台發現和培養與供應商之間的潛在戰略關係。

供應商能力提升

公司的穩健經營和長遠發展有賴於高品質的供應鏈，共贏是我們合作的核心理念，也是履行社會責任的重要體現。我們通過各類措施與活動幫助供應商提升競爭力，實現與供應商的共同成長與發展，創造持續共贏的產業未來。由單向考核向雙向考核過渡，邀請專業諮詢機構對工程類、行銷類、設計類、物業類等供應商進行滿意度調查研究，將供應商回訪意見融入對項目管理的考核。建立重點供應商合作月報制，多次對重點供應商進行高層到訪溝通，定期邀請優秀合作夥伴共同分享成熟經驗，相互促進履行責任能力提升。著力培育長期合作的優質戰略供應商，對於優質供應商給予自動納入入圍單位、提高到貨款比例、公開表彰等激勵，對於存在問題逐一對應提出解決方案。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

REMUNERATION BENEFITS

While ensuring the market competitiveness of our employees' remunerations, we implement the remuneration system closely linked with performance to further create an environment where the interests of the Company and employees are aligned. Under the principles of complying with the requirements of the laws and regulations and providing our employees with assurance, we build a comprehensive benefit system with multiple levels to ensure a stable growth and development for our employees.

Subject to shareholders' approval at general meeting, the emoluments are determined by the Board of Directors of the Company by reference to the qualification, experience, job duties, responsibilities and performance and results of the Group and market conditions. Details of Directors' and Chief Executive's and Employee's Emoluments are set out in note 11 to the consolidated financial statements.

DEVELOPMENT AND TRAINING

We embrace the core values of the Company to build an appropriate talent development strategy and talent promotion path, comprehensively promote a multi-level employees training system, strive to provide a broad platform for employee's development and achieve the goal of enterprise development on the basis of employee's development.

EMPLOYEES' DEVELOPMENT PATH

We emphasise the professional and occupational growth of the employees, and we provide the employees with two major development paths of managerial talent and professional technical talent. Employees can choose the development path according to their own career development direction incorporated with the position requirement of the Company to realise a win-win situation on both the Company's development and the employee's development.

STAFF TRAINING

We have been maximising the inputs on staff training and accelerating the optimisation of staff training system. After years of fulfillment, optimisation and innovation, we have developed a staff training system with three main elements, which are leadership, professional capability and general performance, in order to provide a favorable platform for staff's development.

薪酬福利

我們在確保薪酬有市場競爭力的前提下，執行與績效緊密掛勾的薪酬制度，進一步打造公司與員工利益共同體。在合法合規的基礎上，本著讓員工安心的原則，構建多層次、全面的福利體系，讓員工在公司穩定的成長和發展。

待股東於週年大會上批准後，酬金由本公司董事會參考資格、經驗、職務、職責、本集團之業績及表現以及市況而釐定。有關董事、行政總裁及僱員酬金之詳情載於綜合財務報表附註11。

發展及培訓

我們圍繞公司的核心價值觀，構建合適的人才發展戰略和人才晉升管道，全方位推進多層次的員工培訓體系，致力於為員工發展提供廣闊的平台，實現以員工的發展來推動企業的發展及目標。

員工發展通道

我們注重員工的專業化和職業化成長，為員工提供管理人才和專業技術人才兩大序列的發展通道，員工可根據自身職業發展方向並結合公司職位需求，選擇相應的發展通道，以實現公司發展和員工發展的雙贏。

員工培訓

我們不斷加大對人才培養的投入力度，加快人才培訓體系的完善，經過多年的實踐積累和優化創新，我們建立起領導力、專業能力、通用能力三大類人才培養的項目培訓體系，為員工發展提供了良好平台。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

COMMUNICATION WITH EMPLOYEES

With a view to enhance communication between the staff and the management, the Group requires every project company to organise different types of face-to-face communication seminar regularly throughout the year. Our staff can share their ideas and needs to the management directly while they can get an instant responses. Furthermore, it was a brilliant time for the management to point out their objective and vision to their staff. These seminars can strengthen both parties' mutual understandings and break any barriers between them.

SHAREHOLDERS' AND INVESTORS' RELATIONSHIPS

Shareholders' and investors' relationships are set out in the section headed "Corporate Governance Report" on page 83 to 107 of this annual report.

OPERATION IN COMPLIANCE WITH LAW

The Company strictly complies with the national laws and regulations, international practices and business ethics, and fulfills the theme of the central government and China Merchants Group – "Three-Strictness and Three-Solidness (三嚴三實)" to strengthen the practice of building and establishing the implementation of responsibility and promote the culture of corruption-free and prevention and punishment system comprehensively. We will consciously accept the supervision from relevant authorities and strive to become a good example of operating in compliance with the law and with honesty and integrity.

The Company is concerned about the establishment of a corporate legal advising system and has strengthened the legal culture and research development. The Company has promoted the compliance works and integration of operation management, so as to enable the operation of the Company to be in compliance with the applicable law requirements and contemporary corporate governance requirements and interests from relevant parties.

We have introduced specific training programmes that meet with industry's requirement, with a view to enhance the legal awareness of our employees, in particular the frontline staff.

We will introduce two-rounds of on-site inspections and promote the legal risk awareness while building up the precaution mechanism of legal disputes and achieving an efficient and in advance control of legal risks.

與員工之溝通

為加強員工與管理層之間之溝通，本集團規定各項目公司於年內定期組織各式各樣的面對面座談會，員工可直接向管理層反映彼等意見及訴求，而管理層亦可即時作出回應。此外，管理層亦可藉此良機向員工指明彼等之目標及願景。此等座談會增強了雙方之相互瞭解及打破彼此間之隔閡。

股東及投資者關係

股東及投資者關係載於本年報第83至107頁所載「企業管治報告」一節。

依法合規運營

公司嚴守國家法律法規、國際慣例和商業道德，貫徹中央和招商局集團「三嚴三實」精神加強作風建設、抓好責任落實，全面推進廉潔文化建設與防懲體系建設，自覺接受各利益相關方監督，努力成為依法經營、誠實守信的表率。

公司重視建立起一個企業總法律顧問制度並已加強發展法律文化及法律研究，本公司已推動合規工作與經營管理融合，使公司運營能夠既符合適用法律要求，又滿足現代企業治理要求及利益相關方訴求。

我們已開展符合行業要求的專題培訓以提高全員尤其是前線員工的法律意識。

開展兩輪式現場巡查，推進法律風險提示工作，建立法律糾紛預警機制，實現事前有效防控法律風險。

ENVIRONMENTAL, POLICIES AND PERFORMANCE

環境、政策及表現

STRENGTHENING RISK CONTROL

With a view to achieve strategic targets, we have developed a risk management system on the basis of forward-looking and systematised comprehensiveness, which can also serve as a platform connecting to the risk management system of the professional departments covering operating level and business level. Meanwhile, we will gradually incorporate the non-financial risks management systems, including environmental protection and anti-corruption, into the comprehensive risk management system and these can further reduce the potential risks in the operation processes of the Company.

強化風險管控

為達致戰略目標，我們已按前瞻性及系統化全面性基準制訂風險管理體系，此體系亦可作為連接涵蓋營運層面及業務層面的專業部門之風險管理體系之平台。同時，我們逐步將環境保護、反腐敗等非財務風險納入全面風險管理體系，減少公司運營過程中的潛在風險。

REPORT OF THE DIRECTORS

董事會報告

The board (the “Board”) of directors (the “Directors”) of China Merchants Land Limited (the “Company”, and together with its subsidiaries, the “Group”) are pleased to present to the shareholders their report together with the audited consolidated financial statements of the Group for year ended 31 December 2019 (the “Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The subsidiaries are engaged in the following principal activities:

- (i) development, sale, lease, investment and management of properties;
- (ii) assets management; and
- (iii) investment holding.

SUBSIDIARY CORPORATIONS

Details of the principal activities of the Company’s subsidiaries are set out in note 44 to the financial statements.

RESULTS AND APPROPRIATIONS

The Group’s profit for the Year and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on page 118.

The Board recommend the payment of a final dividend of HK\$0.14 (equivalent to approximately RMB0.13) per share in respect of the year ended 31 December 2019, representing a total payment of HK\$686,736,000 (equivalent to approximately RMB624,930,000). The proposed final dividend is subject to the approval of the relevant resolution at the forthcoming annual general meeting of the Company to be held, the final dividend is expected to be paid on or about 30 June 2020 to shareholders.

招商局置地有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然向股東提呈董事會報告，連同本集團截至二零一九年十二月三十一日止年度(「年內」)之經審核綜合財務報表。

主要業務

本公司主要業務為投資控股。附屬公司從事以下主要業務：

- (i) 開發、銷售、租賃、投資及管理房地產；
- (ii) 資產管理；及
- (iii) 投資控股。

附屬公司

本公司各附屬公司之主要業務詳情載於財務報表附註44。

業績及股息

本集團於年內之溢利及本公司與本集團於該日之事務狀況載於第118頁之財務報表內。

董事會建議派付二零一九年十二月三十一日止年度之末期股息每股港幣0.14元(相當於約人民幣0.13元)，總共派付的港幣686,736,000元(相當於約人民幣624,930,000元)。建議末期息尚待有關決議案於即將召開之本公司股東週年大會上獲通過後方可作實，末期股息預計將於二零二零年六月三十日或前後向股東派付。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW

A review of the business of the Group during the Year, which includes an analysis of the Group's performance using financial key performance indicators, a discussion on the Group's future business development are set out in the section headed "Management Discussion and Analysis" on page 20 to 45 of this annual report. The financial risk management objectives and policies of the Group are set out in note 38 to the consolidated financial statements. The principal risks and uncertainties that the Group may face, particulars of important events affecting the Company that have occurred since the end of the financial year, and an indication of likely future development in the Company's business are set out in the section headed "Chairman's Statement" on page 5 to 8 of this annual report. A discussion on the Group's environmental policies and relationships with its key stakeholders and investors are set out in the sections headed "Environmental, Policies and Performance" on page 46 to page 52 of this annual report. The compliance with relevant laws and regulations which have significant impact on the Group is set out in this Directors' report. The reviews form part of this statement.

DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and of the Group during the Year are set out in note 47 to the financial statements and in the consolidated statement of changes in equity, respectively.

The Directors consider that the Company's reserves available for distribution to shareholders amounted to RMB4,237,106,000 (2018: RMB4,800,077,000). Under Chapter 22 of the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

業務審視

本集團於年內業務之回顧(包括使用財務關鍵績效指標對本集團表現進行之分析)及有關本集團未來業務發展之討論載於年報第20至45頁「管理層討論及分析」一節。本集團之財務風險管理目標及政策載於綜合財務報表附註38。本集團可能面對之主要風險及不明朗因素、自財政年度結算日起所發生影響本公司之重要事件詳情以及本公司業務之可能未來發展之揭示載列於本年報第5至8頁「主席報告」一節。有關本集團之環保政策以及與主要持份者及投資者之關係之討論載於本年度第46頁至第52頁「環境、政策及表現」各節。有關遵守對本集團有重大影響之相關法律及法規之情況載於本董事報告。回顧構成本聲明一部分。

可供分派儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註47及綜合權益變動表。

董事認為，本公司可供分派予股東之儲備為人民幣4,237,106,000元(二零一八年：人民幣4,800,077,000元)。根據開曼群島公司法第二十二章(經修訂)，本公司之股份溢價可向股東派付作為分派或股息，惟須遵守其組織章程大綱及細則之規定，且本公司須於緊隨派付或分派股息後仍有能力償付其於一般業務過程中到期之債務。

REPORT OF THE DIRECTORS

董事會報告

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

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of total purchases.

Aggregate sales attributable to the Group's five largest customers were less than 30% of total turnover.

As far as the Directors are aware of, neither the Directors, their close associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")), nor any shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital, had any interest in the Group's five largest customers or suppliers.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and restated as appropriate, is set out on page 272. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the Year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the Year are set out in note 31 to the consolidated financial statements.

購買、出售或贖回本公司上市證券

於二零一九年期間，本公司或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。

主要客戶及供應商

本集團五大供應商應佔的採購額合共少於採購總額30%。

本集團五大客戶應佔的銷售額合共少於總營業額30%。

據董事知悉，各董事、彼等之緊密聯繫人士（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））以及據董事所知擁有本公司已發行股本5%以上之任何股東，概無於本集團五大客戶或供應商中擁有任何權益。

五年財務資料概要

本集團於過往五個財政年度之已刊發業績及資產與負債概要（摘錄自經審核財務報表，並在適當情況下重列）載於第272頁。該概要並非經審核財務報表之任何部分。

物業、廠房及設備

本集團物業、廠房及設備於年內之變動詳情載於綜合財務報表附註14。

投資物業

本集團投資物業於年內之變動詳情載於綜合財務報表附註16。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註31。

REPORT OF THE DIRECTORS

董事會報告

CONTINGENT LIABILITIES

The Group has contingent liabilities amounted to RMB4,467,492,000 as at 31 December 2019 (2018: RMB4,172,353,000).

PLEDGE OF ASSETS

As at 31 December 2019, land located in Chongqing, Foshan, Nanjing and Jurong with carrying values of approximately RMB6,348,122,000 (2018: RMB4,549,627,000) have been pledged to secure bank borrowings amounting to RMB1,501,276,000 (2018: RMB1,216,586,000) granted to the Group.

BORROWINGS

Details of the borrowings of the Group are set out in note 29 to the consolidated financial statements.

BONDS

Details of the bonds of the Group are set out in note 30 to the consolidated financial statements.

RETIREMENT SCHEMES

Details of the retirement scheme of the Group are set out in note 36 to the consolidated financial statements.

TAX RELIEF AND EXEMPTION

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

或然負債

於二零一九年十二月三十一日，本集團有或然負債人民幣4,467,492,000元（二零一八年：人民幣4,172,353,000元）。

抵押資產

於二零一九年十二月三十一日，本集團已抵押位於重慶、佛山、南京及句容賬面值約為人民幣6,348,122,000元（二零一八年：人民幣4,549,627,000元）之土地，以就授予本集團之銀行借貸人民幣1,501,276,000元（二零一八年：人民幣1,216,586,000元）作出擔保。

借貸

本集團借貸詳情載於綜合財務報表附註29。

債券

本集團債券詳情載於綜合財務報表附註30。

退休計劃

本集團退休計劃詳情載於綜合財務報表附註36。

稅務減免

董事並不知悉股東因持有本公司證券而享有任何稅務減免。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors of the Company during the Year and up to the date of this report were:

Non-executive Directors:

Mr. XU Yongjun
Mr. HUANG Junlong
Ms. LIU Ning

Executive Directors:

Dr. SO Shu Fai
Mr. YU Zhiliang
Mr. WONG King Yuen

Independent non-executive Directors:

Dr. WONG Wing Kuen, Albert
Ms. CHEN Yanping
Dr. SHI Xinping
Mr. HE Qi

In accordance with Article 116 of the Company's Articles of Association, Mr. YU Zhiliang, Dr. WONG Wing Kuen, Albert, Ms. CHEN Yanping and Mr. HE Qi shall retire at the forthcoming Annual General Meeting ("AGM") to be held on 20 May 2020. All the above retiring Directors, being eligible, shall offer themselves for re-election at the AGM. The Company has received annual confirmations of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and considers all of the independent non-executive Directors to be independent.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS THAT HAVE A SIGNIFICANT IMPACT ON THE COMPANY

Throughout the Year, to the best of their knowledge, information and belief, the Directors were not aware of any non-compliance by the Company with any relevant laws and regulations that had a significant impact on the Company.

PERMITTED INDEMNITY PROVISION

Insurance cover in respect of liability against the Directors arising from their offices and execution of their powers, duties and responsibilities has been arranged and in force during the Year.

DONATIONS

During the Year, the Group had not made any donation.

董事

年內及直至本報告日期止，本公司之董事如下：

非執行董事：

許永軍先生
黃均隆先生
劉寧女士

執行董事：

蘇樹輝博士
余志良先生
黃競源先生

獨立非執行董事：

王永權博士
陳燕萍女士
史新平博士
何琦先生

根據本公司組織章程細則第116條，余志良先生、王永權博士、陳燕萍女士及何琦先生將於二零二零年五月二十日舉行之應屆股東週年大會（「股東週年大會」）上退任。所有上述退任董事均符合重選資格並願意於股東週年大會上重選連任。本公司已自各獨立非執行董事接獲根據上市規則第3.13條有關彼等獨立性之年度確認書，並認為全體獨立非執行董事屬獨立。

遵守對本公司有重大影響之相關法律及法規

年內，據董事所深知、全悉及確信，彼等概不知悉本公司有任何違反對本公司有重大影響之任何相關法律及法規。

獲准許之彌償條文

年內，本公司已為董事因其職務及執行其權力、職責及責任引起之責任投購保險，並已生效。

捐款

年內，本集團概無作出任何捐款。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

No Directors proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Group within one year without payment of compensation, other than normal statutory obligations.

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

As at 31 December 2019, the interests and short positions of each Director and chief executives of the Company in the shares or underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571) of the Laws of Hong Kong (the "SFO")) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which he was deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in ordinary shares of the Company

Name of director 董事姓名	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital 佔本公司已 發行股本百分比
SO Shu Fai 蘇樹輝	Through controlled corporations (Note) 由受控制之公司持有(附註)	32,054,066	0.65%

Note: These shares were directly held by Skill China Limited ("Skill China"), which is owned as to 90% by Dr. SO Shu Fai, an executive Director of the Company, and 10% by Mr. SO Man Cho, the son of Dr. SO Shu Fai. By virtue of Part XV of the SFO, Dr. SO Shu Fai is deemed to be interested in the shares held by Skill China. Skill China is a company incorporated in the British Virgin Islands with limited liability.

董事服務合約

概無擬於應屆股東週年大會重選連任之董事具有不可於一年內由本集團免付賠償(一般法定賠償除外)而予以終止之已屆滿服務合約。

董事及高級行政人員於本公司或其相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年十二月三十一日，各董事及本公司主要行政人員於本公司及其相聯法團(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)之股份或相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括根據證券及期貨條例之有關條文被認為或視作擁有之權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條例所指由本公司存置之登記冊中之權益及淡倉，或根據上市規則所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉如下：

本公司普通股之好倉

附註：該等股份由華能有限公司(「華能」)直接持有，華能乃由本公司執行董事蘇樹輝博士及蘇樹輝博士之兒子蘇文濠先生分別擁有90%及10%權益。因此，根據證券及期貨條例第XV部，蘇樹輝博士被視為於華能持有之股份中擁有權益。華能為於英屬處女群島註冊成立之有限公司。

REPORT OF THE DIRECTORS

董事會報告

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

Long positions in underlying shares of associated corporation

董事及高級行政人員於本公司或其相聯法團之股份、相關股份及債券之權益及淡倉(續)

相聯法團相關股份之好倉

Name of director 董事姓名	Nature of interest 權益性質	Number of underlying Shares involved ^(Note) 涉及相關股份數目 ^(附註)	Approximately percentage (%) in the associated corporation 於相聯法團之概約百分比(%)
XU Yongjun 許永軍	Beneficial owner 實益擁有人	469,334 ¹	0.00%
		124,800 ²	0.00%
HUANG Junlong 黃均隆	Beneficial owner 實益擁有人	248,000 ¹	0.00%
LIU Ning 劉寧	Beneficial owner 實益擁有人	248,000 ¹	0.00%
		24,601 ²	0.00%
YU Zhiliang 余志良	Beneficial owner 實益擁有人	133,334 ¹	0.00%

Note 1: These are the underlying shares involved in the share options granted by CMSK (an intermediate controlling shareholder indirectly holding 3,646,889,329 shares, representing approximately 74.35% of the issued share capital of the Company) to Mr. XU Yongjun, Mr. HUANG Junlong, Ms. LIU Ning and Mr. YU Zhiliang.

附註1: 該等股份為本公司間接控股股東招商蛇口(間接持有3,646,889,329股股份,相當於本公司已發行股本之74.35%)向許永軍先生、黃均隆先生、劉寧女士及余志良先生授出之購股權涉及之相關股份。

Note 2: These are interests in associated corporation, CMSK, an indirect controlling shareholder.

附註2: 該等權益為相聯法團招商蛇口(間接控股股東)的權益。

Save as disclosed above, as at 31 December 2019, none of the Directors or chief executives of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

除上文披露者外,於二零一九年十二月三十一日,概無董事或本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例之有關條文被認為或視作擁有之權益及淡倉),或根據證券及期貨條例第352條須記錄於該條例所指由本公司存置之登記冊中之任何權益或淡倉,或根據上市規則所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Apart from the information as disclosed under the heading "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS", at no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; nor was the Company, its holding company, or any of its subsidiary corporations or fellow subsidiary corporations a party to any arrangement to enable the Directors or their respective spouses or minor children to acquire such rights in any other body corporate.

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

As at 31 December 2019, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

允許董事收購股份及債券之安排

除「董事及高級行政人員於本公司或其相聯法團之股份、相關股份及債券之權益及淡倉」披露之資料外，年內任何時間概無向任何董事或其各自之配偶或未成年子女授出透過購買本公司股份或債券獲得利益之權利，彼等亦概無行使任何有關權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦概無訂立致使董事或其各自之配偶或未成年子女於任何其他公司法團獲得有關權利之任何安排。

主要股東及其他人士於本公司股份及相關股份之權益或淡倉

於二零一九年十二月三十一日，下列於本公司已發行股本中5%或以上權益已記錄於根據證券及期貨條例第336條本公司須存置之權益登記冊內：

Name 名稱	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目		Percentage of the Company's issued share capital 佔本公司已發行 股本百分比
		Long position 好倉	Short position 淡倉	
China Merchants Group Ltd. ("CMG") 招商局集團有限公司(「招商局集團」)	Through controlled corporations 由受控制之公司持有	3,646,889,329	–	74.35%
China Merchants Shekou Industrial Zone Holdings Co., Ltd. ("CMSK") 招商局蛇口工業區控股股份有限公司 (「招商蛇口」)	Through controlled corporations 由受控制之公司持有	3,646,889,329	–	74.35%
Eureka Investment Company Limited ("Eureka") 瑞嘉投資實業有限公司(「瑞嘉」)	Through controlled corporations 由受控制之公司持有	3,646,889,329	–	74.35%
Success Well Investments Limited ("Success Well") 成惠投資有限公司(「成惠」)	Beneficial interest 實益權益	3,646,889,329	–	74.35%

REPORT OF THE DIRECTORS

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

As at 31 December 2019, approximately 74.35% of the issued share capital of the Company is directly held by Success Well. Success Well is 20% and 80% owned by Good Ease Holdings Limited (“Good Ease”) and Eureka respectively. Good Ease was wholly-owned by Eureka, which was in turn wholly-owned by CMSK. CMG directly or indirectly owned more than 63% of the issued share capital of CMSK, and CMG is owned and controlled by the SASAC of the PRC.

Save as disclosed above, as at 31 December 2019, no person other than the Directors and chief executives of the Company whose interests are set out in the section “INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS’ INTERESTS IN TRANSACTIONS ARRANGEMENTS OR CONTRACTS AND DIRECTORS’ CONTRACTUAL BENEFITS

During the Year, no transactions, arrangements or contracts of significance in relation to the Group’s business to which the Company, its holding company or any of its subsidiary corporations was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related company with the Director or with a firm of which he is a shareholder or with a company in which he has a substantial financial interest.

主要股東及其他人士於本公司股份及相關股份之權益或淡倉(續)

於二零一九年十二月三十一日，本公司已發行股本約74.35%由成惠直接持有。成惠由樂怡及瑞嘉分別擁有20%及80%權益。樂怡控股有限公司(「樂怡」)由瑞嘉全資擁有，而瑞嘉由招商蛇口全資擁有。招商局集團直接或間接擁有招商蛇口已發行股本超過63%，而招商局集團由中國國資委擁有及控制。

除上文披露者外，於二零一九年十二月三十一日，概無董事及本公司主要行政人員(其權益載於上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉」一節)以外之人士於本公司之股份或相關股份中，已登記根據證券及期貨條例第336條須予記錄之權益或淡倉。

董事於交易安排或合約之權益及董事之合約利益

年內，概無存續由本公司、其控股公司或其任何附屬公司訂立任何有關本集團業務而董事直接或間接於其中擁有重大權益之重大交易、安排或合約。

自上個財政年度結算日起，概無董事因本公司或董事相關公司或董事為其股東之公司或董事於其中擁有重大財務權益之公司所訂立合約而收取或有權收取福利。

REPORT OF THE DIRECTORS

董事會報告

CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

Save as disclosed in the paragraphs headed “CONNECTED TRANSACTIONS” (except for connected transactions at the subsidiary level), “CONTINUING CONNECTED TRANSACTIONS” and “NON-COMPETITION DEED” in this report, there were no contract of significance between any member of the Group and the Company or any of its subsidiaries or contract of significance for the provision of services to any member of the Group by a controlling shareholder or any of its subsidiaries subsisted as at the end of the Year or during the Year.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

During the Year, all Directors declared that they do not have interests in the businesses, which compete or are likely to compete, directly or indirectly, with the businesses of the Group pursuant to the Listing Rules.

SHARE OPTION SCHEME

The 2011 Share Option Scheme was adopted at the annual general meeting of the Company held on 27 September 2011 for the purpose of providing incentives and rewards to eligible participants who have contributed to the success of the Group’s operations. No grants under the 2011 Share Option Scheme were made during the year ended 31 December 2019. Since the adoption of the 2011 Share Option Scheme on 27 September 2011 (“Adoption Date”) and up to and including 31 December 2019, no share option has ever been granted under it.

A brief summary of the terms of the 2011 Share Option Scheme is set out below:

1. Purpose of the scheme

The purpose of the scheme is to enable the Group to grant share options to eligible participants as incentives or rewards for their contribution to the Group.

與控股股東之重大合約

除本報告「關連交易」(附屬公司層面的關連交易除外)、「持續關連交易」及「不競爭契據」段落所披露者外，於年末及年內，概無存續由本集團任何成員公司與本公司或其任何附屬公司控股股東訂立之重大合約或由控股股東或其任何附屬公司向本集團任何成員公司提供服務之重大合約。

董事於競爭業務之權益

年內，全體董事聲明，彼等概無於根據上市規則與本集團業務可能直接或間接構成競爭之業務中擁有權益。

購股權計劃

本公司於二零一一年九月二十七日舉行之股東週年大會上採納二零一一年購股權計劃，旨在向曾對本集團業務成就作出貢獻之合資格參與人士提供獎勵及獎賞。於截至二零一九年十二月三十一日止年度，並無根據二零一一年購股權計劃授出購股權。自於二零一一年九月二十七日(「採納日期」)採納二零一一年購股權計劃起直至二零一九年十二月三十一日(包括該日)止，並無據此授出購股權。

二零一一年購股權計劃之條款概述如下：

1. 計劃之目的

本計劃旨在使本集團可向合資格參與者授出購股權，作為彼等對本集團作出貢獻之獎勵或回報。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

2. Participants of the scheme

The Directors may within a period of ten (10) years commencing from the 2011 Share Option Scheme make offer for the grant of options to subscribe for Shares to eligible participants, namely, (a) any full time employee, executive or executive director of the Company, its subsidiaries or any entity in which any member of the Group holds any equity interest; (b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary or any entity in which any member of the Group holds any equity interest ("Invested Entity"); (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group, and, for the purposes of the scheme, the offer may be made to any company wholly owned by one or more eligible participants mentioned above.

3. Total number of securities available for issue under the scheme and percentage

According to the scheme mandate limit approved by the shareholders on the Adoption Date, the Directors are authorised to grant share options to subscribe up to 106,846,886 Shares, representing 10% of the total number of issued shares as at the Adoption Date. As no offer for grant of share options has ever been made under the scheme, the total number of Shares underlying the share options available for grant is 106,846,886 Shares, representing approximately 2% of the total number of issued shares as at the date of this annual report. As there are no options granted under the scheme and hence there are no outstanding options under the scheme, the total number of Shares available for issued under the scheme is zero.

購股權計劃(續)

2. 計劃之參與者

董事可自二零一一年購股權計劃日期起十(10)年期間內就授出購股權以認購股份向合資格參與者提出要約，即(a)本公司、其附屬公司或本集團任何成員公司於其中擁有任何權益之任何實體之任何全職僱員、行政人員或執行董事；(b)本公司、任何附屬公司或本集團任何成員公司於其中擁有任何權益之任何實體(「投資實體」)之任何非執行董事(包括獨立非執行董事)；(c)向本集團任何成員公司或任何投資實體提供產品或服務之任何供應商；(d)本集團任何成員公司或任何投資實體之任何客戶；(e)向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援之任何人士或實體；(f)本集團任何成員公司或任何投資實體之任何股東，或本集團任何成員公司或任何投資實體發行之任何證券之任何持有人；(g)本集團任何成員公司或任何投資實體之任何業務或業務發展範疇之任何顧問(專業或其他方面)或專家顧問；及(h)透過合營企業、業務聯盟或其他業務安排而對或可能對本集團發展及成長作出貢獻之任何其他個別或類別參與者，就本計劃而言，要約可授予上文所述一名或多名合資格參與者全資擁有之任何公司。

3. 計劃項下可發行之證券總數及百分比

根據股東於採納日期批准之計劃授權上限，董事獲授權授出購股權以認購最多106,846,886股股份，相當於採納日期已發行股份總數10%。由於概無根據計劃就授予購股權提出要約，可授出購股權之股份總數為106,846,886股股份，相當於本年報日期已發行股份總數約2%。由於計劃項下概無授出購股權，故計劃項下並無尚未行使之購股權，因此計劃項下可發行之股份總數為零。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

4. Maximum entitlement of each participant

The total number of Shares issued and which may fall to be issued upon exercise of the Options and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each Grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

5. Period within which Shares must be taken up under an option

The period within which the shares must be taken up under an option shall not be later than 10 years from the date the option is granted.

6. Minimum period before an option can be exercised

There is no minimum period for which an option must be held before it can be exercised.

7. Amount payable on acceptance and period within which payment must be made

HK\$1.00 is payable on acceptance of the option within 21 days from its date of grant.

8. Basis for determining exercise price

The exercise price in respect of any option shall, subject to any adjustments made pursuant to the terms of scheme, be at the discretion of the Directors, provided that it shall be at least the highest of:

- the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of grant;
- the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and
- the nominal value of a Share.

9. Life of the scheme

The scheme has a life of 10 years commencing from the Adoption Date and will expire on the 10th anniversary of the Adoption Date, namely, 27 September 2021.

購股權計劃(續)

4. 各參與者之最大配額

於任何12個月期間向各承授人已發行及因行使購股權及行使根據本集團任何其他購股權計劃授出之購股權(包括已行使或尚未行使購股權)而可能發行之股份總數不得超過本公司當時已發行股本1%。

5. 購股權項下須接納股份之期限

購股權項下須接納股份之期限不得超過購股權授出日期起計10年。

6. 購股權可予行使前之最低期限

並無購股權可予行使前須持有購股權之最低期限。

7. 接納購股權應付款項及須支付款項之期限

自購股權授出日期起21日內須就接納購股權支付港幣1.00元。

8. 釐定行使價值基準

任何購股權之行使價須按董事酌情權決定並根據計劃條款作出任何調整，但其最少須為以下最高者：

- 於授出日期，聯交所之每日報價表就買賣一手或以上股份所報之股份收市價；
- 緊接授出日期前五個營業日，聯交所每日報價表所報之股份平均收市價；及
- 股份面值。

9. 計劃期限

計劃自採納日期起計為期10年，並將於採納日期第10個週年日期(即二零二一年九月二十七日)屆滿。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS

- (1) On 17 December 2018, an amended and restated non-competition deed was entered into between the Group and CMSK Group pursuant to which, among other things, (i) CMSK and its subsidiaries (excluding the Group) (“CMSK Group”) will not compete with the Group in the cities of Foshan, Guangzhou, Nanjing, and Jurong (the “Four CML Cities”) except for certain operation transitional assets (“Operation Transitional Assets”) located in Foshan which would be retained by CMSK Group but managed by the Group under certain operation agreement entered into between the Group and CMSK; (ii) with respect to Chongqing and Xi’an, the Company is considering to cease to conduct Property Business (other than participating in property related investments on a minority basis across the PRC (the “Non-Controlling Investment Arrangement”)) in and exit from such two cities in due course, depending on the results of an annual review process; (iii) CMSK Group will not compete with the Group in the cities of Chongqing and Xi’an unless the Group ceases to conduct Property Business (other than the Non-Controlling Investment Arrangement) in such cities; (iv) the Group will not compete with CMSK in 46 other cities in the PRC (“CMSK Cities”) except the Group will have the rights to participate in the Non-Controlling Investment Arrangement across the PRC (including the CMSK Cities); (v) the Group will also be entitled to conduct the Asset Management Business for office premises in Beijing and Shanghai exclusively, subject to the duly transfer of all equity interest of CMSK Group in Asset Management Business for office premises in Beijing and Shanghai to the Group (the “Proposed Transfer I”); and (vi) the Company will no longer have the perpetual right of first refusal to conduct Property Business (the “Right of First Refusal”) for other cities in the PRC in which neither the Group nor the CMSK Group has a Property Business as at the date of the Non-Competition Deed (“Unoccupied Cities”).

As at 17 December 2018, CMSK held approximately 74.35% of the Company’s issued shares and is therefore a controlling shareholder and connected person of the Company under the Listing Rules. According, entering into the amended and restated non-competition deed constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. For details, please refer to the relevant paragraphs under the heading of “NON-COMPETITION DEED” in this report, the announcement of the Company dated 17 December 2018 and the circular of the Company dated 10 January 2019.

關連交易

- (1) 於二零一八年十二月十七日，本集團與招商蛇口集團訂立經修訂及重列之不競爭契據，據此（其中包括），(i)招商蛇口及其附屬公司（「招商蛇口集團」）將不會於佛山、廣州、南京及句容（「四個招商局置地城市」）與本集團競爭，惟位於佛山的若干管理過渡資產（「管理過渡資產」）將由招商蛇口集團保留但由本集團根據本集團與招商蛇口訂立之若干運營協議管理；(ii)就重慶及西安而言，視乎年度審閱程序之結果，本公司考慮停止進行房地產業務（按少數基準參與中國之房地產相關投資（「非控股投資安排」）除外）並將適時退出該兩個城市；(iii)招商蛇口集團將不會於重慶及西安與本集團競爭，除非本集團不再於該等城市進行房地產業務（非控股投資安排除外）；(iv)本集團將不會於中國46個其他城市（「招商蛇口城市」）競爭，惟本集團將有權參與中國（包括招商蛇口城市）之非控股投資安排；(v)待招商蛇口集團將位於北京及上海辦公室物業的資產管理業務之全部股權正式轉讓予本集團（「第一項建議轉讓」）後，本集團亦將有權獨家從事位於北京及上海的辦公室物業之資產管理業務；及(vi)本公司將不再永久擁有於本集團或招商蛇口集團於不競爭契據日期擁有房地產業務的中國其他城市（「未涉足城市」）進行房地產業務的優先選擇權（「優先選擇權」）。

於二零一八年十二月十七日，招商蛇口持有本公司已發行股份約74.35%，故根據上市規則為本公司控股股東及關連人士。因此，訂立經訂及重列之不競爭契據構成上市規則第14A章項下本公司之關連交易。詳情請參閱本報告「不競爭契據」的相關段落、本公司日期為二零一八年十二月十七日的公告及本公司日期為二零一九年一月十日的通函。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS (continued)

(2) On 15 March 2019, Converge Holdings Limited (“Converge”) (an indirect wholly-owned subsidiary of the Company), China Merchants and SPF Investment Fund Management Co., Ltd (the “General Partner”) and Poly Field Holdings Limited (“Poly Field”) entered into an Interest Transfer Agreement (“Interest Transfer Agreement”), pursuant to which Poly Field has conditionally agreed to transfer and assign to Converge, and Converge has conditionally agreed to accept the transfer and assignment from Poly Field, the partnership interest in the Super Alliance Real Estate Partners L.P. (“Partnership”), at the consideration of approximately RMB369,000,000 (equivalent to approximately HK\$432,256,000). On 15 March 2019, Cosmos Boom Investment Limited (“Cosmos Boom”) (a directly wholly-owned subsidiary of the Company) and Poly Field entered into a sale and purchase agreement (“Sales and Purchase Agreement”), pursuant to which Poly Field shall sell and Cosmos Boom shall purchase 51% of the issued share capital of the Grand Synergy Asset Management Limited (“Target Company”) which is engaged in asset management business at an initial consideration of approximately RMB234,100 (equivalent to approximately HK\$274,000).

Poly Field is a wholly-owned subsidiary of CMSK. CMSK is the controlling shareholder of the Company indirectly holding approximately 74.35% of the issued share capital of the Company and hence a connected person of the Company. Poly Field, as an associate of CMSK, is a connected person of the Company. The General partner is held directly by Poly Field as to 33%, and hence, an associate of CMSK and a connected person of the Company. Therefore, the entering into the Interest Transfer Agreement and the transactions contemplated therein also constitute a connected transaction under Chapter 14A of the Listing Rules. For details of the above-mentioned transactions, please refer to the announcement of the Company dated 15 March 2019 and the circular dated 17 May 2019 of the Company.

關連交易(續)

(2) 於二零一九年三月十五日，匯聚控股有限公司（「匯聚」）（本公司間接全資附屬公司）、招商局穩石投資基金管理有限公司（「普通合夥人」）與 Poly Field Holdings Limited（「Poly Field」）訂立權益轉讓協議（「權益轉讓協議」），據此，Poly Field 有條件同意轉讓及出讓 Super Alliance Real Estate Partners L.P.（「合夥企業」）的合夥權益予匯聚及匯聚有條件同意接納 Poly Field 的上述轉讓及出讓，代價約為人民幣 369,000,000 元（相當於約港幣 432,256,000 元）。於二零一九年三月十五日，天盛投資有限公司（「天盛」）（本公司直接全資附屬公司）與 Poly Field 訂立買賣協議，據此，Poly Field 將出售及天盛將購買 Grand Synergy Asset Management Limited（「目標公司」，其從事資產管理業務）已發行股本的 51%，初步代價約為人民幣 234,100 元（相當於約港幣 274,000 元）。

Poly Field 為招商蛇口的全資附屬公司。招商蛇口為本公司的控股股東，並於本公司已發行股本間接擁有約 74.35% 權益，因此為本公司的關連人士。Poly Field 為招商蛇口的聯繫人士，並為本公司的關連人士。由於普通合夥人由 Poly Field 直接持有 33%，因此為招商蛇口的聯繫人士及本公司的關連人士，故訂立權益轉讓協議及其項下擬進行的交易亦構成上市規則第 14A 章項下的關連交易。有關上述交易之詳情，請參閱本公司日期為二零一九年三月十五日之公告及二零一九年五月十七日之通函。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS (continued)

- (3) On 30 May 2019, Wealth Active Holdings Limited (“Wealth Active”) as the purchaser entered into a sale and purchase agreement with DGW Jurong Investment Alpha SP (“DGW Jurong”) as vendor and Torch Investment Company Limited (“Torch Investment”), pursuant to which Wealth Active has conditionally agreed to acquire, and DGW Jurong has conditionally agreed to sell 30% of the total issued share capital of Torch Investment, and a sale loan (the “Sale Loan”), representing the shareholder’s loan owed by Torch Investment to DGW Jurong, for an aggregate consideration of approximately RMB154,969,700 (equivalent to approximately HK\$181,423,000).

DGW Jurong holds 30% of the total issued share capital of Torch Investment, an indirect non-wholly owned subsidiary of the Company. Accordingly, DGW Jurong, being a substantial shareholder of Torch Investment, is a connected person of the Company at the subsidiary level. Therefore, the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

For details of the above-mentioned transactions, please refer to the announcement of the Company dated 30 May 2019.

關連交易(續)

- (3) 於二零一九年五月三十日，廣裕控股有限公司（「廣裕」）（作為買方）與DGW Jurong Investment Alpha SP（「DGW Jurong」）（作為賣方）及火炬投資有限公司（「火炬投資」）投資訂立買賣協議，據此，廣裕已有條件同意收購，而DGW Jurong已有條件同意出售銷售股份，相當於火炬投資已發行股本總額的30%，及銷售貸款，相當於火炬投資結欠DGW Jurong的股東貸款，總代價為約人民幣154,969,700元（相當於約港幣181,423,000元）。

DGW Jurong持有本公司一間間接非全資附屬公司火炬投資之已發行股本總額的30%。因此，DGW Jurong作為火炬投資之主要股東，在附屬公司層面為本公司之關連人士。因此，根據上市規則第14A章，訂立買賣協議及其項下擬進行交易構成本公司一項關連交易。

上述交易之詳情，請參閱本公司日期為二零一九年五月三十日之公告。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS (continued)

(4) On 20 July 2019, Guangzhou Merchants Property Development Limited* (“Guangzhou Merchants”, an indirect wholly-owned subsidiary of the Company) entered into a cooperation agreement (“Cooperation Agreement”) with Guangdong Poly Property Development Limited* (“Guangdong Poly”), Jinmao Investment (Guangdong) Limited* (“Jinmao Guangdong”), China Railway Real Estate Group Co., Ltd. South China* (“China Railway (South China)”) and the Guangzhou City Suiyun Property Limited* (“Project Company”) for the development of a piece of land situated in Guangdong Province (the “Land”) through the Project Company. Pursuant to the Cooperation Agreement, Guangzhou Merchants, Guangdong Poly, Jinmao Guangdong and China Railway (South China) shall bear the land price of RMB4,115,730,000 and the initial contribution of RMB40,000,000 in proportion to their respective shareholdings in the Project Company of 25%, 25%, 25% and 25%. As at the date of the Cooperation Agreement, the registered capital of the Project Company is RMB10,000,000. Upon completion of the Cooperation Agreement, the registered capital of the Project Company shall be increased to RMB40,000,000, which shall be contributed and held by each of Guangzhou Merchants, Guangdong Poly, Jinmao Guangdong and China Railway (South China) according to their respective shareholdings in the Project Company.

Poly Jiangsu Real Estate Development Co., Limited* (“Poly Jiangsu”), a substantial shareholder of the Company’s subsidiary Nanjing Shanjiyei Property Development Company Limited* (“Nanjing Shanjiyei”), is a connected person of the Company at the subsidiary level. Guangdong Poly and Poly Jiangsu are fellow subsidiaries under the control of Poly Development Holding Group Limited*. Guangdong Poly, therefore, is an associate of connected person of the Company at the subsidiary level pursuant to Rule 14A.13(1) of the Listing Rules. The Project Company is a company to be used to develop the Land by each of the JV Partners, and is a subsidiary of Guangdong Poly as at the date of the Cooperation Agreement, and therefore, also an associate of connected person of the Company at the subsidiary level pursuant to Rule 14A.13(3) of the Listing Rules. Accordingly, the entering into of the Cooperation Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

For details of the Cooperation Agreement, please refer to the announcement of the Company dated 20 July 2019.

* The English name is for identification only. The official name of the entity is in Chinese.

關連交易(續)

(4) 二零一九年七月二十日，廣州招商房地產有限公司(「廣州招商」)(本公司的間接全資附屬公司)與廣東保利房地產開發有限公司(「廣東保利」)、金茂投資(廣東)有限公司(「廣東金茂」)、中鐵房地產集團華南有限公司(「中鐵(華南)」)及廣州市穗雲置業有限公司(「項目公司」)訂立合作協議(「合作協議」)，以通過項目公司開發一幅位處廣東省之地塊(「該土地」)。根據合作協議，廣州招商、廣東保利、廣東金茂及中鐵(華南)須按其各自於項目公司的股權比25%、25%、25%和25%承擔地價人民幣4,115,730,000元及初步注資人民幣40,000,000元。於合作協議日期，項目公司的註冊資本為人民幣10,000,000元。於合作協議完成後，項目公司的註冊資本將增加至人民幣40,000,000元，由廣州招商、廣東保利、廣東金茂及中鐵(華南)各自按其各自持有的項目公司股權出資及持有。

保利江蘇房地產發展有限公司(「保利江蘇」)為本公司附屬公司南京善杰義房地產開發有限公司(「南京善杰義」)的主要股東，為本公司附屬公司層面的關連人士。廣東保利及保利江蘇為保利發展控股集團股份有限公司控股的同系附屬公司。因此，根據上市規則第14A.13(1)條，廣東保利為本公司於附屬公司層面的關連人士的聯繫人。於合作協議日期，項目公司為一間由各合營夥伴用於開發該土地的公司並為廣東保利的附屬公司，因此，根據上市規則第14A.13(3)條，亦為本公司於附屬公司層面的關連人士的聯繫人。因此，根據上市規則第14A章，訂立合作協議構成本公司的關連交易。

合作協議之詳情，請參閱本公司日期為二零一九年七月二十日之公告。

* 英文名稱僅供識別。實體之正式名稱為中文。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS (continued)

- (5) On 21 October 2019, the Company and CMSK entered into a re-amended and restated non-competition deed (“Re-amended and Restated Non-competition Deed”), which has been approved on the EGM held on 8 November 2019 by the shareholders of the company and will supersede and replace in its entirety the amended and restated non-competition deed entered on 17 December 2018.

Pursuant to the Re-amended and Restated Non-Competition Deed, the Group will have the rights to participate in the REIT Management Business for REITs with underlying properties permitted to be situated in or come from all over the PRC on an exclusive basis. In return, the Company (by itself or through its subsidiaries) are entitled to receive cash and/or units in the REITs. Other than the inclusion of the REIT Management Business and the updates to the terms with respect to the Asset Management Business for Office Premises in Beijing and Shanghai in order to reflect the situation at the time of the completion of the Proposed Transfer I, the other terms with respect to the (a) Non-Controlling Investment Arrangement; (b) Asset Management Business for Office Premises in CML Cities plus Beijing and Shanghai; and (c) Property Business of the Re-amended and Restated Non-Competition Deed remain unchanged compared to the Amended and Restated Non-Competition Deed.

For details, please refer to the relevant paragraphs under the heading of “NON-COMPETITION DEED” in the report, the announcement of the Company and the circular of the Company dated 21 October 2019.

關連交易(續)

- (5) 於二零一九年十月二十一日，本公司與招商蛇口訂立經重新修訂及重列之不競爭契據（「經重新修訂及重列之不競爭契據」），其已於二零一九年十一月八日舉行之股東特別大會上經股東批准並取代及代替整份於二零一八年十二月十七日簽訂之經修訂及重列之不競爭契據。

根據經重新修訂及重列之不競爭契據，本集團將有權獨家參與房地產投資信託基金之房地產投資信託管理業務，而獲允許的相關物業均位於或來自中國各地。本公司（以其本身或透過其附屬公司）有權收取現金及／或房地產投資信託基金單位作為回報。除納入房地產投資信託管理業務及更新有關北京及上海辦公室物業之資產管理業務之條款以反映第一項建議轉讓完成時之狀況外，與經修訂及重列之不競爭契據相比，經重新修訂及重列之不競爭契據有關(a)非控股投資安排；(b)招商局置地城市以及北京及上海辦公室物業之資產管理業務；及(c)房地產業務之其他條款維持不變。

詳情請參閱本年報題為「不競爭契據」一段及本公司日期為二零一九年十月二十一日之公告和通函。

REPORT OF THE DIRECTORS

董事會報告

CONNECTED TRANSACTIONS (continued)

- (6) On 31 December 2019, Chin Merchants Nanjing Real Estate Co., Ltd* (“Merchants Nanjing”, an indirect non wholly-owned subsidiary of the Company) entered into a cooperation agreement (“Cooperation Agreement”) with Poly Jiangsu and Zhangzhou Xuanyue Corporate Management Consultancy Limited* (“Zhangzhou Xuanyue”) for the development of a piece of land situated in Jiangsu province (“Land”) through the Nanjing Yuening Property Development Limited* (“Project Company”). Pursuant to the Cooperation Agreement, Merchants Nanjing, Poly Jiangsu and Zhangzhou Xuanyue shall bear the Land price of RMB2,040,000,000 in proportion to their respective shareholdings in the Project Company being 33%, 33% and 34%, respectively.

As of the date of this Cooperation Agreement, the registered capital of the Project Company is RMB50,000,000, which has been contributed and held by Merchants Nanjing, Poly Jiangsu and Zhangzhou Xuanyue in proportion to their respective shareholdings in the Project Company being 33%, 33% and 34%, respectively. The Group’s share of the total investment is approximately RMB916,690,000.

Poly Jiangsu, a substantial shareholder of the Company’s subsidiary Nanjing Shanjiyei, is a connected person of the Company at the subsidiary level. Accordingly, the entering into of the Cooperation Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

For details of the Cooperation Agreement, please refer to the announcement of the Company dated 31 December 2019.

* The English name is for identification only. The official name of the entity is in Chinese.

