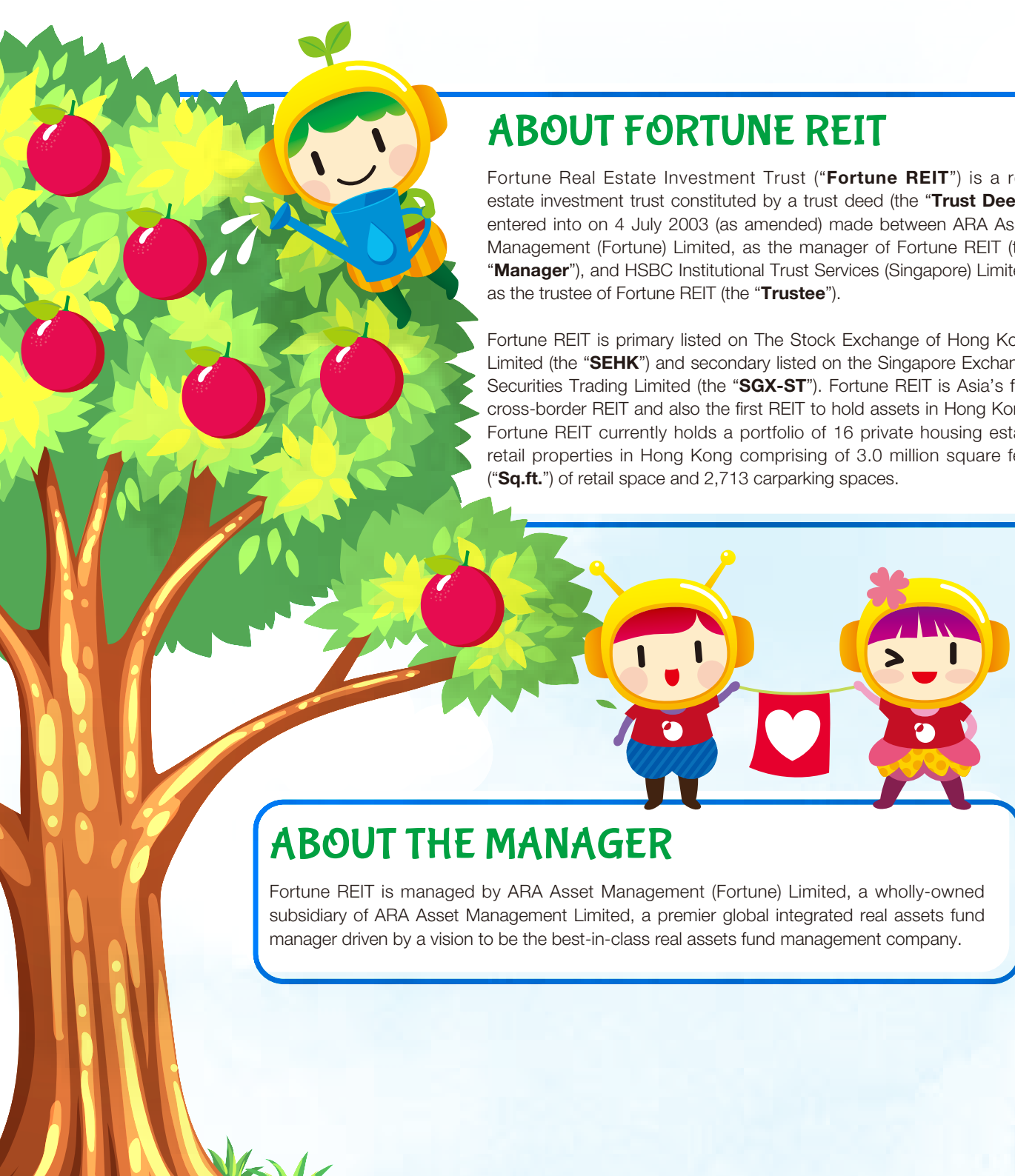
FORTUNE
置富產業信託 REIT

SUSTAINABLE GROWTH THROUGH EXCELLENCE
持續發展 迎接豐盛

股份代號 Stock Code | 香　港 Hong Kong 778
新加坡 Singapore F25U



INTERIM REPORT
2018 中期報告



ABOUT FORTUNE REIT

Fortune Real Estate Investment Trust ("**Fortune REIT**") is a real estate investment trust constituted by a trust deed (the "**Trust Deed**") entered into on 4 July 2003 (as amended) made between ARA Asset Management (Fortune) Limited, as the manager of Fortune REIT (the "**Manager**"), and HSBC Institutional Trust Services (Singapore) Limited, as the trustee of Fortune REIT (the "**Trustee**").

Fortune REIT is primary listed on The Stock Exchange of Hong Kong Limited (the "**SEHK**") and secondary listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Fortune REIT is Asia's first cross-border REIT and also the first REIT to hold assets in Hong Kong. Fortune REIT currently holds a portfolio of 16 private housing estate retail properties in Hong Kong comprising of 3.0 million square feet ("**Sq.ft.**") of retail space and 2,713 carparking spaces.

ABOUT THE MANAGER

Fortune REIT is managed by ARA Asset Management (Fortune) Limited, a wholly-owned subsidiary of ARA Asset Management Limited, a premier global integrated real assets fund manager driven by a vision to be the best-in-class real assets fund management company.

OUR MISSION

The Manager's key objective is to deliver regular and stable returns to holders of Fortune REIT units ("**Unitholders**") through proactive management of Fortune REIT's portfolio of assets and acquiring properties that generate long term benefits to Unitholders.