關連交易(續)

- (6) 於二零一九年十二月三十一日，招商局地產(南京)有限公司(「招商局南京」)(本公司的間接非全資附屬公司)與保利江蘇及漳州軒悅企業管理諮詢有限公司(「漳州軒悅」)訂立合作協議(「合作協議」)，以透過項目公司開發一幅位於江蘇省之地塊(「該土地」)。根據合作協議，招商局南京、保利江蘇及漳州軒悅須按其各自於項目公司的股權比例33%、33%及34%承擔地價人民幣2,040,000,000元。

截至本合作協議日期，項目公司的註冊資本為人民幣50,000,000元，已由招商局南京、保利江蘇及漳州軒悅按其各自於項目公司的股權比例33%、33%及34%出資及持有。本集團分佔的總投資約為人民幣916,690,000元。

保利江蘇為本公司附屬公司南京善杰義的主要股東，並為本公司於附屬公司層面的關連人士。因此，根據上市規則第14A章，訂立合作協議構成本公司的關連交易。

合作協議之詳情，請參閱本公司二零一九年十二月三十一日之公告。

* 英文名稱僅供識別。實體之正式名稱為中文。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

- (1) On 7 April 2017, Merchants Guangzhou as landlord and Guangzhou China Merchants – Colisée Senior Care Services Co., Ltd. (廣州招商高利澤養老服務有限公司) (“Merchants – Colisée Senior Care”) (a company established under the laws of the PRC with limited liability, which is an indirect non-wholly owned subsidiary of CMSK), as tenant entered into a tenancy agreement (the “Tenancy Agreement”) in respect of a four-storey building located at Block 12, No. 139, Dongyi Road, Donghuan Street, Panyu District, the Hills Ecool, Guangzhou City, Guangdong Province, the PRC (the “Property”), for a rental term of three years subject to automatic renewal for three times, the cap of the aggregate of which will be ten years.

The annual cap of the aggregate maximum amount payable by Merchants – Colisée Senior Care to Merchants Guangzhou under the Tenancy Agreement for each of the 11 financial years ending 31 December 2027 and the detail of the Tenancy Agreement are set out in the Company’s announcement dated 7 April 2017 for information.

The annual cap for the transaction under the aforementioned agreement for the year of 2019 was set at RMB6,200,040.

Merchants – Colisée Senior Care is an indirect non-wholly owned subsidiary of CMSK which is the intermediate holding company of the Company. Accordingly, the Tenancy Agreement entered into by Merchants Guangzhou and Merchants – Colisée Senior Care, and the transaction contemplated thereby constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules. However, as the maximum annual rental receivable under the Tenancy Agreement is not expected to exceed 5% of the applicable percentage ratios calculated under the Listing Rules, the transaction contemplated under the Tenancy Agreement is only subject to the reporting, annual review and announcement requirements but exempt from the circular (including independent financial advice) and shareholders’ approval requirements pursuant to Rule 14A.76(2) of the Listing Rules.

持續關連交易

- (1) 於二零一七年四月七日，招商廣州(作為業主)與廣州招商高利澤養老服務有限公司(「招商高利澤養老」，根據中國法律成立之有限責任公司，為招商蛇口之間接非全資附屬公司)(作為租戶)訂立租賃協議(「租賃協議」)，乃關於位於中國廣東省廣州市金山意庫番禺區東環街東藝路139號12棟之四層高物業(「該物業」)，租賃為期三年(可自動重續三次)，租賃期合共十年。

截至二零二七年十二月三十一日止十一個財政年度各年，招商高利澤養老根據租賃協議應付招商廣州之年度最高總金額上限及租賃協議詳情載列於本公司日期為二零一七年四月七日之公告以供參考。

上述協議項下之交易於二零一九年的年度上限設定為人民幣6,200,040元。

招商高利澤養老為招商蛇口之間接非全資附屬公司，而招商蛇口為本公司之間接控股公司。因此，招商廣州與招商高利澤養老訂立之租賃協議及據此擬進行之交易構成上市規則第14A章項下本公司之持續關連交易。然而，由於租賃協議項下每年最高應收租金預期不超過根據上市規則計算之適用百分比率5%，故租賃協議項下擬進行之交易僅須遵守上市規則第14A.76(2)條之申報、年度審閱及公告規定，惟獲豁免遵守通函(包括獨立財務意見)及股東批准之規定。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

(continued)

(1) (continued)

Given that the terms of the Tenancy Agreement were negotiated on an arm's length basis with reference to the market standard, the Directors (including the independent non-executive Directors) consider that the terms of the Tenancy Agreement are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interests of the Group and the shareholders of the Company as a whole.

(2) OPERATION AGREEMENT

On 30 January 2019, the Company entered into the Operation Agreement with CMSK pursuant to which the Group will provide project operational support services to CMSK, including but not limited to taking charge of land acquisition, project development and sales, commencing from 30 January 2019 up to 31 December 2021 (both days inclusive). CMSK is the controlling shareholder of the Company holding approximately 74.35% of the issued share capital of the Company.

The annual cap for the transaction under the Operation Agreement was set at RMB 7 million for the year of 2019.

PROPERTY MANAGEMENT MASTER AGREEMENT

On the same date, the Company also entered into the Property Management Master Agreement with Merchants Property Management pursuant to which Merchants Property Management, a wholly-owned subsidiary of CMSK, will provide property management services to the Group's PRC operating subsidiaries, commencing from 30 January 2019 up to 31 December 2021 (both days inclusive).

The annual cap for the transaction under the Property Management Master Agreement was set at RMB180 million for the year of 2019.

Details, including the annual caps, of both Operation Agreement and Property Management Master Agreement, please refer to the Announcement of the Company dated 30 January 2019.

持續關連交易(續)

(1) (續)

鑒於租賃協議之條款經參考市場標準後公平磋商而釐定，故董事(包括獨立非執行董事)認為租賃協議之條款屬公平合理，按一般商業條款於本集團之日常一般業務過程中訂立，並符合本集團及本公司股東之整體利益。

(2) 運營協議

於二零一九年一月三十日，本公司與招商蛇口訂立運營協議，據此，本集團將自二零一九年一月三十日起直至二零二一年十二月三十一日止(包括首尾兩日)向招商蛇口提供項目運營支持服務，包括但不限於負責土地收購、項目開發及銷售。招商蛇口為本公司控股股東，持有本公司已發行股本約74.35%。

運營協議項下之交易於二零一九年的年度上限獲設定為人民幣7百萬元。

物業管理總協議

於同日，本公司亦與招商局物業管理訂立物業管理總協議，據此，招商蛇口的全資附屬公司招商局物業管理將自二零一九年一月三十日起直至二零二一年十二月三十一日止(包括首尾兩日)向本集團的中國境內運營附屬公司提供物業管理服務。

物業管理總協議項下之交易於二零一九年的年度上限獲設定為人民幣180百萬元。

包括運營協議及物業管理總協議在內之詳情，請參閱本公司日期為二零一九年一月三十日之公告。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

(continued)

- (3) Reference is made to and as disclosed in the Offering Circular of the CMC REIT dated 28 November 2019 that (i) CMC REIT was constituted by the Trust Deed entered into on 15 November 2019 between CMLAM (as the REIT Manager) and the Trustee, and (ii) following the completion of the global offering of the units of CMC REIT, Eureka would become a holder of the units of CMC REIT holding more than 30% of the issued units of CMC REIT. CMLAM has been providing the REIT Management Services to CMC REIT pursuant to the terms of the Trust Deed. Since CMSK is a connected person of the Company by virtue of being a controlling shareholder of the Company, CMC REIT is deemed as an associate of CMSK under the Listing Rules, the REIT Management Services provided by CMLAM to CMC REIT under the Trust Deed constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The annual cap for the transaction under the Trust Deed set for the year of 2019 was RMB1.6 million.

More details, including the annual caps, are disclosed in the Announcement dated 28 November 2019 and the supplemental announcement dated 25 March 2020 of the Company.

The independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that the transactions had been entered into:

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

持續關連交易(續)

- (3) 茲提述日期為二零一九年十一月二十八日招商局房託基金之發售通函及誠如其所披露，(i)招商局房託基金由招商局置地管理(作為房託基金經理)與受託人於二零一九年十一月十五日訂立的信託契據組成；及(ii)緊隨全球發售招商局房託基金單位完成後，瑞嘉將成為招商局房託基金單位的持有人，持有招商局房託基金已發行單位超過30%。招商局置地管理已根據信託契據的條款向招商局房託基金提供房託基金管理服務。根據上市規則，招商蛇口因其作為本公司的控股股東而屬於本公司的關連人士，而招商局房託基金被視為招商蛇口的聯繫人，招商局置地管理根據信託契據向招商局房託基金提供的房託基金管理服務構成上市規則第14A章項下本公司的持續關連交易。

信託契據項下之交易於二零一九年的年度上限獲設定為人民幣1.6百萬元。

包括年度上限在內之更多資訊已披露於本公司二零一九年十一月二十八日的公告及二零二零年三月二十五日之補充公告。

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：

- (i) 於本集團之日常一般業務過程中訂立；
- (ii) 按一般商業條款或較佳條款訂立；及
- (iii) 根據規管該等交易之相關協議訂立，其條款屬公平合理，並符合本公司及其股東之整體利益。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

(continued)

The Company's auditor was engaged to report on the Group's 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. The Board has received an unqualified letter from the auditors of the Company in accordance with Rule 14A.56 of the Listing Rules containing the auditors' findings and conclusion on the above continuing connected transactions of the Group, stating that the auditors have not noticed anything that causes them to believe that any of these continuing connected transactions: (a) have not been approved by the Board; (b) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involving the provision of goods or services by the Group; (c) were not entered into in accordance with the relevant agreements governing such continuing connected transactions in all material aspects; and (d) have exceeded the relevant annual caps for the financial year ended 31 December 2019.

Save as the aforesaid, there were no other discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules during the Year.

RELATED PARTY DISCLOSURES

Save as aforesaid, none of the "Related Party Disclosures" as disclosed in Note 43 the consolidated financial statements for the Year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

To the extent of the above "Related Party Disclosures" constituted connected transactions or continuing connected transactions as defined in the Listing Rules, the company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

持續關連交易(續)

本公司核數師已獲委聘根據香港會計師公會所頒佈的香港核證委聘準則第3000號(經修訂)歷史財務資料審核或審閱以外的核證委聘及參考實務說明第740號香港上市規則規定的持續關連交易的核數師函件就本集團的持續關連交易作出報告。董事會已收取本公司核數師根據上市規則第14A.56條出具的無保留意見函件，其中載有核數師就上述本集團持續關連交易所得出的發現及結論，並表示核數師並無發現任何事宜導致彼等認為該等持續關連交易：(a)並無經董事會批准；(b)倘有關交易涉及本集團提供貨品及服務，則並非於所有重大方面遵從本集團定價政策；(c)並非於所有重大方面根據規管有關持續關連交易的相關協議訂立；及(d)已超出截至二零一九年十二月三十一日止財政年度的相關年度上限。

除上述者外，年內概無其他根據上市規則須予披露之非豁免關連交易或非豁免持續關連交易。

關連方披露

除上述者外，概無本年度綜合財務報表附註43所披露「關連方披露」構成上市規則項下之須予披露非豁免關連交易或非豁免持續關連交易。

倘上文「關連方披露」構成上市規則所界定之關連交易或持續關連交易，則公司已於年內遵守上市規則第14A章項下之相關規定。

REPORT OF THE DIRECTORS

董事會報告

MAJOR TRANSACTION

On 16 December 2019, the Company, as guarantor, entered into a guarantee agreement in favour of the Bank of China (Hong Kong) Limited ("Bank"), pursuant to which the Company agreed to provide guarantee for the due performance of the repayment obligations of the Sky Castle Limited, as the Borrower a company owned as to 40% by Sino Land Company Limited, 30% by K. Wah International Holdings Limited and 30% by the Company, in respect of a facilities up to an aggregate principal amount of HK\$5,273,000,000 provided by the Bank. For details, please refer to the announcement dated 16 December 2019 and the circular dated 12 February 2020 of the Company.

SPECIFIC PERFORMANCE OBLIGATIONS OF CONTROLLING SHAREHOLDER

Save as disclosed below, the Directors are not aware of any circumstances which would be required to disclose herein pursuant to the requirements under Rule 13.21 of the Listing Rules.

- On 15 May 2017, the Company as a borrower entered into a facility agreement with a bank in relation to a term loan facility of up to RMB600,000,000 which has a term of 36 months commencing from the date of initial drawdown;
- On 16 January 2018, the Company as a borrower entered into a facility agreement with a bank in relation to a term loan facility of up to RMB660,000,000 which has a term of 3 years commencing from the date of the first drawdown;
- On 13 June 2018, the Company as a borrower has entered into a facility agreement with a bank in relation to a term loan facility of up to RMB1,000,000,000 which has a term of 3 years commencing from the date of the facility agreement;

主要交易

於二零一九年十二月十六日，本公司(作為擔保人)以中國銀行(香港)有限公司(「該銀行」)為受益人訂立擔保協議，據此，本公司同意就該銀行提供本金總額最高港幣5,273,000,000元之融資為佳僑有限公司作為借款人(為信和置業有限公司、嘉華國際集團有限公司及本公司分別擁有40%、30%及30%權益的公司)妥善履行還款責任提供擔保。詳情請參閱本公司日期為二零一九年十二月十六日之公告及二零二零年二月十二日之通函。

控股股東之特定履行責任

除下文披露者外，董事概不知悉須根據上市規則第13.21條項下之規定於本報告披露之其他任何情況。

- 於二零一七年五月十五日，本公司(作為借款人)與一家銀行訂立定期貸款額度不超過人民幣600,000,000元之融資協議，自首次提款日期起計為期36個月；
- 於二零一八年一月十六日，本公司(作為借款方)與一家銀行訂立一份定期貸款額度不超過人民幣660,000,000元之融資協議，年期自首次提款日期起計為期三年；
- 於二零一八年六月十三日，本公司(作為借款方)與一家銀行訂立一份定期貸款額度不超過人民幣1,000,000,000元之融資協議，年期自融資協議日期起計為期三年；

REPORT OF THE DIRECTORS

董事會報告

SPECIFIC PERFORMANCE OBLIGATIONS OF CONTROLLING SHAREHOLDER *(continued)*

- On 15 June 2018, the Company as a borrower has entered into a facility agreement with a bank in relation to a term loan facility of up to RMB1,000,000,000 which has a term of 3 years commencing from the date of the first drawdown;
- On 12 December 2018, the Company entered into a placing agreement with a placing agent, pursuant to which the placing agent agreed to act as placing agent, on a reasonable effort basis, for the purposes of procuring places to subscribe in cash for the bonds with an aggregate principal amount of up to RMB1.9 billion. The bonds has a term of 3 years commencing from 18 December 2018.
- On 28 March 2019, the Company has entered into a facility agreement with a bank in relation to a term loan facility of RMB400,000,000. The Loan Facility has a term of 3 years commencing from the date of the first drawdown.
- On 28 March 2019, the Company confirmed its acceptance of a committed term loan facility relating to a RMB1,000,000,000 committed term loan facility with a bank. The term of 36 months was commencing from the date of Facility Agreement.
- On 16 April 2019, the Company has entered into a facility agreement with a bank in relation to a revolving loan facility of up to RMB1,000,000,000. The Loan Facility has a term of 3 years commencing from the date of the Facility Agreement.
- On 9 May 2019, the Company has entered into a facility agreement with a bank in relation to an uncommitted revolving loan facility of up to HK\$800,000,000. The Loan Facility has a term of 180 days commencing from the date of drawdown of each loan.

控股股東之特定履行責任(續)

- 於二零一八年六月十五日，本公司(作為借款方)與一家銀行訂立一份定期貸款額度不超過人民幣1,000,000,000元之融資協議，年期自首次提款日期起計為期三年；
- 於二零一八年十二月十二日，本公司與配售代理訂立配售協議，據此，配售代理已同意擔任配售代理人，以按合理努力基準促使承配人以現金認購債券，本金總額最高為人民幣1,900,000,000元。債券自二零一八年十二月十八日起為期三年。
- 於二零一九年三月二十八日，本公司與一家銀行訂立一份定期貸款額度為人民幣400,000,000元之融資協議。貸款額度自首次提款日期起計為期三年。
- 於二零一九年三月二十八日，本公司確認其接納一項已承諾定期貸款融資，內容有關一間銀行的人民幣1,000,000,000元已承諾定期貸款融資。期限為自融資協議日期起計為期36個月。
- 於二零一九年四月十六日，本公司與一家銀行訂立一份循環貸款額度不超過人民幣1,000,000,000元之融資協議。貸款額度自融資協議日期起計為期三年。
- 於二零一九年五月九日，本公司與一家銀行訂立一份非承諾性循環貸款額度不超過港幣800,000,000元之融資協議。貸款額度自各貸款提取日期起計為期180日。

REPORT OF THE DIRECTORS

董事會報告

SPECIFIC PERFORMANCE OBLIGATIONS OF CONTROLLING SHAREHOLDER (continued)

- On 10 June 2019, the Company has entered into a Facility Agreement with a bank in relation to a committed term loan facility up to RMB1,000,000,000. The Loan Facility has a term of 3 years commencing from the date of first drawdown.

The following events (among other things) would trigger breach of one or more of the above mentioned loan agreements:

- CMSK ceases to beneficially own (directly or indirectly) at least 40% of the issued share capital of the Company;
- CMSK ceases to beneficially own (directly or indirectly) at least 50% of the issued share capital of the Company;
- CMSK ceases to beneficially own (directly or indirectly) at least 51% of the issued share capital of the Company;
- CMSK ceases to directly or indirectly own or hold at least 50.1% of the issued share capital of the Company;
- the shares of CMSK ceases for any reason to be listed on the Shenzhen Stock Exchange (or its successor) or such listing is suspended for more than 15 consecutive trading days due to non-compliance with the rules of the Shenzhen Stock Exchange (or its successor) or breach of any undertaking given to the Shenzhen Stock Exchange (or its successor);
- China Merchants Group Limited ("CMG") ceases to be the single largest shareholder of CMSK (beneficially owned, directly or indirectly, the largest proportionate shareholding or ownership interest in CMSK from time to time) and ceases to beneficially own, directly or indirectly, at least 40% of the entire shareholding or ownership interest in CMSK;
- CMG ceases to beneficially own (directly or indirectly) at least 50% of the entire shareholding or ownership interest in CMSK;
- CMG ceases to beneficially own (directly or indirectly) at least 50.1% of the entire shareholding or ownership interest in CMSK; or

控股股東之特定履行責任(續)

- 於二零一九年六月十日，本公司與一家銀行訂立一份承諾性定期貸款額度不超過人民幣1,000,000,000元之融資協議。貸款融資自首次提取日期起計為期三年。

發生以下事件(其中包括)將違反上述一項或以上之貸款協議：

- 招商蛇口不再實益擁有(不論直接或間接)本公司已發行股本最少40%；
- 招商蛇口不再實益擁有(直接或間接)本公司已發行股本最少50%；
- 招商蛇口不再實益擁有(直接或間接)本公司已發行股本最少51%；
- 招商蛇口不再直接或間接擁有本公司已發行股本最少50.1%；
- 招商蛇口之股份因任何原因不再於深圳證券交易所(或其繼任者)上市或由於未能遵守深圳證券交易所(或其繼任者)之規則或違反其向深圳證券交易所(或其繼任者)作出之任何承諾而停牌超過15個連續交易日；
- 招商局集團有限公司(「招商局集團」)不再為招商蛇口之單一最大股東(不時直接或間接實益擁有招商蛇口之按比例最大股權或擁有權權益)及不再直接或間接實益擁有招商蛇口至少40%之全部股權或擁有權權益；
- 招商局集團不再實益擁有(直接或間接)招商蛇口最少50%之全部股權或擁有權權益；
- 招商局集團不再實益擁有(直接或間接)招商蛇口最少50.1%之全部股權或擁有權權益；或

REPORT OF THE DIRECTORS

董事會報告

SPECIFIC PERFORMANCE OBLIGATIONS OF CONTROLLING SHAREHOLDER (continued)

- (ix) CMG ceases to be controlled by The State-owned Assets Supervision and Administration Commission of the State Council of the PRC or any other similarly empowered authorities of the PRC government.

Certain loan agreements mentioned above contain cross default provisions so that if the Company or any of its subsidiaries commits a default under any other loan agreement(s) to which it is a borrower that entitles any creditor to declare any borrowed monies under such loan agreement(s) due and payable and the amount in aggregate exceeds US\$15,000,000, or its equivalent in other currencies it will also constitute an event of default under those loan agreements.

Details of the above mentioned loan agreements made pursuant to the requirements of Rule 13.18 of the Listing Rules were disclosed in the announcements of the Company and the subsequent internal/annual report of the Company respectively.

The placing agreement dated 12 December 2018 mentioned above contained the clause that it is an event of default if (i) any other present or future indebtedness of the Company, CMSK or any of their respective subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Company, CMSK or any of their respective subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities mentioned above in this condition have occurred equals or exceeds RMB100 million or its equivalent. There are also certain events of default under the terms and conditions of the bonds which may be triggered by, amongst other things, the Company, CMSK or their principal subsidiaries becoming insolvent, bankrupt, or dissolved. For details, please refer to the announcement of the Company dated 12 December 2018.

As at 31 December 2019, the aggregate outstanding principal of loans owed by the Group under the above agreements were RMB7,560,000,000.

控股股東之特定履行責任(續)

- (ix) 招商局集團不再受中國國務院國有資產監督管理委員會或任何其他類似中國政府權力機關控制。

若干上述貸款協議載有交叉違約條文，致使倘本公司或其任何附屬公司在其作為借款人之任何其他貸款協議項下之作出違約行為，令任何債權人有權宣稱有關貸款協議項下之任何借款為到期及須予償還，且金額合計超過15,000,000美元或其他貨幣之等值金額，其亦將構成該等貸款協議項下之違約事件。

本公司已根據上市規則第13.18條之規定就上述貸款協議之詳情分別於本公司之公告以及於本公司其後之中期報告／年報作出披露。

上述日期為二零一八年十二月十二日的配售協議載有條款，倘(i)本公司、招商蛇口或其各自任何附屬公司為或就其借入或籌集的款項產生的任何其他目前或日後債務因任何實際或可能的拖欠、拖欠事件或同類事件(不論如何描述)而須於其指定到期日之前成為(或變為足以宣佈)到期應付；或(ii)任何該等債務於到期時或(視乎情況而定)在任何原先適用的寬限期內並無獲支付；或(iii)本公司、招商蛇口或其各自任何附屬公司未能支付其就所借入或籌集的任何款項產生的任何現有或日後擔保或彌償保證下應付的到期款項，惟前提是本條件上文所述的相關債務、擔保及彌償保證總額，於有關債務到期支付或並無獲支付當日相等於或超過人民幣100,000,000元或其等值，則屬違約事件。債券的條款及條件項下亦有若干違約事件可由(其中包括)本公司、招商蛇口或其主要附屬公司無力償債、破產或解散所觸發。詳情請參閱本公司日期為二零一八年十二月十二日的公告。

於二零一九年十二月三十一日，本集團於上述協議項下之尚未償還貸款本金總額為人民幣7,560,000,000元。

REPORT OF THE DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

Save as disclosed in this annual report, during the Year, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

EQUITY-LINKED AGREEMENTS

Save for disclosure in this report, the Company has not entered into any equity-linked agreements for the Year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

管理合約

除本年報披露者外，年內概無就本集團全部或任何重大部分業務之管理及行政訂立或存續之合約。

股權掛鈎協議

除本報告披露者外，年內本公司概無訂立任何股權掛鈎協議。

優先購買權

本公司之組織章程細則或開曼群島法律概無優先購買權之條文規定本公司須按比例向現有股東發售新股份。

REPORT OF THE DIRECTORS

董事會報告

AUDIT COMMITTEE

The Audit Committee consists of three members, two of whom are independent non-executive Directors and one of whom is non-executive Director. During the Year and at the date of this report, the Audit Committee comprises the following members:

Dr. WONG Wing Kuen, Albert (*Chairman*)

Ms. LIU Ning

Dr. SHI Xiping

The Audit Committee carries out its functions in accordance with and the Listing Rules, including the following:

- (i) reviews the audit plans of the internal and external auditors of the Company, and reviews the internal auditor's evaluation of the adequacy of the Company's and the Group's system of internal accounting controls and the assistance given by the Company's management to the external and internal auditors;
- (ii) reviews the annual financial statements of the Company and of the Group before their submission to the Directors of the Company and the external auditor's report thereon;
- (iii) reviews the half year results announcements on the financial performance and financial position of the Group before their submission to the Board;
- (iv) makes recommendations to the Board on the appointment of external and internal auditors;
- (v) meets with the external auditor, other committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee. The Audit Committee convened three meetings during the Year. The Audit Committee has also met with the Company's external auditor, without the presence of the Company's management, at least once a year. The Audit Committee has recommended to the Board the nomination of Deloitte Touche Tohmatsu for reappointment as independent auditor of the Company at the forthcoming AGM.

審核委員會

審核委員會由三名成員組成，其中兩名為獨立非執行董事及一名非執行董事。於年內及本報告日期，審核委員會由以下成員組成：

王永權博士(主席)

劉寧女士

史新平博士

審核委員會根據上市規則履行其職能，包括下列事宜：

- (i) 審閱本公司內部及外聘核數師之審核計劃，並審閱內部核數師對本公司及本集團內部會計監控系統之充足性之評估，以及本公司管理層向外聘及內部核數師之援助；
- (ii) 提交予董事及本公司前審閱本公司及本集團之年度財務報表及其外聘核數師報告；
- (iii) 提交予董事會前審閱有關本集團財務表現及財務狀況之半年度業績公告；
- (iv) 就委任外聘及內部核數師向董事會提供推薦意見；
- (v) 與外聘核數師、其他委員會及管理層分別會面，以討論該等團體認為應與審核委員會私下討論之任何事宜。審核委員會於年度召開三次會議。審核委員會亦在本公司管理層避席之情況下與本公司核數師至少每年會面一次。審核委員會已推薦董事會於應屆股東週年大會上提名重新任命德勤•關黃陳方會計師行為本公司之獨立核數師。

REPORT OF THE DIRECTORS

董事會報告

INTERNAL CONTROLS

The Company is committed to maintaining a sound system of internal controls. Corporate Governance Details of the corporate governance are set out in the section headed “Corporate Governance Report” in this annual report.

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu audited the Group’s consolidated financial statements for the financial year ended 31 December 2019 and 31 December 2018, while SHINEWING audited the Group’s consolidated financial statements for the financial years ended 31 December 2017 and 2016.

Save as disclosed above, there were no other changes in the auditors of the Company during the past three years.

Deloitte Touche Tohmatsu has expressed its willingness to accept re-appointment as independent auditor of the Company. Deloitte Touche Tohmatsu will retire and a resolution for their re-appointment as auditor shall be proposed at the forthcoming AGM of the Company.

內部監控

本公司致力維持穩健之內部監控系統。企業管治之企業管治詳情載於本年報「企業管治報告」一節。

獨立核數師

德勤•關黃陳方會計師行已審核本集團截至二零一九年十二月三十一日及二零一八年十二月三十一日止財政年度之綜合財務報表，而信永中和則已審核本集團截至二零一七年及二零一六年十二月三十一日止財政年度之綜合財務報表。

除上文披露者外，本公司核數師於過去三年概無其他變動。

德勤•關黃陳方會計師行已表示願意接受作為本公司獨立核數師之續聘。德勤•關黃陳方會計師行將告退任，而本公司應屆股東週年大會將提呈重新委任彼等為核數師之決議案。

REPORT OF THE DIRECTORS

董事會報告

SUFFICIENT PUBLIC FLOAT

Based on information that is publicly available to the Company and with the knowledge of the Directors, the Company had maintained sufficient public float of at least 25% of the Company's total issued share capital as at the date of this report.

ON BEHALF OF THE BOARD

XU Yongjun

Chairman

Hong Kong

27 March 2020

足夠公眾持股量

根據本公司公開可得資料及據董事所知悉，於本報告日期，本公司一直維持本公司全部已發行股本至少25%之足夠公眾持股量。

代表董事會

主席

許永軍

香港

二零二零年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board (the “Board”) of Directors (the “Directors”) of China Merchants Land Limited (the “Company”, together with its subsidiaries (collectively referred to as the “Group”)) are pleased to present this Corporate Governance Report in the Group’s annual report for the year ended 31 December 2019 (the “Year”).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board considers that a good corporate governance of the Company is the core to safeguarding the interests of the shareholders of the Group and enhancing the performance of the Group. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and to fulfill its commitment to excellence in corporate governance.

During the Year, the Company has adopted, for corporate governance purposes, the code provisions of the Corporate Governance Code (the “HK CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (collectively, the “Listing Rules”).

The Company has complied with the HK CG Code (to the extent that such provisions are applicable) except for below deviations from code provisions A.4.1, A.6.7 and E.1.2 of the HK CG Code which are explained in the relevant paragraphs of this report. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its businesses and to review such practices from time to time to ensure that they comply with the HK CG Code.

招商局置地有限公司(「本公司」，連同其附屬公司(統稱「本集團」))董事(「董事」)會(「董事會」)欣然呈列本集團截至二零一九年十二月三十一日止年度(「年內」)年報內本企業管治報告。

遵從企業管治守則

董事會認為，本公司達致良好企業管治，乃保障本集團股東利益及提升本集團表現之核心元素。董事會不時審閱其企業管治常規，以符合股東不斷提升之期望及履行其致力實踐優質企業管治的承諾。

就企業管治而言，本公司已於年內採納香港聯合交易所有限公司(「聯交所」)證券上市規則附錄14所載企業管治守則(「香港企業管治守則」)(統稱「上市規則」)之守則條文。

本公司已遵守香港企業管治守則(以該等條文適用者為限)，惟偏離香港企業管治守則之守則條文第A.4.1條、第A.6.7條及第E.1.2條除外，該等條文將於本報告相關段落作出解釋。本公司將繼續改善其企業管治常規以配合業務之營運及增長，並不時檢討該等常規以確保彼等符合香港企業管治守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD Responsibilities

The primary role of the Board is to lead and control the Company's operations and affairs and to protect and enhance long-term value of shareholders'. The Board oversees the management of the businesses and affairs of the Group and is responsible for the overall performance of the Group.

The Board monitors the financial performance and the internal controls of the Group's business operations.

The Board is in charge to promote the success of the Group by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith in the best interests of the Company. The Directors are aware of their collective and individual responsibilities to all shareholders of the Group for the manner in which the affairs of the Company are managed, controlled and operated. A Director is required to keep abreast of his responsibilities as a Director and of the conduct, business activities and development of the Group.

The Board is also responsible for providing guidance to overall management of the businesses and affairs of the Group. To facilitate effective management, certain functions have been delegated to various Board committees, namely Nomination Committee, Remuneration Committee and Audit Committee, each of which has its own written terms of reference and whose actions are reported to and monitored by the Board. The effectiveness of each committee is also constantly monitored.

The Board is responsible for performing the functions set out in Code Provision D.3.1 of the HK CG Code. During the Year, the Board has reviewed the corporate governance policy and the Company's internal codes for securities dealing. The Board will review, consider and determine the appropriate policy for corporate governance of the Company from time to time.

Non-executive Directors have the same duties of care and skill and fiduciary duties as executive Directors. The functions of non-executive Directors have included the functions as specified in the code provision A.6.2(a) to (d) of the HK CG Code.

董事會 責任

董事會之主要職責為領導及監控本公司之營運及事務，並提升股東之長期價值。董事會監察本集團之業務及事務管理，並對本集團之整體表現負責。

董事會監督本集團業務營運之財務表現及內部監控。

董事會負責通過以負責任及具效益之方式引導並監督本公司事務，推動本集團之成就。每一位董事均有責任本著公司最佳利益下真誠行事。董事知悉，彼等須就本公司事務管理、控制及運作之方式，向本集團所有股東負起集體和個別責任。董事須時常肩負彼作為董事之責任，並應經常對本集團之行為、業務活動及發展加以留意。

董事會亦負責為本集團業務及事務之整體管理提供指引。為方便有效管理，各董事委員會（分別為提名委員會、薪酬委員會及審核委員會）已獲授權若干職能。各董事委員會均訂有書面職權範圍，其所採取行動均須向董事會報告並受其監察。各委員會之成效亦受持續監察。

董事會負責履行香港企業管治守則內守則條文第D.3.1條之職能。年內，董事會已審閱企業管理政策及本公司就證券交易之內部守則。董事會將不時審閱、考慮及決定本公司企業管治之合適政策。

非執行董事與執行董事具同等謹慎、熟練及受信責任。非執行董事身職能包括在香港企業管治守則之守則條文第A.6.2(a)至(d)條所列明之職能。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (continued)

Board meetings

The attendance records of each Director at the meetings of the Board, the Audit Committee, the Nomination Committee and the Remuneration Committee during the Year are set out below:

董事會(續)

董事會會議

年內，各董事於董事會、審核委員會、提名委員會及薪酬委員會之出席記錄載列如下：

		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
Number of meeting held during the Year	年內舉行會議之次數	4	2	1	1
Non-executive Directors	非執行董事				
Mr. XU Yongjun (Note 1)	許永軍先生(附註1)	1/4	–	1/1	–
Mr. HUANG Junlong	黃均隆先生	4/4	–	–	1/1
Ms. LIU Ning	劉寧女士	4/4	2/2	–	–
Executive Directors	執行董事				
Dr. SO Shu Fai (Note 2)	蘇樹輝博士(附註2)	2/4	–	–	–
Mr. YU Zhiliang	余志良先生	4/4	–	–	–
Mr. WONG King Yuen	黃競源先生	4/4	–	–	–
Independent non-executive Directors	獨立非執行董事				
Dr. WONG Wing Kuen, Albert	王永權博士	4/4	2/2	–	1/1
Ms. CHEN Yanping	陳燕萍女士	4/4	–	1/1	1/1
Dr. SHI Xinping	史新平博士	4/4	2/2	1/1	–
Mr. HE Qi	何琦先生	4/4	–	–	–

Notes:

- (1) Appointed as non-executive Director, the chairman of the Board and the chairman of the nomination committee of the Company with effect from 18 March 2016. Due to business affairs, Mr. XU could not attend three of Board Meetings held during the year. Mr. XU had appointed Mr. HUANG to act his alternate to attend the Board Meetings held.
- (2) Due to business affairs, Dr. SO could not attend the two Board Meetings held during the year.

附註：

- (1) 自二零一六年三月十八日起獲委任為非執行董事、董事會主席兼本公司提名委員會主席。由於商務理由，許先生未能出席於年內舉行的三次董事會會議。許先生已委任黃先生出任彼之替任董事，以代表彼出席上述未能出席之董事會會議。
- (2) 由於商務理由，蘇博士未能出席於年內舉行的兩次董事會會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD *(continued)*

Board meetings *(continued)*

Minutes of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee were recorded in sufficient details of matters considered at the meetings and decisions reached including any concerns or dissenting views raised by the Directors. All the minutes are kept by the company secretary and are open for inspection at any time on reasonable notice given by any Director.

Directors can access to the advice and services of the company secretary to ensure that Board procedures and applicable rules and regulations are followed.

In addition, all Directors are regularly updated on corporate governance and regulatory matters. On a continuing basis, Directors are encouraged to keep up to date on all matters relevant to the Group and attend briefings and seminars as appropriate. Guideline is available for Directors to obtain independent professional advice at the expense of the Company in the furtherance of their duties. The Company has also arranged appropriate liability insurance cover in respect of legal action against its Directors.

董事會 *(續)*

董事會會議 *(續)*

董事會、審核委員會、薪酬委員會及提名委員會之會議記錄，於會議內曾考慮之事項及所達致的決定(包括任何由董事提出的關注事宜或反對意見)均有詳盡記錄。所有會議記錄由公司秘書保管，任何董事只要發出合理通知，均可於任何時間內查閱該等會議記錄。

各董事均可獲取公司秘書之意見及服務，以確保董事會程序及適用規則以及法規均已獲遵守。

此外，本公司會定期向所有董事匯報有關企業管治及監管事務之最新情況。董事獲持續鼓勵時刻關注有關本集團之一切事宜，並於適當時候參加簡報會及研討會。本公司設有一套指引，規範董事為執行職務而諮詢獨立專業意見(有關費用由本公司承擔)。本公司亦已就向其董事提出法律訴訟購買適當之責任保險。

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE

Mr. XU Yongjun, a non-executive Director, is the chairman of the Board. The chairman is responsible for leading the Board to ensure its effectiveness on all aspects of its role and set its agenda.

Mr. YU Zhiliang, an executive Director who has been re-designated from the chief financial officer to general manager of the Company since 18 August 2016 is currently responsible for the Group's strategic development and operational plans, and in particular, the day-to-day operations of the Company's business, which are as same as the duties discharged by a chief executive officer. Therefore, the Company considers that the division of responsibilities between the chairman and the role of a chief executive has been achieved within the Company's written guidelines.

TRAINING FOR DIRECTORS

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

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

The Directors are responsible for their own training needs and report to the Company. The Company will provide suitable training course for the Directors at the Company's expenses.

主席及行政總裁

非執行董事許永軍先生為董事會主席。主席負責領導董事會，確保其有效履行各方面之職務，並製訂其議程。

執行董事余志良先生自二零一六年八月十八日起由本公司財務總監調任為總經理，目前負責本集團戰略及營運計劃，尤其本公司日常經營，與行政總裁所履行職責相同。因此，本公司認為公司的書面規章制度已成功體現了主席與行政總裁職責之劃分。

董事培訓

全體董事應確保參與持續專業培訓計劃，提高及更新其知識及技能。此舉確保彼等向董事會提供相關之貢獻。

每名新任董事於首次委任時會獲發全面、正式及針對個別董事需要的就任須知，確保彼明白本公司的業務及運作，並完全了解根據上市規則及相關監管規定所規定其擔負的職責及責任。

董事負責自身所需之培訓並向本公司報告。本公司將向董事提供合適之培訓課程，費用由本公司支付。

CORPORATE GOVERNANCE REPORT

企業管治報告

TRAINING FOR DIRECTORS (continued)

The Directors are continually updated on the legal and regulatory developments, as well as business and market changes, to facilitate the discharge of their responsibilities. During the Year, all Directors have complied with code provision A.6.5 of the HK CG Code to participate in continuous professional development to develop and refresh their knowledge and skills by attending seminars, in-house briefings or reading materials on the following topics:

董事培訓(續)

本公司將不斷就法律和監管發展以至業務與市場變化，向董事提供最新資訊，以協助董事履行職責。年內，全體董事已遵守香港企業管治守則守則條文第A.6.5條參與持續專業培訓，通過出席有關以下主題之講座、內部簡介或閱覽材料，發展並更新彼等之知識及技能：

		Attending seminars/ Reading materials 參與座談會／閱讀材料
Non-executive Directors	非執行董事	
Mr. XU Yongjun	許永軍先生	✓
Mr. HUANG Junlong	黃均隆先生	✓
Ms. LIU Ning	劉寧女士	✓
Executive Directors	執行董事	
Dr. SO Shu Fai	蘇樹輝博士	✓
Mr. YU Zhiliang	余志良先生	✓
Mr. WONG King Yuen	黃競源先生	✓
Independent non-executive Directors	獨立非執行董事	
Dr. WONG Wing Kuen, Albert	王永權博士	✓
Ms. CHEN Yanping	陳燕萍女士	✓
Dr. SHI Xinping	史新平博士	✓
Mr. HE Qi	何琦先生	✓

DELEGATION BY THE BOARD

The Board has delegated functions that are necessary and incidental to carrying out the decision of the Board or to facilitate the day-to-day operation of the Group in the ordinary course of business to the senior management and divisional heads of different units.

Major corporate matters that are specifically delegated by the Board to senior management include execution of business strategies and initiatives adopted by the Board, implementation of adequate internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations.

董事會之授權

董事會已授予高級管理人員及不同單位部門主管所需及相關職能，以執行董事會決定或確保本集團於一般業務過程中可暢順地進行日常營運。

董事會已特別授權高級管理人員處理之主要企業事務包括：執行董事會採納之業務策略及計劃、實施足夠內部監控及風險管理程序，以及遵從相關法定要求、規則及法規。

CORPORATE GOVERNANCE REPORT

企業管治報告

SUPPLY OF AND ACCESS TO INFORMATION

Directors are provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities as Directors of the Company.

In respect of regular Board meetings, and so far as practicable in all other cases, an agenda and accompanying Board papers are sent in full to all Directors in a timely manner and at least three days before the intended date of a Board meeting.

Management is aware that they have an obligation to supply the Board and its committees with adequate information in a timely manner to enable them to make informed decisions. The information supplied must be complete and reliable. The Board and each Director have separate and independent access to the Company's senior management for making further enquires where necessary.

NOMINATION COMMITTEE

The Nomination Committee comprised of three members:

Non-executive Director:

Mr. XU Yongjun (*Chairman*)

Independent non-executive Director:

Ms. CHEN Yanping (*Member*)

Dr. SHI Xinping (*Member*)

The majority of them are independent non-executive Directors. The Nomination Committee is regulated by a set of terms of reference.

The Group has a formal, considerate and transparent procedure for the appointment of new Director to the Board. The Group has adopted a nomination procedure and the Board, based on the criteria established, evaluate and select candidates for the directorships.

In assessing, selecting and recommending candidates for directorship to the Board, the Nomination Committee will give due consideration to the factors including but not limited to:

- (a) reputation for character and integrity;
- (b) accomplishment and experience in the relevant industries in which the Company's business is involved and other professional qualifications;

資料之提供和查閱

本公司將會及時向董事提供適當資料，所提供資料之形式和質素，足以讓董事作出知情決定並履行本公司董事之職務及責任。

就董事會之定期會議而言，在實際可行之所有其他情況下，所有董事均會及時並在董事會會議擬定開會之日期至少三天前，獲送呈會議議程及附帶之全部董事會文件。

管理層知悉彼等有責任及時向董事會及其委員會提供足夠資料，讓彼等作出知情決定。所提供之資料必須為完整可靠。董事會及各董事在必要時均可個別及獨立地向本公司高級管理人員作出進一步查詢。

提名委員會

提名委員會由三名成員組成：

非執行董事：

許永軍先生 (*主席*)

獨立非執行董事：

陳燕萍女士 (*成員*)

史新平博士 (*成員*)

大部分成員為獨立非執行董事。提名委員會受書面職權範圍規管。

本集團訂有一套正規、經深思熟慮且高透明度之委任董事會新董事程序，本集團已經採納一套提名程序，而董事會根據已確立之準則範疇評審及挑選擔任董事之人選。

向董事會評估、挑選及推薦董事職位之候選人時，提名委員會將仔細考慮包括但不限於以下各項之因素：

- (a) 品格及誠信之聲譽；
- (b) 涉及本集團業務的相關行業的成就及經驗以及其他專業資格；

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (continued)

- (c) commitment in respect of available time and relevant interest;
- (d) diversity in all aspects including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills, knowledge and length of service;
- (e) contribution that the candidates can potentially bring to the Board; and
- (f) plans in place for the orderly succession of the Board.

The Nomination Committee has considered the effectiveness of the Board as a whole and its board committees in addition to the contribution by the chairman and each individual director to the effectiveness of the Board on an annual basis. The performance evaluation criteria include an evaluation of the structure, composition and size of the Board, the Board's access to complete, adequate and timely information, Board's procedures and accountability. The Nomination Committee has reviewed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

The Nomination Committee will ensure that Directors appointed to the Board possess the relevant background, experience and knowledge to enable balanced and well-considered decisions to be made. The performance criteria that the Nomination Committee will consider in relation to an individual Director include the Director's industry knowledge and/or expertise, time and effort dedicated to the Group's business and affairs, work commitments, attendance and participation at the Board and Board committee meetings. Each member of the Nomination Committee shall abstain from voting on any resolutions and making recommendation and/or participating in respect of the matters in which he is interested.

The Nomination Committee shall hold at least one regular meeting in a year. Additional meetings shall be held as and when required. The independence of each Director is reviewed annually. The Nomination Committee satisfied that the independence of the Company's independent non-executive Directors meets the requirements set out in Rule 3.13 of the Listing Rules. The Nominating Committee has assessed the independence of the independent non-executive Directors and is satisfied that there are no relationships which would deem any of the independent non-executive Directors not to be independent. The Board is able to exercise independent judgment on corporate affairs and provide the management with a diverse and objective perspective on issues.

提名委員會(續)

- (c) 其可投入的時間及代表相關界別的利益；
- (d) 各方面之多元化，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他)、技能、知識及服務年期；
- (e) 候選人可以向董事會帶來的潛在貢獻；及
- (f) 為董事會有序繼任而制訂的計劃。

提名委員會已按年度基準考慮主席及各個董事對董事會有效性之貢獻以及董事會整體及其董事委員會之有效性。表現評估標準包括評估董事會之架構、組成及規模、董事會能否及時獲取全面、充分及最新資料以及董事會程序及問責性。提名委員會已檢討董事會之架構、規模及組成，確保其擁有本公司業務所需之均衡及合適專業知識、技能及經驗。

提名委員會將確保獲委任加入董事會之董事具備相關背景、經驗及知識，以作出平衡及深思熟慮之決定。提名委員會用以考慮個別董事表現之標準包括董事之行業知識及／或專業知識、投放於本集團業務及事務之時間及精力、工作熱誠、於董事會及董事委員會會議之出席率及參與度等。提名委員會各成員須就有關彼於其有擁有利益之事宜放棄於任何決議案投票及作出建議及／或參與。

提名委員會須每年至少舉行一次定期會議。如有需要，可舉行額外會議。各董事之獨立性每年審閱。提名委員會信納本公司獨立非執行董事之獨立性符合上市規則第3.13條所載規定。提名委員會已評估獨立非執行董事之獨立性，並信納概無存在任何關係致使任何獨立非執行董事被視作不獨立。董事會可就公司事務行使獨立判斷，並就事宜向管理層提供多元化及客觀觀點。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (continued)

Notwithstanding that some of the Directors have multiple board representations, the Nomination Committee and the Board are satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group.

The Company is committed to equality of opportunity in all aspects of its business. The Board Diversity Policy was adopted since September 2013.

Diversity of board members can be achieved through consideration of a number of factors, including but not limited to professional qualifications and experience, cultural and educational background, race and ethnicity, gender, age and length of service. In forming its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time. The Nomination Committee would review the measurable objectives under the Board Diversity Policy and the progress of attainment, so as to ensure effective implementation. The Nomination Committee is satisfied that the current board composition has achieved a diversity and would enhance the quality of performance of the Company.

During the Year, the Nomination Committee held one meeting and the committee has performed the following duties:

- reviewed the independence of independent non-executive directors;
- recommended re-election of the retiring Directors after assessing their contribution and performance, and has reviewed the structure, size and composition of the board in accordance with Rule 3.10A of the Listing Rules; and
- reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board and made recommendations on proposed changes to the Board to complement the Company's corporate strategy.

提名委員會(續)

儘管部分董事身兼多個董事會職務，惟提名委員會及董事會信納董事已對本集團事務給予充分時間及關注。

本公司致力在其業務各方面給予平等機會，並自二零一三年九月起採納董事會成員多元化政策。

董事會成員多元化可透過考慮多個因素達致，包括但不限於專業資格及經驗、文化及教育背景、種族及族群特性、性別、年齡及服務任期。在引入多元化觀點時，本公司亦將會根據其本身的商業模式及不時的特別需要考慮因素。提名委員會將審閱董事會成員多元化政策下之可計量目標及達成進度，以確保其有效實施。提名委員會對目前董事會組成達致多元化感到滿意，並將提高本公司之表現質素。

年內，提名委員會已舉行一次會議，並已履行以下職責：

- 評估獨立非執行董事之獨立身份；
- 評估退任董事之貢獻及表現後就彼等重選連任提供推薦意見，並已根據上市規則第3.10A條審閱董事會之架構、規則及組成；及
- 檢討董事會之架構、規模及組成(包括技能、知識及經驗)及就董事會之建議變動向董事會作出推薦意見，以配合本公司之公司策略。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE

Code provision A.4.1 of the HK CG Code stipulated that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive Directors and all the independent non-executive Directors do not have specific terms of appointment which is a deviation from the said HK CG Code. However, all of them are subject to retirement by rotation and re-election at annual general meeting ("AGM") according to the Company's Articles of Association. The Board considers that the requirement has the same effect of accomplishing the same objective as a specific term of appointment.

REMUNERATION COMMITTEE

The Company has established a formal and transparent procedure for formulating policies on remuneration of senior management of the Group.

The Remuneration Committee comprised of three members:

Independent non-executive Director:

Ms. CHEN Yanping (*Chairman*)

Dr. WONG Wing Kuen, Albert (*Member*)

Non-executive Director:

Mr. HUANG Junlong (*Member*)

The majority of them are independent non-executive Directors.

The principal function of the Remuneration Committee is to ensure that a formal and transparent set of policies and procedures are in place for determining executive remuneration and for fixing the remuneration packages of individual Directors and that no Director should be involved in deciding his own remuneration.

The Remuneration Committee shall meet at least once a year, the Remuneration Committee covers all aspects of emoluments, including but not limited to Directors' fees, salaries, allowances, bonuses, options, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. In setting remuneration packages, the Remuneration Committee takes into consideration the pay and employment conditions within the industry and in comparable companies, as well as the Group's relative performance and their individual performance. The Remuneration Committee will seek expert advice on remuneration of all Directors as and when necessary.

提名委員會

香港企業管治守則守則條文第A.4.1條訂明，非執行董事應委以特定任期，並須接受重選。非執行董事及全體獨立非執行董事並無特定任期，此乃偏離上述香港企業管治守則。然而，彼等均須遵守本公司組織章程細則之規定於股東週年大會（「股東週年大會」）輪值退任及重選連任。董事會認為，此規定具有達致特定任期之相同目標之同等效果。

薪酬委員會

本公司已就制定本集團高級管理層之薪酬政策設立正式及具透明度之程序。

薪酬委員會由三名成員組成：

獨立非執行董事：

陳燕萍女士(*主席*)

王永權博士(*成員*)

非執行董事：

黃均隆先生(*成員*)

大部分成員為獨立非執行董事。

薪酬委員會之主要職能為確保設立正式及具透明度之政策及程序，以釐定行政人員薪酬及個別董事之薪酬待遇，而董事不應參與決定其本身之薪酬。

薪酬委員會須每年舉行會議至少一次。薪酬委員會處理所有方面之酬金，包括但不限於董事袍金、薪金、津貼、花紅、購股權、實物利益、退休金權利及賠償金額（包括因離職或終止職務或委任之任何應付賠償）。在制定薪酬待遇時，薪酬委員會考慮業內及可資比較公司之工資及僱傭條件，以及本集團之相對表現及彼等之個人表現。薪酬委員會將於必要時就全體董事薪酬尋求專家意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE (continued)

The Remuneration Committee is regulated by a set of written terms of reference. Its key functions include:

- reviewing and recommending to the Board the Company's policies and structure for all Directors and senior management's remuneration as are competitive and appropriate to attract, retain and motivate Directors and senior management of the required quality to run the Company successfully and on the establishment of a formal and transparent procedure for developing remuneration policy;
- reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- either determining (with delegated responsibility) or making recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; and
- reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.

The Remuneration Committee held one meeting during the Year and has performed the following duties:

- reviewed the remuneration policy and structure of the Company, and the remuneration packages of the Directors; and
- reviewed the remuneration packages of all Directors.

薪酬委員會(續)

薪酬委員會受書面職權範圍規管。其主要職能包括：

- 審閱及就本公司有關全體董事及高級管理層薪酬(必須具競爭力及屬恰當以吸引、留聘及激勵具備成功營運本公司所需質素之董事及高級管理層)之政策及架構，以及就設立正式及具透明度之程序制訂薪酬政策，向董事會作出推薦建議；
- 參考董事會之企業方針及目標，審閱及批准管理層之薪酬建議；
- 獲董事會轉授責任釐定或向董事會建議個別執行董事及高級管理層之薪酬待遇；
- 審閱及批准就執行董事及高級管理層離職或終止職務或委任之應付賠償，以確保該等賠償與合約條款一致；倘未與合約條款一致，有關賠償亦須屬公平，不致過多；及
- 審閱及批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排，以確保該等安排與合約條款一致；倘未與合約條款一致，有關賠償亦須合理適當。

年內，薪酬委員會舉行一次會議，並履行以下職責：

- 檢討本公司薪酬政策及架構，以及董事之薪酬待遇；及
- 檢討所有董事的薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTOR' SECURITIES TRANSACTIONS

The Group has adopted its code of conduct for securities transactions by Directors of the Company on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiry to all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code throughout the Year.

FINANCIAL REPORTING

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the Year.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other applicable statutory and regulatory requirements.

The Directors acknowledge that it is their responsibilities for overseeing the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group, and of results and cash flow for the period. In preparing the financial statements for the Year, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made prudent and reasonable judgments and estimates and have prepared the financial statements on a going concern basis. The Directors also warrant that the Group's financial statements will be published in a timely manner.

In presenting the interim and annual financial statements and announcement to shareholders, it is the aim of the Board to provide the shareholders with a detailed analysis, explanation and assessment of the Group's financial position and prospects. The management currently provides the Board with monthly update on the Group's performance, position and prospects.

The senior management of the Group has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

The statement of the external auditor of the Company is set out in the "Independent Auditors' Report" on pages 108 to 117.

董事進行證券交易

本集團已採納有關本公司董事進行證券交易之行為守則，其條款之嚴謹程度不遜於上市規則附錄十內所載上市發行人董事進行證券交易的標準守則（「標準守則」）所規定標準。經向全體董事作出特定查詢後，本公司確認，全體董事於年內一直遵守標準守則所載之規定標準。

財務申報

董事承擔編製本公司本年度財務報表之責任。

董事會負責就年度及中期報告、股價敏感公告以及上市規則及其他適用法定及監管規定所規定之其他披露，呈列均衡、清晰及簡明之評估。

董事確認須負責監督各財政期間編製財務報表工作，以確保能真實及公正地反映本集團之財務狀況、期內業績與現金流量。在編製本年度財務報表時，董事已選擇並貫徹採用合適之會計政策；採納合適之香港財務報告準則及香港會計準則；作出審慎而合理之判斷和估計，以及按持續營運基準編製財務報表。董事亦須保證本集團財務報表將會依時刊發。

向股東呈報中期及年度財務報表及公告時，董事會旨在為股東提供本集團財務狀況及前景之詳盡分析、闡釋及評估。管理層目前每月向董事會提供有關本集團表現、狀況及前景之最新資料。

本集團高級管理層已向董事會提供董事會為本公司財務報表進行知情評估時所需之解釋及資料，以供董事會審批。

本公司外聘核數師之聲明載於第108至117頁之「獨立核數師報告」。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIVIDEND POLICY

The Company has adopted a dividend policy on 24 January 2019, pursuant to which in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account the following factors:

- (a) the Articles of Association of the Company;
- (b) the applicable restrictions and requirements under the laws of the Cayman Islands;
- (c) any banking or other funding covenants by which the Company is bound from time to time;
- (d) the investment and operating requirements of the Company; and
- (e) any other factors that have material impact on the Company.

The declaration and payment of dividends by the Company shall be determined at the sole discretion of the Board and shall be subject to any restrictions under the Companies Law of the Cayman Islands and the Articles of Association of the Company. The Dividend Policy will continue to be reviewed from time to time and there can be no assurance that dividends will be proposed or declared in any particular amount for any given period.

股息政策

本公司會已於二零一九年一月二十四日採納股息政策。根據股息政策，董事會於建議宣派股息及釐定股息金額時須考慮以下因素：

- (a) 本公司之組織章程細則；
- (b) 開曼群島法律下的適用限制及要求；
- (c) 本公司不時受其約束的任何銀行或其他融資契諾；
- (d) 本公司的投資及經營需求；及
- (e) 任何其他對本公司構成重大影響的因素。

本公司的股息宣派及派付須由董事會全權酌情決定，亦須遵守開曼群島公司法及本公司的組織章程細則。股息政策將繼續不時予以檢討，且概不保證將在任何特定期間建議或宣派任何特定金額的股息。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises its responsibility for maintaining an adequate internal control system to safeguard the assets of the Group and the interests of shareholders and consider the governance of risk. Annual review on the adequacy and the effectiveness of the internal control and risk management systems of the Group has been conducted by the management and reviewed by the Board. The Audit Committee is satisfied that nothing has come to its attention to cause the Audit Committee to believe that the internal control system is inadequate. Review will be made at least annually to monitor the adequacy and the effectiveness of the risk management and the internal control system of the Group.

The finance department carries out annual risk assessment on each audit area and derives an annual audit plan according to their risk rankings. During the Year, the Company has outsourced its internal audit function to an independent accounting firm, Deloitte Advisory (Hong Kong) Limited to perform a review of the internal control system of the Group with a focus on the property business. During the Year, the Group has complied with code provision C.2 of the HK CG Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- *Identification:* Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- *Evaluation:* Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- *Management:* Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2019, no significant risk was identified.

風險管理及內部監控

董事會重視其維持足夠內部監控系統之責任，以保障本集團資產及股東權益以及考慮監管風險。本集團內部監控及風險管理系統之充足性及成效之年度審閱已由管理層進行及由董事會審閱。審核委員會信納概無發現致使審核委員會相信內部監控系統存在不足之處。審閱將最少每年進行一次，以監察本集團風險管理及內部監控系統之充足性及成效。

審核委員會每年檢討本集團內部監控及風險管理系統之效能一次。財務部門就各審核領域進行年度風險評估並根據彼等之風險排名判定年度審核計劃。於年內，本公司已外判其內部審核職能予一間獨立會計師行德勤諮詢(香港)有限公司對本集團內部監控制度(專注於房地產業務)進行檢討。年內，本集團已遵守香港企業管治守則守則條文第C.2條，設立適當有效之風險管理及內部監控系統。管理層負責設計、實際及監察有關系統，而董事會持續監督管理層履行其職責之情況。風險管理及內部監控系統之主要功能於下文各節論述：

風險管理系統

本集團採納風險管理系統，管理其業務及營運之相關風險。該系統包括以下多個層面：

- *識別：* 識別風險所有權、業務目標及可能影響目標達成之風險。
- *評估：* 分析風險之可能性及影響，並對風險組合作出相應評估。
- *管理：* 考慮風險應對措施，確保與董事會就風險進行有效溝通並持續監察剩餘風險。

根據於二零一九年進行之風險評估，概無發現重大風險。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

Internal Control System

The Board is responsible to ensure that the Group maintains sound and effective internal controls to safeguard the shareholders' investment and the Group's assets.

The internal control system will cover all material controls, including financial, operational and compliance controls and risk management functions.

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The components of the framework are shown as follow:

- **Control Environment:** A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.
- **Risk Assessment:** A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- **Control Activities:** Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- **Information and Communication:** Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- **Monitoring:** Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

風險管理及內部監控(續)

內部監控系統

董事會須負責確保本集團保持健全而有效之內部監控，以維護股東投資及本集團資產。

內部監控系統涵蓋所有重大監控範疇，包括財務、營運及規章管控及風險管理職能。

本公司已制定符合 Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)二零一三年框架之內部監控系統。該框架促使本集團達致營運有效性及效率性、財務報告可靠性及遵守適用法律及法規之目標。

該框架之組成部分列示如下：

- **監控環境：**為本集團進行內部監控提供基礎之一套標準、程序及結構。
- **風險評估：**動態交互流程以識別及分析風險，達成本集團目標，並為如何管理風險形成依據。
- **監控行動：**按政策及程序制定行動，以確保管理層為減輕風險以達成目標之指令獲執行。
- **資料及通訊：**為本集團提供進行日常監控所需資料之內部及外部通訊。
- **監察：**為確定內部監控之各組成部份是否存在及運行而進行之持續及單獨評估。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(continued)

Internal Control System (continued)

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group has adopted and implemented an inside information procedure. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include the maintaining of a good control environment with defined organisational structure, limit of authority, reporting lines and responsibilities in accordance with the Company's guidelines and the regulatory requirements. An effective information platform has been created to enable relevant and timely information are sent to the Board for decision making. Appropriate control measures have been taken place to facilitate a good control environment for handling and dissemination of inside information. The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality. Confidentiality agreements are in place when the Group enters into significant negotiations. Where necessary, Directors to speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in the year of 2019, no significant control deficiency was identified.

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted at least annually. Several areas have been considered during the Board's review, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

風險管理及內部監控(續)

內部監控系統(續)

為加強本集團之內幕消息控制系統，並確保其公開披露事項之真實性、準確性、完整性與及時性，本集團亦採納及實施一套內幕消息程序。本集團已不時採納若干合理措施，確保存在適當保障以防止違反有關本集團之披露規定，包括維持具備明確組織架構、權力規限以及根據本公司指引及監管規定之報告方式及責任之良好監控環境。本公司已設立有效資訊平台，以確保相關及最新資訊已向董事會提交供彼等決策。設立合適監控措施，促進處理及傳播內幕消息。僅少數僱員可按需要查閱資料。掌握內幕消息之僱員充分熟知彼等之保密責任。本集團進行重大磋商時將會訂立保密條款。如有需要，董事與媒體、分析師或投資者等外部人士溝通時會代表本公司發言。

根據於二零一九年度進行之內部監控審閱，概無發現重大監控缺失。

管理層負責本集團之風險管理及內部監控系統，並確保該等系統之成效至少每年檢討。董事會於審閱時已考慮多個範疇，包括但不限於(i)自上一個年度審閱後重大風險之性質變動及程度，及本集團應對其業務及外界環境變動之能力；及(ii)管理層持續監察風險及內部監控系統之範圍及質量。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Audit Committee comprised of three members:

Independent non-executive Director:

Dr. WONG Wing Kuen, Albert (*Chairman*)

Dr. SHI Xinping (*Member*)

Non-executive Director

Ms. LIU Ning (*Member*)

Most of them are independent non-executive Directors. Dr. WONG Wing Kuen, Albert has the appropriate professional qualifications or accounting or related financial management expertise. The Board considers that Dr. SHI Xinping and Ms. LIU Ning have sufficient financial knowledge and experience to discharge their responsibilities as members of the Audit Committee. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The Audit Committee adopted its revised terms of reference in January 2019 which is applicable to the Company's accounting periods beginning on or after 1 January 2019. The Audit Committee is responsible for reviewing the Group's corporate governance, financial reporting, internal control and risk management.

Its key functions include:

- reviewing the audit plans and results of the external auditor of the Company and the internal auditor's evaluation of the adequacy of the Company's system of internal controls, the audit reports and management letters issued by the external auditor and the co-operation given by the Company's management to the external auditor;
- making recommendations to the Board on the appointment, re-appointment and removal of external auditor and internal auditor, and to review the remuneration and terms of engagement of the external auditor;

審核委員會

審核委員會由三名成員組成：

獨立非執行董事：

王永權博士(主席)

史新平博士(成員)

非執行董事

劉寧女士(成員)

大部份成員為獨立非執行董事。王永權博士具備適當專業資格或會計或相關財務管理專長。董事會認為，史新平博士及劉寧女士具備充分財務知識及經驗以履行彼等作為審核委員會成員之職責。概無審核委員會成員為本公司現任外聘核數師之前合夥人。

審核委員會於二零一九年一月採納經修訂職權範圍，該職權範圍適用於本公司於二零一九年一月一日或之後開始之會計期間。審核委員會負責審閱本集團之企業管治、財務申報、內部監控及風險管理。

其主要職責包括：

- 審閱本公司外聘核數師之審核計劃及結果以及內部核數師對本公司內部監控系統是否充足、外聘核數師發出之審核報告及管理函件以及本公司管理層與外聘核數師之合作情況所作評估；
- 就委聘、續聘及罷免外聘核數師及內部核數師之事宜向董事會提出推薦建議，以及審閱外聘核數師之薪酬及委聘條款；

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (continued)

- reviewing the nature and extent of non-audit services provided by the external auditor;
- reviewing cost effectiveness and the independence and objectivity of the external auditor;
- reviewing the significant financial reports so as to ensure the integrity of the financial statements of the Company and focus in particular on the changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit and compliance with financial reporting standards;
- reviewing interim and annual financial statements and announcements before submission to the Board for approval; and
- reviewing effectiveness of the Company's material internal controls, including financial, operational and compliance controls and risk management and reviews the findings of the internal auditor of the Company.

The Audit Committee shall hold at least two regular meetings in a year. The Audit Committee focuses not only on the impact of the changes in accounting polices and practices but also on the compliance with accounting standards, the Listing Rules and relevant legal requirements.

The Audit Committee has not taken a different view from the Board regarding the selection, appointment, resignation or dismissal of the Company's external auditor.

The Company's annual results for the year ended 31 December 2019 published on 27 March 2020 was reviewed by the Audit Committee.

審核委員會(續)

- 審閱外聘核數師所提供非核數服務之性質及範圍；
- 審閱外聘核數師之成本效益、獨立性及客觀性；
- 審閱重大財務報告，以確保本公司財務報表之完整性，特別注意會計政策及常規方面之變動、主要風險範圍、審核所導致之重大調整以及遵守財務報告準則之情況；
- 審閱未提交董事會批准之中期及年度財務報表及公告；及
- 審閱本公司重大內部監控之成效，包括財務、營運及合規監控以及風險管理，並審閱本公司內部核數師的審核結果。

審核委員會須每年至少舉行兩次定期會議。審核委員會不僅關注於會計政策及慣例變動之影響，亦會關注遵守會計準則、上市規則及有關法律規定。

審核委員會就本公司外聘核數師之甄選、委任、辭任或罷免與董事會並無持不同意見。

本公司於二零二零年三月二十七日所刊發截至二零一九年十二月三十一日止年度之年度業績已由審核委員會審閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (continued)

During the Year, the Audit Committee held meetings twice and has performed the following duties:

- met with the executive Directors and management of the Company to review the interim and annual results, the interim report and annual report and other financial, internal control, corporate governance and risk management matters of the Group and made recommendations to the Board;
- considered and discussed the reports and presentations by the senior management and the external auditor, with a view to ensure that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong;
- met with the external auditor without the presence of management and discussed about the interim financial report and its annual audit of the consolidated financial statements and key audit issues;
- assisted the Board in meeting its responsibilities for evaluating, establishing and maintaining effective systems of internal control;
- carried out the annual review on the continuing connected transactions of the Group;
- reviewed the adequacy of resources qualifications and experience of staff of the Company's accounting and financial reporting functions, and their training programmes and budget; and
- reviewed and discussed significant audit findings in a meeting with the external auditor.

The Audit Committee also examines any other aspects of the Company's affairs, as it deems necessary where such matters relate to exposures or risks of regulatory or legal nature, and monitors the Company's compliance with its legal, regulatory and contractual obligations.

The Board is of the view that the members of the Audit Committee have sufficient accounting or related financial management expertise and experience to discharge the Audit Committee's function.

The Audit Committee will report to the Board on any material issues, and makes recommendations to the Board.

審核委員會(續)

於年內，審核委員會舉行兩次會議，並已履行以下職責：

- 與本公司執行董事及管理層會晤，審閱中期及年度業績、中期報告及年度報告及其他財務、內部監控、本集團的企業管治及風險管理事宜，並向董事會提出推薦意見；
- 考慮並討論高級管理人員及外聘核數師之報告及提呈，以確保本集團之綜合財務報表乃根據香港普遍採用之會計原則編製；
- 在管理層避席之情況下與外聘核數師會晤，並討論其對中期財務報告及其對綜合財務報表之年度審核以及重大審核事宜；
- 協助董事會履行其評估、建立及維持有效內部監控制度之責任；
- 對本集團之持續關連交易進行年度審閱；
- 審閱資源之充分性、本公司會計及財務申報職能之員工之資格及經驗，以及其培訓計劃及預算；及
- 與外聘核數師會面時審閱及討論重大審核發現。

審核委員會亦在其認為必要時，審查本公司任何其他涉及監管或法律性質風險方面之事宜，並監察本公司是否遵守法律、監管及合約責任。

董事會認為，審核委員會成員具備充分會計或相關財務管理專業及經驗履行審核委員會之職能。

審核委員會將向董事會報告任何重大事宜並向其作出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITORS' REMUNERATION

During the Year, the remuneration in respect of professional services provided by the Company's auditor, Deloitte Touche Tohmatsu, is set out as follows:

		(RMB'000) (人民幣千元)
Audit services	審核服務	4,062
Non-audit services	非審核服務	188

Non-audit services include the professional services rendered in connection with the continuing connected transactions review and internal controls assessment.

The Audit Committee had considered the Independent Auditors' independence and objectivity as required under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accounts, reviewed the terms of their engagement, nature and scope of the audit and reporting obligations.

The Audit Committee is satisfied with the findings of their review of the engagement process, effectiveness, independence and objectivity of the Independent Auditor.

The Audit Committee has recommended to the Board and the Board has concurred with the nomination of Messrs. Deloitte Touche Tohmatsu, for reappointment as independent auditor of the Company at the forthcoming AGM.

SECURITIES TRANSACTION BY THE RELEVANT EMPLOYEES

Under the Hong Kong Code Provision A.6.4 of the CG Code, the Board has established written guidelines on no less exacting terms than the Model Code for Directors and relevant employees in respect of their dealings in the Company's securities. "Relevant employee" includes any employee of the Group or a Director or employee of a subsidiary or holding company of the issuer, because of such office or employment, is likely to be in possession of inside information in relation to the Group and its securities. Having made specific enquiry to all Relevant Employees, the Company confirms that all Relevant Employees have complied with the written guidelines regarding securities transactions during the Year.

核數師薪酬

於年內，本公司核數師德勤•關黃陳方會計師行提供專業服務之薪酬載列如下：

	(RMB'000) (人民幣千元)
Audit services	4,062
Non-audit services	188

非審核服務包括持續關連交易審閱及內部控制評估。

審核委員會已考慮香港會計師公會所頒佈專業會計師道德守則項下規定之獨立核數師獨立性及客觀性，並審閱其委聘條款、審核之性質及範圍以及報告責任。

審核委員會信納其就獨立核數師之委聘過程、有效性、獨立性及客觀性進行之審閱結果。

審核委員會已向董事會建議於應屆股東週年大會上提呈續聘德勤•關黃陳方會計師行為本公司之獨立核數師，而董事會已就此同意審核委員會之意見。

有關僱員進行證券交易

根據香港企業管治守則之守則條文第A.6.4條，董事會已就董事及有關僱員進行本公司證券交易以書面制定不遜於標準守則之指引。「有關僱員」包括本集團任何僱員或發行人附屬公司或控股公司之董事或僱員，因該職位或受聘而可能掌握與本集團及其證券有關內幕消息。經對全體有關僱員進行特定查詢後，本公司確認，全體有關僱員於年內一直遵守有關證券交易之書面指引。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

During the Year, the company secretary, Mr. Ng Ho, undertook at least 15 hours of relevant professional training, was an employee of the Company.

公司秘書

年內，公司秘書吳昊先生已進行至少15個小時相關專業培訓及為本公司僱員。

SHAREHOLDERS' MEETINGS

Details of Directors' attendance records of the general meetings held during the Year were as follows:

股東大會

董事於年內舉行之股東大會之出席記錄詳情如下：

General Meetings 股東大會	XU	HUANG	LIU Ning 劉寧	SO Shu Fai 蘇樹輝	YU	WONG	WONG	CHEN	SHI	HE Qi 何琦
	Yongjun 許永軍	Junlong 黃均隆			Zhiliang 余志良	King Yuen 黃競源	Wing Kuen, Albert 王永權	Yanping 陳燕萍	Xinping 史新平	
29 January 2019 二零一九年一月二十九日 (EGM/股東特別大會)	N	N	Y	N	Y	Y	Y	Y	N	N
24 April 2019 二零一九年四月二十四日 (AGM/股東週年大會)	N	Y	Y	N	Y	N	Y	Y	Y	N
6 June 2019 二零一九年六月六日 (EGM/股東特別大會)	N	Y	Y	N	Y	Y	Y	N	Y	N
8 November 2019 二零一九年十一月八日 (EGM/股東特別大會)	N	Y	N	N	Y	Y	Y	N	Y	N
COUNT/次數	0	3	3	0	4	3	4	2	3	0

N=Absent/未出席
Y=Attended/已出席

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' MEETINGS *(continued)*

Code Provision A.6.7 stipulates that independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Xu Yongjun, the non-executive Director and Mr. He Qi, the independent non-executive Director, did not attend the annual general meeting and extraordinary general meetings of the Company during the year of 2019 due to other business. However, there were sufficient executive Directors, independent non-executive Directors and non-executive Directors present to enable the Board to develop a balanced understanding of the views of the Company's shareholders.

Code Provision E.1.2 stipulates that the chairman of the Board should attend the annual general meeting. Mr. XU Yongjun, chairman of the Board, could not attend the annual general meeting held on 24 April 2019 due to other business engagement which was a deviation from Code Provision E.1.2. However, he had appointed Mr. HUANG Junlong, a non-executive Director as his alternate director who chaired the annual general meeting and answered questions for shareholders of the Company.

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

股東大會(續)

守則條文第A.6.7條訂明，獨立非執行董事及其他非執行董事應出席股東大會，以對股東之意見有公正之理解。非執行董事許永軍先生及獨立非執行董事何琦先生於二零一九年內因其他事務未能出席本公司股東週年大會及股東特別大會。然而，會有足夠之執行董事、獨立非執行董事及非執行董事出席，以確保董事會對本公司股東之意見有公正之理解。

守則條文第E.1.2條訂明，董事會主席應出席股東週年大會。董事會主席許永軍先生因其他事務未能出席於二零一九年四月二十四日舉行之股東週年大會，此乃偏離守則條文第E.1.2條。然而，彼已委任非執行董事黃均隆先生為彼之替任董事，以主持股東週年大會及回答本公司股東疑問。

本公司認為與股東之有效溝通，對改善投資者關係以及讓投資者了解本集團之業務表現及策略而言至關重要。本公司亦重視公司資料之透明度且及時披露之情況，以使股東及投資者作出最佳投資決策。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' MEETINGS (continued)

The Company established different communication channels with shareholders and investors, including (i) printed copies of corporate communications (including but not limited to annual reports, interim reports, notices of meetings, circulars and proxy forms and other corporate information) required under the Listing Rules; (ii) the general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as the respective chairman of the Nomination Committee, the Remuneration Committee and the Audit Committee or, in their absence, other members of the respective committees are available to answer questions for shareholders and stakeholders at the general meetings; (iii) the Company's registrars deal with shareholders for share registration and related matters; and (iv) the Directors and/or investor relationship team of the Company handles enquiries from shareholders and investors generally.

SHAREHOLDERS' RIGHT

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

AGM of the Company serves as an effective forum for communication between shareholders and the Board. Notice of the AGM together with the meeting materials are despatched to all shareholders not less than 21 days and not less than 20 business days prior to the AGM.

The chairman of the Board and of Audit Committee, Remuneration Committee and Nomination Committee, or in their absence, other members of the respective Committees, are invited to the AGM to answer questions from shareholders. External auditors are also invited to attend the AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

股東大會(續)

本公司與股東及投資者已建立不同的溝通途徑，包括(i)上市規則所規定公司通訊之印刷本(包括但不限於年報、中期報告、會議通告、通函及代表委任表格以及其他公司資料)；(ii)本公司股東大會為董事會及股東之間提供溝通平台。董事會主席及提名委員會、薪酬委員會及審核委員會各自之主席(或倘彼等缺席，則相關委員會之其他成員)將於股東大會上回應股東及權益持有人的提問；(iii)本公司之股份過戶登記處為股東處理股份登記及相關事宜；及(iv)董事及／或本公司投資者關係團隊一般處理股東及投資者之查詢。

股東權利

本公司致力尋求與股東開展積極對話，並向股東、投資者及其他權益持有人披露有關本集團重大發展的資料。

本公司之股東週年大會為股東與董事會提供一個有效之溝通平台。股東週年大會通告連同會議資料均於召開股東週年大會前不少於21日及不少於20個營業日寄發予全體股東。

董事會、審核委員會、薪酬委員會及提名委員會之主席或如彼等未能出席，則由各委員會之其他成員獲邀出席股東週年大會並於會上回答股東問題。外聘核數師亦獲邀出席股東週年大會並於會上回答有關審核工作、編製核數師報告及報告內容、會計政策及核數師獨立性問題。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHT (continued)

The Company's last AGM was held on 24 April 2019 and extraordinary general meetings were held on 29 January 2019, 6 June 2019 and 8 November 2019 respectively. All the resolutions proposed at these meetings were approved by shareholders of the Company by poll. Details of the poll results are available under the "Announcements and Notices" section of the Company's website at <http://ir.cmland.hk>.

Vote of shareholders at general meeting will be taken by poll in accordance with the Listing Rules, unless otherwise required and permitted. Detailed procedures for conducting a poll will be explained to the shareholders at the inception of general meeting to ensure that shareholders are familiar with such voting procedures. Separate resolution will be proposed by the chairman of general meeting in respect of each substantial issue. The poll results will be posted on the websites of the Company and the Stock Exchange on the same business day of the general meeting.

Pursuant to the Articles of Association of the Company, general meetings can be convened on the written requisition of any two or more members of the Company deposited at the principal place of business of the Company in Hong Kong at:

Room 2603 to 2606, 26/F, China Merchants Tower
Shun Tak Centre
Nos. 168–200 Connaught Road Central
Hong Kong

股東權利(續)

本公司上屆股東週年大會已於二零一九年四月二十四日舉行，而股東特別大會已分別於二零一九年一月二十九日、二零一九年六月六日、二零一九年十一月八日舉行。會上所有提呈決議案以點算股數方式表決獲本公司股東批准。有關表決結果之詳情載於本公司網站<http://ir.cmland.hk>「公告及通告」一欄。

除非另有規定及允許，否則股東將根據上市規則於股東大會上以點算股數方式表決投票。投票程序詳情將於股東大會開始時向股東說明，以確保股東熟悉該等投票程序。股東大會主席將會就每項重要事宜個別提出決議案。投票結果將於召開股東大會同一個營業日內於本公司及聯交所網站刊登。

根據本公司之組織章程細則，股東大會可應本公司任何兩名或多名股東之書面請求而召開，有關請求須送達本公司於香港之主要辦事處：

香港
干諾道中168–200號
信德中心
招商局大廈26樓2603至2606室

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHT (continued)

specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal place of business of the Company in Hong Kong as set out above specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

CORPORATE COMMUNICATION

The Group should announce its annual results and interim results in a timely manner before the time limits set out in the Listing Rules. Separate resolutions are proposed at the annual general meetings on each separate issue, including the election of individual Directors. In addition, procedures for demanding a poll at the annual general meeting will also be included in the circular to shareholders dispatched together with this report.

The Group maintains a website of <http://ir.cmland.hk> which enables shareholders of the Company, investors and the general public to access to the information of the Group on a timely basis. Financial information and all corporate communications of the Group are made available on the Group's website and updated regularly.

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar: Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

股東權利(續)

當中列明大會之主要商議事項並由請求人簽署，惟該等請求人於送達請求之日須持有本公司不少於十分之一之實繳股本(附帶本公司股東大會之投票權)。股東大會亦可應本公司任何一名股東(為一間認可結算所(或其代理人))之書面請求而召開，有關請求須送達上述本公司於香港之主要營業地點，當中列明大會之主要商議事項並由請求人簽署，惟該請求人於送達請求之日須持有本公司不少於十分之一之實繳股本(附帶本公司股東大會之投票權)。倘董事會於送達請求之日起計21日內未有按既定程序召開大會(該大會將在請求發出日後21天內舉行)，則請求人本身或代表彼等所持全部投票權超過半數以上之任何請求人可按盡量接近董事會召開大會之相同方式召開股東大會，惟按上述方式召開之任何大會不得於送達有關請求之日起計三個月屆滿後召開，且本公司須向請求人償付彼等因應董事會未有召開大會而產生之所有合理費用。

企業通訊

本集團應於上市規則所載時限前適時公佈其年度業績及中期業績。於股東週年大會上將就各個別事項提呈個別決議案，包括推選個別董事。此外，要求於股東週年大會以點算股數表決之程序將納入連同本報告寄發予股東之通函內。

本集團設立<http://ir.cmland.hk>網站使本公司股東、投資者及公眾人士可適時獲得本集團資料。本集團之財務資料及所有企業通訊可從本集團網站取得，並會定期更新。

股東如對名下持股有任何問題，應向本公司之香港股份過戶登記分處卓佳登捷時有限公司提出，地址為：香港皇后大道東183號合和中心54樓。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

TO THE SHAREHOLDERS OF
CHINA MERCHANTS LAND LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Merchants Land Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 118 to 271, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the 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.

德勤

致：

招商局置地有限公司之股東

(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「**我們**»)已審核載於第118至271頁之招商局置地有限公司(「**貴公司**»)及其附屬公司(統稱為「**貴集團**»)之綜合財務報表。此等綜合財務報表包括二零一九年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，綜合財務報表已根據香港會計師公會(「**香港會計師公會**»)頒佈之香港財務報告準則(「**香港財務報告準則**»)真實公平地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定適當地編製。

意見基準

我們根據香港會計師公會頒佈之香港核數準則(「**香港核數準則**»)進行審核。我們於該等準則下之責任進一步於我們報告中核數師對審核綜合財務報表之責任一節描述。根據香港會計師公會之國際職業會計師道德守則(「**守則**»), 我們獨立於 貴集團，並根據該等規定及守則履行其他道德責任。我們相信，我們所獲得之審核憑證能充分及適當地為我們之意見提供基準。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter

關鍵審核事項

Net realisable values of properties for sale

可供出售物業之可變現淨值

We identified the assessment of the net realisable value of properties for sale as a key audit matter due to the management judgement involved in the determination of the net realisable values and the estimation of future costs to completion. As at 31 December 2019, the carrying amounts of the Group's properties for sale are RMB47,057,932,000, representing 53% of total assets of the Group.

我們將可供出售物業之可變現淨值識別為關鍵審核事項，乃由於釐定可變現淨值及估計竣工的未來成本時牽涉管理層的判斷。於二零一九年十二月三十一日，貴集團可供出售物業之賬面值為人民幣47,057,932,000元，佔貴集團資產總值之53%。

關鍵審核事項

關鍵審核事項為根據我們的專業判斷，認為對本期間綜合財務報表之審核最為重要之事項。該等事項於我們審核綜合財務報表及出具意見時處理，而我們不會就該等事項提供單獨意見。

How our audit addressed the key audit matter

我們於審核時如何處理事項

Our procedures in relation to the valuation of the properties for sale included:

我們為可供出售物業估值的程序包括：

- Obtaining an understanding of the rationale of the management in estimating the net realisable values and writing down the amounts of properties for sale;
- 取得對管理層估計可變現淨值及撇銷可供出售物業的金額的理據之瞭解；
- Evaluating the reasonableness of the management's estimation on the costs to completion for properties under development for sale by reconciling to the costs to completion to the budgets approved by management and, on a sample basis, examining the signed construction contracts or comparing the estimated costs to the actual costs of similar completed properties of the Group and to relevant market information;
- 使用樣本基準評估管理層透過將竣工成本與管理層批准之預算進行之對賬而對可供出售發展中物業的已竣工物業成本作出之估計是否合理，以驗證已簽訂合約或將估計成本與貴集團類似已竣工物業之實際成本及相關市場資料進行比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS *(continued)*

關鍵審核事項(續)

Key audit matter

關鍵審核事項

As disclosed in note 22 to the consolidated financial statements, the directors of the Company conducted a review of the Group's properties under development for sale and completed properties for sale as at 31 December 2019. Due to a decrease in the expected selling price as referenced to the actual contract selling price during pre-sale of the relevant properties or the recent prices of similar properties during the year, the directors determined that the net realisable values of certain of the Group's properties under development for sale, located in Foshan, the People's Republic of China (the "PRC"), are lower than their carrying amounts. Accordingly, the carrying amounts of the relevant properties under development for sale are written down by RMB358,710,000, in aggregate, to their net realisable values.

誠如綜合財務報表附註22所披露，於二零一九年十二月三十一日，貴公司董事就貴集團之可供出售發展中物業及可供出售已竣工物業進行審閱。由於參考年內預售相關物業之實際合約售價或類似物業之近期價格而預期售價下降，董事釐定貴集團位於中華人民共和國（「中國」）佛山之若干可供出售發展中物業之可變現淨值較其賬面值為低。因此，相關可供出售發展中物業之賬面值已合共撇減人民幣358,710,000元至其可變現淨值。

How our audit addressed the key audit matter

我們於審核時如何處理事項

- Assessing the appropriateness of the selling prices estimated by management, on a sample basis, by comparing to the market prices achieved by the same project or comparable properties with similar size, usage and location; and
- 使用樣本基準與同一項目的市價或類似大小、用途及位置的可資比較物業之現行市價進行比較，以評估售價是否合適；及
- Assessing the appropriateness of the estimated selling expense by comparing, on a sample basis, to the actual selling expenses of similar completed properties of the Group in recent years.
- 透過使用樣本基準與貴集團近年類似的已竣工物業之實際銷售開支進行比較，以評估估計銷售開支是否合適。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter

關鍵審核事項

How our audit addressed the key audit matter

我們於審核時如何處理事項

Recoverability of amounts due from joint ventures and associates

應收合營企業及聯營公司款項之可收回程度

We identified the recoverability of amounts due from joint ventures and associates as a key audit matter due to the management judgement involved in determining the recoverability of the amounts. As at 31 December 2019, the carrying amounts of amounts due from joint ventures and associates are RMB9,325,568,000 and RMB1,414,999,000, respectively, as disclosed in note 23 to the consolidated financial statements.

我們將應收合營企業及聯營公司款項之可收回程度識別為關鍵審核事項，乃由於釐定款項之可收回程度時牽涉管理層的判斷。誠如綜合財務報表附註23所披露，於二零一九年十二月三十一日，應收合營企業及聯營公司款項之賬面值分別為人民幣9,325,568,000元及人民幣1,414,999,000元。

Our procedures in relation to the recoverability of amounts due from joint ventures and associates included:

我們有關應收合營企業及聯營公司款項的可收回程度之程序包括：

- Obtaining an understanding of the management's process for estimating the expected credit losses for amounts due from joint ventures and associates;
- 向管理層瞭解估計應收合營企業及聯營公司款項的預期信貸虧損所採用之過程；
- Evaluating the reasonableness of the individual assumptions made by management in estimating the expected credit loss of the amounts due from joint ventures and associates by reference to the current budget of property development projects held by the relevant joint ventures and associates;
- 評估管理層於參考相關合營企業及聯營公司持有的房地產開發項目之目前預算後估計應收合營企業及聯營公司款項的預期信貸虧損時作出之個別假設是否合理；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter

關鍵審核事項

The Group measures the loss allowance on amounts due from joint ventures and associates by estimating the amount and timing of future cash flows and the assessment of whether a significant increase in credit risk exists. These estimates are driven by a number of factors, such as the market condition and budgets of the joint ventures and associates.

貴集團透過估計未來現金流量之金額及時間以及評估現有信貸風險有否大幅上升計量應收合營企業及聯營公司款項之虧損撥備。該等估計受若干因素影響，例如合營企業及聯營公司之市場狀況及預算。

The directors of the Company concluded that the amounts due from joint ventures and associates are at low credit risk and the amount of expected credit losses are not significant as at 31 December 2019, accordingly, no impairment loss is recognised in profit or loss during the year ended 31 December 2019.

貴公司董事認為，應收合營企業及聯營公司款項之信貸風險較低，而於二零一九年十二月三十一日之預期信貸虧損金額並不重大，故並無於截至二零一九年十二月三十一日止年度在損益確認減值虧損。

How our audit addressed the key audit matter

我們於審核時如何處理事項

- Evaluating the reasonableness of the parameters, such as the expected market prices used in the budgets by comparing, on a sample basis, to market information achieved in the same projects and other comparable properties; and
- 透過使用樣本基準與同一項目及其他可資比較物業所得之市場資料進行比較，以評估參數(例如預算中所使用的預計市場價格)是否合理；及
- Assessing the reasonableness of management's assessment on whether there are significant increase in credit risk by reviewing the operating result of the relevant joint ventures and associates, on a sample basis, and taking into account of adverse changes in the real estate industry in the PRC, if any.
- 透過使用樣本基準審閱相關合營企業及聯營公司之營運業績，並於考慮中國的房地產行業之不利變動(如有)後，評估管理層對信貸風險有否大幅上升之評估是否合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter

關鍵審核事項

Accuracy of land appreciation tax ("LAT") calculation

土地增值稅(「土地增值稅」)計算之準確度

We identified the accuracy for LAT calculation as a key audit matter due to the management estimation involved in the amount of deductible expenditures calculation of LAT.

我們將土地增值稅計算之準確度識別為關鍵審核事項，乃由於計算土地增值稅的可扣減開支時牽涉管理層的估計。

The Group has property development projects in a number of cities in the PRC and is subject to LAT in the PRC. As disclosed in note 9 to the consolidated financial statements, the provision for LAT of RMB1,600,752,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2019. LAT has been provided at ranges of progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less estimated deductible expenditures including land costs, borrowing costs and the relevant property development expenditures.

貴集團於中國眾多城市擁有房地產開發項目，並須繳納中國的土地增值稅。誠如綜合財務報表附註9所披露，人民幣1,600,752,000元之土地增值稅撥備已於截至二零一九年十二月三十一日止年度在綜合損益表中確認。土地增值稅按土地價值之增值以累進稅率30%至60%徵收，土地價值之增值即銷售物業之所得款項減估計可扣減開支(包括土地成本、借貸成本及相關房地產開發開支)。

How our audit addressed the key audit matter

我們於審核時如何處理事項

Our procedures in relation to the accuracy of LAT calculation included:

我們有關土地增值稅計算之準確度之程序包括：

- Obtaining an understanding from the management of the Group about the basis adopted by management of the Group in arriving at the provision for LAT;
- 向 貴集團管理層瞭解彼等就達致土地增值稅撥備所採用之基準；
- Assessing the correctness of the Group's computation of the provision for LAT with reference to relevant rules and regulations with the assistance of our taxation specialists;
- 參考相關規則及法規並在稅務專家協助下評估 貴集團土地增值稅撥備的計算是否正確；
- Evaluating the judgments applied by the management in estimating the amount of deductible expenditures by comparing their estimates made in previous years to actual results as well as current year's estimates; and
- 將過往年度取得實際成果與本年度的估計進行比較，評估管理層估計可扣減開支所用的判斷；及
- Checking the correctness of financial information, such as land costs, borrowing costs and the relevant property development expenditures, being used in the calculation of provision for LAT to the Group's historical financial data.
- 檢查於 貴集團的歷史財務數據中計算土地增值稅撥備所使用之財務資料(包括土地成本、借貸成本及相關房地產開發開支)是否正確。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Other information

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

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

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

Responsibilities of the Directors of the Company and Those charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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.

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

其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載資料，但不包括綜合財務報表及我們的核數師報告。

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

於審核綜合財務報表時，我們之責任為閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所瞭解之情況有重大不符，或似乎有重大錯誤陳述。基於已執行之工作，倘我們認為此其他資料有重大錯誤陳述，則須報告該事實。我們概無有關此方面之任何報告。

貴公司董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製真實而公平之綜合財務報表，以及負責 貴公司董事認為屬必要之內部監控，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時， 貴公司董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營會計基礎，除非 貴公司董事有意將 貴集團清盤或停業，或別無其他現實之替代方案。

治理層負責監督 貴集團財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statement

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, solely to you, as a body, in accordance with our agreed terms of engagement, 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 judgment and maintain professional skepticism 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 of the Company.

核數師就審核綜合財務報表須承擔之責任

我們之目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並根據我們協定之委聘條款僅向閣下發出包括我們意見之核數師報告，除此之外，我們之報告不可用作其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔責任。合理保證屬高度保證，但並非關於根據香港核數準則進行之審核總能發現某一存在之重大錯誤陳述之擔保。錯誤陳述可由欺詐或錯誤引起，倘在個別或整體合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定，則有關錯誤陳述可被視作重大。

作為根據香港核數準則進行之審核工作之一部分，我們於整個審核過程中行使專業判斷並抱持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致之重大錯誤陳述風險，設計及執行審核程序以應對該等風險，以及獲取充分及適當審核憑證為我們之意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或僭越內部監控的情況，故因未能發現欺詐而導致之重大錯誤陳述風險高於因未能發現錯誤而導致之重大錯誤陳述風險。
- 瞭解有關審核之內部監控，以設計在各種情況下適當之審核程序，但並非旨在對貴集團內部監控之成效發表意見。
- 評估貴公司董事所用會計政策之恰當性及所作會計估計及相關披露之合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of the Company's 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.

核數師就審核綜合財務報表須承擔之責任(續)

- 總結 貴公司董事採用持續經營會計基礎之恰當性，並根據已獲得之審核憑證，總結是否存在與事件或情況有關之重大不明朗因素，可能令 貴集團之持續經營能力嚴重成疑。倘我們得出結論認為存在重大不明朗因素，我們須於核數師報告中提請使用者注意綜合財務報表內之相關披露，或倘有關披露不足，則修訂我們之意見。我們之結論以截至核數師報告日期所獲得之審核憑證為基礎。然而，未來事件或情況可能導致 貴集團不再持續經營。
- 評估綜合財務報表之整體呈報、架構及內容(包括披露資料)，以及綜合財務報表是否已公允反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲得充足及適當之審核憑證，以就綜合財務報表發表意見。我們負責指導、監督及執行 貴集團之審核工作。我們就我們之審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(continued)*

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

From the matters communicated with those charged with governance, 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 Yeung Yu Man.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
27 March 2020

核數師就審核綜合財務報表須承擔之責任(續)

我們與治理層溝通(其中包括)審核工作之計劃範圍、時間及重大審核發現，該等發現包括我們於審核期間所識別之內部監控之任何重大缺陷。

我們亦向治理層提交聲明，說明我們已遵守有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性之所有關係及其他事項以及相關防範措施(倘適用)。

從與治理層溝通之事項中，我們決定該等事項對本期綜合財務報表之審核最為重要，因而構成關鍵審核事項。我們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有關事項，或於極端罕見之情況下，倘合理預期在報告中溝通某事項造成之負面後果超過其產生之公眾利益，則我們決定不應在報告中傳達該事項。

本獨立核數師報告之審核項目合夥人為執業會計師楊譽民。

德勤•關黃陳方會計師行
執業會計師

香港
二零二零年三月二十七日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	5	19,453,295	11,955,899
Cost of sales	銷售成本		(13,123,667)	(7,967,879)
Gross profit	毛利		6,329,628	3,988,020
Other income	其他收入	7	370,897	289,246
Net foreign exchange gains (losses)	匯兌收益(虧損)淨額		44,482	(143,582)
Selling and marketing expenses	銷售及營銷支出		(507,007)	(348,037)
Administrative expenses	行政支出		(247,011)	(162,740)
Fair value losses on derivative financial instruments	衍生金融工具之公平值虧損		-	(27,696)
Fair value gain (loss) on financial asset at fair value through profit or loss ("FVTPL")	按公平值計入損益 (「按公平值計入損益」) 的金融資產之收益(虧損)		3,031	(2,039)
Gain on disposal of a joint venture	出售合營企業之收益	34	18,013	-
Gain on disposal of subsidiaries	出售附屬公司之收益	32	204	1,818
Share of profits of associates	分佔聯營公司之溢利		433,017	326,002
Share of profits of joint ventures	分佔合營企業之溢利		40,423	386,509
Finance costs	融資成本	8	(733,006)	(511,180)
Profit before tax	除稅前溢利	10	5,752,671	3,796,321
Income tax expense	所得稅開支	9	(3,052,935)	(1,590,809)
Profit for the year	本年度溢利		2,699,736	2,205,512
Other comprehensive income, net of income tax <i>Item that may be reclassified subsequently to profit or loss:</i> Exchange differences arising on translation of financial statements of foreign operations	其他全面收入，扣除所得稅 其後可重新分類至損益 之項目： 換算海外業務產生之 匯兌差額		14,190	10,342
Total comprehensive income for the year	本年度全面收入總額		2,713,926	2,215,854
Profit for the year attributable to:	以下人士應佔本年度溢利：			
Owners of the Company	本公司擁有人		1,794,470	1,216,132
Non-controlling interests	非控股權益		905,266	989,380
			2,699,736	2,205,512
Total comprehensive income for the year attributable to:	以下人士應佔本年度 全面收入總額：			
Owners of the Company	本公司擁有人		1,808,660	1,226,474
Non-controlling interests	非控股權益		905,266	989,380
			2,713,926	2,215,854
Earnings per share	每股盈利	13	RMB cents 人民幣分	RMB cents 人民幣分
Basic	基本		36.58	24.79
Diluted	攤薄		N/A 不適用	24.74

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

		At 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註	
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	14	289,943
Right-of-use assets	使用權資產	15	32,275
Investment properties	投資物業	16	4,065,318
Goodwill	商譽	17	160,210
Interests in associates	於聯營公司之權益	18	2,232,629
Interests in joint ventures	於合營企業之權益	19	3,528,493
Financial asset at FVTPL	按公平值計入損益的金融資產	20	104,492
Other receivables	其他應收款項	23	3,200,762
Deferred tax assets	遞延稅項資產	21	1,022,890
			14,637,012
			13,793,487
Current assets	流動資產		
Properties for sale	可供出售物業	22	47,057,932
Deposits paid for acquisitions of land use rights	收購土地使用權所付按金		–
Trade and other receivables	業務及其他應收款項	23	17,191,986
Contract costs	合約成本	5	72,942
Prepaid income tax	預付所得稅		504,240
Bank balances and cash	銀行結餘及現金	24	8,957,799
			73,784,899
			57,477,178
Current liabilities	流動負債		
Contract liabilities	合約負債	5	14,288,848
Trade and other payables	業務及其他應付款項	25	18,338,632
Lease liabilities	租賃負債	26	22,521
Loans from non-controlling interests	非控股權益貸款	27	736,546
Loans from an intermediate holding company	間接控股公司貸款	28	3,098,298
Bank borrowings	銀行借貸	29	1,289,292
Income tax payable	應付所得稅		4,350,852
			42,124,989
			34,437,912
Net current assets	流動資產淨值		31,659,910
			23,039,266
Total assets less current liabilities	資產總值減流動負債		46,296,922
			36,832,753

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

		At 31 December 於十二月三十一日	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Notes 附註	
Non-current liabilities	非流動負債		
Loans from non-controlling interests	非控股權益貸款	27	4,936,731
Loan from an intermediate holding company	間接控股公司貸款	28	200,000
Bank borrowings	銀行借貸	29	11,474,256
Bond payable	應付債券	30	1,900,000
Lease liabilities	租賃負債	26	254,813
Deferred tax liabilities	遞延稅項負債	21	375,646
			17,467,355
Net assets	資產淨值		13,035,725
Capital and reserves	資本及儲備		
Share capital	股本	31	39,132
Reserves	儲備		9,466,609
Equity attributable to owners of the Company	本公司擁有人應佔權益		8,117,893
Non-controlling interests	非控股權益	45	19,323,826
Total equity	權益總額		28,829,567

The consolidated financial statements on pages 118 to 271 were approved and authorised for issue by the board of directors on 27 March 2020 and are signed on its behalf by:

第118至271頁之綜合財務報表由董事會於二零二零年三月二十七日批准及授權發行及由以下董事代表簽署：

YU ZHILIANG

余志良

Director

董事

WONG KING YUEN

黃競源

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

Attributable to the owners of the Company

本公司權益擁有人應佔

		Share capital	Share premium	Other reserves	Convertible		Translation reserve	Retained profits	Total	Non-controlling interests	Total equity
					Equity transaction reserve	bonds equity reserve					
		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 ii) (附註ii)	權益交易儲備	可換股債券權益儲備	匯兌儲備	保留溢利	總計	非控股權益	權益總額
					儲備	權益儲備		(Note i) (附註i)			
At 1 January 2018	於二零一八年一月一日	39,132	5,925,564	(2,402,195)	(950,541)	414,329	23,317	4,364,992	7,414,598	14,356,628	21,771,226
Profit for the year	本年度溢利	-	-	-	-	-	-	1,216,132	1,216,132	989,380	2,205,512
Other comprehensive income for the year:	本年度其他全面收入：										
- Exchange differences arising on translation of financial statements of foreign operations	- 換算海外業務的財務報表產生之匯兌差額	-	-	-	-	-	10,342	-	10,342	-	10,342
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	10,342	1,216,132	1,226,474	989,380	2,215,854
Partial disposal of subsidiaries without change of control	在控制權未有變動下部分出售附屬公司	-	-	-	10,180	-	-	-	10,180	(10,180)	-
Capital injection by non-controlling interests	來自非控股權益之注資	-	-	-	-	-	-	-	-	1,327,197	1,327,197
Partial disposal of subsidiaries resulting in loss of control	部分出售附屬公司(導致失去控制權)	-	-	-	-	-	-	-	-	(78,053)	(78,053)
Redemption of convertible bonds	贖回可換股債券	-	-	-	-	(414,329)	-	281,974	(132,355)	-	(132,355)
Dividend declared to non-controlling interests	向非控股權益宣派股息	-	-	-	-	-	-	-	-	(905,837)	(905,837)
Dividend declared (Note 12)	已宣派股息(附註12)	-	(401,004)	-	-	-	-	-	(401,004)	-	(401,004)
At 31 December 2018	於二零一八年十二月三十一日	39,132	5,524,560	(2,402,195)	(940,361)	-	33,659	5,863,098	8,117,893	15,679,135	23,797,028
Impact on initial application of HKFRS 16 (Note 2)	首次應用香港財務報告準則第16號的影響(附註2)	-	-	-	-	-	-	(15,868)	(15,868)	(15,538)	(31,406)
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	39,132	5,524,560	(2,402,195)	(940,361)	-	33,659	5,847,230	8,102,025	15,663,597	23,765,622
Profit for the year	本年度溢利	-	-	-	-	-	-	1,794,470	1,794,470	905,266	2,699,736
Other comprehensive income for the year:	本年度其他全面收入：										
- Exchange differences arising on translation of financial statements of foreign operations	- 換算海外業務的財務報表產生之匯兌差額	-	-	-	-	-	14,190	-	14,190	-	14,190
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	14,190	1,794,470	1,808,660	905,266	2,713,926
Acquisition of additional interest in a subsidiary (Note 33)	收購附屬公司額外權益(附註33)	-	-	-	(59,736)	-	-	-	(59,736)	(34,909)	(94,645)
Deemed acquisition of a subsidiary (Note 34)	視作收購附屬公司(附註34)	-	-	-	-	-	-	-	-	311,220	311,220
Capital injection by non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	3,309,845	3,309,845
Dividend declared to non-controlling interests	向非控股權益宣派股息	-	-	-	-	-	-	-	-	(831,193)	(831,193)
Dividend declared (Note 12)	已宣派股息(附註12)	-	(345,208)	-	-	-	-	-	(345,208)	-	(345,208)
At 31 December 2019	於二零一九年十二月三十一日	39,132	5,179,352	(2,402,195)	(1,000,097)	-	47,849	7,641,700	9,505,741	19,323,826	28,829,567

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

Notes:

- (i) Included in retained profits of RMB1,171,420,000 (2018: RMB810,017,000) represents statutory reserve of the subsidiaries established in the People's Republic of China (the "PRC"). According to the relevant laws in the PRC, wholly foreign-owned enterprises in the PRC are required to transfer their net profit after tax, as determined under the PRC accounting regulations, to a non-distributable reserve fund before the distribution of a dividend to equity owners. Such reserve fund can be used to offset previous years' losses of the relevant subsidiary, if any, and is non-distributable other than upon liquidation.
- (ii) The other reserves comprise of:
 - (a) The deemed consideration from the immediate holding company arising from the completion of restructuring in prior years;
 - (b) The consideration of the sales shares arising from the restructuring in prior years as deemed distribution to the shareholder; and
 - (c) The difference between (i) the consideration of the restructuring; and (ii) the paid-up capital of the entities involved in the restructuring contributed by an intermediate holding company at the date of restructuring, deducted by the share capital and share premium of the Company at the date of restructuring.