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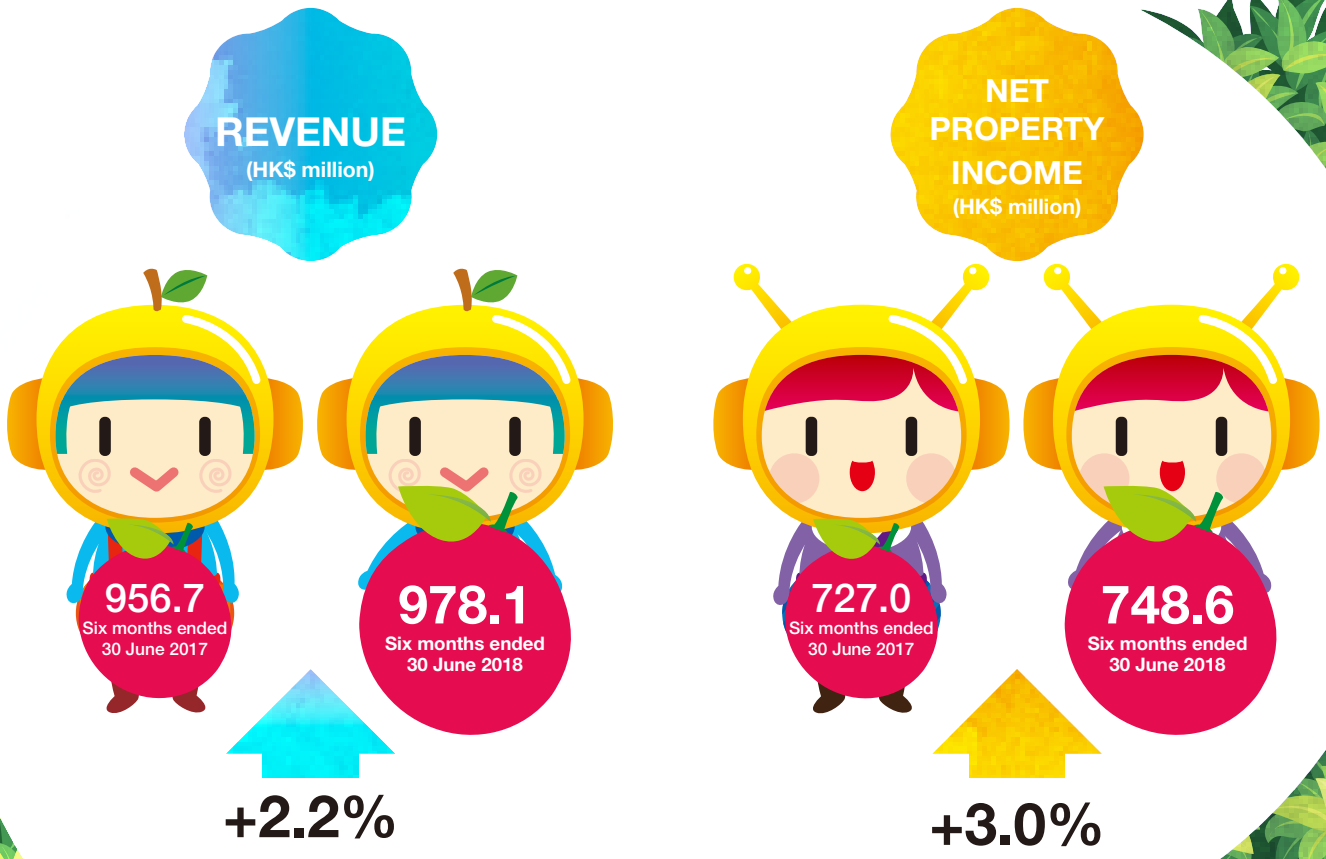
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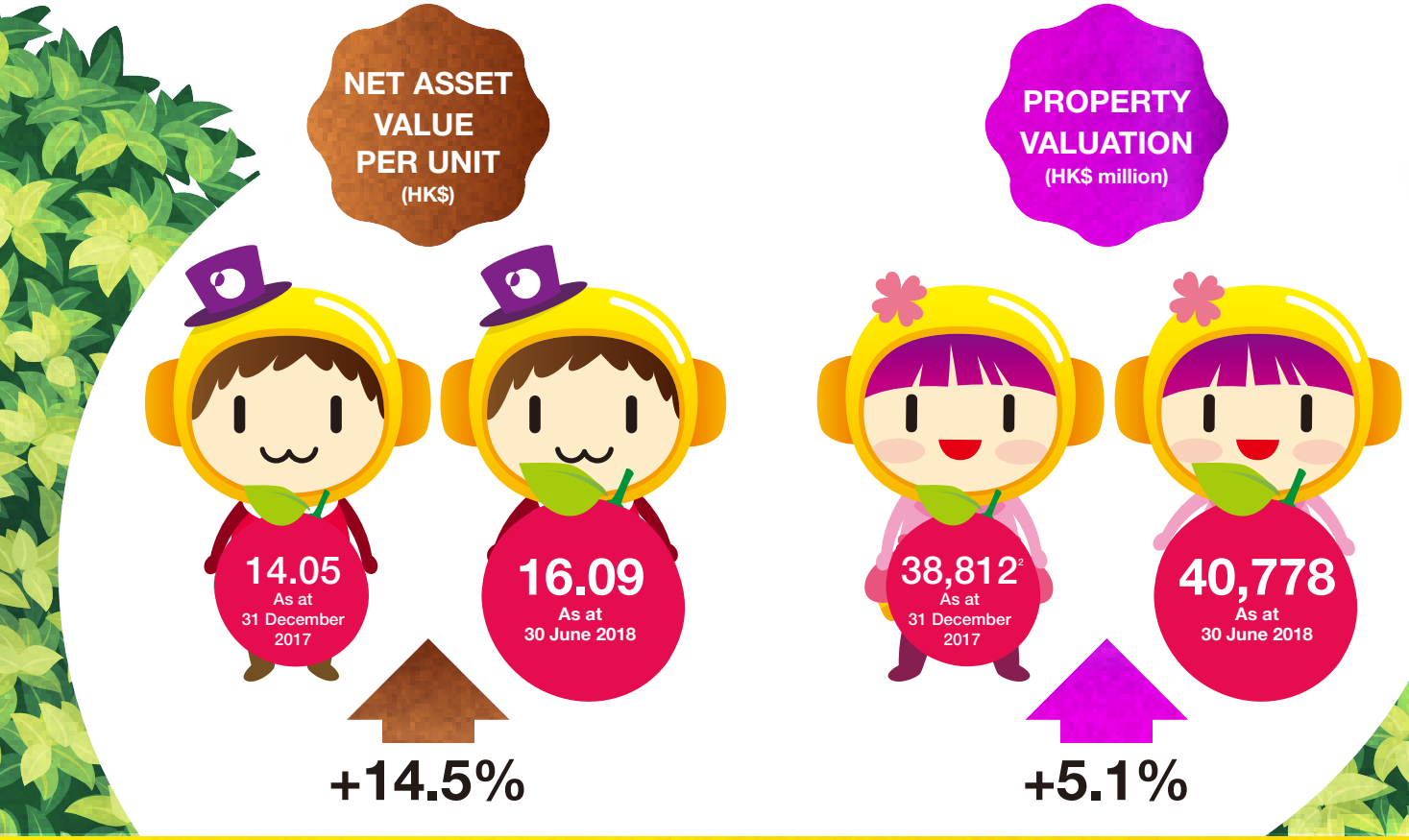
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FINANCIAL HIGHLIGHTS



	Six months ended 30 June 2018	Six months ended 30 June 2017	% change
Revenue (HK$ million)	**978.1**	956.7[1]	+2.2%
Net property income (HK$ million)	**748.6**	727.0	+3.0%
Cost-to-revenue ratio	**21.1%**	21.7%[1]	-0.6%
Income available for distribution (HK$ million)	**505.2**	487.3	+3.7%
Distribution per unit ("**DPU**") (HK cents)	**26.34**	25.53	+3.2%



	As at 30 June 2018	As at 31 December 2017	% change
Net asset value per unit (HK$)	**16.09**	14.05	+14.5%
Property valuation (HK$ million)	**40,778**	38,812[2]	+5.1%
Gearing ratio/Aggregate leverage[3]	**22.3%**	27.4%	-5.1%

Notes:

1. *"Revenue" and "Property operating expenses" have been reclassified to conform with the current period's presentation.*
2. *The amount included the valuation of Provident Square of HK$1,061 million which was transferred to assets of a disposal company classified as held for sale.*
3. *Gearing ratio is defined as total borrowings as a percentage of gross assets. Aggregate leverage is defined as the value of total borrowings and deferred payments as a percentage of gross assets. As at 30 June 2018, there was no deferred payment.*

THREE GROWTH STRATEGIES





YIELD-ACCRETIVE ACQUISITION

Fortune REIT has been one of the fastest growing REITs in Hong Kong, actively identifying yield-accretive assets from time to time. Portfolio has expanded from 5 to 16 properties since listing in 2003. Asset valuation has increased by more than 11 times to HK$40.8 billion.

ACTIVE LEASING MANAGEMENT

Through proactively retaining quality tenants and securing early commitment before leases expire, Fortune REIT achieved a rental reversion of 13.6% from renewals during the Reporting Period. Average passing rent reached HK$45.9 per Sq. ft. as at 30 June 2018.