附註：

- (i) 計入保留溢利的人民幣1,171,420,000元(二零一八年：人民幣810,017,000元)為於中華人民共和國(「中國」)成立之附屬公司之法定儲備。根據中國相關法律，於中國之外商獨資企業於向權益持有人分派股息前，須轉撥除稅後溢利淨額(按中國會計規例所釐定)至不可分派儲備基金。有關儲備基金可用作抵銷相關附屬公司過往年度之虧損，且除非清盤，否則該儲備基金為不可分派。
- (ii) 其他儲備包括：
 - (a) 過往年度重組完成所產生來自直接控股公司之視作代價；
 - (b) 過往年度重組所產生銷售股份之視作向股東分派代價；及
 - (c) (i)重組之代價；與(ii)參與由間接控股公司注資之重組事項之實體於重組日期之實繳股本之差異，扣除本公司於重組日期之股本與股份溢價。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營業務		
Profit before tax	除稅前溢利	5,752,671	3,796,321
Adjustments for:	經下列調整：		
Depreciation of investment properties	投資物業折舊	160,187	47,381
Depreciation of property, plant and equipment	物業、廠房及設備折舊	21,934	17,249
Depreciation of right-of-use assets	使用權資產折舊	17,095	–
Fair value loss on derivative financial instruments	衍生金融工具之公平值虧損	–	27,696
Fair value (gain) loss on financial asset at FVTPL	按公平值計入損益的金融資產之 公平值(收益)虧損	(3,031)	2,039
Gain on disposal of a joint venture	出售合營企業之收益	(18,013)	–
Gain on disposal of subsidiaries	出售附屬公司之收益	(204)	(1,818)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(4)	9
Impairment losses on properties for sale	可供出售物業之減值虧損	358,710	419,650
Finance costs	融資成本	733,006	511,180
Interest income	利息收入	(337,415)	(251,170)
Share of profits of associates	應佔聯營公司之溢利	(433,017)	(326,002)
Share of profits of joint ventures	應佔合營企業之溢利	(40,423)	(386,509)
Unrealised foreign exchange losses, net	未變現匯兌虧損淨額	17,166	353,121
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	6,228,662	4,209,147
Increase in properties for sale	可供出售物業增加	(7,042,942)	(8,722,846)
Decrease in deposit paid for acquisition of land use rights	收購土地使用權所付按金減少	290,228	824,772
(Increase) decrease in trade and other receivables	業務及其他應收款項(增加)減少	(942,822)	182,150
Decrease (increase) in contract costs	合約成本減少(增加)	2,683	(75,625)
Decrease in restricted bank deposits for operating use	經營業務所用受限制銀行存款減少	–	69,890
(Decrease) increase in contract liabilities	合約負債(減少)增加	(597,490)	7,613,346
Increase (decrease) in trade and other payables	業務及其他應付款項增加(減少)	6,474,058	(905,100)
Cash generated from operations	經營所得現金	4,412,377	3,195,734
Income tax paid	已付所得稅	(1,485,450)	(2,201,605)
Interest received	已收利息	353,012	258,587
NET CASH FROM OPERATING ACTIVITIES	經營活動所得現金淨額	3,279,939	1,252,716

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
INVESTING ACTIVITIES	投資活動		
Advances to associates	向聯營公司墊款	(930,988)	(774,805)
Repayment from associates	聯營公司還款	293,911	823,361
Advances to joint ventures	向合營企業墊款	(3,310,832)	(3,131,895)
Repayment from joint ventures	合營企業還款	841,546	1,526,405
Advances to non-controlling interests	向非控股權益墊款	(3,560,281)	(3,773,585)
Repayment from non-controlling interests	非控股權益還款	1,196,192	2,863,289
Advances to fellow subsidiaries	向同系附屬公司墊款	(31,770)	(7,514)
Repayment from fellow subsidiaries	同系附屬公司還款	1,659	1,348
Advances to intermediate holding companies	向間接控股公司墊款	(963)	(55)
Repayment from intermediate holding companies	間接控股公司還款	208	269
Advance to a third party	向一名第三方墊款	-	(194,790)
Repayment from third parties	第三方還款	-	594,790
Advance to an investee	向一名投資對象墊款	(15,000)	-
Capital injection to associates	向聯營公司注資	(1,351,291)	(3,315)
Capital injection to joint ventures	向合營企業注資	(477,918)	(550,120)
Net cash outflow arising on acquisition of subsidiaries accounted for as assets acquisition	產生自收購附屬公司並以資產收購入賬之現金流出淨額	-	(439,273)
Net cash outflow arising on disposal of subsidiaries resulting in loss of control	產生自出售附屬公司(導致失去控制權)之現金流出淨額	(7,090)	(33,298)
Cash inflow arising on deemed acquisition of a subsidiary	視作收購一間附屬公司所產生的現金流入	6,539	-
Dividend received from associates	自聯營公司收取股息	268,300	-
Dividend received from a joint venture	自一間合營企業收取股息	300,000	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(89,105)	(103,539)
Proceeds received on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	191	72
Addition of investment properties	添置投資物業	-	(59,475)
NET CASH USED IN INVESTING ACTIVITIES	投資活動耗用現金淨額	(6,866,692)	(3,262,130)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
FINANCING ACTIVITIES	融資活動		
Proceeds from bank borrowings	銀行借貸之所得款項	7,769,010	5,935,550
Repayment of bank borrowings	償還銀行借貸	(1,920,332)	(2,771,709)
Advances from associates	聯營公司墊款	603,495	207,078
Repayment to associates	向聯營公司還款	(153,780)	(57,737)
Advances from joint ventures	合營企業墊款	82,268	631,249
Repayment to joint ventures	向合營企業還款	(45,900)	(3,976)
Advances from non-controlling interests	非控股權益墊款	3,169,419	4,198,219
Repayment to non-controlling interests	向非控股權益還款	(1,779,018)	(3,082,813)
Advances from intermediate holding companies	間接控股公司墊款	4,315	4,022,862
Repayment to intermediate holding companies	向間接控股公司還款	(1,516,020)	(18,456)
Advances from fellow subsidiaries	同系附屬公司墊款	156,665	3,866,521
Repayment to fellow subsidiaries	向同系附屬公司還款	(161,116)	(5,500,078)
Proceeds from issuance of bonds	發行債券之所得款項	-	1,900,000
Repayment of bonds	償還債券	-	(3,446,811)
Redemption of convertible bonds	贖回可換股債券	-	(1,924,119)
Interest paid	已付利息	(1,217,786)	(795,134)
Repayment of lease liabilities	償還租賃負債	(22,833)	-
Dividends paid	已付股息	(686,403)	(465,805)
Acquisition of additional interest in a subsidiary	收購附屬公司額外權益	(94,645)	-
Capital contributed by non-controlling interests of subsidiaries of the Group	本集團附屬公司非控股權益注資	1,504,845	1,131,197
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	5,692,184	3,826,038
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金項目增加淨額	2,105,431	1,816,624
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	年初現金及等同現金項目	6,866,261	5,030,802
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	(13,893)	18,835
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	年終現金及等同現金項目，指銀行結餘及現金	8,957,799	6,866,261

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

1. GENERAL

China Merchants Land Limited (the “Company”, together with its subsidiaries, collectively referred to as the “Group”) is incorporated in the Cayman Islands as a limited liability company and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are set out in note 44.

The Company’s immediate holding company is Success Well, a limited liability company incorporated in the British Virgin Islands (the “BVI”). One of its intermediate holding company is China Merchants Shekou Industrial Zone Holding Co., Ltd. (“China Merchants Shekou”), which is established in the People’s Republic of China (the “PRC”) and listed on the Shenzhen Stock Exchange Limited. The ultimate holding company of the Company is China Merchants Group Limited (“CMG”). CMG is a PRC enterprise regulated and directly managed by the State-owned Assets Supervision and Administration Commission of the State Council and is owned and controlled by the PRC government.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

1. 一般資料

招商局置地有限公司(「本公司」，連同其附屬公司統稱「本集團」)為於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處及主要營業地點於年報「公司資料」一節中披露。

本公司之主要業務為投資控股，其附屬公司之主要業務載列於附註44。

本公司之直接控股公司為成惠(為於英屬處女群島(「英屬處女群島」)註冊成立之有限公司)。其其中一間間接控股公司為招商局蛇口工業區控股股份有限公司(「招商蛇口」)(為於中華人民共和國(「中國」)成立之公司，及於深圳證券交易所有限公司上市)。本公司之最終控股公司為招商局集團有限公司(「招商局集團」)。招商局集團為由國務院國有資產監督管理委員會監管並直接管理之中國企業，其屬中國政府所有並受其控制。

綜合財務報表以人民幣(「人民幣」)計值，與本公司之功能貨幣相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

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

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之新訂及經修訂香港財務報告準則

本集團已於本年度首次應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號之修訂	具負補償之提前還款特性
香港會計準則第19號之修訂	計劃修訂、縮減或結清
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述者外，於本年度應用新訂及經修訂香港財務報告準則對本集團於當前及過往年度的財務狀況及表現及／或該等綜合財務報表所載披露概無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 “Leases” (“HKAS 17”), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) - Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

As at 1 January 2019, the Group recognised additional lease liabilities and measured right-of-use assets at the carrying amounts as if HKFRS 16 had been applied since commencement dates, but discounted using the incremental borrowing rates of the relevant group entities at the date of initial application by applying HKFRS 16.C8(b)(i) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及相關詮釋。

租賃的定義

本集團已選用權宜方案，對過往應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定一項安排是否包含租賃」而識別為租賃之合約應用香港財務報告準則第16號，而對過往並非識別為包含租賃的合約則不會應用此準則。因此，本集團並無重新評估在首次應用日期之前已經存在之合約。

就於二零一九年一月一日或之後訂立或修改之合約，本集團按照香港財務報告準則第16號所載規定應用租賃之定義去評估一項合約是否包含租賃。

作為承租人

本集團已追溯應用香港財務報告準則第16號並於二零一九年一月一日首次應用日期確認累計影響。

於二零一九年一月一日，本集團確認額外租賃負債及計量使用權資產之賬面值，猶如自開始日期起已應用香港財務報告準則第16號，惟應用香港財務報告準則第16.C8(b)(i)號的過渡使用相關集團實體於首次應用日期的增量借貸利率進行貼現。首次應用日期的任何差額於期初保留溢利確認，及並無重列比較資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 16 “Leases” (continued)

As a lessee (continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” as an alternative of impairment review;
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application; and
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee’s incremental borrowing rate applied is 4.89%.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

作為承租人(續)

於過渡應用香港財務報告準則第16號項下之經修訂追溯法時，本集團對先前根據香港會計準則第17號分類為經營租賃之租賃按每項租賃就對各份租約之相關程度應用以下可行權宜方法：

- i. 透過應用香港會計準則第37號「撥備、或然負債及或然資產」作為另一個減值評估方法，評估租賃是否繁苛；
- ii. 選擇不對租期將於首次應用日期12個月內結束的租賃確認使用權資產及租賃負債；及
- iii. 於首次應用日期計量使用權資產時排除初步直接成本。

於確認過往分類為經營租賃的租賃負債時，本集團於首次應用日期已應用有關集團實體的增量借款利率。應用於承租人的加權平均增量借款利率為4.89%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 16 “Leases” (continued)

As a lessee (continued)

Lease liabilities as at 1 January 2019

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

作為承租人(續)

於二零一九年一月一日的租賃負債

		RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於2018年12月31日披露之經營租賃承擔	404,747
Lease liabilities discounted at relevant incremental borrowing rates	於相關增量借款利率所貼現的租賃負債	328,597
Less: Recognition exemption – short term leases	減：確認豁免－短期租賃	(31,554)
Lease liabilities relating to operating leases recognised upon application of HKFRS 16 as at 1 January 2019	於二零一九年一月一日應用香港財務報告準則第16號後確認與經營租賃有關之租賃負債	297,043
Analysed as:	分析為：	
Current portion	流動部分	21,632
Non-current portion	非流動部分	275,411
		297,043

Right-of-use assets as at 1 January 2019

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

於二零一九年一月一日之使用權資產

於二零一九年一月一日使用權資產之賬面值包括以下各項：

		RMB'000 人民幣千元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號後確認與經營租賃有關之使用權資產	258,748
By class:	按類別分類：	
Land and buildings	土地及樓宇	45,293
Motor vehicles	汽車	953
Impact on right-of-use assets	對使用權資產之影響	46,246
Impact on investment properties (Note 16)	對投資物業之影響(附註16)	212,502
		258,748

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 16 “Leases” (continued)

As a lessee (continued)

Effective from 1 January 2019, leasehold lands which were classified as properties for sale are measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses.

Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied under other receivables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and should have been adjusted to reflect the discounting effect at transition. The directors of the Company considered that such adjustment has no material impact to the consolidated financial statements of the Group.

As a lessor

In accordance with the transitional provisions in HKFRS 16, except for sub-leases in which the Group acts as an intermediate lessor, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

- (a) Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group’s consolidated statement of financial position at 1 January 2019. However, effective 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.
- (b) Effective on 1 January 2019, the Group has applied HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) to allocate consideration in the contract to each lease and non-lease components. The change in allocation basis has had no material impact on the consolidated financial statements of the Group for the current period.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

作為承租人(續)

自二零一九年一月一日起，分類為可供出售物業的租賃土地乃根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量。

於應用香港財務報告準則第16號前，本集團將已付可退回租賃按金視為於其他應收款項下應用香港會計準則第17號的租賃項下的權利及責任。根據香港財務報告準則第16號項下租賃付款之定義，該等按金並非與相關資產使用權有關的付款，並應予調整以反映過渡之貼現影響。本公司董事認為，該調整對本集團的綜合財務報表並無重大影響。

作為出租人

根據香港財務報告準則第16號的過渡條文，除本集團作為中介出租人的分租租賃外，本集團毋須就本集團作為出租人的租賃作出任何過渡調整，惟該等租賃須自首次應用日期起按照香港財務報告準則第16號入賬，而比較資料未經重列。

- (a) 應用香港財務報告準則第16號後，就現有租賃合約項下相同相關資產訂立惟於首次應用日期後開始的新租賃合約按現有租賃於二零一九年一月一日修訂的方式入賬。有關應用對本集團於二零一九年一月一日的綜合財務狀況表並無影響。然而，自二零一九年一月一日起，修訂後與經修訂租期有關的租賃款項於延長租期內以直線法確認為收入。
- (b) 自二零一九年一月一日起，本集團已應用香港財務報告準則第15號「與客戶合約的收益」，將合約中的代價分配至各租賃及非租賃組成部分。分配基準變動對本集團本期間的綜合財務報表並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued) HKFRS 16 “Leases” (continued)

As a lessor (continued)

(c) At the date of initial application, leased properties under subleases were assessed and classified as an operating lease individually based on the remaining contractual terms and conditions of the head lease and the sublease at that date. All leased properties under subleases of RMB212,502,000 as at the date of initial application were classified as operating leases and measured at cost at the date of initial application in accordance with the Group’s accounting policies for investment properties.

(d) Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied under other payables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and should have been adjusted to reflect the discounting effect at transition. The directors of the Company considered that such adjustment has no material impact to the consolidated financial statements of the Group.

The following table summarises the impact of transition to HKFRS 16 on retained profits at 1 January 2019.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

作為承租人(續)

(c) 於首次應用日期，分租項下的租賃物業根據該日的主租賃及分租的餘下合約期及條件單獨評估並分類為經營租賃。根據本集團有關投資物業的會計政策，於首次應用日期分租事項下人民幣212,502,000元的所有租賃物業被分類為經營租賃，並於首次應用日期重新計量為公平值。

(d) 於應用香港財務報告準則第16號前，本集團將已付可退回租賃按金視為於其他應付款項下應用香港會計準則第17號的租賃項下的權利及責任。根據香港財務報告準則第16號項下租賃付款之定義，該等按金並非與相關資產使用權有關的付款，並應予調整以反映過渡之貼現影響。本公司董事認為，該調整對本集團的綜合財務報表並無重大影響。

下表概括於二零一九年一月一日過渡至香港財務報告準則第16號對保留溢利的影響。

Impact of adopting HKFRS 16 at 1 January 2019 於二零一九年 一月一日 採納香港財務報告 準則第16號的影響 RMB'000 人民幣千元

Retained profits	保留溢利	
Rental expenses recognised in accordance with HKAS 17 before date of initial application of HKFRS 16	於首次應用香港財務報告準則第16號當日根據香港會計準則第17號確認之租金開支	27,778
Amortisation of right-of-use assets upon adoption of HKFRS 16	於採納香港財務報告準則第16號後之使用權資產攤銷	(34,269)
Interest expenses on lease liabilities upon adoption of HKFRS 16	於採納香港財務報告準則第16號後之租賃負債利息開支	(12,211)
Adjustment to share of results of joint ventures upon adoption of HKFRS 16 (note)	於採納香港財務報告準則第16號後調整分佔合營企業業績(附註)	(1,369)
Tax effects	稅務影響	4,203
Impact at 1 January 2019	於二零一九年一月一日之影響	(15,868)

Note: The initial application of HKFRS 16 resulted in a net decrease in interests in joint ventures of RMB2,684,000 with corresponding adjustments to retained profits and non-controlling interests.

附註：首次應用香港財務報告準則第16號導致於合營企業的權益錄得淨減少人民幣2,684,000元，同時對保留溢利及非控股權益作出相應的調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

HKFRS 16 “Leases” (continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

對於二零一九年一月一日的綜合財務狀況表內確認的金額作出下列調整。未受變動影響的項目不包括在內。

		Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
		於二零一八年十二月三十一日過往呈報的賬面值	調整	於二零一九年一月一日根據香港財務報告準則第16號的賬面值
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	–	46,246	46,246
Investment properties	投資物業	2,571,070	212,502	2,783,572
Interests in joint ventures	合營企業權益	3,761,580	(2,684)	3,758,896
Deferred tax assets	遞延稅項資產	741,121	9,573	750,694
Current liability	流動負債			
Lease liabilities	租賃負債	–	21,632	21,632
Non-current liability	非流動負債			
Lease liabilities	租賃負債	–	275,411	275,411
Equity attributable to shareholders of the Company	本公司股東應佔權益	8,117,893	(15,868)	8,102,025
Non-controlling interests	非控股權益	15,679,135	(15,538)	15,663,597

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 January 2019 as disclosed above.

附註：就呈報截至二零一九年十二月三十一日止年度按間接法計量的經營活動現金流量而言，營運資金的變動根據上文所披露於二零一九年一月一日的期初綜合財務狀況表計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

¹ Effective for annual periods beginning on or after 1 January 2021

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2020

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, “the Amendments to References to the Conceptual Framework in HKFRS Standards”, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早採納已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號之修訂	業務的定義 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間出售或注入資產 ³
香港會計準則第1號及香港會計準則第8號之修訂	重大性的定義 ⁴
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 ⁴

¹ 於二零二一年一月一日或之後開始的年度期間生效

² 適用於收購日期為二零二零年一月一日或之後開始的首個年度期間開始當日或之後進行的業務合併及資產收購

³ 於將釐定的日期或之後開始的年度期間生效

⁴ 於二零二零年一月一日或之後開始的年度期間生效

除上述新訂及經修訂香港財務報告準則外，二零一八年亦發佈經修訂的財務報告概念框架。其相應的修訂，即「對香港財務報告準則中概念框架的引用的修訂」，將於二零二零年一月一日或之後開始的年度期間生效。

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期，應用其他新訂及經修訂香港財務報告準則於可見未來將不會對綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKFRS 3 “Definition of a Business”

The amendments:

- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election on whether to apply the optional concentration test is available on transaction-by-transaction basis;
- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs; and
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2020, with early application permitted.

The optional concentration test and the amended definition of a business are not expected to have a significant impact to the Group.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第3號之修訂「業務的定義」修訂：

- 加入選擇性的集中度測試，容許簡化評估被收購的活動及資產組別是否屬於業務。可按個別交易基準選擇是否應用選擇性的集中度測試；
- 澄清若要被視為業務，被收購的活動及資產組別必須最少包括可共同對創造產出能力有莫大貢獻的投入及實質流程；及
- 收窄業務及產出的定義，集中於向客戶所提供的貨品及服務，並移除對節省成本能力的提述。

修訂本以前瞻方式用於收購日期為二零二零年一月一日或之後開始的首個年度報告期間開始當日或之後進行的所有業務合併及資產收購，並獲准提早應用。

選擇性的集中度測試及業務定義之修訂預期不會對本集團造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and
- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號之修訂「重大性的定義」

修訂本透過載入作出重大性判斷時的額外指引及解釋，微調重大的定義。修訂尤其是：

- 包含「掩蓋」重大資料的概念，其與遺漏或誤報資料有類似效果；
- 就可影響使用者的重大性的門檻而言，以「可合理預期影響」取代「可影響」；及
- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，「使用者」一詞的範圍被視為過於廣泛。

修訂與各香港財務報告準則的定義一致，並將在本集團於二零二零年一月一日開始的年度期間強制生效。預期應用修訂本不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

二零一八年財務報告概念框架(「新框架」)及提述香港財務報告準則概念框架的修訂

新框架：

- 重新引入管理及審慎等詞彙；
- 引入着重權利的新資產定義以及範圍可能比所取代定義更廣泛的新負債定義，惟不會改變負債與權益工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 列明財務表現的主要計量標準為損益，於特殊情況下方會使用其他全面收益，且僅用於因資產或負債現值的變動而產生的收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。

相應修訂已作出，致使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於二零二零年一月一日或之後開始的年度期間生效，並獲准提早應用。除仍參考該框架先前版本的特定準則外，本集團將於新框架生效日期按新框架決定會計政策，尤其是會計準則未有處理的交易、事件或情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of Assets".

3. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合財務報表乃按歷史成本法編製，惟於各報告期間結算日按公平值計量之若干金融工具則除外，其於下文載列的會計政策闡釋。

歷史成本一般按交換貨品及服務所付代價之公平值計算。

公平值為市場參與者於計量日期進行之有序交易中出售資產所得或轉讓負債所付之價格，不論該價格是否直接觀察或利用其他估值技術而估計所得。估計資產或負債之公平值時，倘於計量日期市場參與者為一項資產或負債定價時會計及資產或負債特徵，則本集團亦須計及資產或負債特徵。就計量及／或於綜合財務報表披露而言，公平值按此基準釐定，惟香港財務報告準則第2號「以股份為基礎付款」範圍內以股份為基礎之付款交易、根據香港財務報告準則第16號（自二零一九年一月一日起）或香港會計準則第17號（於應用香港財務報告準則第16號前）計為租賃交易，及與公平值有部分相似但並非公平值之計量（如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值）除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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 listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

3. 主要會計政策(續)

就按公平值交易的金融工具及於其後期間使用不可觀察輸入數據計量公平值的估值方法而言，估值方法會進行調整，以使估值結果於首次確認時等於交易價格。

此外，就財務報告而言，公平值計量按公平值計量所用輸入數據之可觀察程度及公平值計量之輸入數據對其整體之重要性分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債可直接或間接觀察之輸入數據(不包括第一級報價)；及
- 第三級輸入數據為資產或負債不可觀察之輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及其附屬公司控制之實體之財務報表。倘屬以下情況，則本公司取得控制權：

- 於被投資方擁有權力；
- 因參與被投資方的業務而獲得或有權獲得可變回報；及
- 有能力行使其權力影響其回報。

倘有事實及情況顯示上述三個項控制因素中有一項或多項出現變化，則本集團會重新評估其是否控制投資對象。

倘本集團於被投資方的投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資方的相關業務時，本集團即對被投資方擁有權力。在評估本集團於被投資方的投票權是否足以賦予其權力時，本集團會考慮所有相關事實及情況，其中包括：

- 本集團持有投票權的規模相對於其他選票持有人持有投票權的規模及分散性；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 主要會計政策(續)

綜合基準(續)

- 本集團、其他選票持有人或其他人士持有的潛在投票權；
- 其他合約安排產生的權利；及
- 於需要作出決定(包括先前股東大會上的投票模式)時表明本集團當前擁有或並無擁有指導相關活動的能力之任何額外事實及情況。

附屬公司之綜合入賬於本集團取得附屬公司控制權時開始，並於本集團失去有關附屬公司控制權時終止。具體而言，年內收購或出售的附屬公司之收入及開支乃自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司當日為止。

附屬公司損益及其他全面收入之每個項目會歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及控股權益，即使此舉將導致非控股權益結餘出現虧絀。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團的會計政策一致。

所有集團內公司間之資產及負債、權益、收入、開支及有關本集團成員公司間交易之現金流量在綜合賬目時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 "Financial Instrument" ("HKFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策(續)

綜合基準(續)

附屬公司的非控股權益與本集團的權益分開呈列，於清盤後相當於其持有人有權按比例分佔相關附屬公司資產淨值之現存所有權權益。

本集團於現有附屬公司之權益變動

本集團於附屬公司權益之變動如並無導致本集團失去該等附屬公司之控制權，則均以權益交易入賬。本集團之相關權益組成部分與非控股權益之賬面值均予以調整，以反映其於附屬公司之相關權益變動，包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間的相關儲備重新歸屬。

非控股權益經調整之相關金額與已付或已收代價公平值之間的差異直接於權益確認，並歸本公司擁有人所有。

當本集團失去對一間附屬公司之控制權，則取消確認該附屬公司的資產及負債及非控股權益(如有)。收益或虧損於損益內確認，並計作下列兩者之差額：(i)已收代價公平值和任何保留權益公平值之總和，及(ii)資產賬面值(包括商譽)及本公司擁有人應佔附屬公司負債。就該附屬公司過往於其他全面收益確認的所有款項均按猶如本集團已直接出售該附屬公司相關資產或負債(即重新分類至損益或轉至適用香港財務報告準則所規定/允許的另一權益類別)。前附屬公司於失去控制權當日保留投資的公平值視為初次確認香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)項下後續會計處理之公平值，倘適用，或初次確認聯營公司或合營企業投資的成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred 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. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities are recognised and measured in accordance with HKAS 12 Income Taxes.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

3. 主要會計政策(續)

業務合併

收購業務採用收購法入賬。業務合併之轉撥代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原擁有人產生之負債及本集團於交換被收購方之控制權發行之股權之總額。有關收購之成本於產生時一般於損益中確認。

於收購日期，所收購之可識別資產及所承擔之負債按公平值確認，惟遞延稅項資產或負債乃根據香港會計準則第12號所得稅確認並計量。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔相關附屬公司的資產淨值之非控股權益初步按非控股權益應佔被收購方可識別資產淨值的已確認金額比例或公平值計量。

不構成業務之附屬公司收購事項

當本集團收購資產及負債組別並不構成業務時，本集團識別及確認所收購之個別可識別資產及所承擔之負債，方法為首先將購買價按各自之公平值分配至金融資產／金融負債，然後將購買價之結餘分配至其他可識別資產及負債，基準為按其於購買日期之相對公平值。該項交易不會產生商譽或議價購買收益。

商譽

因收購業務產生之商譽乃收購業務當日確定之成本減累計減值虧損(如有)入賬。

就減值測試而言，商譽將分配至預計自合併之協同效應中受惠之本集團各現金產生單位(或現金產生單位組別)，指就內部管理用途監察商譽之最低級別，且不大於經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill (continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has 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 joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 主要會計政策(續)

商譽(續)

已獲分配商譽之現金產生單位(或一組現金產生單位)每年或倘有跡象顯示有關單位可能出現減值時更頻密地進行減值測試。就於某一報告期間進行收購所產生之商譽而言，獲分配商譽之現金產生單位(或一組現金產生單位)於該報告期間結算日之前作減值測試。倘可收回金額低於其賬面值，則首先分配減值虧損以減少任何商譽之賬面值，然後按比例根據各資產之賬面值分配至該單位(或一組現金產生單位)內之其他資產。

於出售相關現金產生單位或一組現金產生單位內的任何現金產生單位時，商譽之應佔金額計入釐定出售損益之金額內。當本集團出售現金產生單位(或一組現金產生單位中的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或一組現金產生單位)部分的相對價值計量。

本集團就收購聯營公司及合營企業產生的商譽之政策載列如下。

於聯營公司及合營企業之投資

聯營公司指本集團對其具有重大影響力之實體。重大影響力乃對投資對象之財務及經營政策有參與決策之權力，但並非控制或共同控制該等政策。

合營企業指一項合營安排，對安排擁有共同控制權之訂約方據此對安排之資產淨值擁有權利。共同控制權指按照合約協定對一項安排所共有之控制權，僅在相關活動決定必須獲得共同享有控制權之各方一致同意時存在。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. If the associate and joint venture uses accounting policies that differ from those of the Group for like transactions and events in similar circumstances, appropriate adjustments have been made to conform the associate's and the joint venture's accounting policies to those of the Group. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

聯營公司及合營企業之業績、資產及負債以權益會計法於該等綜合財務報表入賬。倘聯營公司及合營企業於類似情況就相似的交易及事件使用與本集團不同的會計政策，本集團已作出適當調整以使聯營公司及合營企業之會計政策與本集團會計政策一致。根據權益法，於聯營公司或合營企業之投資初步按成本於綜合財務狀況表確認，並於其後調整以確認本集團應佔該聯營公司或合營企業之損益及其他全面收入。於該聯營公司／合營企業的資產淨值(損益及其他全面收入除外)變動並不入賬，除非該等變動導致本集團持有的擁有權變動。當本集團應佔一間聯營公司或合營企業之虧損超出本集團於該聯營公司或合營企業之權益(包括實質上屬於本集團於該聯營公司或合營企業投資淨額一部分之任何長期權益)時，本集團終止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司或合營企業支付款項之情況下，方會確認額外虧損。

於聯營公司或合營企業之投資自投資對象成為聯營公司或合營企業當日起使用權益法入賬。收購於聯營公司或合營企業之投資時，投資成本超出本集團應佔投資對象的可識別資產及負債之公平淨值的任何數額確認為商譽，並計入投資賬面值。本集團所佔可識別資產及負債於重新評估後之公平淨值超過投資成本之任何部分會於收購投資期間即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments in associates and joint ventures

(continued)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

3. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

本集團評估是否具客觀證據證明於聯營公司及合營企業之權益可能減值。倘若存在任何客觀證據，投資(包括商譽)之全部賬面值按單一資產根據香港會計準則第36號進行減值測試，方法為將其可收回金額(以使用價值與公平值減出售成本之較高者為準)與其賬面值作比較。已確認之任何減值虧損不會分配至任何資產(包括商譽)，構成投資賬面值之一部分。根據香港會計準則第36號，減值虧損之任何撥回確認以投資其後增加之可收回金額為限。

倘若本集團失去對聯營公司之重大影響力或失去於合營企業之共同控制權，將被列作出售於該被投資方之全部權益，所產生之收益或虧損於損益確認。倘本集團於先前聯營公司或合營企業保留權益，而該保留權益為香港財務報告準則第9號範圍內的一項金融資產，則本集團按該日之公平值計量該保留權益，而該公平值被視為其於初步確認時之公平值。聯營公司或合營企業之賬面值，與於聯營公司或合營企業之任何保留權益之公平值及出售聯營公司或合營企業相關權益之任何所得款項間之差額於釐定出售聯營公司或合營企業之收益或虧損時計算在內。此外，本集團將先前於其他全面收益確認之有關該聯營公司或合營企業之所有款項按倘該聯營公司或合營企業已直接出售相關資產或負債則須遵循之相同基準入賬。因此，倘該聯營公司或合營企業先前於其他全面收益確認之收益或虧損重新分類至出售相關資產或負債之損益，則本集團於出售／部分出售相關聯營公司或合營企業時將該等收益或虧損由權益重新分類至損益(作為重新分類調整)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

3. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

當於聯營公司之投資成為於合營企業之投資，或於合營企業之投資成為於聯營公司之投資時，本集團繼續採用權益法。出現該等擁有權益變動後不會重新計量公平值。

當本集團減少於聯營公司或合營企業之擁有權益，但本集團繼續應用權益法時，倘過往於其他全面收入中就所削減擁有權益確認之收益或虧損部分須於出售相關資產或負債時重新分類至損益，則有關收益或虧損部分會重新分類至損益。

倘集團實體與本集團之聯營公司或合營企業進行交易，與該聯營公司或合營企業交易所產生之損益僅會在有關聯營公司或合營企業之權益與本集團無關之情況下，方會於本集團之綜合財務報表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

3. 主要會計政策(續)

與客戶合約的收益

本集團於達成履約責任時，即當特定的履約責任涉及的貨品或服務的「控制權」轉移至客戶時確認收入。

履約責任指一項明確貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下其中一項條件，則控制權為隨時間轉移，而收益則參考相關履約義務的完成進度隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建或增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創建對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，收益於客戶獲得明確商品或服務控制權時確認。

應收款項是指本集團擁有無條件的向客戶收取代價的權利，即代價僅隨時間推移即會成為到期支付

合約負債指本集團因已自客戶收取代價(或應收客戶代價)，而須向客戶轉讓貨品或服務之責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (continued)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

3. 主要會計政策(續)

與客戶合約的收益(續)

按時間確認收益：計量完全達成履約責任的進度

產出法

完成達成履約責任的進度乃按產出法計量，即透過直接計量迄今已轉讓予客戶之貨品或服務價值(相對合約項下承諾提供之餘下貨品或服務價值)確認收入，此方法最能反映本集團於轉讓貨品或服務控制權方面之履約情況。

存在重大融資成分

於釐定交易價格時，倘向客戶就轉移貨品或服務(不論以明示或暗示方式)而協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就金錢時間值之影響而調整已承諾之代價金額。於該等情況下，合約含有重大融資成分。不論於合約中以明示呈列或合約訂約方協定之支付條款暗示融資承諾，合約中均存在重大融資成分。

就相關貨品或服務之支付與轉移期間少於一年之合約而言，本集團就任何重大融資成分應用不調整交易價格之可行權宜方法。

就於轉移本集團已就任何重大融資而調整已承諾之代價金額之相關貨品或服務前自客戶收取之預付款項而言，本集團應用將於本集團與客戶之間於合約開始之獨立融資交易中反映之折現率。於預收款項與轉移相關貨品及服務兩者期間之相關利息開支，乃按與借貸成本相同基準入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (continued)

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Costs to fulfil a contract

The Group incurs costs to fulfil a contract in its sales of properties for sale, e.g. construction of the properties and recognises as properties under development and for sale. The Group first assesses whether these costs qualify for recognition as an asset based on the following criteria:

- (a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- (b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

3. 主要會計政策(續)

與客戶合約的收益(續)

獲得合約之增量成本

獲得合約之增量成本指本集團取得客戶合約所產生之成本，倘未獲得該合約，則不會產生有關成本。

倘預期可收回有關成本(銷售佣金)，則本集團確認該等成本為一項資產。所確認資產隨後按與向客戶轉移有關該資產之貨品或服務一致之系統基準攤銷至損益。

倘該等成本將在一年內悉數攤銷至損益，則本集團將應用可行權宜方法，支銷所有獲得合約之增量成本。

履行合約之成本

本集團於銷售可供出售物業時產生履行合約之成本，例如建設物業以及確認為發展中及可供出售物業。本集團首先根據下列標準評估該等成本是否合資格確認為資產：

- (a) 有關成本與本集團可明確識別之合約或預期訂立之合約有直接關係；
- (b) 有關成本令本集團將用於履行(或持續履行)日後履約責任之資源得以產生或有所增加；及
- (c) 有關成本預期可收回。

由此確認之資產其後按系統性基準(與向客戶轉讓資產相關的貨品或服務一致)於損益攤銷。資產須待減值審閱。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

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.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Short-term leases

The Group applies the short-term lease recognition exemption to leases of land and buildings and motor vehicles that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

租賃

租賃的定義(根據附註2的過渡應用香港財務報告準則第16號後)

倘合約授予以代價為交換，在某一時期內控制使用已識別資產的權利，則該合約屬於租賃或包含租賃。

就於初次應用日期或之後訂立或修訂或產生自業務合併的合約而言，本集團根據香港財務報告準則第16號於開始或修訂日期或收購日期(如合適)的定義評估合約是否屬於或包含租賃。除非合約條款及條件其後改變，否則不得重新評估該合約。

本集團作為承租人(根據附註2的過渡應用香港財務報告準則第16號後)

短期租賃

本集團對租賃土地及樓宇以及汽車應用短期租賃確認豁免，即自生效日期起計之租期為12個月或以下並且不包括購買選擇權的租賃。短期租賃的租賃付款在租賃期內按直線法確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2的過渡應用香港財務報告準則第16號後)(續)

使用權資產

使用權資產之成本包括：

- 租賃負債初始計量之金額；
- 於開始日期或之前作出的任何租賃付款減所收取之任何租賃優惠；
- 本集團產生之任何初始直接成本；及
- 本集團拆除及移除相關資產、恢復該資產所處位置或將相關資產恢復至租賃之條款及條件項下要求之狀態將產生之預計成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

本集團合理確定於租期結束時將取得相關租賃資產所有權之使用權資產自開始日期起至可使用年末折舊。否則，使用權資產於其估計可使用年期及租期(以較短者為準)按直線法折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (continued)

Right-of-use assets (continued)

The Group presents right-of-use assets that do not meet the definition of investment property or inventory as a separate line item on the consolidated statement of financial position. Right-of-use assets that meet the definition of investment property and inventory are presented within “investment properties” and “properties for sales” respectively.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) when the lease term has changed, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2的過渡應用香港財務報告準則第16號後)(續)

使用權資產(續)

本集團於綜合財務狀況表將不符合投資物業或存貨定義的使用權資產呈列為獨立項目。符合投資物業及存貨定義的使用權資產分別呈列為「投資物業」及「可供出售物業」範圍內。

可退還租賃按金

已支付可退還租賃按金根據香港財務報告準則第9號列賬並按公平值初始計量。於初始確認時就公平值作出之調整被視為額外租賃付款並計入使用權資產成本內。

租賃負債

於租賃開始日期，本集團按當日未支付之租賃付款的現值確認及計量租賃負債。在計算租賃付款的現值時，倘租賃中隱含的利率不易釐定，則本集團使用在租賃開始日期的增量借款利率。

租賃付款包括固定付款(包括非實質固定付款)減任何應收租賃獎勵。

於開始日期後，租賃負債根據利息增長及租賃付款作出調整。

倘租期有所變動，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)，在此情況下，相關租賃負債透過使用重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表將租賃負債呈列為獨立項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities and lease incentive from lessor by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessee (prior to 1 January 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2的過渡應用香港財務報告準則第16號後)(續)

租賃的修改

倘出現以下情況，本集團會將租賃的修改作為一項單獨的租賃入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 租賃代價增加，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約的實際情況而對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，以對租賃負債及來自出租人的租賃優惠進行重新計量。當經修改合約包含租賃成分以及一個或多個額外租賃或非租賃成分時，本集團根據租賃成分的相對獨立價格及非租賃成分的總獨立價格，將經修改合約中的代價分配至每個租賃成分。

本集團作為承租人(於二零一九年一月一日前)

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人時，租賃分類為融資租賃。所有其他租賃則分類為經營租賃。

經營租賃付款(包括收購按經營租賃持有的土地的成本)於租期內按直線法確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Rental income derived from the Group's ordinary course of business is presented as revenue.

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in Note 2)

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sublease

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

3. 主要會計政策(續)

租賃(續)

本集團作為出租人

租賃的分類及計量

本集團為出租租賃的租賃乃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約乃分類為融資租賃。所有其他租賃乃分類為經營租賃。

經營租賃的租金收入於相關租期內按直線法於損益中確認。

來自本集團日常業務過程的租金收入呈列為收入。

本集團作為出租人(根據附註2的過渡應用香港財務報告準則第16號後)

分配代價至合約各組成部分

當合約包含租賃及非租賃組成部分時，本集團應用香港財務報告準則第15號將合約代價分配至租賃或非租賃組成部分。非租賃組成部分根據其相對單獨售價與租賃組成部分分開。

可退還租賃按金

已收可退還租賃按金根據香港財務報告準則第9號入賬，並初步按公平值計量。於初步確認時對公平值的調整被視為承租人的額外租賃付款。

分租

當本集團為中介出租人，本集團會將主租約及分租約入賬為兩項獨立合約。分租約乃參照主租約所產生的使用權資產分類為融資或經營租賃，而非參照相關資產分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in Note 2) (continued)

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Property, plant and equipment

Property, plant and equipment held for use in the production or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “right-of-use assets” upon application of HKFRS 16 in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

3. 主要會計政策(續)

租賃(續)

本集團作為出租人(根據附註2的過渡應用香港財務報告準則第16號後)(續)

租賃的修改

本集團自修改生效日期起將經營租賃的修改作為新租約入賬，並將與原租約相關的任何預付或累計租賃付款視為新租約的租賃付款的一部分。

物業、廠房及設備

用於生產或為行政目的而持有的物業、廠房及設備按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表內列賬。

於租賃土地及樓宇的擁有權權益

當本集團就於物業的擁有權權益(包括租賃土地及樓宇成分)付款時，全部代價於租賃土地及樓宇成分之間按初始確認時的相對公平值的比例分配

倘相關款項能可靠地分配，入賬為經營租賃的租賃土地權益於綜合財務狀況表呈列為「使用權資產」(於應用香港財務報告準則第16號後)。倘代價未能可靠地於相關租賃土地的非租賃樓宇部分及未分割權益之間分配，則整項物業分類為物業、廠房及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Ownership interests in leasehold land and building (continued)

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Effective 1 January 2019, investment properties also include leased properties which are being recognised as right-of-use assets upon application of HKFRS 16 and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

3. 主要會計政策(續)

物業、廠房及設備(續)

於租賃土地及樓宇的擁有權權益(續)

物業、廠房及設備項目(在建物業除外)於其估計可使用年期以直線法確認折舊，以分配其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期間結算日審閱，而估計之任何變動影響按將來適用法入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損，按銷售所得款項與資產賬面值間之差額釐定，並於損益確認。

投資物業

投資物業為賺取租金及／或資本升值而持有之物業。

自二零一九年一月一日起，投資物業亦包括於應用香港財務報告準則第16號後獲確認為使用權資產之租賃物業，有關物業並由本集團根據經營租賃分租。

投資物業初步按成本計量，包括任何直接應佔支出。於初步確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。確認折舊之目的是按直線法計及其估計剩餘價值後，撇銷投資物業於其估計可使用年期之成本。

投資物業於出售後或投資物業永久不再使用且預期出售不會產生未來經濟利益時終止確認。因終止確認物業而產生之任何收益或虧損(按資產之出售所得款項淨額與賬面值之差額計算)於物業終止確認期間計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Properties under development and for sale

Properties under development and for sale under current assets are properties (under development or completed properties) held for future sale in the ordinary course of business. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets upon the application of HKFRS 16, properties under development and for sale are stated at the lower of cost and net realisable value. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalised. Net realisable value is determined based on the estimated selling price in the ordinary course of business, which is estimated based on prevailing market conditions, less applicable variable selling expenses and the anticipated cost to completion, if any.

The Group transfers a property from properties for sale to investment property at cost when there is a change in use to hold the property to earn rentals or land for capital appreciation rather than for sale in the ordinary course of business, which is evidenced by the commencement of an operating lease to another party.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those classified as fair value through profit or loss ("FVTPL"), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

3. 主要會計政策(續)

發展中及可供出售物業

流動資產項下之發展中及可供出售物業為在日常業務過程中持作日後出售之發展中或已竣工物業，除租賃土地部分於應用香港財務報告準則第16號後按照使用權資產之會計政策計量外，發展中物業及出售物業以成本及可變現淨值兩者之較低者列賬。成本包括土地成本、所產生開發費用及(倘適用)資本化借貸成本。可變現淨值乃按照一般業務過程中根據現行市況估計的估計售價減適用可變銷售開支及預期竣工成本(如有)釐定。

當用途改為持有物業以賺取租金或土地作資本增值而非於日常業務過程中出售時，本集團將物業按成本自可供出售物業轉撥至投資物業，此舉以向另一方開始經營租賃為憑證。

金融工具

金融資產及金融負債於集團實體成為工具合約條款一方時確認。

金融資產及金融負債初步按公平值計量，惟產生自客戶合約的業務應收款項根據香港財務報告準則第15號初步計量除外。收購或發行金融資產及金融負債(不包括按公平值計入損益(「按公平值計入損益」)之金融資產或金融負債)直接應佔之交易成本於初步確認時加入金融資產公平值或從金融負債公平值扣除(倘適用)。收購按公平值計入損益的金融資產或金融負債直接應佔之交易成本即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

The effective interest method is a method of calculating the amortise cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are not derived from the Group's ordinary course of business are presented as other income.

Financial assets

Classification and subsequent measurement of financial assets
Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策(續)

金融工具(續)

實際利率法為計算金融資產或金融負債的攤銷成本以及於相關期間分配利息收入及利息開支的方法。實際利率指將估計未來現金收入及付款(包括構成實際利率不可或缺部分的所有已付或已收費用及手續費、交易成本及其他溢價或折讓)於金融資產或金融負債預期年期或(倘適用)較短期間準確貼現至初次確認時的賬面淨值的利率。

並非於本集團一般業務過程產生的利息收入呈列為其他收入。

金融資產

金融資產的分類及其後計量
符合下列條件之金融資產其後按攤銷成本計量：

- 金融資產乃於以收取合約現金流量為目的之業務模式內持有；及
- 合約條款於特定日期產生僅為支付本金及未償還本金利息的現金流量。

符合下列條件之金融資產其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量：

- 金融資產乃以出售及收取合約現金流量為目的之業務模式下持有；及
- 合約條款於特定日期產生僅為支付本金及未償還本金利息的現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets
(continued)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is not held for trading.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

所有其他金融資產其後按公平值計入損益計量，倘該股本投資並非持作買賣，於金融資產首次應用香港財務報告準則第9號／首次確認日期本集團可作不可撤回選擇於其他全面收益內呈列股本投資其後之公平值變動除外。

此外，倘可消除或大幅減少會計錯配，本集團可不可撤回地指定須按攤銷成本或按公平值計入其他全面收益計量之債務投資按公平值計入損益計量。

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及債務工具乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets
(continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “fair value gain (loss) on financial asset at FVTPL” line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including amount due from related parties, trade and other receivables and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(ii) 按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他全面收入或指定為按公平值計入其他全面收入準則的金融資產按公平值計入損益計量。

於各報告期間結算日，按公平值計入損益的金融資產按公平值計量，而任何公平值收益或虧損則在損益中確認。在損益中確認的收益或虧損淨額不包括金融資產所賺取的任何股息或利息，並計入「按公平值計入損益的金融資產之公平值收益(虧損)」項目內。

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對金融資產(包括應收關聯方款項、業務及其他應收款項以及銀行結餘及現金)進行減值評估。預期信貸虧損的金額於各報告日期更新，以反映自首次確認起的信貸風險變動。

全期預期信貸虧損指於相關工具的預期年期內所有潛在違約事件所產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期將於報告日期後12個月內可能發生的違約事件所產生的全期預期信貸虧損部分。評估是根據本集團過往信貸虧損經驗(就債務人的特定因素作出調整)、整體經濟狀況及於報告日期的現時狀況及未來狀況預測的評估進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

The Group always recognise lifetime ECL for trade receivables. The ECL on trade receivables is assessed individually for all debtors.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, 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 instruments as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

本集團一直就業務應收款項確認全期預期信貸虧損。就所有債務人而言，業務應收款項的預期信貸虧損乃個別評估。

就所有其他工具而言，本集團計量金額相等於12個月預期信貸虧損的虧損撥備，除非信貸風險自初步確認以來顯著增加，則本集團確認全期預期信貸虧損。評估應否確認全期預期信貸虧損是基於自初步確認以來發生違約情況的可能性或風險有否顯著增加。

(i) 信貸風險顯著增加

評估金融工具的信貸風險是否自初次確認以來顯著增加時，本集團比較於報告日期金融工具發生違約的風險與於初次確認日期金融工具發生違約的風險。作出該評估時，本集團考慮合理可作為依據的定量及定性資料，包括毋須付出不必要成本或資源獲得的過往經驗及前瞻資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

- (i) Significant increase in credit risk (continued)

In particular, the following information taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

- (i) 信貸風險顯著增加(續)

具體而言，評估信貸風險曾否顯著增加時考慮下列資料：

- 金融工具的內部信貸評級實際或預期嚴重轉差；
- 業務、財務或經濟狀況的現存或預計不利變動預期會導致債務人履行其債務責任的能力大幅下降；
- 債務人的經營業績實際或預期嚴重轉差；相同債務人的其他金融工具的信貸風險顯著增加；
- 債務人的監管、經濟或技術環境實際或預期出現重大不利變動而導致債務人履行其債務責任的能力大幅下降。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

- (i) Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitments is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

- (i) 信貸風險顯著增加(續)

不論上述評估結果如何，本集團假設當合約付款逾期超過30日時，金融資產的信貸風險已自初次確認以來顯著增加，除非本集團有合理可作為依據的資料顯示並非如此則作別論。

儘管上文所述，本集團假設倘金融工具釐定為於報告日期具有低信貸風險，則金融工具的信貸風險自初次確認以來並無顯著增加。倘屬以下情況，金融工具釐定為具有低信貸風險：i)金融工具具有低違約風險；ii)借款人於短期內具備雄厚實力履行其合約現金流量責任；及iii)長期經濟及業務狀況的不利變動可能但不一定削弱借款人履行其合約現金流量責任的能力。倘按國際通用定義金融資產的內部或外部信貸評級為「投資級別」，本集團認為其信貸風險為低。

就財務擔保合約而言，本集團成為不可撤回承擔的承擔方當日被視為就評估減值進行初步確認之日期。於評估信貸風險在初步確認財務擔保合約後有否大幅增長時，本集團認為，風險變動乃特定債務人將違反合約。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約的定義

本集團認為以下事項構成內部信貸風險管理違約事件，此乃由於過往經驗顯示符合以下任何一項標準的應收款項通常無法收回：

- 交易對手方違反財務契約時；或
- 內部建立或自外部取得的資料顯示，債務人不大可能支付全額款項予債權人(包括本集團)(並未考慮本集團所持有的任何抵押品)。

倘不考慮上述分析，本集團認為，倘金融資產逾期超過90天，則違約已發生，除非本集團擁有合理及可靠資料顯示一項更滯後的違約標準較合適則當別論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write off constitutes a derecognition event. Any subsequent recoveries made are recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iii) 已信貸減值之金融資產

當對金融資產估計未來現金流量具有不利影響的一項或多項事件發生時，該金融資產已出現信貸減值。金融資產已出現信貸減值的證據包括下列可觀察資料：

- 借款人或發行方發生重大財務困難；
- 違反合約，如違約或發生逾期事件等；
- 貸方出於與借方財務困難有關的經濟或合約考慮，給予借方在任何其他情況下都不會做出的讓步；
- 出現財務困難導致抵押品的活躍市場消失；或
- 以大幅折讓購買一項金融資產，該折扣反映已產生的信貸虧損。

(iv) 撇銷政策

本集團在有資料顯示對手方陷入嚴重財務困難，且無實際收回可能之時(例如對手方遭受清盤或已進入破產程序)撇銷金融資產。在考慮法律意見(如適當)後，已撇銷金融資產仍可根據本集團之收回程序實施強制執行。撇銷構成一項取消確認事件。其後收回的任何款項於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risk are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的過往數據評估。預期信貸虧損的估計反映無偏概加權平均金額，以發生違約的風險為權重確定。

預期信貸虧損通常為根據合約應付本集團的所有合約現金流量與本集團預計收取的現金流量(按於首次確認時釐定之實際利率折現)之間的差額。

就財務擔保合約而言，本集團僅須在債務人違反保證文書條款情況下作出付款。因此，預期虧損撥備為償還持有人所產生信貸虧損的預期付款減去本集團預期從持有人、債務人或任何其他方收取的任何金額。

就財務擔保合約的預期信貸虧損而言，倘實際利率無法釐定，本集團將採用可反映當前市場對貨幣時間價值的評估及現金流量特定風險的貼現率，惟僅當及僅限於調整貼現率時方考慮該等風險，而非調整現金差額進行貼現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(v) Measurement and recognition of ECL (continued)

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group);
- past-due status;
- nature, size and industry of debtors; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each separate group continues to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9 and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損之計量及確認(續)

全期預期信貸虧損乃按整體基準進行計量，以應對單項金融工具的信貸風險顯著增加的證據可能尚未獲得的情況下，金融工具乃按以下基準分類：

- 金融工具的性質(即本集團的業務及其他應收款項均按單獨組別評估)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期審閱此等分組，以確保各獨立組別組成部分繼續維持類似信用風險特徵。

利息收入乃根據金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入根據金融資產的攤銷成本計算。

對於財務擔保合約，虧損撥備按照香港財務報告準則第9號確定的虧損撥備金額與在適當情況下以初步確認的金額減去在擔保期內確認的累計收入金額兩者的較高者確認。

除財務擔保合約外，本集團通過調整賬面值於損益確認所有金融工具的減值收益或虧損，惟相應調整通過虧損撥備賬確認的業務應收款項除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debts and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, loans from non-controlling interests and an intermediate holding company, bond payable and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益

分類為債務或權益

本集團發行之債務及股本工具按合約安排內容以及金融負債及權益工具之定義而歸類為金融負債或權益。

權益工具

權益工具為證明於一間實體經扣除其所有負債後的資產中所剩餘權益的任何合約。本公司發行的權益工具按已收所得款項扣除直接發行成本確認。

金融負債

所有金融負債其後使用實際利率法按攤銷成本計量。

按攤銷成本計量之金融負債

其他金融負債(包括業務及其他應付款項、非控股權益貸款、間接控股公司貸款、應付債券以及銀行借貸)其後採用實際利息法按攤銷成本計量。

財務擔保合約

財務擔保合約乃規定發出人向持有人支付指定金額之合約，以補償持有人由於指定欠債人未能根據債務工具條款於到期時付款而蒙受之損失。財務擔保合約初步按公平值計量，並其後按以下各項較高者計量：

- 根據香港財務報告準則第9號釐定之虧損撥備金額；及
- 初步確認金額減(倘適用)擔保期內確認之累計攤銷。

終止確認

僅當自資產收取現金流量之合約權利屆滿時，或本集團將金融資產及資產擁有權絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition (continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, if any, is recognised in profit or loss.

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment on property, plant and equipment, right-of-use assets and contract costs (other than goodwill)

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets and contract costs to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, corporate assets are allocated to individual cash generating units when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, the recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

3. 主要會計政策(續)

金融工具(續)

終止確認(續)

於終止確認整項金融資產時，資產賬面值與已收及應收代價以及已在其他全面收入確認及在權益累計之累計收益或虧損之總和(如有)之差額於損益確認。

當且僅當本集團之責任獲解除、取消或到期時，本集團方會終止確認金融負債。終止確認之金融負債賬面值與已付及應付代價之差額於損益確認。

物業、廠房及設備、使用權資產及合約成本減值(商譽除外)

本集團於報告期間結算日檢討物業、廠房及設備及使用權資產，以及合約資產之賬面值，以確定有關資產是否出現減值虧損跡象。如有任何該等跡象，則會估計資產之可收回金額，以確定減值虧損(如有)之程度。

物業、廠房及設備以及使用權資產的可收回金額乃個別估計，如不可能估計個別資產之可收回金額，則本集團會估計該類資產所屬現金產生單位之可收回金額。

此外，企業資產於確立合理及一貫的分配基準之情況下會被分配到個別現金產生單位，否則於確立合理及一貫的分配基準之情況下會被分配到最小現金產生單位組別中。本集團評估是否存在企業資產可能減值之跡象。倘存在有關跡象，將會釐定企業資產所屬的現金產生單位或現金產生單位組別之可收回金額，並與相關現金產生單位或現金產生單位組別之賬面值進行比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on property, plant and equipment, right-of-use assets and contract costs (other than goodwill) (continued)

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策(續)

物業、廠房及設備、使用權資產及合約成本減值(商譽除外)(續)

在本集團根據香港財務報告準則第15號將資本化資產減值虧損確認為合約成本前，本集團按適用準則評估及確認任何與相關合約有關的其他資產之減值虧損。屆時，倘賬面值超過本集團預期收取以換取相關貨品或服務的代價餘額減直接與提供該等貨品或服務有關之成本(尚未確認為開支)，則就作為合約成本的資本化資產而言之減值虧損(如有)予以確認。資本化為合約成本之資產其後將計入其所屬現金產生單位之賬面值，以評估該現金產生單位之減值。

可收回金額為公平值減出售成本與使用價值兩者之較高者。於評估使用價值時，估計未來現金流量以能反映當前市場評估金錢時間值及該資產(及現金產生單位)特有風險之稅前貼現率貼現至其現值，而未來現金流量之估計則未被調整。

倘估計資產(或現金產生單位)之可收回金額低於賬面值，則會將資產(或現金產生單位)賬面值降至可收回金額。就未能按合理一致基準分配至現金產生單位的企業資產或一部分企業資產而言，本集團會將一組現金產生單位的賬面值(包括分配至該現金產生單位組別的企業資產或一部分企業資產的賬面值)與該組現金產生單位的可收回款項作比較。在分配減值虧損時，減值虧損會首先用作減低任何商譽(倘適用)的賬面值，其後則根據該現金產生單位中的單位或組別內各項資產的賬面值按比例基準分配至該單位的其他資產。資產賬面值不得減至低於其公平值減去處置費用(如可計量)、其使用價值(如可確定)及零之較高者。原應分攤至該資產的減值虧損數額根據現金產生單位中的單位或組別的其他資產按比例分配。減值虧損即時於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on property, plant and equipment, right-of-use assets and contract costs (other than goodwill) (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as 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 eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits costs

Payments to state-managed retirement benefit schemes/ the Mandatory Provident Fund Scheme (“MPF Scheme”) are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS require or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leaves and sick leave) after deducting any amount already paid.

3. 主要會計政策(續)

物業、廠房及設備、使用權資產及合約成本減值(商譽除外)(續)

倘其後撥回減值虧損，該資產(或現金產生單位或一組現金產生單位)賬面值會調高至其經修訂之估計可收回金額，但增加之賬面值不得高於倘該資產(或一項現金產生單位或一組現金產生單位)過往年度並無確認減值虧損時釐定之賬面值。減值虧損撥回即時於損益中確認。

借貸成本

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售之合資格資產所直接產生之借貸成本，加至該等資產之成本，直至該等資產已大致上可供其擬定用途或銷售為止。

運用特定借貸作短期投資以待撥入合資格資產之開支所賺取之投資收入，會從可供資本化之借貸成本中扣減。

所有其他借貸成本於產生期間於損益確認。

退休福利成本

於僱員就提供服務而享有供款時，國家管理退休福利計劃／強制性公積金計劃(「強積金計劃」)之供款確認為開支。

短期僱員福利

短期僱員福利按僱員提供服務時預計將予支付的未貼現福利金額予以確認。除非另一香港財務報告準則要求或允許將福利計入資產成本內，否則所有短期僱員福利均作為開支確認。

負債乃按應給予僱員的福利(如工資及薪金、年假及病假)扣除任何已支付的金額後進行確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3. 主要會計政策(續)

外幣

編製各個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易均按交易日期之現行匯率以其各自功能貨幣(即該實體經營之主要經濟環境之貨幣)入賬。於報告期間結算日，以外幣計值之貨幣項目按當日現行匯率重新換算，而按公平值以外幣入賬之非貨幣項目按釐定公平值當日之現行匯率重新換算。以外幣計值按歷史成本計量之非貨幣項目毋須重新換算。

結算及重新換算貨幣項目產生之匯兌差額均於產生期間於損益確認。重新換算按公平值入賬之非貨幣項目產生之匯兌差額計入當期損益。

為呈列綜合財務報表，本集團境外業務之資產及負債乃按於各報告期間結算日之匯率換算為本公司之呈列貨幣(即人民幣)。收支項目按年內之平均匯率進行換算。所產生之匯兌差額(如有)於其他全面收入確認，並於權益下以匯兌儲備累計(於適當時撥作非控股權益)。

收購海外業務產生之已收購可識別資產之公平值調整被視為海外業務之資產及負債，並按各報告期間結算日適用之匯率重新換算。由此產生之匯兌差額於其他全面收益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arise from the initial recognition of goodwill.

3. 主要會計政策(續)

政府補助

政府補助不予確認入賬，除非有合理保證證明本集團將遵守其附帶條件及將收取補助。

作為已產生開支或虧損之補償或為向本集團提供即時財務資助(並無日後相關成本)而可收取之政府補助，乃於其成為可收取之期間於損益中確認。

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃根據年度應課稅溢利計算。應課稅溢利與於綜合損益及其他全面收益表所呈報之除稅前溢利不同，原因為其他年度之應課稅或可予扣稅之收入或開支項目及免稅或不可扣稅之項目。本集團有關即期稅項之負債採用於報告期間結算日已實施或實質已實施之稅率計算。

遞延稅項指在綜合財務報表內資產及負債之賬面值與計算應課稅溢利採用之相應稅基之差額。遞延稅項負債一般按所有應課稅暫時差額確認入賬，而遞延稅項資產則一般會在可能有應課稅溢利可供作抵銷可扣稅暫時差額時按所有該等可扣稅暫時差額確認入賬。倘因於既不影響應課稅溢利亦不影響會計溢利之交易中首次確認其他資產及負債時產生暫時差額，則不會確認有關遞延稅項資產及負債。此外，倘暫時性差異產生自初次確認商譽，遞延稅項負債將不會被確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, and interests in joint ventures and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債按於附屬公司之投資以及於合營企業及聯營公司之權益而產生之應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額之撥回，且該暫時差額可能不會在可見將來撥回者除外。與該等投資及權益相關之可扣稅暫時差額所產生之遞延稅項資產，僅於可能有足夠應課稅溢利可以使用暫時差額之益處且預計於可見將來可以撥回時予以確認。

遞延稅項資產賬面值於各報告期間結算日進行檢討，並於可能不會有足夠應課稅溢利可收回所有或部分資產時調減。

遞延稅項資產及負債根據於各報告期間結算日已實施或實質實施之稅率(及稅法)，按預期在負債償還或資產變現期間適用之稅率計量。

遞延稅項負債及資產之計量反映本集團在各報告期間結算日預期收回或清償其資產及負債賬面值之方式所導致之稅務後果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣除是否歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債的租賃交易而言，本集團整體應用香港會計準則第12號所得稅有關租賃交易的規定。與使用權資產及租賃負債有關的暫時性差異按淨額基準評估。就租賃負債的本金部分而言，使用權資產折舊超出租賃付款之部分導致出現可扣稅暫時性差異淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策(續)

稅項(續)

即期及遞延稅項於損益中確認，惟倘即期及遞延稅項與於其他全面收入或直接於權益確認之項目有關，在此情況下即期及遞延稅項亦分別會在其他全面收入或直接於權益確認。

於評估所得稅處理的不確定性時，本集團考慮相關稅務機關是否可能接受個別集團實體於其所得稅申報中使用或擬使用不確定稅務處理方式。如屬可能，即期及遞延稅項的釐定與所得稅申報中的處理方式一致。如相關稅務機關不大可能接受不確定稅務處理方式，則各項不確定性的影響可最可能的金額或預期價值反映。

4. 重大會計判斷及估計所產生不明朗因素之主要來源

於應用附註3所述之本集團會計政策時，本公司董事須就綜合財務報表中所呈報之資產、負債、收益及開支之金額以及當中所作披露作出判斷、估計及假設。估計及相關假設以過往經驗及被視為有關之其他因素為基礎得出。實際結果可能有別於該等估計。

該等估計及相關假設將會持續檢討。倘會計估計之修訂將僅影響修訂期間，則會於該期間確認會計估計之修訂，或倘修訂影響本期間及未來期間，則會於修訂及未來期間確認會計估計之修訂。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Revenue recognition from sales of properties

Under HKFRS 15, control of the asset is transferred over time when the Group's performance 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. Significant judgment is required in determining whether the terms of the Group's contracts with customers in relation to properties with no alternative use create an enforceable right to payment for the Group. The Group has considered the relevant local laws that apply to those relevant contracts. Based on the assessment of the Group's management, the terms of the relevant sales contracts do not create an enforceable right to payment for the Group and accordingly, the sales of properties is considered to be performance obligation satisfied at a point in time.

Key sources of estimation uncertainty

The following are 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 resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated write down of properties under development and for sale

The Group records properties under development and for sale at the lower of cost and net realisable value. Net realisable value of properties for sale is determined based on the estimated selling price in the ordinary course of business, which is estimated based on prevailing market conditions, less applicable variable selling expenses and the anticipated cost to completion, if any.

4. 重大會計判斷及估計所產生不明朗因素之主要來源(續)

應用會計政策的重大判斷

除涉及估計之判斷(見下文)外,以下為本公司董事於應用本集團之會計政策時作出且對綜合財務報表確認之金額有重大影響之重大判斷。

銷售物業的收益確認

根據香港財務報告準則第15號,當本集團的履約並無構成對本集團具有其他用途的資產及本集團擁有可強制執行權利收取迄今已履約部分的款項時,資產的控制權則會隨時間轉移。釐定本集團與並無其他用途的物業有關的客戶合約條款是否對本集團構成可強制執行付款權利需要作出重大判斷。本集團已考慮適用於該等相關合約的相關地方法律。根據本集團管理層的評估,相關銷售合約的條款並無對本集團構成可強制執行付款權利,故銷售物業被視為於某一時間點履行的履約責任。

估計所產生不明朗因素之主要來源

以下為對於將來之主要假設,及於報告期間結算日之其他估計不明朗因素之主要來源,該等假設及估計具有導致對下個財政年度內之資產及負債賬面值作出重大調整之重大風險。

估計撇減發展中及可供出售物業

本集團以成本及可變現淨值的較低者為發展中及可供出售物業入賬。可供出售物業的可變現淨值乃基於在一般業務過程的估計售價釐定,其乃按照現行市價減適用可變銷售開支及竣工的預計成本(如有)而估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Estimated write down of properties under development and for sale (continued)

The Group writes down properties under development and for sale to net realisable value. If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this might result in write downs of properties under development and for sale to net realisable value. Write downs are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write downs requires the use of judgements and estimates. If the expectation is different, it will impact the carrying value of properties under development and for sale in the period in which such estimate is changed. The carrying amount of properties under development and for sale of approximately RMB47,057,932,000, net of write downs of RMB674,419,000 (2018: carrying amount of RMB41,163,479,000, net of write downs of RMB419,650,000) as at 31 December 2019 are set out in note 22.

Impairment of amounts due from joint ventures and associates

The Group assesses impairment of amounts due from joint ventures and associates individually. The measurement of ECL of amounts due from joint ventures and associates under HKFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, such as the financial information and the business plan of the joint ventures and associates. The Group has obtained the business plan of the associates and joint ventures at the time when advances are requested. The Group reviewed and assessed the profitability of those investees, the future economic outlooks and the timing of the collection and assessed a credit risk rating to those investees. Changes in these factors can result in different levels of allowances. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life, which is associated with the business plan of respective joint ventures and associates, between the reporting date and the date of initial recognition.

4. 重大會計判斷及估計所產生不明朗因素之主要來源(續)

應用會計政策的重大判斷(續)

估計撇減發展中及可供出售物業(續)

本集團將發展中及可供出售物業撇減至可變現淨值。倘竣工成本上升或銷售價值淨值下降，可變現淨值將減少，並可能導致將發展中及可供出售物業撇減至可變現淨值。倘有事件或情況改變而令該等結餘可能未能變現，則會記錄撇減。識別撇減要求使用判斷及估計。倘預計有所不同，其將於該估計變動期間影響發展中及可供出售物業的賬面值。於二零一九年十二月三十一日，發展中及可供出售物業的賬面值約人民幣47,057,932,000元(扣除人民幣674,419,000元的撇減)(二零一八年：賬面值人民幣41,163,479,000元(扣除人民幣419,650,000元的撇減)，並載於附註22。

應收合營企業及聯營公司款項的減值

本集團獨立評估應收合營企業及聯營公司款項的減值。香港財務報告準則第9號項下就應收合營企業及聯營公司款項的預期信貸虧損虧損計量均要求作出判斷，特別是於釐定減值虧損及評估信貸風險的顯著上升時須估計未來現金流量的數額及時間。該等估計乃基於多項因素，例如合營企業及聯營公司的財務資料及業務計劃。本集團獲要求提供墊款時已取得聯營公司及合營企業的業務計劃。本集團審閱及評估該等投資對象的盈利能力、日後經濟前景及收款時間以及評估該等投資對象的信貸風險評級。該等因素的變動可導致不同程度的撥備。於各報告日期，本集團透過比較於預計週期出現違約的風險評估自初次確認起信貸風險敞口於報告日期及初次確認日期之間有否大幅上升，其與相關合營企業及聯營公司的業務計劃有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Impairment of amounts due from joint ventures and associates (continued)

The directors of the Company anticipated that the amount of ECL on amounts due from joint ventures and associates are not significant as at 31 December 2019 and the carrying amounts of amounts due from joint ventures and associates are RMB9,325,568,000 and RMB1,414,999,000 (2018: RMB6,856,282,000 and RMB777,922,000) respectively.

Land appreciation tax ("LAT")

The Group is subject to LAT in the PRC, of which the implementation varies amongst different tax jurisdictions in various cities of the PRC. LAT is levied at progressive rates ranging from 30% to 60% on the land appreciation value. The Group recognises the land appreciation value as the proceeds of sales of properties less the estimated deductible expenditures including cost of land use right, borrowing costs and all relevant property development expenditures.

The Group recognises LAT in its consolidated statement of profit or loss and other comprehensive income when properties are delivered to the buyers, at the time when the final amounts of LAT payments have not been approved by the local tax authorities in the PRC. The Group recognised the LAT based on management's best estimates on the appreciation of land appreciation value. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the period in which such tax is finalised with local tax authorities.

4. 重大會計判斷及估計所產生不明朗因素之主要來源(續)

應用會計政策的重大判斷(續)

應收合營企業及聯營公司款項的減值(續)

本公司董事預計，應收合營企業及聯營公司的款項之預期信貸虧損金額於二零一九年十二月三十一日並不重大，而應收合營企業及聯營公司款項的賬面值分別為人民幣9,325,568,000元及人民幣1,414,999,000元(二零一八年：人民幣6,856,282,000元及人民幣777,922,000元)。

土地增值稅(「土地增值稅」)

本集團須繳納中國土地增值稅，惟中國各個城市不同之稅務司法權區對稅項之執行各異。土地增值稅按土地價值之增值以累進稅率30%至60%徵收。本集團將土地價值之增值確認為銷售物業的所得款項減估計可扣除支出(包括土地使用權成本、借貸成本及所有相關物業發展開支)。

於中國地方稅務機關未批准土地增值稅的最終金額時，本集團於向買方交付物業時於綜合損益及其他全面收益表確認土地增值稅。本集團根據管理層對土地升值價值的最佳估計確認土地增值稅。最後稅務結果可能有別於最初入賬金額，而該等差額將於本集團與地方稅務機關落實有關稅項期間對所得稅開支及相關所得稅撥備構成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Deferred tax

Deferred tax assets of RMB1,022,890,000 (2018: RMB741,121,000) mainly in relation to tax losses and LAT have been recognised at 31 December 2019 as set out in note 21. The reliability of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred tax assets based on the enacted or substantially enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the deferred tax assets are expected to be utilised. The directors of the Company will review the assumptions and profit projections by the end of the reporting period. In cases where the actual future profits generated are less than expected or there is a downward revision of estimated future profits, a reversal of deferred tax assets may arise, which would be recognised in the consolidated statement of profit or loss and other comprehensive income for the period in which such a reversal takes place.

Fair value measurement of financial instruments

Financial asset at FVTPL amounting to RMB104,492,000 (2018: RMB16,711,000) as at 31 December 2019 is measured at fair value with fair value being determined based on unobserved inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. Further disclosures regarding the fair value measurement of these financial assets are set out in note 38.

4. 重大會計判斷及估計所產生不明朗因素之主要來源(續)

應用會計政策的重大判斷(續)

遞延稅項

主要與稅項虧損及土地增值稅有關之遞延稅項資產人民幣1,022,890,000元(二零一八年：人民幣741,121,000元)於二零一九年十二月三十一日按照附註21所載分別予以確認。遞延稅項資產之可靠性主要取決於日後之溢利或應課稅暫時差額在未來是否足夠。本公司董事根據已實施或實質實施之稅率以及彼等所深知對本集團於預期將動用遞延稅項資產之未來數年期間之溢利預測，釐定遞延稅項資產。本公司董事將於各報告期間結算日檢討假設及溢利預測。倘所產生之實際未來溢利低於預期或估計未來溢利有所下調，可能出現遞延稅項資產撥回，而將於撥回出現期間於綜合損益及其他全面收益表內確認。

金融工具的公平值計量

於二零一九年十二月三十一日，按公平值計入損益的金融資產人民幣104,492,000元(二零一八年：人民幣16,711,000元)乃按公平值計量，而公平值乃根據不可觀察輸入數據使用估值技巧釐定。確立相關估值技巧的相關輸入數據時須運用判斷及估計。與該等因素有關的假設變動可影響該等工具的已報告公平值。對於金融工具的公平值計量的進一步披露請參閱附註38。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. REVENUE

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

5. 收益

本集團之年內收益分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<i>By types of goods or services</i>	<i>按商品或服務類型</i>		
Sales of properties for sale	銷售可供出售物業	19,143,720	11,768,295
Properties operation income	物業營運收入	36,257	33,691
Asset management services income	資產管理服務收入	1,361	–
Rental income from investment properties (Note 10)	投資物業的租金收入(附註10)	271,957	153,913
		19,453,295	11,955,899
<i>By timing of revenue recognition</i>	<i>按確認收益的時間</i>		
At a point in time	於某一時間點	19,143,720	11,768,295
Over time	隨時間	37,618	33,691
Revenue from contracts with customers	與客戶合約的收益	19,181,338	11,801,986
Rental income from investment properties	投資物業的租金收入	271,957	153,913
		19,453,295	11,955,899

The Group enters into a sale and purchase agreement at the stage the construction of the properties is still ongoing. Upon completion of the negotiation with the customers, the Group receives certain percentage of contract value as deposits from customers and recognised as contract liabilities under HKFRS 15. The Group may provide guarantee to banks in connection with mortgage granted to the customers to finance the advanced payment to the Group and the directors consider the amount of consideration allocated to this performance obligations not significant and no allocation of transaction price allocated to this performance obligation.

The Group considers the advance payment arrangement contain financing component and accordingly the amount of consideration will be adjusted for the effects of the time value of money taking into consideration the credit characteristics of the Group if it is significant. As this accrual increases the amount of the contract liability during the period of construction, it increases the amount of revenue recognised when control of the completed property is transferred to the customer.

本集團於物業建設仍在進行的階段訂立買賣協議。完成與客戶磋商後，本集團自客戶收取合約價值的若干百分比作為按金，並根據香港財務報告準則第15號確認為合約負債。本集團可能向客戶授出的按揭而向銀行提供擔保，以撥付向本集團作出的墊款。董事認為，分配至此履約責任的代價金額並不重大，且並無將交易價格分配至此履約責任。

本集團認為墊款安排載有融資成分，故經計及本集團的信貸特徵(倘重大)後，代價的金額將就貨幣的時間值調整。由於此應計費用於工程期間增加合約負債的金額，於已竣工物業的控制權轉移至客戶時，其會增加已確認收益的金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. REVENUE (continued)

For contracts entered into with the customers on sales of properties, the Group recognises the revenue from sales of properties for sale at a point in time when the completed property is transferred to customers, being at the point that the customer obtains the control of the completed property.

Contract costs

Contract costs capitalised as at 31 December 2019 and 2018 relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of selling expenses in the consolidated statement of profit or loss in the period in which revenue from the related property sales is recognised. There was no impairment in relation to the costs capitalised during the year ended 31 December 2019 and 2018.

The Group applies the practical expedient and recognises the incremental costs of obtaining contracts relating to the sale of completed properties as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

Contract liabilities

Deposits received in respect of pre-sale of properties	已收預售物業按金		
		14,288,848	14,886,338

As at 1 January 2018, contract liabilities amounted to RMB7,272,992,000.

5. 收益(續)

就銷售物業而與客戶訂立的合約而言，本集團於已竣工物業轉讓予客戶的時間點確認銷售物業的收益，即客戶獲得已竣工物業的控制權。

合約成本

於二零一九年及二零一八年十二月三十一日的資本化合約成本與支付予銷售活動導致客戶於報告日期就本集團在建物業訂立買賣協議的物業代理的增量銷售佣金有關。合約成本在確認相關物業銷售收入期間於綜合損益表中確認為銷售開支的一部分。截至二零一九年及二零一八年十二月三十一日止年度並無與資本化成本有關之減值。

本集團採用可行權宜方法，倘本集團原以其他方式確認的該等資產的攤銷期間為一年或以內，則於產生時將取得與銷售已竣工物業的合約及服務有關的增量成本確認為開支。

合約負債

		14,288,848	14,886,338

於二零一八年一月一日，合約負債為人民幣7,272,992,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

5. REVENUE (continued)

Contract liabilities (continued)

Contract liabilities are classified as current as they are expected to be settled within the Group's normal operating cycle.

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities.

5. 收益(續)

合約負債(續)

倘合約負債預期於本集團一般營運週期內結算，則會分類為流動。

下表載列於本年度可確認有關結轉合約負債之收益金額。

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year in respect sales of properties for sale	14,054,150	7,011,219

Leases

租賃

	2019 二零一九年 RMB'000 人民幣千元
For operating leases: Fixed lease payments	271,957

6. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments", which requires operating segments to be identified on the basis of internal report about the components of the Group that are regularly reviewed by the chief operating decision makers ("CODM") in order to allocate resources to segments and to assess their performance. The CODM is the Company's executive directors.

For the management purpose, the Group was organised into the following two operating and reportable segments: (i) Development and sales of properties and property leasing ("Properties Segment"); and (ii) Sales of electronic and electrical related products and building related materials and equipment ("Trading Segment") for the year ended 31 December 2018. Each of which was considered as a separate operating segment by the CODM.

6. 分部資料

本集團已採納香港財務報告準則第8號「經營分部」，該準則規定經營分部按主要營運決策者（「主要營運決策者」）為分配資源至各分部及評估表現而定期審閱本集團各部門之內部報告為基準予以識別。主要營運決策者為本公司執行董事。

為了管理的目的，本集團於截至二零一八年十二月三十一日止年度分類為以下兩個經營及可呈報分部：(i)物業開發及銷售與物業租賃（「物業分部」）；及(ii)電子及電器相關產品與建築相關材料及設備銷售（「貿易分部」），該等分部各自被主要營運決策者視為獨立之經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

During the year ended 31 December 2019, the Group commenced the business engaging in asset management along with the listing of China Merchants Commercial Real Estate Investment Trust, an associate of China Merchants Shekou, and asset management for office premises and shopping malls ("Asset Management Segment") is considered as a new operating and reportable segment by the CODM. No prior year segment disclosures have been represented to conform with the current year's presentation.

Moreover, Trading Segment was discontinued in the current year. No impact to the consolidated financial statements was noted for both years ended 31 December 2019 and 2018. The amounts for these discontinued operations are nil thus the segment information reported below and notes to the consolidated financial statements do not include any amounts for these discontinued operations.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

6. 分部資料(續)

截至二零一九年十二月三十一日止年度，本集團透過招商局商業房地產投資信託基金(為招商蛇口的聯營公司)上市開始從事資產管理，而辦公室物業及購物商場的資產管理(「資產管理分部」)被主要營運決策者視為新經營及可呈報分部。並無重列過往年度的分部披露，以與本年度的呈列一致。

此外，貿易分部已於本年度終止。截至二零一九年及二零一八年十二月三十一日止年度並無對綜合財務報表構成影響。該等已終止經營業務的金額為零，因此下文報告的分部資料及綜合財務報表附註並不包括該等已終止經營業務的任何金額。

分部收益及業績

以下為按可呈報及經營分部劃分之本集團收益及業績分析：

		Asset Management Segment 資產管理分部 RMB'000 人民幣千元	Properties Segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度			
Segment revenue	分部收益			
– external customers	– 外部客戶	1,361	19,451,934	19,453,295
Segment results	分部業績	589	6,374,952	6,375,541
Unallocated net foreign exchange gains	未分配匯兌收益淨額			68,980
Unallocated income	未分配收入			3,835
Unallocated expenses	未分配支出			(62,143)
Unallocated finance costs	未分配融資成本			(633,542)
Profit before tax	除稅前溢利			5,752,671

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

6. 分部資料(續)

分部收益及業績(續)

		Trading segment 貿易分部 RMB'000 人民幣千元	Properties segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
For the year ended 31 December 2018	截至二零一八年 十二月三十一日止年度			
Segment revenue	分部收益			
– external customers	– 外部客戶	–	11,955,899	11,955,899
Segment results	分部業績	–	4,372,678	4,372,678
Unallocated net foreign exchange losses	未分配匯兌虧損淨額			(143,575)
Unallocated income	未分配收入			6,177
Fair value losses on derivative financial instruments	衍生金融工具之公平值虧損			(27,696)
Unallocated expenses	未分配支出			(35,114)
Unallocated finance costs	未分配融資成本			(376,149)
Profit before tax	除稅前溢利			3,796,321

There was no inter-segment sales during both years.

兩個年度內並無分部間銷售。

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment results represent the profit earned by each segment without allocation of unallocated corporate costs, fair value loss on derivative financial instruments, net of certain finance costs, certain interest income and certain net foreign exchange gains/losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營分部之會計政策與附註3所述本集團之會計政策相同。分部業績指各分部在並無分配未分配公司成本、衍生金融工具之公平值虧損、若干融資成本淨額、若干利息收入及若干匯兌收益／虧損淨額所產生之溢利。此乃向主要營運決策者匯報作資源分配及表現評估用途之衡量基準。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

6. 分部資料(續)

分部資產及負債

以下為按可呈報及經營分部劃分之本集團資產及負債分析：

		Asset Management Segment 資產管理分部 RMB'000 人民幣千元	Properties Segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
At 31 December 2019	於二零一九年 十二月三十一日			
Segment assets	分部資產	12,091	86,540,096	86,552,187
Goodwill	商譽			160,210
Other unallocated assets	其他未分配資產			1,709,514
Total assets	資產總值			88,421,911
Segment liabilities	分部負債	1,320	43,971,881	43,973,201
Other unallocated liabilities	其他未分配負債			15,619,143
Total liabilities	負債總額			59,592,344

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued) Segment assets and liabilities (continued)

6. 分部資料(續) 分部資產及負債(續)

		Trading segment 貿易分部 RMB'000 人民幣千元	Properties Segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
At 31 December 2018	於二零一八年 十二月三十一日			
Segment assets	分部資產	–	70,415,255	70,415,255
Goodwill	商譽			160,210
Other unallocated assets	其他未分配資產			695,200
Total assets	資產總值			71,270,665
Segment liabilities	分部負債	–	35,516,531	35,516,531
Other unallocated liabilities	其他未分配負債			11,957,106
Total liabilities	負債總額			47,473,637

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets, other than goodwill and assets of the investment holding companies, are allocated to reportable and operating segments; and
- all liabilities, other than bonds payable, loans from an intermediate holding company of the investment holding companies and bank borrowings of the investment holding companies, are allocated to reportable and operating segments.

就監管分部表現及於分部間分配資源而言：

- 所有資產(不包括商譽及投資控股公司資產)均分配至可呈報及經營分部；及
- 所有負債(不包括應付債券、投資控股公司之間接控股公司貸款及銀行借貸)均分配至可呈報及經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Other segment information

Amounts included in the measure of segment profit or loss or segment assets.

6. 分部資料(續)

其他分部資料

計算分部溢利或虧損或分部資產所計及之款項。

		Asset Management Segment 資產管理分部 RMB'000 人民幣千元	Properties Segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度			
Addition to non-current assets (Note)	非流動資產添置(附註)	12	1,926,512	1,926,524
Interest income	利息收入	–	345,509	345,509
Depreciation of property, plant and equipment	物業、廠房及設備折舊	–	21,934	21,934
Depreciation of investment properties	投資物業折舊	–	160,187	160,187
Depreciation of right-of-use assets	使用權資產折舊	–	17,095	17,095
Impairment losses on properties for sale	可供出售物業之減值虧損	–	358,710	358,710

		Trading Segment 貿易分部 RMB'000 人民幣千元	Properties Segment 物業分部 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
For the year ended 31 December 2018	截至二零一八年十二月三十一日止年度			
Addition to non-current assets (Note)	非流動資產添置(附註)	–	2,139,752	2,139,752
Interest income	利息收入	–	272,277	272,277
Depreciation of property, plant and equipment	物業、廠房及設備折舊	–	17,249	17,249
Depreciation of investment properties	投資物業折舊	–	47,381	47,381
Impairment losses on properties for sale	可供出售物業之減值虧損	–	419,650	419,650

Note: Non-current assets exclude deferred tax assets and financial asset at FVTPL.

附註：非流動資產不包括遞延稅項資產及按公平值計入損益的金融資產。

The Group's revenue from external customers is derived from the PRC, including Hong Kong. No single customer of the Group contributed 10% or more to the Group's revenue for both years.

本集團來自外部客戶之收益來源於中國(包括香港)。本集團並無單一客戶於本集團兩個年度之收益貢獻10%或以上。

Substantially all of the Group's non-current assets, excluding deferred tax assets and financial asset at FVTPL are located in the PRC.

本集團絕大部分非流動資產(不包括遞延稅項資產及按公平值計入損益的金融資產)位於中國。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Geographical information

The Group's Properties Segment is located in Foshan, Guangzhou, Nanjing and Jurong, Chongqing, Xi'an and Hong Kong.

Information about the revenue from external customers is presented based on the location of the operations. Assets of Properties Segment and Asset Management Segment are presented based on the location of the assets.

6. 分部資料(續)

地理資料

本集團之物業分部位於佛山、廣州、南京及句容、重慶、西安及香港。

有關來自外部客戶的收益之資料乃基於營運地點呈列。物業資產分部及資產管理分部乃基於資產位置呈列。

		Revenue from external customers 來自外部客戶之收益		Segment assets 分部資產	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Foshan	佛山	3,449,775	3,928,201	15,548,423	15,210,485
Guangzhou	廣州	4,896,172	1,359,500	10,433,847	7,870,838
Nanjing and Jurong	南京及句容	5,441,516	2,579,408	30,782,681	24,564,880
Chongqing	重慶	3,440,677	3,880,841	22,101,689	18,674,530
Xi'an	西安	2,164,456	178,720	3,777,265	2,237,141
Hong Kong	香港	60,699	29,229	3,908,282	1,857,381
		19,453,295	11,955,899	86,552,187	70,415,255

7. OTHER INCOME

7. 其他收入

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	72,305	39,543
Interest income from associates	來自聯營公司之利息收入	39,414	30,205
Interest income from joint ventures	來自合營企業之利息收入	225,696	95,829
Interest income from third parties (Note)	來自第三方之利息收入(附註)	—	85,593
Others	其他	33,482	38,076
		370,897	289,246

Note: During the year ended 31 December 2018, the amount represented interest income of RMB85,593,000 which arose from advances to independent third parties for acquisitions of equity interests in their subsidiaries. These advances were unsecured and interest bearing ranging from 8% to 10% per annum. The acquisitions have subsequently been cancelled and the advances have been repaid from the third parties in the same year.

附註：截至二零一八年十二月三十一日止年度，有關金額指人民幣85,593,000元的利息收入，乃產生自就收購獨立第三方的附屬公司之權益而向彼等提供的墊款。該等墊款為無抵押，並按8%至10%的年利率計息。收購其後經已取消，而第三方已於同年償還墊款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

8. FINANCE COSTS

8. 融資成本

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest on:	利息：		
– bank borrowings	– 銀行借貸	611,084	280,511
– lease liabilities	– 租賃負債	13,919	–
– loans from an intermediate holding company	– 間接控股公司之貸款	204,379	157,861
– loans from non-controlling interests	– 非控股權益之貸款	209,560	250,436
– bonds	– 債券	97,961	170,764
– convertible bonds	– 可換股債券	–	67,326
Total borrowing costs	總借貸成本	1,136,903	926,898
Less: Amounts capitalised in the cost of qualifying assets	減：已資本化為合資格資產成本之款項	(403,897)	(415,718)
		733,006	511,180

Borrowing costs capitalised to properties under development for sale were determined by the contracted interest rates of respective borrowings as disclosed in notes 27, 28, 29 and 30.

誠如附註27、28、29及30所披露，已資本化為可供出售發展中物業之借貸成本按各特定借貸之合約利率釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

9. INCOME TAX EXPENSE

9. 所得稅支出

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
The income tax expenses (credits) comprise of:	所得稅開支(抵免)包括：		
Hong Kong Profits Tax	香港利得稅	129	-
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
– Current year	– 本年度	1,628,795	1,001,774
– Underprovision in prior year	– 過往年度撥備不足	15,209	11
LAT	土地增值稅	1,600,752	733,504
		3,244,885	1,735,289
Deferred tax (Note 21)	遞延稅項(附註21)	(191,950)	(144,480)
		3,052,935	1,590,809

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the statutory EIT rate of the subsidiaries incorporated in the PRC is 25%. Further, 5% or 10% withholding income tax is generally imposed on dividends relating to profits earned by the PRC entities that are owned by non-PRC entities within the Group.

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less estimated deductible expenditures including cost of land use right, borrowing costs and all relevant property development expenditures.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2019.

No provision for Hong Kong Profits Tax had been made as the Group had no assessable profits in Hong Kong for the year ended 31 December 2018.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於中國註冊成立之附屬公司之法定企業所得稅稅率為25%。此外，本集團旗下非中國實體所擁有之中國實體一般須就其所賺取溢利之股息繳納5%或10%之預提所得稅。

土地增值稅按土地價值之增值以累進稅率30%至60%徵收，即銷售物業之所得款項減估計可扣減開支(包括土地使用權成本、借貸成本及所有相關物業發展開支)計算。

本公司董事認為，利得稅兩級制實施後所涉及之金額對綜合財務報表而言並不重大。因此，截至二零一九年十二月三十一日止年度之香港利得稅均按估計應課稅溢利之16.5%計算。

由於本集團於截至二零一八年十二月三十一日止年度無香港應課稅溢利，故並無作出香港利得稅撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

9. INCOME TAX EXPENSE (continued)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

9. 所得稅支出(續)

本年度所得稅支出與綜合損益及其他全面收益表內除稅前溢利對賬如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	5,752,671	3,796,321
Tax at the income tax rate of 25% (Note)	按25%所得稅稅率計算之稅項(附註)	1,438,168	949,080
Tax effect of expenses not deductible for tax purposes	不可扣稅之支出之稅務影響	258,708	158,363
Tax effect of income not taxable for tax purposes	毋須課稅之收入之稅務影響	(78,472)	(153,679)
Tax effect of utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損之稅務影響	(682)	(1,598)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	32,585	5,079
LAT	土地增值稅	1,600,752	733,504
Tax effect of LAT	土地增值稅之稅務影響	(400,188)	(183,376)
Underprovision in prior year	過往年度撥備不足	15,209	11
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額之稅務影響	164,523	176,180
Tax effect of utilisation of deductible temporary differences previously not recognised	動用過往未確認之可扣稅暫時差額之稅務影響	(57,278)	(25,384)
Dividend withholding tax expense	股息預扣稅開支	80,182	(74,190)
Effect of different tax rates in other jurisdictions	其他司法權區不同稅率之影響	(572)	6,819
Income tax expense	所得稅支出	3,052,935	1,590,809

Note: 25% represents the tax rate where the operation of the Group is substantially based.