ASSET ENHANCEMENT INITIATIVES ("AEIs")

In June 2018, Fortune REIT has embarked on its HK$150 million AEIs at Fortune Kingswood, the largest asset in its portfolio. Riding on the experience of successful AEIs execution, we are optimistic that Fortune Kingswood will continue to fuel growth of Fortune REIT.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Fortune REIT continued to deliver steady growth in its financial performance for the six months ended 30 June 2018 (the "**Reporting Period**"). Total revenue and net property income rose by 2.2% and 3.0% year-on-year to HK$978.1 million and HK$748.6 million, respectively. The increase was mainly due to positive rental reversion but partially offset by the divestment of Provident Square. Excluding the effect of Provident Square, total revenue and net property income for the 16 properties increased by 4.2% and 4.6% year-on-year respectively. Total property operating expenses (excluding the Manager's performance fee) decreased by 0.5% year-on-year to HK$206.2 million. Despite the increase in electricity tariffs effective from the beginning of 2018, our continued efforts in energy saving have resulted in reduced utility expenses during the Reporting Period. Under our disciplined cost control, the cost-to-revenue ratio improved further to 21.1% for the Reporting Period (first half of 2017: 21.7%).

Finance costs (excluding change in fair value of derivative financial instruments) decreased by 0.6% year-on-year to HK$131.9 million despite the impact from a higher HIBOR during the Reporting Period as the increase was mostly offset by interest saving resulted from certain loan repayments. The effective borrowing cost for the Reporting Period was 2.72% (First half of 2017: 2.41%) over a reduced amount of total debt.

Income available for distribution for the Reporting Period was HK$505.2 million, representing a year-on-year increase of 3.7%. The DPU for the Reporting Period was 26.34 HK cents, up by 3.2% year-on-year (first half of 2017: 25.53 HK cents). Based on the closing unit price of HK$9.22 as at 29 June 2018 in Hong Kong, the DPU implied an annualised distribution yield of 5.8%.



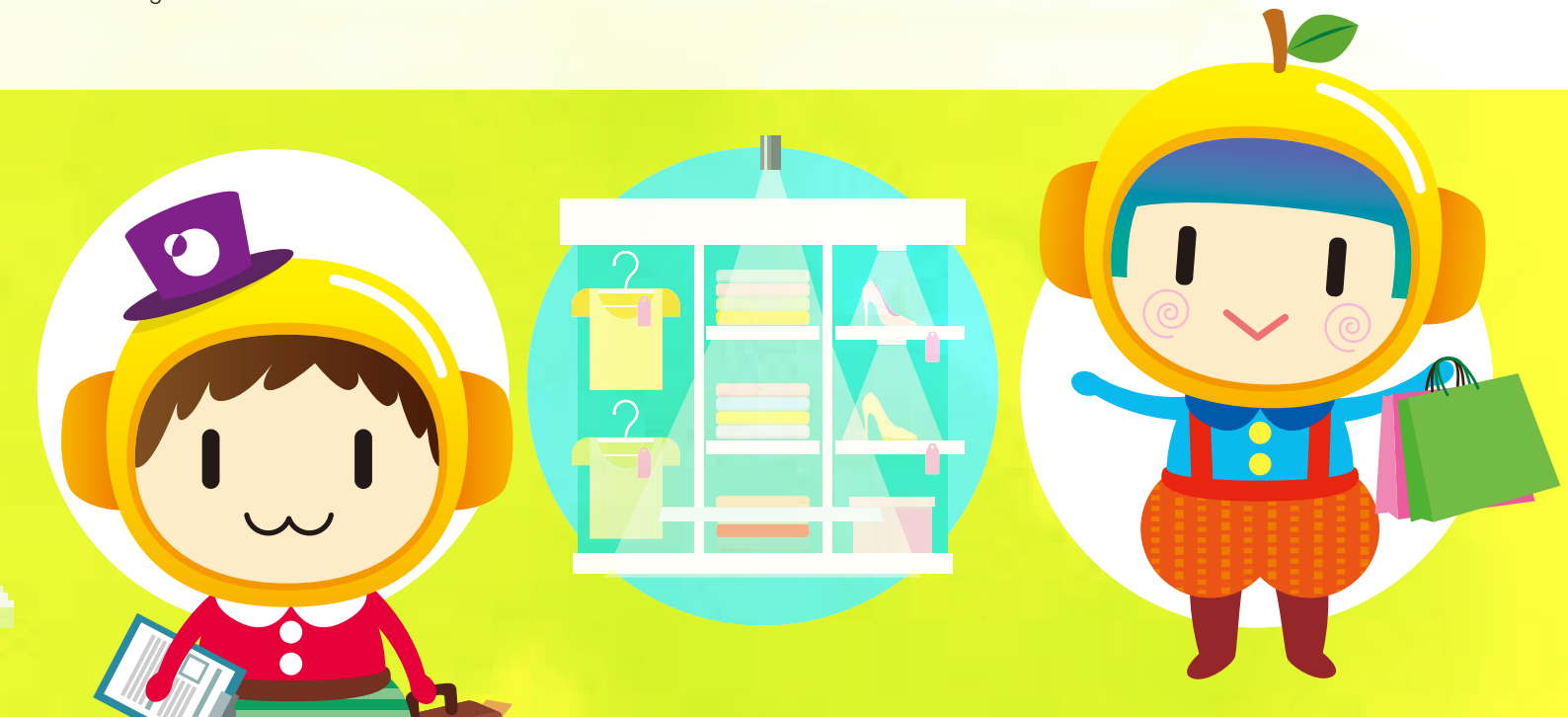
The interim DPU of 26.34 HK cents for the six months ended 30 June 2018 will be paid on 29 August 2018 to Unitholders on the registers of Unitholders of Fortune REIT as at 14 August 2018.

CAPITAL MANAGEMENT

On 28 February 2018, Fortune REIT has successfully completed the divestment of Provident Square for HK$2.0 billion. HK$1.1 billion from the divestment proceeds has been applied for early repayment of a bank loan due 2019 which has reduced its gearing and eliminated refinancing needs until 2020.

As at 30 June 2018, Fortune REIT's total committed loan facilities amounted to HK$10,055.1 million (31 December 2017: HK$11,155.1 million). The gearing ratio and aggregate leverage decreased to 22.3% (31 December 2017: 27.4%) as a result of a higher property valuation and a lower borrowing level. Fortune REIT's gross liability as a percentage of its gross assets decreased to 26.6% as at 30 June 2018 (31 December 2017: 32.1%).

Fortune REIT has obtained both secured and unsecured loan facilities. Further to the early repayment of a secured loan facility, Fortune REIT's financial flexibility has been enhanced as 15 out of its 16 investment properties are unencumbered. As at 30 June 2018, approximately 80% of total committed debts were unsecured. The secured loan facility is secured over Ma On Shan Plaza which carried an aggregate fair value of HK$5,917 million as at 30 June 2018. The Trustee has provided guarantees for all of the loan facilities.



MANAGEMENT DISCUSSION AND ANALYSIS

Fortune REIT currently possesses sufficient financial capability to satisfy its financial commitment and working capital requirements. As at 30 June 2018, available liquidity stood at HK$1,797.3 million (31 December 2017: HK$1,216.0 million), comprising HK$700.0 million undrawn committed facilities (31 December 2017: HK$700.0 million) and HK$1,097.3 million cash and deposit (31 December 2017: HK$516.0 million). The increase in period-end cash and deposit balance was primarily due to the cash retained from the remaining divestment proceeds.

As at 30 June 2018, the interest cost for approximately 54% (31 December 2017: 60%) of Fortune REIT's outstanding debts was hedged through interest rate swaps and caps.

Net asset value per unit amounted to HK$16.09 as at 30 June 2018, up 14.5% from HK$14.05 at the end of 2017.

PORTFOLIO VALUATION

Notwithstanding the divestment of Provident Square, Fortune REIT's portfolio valuation increased by 5.1% from HK$38,812 million as at 31 December 2017 to HK$40,778 million as at 30 June 2018. On a like-for-like basis excluding Provident Square divested during the Reporting Period, valuation grew by 8.0% over the six-month period. Knight Frank Petty Limited, the Principal Valuer, adopted the valuation methodology of income capitalisation approach and cross-referenced with direct comparison approach. To reflect the latest transaction yields of similar properties, the average capitalisation rate was compressed by about 25 bps to 4.3%. With the increased valuation, a revaluation gain of HK$3,011.5 million was recorded for the Reporting Period.



PORTFOLIO HIGHLIGHTS

As at 30 June 2018, Fortune REIT owns a geographically diverse portfolio of 16 retail malls and properties in Hong Kong, comprising approximately 3.0 million Sq.ft. of retail space and 2,713 car parking lots.

Property	Gross Rentable Area ("GRA") (Sq.ft.)	Valuation (HK$ million)	Occupancy	No. of car parking lots
Fortune City One	414,469	8,580	98.6%	653
Fortune Kingswood	665,244	8,069	94.0%	622
Ma On Shan Plaza	310,084	5,917	99.6%	290
Metro Town	180,822	3,816	100.0%	74
Fortune Metropolis	332,168	2,779	83.1%	179
Laguna Plaza	163,203	2,624	98.1%	150
Belvedere Square	276,862	2,534	99.5%	329
Waldorf Avenue	80,842	1,795	100.0%	73
Caribbean Square	63,018	1,231	100.0%	117
Jubilee Square	170,616	952	96.2%	97
Smartland	123,544	773	95.6%	67
Tsing Yi Square	78,836	748	100.0%	27
Centre de Laguna	43,000	322	100.0%	N.A
Hampton Loft	74,734	305	100.0%	35
Lido Avenue	9,836	205	100.0%	N.A
Rhine Avenue	14,604	128	100.0%	N.A
Total/Overall average	**3,001,882**	**40,778**	**96.0%**	**2,713**



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Hong Kong retail market demonstrated double-digit growth during the first five months of 2018. The growth has spanned over a wide spectrum of sectors with big ticket items such as jewelry & watches and electrical goods taking the lead and non-discretionary sectors registered a modest growth. In general, operating environment has been more positive for retailers.

AEIs at Fortune Kingswood started in June 2018 and has caused minor disruption to its operations during the Reporting Period. Nevertheless, portfolio occupancy still registered a healthy 96.0% as at 30 June 2018 (31 December 2017: 98.1%) while tenant retention rate was moderated to 60.7% due to some tenants' reshuffling at Fortune Kingswood. A rental reversion of 13.6% was achieved from renewals during the Reporting Period with average passing rent of HK$45.9 per Sq. ft. as at 30 June 2018.

Fortune Malls have a well-diversified trade mix with a strong focus on daily necessities. Tenants in the non-discretionary retail sectors such as food and beverages, supermarkets as well as services and education altogether accounted for approximately 70% of total GRA. These sectors remain as the anchor to sustain Fortune REIT's resilience over the long term.

Major AEIs Commenced at Fortune Kingswood

Fortune Kingswood, the largest asset in Fortune REIT's portfolio, is undergoing a major AEIs for a transformation into a regional shopping mall. The first phase of work started in June 2018 at the West Block. The renovation of the West Block is expected to be completed in phases by end of 2019 with an estimated capex of HK$150 million. The West Block will be equipped with some enriched retail and food and beverage offerings, a modernised ambiance and more shopper-friendly facilities.



OUTLOOK

The Hong Kong economy grew notably by 4.7% year-on-year in the first quarter of 2018 while private consumption recorded a robust 8.6% year-on-year growth on the back of a tight labour market as well as rising asset prices. For the first five months in 2018, Hong Kong's total retail sales value recorded a 13.7% year-on-year growth. Retail sales outlook remains positive in the near term as visitor arrivals are set for a steady rise given the opening of the Hong Kong-Zhuhai-Macao Bridge as well as the Express Rail Link later in 2018. With a broad-based recovery in retail sales, we are hopeful of seeing a positive leasing market to follow.

The US Federal Reserve has increased interest rate twice for a total rise of 0.5% during the Reporting Period. As US employment and inflation continue to climb, the financial market generally expects two more rate hikes for the rest of 2018. As part of Fortune REIT's prudent capital management, we have hedging measures in place to limit the potential financial impact of interest rate volatility.

Fortune REIT is dedicated to drive revenue growth and sustainable returns to the Unitholders by building on the strong foundation of its portfolio. We remain focused on proactive leasing management and enhancing the tenant mix, adding value to our malls through AEIs, prudently seeking yield-accretive investment opportunities and maintaining a healthy capital structure.



CORPORATE GOVERNANCE

With the objectives of establishing and maintaining high standards of corporate governance, certain policies and procedures have been put in place to promote the operation of Fortune REIT in a transparent manner with built-in checks and balances. The Manager has adopted a compliance manual (the "**Compliance Manual**"), which sets out the key processes, systems, measures and certain corporate governance policies and procedures applicable for governing the management and operation of Fortune REIT, to comply with the applicable Hong Kong regulations and legislation.

Fortune REIT is a real estate investment trust primary listed on the SEHK and secondary listed on the SGX-ST. Fortune REIT and/or the Manager are subject to the applicable laws, rules and regulations in Hong Kong and Singapore, including the code provisions set out in the Corporate Governance Code (the "**CG Code**") of the Rules Governing the Listing of Securities on the SEHK (the "**Hong Kong Listing Rules**") (where applicable) and the Singapore Code of Corporate Governance 2012 (the "**Singapore Code**").

The Manager confirms that it has in material terms complied with the provisions of the Compliance Manual and has adhered to the principles and guidelines set out in the CG Code and the Singapore Code which are applicable to Fortune REIT and/or the Manager during the Reporting Period.



During the Reporting Period, the Compliance Manual and the Trust Deed had been amended to reflect the changes made to the scope of the investment policy of Fortune REIT in respect of Geographical Scope, Property Development and Related Activities and Relevant Investment, and for the purpose to enhance the clarity and consistency. For details of the expansion of the scope of the investment policy of Fortune REIT, please refer to the circular dated 21 March 2018 and the poll results announcement dated 27 April 2018 published on Fortune REIT's website at www.fortunereit.com and the SEHK's website at www.hkexnews.hk.

BOARD OF DIRECTORS OF THE MANAGER

The board of directors of the Manager (the "**Board**") is responsible for corporate governance and the overall management of the Manager including establishing goals for management and monitoring the achievement of these goals. All Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of the performance of directors of the Manager (the "**Directors**"). The Board has established a framework for the management of Fortune REIT and the Manager, including a system of internal controls and business risk management processes.



CORPORATE GOVERNANCE

The Board meets regularly to review the Manager's key activities. Board meetings are held once every quarter (or more often if necessary) to discuss and review the strategies and policies of Fortune REIT, including any significant acquisitions and disposals, annual budget, financial performance of Fortune REIT and to approve the release of the financial results. The Board also reviews the risks to Fortune REIT's assets, and acts upon any comments from the auditors of Fortune REIT (the "**Auditors**"). Ad-hoc Board meetings will be held, as and when necessary, to address significant transactions or issues that may arise in between scheduled meetings. In lieu of physical meetings, written resolutions may also be circulated for approval by the Board.