附註：25%為本集團大部分業務所在地之稅率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

10. PROFIT BEFORE TAX

10. 除稅前溢利

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before tax has been arrived at after charging (crediting):	除稅前溢利經扣除(計及)下列各項後得出：		
Employee benefits expenses (including directors' remuneration):	僱員福利開支(包括董事薪酬)：		
Salaries and other allowances	薪金及其他津貼	399,824	341,402
Pension scheme contributions	退休金計劃供款	30,416	26,538
Total staff costs	員工開支總額	430,240	367,940
Less: Amounts capitalised to properties under development and for sale	減：已資本化為可供出售發展中物業之款項	(256,628)	(208,797)
		173,612	159,143
Gross rental income from investment properties (Note 5)	投資物業總租金收入(附註5)	(271,957)	(153,913)
Less: Direct operating expenses incurred	減：所產生之直接經營開支	345,267	204,540
		73,310	50,627
Cost of properties for sale recognised as expenses	確認作開支之可供出售物業成本	12,777,650	7,763,339
Depreciation of investment properties	投資物業折舊	160,187	47,381
Depreciation of right-of-use assets	使用權資產折舊	17,095	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	21,934	17,249
Auditor's remuneration	核數師酬金	4,062	3,783
Impairment losses on properties for sale	可供出售物業之減值虧損	358,710	419,650
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備(收益)虧損	(4)	9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

- (a) The emoluments paid or payable to each of the ten (2018: eleven) directors were as follows:

For year ended 31 December 2019

11. 董事及僱員之薪酬

- (a) 已付或應付10名(二零一八年: 11名)董事之薪酬載列如下:

截至二零一九年十二月三十一日止年度

		Dr. So Shu Fai 蘇樹輝博士 RMB'000 人民幣千元	Mr. Yu Zhiliang 余志良先生 RMB'000 人民幣千元	Mr. Wong King Yuen 黃競源先生 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
A. EXECUTIVE DIRECTORS:	A. 執行董事:				
Fee paid or payable in respect of a person's services as a director, whether of the Company and its subsidiaries	就作為本公司及其附屬公司董事所提供之服務之已付或應付袍金	-	-	-	-
Emoluments paid or payable in respect of a person's other services in connection with the management of the affairs of the Company and its subsidiaries	就有關人士管理有關本公司及其附屬公司事務所提供之其他服務之已付或應付薪酬				
Other emoluments:	其他薪酬:				
Salaries and allowances	薪金及津貼	35	1,003	35	1,073
Performance related incentive payments bonus (Note (i))	表現相關獎勵付款 花紅(附註(i))	-	1,276	-	1,276
Retirement benefits scheme contributions	退休福利計劃供款	-	-	2	2
Sub-total	小計	35	2,279	37	2,351

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(a) The emoluments paid or payable to each of the eleven (2017: eleven) directors were as follows: (continued)

For year ended 31 December 2018

11. 董事及僱員之薪酬(續)

(a) 已付或應付11名(二零一七年: 11名)董事之薪酬載列如下:(續)

截至二零一八年十二月三十一日止年度

	Dr. So Shu Fai 蘇樹輝博士 RMB'000 人民幣千元	Mr. Yu Zhiliang 余志良先生 RMB'000 人民幣千元	Mr. Wong King Yuen 黃競源先生 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
A. EXECUTIVE DIRECTORS:	A. 執行董事:			
Fee paid or payable in respect of a person's services as a director, whether of the Company and its subsidiaries		就作為本公司及其附屬公司董事所提供之服務之已付或應付袍金	-	-
Emoluments paid or payable in respect of a person's other services in connection with the management of the affairs of the Company and its subsidiaries		就有關人士管理有關本公司及其附屬公司事務所提供之其他服務之已付或應付薪酬		
Other emoluments:		其他薪酬:		
Salaries and allowances	34	薪金及津貼	973	1,041
Performance related incentive payments bonus (Note (i))	-	表現相關獎勵付款 花紅(附註(i))	785	785
Retirement benefits scheme contributions	-	退休福利計劃供款	2	2
Sub-total	34	小計	1,758	1,828

	Dr. Yan Chengda (note v) Yan Chengda 博士 (附註v) 黃均隆先生 RMB'000 人民幣千元	Mr. Xu Yongjun 許永軍先生 RMB'000 人民幣千元	Ms. Liu Ning 劉寧女士 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Mr. Huang Junlong 黃均隆先生 RMB'000 人民幣千元				

B. NON-EXECUTIVE DIRECTORS:	B. 非執行董事:					
Fees paid or payable in respect of a person's services as a director, whether of the Company and its subsidiaries	34	就作為本公司及其附屬公司董事所提供之服務之已付或應付袍金	21	34	34	123

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

- (a) The emoluments paid or payable to each of the eleven (2017: eleven) directors were as follows: (continued)

For year ended 31 December 2018 (continued)

Dr. Wong Wing Kuen, Albert 王永權博士 RMB'000 人民幣千元	Ms. Chen Yanping 陳燕萍女士 RMB'000 人民幣千元	Dr. Shi Xinping 史新平博士 RMB'000 人民幣千元	Mr. He Qi 何琦先生 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
114	114	114	114	456
Total emoluments				2,407

11. 董事及僱員之薪酬(續)

- (a) 已付或應付11名(二零一七年: 11名)董事之薪酬載列如下: (續)

截至二零一八年十二月三十一日止年度(續)

C. INDEPENDENT

NON-EXECUTIVE DIRECTORS:

Fees paid or payable in respect of a person's services as a director, whether of the Company and its subsidiaries

C. 獨立非執行董事:

就作為本公司及其附屬公司董事之服務之已付或應付袍金

114

114

114

114

456

Total emoluments

總薪酬

2,407

Notes:

- (i) The discretionary bonus was determined with reference to the individual performance.
- (ii) The Company does not have any chief executive for which the functions are carried out by all the executive directors.
- (iii) There was no arrangement under which a director waived or agreed to waive any remuneration for both years.
- (iv) No emoluments were paid by the Group to any of the directors as inducement to join or upon joining the Group or as compensation for loss of office.
- (v) Resigned on 13 August 2018.

附註:

- (i) 酌情花紅乃按個人表現釐定。
- (ii) 本公司概無任何行政總裁(其職能由全體執行董事履行)。
- (iii) 於兩個年度內, 概無董事據此放棄或同意放棄任何酬金之安排。
- (iv) 本集團概無向任何董事支付薪酬, 以作為其加入或於加入本集團時之獎勵或作為其離職補償。
- (v) 於二零一八年八月十三日辭任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(b) The five highest paid employees of the Group during the year included one director (2018: no director) whose emoluments are included in the disclosures in note 11(a) above. Details of the emoluments for the year of the remaining four (2018: five) highest paid employees are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries, allowances and other benefits	薪金、津貼及其他福利	3,028	6,073
Contributions to retirement benefits schemes	退休福利計劃供款	382	500
Discretionary and performance related incentive payments	酌情及表現相關獎勵付款	6,731	6,217
		10,141	12,790

No emoluments were paid by the Group to any of the five highest-paid employees as inducement to join or upon joining the Group or as compensation for loss of office.

Their emoluments were within the following bands:

(b) 本年度本集團五名最高薪酬人士中包括一名(二零一八年：零名)董事，其薪酬於上文附註11(a)披露。餘下四名(二零一八年：五名)最高薪酬人士之薪酬如下：

本集團概無向任何五名最高薪酬人士支付薪酬，以作為其加入或於加入本集團時之獎勵或作為其離職補償。

彼等薪酬介乎以下範圍：

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
HK\$2,000,000 to HK\$2,500,000 (2019: approximately RMB1,763,401 to RMB2,204,250; 2018: approximately RMB1,687,800 to RMB2,109,750)	港幣2,000,000元至港幣2,500,000元 (二零一九年：約人民幣1,763,401元至人民幣2,204,250元；二零一八年：約人民幣1,687,800元至人民幣2,109,750元)	2	-
HK\$2,500,001 to HK\$3,000,000 (2019: approximately RMB2,204,251 to RMB2,645,100; 2018: approximately RMB2,109,751 to RMB2,531,700)	港幣2,500,001元至港幣3,000,000元 (二零一九年：約人民幣2,204,251元至人民幣2,645,100元；二零一八年：約人民幣2,109,751元至人民幣2,531,700元)	1	3
HK\$3,000,001 to HK\$3,500,000 (2019: approximately RMB2,645,101 to RMB3,085,950; 2018: approximately RMB2,531,701 to RMB2,953,650)	港幣3,000,001元至港幣3,500,000元 (二零一九年：約人民幣2,645,101元至人民幣3,085,950元；二零一八年：約人民幣2,531,701元至人民幣2,953,650元)	-	1
HK\$4,000,001 to HK\$4,500,000 (2019: approximately RMB3,526,801 to RMB3,967,650; 2018: approximately RMB3,375,601 to RMB3,797,550)	港幣4,000,001元至港幣4,500,000元 (二零一九年：約人民幣3,526,801元至人民幣3,967,650元；二零一八年：約人民幣3,375,601元至人民幣3,797,550元)	1	1
		4	5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

12. DIVIDENDS

During the year ended 31 December 2019, a final dividend of Hong Kong dollars (“HK\$”) HK\$0.08 per ordinary share in respect of the year ended 31 December 2018 (2018: HK\$0.1 per ordinary share in respect of the year ended 31 December 2017) was declared and paid to the shareholders of the Company. The aggregate amount of final dividend paid from share premium of the Company during the year amounted to approximately RMB345,208,000 (2018: RMB401,004,000).

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2019 of HK\$0.14 (equivalent to approximately RMB0.13) per share has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in the forthcoming general meeting.

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

12. 股息

於截至二零一九年十二月三十一日止年度，本公司宣派截至二零一八年十二月三十一日止年度之末期股息每股普通股港幣（「港幣」）0.08元（二零一八年：截至二零一七年十二月三十一日止年度每股普通股港幣0.1元），並向本公司股東派付。末期股息總金額約人民幣345,208,000元（二零一八年：人民幣401,004,000元）乃於年內自本公司股份溢價派付。

於報告期間結算日後，本公司董事已建議派付有關截至二零一九年十二月三十一日止年度之末期股息每股港幣0.14元（相當於約人民幣0.13元），惟須待本公司股東於應屆股東大會批准後，方可作實。

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按下列數據計算：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of basic earnings per share, being profit for the year attributable to owners of the Company	計算每股基本盈利(即本公司擁有人應佔年內溢利)之盈利	1,794,470	1,216,132
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
– Fair value changes on convertible bonds	– 可換股債券之公平值變動	–	27,696
– Interest on convertible bonds (Note 8)	– 可換股債券利息(附註8)	–	67,326
Earnings for the purpose of diluted earnings per share	計算每股攤薄盈利之盈利	1,794,470	1,311,154

		2019 二零一九年	2018 二零一八年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股加權平均數	4,905,257,860	4,905,257,860
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Convertible bonds	可換股債券	N/A 不適用	393,696,134
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	N/A 不適用	5,298,953,994

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Owned properties 所擁有物業 RMB'000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本					
At 1 January 2018	於二零一八年一月一日	28,453	114,394	9,143	13,572	165,562
Additions	添置	-	99,486	941	3,112	103,539
Disposals	出售	-	-	(539)	(312)	(851)
Disposal of subsidiaries (Note 32)	出售附屬公司(附註32)	-	-	(561)	(238)	(799)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	28,453	213,880	8,984	16,134	267,451
Additions	添置	-	85,703	658	2,744	89,105
Disposals	出售	-	-	(1,322)	(591)	(1,913)
Deemed acquisition of a subsidiary (Note 34)	視作出售一間附屬公司 (附註34)	-	-	-	12	12
At 31 December 2019	於二零一九年十二月三十一日	28,453	299,583	8,320	18,299	354,655
ACCUMULATED DEPRECIATION	累計折舊					
At 1 January 2018	於二零一八年一月一日	6,239	7,765	5,927	8,743	28,674
Provided for the year	年內撥備	1,026	12,887	895	2,441	17,249
Eliminated on disposals	於出售時對銷	-	-	(478)	(292)	(770)
Disposal of subsidiaries (Note 32)	出售附屬公司(附註32)	-	-	(457)	(192)	(649)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	7,265	20,652	5,887	10,700	44,504
Provided for the year	年內撥備	1,026	17,440	1,220	2,248	21,934
Eliminated on disposals	於出售時對銷	-	-	(1,243)	(483)	(1,726)
At 31 December 2019	於二零一九年十二月三十一日	8,291	38,092	5,864	12,465	64,712
CARRYING VALUES	賬面值					
At 31 December 2019	於二零一九年十二月三十一日	20,162	261,491	2,456	5,834	289,943
At 31 December 2018	於二零一八年十二月三十一日	21,188	193,228	3,097	5,434	222,947

The Group's owned properties are erected on land located in the PRC.

本集團所擁有的物業建於中國土地上。

The above items of property, plant and equipment are depreciated using the straight-line basis, after taking into account of their estimated residual values, at the following rates per annum:

上述物業、廠房及設備項目經考慮其估計剩餘價值後按以下年率以直線法計算折舊：

Owned properties	5% or over the lease terms of the relevant land, if shorter	所擁有物業	5%或(倘較短)按相關土地租期
Leasehold improvements	5% or over the lease terms of the relevant properties, if shorter	租賃物業裝修	5%或(倘較短)按相關物業租期
Motor vehicles	15% - 20%	汽車	15% - 20%
Office equipment	15% - 20%	辦公室設備	15% - 20%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

15. RIGHT-OF-USE ASSETS

15. 使用權資產

		Land and buildings 土地及樓宇 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日			
Carrying amount	賬面值	45,293	953	46,246
As at 31 December 2019	於二零一九年十二月三十一日			
Carrying amount	賬面值	31,810	465	32,275
For the year ended 31 December 2019	截至二零一九年 十二月三十一日止年度			
Depreciation charge	折舊費用	16,607	488	17,095
Expense relating to short-term leases and other lease with lease terms end within 12 months of the date of initial application of HKFRS 16	有關短期租賃的支出及按租期於首次應用香港財務報告準則第16號日期12個月內屆滿的其他租賃			3,816
Total cash flow for leases	租賃現金流量總額			40,568
Additions to right-of-use assets	添置使用權資產			3,124

For both years, the Group leases various offices, and vehicles for its operations. Lease contracts are entered into for fixed term of 4 months to 14 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for motor vehicles and office equipment. As at 31 December 2019, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense included in administrative expenses.

In addition, lease liabilities of RMB277,334,000 are recognised with related right-of-use assets of RMB32,275,000 and investment properties of RMB195,180,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

於兩個年度，本集團租賃多個辦公室及汽車，用作其營運。就租賃合約而言，其按租期固定為四個月至14年。按租期按個別基準磋商，且涵蓋多項不同條款及條件。於釐定按租期及評估不可撤銷期的長短時，本集團會應用合約的定義及釐定合約可執行期。

本集團會定期訂立有關汽車及辦公室設備的短期租賃。截至二零一九年十二月三十一日，短期租賃的組合與計入於行政支出的短期租賃支出的短期租賃類近。

此外，於二零一九年十二月三十一日，已確認租賃負債人民幣277,334,000元及相關使用權資產人民幣32,275,000元及投資物業人民幣195,180,000元。除出租人持有的租賃資產中的擔保權益外，租賃協議並不施加任何契諾。租賃資產不可用作擔保借貸的用途。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

16. INVESTMENT PROPERTIES

The Group leases out various apartments and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of 1 to 12 years, with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

For the year ended 31 December 2019, the total cash outflow paid for leased properties under sub-leases is RMB17,154,000. For the year ended 31 December 2019, income from subleasing of right-of-use assets amounted to RMB43,330,000.

16. 投資物業

本集團根據經營租賃出租多個公寓及零售商舖，而租金須每月支付。租賃營運初期一般為一至12年，只有承租人可單方面擁有延長租賃初期的權利。大部分租賃合約具有市場回顧條款（倘承租人行使延長租賃權利）。

本集團並無因租賃安排而面臨外幣風險，原因為所有租賃均以集團實體的相關功能貨幣計值。租賃合約並不包括剩餘價值擔保及／或承租人於租期完結時購買物業的權利。

截至二零一九年十二月三十一日止年度，就分租項下的租賃物業已支付的現金流出總額為人民幣17,154,000元。截至二零一九年十二月三十一日止年度，來自使用權資產的分租收入為人民幣43,330,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

16. INVESTMENT PROPERTIES (continued)

16. 投資物業(續)

		Total
		總計
		RMB'000
		人民幣千元
COST	成本	
At 1 January 2018	於二零一八年一月一日	1,223,507
Additions through acquisition of assets (Note 35)	透過收購資產之添置(附註35)	488,370
Additions	添置	59,475
Transfer from properties for sale	轉自可供出售物業	825,338
Exchange realignment	匯兌調整	62,610
At 31 December 2018	於二零一八年十二月三十一日	2,659,300
Adjustment upon application of HKFRS 16	於應用香港財務報告準則第16號後的調整	212,502
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	2,871,802
Transfer from properties for sale	轉自可供出售物業	1,419,663
Exchange realignment	匯兌調整	23,098
At 31 December 2019	於二零一九年十二月三十一日	4,314,563
ACCUMULATED DEPRECIATION	累計折舊	
At 1 January 2018	於二零一八年一月一日	39,944
Provided for the year	年內撥備	47,381
Exchange realignment	匯兌調整	905
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	88,230
Provided for the year	年內撥備	160,187
Exchange realignment	匯兌調整	828
At 31 December 2019	於二零一九年十二月三十一日	249,245
CARRYING VALUES	賬面值	
At 31 December 2019	於二零一九年十二月三十一日	4,065,318
At 31 December 2018	於二零一八年十二月三十一日	2,571,070

The Group's investment properties are erected on land located in the PRC and Hong Kong.

本集團投資物業建於中國及香港土地上。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

16. INVESTMENT PROPERTIES (continued)

The fair values of investment properties as at 31 December 2019 and 2018 of RMB4,418,000,000 and RMB3,020,600,000, respectively, have been arrived at on the basis of valuations carried out on the respective dates by Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("Jones Lang"), an independent qualified professional valuer, not connected to the Group.

As at 31 December 2019, the fair values of investment properties of RMB1,728,000,000, RMB101,000,000, RMB1,308,000,000 and RMB1,281,000,000 (2018: RMB1,723,000,000, RMB27,600,000, Nil and RMB1,270,000,000) in Nanjing, Guangzhou, Chongqing, the PRC and Hong Kong respectively, are determined based on the income approach, by taking into account the net rental income of a property derived from its existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases which have then been capitalised to determine the fair value at an appropriate capitalisation rate.

During the year ended 31 December 2019 and 2018, the Group had changed the use of certain properties, of which had commenced the operating lease to outsiders during the year. Accordingly, it results in a transfer from properties for sale to investment properties.

The fair value hierarchy as at 31 December 2019 and 2018 of the investment properties of the Group are at Level 3. There were no transfers between fair value hierarchies during both years. There has been no change to the valuation technique on the investment properties in Guangzhou, Nanjing and Hong Kong, used in the prior years. In estimating the fair value of the properties, the highest and best use of the properties is their current use. The fair values of certain investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

The fair values of the investment properties were determined by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent qualified professional valuer not connected to the Group, by reference to investment approach of valuation by considering the capitalised income derived from the existing tenancies and the reversionary potential of the properties, or where appropriate, by reference to the direct comparison approach assuming sale with the benefit of immediate vacant possession and by making reference to comparable sales evidence as available on the market.

16. 投資物業(續)

投資物業之公平值於二零一九年及二零一八年十二月三十一日分別為人民幣4,418,000,000元及人民幣3,020,600,000元，乃按與本集團並無關連之獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)於相關日期所作估值達致。

於二零一九年十二月三十一日，中國南京、廣州、重慶及香港投資物業公平值分別為人民幣1,728,000,000元、人民幣101,000,000元、人民幣1,308,000,000元及人民幣1,281,000,000元(二零一八年：人民幣1,723,000,000元、人民幣27,600,000元、零及人民幣1,270,000,000元)，乃按收入法釐定，計及一項物業來自其現有租賃及／或於現有市場上可收取之租金收入淨值，並就該等租賃之復歸收入潛力作適當撥備，且當時已按適當資本化比率予以資本化以釐定公平值。

截至二零一九年及二零一八年十二月三十一日止年度，本集團已更改若干物業的用途，當中於年內與外來人士訂立經營租約。因此，其導致可供出售物業轉為投資物業。

本集團投資物業之公平值級別於二零一九年及二零一八年十二月三十一日為第三級。於兩個年度內，公平值級別之間概無轉換。過往年度廣州、南京及香港投資物業所用之估值技術並無變動。估計該等物業之公平值時，該等物業目前之用途為其最高及最佳用途。若干投資物業的公平值已獲調整，以撇除預付或應計經營租賃收入，從而避免重複計算。

投資物業之公平值由與本集團並無關連之獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司經參考投資估值法，考慮資本化現有租約所得收入及物業調升潛力或(如適用)按直接比較法在可即時交吉情況下求售並參考市場上提供的可資比較出售憑證而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

16. INVESTMENT PROPERTIES (continued)

The above investment properties are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and building	Over the shorter of lease terms or 25 years
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16. 投資物業(續)

上述投資物業按以下年率以直線法計算折舊：

租賃土地樓宇	按租期或25年兩者之較短者
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17. GOODWILL

17. 商譽

		RMB'000 人民幣千元
COST AND CARRYING VALUE	成本及賬面值	
At 1 January 2018, 31 December 2018 and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年十二月三十一日	160,210

Goodwill was arising from the restructuring during the year ended 31 December 2013. Goodwill has been allocated to the group of cash generating units ("CGUs") comprising the Properties Segment, that is expected to benefit from the synergies of the acquisition in prior years.

商譽源自於截至二零一三年十二月三十一日止年度之重組。商譽已分配至預期受惠於過往年度收購之協同效應之組成物業分部之現金產生單位(「現金產生單位」)組別。

The directors of the Company have performed the assessment on impairment and determined that the recoverable amount of CGUs was higher than the carrying amount of goodwill based on the profitability of the CGUs.

本公司董事已就減值進行評估並按現金產生單位之盈利能力釐定現金產生單位可收回金額較商譽賬面值為高。

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Costs of investments in associates	投資聯營公司之成本	1,685,046	328,681
Share of post-acquisition results, net of dividend received	分佔收購後業績，扣除已收股息	547,583	382,866
		2,232,629	711,547

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued)

Details of the principal associates as at 31 December 2019 and 2018 are as follows:

Name of company 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Registered share capital 註冊股本	Proportion of effective ownership interests indirectly held by the Group 本集團間接持有之擁有權益比例		Proportion of voting power held 所持投票權比例		Principal activity 主要業務
			2019	2018	2019	2018	
			二零一九年 %	二零一八年 %	二零一九年 %	二零一八年 %	
Guangzhou Liansen Real Estate Company Limited* ("Guangzhou Liansen") 廣州聯森房地產有限公司(「廣州聯森」)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	34	34	34	34	Property development 物業發展
Guangzhou Lianzhou Real Estate Company Limited* ("Guangzhou Lianzhou") 廣州聯洲房地產有限公司(「廣州聯洲」)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	34	34	34	34	Property development 物業發展
Nanjing Shizhaoquansheng Property Company Limited* ("Nanjing Shizhao") 南京世招荃晟置業有限公司(「南京世招」)	The PRC 中國	RMB250,000,000 人民幣250,000,000元	25	25	49	49	Property development 物業發展
Gezhouba Nanjing Property Company Limited* 葛洲壩南京置業有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	15	15	30	30	Property development 物業發展
Nanjing Merchants Ningsheng Property Development Limited* ("Nanjing Ningsheng") 南京招商寧盛房地產有限公司(「南京寧盛」)	The PRC 中國	RMB60,000,000 人民幣60,000,000元	16	16	31	31	Property development 物業發展
Nanjing Merchants Xingsheng Property Development Co., Ltd.* ("Nanjing Xingsheng") 南京招商興盛房地產有限公司(「南京興盛」)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	16	16	31	31	Property development 物業發展

18. 於聯營公司之權益(續)

於二零一九年及二零一八年十二月三十一日之主要聯營公司詳情載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued)

18. 於聯營公司之權益(續)

Name of company 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Registered share capital 註冊股本	Proportion of effective ownership interests indirectly held by the Group 本集團間接持有之擁有權益比例		Proportion of voting power held 所持投票權比例		Principal activity 主要業務
			2019 二零一九年 %	2018 二零一八年 %	2019 二零一九年 %	2018 二零一八年 %	
Xian Wocheng Property Development Co., Ltd.* 西安沃呈房地產開發有限公司	The PRC 中國	RMB10,860,000 人民幣10,860,000元	33	33	33	33	Property development 物業發展
Plenty Thrive Investment Limited 裕昌投資有限公司	British Virgin Island 英屬處女群島	US\$86,900,000 86,900,000美元	25	-	25	-	Investment holding and property development 投資控股及物業發展
Joy Origin Holdings Limited ("Joy Origin") 悅景集團有限公司(「悅景」)	Hong Kong 香港	HK\$10 港幣10元	30	-	30	-	Investment holding and property development 投資控股及物業發展
Nanjing Shansheng Property Development Limited* 南京善盛房地產開發有限公司	The PRC 中國	RMB9,000,000,000 人民幣9,000,000,000元	20	-	20	-	Property development 物業發展
Xixian New District Wenmao Properties Development Limited* ("Xixian Wenmao") (Note 32) (Note) 西咸新區文茂房地產有限公司(「西咸文茂」) (附註32)(附註)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	50	100	50	100	Property development 物業發展

* Unofficial English translation denotes for identification purpose only.

* 非官方英文翻譯，僅供參考。

Note: The Group is able to appoint one out of three directors in the board of Xixian Wenmao and relevant activities of Xixian Wenmao require consent with more than half of the directors in the board of Xixian Wenmao, thus the Group is able to exercise significant influence in Xixian Wenmao. Accordingly, it is accounted for an associate of the Group

附註：本集團能委任西咸文茂董事會三名董事中其中一名，而西咸文茂的相關活動須獲得西咸文茂董事會超過半數董事的同意，故本集團能夠對西咸文茂實施重大影響。因此，其入賬為本集團聯營公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued)

The associates are accounted for using the equity method in these consolidated financial statements. In the opinion of the directors of the Company, Guangzhou Liansen, Guangzhou Lianzhou, Nanjing Shizhao and Joy Origin are material associates of the Group for the years ended 31 December 2019 and 2018. Summarised financial information of the Group's material associates are set out below, which represented amounts shown in the respective associates' financial statements prepared in accordance with the accounting policy of the Group.

Guangzhou Liansen

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	1,123,971	2,290,057
Non-current assets	非流動資產	198	51,141
Current liabilities	流動負債	557,711	1,675,607
Revenue	收益	1,172,161	2,365,587
Profit and other comprehensive income for the year	年內溢利及其他全面收入	300,867	585,723
Dividend received from the associate during the year	年內自聯營公司收取之股息	136,000	—

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Guangzhou Liansen was set out below:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Guangzhou Liansen	廣州聯森之資產淨值	566,458	665,591
Proportion of the Group's ownership interest in Guangzhou Liansen	本集團所持廣州聯森擁有權益比例	34%	34%
Carrying amount of the Group's interest in Guangzhou Liansen	本集團所持廣州聯森權益之賬面值	192,596	226,301

18. 於聯營公司之權益(續)

該等聯營公司於此等綜合財務報表使用權益法入賬。本公司董事認為，於截至二零一九年及二零一八年十二月三十一日止年度，廣州聯森、廣州聯洲、南京世招及悅景均為本集團之重大聯營公司。本集團重大聯營公司之財務資料概要載列如下(為根據本集團會計政策編製之各聯營公司財務報表內之金額)。

廣州聯森

上文所示財務資料概要與於廣州聯森權益之賬面值對賬載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued) Guangzhou Lianzhou

18. 於聯營公司之權益(續) 廣州聯洲

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	1,628,518	2,565,940
Non-current assets	非流動資產	99,602	22,350
Current liabilities	流動負債	750,387	2,455,340
Revenue	收益	3,246,199	–
Profit (loss) and other comprehensive income (expense) for the year	年內溢利(虧損)及其他全面收入(開支)	844,783	(3,287)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Guaugzhou Lianzhou was set out below:

上文所示財務資料概要與於廣州聯洲權益之賬面值對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Guaugzhou Lianzhou	廣州聯洲之資產淨值	977,733	132,950
Proportion of the Group's ownership interest in Guaugzhou Lianzhou	本集團所持廣州聯洲擁有權益比例	34%	34%
Carrying amount of the Group's interest in Guaugzhou Lianzhou	本集團所持廣州聯洲權益之賬面值	332,429	45,203

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued)

Nanjing Shizhao

18. 於聯營公司之權益(續)

南京世招

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	317,882	645,074
Non-current assets	非流動資產	1,982	19,552
Current liabilities	流動負債	27,894	104,009
Revenue	收益	7,204	14,439
Profit and other comprehensive income for the year	年內溢利及其他全面收入	1,353	3,707
Dividend received from associate during the year	年內自聯營公司收取之股息	132,300	-

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Nanjing Shizhao was set out below:

上文呈列的財務資料概要與南京世招的權益之賬面值之對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Nanjing Shizhao	南京世招之資產淨值	291,970	560,617
Proportion of the Group's ownership interest in Nanjing Shizhao	本集團所持南京世招擁有權益比例	49%	49%
Carrying amount of the Group's interest in Nanjing Shizhao	本集團所持有南京世招權益之賬面值	143,065	274,702

Joy Origin

悦景

		2019 二零一九年 RMB'000 人民幣千元
Current assets	流動資產	12,981,984
Current liabilities	流動負債	3,261,435
Non-current liabilities	非流動負債	6,310,296
Revenue	收益	-
Loss and other comprehensive expense for the year	年內虧損及其他全面支出	(59)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

18. INTERESTS IN ASSOCIATES (continued)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Joy Origin was set out below:

		2019 二零一九年 RMB'000 人民幣千元
Net assets of Joy Origin	悦景之資產淨值	3,410,253
Proportion of the Group's ownership interest in Joy Origin	本集團所持悦景擁有權權益比例	30%
Carrying amount of the Group's interest in Joy Origin	本集團所持悦景權益之賬面值	1,023,076

The financial information and carrying amount, in aggregate, of the Group's interests in associates, that are not individually material and are accounted for using the equity method are set out below:

18. 於聯營公司之權益(續)

上文所示財務資料概要與於悦景權益之賬面值對賬載列如下：

個別而言並不重大及按權益法入賬之本集團於聯營公司權益之匯總財務資料及賬面值總額載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
The Group's shares of profits and total comprehensive income	本集團分佔溢利及全面收入總額	42,851	126,158
Aggregate carrying amount of the Group's interests in immaterial associates	本集團於非重大聯營公司權益之賬面值總額	541,463	165,341

19. INTERESTS IN JOINT VENTURES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Costs of investments in joint ventures	投資合營企業之成本	3,343,759	3,400,681
Share of post-acquisition results, net of dividend received	應佔收購後業績，扣除已收股息	184,734	360,899
		3,528,493	3,761,580

19. 於合營企業之權益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

Details of the principal joint ventures as at 31 December 2019 and 2018 are as follows:

19. 於合營企業之權益(續)

於二零一九年及二零一八年十二月三十一日之主要合營企業詳情如下：

Name of company 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Registered share capital 註冊股本	Proportion of ownership interests indirectly held by the Group 本集團間接持有之擁有權益比例		Proportion of voting power held 所持投票權比例		Principal activity 主要業務
			2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
			%	%	%	%	
Nanjing Aojian Property Company Limited* (Note i) 南京奧建置業有限公司(附註i)	The PRC 中國	RMB2,000,000,000 人民幣2,000,000,000元	3	3	6	6	Property development 物業發展
Nanjing Zhaoyang Property Development Company Limited* ("Nanjing Zhaoyang") 南京招陽房地產開發有限公司(「南京招陽」)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	24	24	46	46	Property development 物業發展
Nanjing Huilong Real Estate Company Limited* ("Nanjing Huilong") (Note i) 南京匯隆房地產有限公司(「南京匯隆」)(附註i)	The PRC 中國	RMB1,500,000,000 人民幣1,500,000,000元	17	17	33	33	Property development 物業發展
Foshan Dingtu Property Development Co., Ltd.* ("Foshan Dingtu") (Note i) 佛山鼎圖房地產有限公司(「佛山鼎圖」)(附註i)	The PRC 中國	RMB1,100,000,000 人民幣1,100,000,000元	50	50	50	50	Property development 物業發展
Guangzhou Xinhe Property Development Company Limited.* (Note i) 廣州新合房地產有限公司(附註i)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	34	34	34	34	Property development 物業發展
Nanjing Hongweisheng Property Development Co., Ltd.* ("Nanjing Hongweisheng") (Note i) 南京弘威盛房地產開發有限公司(「南京弘威盛」)(附註i)	The PRC 中國	RMB765,000,000 人民幣765,000,000元	17	17	34	34	Property development 物業發展
Nanjing Shengxiang Yuan Property Development Limited* ("Nanjing Shengxiang Yuan") (Note i) 南京盛香園房地產開發有限公司(「南京盛香園」)(附註i)	The PRC 中國	RMB3,000,000,000 人民幣3,000,000,000元	17	17	34	34	Property development 物業發展
Chongqing Hanzhi Merchants Property Development Co., Ltd.* ("Chongqing Hanzhi") (Note i) 重慶瀚置招商房地產開發有限公司(「重慶瀚置」)(附註i)	The PRC 中國	RMB440,000,000 人民幣440,000,000元	50	50	50	50	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

19. 於合營企業之權益(續)

Name of company 公司名稱	Place of incorporation/ operation 註冊成立/ 營業地點	Registered share capital 註冊股本	Proportion of ownership interests indirectly held by the Group 本集團間接持有之擁有權 權益比例		Proportion of voting power held 所持投票權比例		Principal activity 主要業務
			2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
			%	%	%	%	
Nanjing Huihe Zhiye Co., Ltd.* (Note i) 南京薈合置業有限公司(附註i)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	7	7	14	14	Property development 物業發展
Nanjing Tiesheng Business Management Co., Ltd.* (Note i) 南京鐵盛商業管理有限公司(附註i)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	28	28	55	55	Property development 物業發展
Nanjing Ximao Zhiye Co., Ltd.* (Note i) 南京溪茂置業有限公司(附註i)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	7	7	13	13	Property development 物業發展
Nanjing Zhaohui Place Management Co., Ltd.* (Note i) 南京招匯公寓管理有限公司(附註i)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	26	26	51	51	Property development 物業發展
Nanjing Dingjiazhuang Trading Co., Ltd* (Nanjing DJZ Trading) (Notes i and ii) 南京丁家莊商貿有限公司 (「南京丁家莊商貿」)(附註i及ii)	The PRC 中國	RMB981,400,000 人民幣981,400,000元	31	31	60	60	Property development 物業發展
Guangzhou Runjia Real Estate Co., Ltd.* (Note i) 廣州潤嘉置業有限公司(附註i)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	50	-	50	-	Property development 物業發展
Guangzhou City Suiyun Property Limited* (Note i) 廣州市穗雲置業有限公司(附註i)	The PRC 中國	RMB40,000,000 人民幣40,000,000元	25	-	25	-	Property development 物業發展
Foshan Baohua China Merchants Real Estate Company Limited* (Note i) 佛山保華招商房地產有限公司(附註i)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	51	-	51	-	Property development 物業發展
Nanjing Yuening Property Development Limited* (Note i) 南京悅寧房地產開發有限公司(附註i)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	33	-	33	-	Property development 物業發展

* Unofficial English translation denotes for identification purpose only.

* 非官方英文翻譯，僅供參考。

Note i: The decision making process about the relevant activities of these companies requires unanimous consent from the Group and other parties pursuant to the signed agreements and accordingly, these entities are accounted for as joint ventures of the Group.

附註i：根據已簽訂的協議，該等公司的相關活動之決策程序需要本集團及其他訂約方的一致同意，故該等實體乃作為本集團的合營企業入賬。

Note ii: On 1 July 2019, Nanjing DJZ Trading has become the subsidiary of the Group (Note 34).

附註ii：於二零一九年七月一日，南京丁家莊商貿成為本集團之附屬公司(附註34)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

The joint ventures are accounted for using the equity method in these consolidated financial statements. In the opinion of the directors of the Company, Foshan Dingtu, Nanjing Hongweisheng, Nanjing Zhaoyang, Nanjing Shengxiang Yuan and Nanjing Huilong are the material joint ventures of the Group for the years ended 31 December 2019 and 2018. Summarised financial information of the Group's material joint ventures are set out below, which represented amounts shown in the respective joint ventures' financial statements prepared in accordance with the accounting policy of the Group.

Foshan Dingtu

Current assets	流動資產	2,618,552	2,086,196
Non-current assets	非流動資產	3,651	44
Current liabilities	流動負債	1,501,480	718,043
Non-current liabilities	非流動負債	60,000	280,000
Revenue	收益	115,513	–
Loss and other comprehensive expense for the year	年內虧損及其他全面支出	(27,474)	(8,024)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Foshan Dingtu was set out below:

Net assets of Foshan Dingtu	佛山鼎圖之資產淨值	1,060,723	1,088,197
Proportion of the Group's ownership interest in Foshan Dingtu	本集團所持佛山鼎圖擁有權權益比例	50%	50%
Carrying amount of the Group's interest in Foshan Dingtu	本集團所持佛山鼎圖權益之賬面值	530,361	544,098

19. 於合營企業之權益(續)

合營企業採用權益法於該等綜合財務報表入賬。本公司董事認為，於截至二零一九年及二零一八年十二月三十一日止年度，佛山鼎圖、南京弘威盛、南京招陽、南京盛香園及南京匯隆為本集團重大合營企業。本集團重大合營企業之財務資料概述載列如下，其呈列按照本集團會計政策編製之財務報表所呈列各合營企業之金額。

佛山鼎圖

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	2,618,552	2,086,196
Non-current assets	3,651	44
Current liabilities	1,501,480	718,043
Non-current liabilities	60,000	280,000
Revenue	115,513	–
Loss and other comprehensive expense for the year	(27,474)	(8,024)

上文所示財務資料概要與於佛山鼎圖權益之賬面值對賬載列如下：

Net assets of Foshan Dingtu	佛山鼎圖之資產淨值	1,060,723	1,088,197
Proportion of the Group's ownership interest in Foshan Dingtu	本集團所持佛山鼎圖擁有權權益比例	50%	50%
Carrying amount of the Group's interest in Foshan Dingtu	本集團所持佛山鼎圖權益之賬面值	530,361	544,098

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued) Nanjing Hongweisheng

19. 於合營企業之權益(續) 南京弘威盛

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	1,626,836	3,117,960
Non-current assets	非流動資產	1,791	8,027
Current liabilities	流動負債	444,534	2,391,328
Revenue	收益	2,227,407	-
Profit (loss) and other comprehensive income (expense) for the year	年內溢利(虧損)及其他全面收入(支出)	449,434	(20,100)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Nanjing Hongweisheng was set out below:

上文呈列之財務資料概要與於南京弘威盛權益之賬面值對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Nanjing Hongweisheng	南京弘威盛之資產淨值	1,184,093	734,659
Proportion of the Group's ownership interest in Nanjing Hongweisheng	本集團所持南京弘威盛擁有權權益比例	34%	34%
Carrying amount of the Group's interest in Nanjing Hongweisheng	本集團所持南京弘威盛權益之賬面值	402,592	249,784

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

Nanjing Zhaoyang

19. 於合營企業之權益(續)

南京招陽

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	220,887	610,184
Non-current asset	非流動資產	4	8
Current liabilities	流動負債	147,739	245,877
Revenue	收益	30,946	1,715,430
Profit and other comprehensive income for the year	年內溢利及其他全面收入	8,837	389,702
Dividend received from the joint venture during the year	年內自合營企業收取之股息	300,000	-

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Nanjing Zhaoyang was set out below:

上文所示財務資料概要與於南京招陽權益之賬面值對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Nanjing Zhaoyang	南京招陽之資產淨值	73,152	364,315
Proportion of the Group's ownership interest in Nanjing Zhaoyang (Note)	本集團所持南京招陽擁有權權益比例(附註)	100%	100%
Carrying amount of the Group's interest in Nanjing Zhaoyang	本集團所持南京招陽權益之賬面值	73,152	364,315

Note: Nanjing Zhaoyang owned two pieces of lands and pursuant to the respective cooperation agreement, the Group and its joint venture partner are responsible for the development on each piece of land on its own and the account records for these two lands are to be maintained separately. The directors of the Company have accounted for Nanjing Zhaoyang as its joint venture as they considered that Nanjing Zhaoyang is one single entity in its legal form. The financial information presented above only represented the piece of land owned by the Group and hence the Group's share of result on Nanjing Zhaoyang is calculated at 100%.

附註：南京招陽擁有兩塊地塊，根據相關合作協議，本集團及其合營企業夥伴負責各自開發各地塊，而該兩塊地塊的會計記錄將分開存置。本公司董事已將南京招陽入賬為其合營企業，乃由於南京招陽的法定形式為單一實體。上文呈列的財務資料僅指本集團擁有的地塊，故本集團分佔南京招陽的溢利以100%計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued) Nanjing Shengxiang Yuan

19. 於合營企業之權益(續) 南京盛香園

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	11,208,194	10,806,995
Non-current assets	非流動資產	15,968	5,682
Current liabilities	流動負債	7,840,962	7,826,609
Non-current liabilities	非流動負債	428,012	–
Revenue	收益	–	–
Profit and other comprehensive income for the year	年內溢利及其他全面收入	(30,880)	(14,694)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Nanjing Shengxiang Yuan was set out below:

上文呈列之財務資料概要與於南京盛香園之賬面值對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Nanjing Shengxiang Yuan	南京盛香園之資產淨值	2,955,188	2,986,068
Proportion of the Group's ownership interest in Nanjing Shengxiang Yuan	本集團所持南京盛香園擁有權權益比例	34%	34%
Carrying amount of the Group's interest in Nanjing Shengxiang Yuan	本集團所持南京盛香園權益之賬面值	1,004,764	1,015,263

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

Nanjing Huilong

19. 於合營企業之權益(續)

南京匯隆

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current assets	流動資產	3,174,721	4,213,658
Non-current assets	非流動資產	7,400	837
Current liabilities	流動負債	1,671,424	2,057,616
Non-current liabilities	非流動負債	–	660,000
Revenue	收益	2,114,922	–
Profit (loss) and other comprehensive income (expense) for the year	年內溢利(虧損)及其他全面收入(支出)	13,818	(756)

Reconciliation of the summarised financial information presented above to the carrying amount of the interest in Nanjing Huilong was set out below:

上文呈列之財務資料概要與於南京匯隆權益之賬面值對賬載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net assets of Nanjing Huilong	南京匯隆之資產淨值	1,510,697	1,496,879
Proportion of the Group's ownership interest in Nanjing Huilong	本集團所持南京匯隆擁有權權益比例	33%	33%
Carrying amount of the Group's interest in Nanjing Huilong	本集團所持南京匯隆權益之賬面值	498,530	493,970

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

19. INTERESTS IN JOINT VENTURES (continued)

The aggregate information of the Group's interests in joint ventures that are not individually material that are accounted for using the equity method are set out below:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
The Group's shares of (losses) profits and total comprehensive (expenses) income	本集團分佔(虧損)溢利及全面(支出)收入總額	(101,546)	12,898
Aggregate carrying amount of the Group's interests in immaterial joint ventures	本集團於非重大合營企業權益之賬面值總額	1,019,094	1,094,150

20. FINANCIAL ASSET AT FVTPL

The amounts represented the Group's investment in 15% equity interest in the registered capital of an unlisted company incorporated in the PRC, which is engaged in property development. On 30 October 2019, the Group and the other equity holders of the unlisted company had passed a resolution to capitalise the advances to the unlisted company as its registered capital. Accordingly, the investment in the unlisted company has increased by RMB84,750,000 (2018: nil).

During the year ended 31 December 2019, a fair value gain of RMB3,031,000 (2018: loss of RMB2,039,000) has been recognised.

21. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

19. 於合營企業之權益(續)

本集團於合營企業個別並不重大並使用權益法入賬的權益之匯總資料載列如下：

20. 按公平值計入損益的金融資產

有關金額指本集團於一間在中國註冊成立的非上市公司註冊資本中15%權益的投資，該公司從事物業發展。於二零一九年十月三十日，本集團及非上市公司的其他權益持有人通過決議案，將應付非上市公司墊款資本化為其註冊資本。因此，於非上市公司之投資已增加人民幣84,750,000元(二零一八年：零)。

截至二零一九年十二月三十一日止年度，已確認人民幣3,031,000元的公平值收益(二零一八年：人民幣2,039,000元的虧損)。

21. 遞延稅項

以下為遞延稅項結餘之分析以作財務申報之用：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	1,022,890	741,121
Deferred tax liabilities	遞延稅項負債	(375,646)	(180,104)
		647,244	561,017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

21. DEFERRED TAXATION (continued)

The followings are the deferred tax assets (liabilities) recognised and movements thereon during the year:

21. 遞延稅項(續)

以下為於年內確認之主要遞延稅項資產(負債)及有關變動:

		Temporary differences on LAT provision	Tax losses	Fair value adjustment on property under development	Dividend withholding tax	Others – temporary differences on deposits received in respect of pre-sale of properties	Temporary differences related to right-of-use assets and lease liabilities	Total
		土地增值稅撥備之暫時差額	稅項虧損	發展中物業之公平值調整	股息預扣稅	其他-已收預售物業按金之暫時性差異	資產及租賃負債有關之暫時差額	總計
		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
At 1 January 2018	於二零一八年一月一日	539,414	56,154	-	(254,294)	75,263	-	416,537
(Charge) credit to profit or loss (Note 9)	於損益(扣除)計入(附註9)	(29,403)	39,263	-	74,190	60,430	-	144,480
At 31 December 2018	於二零一八年十二月三十一日	510,011	95,417	-	(180,104)	135,693	-	561,017
Adjustment (note 2)	調整(附註2)	-	-	-	-	-	9,573	9,573
At 1 January 2019 (restated)	於二零一九年一月一日(經重列)	510,011	95,417	-	(180,104)	135,693	9,573	570,590
Deemed acquisition of a subsidiary (Note 34)	視作出售一間附屬公司(附註34)	-	64	(115,360)	-	-	-	(115,296)
(Charge) credit to profit or loss (Note 9)	於損益(扣除)計入(附註9)	227,005	(16,457)	-	(80,182)	58,685	2,899	191,950
At 31 December 2019	於二零一九年十二月三十一日	737,016	79,024	(115,360)	(260,286)	194,378	12,472	647,244

At 31 December 2019, the Group had unused tax losses of approximately RMB486,132,000 (2018: RMB424,092,000), available to offset against future profits. Deferred tax assets have been recognised in respect of such losses of RMB316,093,000 (2018: RMB381,665,000) at 31 December 2019. No deferred tax asset has been recognised in respect of the remaining RMB170,039,000 (2018: RMB42,427,000) as at 31 December 2019 due to the unpredictability of future profits streams. Included in the unrecognised tax losses as at 31 December 2019, no tax loss (2018: RMB2,271,000) will be expired in five years from the dates they were incurred.

As at 31 December 2019, the Group had unrecognised deductible temporary differences of RMB788,257,000 (2018: RMB614,046,000) attributable to the capitalised interest expenses arising from the intra-group borrowings and RMB674,419,000 (2018: RMB419,650,000) attributable to the impairment losses on properties for sale. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

於二零一九年十二月三十一日，本集團擁有未動用稅項虧損約人民幣486,132,000元(二零一八年：人民幣424,092,000元)，可供抵銷日後溢利。有關虧損人民幣316,093,000元(二零一八年：人民幣381,665,000元)，已於二零一九年十二月三十一日確認為遞延稅項資產。由於不可預測未來溢利來源，因此於二零一九年十二月三十一日並無就餘下人民幣170,039,000元(二零一八年：人民幣42,427,000元)確認遞延稅項資產。於二零一九年十二月三十一日的未確認稅項虧損中，(二零一八年：人民幣2,271,000元)，概無稅項虧損將於產生日期起計五年後屆滿。

於二零一九年十二月三十一日，本集團有未確認可予扣減暫時差額人民幣788,257,000元(二零一八年：人民幣614,046,000元)，此乃歸因於集團公司間借貸產生之資本化利息開支，而人民幣674,419,000元(二零一八年：人民幣419,650,000元)則歸因於可供出售物業之減值虧損。由於不可預測未來溢利來源，故並無確認遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

22. PROPERTIES FOR SALE

22. 可供出售物業

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Completed properties for sale	已竣工可供出售物業	7,227,926	6,947,704
Properties under development for sale	可供出售發展中物業	39,830,006	34,215,775
		47,057,932	41,163,479

		2019 二零一九年 RMB'000 人民幣千元
Analysis of leasehold lands:	租賃土地之分析：	
As at 1 January 2019	於二零一九年一月一日	
Carrying amount	賬面值	29,182,958
As at 31 December 2019	於二零一九年十二月三十一日	
Carrying amount	賬面值	34,822,563
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度	
Total cash outflow	現金流出總額	11,370,056
Additions	添置	11,370,056

Effective from 1 January 2019, the carrying amount of leasehold lands is measured under HKFRS 16 at cost less any accumulated depreciation and any impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2019.

租賃土地的賬面值根據香港財務報告準則第16號按成本減任何累計折舊及任何減值虧損計量，自二零一九年一月一日起生效。剩餘價值按租賃土地部分的估計出售價值釐定。經計及於二零一九年十二月三十一日的估計剩餘價值後，概無就租賃土地作出折舊費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

22. PROPERTIES FOR SALE (continued)

Included in the properties under development for sale as at 31 December 2019 is carrying value of approximately RMB23,011,465,000 (2018: RMB23,858,605,000), which represents the carrying value of the properties expected to be completed and available for sale after twelve months from the end of the reporting period.