As at 30 June 2018, the Board comprised nine members, eight of whom are Non-Executive Directors ("**NEDs**"). Four of the NEDs are Independent Non-Executive Directors ("**INEDs**"). The positions of Chairman and Chief Executive Officer are held by two different persons in order to maintain an effective segregation of duties.

The Board has established an Audit Committee, a Disclosures Committee and a Designated Committee with clear terms of reference to assist it in discharging its responsibilities.

- The role of the Audit Committee is to, among other things, safeguard the assets of the Manager and Fortune REIT, assist the Board with discharging its responsibility in maintaining adequate accounting records, develop, maintain and review the effectiveness of the financial reporting systems, internal control and risk management systems and the internal audit function, ensure integrity of financial statements and provide arrangements whereby concerns on financial improprieties or other matters raised by "whistle-blowers" are investigated and appropriate follow up actions are taken. The Audit Committee also, among other things, monitors the procedures established to regulate transactions with "connected person" (as defined in the Code on Real Estate Investment Trusts (the "**REIT Code**")).

- The role of the Disclosures Committee is to assist the Board in reviewing matters relating to the disclosure of information to the Unitholders and public announcements.

- The role of the Designated Committee is to assist the Board in reviewing matters relating to hedging strategies, financing and refinancing arrangements and transactions involving derivative instruments for hedging purposes.

INTERESTS OF, AND DEALINGS IN UNITS BY DIRECTORS, THE MANAGER OR THE SIGNIFICANT UNITHOLDERS

The Manager has adopted the Code Governing Dealings in Units by Directors or the Manager (the "**Units Dealing Code**") governing dealings in the securities of Fortune REIT by the Directors, the Manager and senior executives, officers or other employees of the Manager (collectively, the "**Management Persons**") on terms no less exacting than the required standards of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Hong Kong Listing Rules. Specific enquiry has been made with the Management Persons, who have confirmed that they have complied with the required standard set out in the Units Dealing Code during the Reporting Period.

COMMUNICATION BETWEEN FORTUNE REIT'S HONG KONG AND SINGAPORE OFFICES

As the management and operations of Fortune REIT are overseen and conducted by the Manager's management teams and staff located in Hong Kong and Singapore, the Manager will ensure that both offices work as a fully integrated team and communicate regularly and work closely together in meeting the investment objectives of Fortune REIT.

CHANGES OF DIRECTORS' INFORMATION

Subsequent to publication of the Annual Report 2017 of Fortune REIT, the Manager received notifications regarding the following changes of Directors' information during the Reporting Period:

- Dr. Chiu Kwok Hung, Justin has ceased as member of the Standing Committee of the 12th Shanghai Committee of Chinese People's Political Consultative Conference of the People's Republic of China upon its expiry.
- Dr. Chiu Kwok Hung, Justin has been appointed as the Vice-Chairman of the Board of Governors of Hong Kong Baptist University Foundation.
- Dr. Chiu Kwok Hung, Justin has been appointed as a Fellow of the Royal Institution of Chartered Surveyors.
- Ms. Eirene Yeung has ceased as the member of the Listing Committee of the Main Board and Growth Enterprise Market of the SEHK in June 2018 after completion of the full term of 6 years.
- Ms. Cheng Ai Ping did not renew her membership as a Fellow of Chartered Certified Accountant of the Association of Chartered Certified Accountants, United Kingdom since 1 January 2018.
- Ms. Koh Poh Wah has been appointed as a member of the Audit Committee of Fortune REIT with effect from 2 May 2018.

REVIEW OF INTERIM REPORT

The interim report of Fortune REIT for the Reporting Period has been reviewed by the Audit Committee and the Disclosures Committee of the Manager. The interim financial statements have also been reviewed by the Auditors, in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by International Auditing and Assurance Standards Board.

CONNECTED PARTY TRANSACTIONS

Set out below is the information in respect of the connected party transactions involving Fortune REIT and its connected persons as defined in paragraph 8.1 of the REIT Code:

CONNECTED PARTY TRANSACTIONS – INCOME

Save as disclosed under the section headed "Connected Party Transactions with the Trustee Connected Persons", the following table set forth information on all connected party transactions from which Fortune REIT derived its income during the Reporting Period:

Name of Connected Party	Relationship with Fortune REIT	Nature of the Connected Party Transaction	Income for the six months ended 30 June 2018 HK$'000	Rental deposit received as at 30 June 2018 HK$'000
ARA Asset Management (Fortune) Limited	Manager	Leasing transactions	443	241
A.S. Watson Retail (HK) Limited	Associated company of a significant holder[1]	Leasing and licensing transactions	18,943	1,601
BIGBOXX.com Limited	Associated company of a significant holder[1]	Leasing transactions	1,225	–
Cheung Kong Property Development Limited	Associate of a significant holder[1]	Leasing and licensing transactions	17,636	–
Citybase Property Management Limited	Associate of a significant holder[1]	Leasing transactions	1,044	621
Hutchison International Limited	Associated company of a significant holder[1]	Leasing transactions	1,495	–
Hutchison Telephone Company Limited	Associated company of a significant holder[1]	Licensing transactions	4,700	1,592
Hutchison Telecommunication Services Limited	Associated company of a significant holder[1]	Licensing transactions	42	5
PARKnSHOP (HK) Limited	Associated company of a significant holder[1]	Leasing and licensing transactions	74,723	10,089
Sino China Enterprises Limited	Associate of a significant holder[1]	Licensing transactions	9	5
Towerich Limited	Associate of a significant holder[1]	Licensing transactions	34	18
Total			**120,294**	**14,172**

Note:

1. *Significant holder being Focus Eagle Investments Limited ("**Focus Eagle**").*

CONNECTED PARTY TRANSACTIONS – EXPENSES

The following table sets forth information in relation to property management arrangements, third party services and other operational transactions provided by the connected parties for the properties of Fortune REIT during the Reporting Period:

Name of Connected Party	Relationship with Fortune REIT	Nature of the Connected Party Transaction	Expenses for the six months ended 30 June 2018 HK$'000
Citybase Property Management Limited	Associate of a significant holder[1]	Property management and operations	504
E-Park Parking Management Limited	Associate of a significant holder[1]	Carpark lease agency fee	4,609
Goodwell-Fortune Property Services Limited	Associate of a significant holder[1]	Property and lease management fee and marketing services fee	37,050
Goodwell Property Management Limited	Associate of a significant holder[1]	Property management and operations	88
Whampoa Property Management Limited	Associate of a significant holder[1]	Property management and operations	108
Total			**42,359**

Note:
1. *The significant holder being Focus Eagle.*

CONNECTED PARTY TRANSACTIONS – OTHERS

The following table sets forth information in relation to other services provided by the connected parties to Fortune REIT during the Reporting Period:

Name of Connected Party	Relationship with Fortune REIT	Nature of the Connected Party Transaction	Expenses for the six months ended 30 June 2018 HK$'000
ARA Asset Management (Fortune) Limited	Manager	Manager's fee	91,701
HSBC Institutional Trust Services (Singapore) Limited	Trustee	Trustee's fee	6,699
Knight Frank Petty Limited	Principal valuer	Valuation fees	315
Total			**98,715**

CONNECTED PARTY TRANSACTIONS

CONNECTED PARTY TRANSACTIONS WITH THE TRUSTEE CONNECTED PERSONS

Leasing/Licensing Transactions

The following table sets forth information on the leasing/licensing transactions between Fortune REIT and the Trustee (and its directors, senior executives, officers, controlling entitles, holding companies, subsidiaries and associated companies all within the meaning of the REIT Code) and the HSBC Group[1] (collectively, the "**Trustee Connected Persons**") during the Reporting Period:

Name of Connected Party	Relationship with Fortune REIT	Nature of the Connected Party Transaction	Income for the six months ended 30 June 2018 HK$'000	Rental deposit received as at 30 June 2018 HK$'000
Hang Seng Bank Limited	Trustee Connected Persons	Leasing and licensing transactions	9,846	5,398
The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**")	Trustee Connected Persons	Leasing and licensing transactions	4,933	2,138
Total			**14,779**	**7,536**

Note:

1. *HSBC Group means HSBC and its subsidiaries and unless otherwise expressly stated herein, excludes the Trustee and its proprietary subsidiaries (being the subsidiaries of the Trustee but excluding those subsidiaries formed in its capacity as the trustee of Fortune REIT). Specifically, HSBC Group includes Hang Seng Bank Limited and its subsidiaries.*

PROVISION OF ORDINARY BANKING AND FINANCIAL SERVICES

Fortune REIT has engaged HSBC Group to provide ordinary course of banking and financial services (namely, bank deposits and interest earned therefrom and loan facilities including interest and charges paid thereto) within the Reporting Period.

DISCLOSURE OF INTERESTS

UNIT CAPITAL

The total number of issued units as at 30 June 2018 is 1,917,295,034 units.

HOLDINGS OF SIGNIFICANT UNITHOLDERS AND OTHER UNITHOLDERS

As at 30 June 2018, each of the following persons was considered a "significant Unitholder", and hence a "connected person" of Fortune REIT, for the purpose of the REIT Code:

	Direct interest		Deemed interest	
Name	Number of Units Held Long Position	Percentage of Unit Holdings	Number of Units Held Long Position	Percentage of Unit Holdings
Focus Eagle[1]	413,074,684	21.54%	–	–
CK Asset Holdings Limited ("**CK Asset**")[1]	–	–	525,630,684	27.41%
Schroders Plc[2]	–	–	221,637,879	11.56%

In addition to the significant Unitholders as disclosed above, each of the following persons held, or was deemed to hold 5% or more of the issued units as at 30 June 2018:

	Direct interest		Deemed interest	
Name	Number of Units Held Long Position	Percentage of Unit Holdings	Number of Units Held Long Position	Percentage of Unit Holdings
Ballston Profits Limited[1]	112,556,000	5.87%	–	–

Notes:

1. *Focus Eagle and Ballston Profits Limited were indirect wholly-owned subsidiaries of CK Asset. Therefore, CK Asset was deemed to hold 525,630,684 units, of which: (i) 413,074,684 units were held by Focus Eagle; and (ii) 112,556,000 units were held by Ballston Profits Limited.*

2. *Schroders Plc was deemed to be interested in 221,637,879 units of which:*

   (a) 77,996,400 units were held by Schroder Investment Management Limited;

   (b) 66,081,000 units were held by Schroder Investment Management (Singapore) Limited;

   (c) 76,702,000 units were held by Schroder Investment Management (Hong Kong) Limited; and

   (d) 858,479 units were held by Schroder & Co (Asia) Limited.

DISCLOSURE OF INTERESTS

INTERESTS OF THE MANAGER

As at 30 June 2018, the Manager held 2,946,738 units, or approximately 0.15% of the issued units of Fortune REIT.

INTERESTS OF THE DIRECTORS AND SENIOR EXECUTIVES

Details of the unitholding interests of the Directors and senior executives of Fortune REIT as at 30 June 2018 were as follows:

	Direct interest		Deemed interest	
Name	Number of Units Held Long Position	Percentage of Unit Holdings	Number of Units Held Long Position	Percentage of Unit Holdings
Director				
Lim Hwee Chiang[1]	1,000,000	0.05%	2,100,000	0.11%

Note:

1. *Mr. Lim Hwee Chiang was deemed to be interested in the 2,100,000 units held by Citibank Nominees Singapore Pte. Ltd. (as nominee for JL Philanthropy Ltd). Mr. Lim is the settlor of JL Charitable Settlement which is the beneficiary of JL Philanthropy Ltd.*

HOLDINGS OF THE OTHER CONNECTED PERSONS

HSBC Group, being the Trustee Connected Persons of Fortune REIT, did not hold any beneficial interest in any units of Fortune REIT as at 30 June 2018.

Saved as disclosed above, the Manager is not aware of any connected persons (as defined under the REIT Code) of Fortune REIT holding any units of Fortune REIT as at 30 June 2018.

To the best knowledge of the Manager and save as disclosed, the following sets out changes in the beneficial interest of certain connected persons of Fortune REIT, in compliance with rule 8.2(a) of the REIT Code, by reference to comparison of their respective beneficial interests as at 30 June 2018 and 31 December 2017:

(a) Schroders Plc was beneficially interested in 221,637,879 units as at 30 June 2018 and 227,613,698 units as at 31 December 2017;

(b) The Manager was beneficially interested in 2,946,738 units as at 30 June 2018 and 3,488,811 units as at 31 December 2017;

(c) HSBC Group did not hold any beneficial interest in any units as at 30 June 2018 and was beneficially interested in 5,159,000 units as at 31 December 2017; and

(d) Mr. Richard Waichi Chan, a director of Focus Eagle and his associate were beneficially interested in 100,000 units as at 30 June 2018 and 31 December 2017.

OTHER INFORMATION

EMPLOYEES

Fortune REIT is managed by the Manager and does not employ any staff itself.

NEW UNITS ISSUED

As at 30 June 2018, the total number of issued units of Fortune REIT was 1,917,295,034. As compared with the position as at 31 December 2017, a total of 6,018,927 new units were issued during the Reporting Period in the following manner:

- On 2 January 2018, 3,072,278 new units were issued to the Manager at the price of HK$9.5526 per unit (being ascribed in the Trust Deed) as payment in full of the Manager's base fee of approximately HK$29.3 million payable by Fortune REIT for the period from 1 October 2017 to 31 December 2017.

- On 6 April 2018, 2,946,649 new units were issued to the Manager at the price of HK$9.4770 per unit (being ascribed in the Trust Deed) as payment in full of the Manager's base fee of approximately HK$27.9 million payable by Fortune REIT for the period from 1 January 2018 to 31 March 2018.

REPURCHASE, SALE OR REDEMPTION OF UNITS

During the Reporting Period, other than the disposal of 6,561,000 units by the Manager, there was no repurchase, sale or redemption of the units of Fortune REIT by Fortune REIT or its subsidiaries.

PUBLIC FLOAT

As far as the Manager is aware, more than 25% of the issued units of Fortune REIT were held in public hands as at 30 June 2018.