As at 31 December 2019, land with carrying values of approximately RMB6,348,122,000 (2018: RMB4,549,627,000) have been pledged to secure bank borrowings amounting to RMB1,501,276,000 (2018: RMB1,216,586,000) granted to the Group (see note 29).

As at 31 December 2019, the directors of the Company conducted a review of the Group's properties under development and for sale. Due to a decrease in the expected selling price as referenced to the actual selling price during pre-sale of the relevant properties or the recent prices of similar properties during the year, the directors of the Company determined that the net realisable values of certain of the Group's properties under development for sale, located in Foshan, the PRC, are lower than their carrying amounts by RMB358,710,000 (2018: RMB419,650,000), in aggregate. The properties under development impaired in prior year was sold during current year, the respective impairment of RMB103,941,000 (2018: Nil) was written off. As at 31 December 2019, the carrying amount of properties for sale amounted to approximately RMB47,057,932,000, net of write down of RMB674,419,000 (2018: carrying amount of approximately RMB41,163,479,000, net of write-down of RMB419,650,000) in the PRC.

22. 可供出售物業(續)

於二零一九年十二月三十一日可供出售發展中物業中，賬面值約人民幣23,011,465,000元(二零一八年：人民幣23,858,605,000元)之物業，指預期自報告期間結算日起計十二個月後竣工及可供出售物業之賬面值。

於二零一九年十二月三十一日，本集團已抵押賬面值約為人民幣6,348,122,000元(二零一八年：人民幣4,549,627,000元)之土地，以就授予本集團之銀行借貸人民幣1,501,276,000元(二零一八年：人民幣1,216,586,000元)作出擔保(見附註29)。

於二零一九年十二月三十一日，本公司董事就本集團的發展中及可供出售物業進行審閱。由於參考年內預售相關物業的實際售價或類似物業的近期售價而估計售價下降，本公司董事釐定本集團位於中國佛山的若干發展中可供出售物業之可變現淨值合共較其賬面值低人民幣358,710,000元(二零一八年：人民幣419,650,000元)。去年出現減值的發展中物業已於本年度出售，有關減值撇減人民幣103,941,000元(二零一八年：零)。於二零一九年十二月三十一日，中國的可供出售物業的賬面值約人民幣47,057,932,000元(扣除人民幣674,419,000元的撇減)(二零一八年：賬面值約人民幣41,163,479,000元，扣除人民幣419,650,000元的撇減)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. TRADE AND OTHER RECEIVABLES

23. 業務及其他應收款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables (Note i)	業務應收款項(附註i)	19,814	2,386
Other receivables	其他應收款項		
Other prepaid non-income tax	其他預付非所得稅	1,457,146	683,375
Other receivables and prepayments	其他應收款項及預付款項	350,905	226,651
Amounts due from intermediate holding companies (Note ii)	應收間接控股公司款項(附註ii)	1,131	376
Amounts due from non-controlling interests (Note ii)	應收非控股權益款項(附註ii)	7,748,152	5,384,063
Amounts due from fellow subsidiaries (Note ii)	應收同系附屬公司款項(附註ii)	48,101	17,990
Amounts due from associates (Note iii)	應收聯營公司款項(附註iii)	1,414,999	777,922
Amounts due from joint ventures (Note iv)	應收合營企業款項(附註iv)	9,325,568	6,856,282
Amount due from an investee	應收投資對象款項	26,932	84,750
		20,372,934	14,031,409
Less: Amounts expected to be received after one year:	減：預計將於一年後收取的款項：		
Amounts due from joint ventures (Note iv)	應收合營企業款項(附註iv)	2,512,813	4,904,194
Amount due from an associate (Note iii)	應收一間聯營公司款項(附註iii)	687,949	704,107
		3,200,762	5,608,301
		17,172,172	8,423,108
		17,191,986	8,425,494

Notes:

- (i) Trade receivables mainly arise from properties operation income and rental income from the Properties Segment.

The Group's credit terms with its trade customers are generally within 30 days. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements, normally within 60 days from the date of agreement.

附註：

- (i) 業務應收款項主要產生自物業分部的物業營運收入及租金收入。

本集團與其貿易客戶之信貸期一般為30日內。本集團力求嚴格控制其未收回之應收款項，以減低信貸風險。高級管理人員定期審閱逾期結餘。

已售物業之代價根據相關買賣協議條款一般於協議日期起計60日內支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

23. TRADE AND OTHER RECEIVABLES (continued)

Notes: (continued)

(i) (continued)

The ageing analysis of trade receivables at the end of the reporting period, based on the invoice date, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0 – 180 days	0至180日	10,871	1,678
181 – 365 days	181日至365日	8,180	5
Over 1 year	超過一年	763	703
		19,814	2,386

Included in the Group's trade receivables balance are customers with aggregate carrying amount of RMB763,000 (2018: RMB703,000) which are aged over one year and past due at the end of the reporting period for which the Group has not provided for impairment loss. Before accepting any new customers, the Group assessed the credit quality of trade and other receivables based on historical default rates and the repayment records and considered adequate allowance has been made at the end of the reporting period.

(ii) The amounts are unsecured, interest-free and repayable over one year.

(iii) Included in the current receivables as at 31 December 2019, amount of RMB314,685,000 (2018: Nil) is due from Xixian Wenmao, which is unsecured, interest bearing at a fixed rate of 6% per annum and repayable within one year. The remaining amounts of current receivables are unsecured, interest-free and repayable on demand for both years.

Included in the non-current receivables as at 31 December 2019 and 2018, the amounts are unsecured, interest-free and repayable over one year.

(iv) The non-current receivables as at 31 December 2019 are unsecured, bear fixed interest rate ranging from 6% to 7% per annum and repayable over one year.

Included in the non-current receivables as at 31 December 2018, amounts of approximately RMB568,980,000 and RMB951,776,000 are due from Nanjing Huilong and Chongqing Hanzhi respectively, which are unsecured and repayable over one year. The amount due from Nanjing Huilong is interest bearing at RMB Benchmark Loan Rates offered by the People's Bank of China and the amount due from Chongqing Hanzhi is interest bearing at a fixed rate of 4.9% per annum. The remaining amounts of non-current receivables are unsecured, interest-free and repayable over one year.

Included in the current receivables as at 31 December 2019, amounts of approximately RMB3,216,740,000 are unsecured, bear fixed interest rate ranging from 4.9% to 8% per annum and repayable on demand. The remaining amounts of current receivables are unsecured, interest-free and repayable on demand.

Included in the current receivables as at 31 December 2018, the amounts are unsecured and repayable on demand. Except for amount of approximately RMB1,678,942,000 is interest bearing at 5.7% per annum, the remaining amounts are interest-free.

Details of the impairment assessment of trade and other receivables are set out in note 38.

23. 業務及其他應收款項(續)

附註：(續)

(i) (續)

於報告期間結算日按發票日期計算之業務應收款項賬齡分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0 – 180 days	10,871	1,678
181 – 365 days	8,180	5
Over 1 year	763	703
	19,814	2,386

本集團業務應收款項結餘內賬面值總額人民幣763,000元(二零一八年：人民幣703,000元)，賬齡超過一年，於報告期間結算日已逾期，而本集團並未作出減值虧損撥備。於接納任何新客戶前，本集團基於過往之違約率及還款紀錄評估業務及其他應收款項之信貸質素，並認為已於報告期間結算日作出充分撥備。

(ii) 金額為無抵押、免息及於一年後償還。

(iii) 於二零一九年十二月三十一日的流動應收款項內，人民幣314,685,000元(2018年：無)為應收西咸文茂的款項，其為無抵押、以6%的固定年利率計息及於一年內償還。流動應收款項的結餘為無抵押、免息及按要求於兩個年度內償還。

於二零一九年及二零一八年十二月三十一日的非流動應收款項內，該金額為無抵押、免息及於一年後償還。

(iv) 於二零一九年十二月三十一日的非流動應收款項為無抵押、以6%至7%的固定年利率計息及於一年後償還。

於二零一八年十二月三十一日的非流動應收款項內，金額約人民幣568,980,000元及人民幣951,776,000元之金額分別為應收南京匯隆及重慶瀚置款項，其為無抵押及於一年後償還。應收南京匯隆款項乃以中國人民銀行提供的人民幣基準貸款利率計息，而應收重慶瀚置款項則以4.9%的固定年利率計息。非流動應收款項的結餘為無抵押、免息及於一年後償還。

於二零一九年十二月三十一日的流動應收款項內，金額約人民幣3,216,740,000元為無抵押、以4.9%至8%的固定年利率計息及按要求償還。流動應收款項的結餘為無抵押、免息及按要求償還。

於二零一八年十二月三十一日的流動應收款項內，該金額為無抵押及按要求償還。除約人民幣1,678,942,000元的款項以5.7%的年利率計息外，餘額為免息。

業務及其他應收款項之減值評估詳情載於附註38。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

24. BANK BALANCES AND CASH

Bank balances and cash comprise cash and short-term bank deposits with an original maturity of three months or less. The bank balances carry variable interest rates from 0.001% to 1.1% (2018: 0.001% to 1.5%) per annum.

Analysis of bank balances and cash denominated in currencies other than the functional currency of the entities of the Group to which they relate:

24. 銀行結餘及現金

銀行結餘及現金包括現金及原到期日為三個月或以下之短期銀行存款。銀行結餘按年利率介乎 0.001% 至 1.1% (二零一八年：0.001% 至 1.5%) 之浮動利率計息。

以本集團相關實體功能貨幣以外貨幣計值之銀行結餘及現金分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Denominated in HK\$	以港幣計值	735,072	87,902
Denominated in United States dollars ("US\$")	以美元(「美元」)計值	976	272,625

25. TRADE AND OTHER PAYABLES

25. 業務及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables (Note i)	業務應付款項(附註i)	7,981,782	4,294,917
Other payables	其他應付款項		
Other non-income tax payables	其他非所得稅應付款項	1,923,486	255,101
Other payables and accrued charges	其他應付款項及應計開支	1,257,750	882,620
Amounts due to intermediate holding companies (Note ii)	應付間接控股公司款項(附註ii)	1,515,874	2,838,266
Amounts due to non-controlling interests (Note ii)	應付非控股權益款項(附註ii)	2,052,694	109,471
Amounts due to fellow subsidiaries (Note ii)	應付同系附屬公司款項(附註ii)	164,096	168,547
Amounts due to joint ventures (Note ii)	應付合營企業款項(附註ii)	1,107,320	1,070,952
Amounts due to associates (Note ii)	應付聯營公司款項(附註ii)	883,599	433,884
Dividend payable (Note ii)	應付股息(附註ii)	1,452,031	962,033
		10,356,850	6,720,874
		18,338,632	11,015,791

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

25. TRADE AND OTHER PAYABLES (continued)

Notes:

- (i) Trade payables arise from Properties Segment comprise construction costs and other project-related expenses which are payable based on project progress and the average credit period of these trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

The following is an aging analysis of trade payables, based on the invoice date, at the end of the reporting period:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0 to 60 days	0至60日	4,138,742	1,434,640
61 to 180 days	61至180日	1,929,141	319,582
181 to 365 days	181至365日	1,138,470	1,546,752
Over 365 days	超過365日	775,429	993,943
		7,981,782	4,294,917

- (ii) The amounts are unsecured, interest-free and repayable on demand.

25. 業務及其他應付款項(續)

附註：

- (ii) 物業分部之業務應付款項包括建築成本及其他項目相關開支，乃根據項目進度支付，且該等業務應付款項之平均信貸期為60日。本集團已制定財務風險管理政策，以確保所有應付款項均在信貸期限內。

以下為於報告期間結算日按發票日期計算之業務應付款項賬齡分析：

- (ii) 該金額為無抵押、免息並須按要求償還。

26. LEASE LIABILITIES

26. 租賃負債

		31.12.2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	22,521
Within a period of more than one year but not more than two years	超過一年但不超過兩年期間內	19,251
Within a period of more than two years but not more than five years	超過兩年但不超過五年期間內	57,915
Within a period of more than five years	超過五年期間內	177,647
		277,334
Less: Amount due for settlement with 12 months shown under current liabilities	減：於12個月內到期結算的款項 (於流動負債列示)	(22,521)
Amount due for settlement after 12 months shown under non-current liabilities	於12個月後到期結算的款項 (於非流動負債列示)	254,813

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. LOANS FROM NON-CONTROLLING INTERESTS

Amounts represent loans from non-controlling equity holder of subsidiaries of the Group.

The maturity of the loans from non-controlling interests is analysed as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 year	一年內	736,546	1,408,924
Between 1 and 2 years	一至兩年	33,956	1,255,843
Over 2 years	超過兩年	3,228,684	3,680,888
		3,999,186	6,345,655
Less: Amounts due within 1 year shown under current liabilities	減：於一年內到期的款項 (於流動負債列示)	(736,546)	(1,408,924)
Amounts due after 1 year shown as non-current liabilities	於一年後到期的款項 (於非流動負債列示)	3,262,640	4,936,731

Analysis of loan from a non-controlling interest denominated in currency other than the functional currency of the respective entity of the Group to which it relate:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Denominated in United States dollars ("US\$")	以美元(「美元」)計值	700,913	693,217

27. 非控股權益貸款

有關金額指本集團附屬公司的非控股權益持有人貸款。

非控股權益貸款的到期情況分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 year	一年內	736,546	1,408,924
Between 1 and 2 years	一至兩年	33,956	1,255,843
Over 2 years	超過兩年	3,228,684	3,680,888
		3,999,186	6,345,655
Less: Amounts due within 1 year shown under current liabilities	減：於一年內到期的款項 (於流動負債列示)	(736,546)	(1,408,924)
Amounts due after 1 year shown as non-current liabilities	於一年後到期的款項 (於非流動負債列示)	3,262,640	4,936,731

非控股權益貸款按與本集團有關的相關實體功能貨幣以外貨幣計值之分析：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Denominated in United States dollars ("US\$")	以美元(「美元」)計值	700,913	693,217

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

27. LOANS FROM NON-CONTROLLING INTERESTS (continued)

Details of the terms of the loans are set out as below:

		Effective interest rate per annum 實際年利率	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Fixed-rate loans denominated in:	以下列貨幣計值的定息貸款：			
RMB	人民幣	4.35% to 8% (2018: 4.75% to 6.6%) 4.35%至8% (二零一八年：4.75%至6.6%)	3,298,273	4,455,146
US\$	美元	4% (2018: 4%) 4% (二零一八年：4%)	700,913	693,217
Variable-rate loans denominated in:	以下列貨幣計值的浮息貸款：		3,999,186	5,148,363
RMB	人民幣	RMB Benchmark Loan Rates offered by the People's Bank of China 中國人民銀行提供的人民幣基準貸款利率	-	1,197,292
			3,999,186	6,345,655

27. 非控股權益貸款(續)

貸款條款的詳情如下：

28. LOANS FROM AN INTERMEDIATE HOLDING COMPANY

For the year ended 31 December 2019 and 2018, the current portion of loans from an intermediate holding company are unsecured, interest bearing at RMB Benchmark Loan Rates offered by the People's Bank of China and repayable on demand.

For the year ended 31 December 2019 and 2018, the non-current portion of loan from an intermediate holding company are unsecured, interest bearing at RMB Benchmark Loan Rates offered by the People's Bank of China and repayable in 2021.

28. 間接控股公司貸款

截至二零一九年及二零一八年十二月三十一日止年度，間接控股公司貸款之流動部分為無抵押、按中國人民銀行提供之人民幣基準貸款利率計息。

截至二零一九年及二零一八年十二月三十一日止年度，間接控股公司貸款之非流動部分為無抵押、按中國人民銀行提供之人民幣基準貸款利率計息，並須於二零二一年償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

29. BANK BORROWINGS

29. 銀行借貸

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank borrowings, unsecured (Note i)	無抵押銀行借貸(附註i)	11,262,272	5,698,284
Bank borrowings, secured (Note ii)	有抵押銀行借貸(附註ii)	1,501,276	1,216,586
		12,763,548	6,914,870
Less: Amounts classified as current liabilities	減：分類為流動負債之金額	(1,289,292)	(1,095,980)
Amounts classified as non-current liabilities	分類為非流動資產之金額	11,474,256	5,818,890
Carrying amount repayable:*	應償還賬面值：*		
Within one year	一年內	1,289,292	1,095,980
More than one year but not more than two years	超過一年但不超過兩年	5,476,554	894,700
More than two years but not more than five years	超過兩年但不超過五年	5,997,702	4,924,190
		12,763,548	6,914,870

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期款項乃以載於貸款協議內之原定還款日期為基準。

The Group's bank borrowings were subject to variable-rate interest at RMB Benchmark Loan Rates or fixed-rate interest at RMB Benchmark Loan Rates per annum offered by the People's Bank of China at the respective date of borrowings' agreements. The effective interest rates on the Group's bank borrowings ranged from 4.0% to 5.5% (2018: 4.1% to 5.7%) per annum.

本集團之銀行借貸每年按人民幣基準貸款利率為基礎之浮動息率或以中國人民銀行提供之人民幣貸款利率為基礎之固定息率計息。本集團銀行借貸之實際年利率介乎4.0%至5.5%（二零一八年：4.1%至5.7%）。

Notes:

附註：

- (i) Amounts of RMB2,919,454,000 (2018: RMB650,000,000) are bank borrowings from China Merchants Bank ("CMB") which is an associate of CMG. Also, included in the balance was borrowings of approximately RMB180,000,000 (2018: RMB401,906,000) that are guaranteed by the non-controlling interests and by the Company.
- (ii) As at 31 December 2019, land with carrying values of approximately RMB6,348,122,000 (2018: RMB4,549,627,000) have been pledged to secure bank borrowings amounting to RMB1,501,276,000 (2018: RMB1,216,586,000) granted to the Group.
- (iii) As at 31 December 2019, amounts of approximately RMB2,255,686,000 (2018: RMB552,772,000) were guaranteed by China Merchants Shekou.

- (i) 金額人民幣2,919,454,000元（二零一八年：人民幣650,000,000元）為自招商局集團之聯營公司招商銀行（「招商銀行」）之銀行借貸。此外，有關結餘內約人民幣180,000,000元（二零一八年：人民幣401,906,000元）乃由非控股權益及本公司擔保之借貸。
- (ii) 於二零一九年十二月三十一日，本集團已抵押賬面值約為人民幣6,348,122,000元（二零一八年：人民幣4,549,627,000元）之土地，以就授予本集團之銀行借貸人民幣1,501,276,000元（二零一八年：人民幣1,216,586,000元）作出擔保。
- (iii) 於二零一九年十二月三十一日，約人民幣2,255,686,000元的金額由招商蛇口擔保（二零一八年：人民幣552,772,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

30. BOND PAYABLE

30. 應付債券

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Carrying amount repayable over one year	超過一年之應償還賬面值	1,900,000	1,900,000

In December 2018, the Company issued a bond with aggregated principal amounted to RMB1,900,000,000, interest bearing at 4.6% per annum, payable quarterly and will be mature in 2021. The Company did not issue any new bond in 2019.

於二零一八年十二月，本公司發行本金總額為人民幣1,900,000,000元的債券，按年利率4.6%計息，每季派息及將於二零二一年到期。本公司於二零一九年並無發行任何新債券。

31. SHARE CAPITAL

Ordinary share capital of the Company

31. 股本

本公司之普通股股本

		Number of shares 股份數目	Amount 金額 HK\$'000 港幣千元
Ordinary share of HK\$0.01 each	每股面值港幣0.01元之普通股		
Authorised:	法定：		
At 1 January 2018, 31 December 2018, and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年十二月三十一日	30,000,000,000	300,000

		Number of shares 股份數目	Equivalent to 相當於	
			HK\$'000 港幣千元	RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：			
At 1 January 2018, 31 December 2018 and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年十二月三十一日	4,905,257,860	49,053	39,132

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. DEEMED DISPOSAL AND PARTIAL DISPOSAL OF INTERESTS IN SUBSIDIARIES

(I) For the year ended 31 December 2019

On 20 March 2019, Xixian Wenmao, an indirect wholly owned subsidiary, entered into a capital injection agreement with an independent third party (the "Acquirer") by issuance of new shares of Xixian Wenmao to the Acquirer. Upon the issuance of new shares, the Group's equity interest in Xixian Wenmao was diluted from 100% to 50%. The dilution of the Group's equity interest in Xixian Wenmao constituted a disposal of the Group's equity interest in subsidiary. The disposal resulted in the loss of control over Xixian Wenmao by the Group, and the Group accounted for the retained equity interest of HK\$5,075,000 held by the Group as an interest in an associate. The gain on disposal was recorded in the consolidated statement of profit and loss account.

The fair value of the 50% retained equity interest in Xixian Wenmao at the date on which control was lost were regarded as the cost in initial recognition of the Group's interests in associate.

Assets and liabilities derecognised at the date of disposal of Xixian Wenmao are as follows:

32. 視作出售及出售部分附屬公司之權益

(I) 截至二零一九年十二月三十一日止年度

於二零一九年三月二十日，西咸文茂（為一家間接全資附屬公司）與一名獨立第三方（「收購方」）透過向收購方發行西咸文茂之新股份訂立注資協議。於發行新股份後，本集團於西咸文茂之股權由100%攤薄至50%。本集團於西咸文茂之股權攤薄構成本集團於附屬公司之權益之出售事項。出售事項導致本集團失去對西咸文茂之控制權，而本集團將本集團持有西咸文茂之保留股權港幣5,075,000元以於聯營公司之權益入賬。出售收益已於綜合損益表入賬。

於失去控制權當日西咸文茂的50%保留權益之公平值被視為初次確認本集團於聯營公司的權益之成本。

於出售西咸文茂當日終止確認的資產及負債如下：

		RMB'000 人民幣千元
Properties for sale	可供出售物業	662,048
Trade and other receivables	業務及其他應收款項	263
Bank balances and cash	銀行結餘及現金	7,090
Trade and other payables	業務及其他應付款項	(664,530)
		4,871
Less: fair value of the 50% retained equity interest held by the Group – classified as interest in an associate	減：本集團持有的50%保留權益之公平值 – 分類為於一間聯營公司之權益	5,075
Gain on disposal of a subsidiary	出售一家附屬公司之收益	(204)
Net cash outflow arising on disposal: Bank balances and cash disposed of	產生自出售之現金流出淨額： 已出售之銀行結餘及現金	(7,090)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. DEEMED DISPOSAL AND PARTIAL DISPOSAL OF INTERESTS IN SUBSIDIARIES (continued)

(II) For the year ended 31 December 2018

- (i) On 18 December 2017, Foshan Merchants Property Development Co., Ltd.* (“Foshan Merchants”), a wholly-owned subsidiary of the Company, entered into an equity interest transfer agreement (“Agreement I”) with Foshan Yi Yun Property Development Co., Ltd.* (“Foshan Yi Yun”), a non-wholly-owned subsidiary of the Company to which the Group has 50% interest of its equity. Pursuant to Agreement I among other things, Foshan Yi Yun has conditionally agreed to purchase 100% of the equity interest in Foshan Merchants Brilliant Property Development Co., Ltd. (“Foshan Brilliant”), a then wholly-owned subsidiary of Foshan Merchants, at a consideration of RMB2,110,201,000. The equity interest transfer was completed on 19 January 2018. Upon completion of the equity interest transfer, Foshan Yi Yun holds directly the entire equity interest in Foshan Brilliant and the Group holds, indirectly through Foshan Yi Yun, 50% of the equity interest in Foshan Brilliant. As the Group remains its control over Foshan Brilliant through its control over Foshan Yi Yun, Foshan Brilliant remains as a subsidiary of the Company after the transaction which is then accounted for as an equity transaction.

The difference between the fair value of the portion of consideration paid by Foshan Yi Yun, to the extent of interest not related to the Group, and 50% of net assets in Foshan Brilliant amounted to approximately RMB6,087,000 was recognised by the Group in equity transaction reserve.

32. 視作出售及出售部分附屬公司之權益(續)

(II) 截至二零一八年十二月三十一日止年度

- (i) 於二零一七年十二月十八日，本公司全資附屬公司佛山招商房地產有限公司(「佛山招商」)與本公司非全資附屬公司佛山依雲房地產有限公司(「佛山依雲」，本集團於其權益中擁有50%權益)訂立股權轉讓協議(「第一份協議」)。根據第一份協議，其中包括，佛山依雲有條件同意購買佛山招商當時的全資附屬公司佛山招商光華房地產有限公司(「佛山光華」)100%股權，代價為人民幣2,110,201,000元。股權轉讓已於二零一八年一月十九日完成。於股權轉讓完成後，佛山依雲直接持有佛山光華全部股權，而本集團間接透過佛山依雲持有佛山光華50%股權。由於本集團透過其對佛山依雲的控制權仍然保留其對佛山光華的控制權，故佛山光華於交易(當時作為股權交易入賬)後仍然為本公司的附屬公司。

就與本集團無關的權益而言，佛山依雲所支付代價部分之公平值與分佔佛山光華50%資產淨值之間之差額約人民幣6,087,000元獲本集團確認為權益交易儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. DEEMED DISPOSAL AND PARTIAL DISPOSAL OF INTERESTS IN SUBSIDIARIES (continued)

(II) For the year ended 31 December 2018 (continued)

- (ii) On 25 April 2018, Foshan Merchants entered into an equity interest transfer agreement (“Agreement II”) with Foshan Yi Yun, pursuant to which among other things, Foshan Yi Yun has conditionally agreed to purchase 100% of the equity interest in Foshan Merchants Zhonghuan Property Development Co., Ltd.* (“Foshan Zhonghuan”), a then wholly-owned subsidiary of Foshan Merchants, at a consideration of RMB1,735,041,000. The equity interest transfer was completed on 9 May 2018. Upon completion of the equity interest transfer, Foshan Yi Yun holds directly the entire equity interest in Foshan Zhonghuan and the Group holds, indirectly through Foshan Yi Yun, 50% of the equity interest in Foshan Zhonghuan. As the Group remains its control over Foshan Zhonghuan through its control over Foshan Yi Yun, Foshan Zhonghuan remains as a subsidiary of the Company after the transaction which is then accounted for as an equity transaction.

The difference between the fair value of the portion of consideration paid by Foshan Yi Yun, to the extent of interest not related to the Group, and the 50% of net assets in Foshan Zhonghuan amounted to approximately RMB4,093,000 was recognised by the Group in equity transaction reserve.

- (iii) On 26 November 2018, the Group disposed of 20% equity interests in Nanjing Ningsheng and Nanjing Xingsheng respectively to an independent third party, and leading to loss of control upon completion of the transaction. The transaction was accounted for as disposal of partial interests in subsidiaries resulting in loss of control. After the completion of the partial disposal, Nanjing Ningsheng and Nanjing Xingsheng became the associates of the Group. The fair value of the 31% retained interests in Nanjing Ningsheng and Nanjing Xingsheng at the date on which control was lost were regarded as the cost in initial recognition of the Group’s interests in associates.

32. 視作出售及出售部分附屬公司之權益(續)

(II) 截至二零一八年十二月三十一日止年度(續)

- (ii) 於二零一八年四月二十五日，佛山招商與佛山依雲訂立股權轉讓協議(「第二份協議」)，據此，其中包括，佛山依雲有條件同意購買佛山招商中環房地產開發有限公司(「佛山中環」，為佛山招商當時的全資附屬公司)100%股權，代價為人民幣1,735,041,000元。股權轉讓已於二零一八年五月九日完成。於股權轉讓完成後，佛山依雲直接持有佛山中環全部股權，而本集團間接透過佛山依雲持有佛山中環50%股權。由於本集團透過其對佛山依雲的控制權仍然保留其對佛山中環的控制權，故佛山中環於交易(當時作為股權交易入賬)後仍然為本公司的附屬公司。

就與本集團無關的權益而言，佛山依雲所支付代價部分之公平值與分佔佛山中環50%資產淨值之間之差額約人民幣4,093,000元獲本集團確認為權益交易儲備。

- (iii) 於二零一八年十一月二十六日，本集團向一名獨立第三方分別出售南京寧盛及南京興盛20%權益，導致於交易完成後失去控制權。交易乃以出售附屬公司部分權益以致失去控制權入賬。於部分出售完成後，南京寧盛及南京興盛成為本集團的聯營公司。於失去控制權當日在南京寧盛及南京興盛的31%保留權益之公平值視為首次確認本集團於聯營公司的權益之成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

32. DEEMED DISPOSAL AND PARTIAL DISPOSAL OF INTERESTS IN SUBSIDIARIES (continued)

(II) For the year ended 31 December 2018 (continued)

(iii) (continued)

Assets and liabilities derecognised at the date in loss of control of Nanjing Ningsheng and Nanjing Xingsheng are as follows:

32. 視作出售及出售部分附屬公司之權益(續)

(II) 截至二零一八年十二月三十一日止年度(續)

(iii) (續)

失去南京寧盛及南京興盛的控制權當日取消確認的資產及負債如下：

		RMB'000 人民幣千元
Property, plant and equipment (Note 14)	物業、廠房及設備(附註14)	150
Properties for sale	可供出售物業	23,868
Trade and other receivables, prepayments and deposits	業務及其他應收款項、預付款項及按金	125,457
Bank balances and cash	銀行結餘及現金	64,485
Trade and other payables	業務及其他應付款項	(54,672)
		159,288
Less: Fair values of 31% retained equity interest held by the Group - classified as interests in associates	減：本集團持有的31%保留權益之公平值—分類為於聯營公司的權益	51,866
Non-controlling interests	非控股權益	78,053
Consideration received by cash	以現金收取的代價	31,187
Gain on disposal of subsidiaries	出售附屬公司的收益	(1,818)
Net cash outflow arising on disposal:	出售時產生的現金流出淨額：	
Consideration received by cash	以現金收取的代價	31,187
Bank balances and cash disposed of	已出售的銀行結餘及現金	(64,485)
		(33,298)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

33. ACQUISITION OF ADDITIONAL INTEREST IN A SUBSIDIARY

On 31 May 2019, a wholly-owned subsidiary of the Company entered into an agreement with DGW Jurong Investment Alpha SP, a non-controlling shareholder of Torch Investment Company Limited (“Torch Investment”), a 70% owned subsidiary of the Company, to further acquire the remaining 30% equity interest of Torch Investment and its subsidiary at a cash consideration of HK\$110,800,500 (equivalent to approximately RMB94,645,000). The acquisition was completed on 31 May 2019. Upon completion, the Company holds 100% equity interest in Torch Investment, which became a wholly-owned subsidiary of the Company.

34. DEEMED ACQUISITION OF A SUBSIDIARY

As at 31 December 2018, Nanjing DJZ Trading was 60% directly held by the Group, and remaining 40% was held by Nanjing Dingjiazhuang Logistics Center Co., Ltd. (“Nanjing DJZ Logistics”), an independent third party to the Group. Nanjing DJZ Trading was accounted for as a joint venture as the decision making process about the operating, investing and financing activities of Nanjing DJZ Trading requires unanimous consent from the Group and Nanjing DJZ Logistics pursuant to the signed agreements.

Pursuant to the revised memorandum and association dated 1 July 2019, the Group is able to exercise control over Nanjing DJZ Trading and accordingly Nanjing DJZ Trading became a subsidiary of the Group.

33. 收購一間附屬公司之額外權益

於二零一九年五月三十一日，本公司一間全資附屬公司與本公司擁有70%股權的火炬投資有限公司（「火炬投資」）的非控股股東DGW Jurong Investment Alpha SP訂立協議，以進一步收購火炬投資及其附屬公司餘下30%股權，現金代價約為港幣110,800,500元（相當於約人民幣94,645,000元）。收購已於二零一九年五月三十一日完成。於完成後，本公司持有火炬投資100%股權，其成為本公司之全資附屬公司。

34. 視作收購一間附屬公司

於二零一八年十二月三十一日，本集團直接持有南京丁家莊商貿60%權益，而南京丁家莊物流中心有限責任公司（「南京丁家莊物流」）（即本集團之獨立第三方）持有餘下40%權益。根據已簽訂協議，南京丁家莊商貿列賬作合營企業，原因為有關南京丁家莊商貿之經營、投資及融資活動之決策過程需要本集團及南京丁家莊物流的一致同意。

根據日期為二零一九年七月一日的經修訂細則及大綱，本集團能對南京丁家莊商貿行使控制權，故南京丁家莊商貿成為本集團之附屬公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

34. DEEMED ACQUISITION OF A SUBSIDIARY (continued)

34. 視作收購一間附屬公司(續)

		Amounts recognised at the date of deemed acquisition 於視作 收購日期 確認之金額 RMB'000 人民幣千元
Assets acquired and liabilities recognised at the date of deemed acquisition:	於視作收購日期所收購之資產及所確認之負債：	
Equipment (Note 14)	設備(附註14)	12
Deferred tax asset (Note 21)	遞延稅項資產(附註21)	64
Deferred tax liability (Note 21)	遞延稅項負債(附註21)	(115,360)
Property under development	發展中物業	888,035
Other receivables	其他應收款項	495
Bank balances and cash	銀行結餘及現金	6,539
Trade and other payables	業務及其他應付款項	(1,736)
		778,049
Carrying amount of interest in a joint venture as at 1 July 2019	於二零一九年七月一日於合營企業之權益之賬面值	(448,816)
Add: Non-controlling interests	加：非控股權益	(311,220)
Less: Net assets acquired	減：所收購之資產淨值	778,049
Gain on disposal of a joint venture	出售合營企業收益	18,013
Analysis of inflow of cash and cash equivalents in respect of deemed acquisition of a subsidiary:	視作收購附屬公司之現金及等同現金項目流入分析如下：	
Bank balances and cash acquired	已收購銀行結餘及現金	6,539

The 40% non-controlling interests in Nanjing DJZ Trading recognised at the acquisition date was measured by reference to share of net assets of Nanjing DJZ Trading.

南京丁家莊商貿於收購日期確認的40%非控股權益乃經參考分佔南京丁家莊商貿之資產淨值而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

35. ACQUISITION OF SUBSIDIARY ACCOUNTED FOR AS ASSET ACQUISITION

(i) Cheuk Tat Acquisition

On 18 August 2016, the Company entered into an agreement (the "Acquisition Agreement") with China Merchants Properties Development Limited ("CM Properties"), a fellow subsidiary of the Company, to acquire the entire share capital of Cheuk Tat Development Limited ("Cheuk Tat"), a subsidiary of CM Properties, and all outstanding shareholder loan of approximately HK\$239,681,000 (equivalent to approximately RMB194,118,000) owing by Cheuk Tat to CM Properties at the date of completion of the aforesaid acquisition for a total consideration of approximately HK\$608,000,000 (equivalent to approximately RMB492,000,000) (the consideration is subject to adjustment as defined in the Acquisition Agreement but capped at HK\$609,000,000 (equivalent to approximately RMB493,121,000)) (the "Cheuk Tat Acquisition"). The adjusted consideration was approximately HK\$609,000,000 (equivalent to approximately RMB492,924,000) which was paid by cash. The Cheuk Tat Acquisition was completed on 28 February 2018. Upon completion, the Company holds 100% equity interest in Cheuk Tat, which became a wholly-owned subsidiary of the Company.

Cheuk Tat is principally engaged in property investment in Hong Kong and up to the date of acquisition, Cheuk Tat has not carried out any significant business transaction except for holding certain completed properties in Hong Kong. The Cheuk Tat Acquisition has been accounted for by the Group as acquisition of assets.

35. 收購附屬公司並入賬列作資產收購

(i) 卓得收購事項

於二零一六年八月十八日，本公司與招商局置業有限公司（「招商置業」）（本公司之同系附屬公司）訂立協議（「收購協議」），以收購招商置業之附屬公司卓得發展有限公司（「卓得」）之全部股本以及於上述收購完成日期卓得結欠招商置業之全部未償還股東貸款約港幣239,681,000元（相當於約人民幣194,118,000元），總代價約為港幣608,000,000元（相當於約人民幣492,000,000元），惟代價可按收購協議界定者予以調整，但以港幣609,000,000元（相當於約人民幣493,121,000元）為上限（「卓得收購事項」）。經調整代價約港幣609,000,000元（相當於約人民幣492,924,000元）已以現金支付。卓得收購事項於二零一八年二月二十八日完成。於完成後，本公司擁有卓得全部股權，而卓得成為本公司之全資附屬公司。

卓得主要於香港從事物業投資，而直至收購日期，除於香港持有若干已竣工物業外，卓得並無進行任何實質業務交易。卓得收購事項已入賬列為本集團資產收購。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

35. ACQUISITION OF SUBSIDIARY ACCOUNTED FOR AS ASSET ACQUISITION (continued)

(i) Cheuk Tat Acquisition (continued)

Net assets of Cheuk Tat acquired:

35. 收購附屬公司並入賬列作資產收購 (續)

(i) 卓得收購事項 (續)

所收購卓得之資產淨值：

		RMB'000 人民幣千元
Other receivables	其他應收款項	309
Investment properties (Note 16)	投資物業(附註16)	488,370
Bank balances and cash	銀行結餘及現金	4,247
Other payables	其他應付款項	(2)
Shareholder loan	股東貸款	(194,118)
		298,806
Satisfied by cash consideration for Shareholder loan	以現金代價結算股東貸款	194,118
Net assets of Cheuk Tat	卓得之資產淨值	298,806
		492,924
Consideration	代價	
Cash paid	已付現金	443,520
Deposit paid in previous year	於前一年度已付按金	49,404
		492,924
Net cash outflow arising from acquisition	收購產生之現金流出淨額	
Cash paid	已付現金	443,520
Less: Bank balances and cash acquired	減：已收購銀行結餘及現金	(4,247)
		439,273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

36. RETIREMENT BENEFITS PLAN

(i) Plans for Hong Kong employees

The Group participates in the MPF Scheme for all its qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

(ii) Plans for PRC employees

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

36. 退休福利計劃

(i) 香港僱員計劃

本集團為香港所有合資格僱員參與強積金計劃。強積金計劃之資產透過一名獨立信託人控制之基金與本集團所持資產分開持有。本集團對強積金計劃之唯一責任為根據該計劃作出規定供款。概無已沒收供款可供扣減未來年度應付供款。

(ii) 中國僱員計劃

中國僱員參與中國政府所運作之國家管理退休福利計劃。中國附屬公司須向該退休福利計劃支付僱員薪酬若干百分比之供款，為該等福利提供資金。本集團對退休福利計劃之唯一責任為根據該計劃作出規定供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of lease liabilities, loans from non-controlling interests and an intermediate holding company, bond payable and bank borrowings net of cash and cash equivalents and equity, comprising share capital, share premium, various reserves and non-controlling interests.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital, cost of debts, gearing ratios and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through new share issues, the payment of dividends as well as the issue of new debts or the repayment of existing debts.

Group entities which were established in the PRC maintained RMB denominated bank balances, the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

The gearing ratio of the Group at the end of the reporting period was as follows:

37. 資金風險管理

本集團管理其資金，以確保本集團之實體將能夠以持續經營方式營運，同時亦透過達致平衡債務與股本之最佳狀況而為股東爭取最大回報。本集團整體策略與去年保持不變。

本集團之資本架構包括租賃負債、非控股權益及間接控股公司貸款、應付債券以及銀行借貸，經扣除現金及等同現金項目以及權益（包括股本、股份溢價、各種儲備及非控股權益）。

本公司董事定期檢討資本結構。作為檢討一部分，本公司董事考慮資本成本、債務成本、資產負債比率及各類資本相關之風險。按照本公司董事之推薦意見，本集團將藉發行新股、派付股息以及發行新債或償還現有債務，平衡其整體資本結構。

於中國成立之本集團實體持有以人民幣計值之銀行結餘，自中國匯出該等款項須遵守中國政府實施之匯兌限制。

本集團於報告期間結算日之資本負債比率如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Debt (Note i)	債務(附註i)	22,238,366	18,648,136
Bank balances and cash	銀行結餘及現金	(8,957,799)	(6,866,261)
Net debt	淨債務	13,280,567	11,781,875
Equity (Note ii)	權益(附註ii)	28,829,567	23,797,028
Net debt to equity ratio	淨債務對權益比率	0.46	0.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

37. CAPITAL RISK MANAGEMENT (continued)

Notes:

- (i) Debt is defined as lease liabilities, loans from non-controlling interests and an intermediate holding company, bond payable and bank borrowings.
- (ii) Equity includes all capital and reserves of the Group and non-controlling interests.

38. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

37. 資金風險管理(續)

附註：

- (i) 債務乃定義為租賃負債、非控股權益及間接控股公司貸款、應付債券以及銀行借貸。
- (ii) 權益包括本集團所有資本及儲備以及非控股權益。

38. 金融工具

(a) 金融工具分類

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Financial assets	金融資產		
Financial asset at FVTPL	按公平值計入損益的金融資產	104,492	16,711
Loans and receivables (including bank balances and cash)	貸款及應收款項 (包括銀行結餘及現金)	27,841,433	20,187,623
Financial liabilities	金融負債		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	38,364,486	29,336,970

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances and cash, financial assets at FVTPL, loans from non-controlling interests and an intermediate holding company, trade and other payables, bank borrowings, lease liabilities and bond payable. Details of the financial instruments are disclosed in respective notes.

The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(b) 財務風險管理目標及政策

本集團主要金融工具包括業務及其他應收款項、銀行結餘及現金、按公平值計入損益的金融資產、非控股權益及間接控股公司貸款、業務及其他應付款項、銀行借貸、租賃負債及應付債券。金融工具之詳情於相關附註披露。

該等金融工具相關風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。有關如何減輕該等風險之政策載於下文。管理層管理並監察該等風險，以確保及時並有效實施合宜措施。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk

Currency risk

The Group has foreign currency denominated other receivables, bank balances, and other payables, which expose the Group to foreign currency risk. The management has closely monitored foreign exchange exposure and will undertake necessary procedures to mitigate the currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
HK\$	港幣	3,425	100,427	165	101,788
US\$	美元	976	272,625	885,039	2,466,705

Sensitivity analysis

The Group is mainly exposed to the currency risk from assets and liabilities denominated in HK\$ and US\$. No sensitivity analysis is presented for RMB, against the functional currency of respective group entities in HK\$ because the risk is considered insignificant.

The following table details the Group's sensitivity to a 5% (2018: 5%) increase and decrease in RMB, the functional currency of respective group entities, against US\$ which represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis includes only outstanding US\$ denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2018: 5%) change in foreign currency rate. A positive number below indicates an increase in post-tax profit where RMB strengthens 5% (2018: 5%) against US\$ and vice versa.

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險

貨幣風險

本集團之其他應收款項、銀行結餘以及其他應付款項以外幣計值，導致本集團面對外幣風險。管理層密切監察外幣風險，並將採取適當程序緩和貨幣風險。

本集團以外幣計值之貨幣資產及貨幣負債於報告期間結算日之賬面值如下：

		Assets 資產		Liabilities 負債	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
HK\$	港幣	3,425	100,427	165	101,788
US\$	美元	976	272,625	885,039	2,466,705

敏感度分析

本集團主要承受以港幣及美元計值的資產及負債貨幣風險。敏感度分析並未以人民幣兌相關集團實體之功能貨幣港幣呈列，因為風險並不重大。

下表詳述本集團就人民幣(相關集團實體之功能貨幣)兌美元升值及貶值5%(二零一八年: 5%)之敏感度，該敏感度乃管理層對外幣匯率可能出現之合理變動之評估。敏感度分析僅包括以美元計值之未結算貨幣項目，並於報告期間結算日按外幣匯率之5%(二零一八年: 5%)變動調整其換算。以下正數顯示當人民幣兌美元上升5%(二零一八年: 5%)時除稅後溢利之增加金額，反之亦然。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

Sensitivity analysis (continued)

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

敏感度分析(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit for the year	年內溢利	36,911	91,603

Interest rate risk

The Group is primarily exposed to cash flow interest rate risk in relation to variable-rate interest bearing receivables and payables, including amounts due from joint ventures, bank balances, bank borrowings, loans from an intermediate holding company and loans from non-controlling interests.

The Group's fair value interest rate risk relates primarily to its fixed-rate loans from non-controlling interests, amounts due from associates, amounts due from joint ventures, bank borrowings, lease liabilities and bond payable.

The Group currently does not have an interest rate hedging policy in relation to fair value interest rate risk and cash flow interest rate risk. However, management of the Group monitors interest rate exposure on an on-going basis and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of RMB Benchmark Loan Rates offered by the People's Bank of China.

利率風險

本集團主要面對與浮息計息應收款項及應付款項現金流量利率風險，包括應收合營企業款項、銀行結餘、銀行借貸、間接控股公司貸款及非控股權益貸款。

本集團之公平值利率風險主要與其非控股權益之定息貸款、應收聯營公司款項、應收合營企業款項、銀行借貸、租賃負債以及應付債券有關。

本集團現時並無有關公平值利率風險及現金流量利率風險之利率對沖政策。然而，本集團管理層持續監察利率風險，並將於需要時考慮對沖重大利率風險。

本集團現金流量利率風險主要集中於中國人民銀行提供之人民幣基準貸款利率之波動風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analyses below have been prepared assuming these financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2018: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and reasonably possible change in interest rates.

If interest rate had been 50 basis points (2018: 50 basis points) higher/lower for variable-rate interest bearing financial assets/liabilities and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by RMB7,511,000 (2018: decrease/increase by RMB3,513,000).

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of each reporting period; and
- the amount of financial guarantees provided by the Group as disclosed in note 42.

The Group has concentration of credit risk in respect of bank balances. At 31 December 2019, approximately 51% (2018: 41%) of the bank balances were deposited at CMB. Except for approximately 14% (2018: 24%) of the bank balances deposited at China Construction Bank (Asia) Limited and approximately 9% (2018: 10%) of the bank balances deposited at Agricultural Bank of China, deposits in other banks are individually less than 10% of total bank deposits and bank balances. The credit risk of these liquid funds is limited because the counterparties are either state-owned banks located in the PRC or banks with high credit ratings.

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

以下敏感度分析乃假設於報告期間結算日之該等未償還金融工具於整年未償還而編製。內部向主要管理人員報告利率風險時採用上升或下降50個基點(二零一八年：50個基點)，此乃利率之合理可能變動。

倘以浮動利率計息之金融資產／負債利率上升／下降50個基點(二零一八年：50個基點)而所有其他變數保持不變，本集團年內除稅後溢利將會減少／增加人民幣7,511,000元(二零一八年：減少／增加人民幣3,513,000元)。

信貸風險

本集團因交易對手未能履行其責任而引致本集團產生財務損失之最大信貸風險為：

- 各報告期間結算日綜合財務狀況表內所列載相關已確認金融資產之賬面值；及
- 有關附註42所披露由本集團提供之財務擔保金額。

本集團之銀行結餘有信貸風險集中情況。於二零一九年十二月三十一日，銀行結餘約51%(二零一八年：41%)存放於招商銀行。除銀行結餘約14%(二零一八年：24%)及約9%(二零一八年：10%)存放於中國建設銀行(亞洲)有限公司及中國農業銀行外，個別其他銀行存款少於銀行存款及銀行結餘總額之10%。由於交易對手為位於中國之國有銀行或具高信貸評級之銀行，故此等流動資金之信貸風險有限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group has concentration of credit risk in respect of amounts due from intermediate holding companies, non-controlling interests, fellow subsidiaries, associates, joint ventures and an investee. In order to minimise the credit risk on these amounts, the management of the Company continuously monitors the credit quality and financial conditions of intermediate holding companies, non-controlling interests, fellow subsidiaries, associates and joint ventures and the level of exposure to ensure that follow up action is taken to recover overdue debts. Based on the assessment on the market condition and current budget of property development projects held by the relevant joint ventures, associates and subsidiaries of the Group held by non-controlling interests, the directors of Company consider that the Group's credit risk in respect of these balances is insignificant.

The Group provides guarantees to banks in connection with certain customers' borrowing of mortgage loans to finance their purchase of the Group's properties. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. Under such circumstances, the Group is able to repossess the properties for resale. Therefore, the management of the Company consider it would likely recover any loss incurred arising from the guarantee provided by the Group. No such repossession of properties occurred during the year ended 31 December 2019 (2018: nil).