CORPORATE INFORMATION

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LIM Hwee Chiang, *Non-Executive Director*
YEUNG, Eirene, *Non-Executive Director*
MA Lai Chee, Gerald, *Non-Executive Director*
CHIU Yu, Justina, *Chief Executive Officer and Executive Director*
CHENG Ai Phing, *Independent Non-Executive Director*
YEO Annie (alias YEO May Ann), *Independent Non- Executive Director*
KOH Poh Wah, *Independent Non-Executive Director*

COMPANY SECRETARY OF THE MANAGER

YEOH Kar Choo, Sharon

TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF ARA ASSET MANAGEMENT (FORTUNE) LIMITED

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Fortune Real Estate Investment Trust ("**Fortune REIT**") set out on pages 26 to 55, which comprises the condensed consolidated statement of financial position as of 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in net assets attributable to unitholders, condensed consolidated statement of cash flows and distribution statement for the six-month period then ended and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. ARA Asset Management (Fortune) Limited, as manager of Fortune REIT, is responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 July 2018

FINANCIAL STATEMENTS

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2018

	Notes	Six months ended 30 June 2018 HK$'000 (Unaudited)	2017 HK$'000 (Unaudited) (Restated)
Revenue	4	**978,062**	956,669
Property operating expenses	6	**(206,202)**	(207,149)
Net property income (before manager's performance fee)		**771,860**	749,520
Manager's performance fee		**(23,276)**	(22,496)
Net property income		**748,584**	727,024
Manager's base fee		**(58,425)**	(54,950)
Foreign currency exchange gain		**56**	70
Interest income		**4,004**	342
Trust expenses	7	**(8,859)**	(8,145)
Gain on disposal of a property company	12	**941,060**	–
Change in fair value of investment properties	12	**3,011,511**	1,096,953
Finance costs	8	**(89,508)**	(216,925)
Profit before taxation and transactions with unitholders	9	**4,548,423**	1,544,369
Income tax expense	10	**(113,415)**	(110,449)
Profit for the period, before transactions with unitholders		**4,435,008**	1,433,920
Distributions to unitholders		**(505,181)**	(487,324)
Total comprehensive income for the period		**3,929,827**	946,596
Income available for distribution to unitholders		**505,181**	487,324
Basic earnings per unit (HK cents)	11	**232.05**	75.24

DISTRIBUTION STATEMENT

For the six months ended 30 June 2018

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Profit for the period, before transactions with unitholders	**4,435,008**	1,433,920
Adjustments:		
Manager's base fee	**58,425**	54,950
Gain on disposal of a property company	**(941,060)**	–
Change in fair value of investment properties	**(3,011,511)**	(1,096,953)
Change in fair value of derivative financial instruments	**(42,348)**	84,280
Non-tax deductible front end fees	**–**	4,852
Foreign currency exchange gain	**(56)**	(70)
Other non-tax deductible trust expenses	**6,723**	6,345
Income available for distribution (Note (i))	**505,181**	487,324
Distribution per unit (HK cents) (Note (ii))	**26.34**	25.53

Notes:

*(i) The distribution policy of Fortune REIT has been amended on 26 March 2010 pursuant to the extraordinary resolution passed on the same date for the purpose of allowing Fortune REIT to comply with the relevant Hong Kong regulatory requirements, including the Code on Real Estate Investment Trusts (the "**REIT Code**") issued by the Securities and Futures Commission of Hong Kong ("**SFC**"). The current distribution policy, as amended, obliges Fortune REIT to distribute to unitholders on a semi-annual basis, the higher of (a) 100% of its tax-exempt income (exclude dividends paid out of interest income and gains, if any, which are distributable at the discretion of ARA Asset Management (Fortune) Limited (the "**Manager**")) after deduction of applicable expenses ("**Net Tax-Exempt Income**"); and (b) 90% of consolidated net profit after tax (before transactions with unitholders) for the relevant financial period adjusted to eliminate the effects of certain adjustments in the REIT Code ("**Net Profit After Tax**").*

Net Tax-Exempt Income and Net Profit After Tax for the six months ended 30 June 2018 is HK$505.2 million (six months ended 30 June 2017: HK$487.3 million) and HK$465.9 million (six months ended 30 June 2017: HK$451.7 million), respectively. Accordingly, the income available for distribution, based on the Net Tax-Exempt Income, of HK$505.2 million (six months ended 30 June 2017: HK$487.3 million) would be distributed to unitholders for the six months ended 30 June 2018.

(ii) The distribution per unit of 26.34 HK cents for the six months ended 30 June 2018 is calculated based on the income available for distribution for the period of HK$505.2 million over the issued units as at 30 June 2018 of 1,917,295,034 units. The distribution amounting to HK$505.2 million for the six months ended 30 June 2018 will be paid on 29 August 2018.

The distribution per unit of 25.53 HK cents for the six months ended 30 June 2017 was calculated based on the income available for distribution for the period of HK$487.3 million over 1,908,173,581 units, represented issued units as at 30 June 2017 of 1,905,208,839 units plus the number of units issued after the distribution period to the Manager as settlement of the Manager's base fee for its services in the second quarter of 2017 of 2,964,742 units. The distribution amounted to HK$487.3 million for the six months ended 30 June 2017 was paid on 29 August 2017.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Notes	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	12	**40,778,000**	37,751,000
Derivative financial instruments	13	**56,734**	19,279
Total non-current assets		**40,834,734**	37,770,279
Current assets			
Trade and other receivables	14	**65,148**	266,958
Bank balances and cash		**1,097,328**	516,036
Derivative financial instruments	13	**–**	668
		1,162,476	783,662
Assets of a disposal company classified as held for sale	12	**–**	1,068,187
Total current assets		**1,162,476**	1,851,849
Total assets		**41,997,210**	39,622,128
Non-current liabilities			
Derivative financial instruments	13	**–**	5,790
Borrowings	15	**9,296,877**	9,286,423
Deferred tax liabilities		**456,090**	444,146
Total non-current liabilities		**9,752,967**	9,736,359
Current liabilities			
Trade and other payables	16	**781,295**	967,726
Borrowings	15	**–**	1,496,788
Derivative financial instruments	13	**229**	–
Distribution payable		**505,181**	483,436
Provision for taxation		**112,019**	11,324
		1,398,724	2,959,274
Liabilities directly associated with assets of a disposal company classified as held for sale	12	**–**	38,728
Total current liabilities		**1,398,724**	2,998,002
Total liabilities, excluding net assets attributable to unitholders		**11,151,691**	12,734,361
Net assets attributable to unitholders		**30,845,519**	26,887,767
Units in issue and to be issued ('000)	17	**1,917,295**	1,914,348
Net asset value per unit attributable to unitholders (HK$)	18	**16.09**	14.05

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the six months ended 30 June 2018

	Units in issue and to be issued HK$'000	Unit issue costs HK$'000	Retained profits HK$'000	Total HK$'000
Net assets attributable to unitholders as at 1 January 2018 (Audited)	7,992,482	(286,279)	19,181,564	26,887,767
OPERATIONS				
Profit for the period, before transactions with unitholders	–	–	4,435,008	4,435,008
Distribution paid and payable of 26.34 HK cents per unit for the six months ended 30 June 2018	–	–	(505,181)	(505,181)
Total comprehensive income for the period	–	–	3,929,827	3,929,827
UNITHOLDERS' TRANSACTIONS				
Creation of units – Manager's base fee paid in units	27,925	–	–	27,925
Increase in net assets resulting from unitholders' transactions	27,925	–	–	27,925
Net assets attributable to unitholders as at 30 June 2018 (Unaudited)	8,020,407	(286,279)	23,111,391	30,845,519

	Units in issue and to be issued HK$'000	Unit issue costs HK$'000	Retained profits HK$'000	Total HK$'000
Net assets attributable to unitholders as at 1 January 2017 (Audited)	7,879,828	(286,279)	16,951,334	24,544,883
OPERATIONS				
Profit for the period, before transactions with unitholders	–	–	1,433,920	1,433,920
Distribution paid and payable of 25.53 HK cents per unit for the six months ended 30 June 2017	–	–	(487,324)	(487,324)
Total comprehensive income for the period	–	–	946,596	946,596
UNITHOLDERS' TRANSACTIONS				
Creation of units – Manager's base fee paid/payable in units	54,950	–	–	54,950
Increase in net assets resulting from unitholders' transactions	54,950	–	–	54,950
Net assets attributable to unitholders as at 30 June 2017 (Unaudited)	7,934,778	(286,279)	17,897,930	25,546,429