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

本集團於應收間接控股公司、非控股權益、同系附屬公司、聯營公司、合營企業及一名投資對象之款項中有信貸風險集中情況。為將此等款項之信貸風險降至最低，本公司管理層持續監控本集團間接控股公司、非控股權益、同系附屬公司、聯營公司及合營企業以及投資對象之信貸質素及財務狀況以及風險水平，確保採取跟進措施收回過期債務。基於市場狀況的評估以及非控股權益持有的相關合營企業、聯營公司及本集團附屬公司的房地產開發項目之目前預算，本公司董事認為本集團有關該等結餘的信貸風險並不重大。

本集團就若干客戶之按揭貸款向銀行提供擔保，以提供資金予彼等購買本集團物業。倘買家於擔保期間內無法支付其按揭，持有按揭之銀行可要求本集團償還未償還貸款及其任何累計利息。於該等情況下，本集團可重新擁有該等物業作轉售。因此，本公司管理層認為，本集團很大可能可以填補因由其提供擔保所產生之任何虧損。截至二零一九年十二月三十一日止年度，並無此等重新擁有之物業(二零一八年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating 內部信貸評級	Description 描述	Trade receivables 業務應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 對手方的違約風險較低，且並無任何違約款項	Lifetime ECL - not credit-impaired 全期預期信貸虧損－未信貸減值	12-month ECL 12個月預期信貸虧損
Watch list 觀察名單	Debtor frequently repays after due dates but usually settles in full 債務人經常於到期日後還款，惟通常全數歸還	Lifetime ECL - not credit-impaired 全期預期信貸虧損－未信貸減值	12-month ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally 內部制訂的資料顯示信貸風險自初次確認起大幅增加	Lifetime ECL - not credit-impaired 全期預期信貸虧損－未信貸減值	Lifetime ECL - not credit-impaired 全期預期信貸虧損－未信貸減值
Loss 虧損	There is evidence indicating that the asset is credit-impaired 有證據表明資產已信貸減值	Lifetime ECL - credit-impaired 全期預期信貸虧損－未信貸減值	Lifetime ECL - credit-impaired 全期預期信貸虧損－未信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證明表明債務人處於嚴重財務困難，而本集團收回款額的前景渺茫	Amount is written off 撇銷有關款項	Amount is written off 撇銷有關款項

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

本集團的內部信貸風險評級評估包括以下類別：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

		Internal credit rating	12-month or lifetime ECL	Gross carrying amount	
		內部信貸評級	12個月或全期預期信貸虧損	總賬面值	
	Note			2019	2018
	附註			二零一九年	二零一八年
				RMB'000	RMB'000
				人民幣千元	人民幣千元
Amounts due from related parties	23	Note	12-month ECL	18,564,883	13,121,383
應收關聯方款項		附註	12個月預期信貸虧損		
Bank balances	24	N/A	12-month ECL	8,957,799	6,866,261
銀行結餘		不適用	12個月預期信貸虧損		
Other receivables	23	Note	12-month ECL	298,937	197,593
其他應收款項		附註	12個月預期信貸虧損		
Trade receivables	23	Low risk	Lifetime ECL	19,814	2,386
業務應收款項		低風險	全期預期信貸虧損		

Note: For the purpose of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. In the opinion of the directors of the Company, there is no significant increase in credit risk of the amounts as the amounts are either not past due or with no fixed repayment terms.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding generated from operating activities and the flexibility through the use of borrowings and issue of new debts. The directors of the Company closely monitor the liquidity position and expect to have adequate sources of funding to finance the Group's projects and operations.

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險(續)

下表詳述本集團的金融資產(均須接受預期信貸風險評估)的信貸風險敞口:

附註: 就內部信貸風險管理而言, 本集團使用逾期資料以評估信貸風險自初次確認起有否大幅上升。本公司董事認為, 有關款項的信貸風險並無大幅上升, 乃由於有關款項並未逾期或並無固定還款期限。

流動資金風險

本集團的目標為透過使用借款及發行新債務, 維持經營活動產生的資金之持續性及靈活性之間的平衡。本公司董事密切監察流動資金狀況, 並預期將有充足資金來源以撥付本集團的項目及營運。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Group's expected remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

		Weighted average interest rate 加權 平均利率	On demand or within 60 days 按要求或 於60日內 RMB'000 人民幣千元	61 to 180 days 61至180日 RMB'000 人民幣千元	181 to 365 days 181至365日 RMB'000 人民幣千元	1-2 years 1至2年 RMB'000 人民幣千元	2-3 years 2至3年 RMB'000 人民幣千元	Over 3 years 超過3年 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現現金 流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
At 31 December 2019		於二零一九年十二月三十一日								
Trade and other payables	業務及其他應付款項	-	16,403,454	-	-	-	-	-	16,403,454	16,403,454
Lease liabilities	租賃負債	4.80%	6,360	11,691	17,246	31,042	29,160	267,767	363,266	277,334
Loans from non-controlling interests	非控股權益貸款	5.22%	-	27,487	910,849	204,883	3,332,538	-	4,475,757	3,999,186
Loans from an intermediate holding company	間接控股公司貸款	4.75%	3,122,490	-	209,500	-	-	-	3,331,990	3,298,298
Bank borrowings	銀行借貸									
- fixed rate	一定息	4.83%	-	612,186	69,324	1,792,795	3,415,728	-	5,890,033	5,431,176
- variable rate	一浮息	5.05%	56,133	38,704	628,052	4,140,677	2,905,656	345,537	8,114,759	7,332,372
Bond payable	應付債券	4.60%	-	43,700	43,700	1,987,400	-	-	2,074,800	1,900,000
			19,588,437	733,768	1,878,671	8,156,797	9,683,082	613,304	40,654,059	38,641,820
Financial guarantee contracts	財務擔保合約		4,467,492	-	-	-	-	-	4,467,492	-
At 31 December 2018		於二零一八年十二月三十一日								
Trade and other payables	業務及其他應付款項	-	10,688,834	-	-	-	-	-	10,688,834	10,688,834
Loans from non-controlling interests	非控股權益貸款	4.69%	-	1,438,455	219,754	1,431,826	1,176,671	2,780,424	7,047,130	6,345,655
Loans from an intermediate holding company	間接控股公司貸款	4.75%	3,313,281	-	9,500	209,500	-	-	3,532,281	3,487,611
Bank borrowings	銀行借貸									
- fixed rate	一定息	5.08%	20,142	650,855	72,879	785,234	2,056,475	403,273	3,988,858	3,632,591
- variable rate	一浮息	5.22%	-	150,527	226,591	180,255	2,722,050	446,475	3,725,898	3,282,279
Bonds payable	應付債券	4.60%	-	43,700	43,700	87,400	1,987,400	-	2,162,200	1,900,000
			14,022,257	2,283,537	572,424	2,694,215	7,942,596	3,630,172	31,145,201	29,336,970
Financial guarantee contracts	財務擔保合約		4,172,353	-	-	-	-	-	4,172,353	-

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

下表詳述本集團非衍生金融負債的預計剩餘合約到期情況。該表根據本集團可被要求支付非衍生金融負債之最早日期當日編製，以反映金融負債之未貼現現金流量。該表包括利息及本金現金流量。當利息流量為浮動利率時，於報告期間結算日的未貼現金額乃來自利率曲線。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantors. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee, which is a function of the likelihood that the financial receivables held by the counterparties that are guaranteed by the Group suffer any credit losses.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

(c) Fair value

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities as at 31 December 2019 and 2018 recorded at amortised cost in the consolidated financial statements approximate their fair values.

38. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

上表所載財務擔保合約之金額為倘交易對手向擔保人提出申索，則根據悉數擔保金額安排可能要求本集團清償之最高金額。基於在報告期間結算日之預測，本集團認為很可能毋須根據該安排支付任何款項。然而，該估計可能會改變，視乎本集團擔保交易對手所持應收財務款項遭受任何信貸虧損而根據擔保提出申索之可能性而定。

倘浮動利率變動與於報告期間結算日釐定之利率估計有別，則上述就非衍生金融負債之浮動利率工具所計入之金額亦會有變。

(c) 公平值

本公司董事認為，於二零一九年及二零一八年十二月三十一日，於綜合財務報表以攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(c) Fair value (continued)

The below tables summarised the financial instruments measured at fair value:

Financial instrument 金融工具	Fair value 公平值		Fair value hierarchy 公平值層級	Valuation techniques and significant key or unobservable inputs 估值方法及重大主要或不可觀察輸入數據
	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元		
Financial asset at FVTPL	104,492	16,711	Level 3	Discounted cash flow. Future cash flows are estimated based on expected return, and the contracted investment costs, discounted at a rate that reflects the internal rate of return of the underlying investments.
按公平值計入損益的金融資產			第三級	貼現現金流量。未來現金流量乃根據預期回報估計，而合約投資成本乃按反映相關投資的內部回報利率進行貼現。
<p>Note: A slight increase/decrease in the discount rate used in valuation would not result in a significant change in the fair value of the financial asset at FVTPL.</p>				
<p>There were no transfers into or out of Level 3 during the years ended 31 December 2019 and 2018.</p>				
<p>附註：估值所用之貼現率出現輕微上升／下降將不會導致按公平值計入損益的金融資產之公平值出現重大變動。</p>				
<p>截至二零一九年及二零一八年十二月三十一日止年度，並無轉入或轉出第三級。</p>				

38. 金融工具(續)

(c) 公平值(續)

下表概述按公平值計量的金融工具：

Valuation techniques and significant key or unobservable inputs
估值方法及重大主要或不可觀察輸入數據

Discounted cash flow. Future cash flows are estimated based on expected return, and the contracted investment costs, discounted at a rate that reflects the internal rate of return of the underlying investments.
貼現現金流量。未來現金流量乃根據預期回報估計，而合約投資成本乃按反映相關投資的內部回報利率進行貼現。

附註：估值所用之貼現率出現輕微上升／下降將不會導致按公平值計入損益的金融資產之公平值出現重大變動。

截至二零一九年及二零一八年十二月三十一日止年度，並無轉入或轉出第三級。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (continued)

(c) Fair value (continued)

Reconciliation of Level 3 fair value measurement of financial asset

		RMB'000 人民幣千元
Balance at 1 January 2018	於二零一八年一月一日的結餘	18,750
Fair value change recognised to profit or loss	確認至損益的公平值變動	(2,039)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	16,711
Capital injection (Note 46)	注資(附註46)	84,750
Fair value change recognised to profit or loss	確認至損益的公平值變動	3,031
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	104,492

The fair values of other financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

Valuation processes

Financial asset at FVTPL is measured at fair value for financial reporting purposes. The appropriate valuation techniques and inputs for fair value measurement are determined by the directors of the Company.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent qualified valuers to perform the valuation when considered necessary. The directors of the Company work closely with the independent qualified valuers to establish the appropriate valuation techniques and inputs to the model. The directors of the Company review the cause of fluctuations in fair value of the assets and liabilities semi-annually.

38. 金融工具(續)

(c) 公平值(續)

按公平值第三級計量的金融資產對賬

其他金融資產及金融負債之公平值乃根據公認定價模式按貼現現金流量分析釐定。

估值過程

按公平值計入損益的金融資產按公平值計量，以作財務報告用途。公平值計量之適用估值方法及輸入數據乃由本公司董事釐定。

估計資產之公平值時，本集團盡可能使用可觀察市場數據。在並無第一級輸入數據之情況下，本集團於有需要時委聘獨立合資格估值師進行估值。本公司董事會與獨立合資格估值師緊密合作設立模式適用之估值方法及輸入數據。本公司董事每半年審閱資產及負債公平值波動之原因。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

39. 融資活動之負債對賬

下表詳列本集團融資活動之負債變動，包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於綜合現金流量表中分類為融資活動現金流量之負債。

		Non-cash changes 非現金變動							
		1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元	Financing cash flow 融資 現金流量 RMB'000 人民幣千元	Exchange adjustment 匯兌調整 RMB'000 人民幣千元	Finance costs incurred 所產生的 融資成本 RMB'000 人民幣千元	New lease entered 訂立的新租賃 RMB'000 人民幣千元	Dividend declared 已宣派股息 RMB'000 人民幣千元	Non-cash transactions (Note 46) 非現金交易 (附註46) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Amounts due to intermediate holding companies	應付間接控股公司款項	2,838,266	(1,322,392)	-	-	-	-	-	1,515,874
Amounts due to non-controlling interests	應付非控股權益款項	109,471	1,943,223	-	-	-	-	-	2,052,694
Amounts due to fellow subsidiaries	應付同系附屬公司款項	168,547	(4,451)	-	-	-	-	-	164,096
Amounts due to joint ventures	應付合營企業款項	1,070,952	36,368	-	-	-	-	-	1,107,320
Amounts due to associates	應付聯營公司款項	433,884	449,715	-	-	-	-	-	883,599
Loans from non-controlling interests	非控股權益貸款	6,345,655	(552,822)	11,353	-	-	-	(1,805,000)	3,999,186
Loans from an intermediate holding company	間接控股公司貸款	3,487,611	(189,313)	-	-	-	-	-	3,298,298
Bank borrowings	銀行借貸	6,914,870	5,848,678	-	-	-	-	-	12,763,548
Bond payable	應付債券	1,900,000	-	-	-	-	-	-	1,900,000
Lease liabilities	租賃負債	297,043	(36,752)	-	13,919	3,124	-	-	277,334
Interest payables (included in trade and other payables)	應付利息(計入業務及其他應付款項)	80,883	(1,203,867)	-	1,122,984	-	-	-	-
Dividend payable (included in trade and other payables)	應付股息(計入業務及其他應付款項)	962,033	(686,403)	-	-	-	1,176,401	-	1,452,031
		24,609,215	4,281,984	11,353	1,136,903	3,124	1,176,401	(1,805,000)	29,413,980

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

39. 融資活動之負債對賬(續)

		Non-cash changes 非現金變動						
		1 January 2018 二零一八年 一月一日 RMB'000 人民幣千元	Financing cash flow 融資 現金流量 RMB'000 人民幣千元	Exchange adjustment 匯兌調整 RMB'000 人民幣千元	Finance costs incurred 所產生的 融資成本 RMB'000 人民幣千元	Dividend declared 已宣派股息 RMB'000 人民幣千元	Non-cash transactions (Note 46) 非現金交易 (附註46) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元
Amounts due to intermediate holding companies	應付間接控股公司款項	833,865	2,004,401	-	-	-	-	2,838,266
Amounts due to non-controlling interests	應付非控股權益款項	427,613	(318,142)	-	-	-	-	109,471
Amounts due to fellow subsidiaries	應付同系附屬公司款項	1,802,104	(1,633,557)	-	-	-	-	168,547
Amounts due to joint ventures	應付合營企業款項	443,679	627,273	-	-	-	-	1,070,952
Amounts due to associates	應付聯營公司款項	284,543	149,341	-	-	-	-	433,884
Loans from non-controlling interests	非控股權益貸款	5,071,395	1,433,548	36,712	-	-	(196,000)	6,345,655
Loans from an intermediate holding company	間接控股公司貸款	1,487,606	2,000,005	-	-	-	-	3,487,611
Bank borrowings	銀行借貸	3,751,029	3,163,841	-	-	-	-	6,914,870
Bonds payable	應付債券	3,231,826	(1,546,811)	214,985	-	-	-	1,900,000
Convertible bonds	可換股債券	1,691,604	(1,930,887)	171,957	67,326	-	-	-
Interest payables (included in trade and other payables)	應付利息(計入業務及其他應付款項)	9,677	(788,366)	-	859,572	-	-	80,883
Dividend payable (included in trade and other payables)	應付股息(計入業務及其他應付款項)	120,997	(465,805)	-	-	1,306,841	-	962,033
		19,155,938	2,694,841	423,654	926,898	1,306,841	(196,000)	24,312,172

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

40. OPERATING LEASES

The Group as a lessor

All of the investment properties held have committed tenants for the next one to twelve years.

As at 31 December 2019, minimum lease payments receivable on leases are as follows:

Minimum lease payments receivable on leases are as follows: 應收租賃的最低租賃款項如下：

Within one year	一年內	186,650
In the second year	第二年內	179,315
In the third year	第三年內	159,861
In the fourth year	第四年內	184,355
In the fifth year	第五年內	133,566
After five years	五年後	327,226
		1,170,973

As at 31 December 2018, the Group had contracted with tenants for the future minimum lease payments as follows:

Within one year	一年內	158,949
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	630,030
After five years	五年後	351,916
		1,140,895

40. 經營租賃

本集團作為出租人

所持有之全部投資物業之租戶承諾於下一年至十二年期間租用。

於二零一九年十二月三十一日，應收租賃的最低租賃款項如下：

於二零一八年十二月三十一日，本集團已與租客就未來最低租賃款項訂約，情況如下：

2019
二零一九年
RMB'000
人民幣千元

2018
二零一八年
RMB'000
人民幣千元

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

40. OPERATING LEASES (continued)

The Group as a lessee

The Group's minimum lease payments paid under operating leases during the year ended 31 December 2018 in respect of rented premises amounted to approximately RMB44,013,000.

As at 31 December 2018, the Group had future minimum lease payments under non-cancellable operating leases in respect of leased properties are fall due as follows:

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	39,372
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	123,994
After five years	五年後	241,381
		404,747

40. 經營租賃(續)

本集團作為承租人

截至二零一八年十二月三十一日止年度，本集團根據經營租賃就已租賃物業支付之最低租賃款項約為人民幣44,013,000元

於二零一八年十二月三十一日，本集團根據不可撤回經營租賃就已租賃物業之未來最低租賃款項如下所示：

41. COMMITMENTS

At the end of the reporting period, the Group had the following commitments contracted for but not provided in the consolidated financial statements in respect of:

41. 承擔

於報告期間結算日，本集團有關以下各項已訂約但並未於綜合財務報表撥備之承擔如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Construction of properties under development for sale	建造可供出售發展中物業	9,942,081	7,314,457
Capital injection to a joint venture	於合營企業之注資	1,025,650	225,000
Acquisitions of land use rights for properties under development for sale	收購可供出售發展中物業土地使用權	-	281,400
Leasehold improvements	租賃物業裝修	35,906	18,802
		11,003,637	7,839,659

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

42. CONTINGENT LIABILITIES

42. 或然負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Guarantee given to banks in connection with facilities granted to customers	就授予客戶之融資而給予銀行之擔保	4,467,492	4,172,353

The Group acted as the guarantor to the mortgage loans granted to certain purchasers of the Group's properties and agreed to repay the outstanding loan and interest accrual thereon, if the purchasers default the repayment of loan before the issue of the property certificate. The directors of the Company consider that the fair value of the financial guarantee contracts is not significant as the default rate is low.

本集團就授予若干本集團物業買家之按揭貸款而擔任擔保人，並同意倘買家未能於發出物業證書前償還貸款，本集團會償還尚未償還貸款及其應計利息。由於違約率低，本公司董事認為財務擔保合約之公平值並不重大。

43. RELATED PARTY DISCLOSURES

(a) Related party transactions

Other than as disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with related parties:

43. 關連人士披露

(a) 關連人士交易

除於綜合財務報表其他章節所披露者外，本集團與關連人士擁有以下交易：

Related party	關連人士	Nature of transaction	交易性質	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Ultimate holding company	最終控股公司	Rental income	租金收入	752	687
An associate of an intermediate holding company	間接控股公司之聯營公司	Asset management service	資產管理服務	1,361	-
Fellow subsidiaries	同系附屬公司	Property management fee expenses	物業管理費支出	159,738	129,535
		Construction service fee	工程服務費用	7,421	4,033
		Rental income	租金收入	549	427
		Operational support service income	運營支持服務收入	630	2,722
		Other expenses	其他費用	2,119	79
An associate of ultimate holding company	最終控股公司之聯營公司	Finance costs	融資成本	143,573	30,654
		Bank interest income	銀行利息收入	24,443	14,141
		Rental income	租金收入	5,124	4,436
		Site management income	場地管理收入	28,302	140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

43. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances

Details of the Group's balances with related parties are disclosed in notes 23, 25, 27, 28 and 29.

As at 31 December 2019, bank balances of approximately RMB1,131,247,000 (2018: RMB2,379,278,000) were deposited at CMB, an associate of the ultimate holding company.

- (c) As at 31 December 2019, bank borrowings of approximately RMB2,255,686,000 (2018: RMB552,772,000) were guaranteed by China Merchants Shekou.

(d) Compensation of key management personnel

43. 關連人士披露(續)

(b) 關連人士結餘

本集團與關連人士之結餘詳情披露於附註 23、25、27、28及29。

於二零一九年十二月三十一日，銀行結餘約人民幣1,131,247,000元(二零一八年：人民幣2,379,278,000元)存放於招商銀行(為最終控股公司之聯營公司)。

- (c) 於二零一九年十二月三十一日，約人民幣2,255,686,000元(二零一八年：人民幣552,772,000元)的銀行借貸乃由招商蛇口擔保。

(d) 主要管理人員之補償

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	12,689	14,695
Post-employment benefits	退休福利	384	502
		13,073	15,197

(e) Transactions with other government-related entities in the PRC

The Group itself is part of a larger group of companies under CMG which is controlled by the PRC government. Thus, the directors of the Company consider that the Group is ultimately controlled by the PRC government. In addition, the Group operates in an economic environment currently pre-denominated by entities controlled, jointly controlled or significantly influenced by the PRC government ("PRC government-related entities"). Apart from the transactions with the related parties as set out in (a) and (b) above, the Group also conducts businesses with other PRC government-related entities in the ordinary course of business. The Group's bank deposits and bank borrowings are entered into with certain banks which are PRC government-related entities in its ordinary course of business. In addition, the Group entered into various transactions, including purchases of land use rights, construction of properties and other operating expenses with other PRC government-related entities in the ordinary course of business. In view of the nature of those transactions, the directors of the Company are of the opinion that separate disclosures would not be meaningful.

(e) 與其他中國政府關連實體之交易

本集團為由中國政府控制之招商局集團旗下規模較大集團公司之一部分。因此，本公司董事認為，本集團受中國政府最終控制。此外，本集團所經營經濟環境現時受中國政府所控制、共同控制或於當中具重大影響力之實體(「中國政府關連實體」)主導。除上文(a)及(b)所載與關聯方之交易外，本集團亦於日常業務過程中與其他中國政府關連實體進行業務。本集團之銀行存款及銀行借貸乃於日常業務過程中與屬中國政府關連實體之若干銀行訂立。此外，本集團已訂立多項交易，包括於日常業務過程中與其他中國政府關連實體購買土地使用權、建造物業及其他經營開支。因該等交易性質使然，本公司董事認為另行披露並無意義。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

43. RELATED PARTY DISCLOSURES (continued)

(f) Management services

The Group's activities were planned, directed and controlled by the management of China Merchants Shekou, which did not charge any fee for services rendered during both years.

43. 關連人士披露(續)

(f) 管理服務

本集團之活動由招商蛇口管理層規劃、指導及控制，於兩個年度內招商蛇口並無就所提供之服務收取任何費用。

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries as at 31 December 2019 and 2018 are as follows:

44. 本公司附屬公司之詳情

於二零一九年及二零一八年十二月三十一日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Directly owned 直接擁有					
Champion Apex Limited 華先有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	100	100	Investment holding 投資控股
Cosmos Boom Investment Limited 天盛投資有限公司	The BVI 英屬處女群島	US\$100 100美元	100	100	Investment holding 投資控股
Harvest Allied Investments Limited 滙泰投資有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	100	100	Investment holding 投資控股
Indirectly owned 間接擁有					
China Merchants Land (Shenzhen)* (Note i) 招商局置地(深圳)有限公司 (附註i)	The PRC 中國	RMB1,000,000 人民幣1,000,000元	100	100	Investment holding 投資控股
China West Premier Housing Development Co., Ltd.* (Notes i and iv) 重慶招商置地開發有限公司 (附註i及iv)	The PRC 中國	US\$533,960,015 533,960,015美元	50	50	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
China Merchants Land Asset Management Co., Ltd (Note vi) 招商局置地資產有限公司(附註vi)	Hong Kong 香港	HK\$11,500,000 港幣11,500,000元	100	–	Real Estate Investment Trust management 房地產投資信託管理
Cheuk Tat Development Limited (Note i) 卓得發展有限公司(附註i)	Hong Kong 香港	HKD2 港幣2元	100	100	Property investment 物業投資
Chongqing China Merchants Yi Yun Property Co., Ltd.* (Note iii) 重慶招商依雲房地產有限公司(附註iii)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	100	100	Property development 物業發展
Chongqing Central Park Company Limited* (Notes i and iv) 重慶怡置招商房地產開發有限公司(附註i及iv)	The PRC 中國	RMB3,666,249,600 人民幣3,666,249,600元	50	50	Property development 物業發展
Chongqing Merchants Yi Cheng Property Development Co., Ltd.* (Note iii) 重慶招商依城房地產開發有限公司(附註iii)	The PRC 中國	RMB27,000,000 人民幣27,000,000元	100	100	Property development 物業發展
Chongqing Yizhi Business Management Co., Ltd.* (Notes i and iv) 重慶怡置商業管理有限公司(附註i及iv)	The PRC 中國	US\$200,000 200,000美元	50	50	Property development 物業發展
Coming Wealth Limited (Note i) 佳臨興業有限公司(附註i)	Hong Kong 香港	HKD2 港幣2元	100	100	Property investment 物業投資
Chongqing Merchants Jinshan Yi Ku Business Management Co., Ltd.* (Notes ii and iv) 重慶招商金山意庫商業管理有限公司(附註ii及iv)	The PRC 中國	RMB4,000,000 人民幣4,000,000元	40	40	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Chongqing Merchants Yi Gang Property Development Co., Ltd.* (Note iii) 重慶招商依港房地產開發有限公司 (附註iii)	The PRC 中國	RMB20,000,000 人民幣20,000,000元	100	100	Property development 物業發展
Converge Holdings Limited 匯聚控股有限公司	The BVI 英屬處女群島	US\$2 2美元	100	100	Investment holding 投資控股
Cosmo City Limited (Note iv) 譽越有限公司(附註iv)	Hong Kong 香港	HK\$4,640,010,000 港幣4,640,010,000元	50	50	Investment holding 投資控股
Cyber Light Investment Limited 光鴻投資有限公司	Hong Kong 香港	HK\$100 港幣100元	51	51	Investment holding 投資控股
Foshan Merchants Wharf Property Development Co., Ltd.* ("Foshan Merchants Wharf") (Notes i and iv) 佛山招商九龍倉房地產有限公司 (「佛山招商九龍倉」)(附註i及iv)	The PRC 中國	US\$109,898,000 109,898,000美元	50	50	Property development 物業發展
Foshan Xin Jie Property Development Co., Ltd.* (Notes i and iv) 佛山信捷房地產有限公司 (附註i及iv)	The PRC 中國	US\$250,123,443 250,123,443美元	50	50	Property development 物業發展
Foshan Yi Yun* (Notes iii and iv) 佛山依雲(附註iii及iv)	The PRC 中國	RMB30,000,000 人民幣30,000,000元	50	50	Property development 物業發展
Foshan Merchants* (Note iii) 佛山招商(附註iii)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	Property development 物業發展
Foshan Kai Da Cheng Investment Development Co., Ltd.* ("Foshan Kai Da Cheng") (Note iii) 佛山市凱達城投資發展有限公司 (「佛山市凱達城」)(附註iii)	The PRC 中國	RMB507,100,000 人民幣507,100,000元	51	51	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Foshan Yi Yun Zhen Yuan Property Development Co., Ltd.* (Notes iii) 佛山依雲臻園房地產有限公司 (附註iii)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	55	55	Property development 物業發展
Foshan Yi Yun Shang Yuan Property Development Co., Ltd.* (Notes iii and iv) 佛山依雲上園房地產有限公司 (附註iii及iv)	The PRC 中國	RMB10,500,000 人民幣10,500,000元	50	50	Property development 物業發展
Foshan Merchants Luhü Property Development Co., Ltd.* (Notes iii and iv) 佛山招商綠湖房地產有限公司 (附註iii及iv)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	50	50	Property development 物業發展
Foshan Merchants Hanlin Property Development Co., Limited* (Note iii) 佛山招商翰林房地產有限公司 (附註iii)	The PRC 中國	RMB192,000,000 人民幣192,000,000元	100	100	Property development 物業發展
Foshan Zhonghuan* (Notes iii and iv) 佛山中環(附註iii及iv)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	50	100	Property development 物業發展
Foshan Guolin* (Note iii) 佛山果嶺(附註iii)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	60	60	Property development 物業發展
Foshan Brilliant* (Notes iii and iv) 佛山光華(附註iii及iv)	The PRC 中國	RMB10,000,000 人民幣10,000,000元	50	50	Property development 物業發展
Foshan Yi Yun Xiao De Property Development Co., Ltd.* (Notes i and iv) 佛山依雲孝德房地產有限公司 (附註i及iv)	The PRC 中國	US\$172,500,000 172,500,000美元	50	50	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Foshan Yi Yuan Guan Yuan Property Development Co., Ltd.* (Notes iii and iv) 佛山依雲觀園房地產有限公司 (附註iii及iv)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	50	50	Property development 物業發展
Guangzhou Yi Yun Property Development Co., Ltd.* (Note iii) 廣州依雲房地產有限公司(附註iii)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	51	51	Property development 物業發展
Happy City Investments Limited 樂富投資有限公司	Hong Kong 香港	HK\$100 港幣100元	100	100	Investment holding 投資控股
Harpen Company Limited (“Harpen”) (Note iv) 會鵬房地產發展有限公司(「會鵬」) (附註iv)	Hong Kong 香港	HK\$10,000 港幣10,000元	50	50	Investment holding 投資控股
Merchants Nanjing Real Estate Co., Ltd.* (“Merchants Nanjing”) (Note ii) 招商局地產(南京)有限公司 (「招商南京」)(附註ii)	The PRC 中國	RMB158,380,817 人民幣158,380,817元	51	51	Property development 物業發展
Merchants Property Development (Guangzhou) Limited* (“Merchants Guangzhou”) (Note ii) 廣州招商房地產有限公司 (「招商廣州」)(附註ii)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	100	100	Property development 物業發展
Nanjing Shengtong Property Development Co., Ltd.* (Note ii) 南京盛通房地產開發有限公司 (附註ii)	The PRC 中國	RMB765,000,000 人民幣765,000,000元	51	51	Property development 物業發展
Nanjing DJZ Trading* (Notes iii and iv) (Note 34) 南京丁家莊商貿 (附註iii及iv)(附註34)	The PRC 中國	RMB891,000,000 人民幣891,000,000元	31	31	Property development 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Nanjing Zhaorong Property Development Co., Ltd.* ("Nanjing Zhaorong") (Note iii) 南京招榮房地產開發有限公司 (「南京招榮」)(附註iii)	The PRC 中國	RMB1,200,000,000 人民幣1,200,000,000元	51	51	Property development 物業發展
Nanjing Merchants Qisheng Property Development Limited* (Note i) 南京招商啟盛房地產有限公司 (附註i)	The PRC 中國	US\$205,000,000 205,000,000美元	51	51	Property development 物業發展
Nanjing Zhao Ping Li Sheng Investment Limited* ("Nanjing Zhao Ping Li Sheng") (Note ii) 南京招平利盛投資有限公司 (「南京招平利盛」)(附註ii)	The PRC 中國	RMB100,000,000 人民幣100,000,000元	51	51	Investment holding 投資控股
Nanjing Merchants Zhaosheng Property Development Co., Ltd.* ("Nanjing Zhaosheng") (Note iii) 南京招商招盛房地產有限公司 (「南京招盛」)(附註iii)	The PRC 中國	RMB400,000,000 人民幣400,000,000元	51	51	Property development 物業發展
Pride Oasis Limited ("Pride Oasis") (Note iv) 茵榮有限公司(「茵榮」)(附註iv)	The BVI 英屬處女群島	US\$599,095,420 599,095,420美元	50	50	Investment holding 投資控股
Poly Field International Investments Limited ("Poly Field") 輝寶國際投資有限公司(「輝寶」)	Hong Kong 香港	RMB500,500,400 人民幣500,500,400元	60	60	Investment holding 投資控股
Runray Holdings Limited 威榮控股有限公司	The BVI 英屬處女群島	US\$100 100美元	100	100	Investment holding 投資控股
Sino Action Investments Limited 華敏投資有限公司	Hong Kong 香港	HK\$100 港幣100元	100	100	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

44. 本公司附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid share capital/ registered capital 已發行及實繳股本/ 註冊股本	Proportion effective ownership interest held by the Company 本公司所持實際所有權 權益比例		Principal activities 主要業務
			2019 二零一九年 %	2018 二零一八年 %	
Tian Jiao (Guangzhou) Property Development Co., Limited* (Note i) 天驕(廣州)房地產開發有限公司 (附註i)	The PRC 中國	RMB500,000,000 人民幣500,000,000元	60	60	Property development 物業發展
Xi'an Mao On Property Development Company Limited* (Note i) 西安茂安房地產有限公司(附註i)	The PRC 中國	US\$172,000,000 172,000,000美元	100	100	Property development 物業發展
Zhenjiang Torch Zhidi Property Development Co., Ltd.* (Notes i and v) 鎮江火炬置地發展有限公司 (附註i及v)	The PRC 中國	US\$29,900,000 29,900,000美元	100	70	Property development 物業發展
Torch Investment Company Limited ("Torch Investment") (Note 33) 火炬投資有限公司(「火炬投資」) (附註33)	Hong Kong 香港	HK\$100,807,500 港幣100,807,500元	100	70	Investment holding 投資控股
Xian Zhao Ping Property Development Co., Ltd.* 西安招平房地產有限公司	The PRC 中國	RMB1,860,800,000 人民幣1,860,800,000元	51	–	Property development 物業發展
Xian China Merchants Jiashi Property Development Co., Ltd.* 西安招商嘉時房地產有限公司	The PRC 中國	RMB500,000,000 人民幣500,000,000元	100	–	Property development 物業發展
Chongqing Zhaoke Zhiye Co., Ltd.* 重慶招科置業有限公司	The PRC 中國	RMB10,000,000 人民幣10,000,000元	51	–	Property Development 物業發展
Shanghai Bangxin Enterprise Management Consulting Co., Ltd. 上海邦欣企業管理諮詢有限公司	The PRC 中國	US\$100,000 100,000美元	51	–	Property management 物業發展

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

44. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

* The English name is for identification only. The official name of the entity is in Chinese.

Note i: The entity is a wholly foreign owned enterprise.

Note ii: The entity is a sino-foreign joint venture.

Note iii: The entity is a wholly-domestic owned enterprise.

Note iv: This entity is considered to be a subsidiary of the Company despite the Company holds directly and indirectly not more than half of the equity interest therein as the Company has the power to cast the majority of votes at meetings of the board of directors of this entity, which has power to affect the returns of this entity.

Note v: The entity is a subsidiary of Torch Investment.

Note vi: The entity is newly incorporated on 22 June 2019.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year which is held by the Group.

44. 本公司附屬公司之詳情(續)

* 英文名稱僅供識別。實體之正式名稱為中文。

附註i：實體為外商獨資企業。

附註ii：實體為中外合資企業。

附註iii：實體為全內資企業。

附註iv：該實體被視為本公司之附屬公司，雖然本公司直接及間接持有該實體不多於一半股權，但本公司於該實體之董事會會議擁有大多數投票權，故對該實體之回報有影響力。

附註v：實體為火炬投資之附屬公司。

附註vi：實體於二零一九年六月二十二日新註冊成立。

於年末或年內任何時間，概無附屬公司持有任何由本集團持有之未行使債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of entity 實體名稱	Place of incorporation/ establishment and principal place of business 註冊成立/成立地點及 主要營業地點	Voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		二零一九年	二零一八年	二零一九年 RMB'000 人民幣千元	二零一八年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元	二零一八年 RMB'000 人民幣千元
Harpen 會鵬	Hong Kong 香港	50%	50%	(24,015)	197,144	1,605,932	1,629,947
Poly Field 輝寶	Hong Kong 香港	40%	40%	497,642	(6,966)	686,481	188,839
Pride Oasis 茵榮	Hong Kong 香港	50%	50%	266,755	447,427	4,574,449	4,307,694
Merchants Nanjing 招商南京	The PRC 中國	49%	49%	234,302	78,001	7,442,154	6,650,286
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別不屬重大附屬公司				(69,418)	273,774	5,014,810	2,902,369
				905,266	989,380	19,323,826	15,679,135

Summarised consolidated financial information in respect of each of the Group's entities that has material non-controlling interests is set out below. The summarised consolidated financial information below represents amounts before intra-group eliminations.

45. 擁有重大非控股權益之本集團非全資附屬公司詳情

下表載列擁有重大非控股權益之本集團非全資附屬公司詳情：

就每間擁有重大非控股權益之本集團實體之綜合財務資料概要載於下文。下文綜合財務資料概要指集團內部對銷前之金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

(continued)

Notes:

45. 擁有重大非控股權益之本集團非全資附屬公司詳情(續)

附註：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Harpen	會鵬		
Non-current assets	非流動資產	21,752	21,680
Current assets	流動資產	3,824,127	3,966,382
Current liabilities	流動負債	631,737	716,751
Non-current liabilities	非流動負債	2,278	11,417
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,605,932	1,629,947
Non-controlling interests	非控股權益	1,605,932	1,629,947
Revenue	收益	119,061	1,127,080
(Loss) profit and total comprehensive (expense) income attributable to owners of the Company	本公司擁有人應佔(虧損)溢利及全面(開支)收入總額	(24,015)	197,144
(Loss) profit and total comprehensive (expense) income attributable to non-controlling interests	非控股權益應佔(虧損)溢利及全面(開支)收入總額	(24,015)	197,144
(Loss) profit and total comprehensive (expense) income for the year	本年度(虧損)溢利及全面(開支)收入總額	(48,030)	394,288
Dividends paid to non-controlling interests	已付非控股權益股息	-	-
Net cash (outflow) inflow from operating activities	經營業務之現金(流出)流入淨額	(45,930)	99,313
Net cash inflow from investing activities	投資業務之現金流入淨額	165,145	455
Net cash outflow from financing activities	融資業務之現金流出淨額	(119,974)	(216,727)
Effect of changes in exchange rate	匯率變動影響	3	7
Net cash outflow	現金流出淨額	(756)	(116,952)
Poly Field	輝寶		
Non-current assets	非流動資產	198,291	9,259
Current assets	流動資產	4,012,276	2,696,227
Current liabilities	流動負債	2,225,164	2,002,189
Non-current liabilities	非流動負債	269,200	231,200
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,029,722	283,258
Non-controlling interests	非控股權益	686,481	188,839
Revenue	收益	3,839,922	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

(continued)

Notes: (continued)

45. 擁有重大非控股權益之本集團非全資附屬公司詳情(續)

附註：(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit and total comprehensive income attributable to owners of the Company	本公司擁有人應佔溢利及全面收入總額	746,464	(10,449)
Profit and total comprehensive income attributable to non-controlling interests	非控股權益應佔溢利及全面收入總額	497,642	(6,966)
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	1,244,106	(17,415)
Dividends paid to non-controlling interests	已付非控股權益股息	-	-
Net cash inflow from operating activities	經營業務之現金流入淨額	609,648	508,990
Net cash inflow from investing activities	投資業務之現金流入淨額	17,364	4,623
Net cash inflow from financing activities	融資業務之現金流入淨額	23,719	123,492
Net cash inflow	現金流入淨額	650,731	637,105
Pride Oasis	茵榮		
Non-current assets	非流動資產	1,455,354	124,538
Current assets	流動資產	14,219,068	13,412,059
Current liabilities	流動負債	6,069,187	4,512,175
Non-current liabilities	非流動負債	456,337	409,034
Equity attributable to owners of the Company	本公司擁有人應佔權益	4,574,449	4,307,694
Non-controlling interests	非控股權益	4,574,449	4,307,694
Revenue	收益	2,487,761	3,667,249
Profit and total comprehensive income attributable to owners of the Company	本公司擁有人應佔溢利及全面收入總額	266,755	447,427
Profit and total comprehensive income attributable to non-controlling interests	非控股權益應佔溢利及全面收入總額	266,755	447,427
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	533,510	894,854
Dividends paid to non-controlling interests	已付非控股權益股息	-	-
Net cash outflow from operating activities	經營業務之現金流出淨額	(220,209)	(243,319)
Net cash inflow (outflow) from investing activities	投資業務之現金流入(流出)淨額	7,740	(427,375)
Net cash inflow from financing activities	融資業務之現金流入淨額	112,944	512,218
Effect of changes in exchange rate	匯率變動影響	-	282
Net cash outflow	現金流出淨額	(99,525)	(158,194)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES OF THE GROUP THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

(continued)

Notes: (continued)

45. 擁有重大非控股權益之本集團非全資附屬公司詳情(續)

附註：(續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Merchants Nanjing	招商南京		
Non-current assets	非流動資產	3,254,921	3,781,532
Current assets	流動資產	21,735,025	17,320,902
Current liabilities	流動負債	11,867,434	8,362,998
Non-current liabilities	非流動負債	154,360	116,700
Equity attributable to owners of the Company	本公司擁有人應佔權益	5,525,998	5,972,450
Non-controlling interests	非控股權益	7,442,154	6,650,286
Revenue	收益	432,711	1,017,336
Profit and total comprehensive income attributable to owners of the Company	本公司擁有人應佔溢利及全面收入總額	93,514	62,740
Profit and total comprehensive income attributable to non-controlling interests	非控股權益應佔溢利及全面收入總額	234,302	78,001
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	327,816	140,741
Dividends paid to non-controlling interests	已付非控股權益股息	243,447	71,068
Net cash (outflow) inflow from operating activities	經營業務之現金(流出)流入淨額	(118,621)	822,786
Net cash (outflow) inflow from investing activities	投資業務之現金(流出)流入淨額	(1,775,246)	2,210,932
Net cash inflow (outflow) from financing activities	融資業務之現金流入(流出)淨額	1,874,191	(2,464,969)
Net cash (outflow) inflow	現金(流出)流入淨額	(19,676)	568,749

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

46. MAJOR NON-CASH TRANSACTIONS

On 11 January 2019, Wharf Real Estate (Guangzhou) Co., Ltd., the non-controlling interest of Foshan Yi Yun, had signed agreements to capitalise advances to Foshan Zhonghuan and Foshan Brilliant, wholly-owned subsidiaries of Foshan Yi Yun, of RMB802,000,000 and RMB1,003,000,000 respectively as registered capital in Foshan Yi Yun. Accordingly, the capital injection amounting RMB1,805,000,000 results in no contractual cash inflow to the Group.

On 30 October 2019, advance to an investee of RMB84,750,000 had capitalised as the registered capital in the investee. Accordingly, there was no contractual cash outflow to the Group.

During the year ended 31 December 2019, the Group entered into a new lease agreement for the use of office for 2 years. On the lease commencement, the Group recognised RMB3,214,000 of right-of-use asset and RMB3,214,000 of lease liability.

On 10 September 2018, 南京正榮正升置業發展有限公司, the non-controlling interest of Nanjing Zhaorong, had signed an agreement to capitalise advance to Nanjing Zhaorong of approximately RMB196,000,000 as its registered capital. Accordingly, there was no contractual cash outflow to the Group.

During the year ended 31 December 2018, advances to Nanjing Huihe, Nanjing Shengxiang Yuan and Chongqing Hanzhi of approximately RMB142,800,000, RMB1,009,800,000 and RMB218,837,000 respectively had capitalised as the investment costs in these joint ventures. Accordingly, there was no contractual cash inflow to the Group.

46. 重大非現金交易

於二零一九年一月十一日，佛山依雲之非控股權益九龍倉置業(廣州)有限公司已簽訂協議，以資本化向佛山依雲之全資附屬公司佛山中環及佛山光華之墊款分別人民幣802,000,000元及人民幣1,003,000,000元，作為佛山依雲之註冊資本。因此，為數人民幣1,805,000,000元之注資並無合約現金流入本集團。

於二零一九年十月三十日，向投資者對象墊款人民幣84,750,000元已資本化為投資者對象之已註冊資本。因此，並無合約現金流出本集團。

截至二零一九年十二月三十一日止年度，本集團就使用辦公室訂立為期兩年的新租賃協議。於租賃開始時，本集團確認使用權資產人民幣3,214,000元及租賃負債人民幣3,214,000元。

於二零一八年九月十日，南京正榮正升置業發展有限公司(南京招榮之非控股權益)已簽訂協議，將向南京招榮約人民幣196,000,000元之墊款資本化為其註冊資本。因此，並無合約現金流出本集團。

截至二零一八年十二月三十一日止年度，向南京蒼合、南京盛香園及重慶瀚置分別約人民幣142,800,000元、人民幣1,009,800,000元及人民幣218,837,000元之墊款已資本化為該等合營企業之投資成本。因此，並無合約現金流入本集團。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

47. 有關本公司財務狀況表之資料

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	928	1,331
Investments in subsidiaries	於附屬公司之投資	16	16
Amounts due from subsidiaries	應收附屬公司款項	12,347,130	13,324,103
		12,348,074	13,325,450
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,484	2,642
Amounts due from subsidiaries	應收附屬公司款項	2,863,574	145,091
Amounts due from fellow subsidiaries	應收同系附屬公司款項	492	477
Bank balances and cash	銀行結餘及現金	734,430	201,112
		3,599,980	349,322
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	53,024	28,658
Amounts due to subsidiaries	應付附屬公司款項	463,487	435,284
Amount due to an intermediate holding company	應付間接控股公司款項	512,890	1,915,522
Amounts due to fellow subsidiaries	應付同系附屬公司款項	103,335	102,019
Bank borrowings	銀行借貸	600,000	665,000
		1,732,736	3,146,483
Net current assets (liabilities)	流動資產(負債)淨值	1,867,244	(2,797,161)
Total assets less current liabilities	資產總值減流動負債	14,215,318	10,528,289
Non-current liabilities	非流動負債		
Bank borrowings	銀行借貸	7,985,000	3,735,000
Bond payable	應付債券	1,900,000	1,900,000
		9,885,000	5,635,000
Net assets	資產淨值	4,330,318	4,893,289
Capital and reserves	資本及儲備		
Share capital	股本	39,132	39,132
Reserves (Note)	儲備(附註)	4,291,186	4,854,157
Total equity	權益總額	4,330,318	4,893,289

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

47. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(continued)

Note: Reserves

47. 有關本公司財務狀況表之資料(續)

附註：儲備

		Share premium 股份溢價 RMB'000 人民幣千元	Translation reserve 匯兌儲備 RMB'000 人民幣千元	Contributed reserve 繳入儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total reserves 儲備總額 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	5,925,564	8,076	46,004	(743,497)	5,236,147
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	-	-	19,014	19,014
Dividend declared	已宣派股息	(401,004)	-	-	-	(401,004)
At 31 December 2018	於二零一八年十二月三十一日	5,524,560	8,076	46,004	(724,483)	4,854,157
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	(217,763)	(217,763)
Dividend declared	已宣派股息	(345,208)	-	-	-	(345,208)
At 31 December 2019	於二零一九年十二月三十一日	5,179,352	8,076	46,004	(942,246)	4,291,186

48. EVENT AFTER THE REPORTING PERIOD

Since January 2020, the outbreak of the novel coronavirus (the "COVID-19") has been expanded across the PRC and globally. Since then, major cities in the PRC have taken emergency public health measures and draconian measures including travel restrictions in an effort to contain the coronavirus outbreak. The COVID-19 is expected to have significant impact on the PRC and global business environment. Pending on the development and spread of COVID-19 subsequent to the date of these financial results, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of these financial results. The Group will keep continuous attention on the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

The directors of the Company will continue to assess the impact on the Group's operation and financial performance and closely monitor the Group's exposure to the risks and uncertainties in connection with the novel coronavirus pneumonia epidemic.

48. 報告期後事件

自二零二零年一月起，新型冠狀病毒（「COVID-19」）的爆發已擴散至中國及全球各地。自此，中國各大城市已採取公眾健康的緊急方案及嚴勵措施，包括實施旅遊限制以遏止冠狀病毒的爆發。預期COVID-19對中國及全球業務環境有重大影響。鑒於COVID-19的發展及傳播發生於該等財務業績日期後，本集團因此所產生的進一步經濟狀況變動可能對本集團的財務業績有影響，該情況未能於該等財務業績的日期作出估計。本集團將繼續留意COVID-19的情況，並積極應對其對本集團財務狀況及經營業績的影響。

本公司董事將繼續評估對本集團業務及財務表現的影響，並密切監管本集團面對有關新型冠狀病毒肺炎疫情的風險及不確定性。

FIVE-YEAR FINANCIAL SUMMARY

五年財務資料概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements for the year ended 31 December 2015, 2016, 2017, 2018 and 2019, as below.

以下載列本集團過去五個財政年度之業績以及資產及負債概要，乃摘錄自截至二零一五年、二零一六年、二零一七年、二零一八及二零一九年十二月三十一日止年度之已刊發經審核財務報表。

RESULTS	業績	Year ended 31 December				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		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	19,453,295	11,955,899	17,310,562	11,606,442	6,394,944
PROFIT BEFORE TAX	除稅前溢利	5,752,671	3,796,321	5,301,478	2,542,319	927,413
Income tax	所得稅	(3,052,935)	(1,590,809)	(2,362,495)	(1,427,265)	(571,946)
PROFIT FOR THE YEAR	本年度溢利	2,699,736	2,205,512	2,938,983	1,115,054	355,467

ASSETS AND LIABILITIES	資產及負債	As at 31 December				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		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
TOTAL ASSETS	資產總值	88,421,911	71,270,665	57,817,312	48,446,368	38,863,715
TOTAL LIABILITIES	負債總額	59,592,344	47,473,637	36,046,086	34,338,398	27,178,625
Net assets	資產淨值	28,829,567	23,797,028	21,771,226	14,107,970	11,685,090



招商局 置地有限公司
CHINA MERCHANTS LAND LIMITED

Stock Code 股份代號：978

Room 2603 to 2606, 26/F, China Merchants Tower, Shun Tak Centre,
Nos. 168–200 Connaught Road Central, Hong Kong

香港干諾道中168-200號信德中心招商局大廈26樓2603-2606室

Tel 電話：(852) 39765300

Fax 傳真：(852) 21160057

Email 電郵：ir@cmland.hk

www.cmland.hk