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2018

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Net cash from operating activities	**713,394**	710,318
Net cash from/(used in) investing activities:		
Upgrading of investment properties	**(15,489)**	(35,047)
Proceed from disposal of a property company	**1,985,005**	–
Other investing cash flows	**3,303**	344
	1,972,819	(34,703)
Net cash used in financing activities:		
Drawdown of borrowings	**–**	1,570,000
Repayment of borrowings	**(1,500,000)**	(1,696,300)
Distribution paid	**(483,731)**	(465,070)
Payment of debt front end fee	**–**	(12,000)
Finance costs paid	**(121,190)**	(115,790)
	(2,104,921)	(719,160)
Net increase/(decrease) in cash and cash equivalents	**581,292**	(43,545)
Cash and cash equivalents at beginning of the period	**516,036**	585,217
Cash and cash equivalents at end of the period, represented by bank balances and cash	**1,097,328**	541,672

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

1 GENERAL

Fortune Real Estate Investment Trust ("**Fortune REIT**") is a real estate investment trust constituted by a trust deed entered into on 4 July 2003 (as amended) (the "**Trust Deed**") between ARA Asset Management (Fortune) Limited, as the manager of Fortune REIT (the "**Manager**"), and HSBC Institutional Trust Services (Singapore) Limited, as the trustee of Fortune REIT (the "**Trustee**"). Fortune REIT is primary listed on The Stock Exchange of Hong Kong Limited ("**SEHK**") and secondary listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

The principal activity of Fortune REIT is investment holding whereas its subsidiaries (together with Fortune REIT referred to as the "**Group**") is to own and invest in a portfolio of retail shopping malls located in Hong Kong with the primary objective of producing stable distributions for unitholders and to achieve long term growth in the net asset value per unit.

2 BASIS OF PREPARATION

The condensed consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of Fortune REIT.

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on SEHK and with International Accounting Standard 34 "Interim Financial Reporting" and the relevant disclosure requirements set out in Appendix C of the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong.

The Manager is of the opinion that, taking into account the fair value of investment properties, presently available undrawn banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements within one year from the end of the reporting period. Hence, the condensed consolidated financial statements have been prepared on a going concern basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3 PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of new and amendments to the International Financial Reporting Standards ("**IFRSs**") issued by the International Accounting Standards Board ("**IASB**"), the accounting policies and methods of computation used in these condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2017.

APPLICATION OF NEW AND AMENDMENTS TO IFRSs

In the current interim period, the Group has applied for the first time, the new and amendments to IFRSs which are mandatory and effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements. The adoption of these IFRSs has no significant impact on the Group's results and financial position.

The new and amendments to IFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which result in changes in accounting policies, amounts reported and/or disclosures as described below.

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group has applied IFRS 15 for the first time in the current interim period. IFRS 15 superseded IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related interpretations. The Group has applied IFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. In accordance with the transition provisions in IFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 January 2018. IFRS 15 applies to all contracts with customers except for leases within the scope of IAS 17 *Leases*.

3.1.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 15

IFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

3.1.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 15 (Continued)

Under IFRS 15, 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 and 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 and 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.

OVER TIME REVENUE RECOGNITION: MEASUREMENT OF PROGRESS TOWARDS COMPLETE SATISFACTION OF A PERFORMANCE OBLIGATION

The progress towards complete satisfaction of a performance obligation for charge-out collections 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 depicts the Group's performance in transferring control of goods or services.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.1 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

3.1.2 SUMMARY OF EFFECTS ARISING FROM INITIAL APPLICATION OF IFRS 15

The Group invests in a portfolio of retail shopping malls in Hong Kong for earning stable rental income under operating leases. It receives leasing rental income, charge-out collections and other income from tenants. IFRS 15 does not apply to the leasing component of base rental and other rental which are under the scope of IAS 17 *Leases*. Charge-out collections (e.g. management fee income and air conditioning income) are non-lease components which fall within IFRS 15. Each of these incomes has a stand-alone selling price for the services which are observable under the lease contracts and they are recognised as revenue only when the performance obligation is satisfied.

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS

In the current period, the Group has applied IFRS 9 *Financial Instruments* and the related consequential amendments to other IFRSs. IFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses ("**ECL**") for financial assets and other items (for example, lease receivables) and 3) general hedge accounting.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9

CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Trade receivables arising from contracts with customers are initially measured in accordance with IFRS 15.

All recognised financial assets that are within the scope of IFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under IAS 39 *Financial Instruments: Recognition and Measurement*.

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS (Continued)

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9 (Continued)

CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("**FVTPL**")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("**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 "other gains and losses" line item.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

The Manager reviewed and assessed the Group's financial assets and liabilities as at 1 January 2018 based on the facts and circumstances that existed at that date. There would be no impact on initial application of IFRS 9 as all other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under IAS 39.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS (Continued)

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9 (Continued)

IMPAIRMENT UNDER ECL MODEL

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 (including 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. Assessment 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.

The Group recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

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. When the financial instrument is determined to have low credit risk, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition.

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS (Continued)

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9 (Continued)

SIGNIFICANT INCREASE IN CREDIT RISK

In assessing whether the credit risk 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 instrument 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.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- 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;
- 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS (Continued)

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9 (Continued)

SIGNIFICANT INCREASE IN CREDIT RISK (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk 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.

The Group considers that default has occurred when the instrument 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.

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.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with IAS 17 *Leases*.

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 PRINCIPAL ACCOUNTING POLICIES (Continued)

APPLICATION OF NEW AND AMENDMENTS TO IFRSs (Continued)

3.2 IMPACTS AND CHANGES IN ACCOUNTING POLICIES ON APPLICATION OF IFRS 9 FINANCIAL INSTRUMENTS (Continued)

3.2.1 KEY CHANGES IN ACCOUNTING POLICIES RESULTING FROM APPLICATION OF IFRS 9 (Continued)

MEASUREMENT AND RECOGNITION OF ECL (Continued)

As at 1 January 2018, the Manager reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9. No impairment would need to be recognised at the date of initial application, 1 January 2018.

Except as described above, the application of other amendments to IFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

4 REVENUE

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
		(Restated)
Base rental	**757,353**	730,644
Other rental	**95,442**	97,666
Other income	**526**	1,867
Total rental income	**853,321**	830,177
Charge-out collections (Note)	**124,741**	126,492
	978,062	956,669

Note: Charge-out collections, which consist of payments in respect of the operation of the properties in Hong Kong which are payable by the tenants and licensees, are recognised over time as income when the services and facilities are provided. The Group billed a fixed amount for each month according to the term of the relevant lease.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

5 SEGMENTAL REPORTING

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, which is the management of the Manager, in order to allocate resources to segments and to assess their performance.

The Group owns 16 (31 December 2017: 17) properties as at 30 June 2018 which are located in Hong Kong. Revenue and net property income of each property (which constitutes an operating segment) is the measure reported to the Manager for the purposes of resource allocation and performance assessment. The Manager considers that all existing properties held by the Group, consisting of retail shopping malls, have similar economic characteristics and have similar nature in providing leasing service to similar type of retail tenants for rental income. In addition, the cost structure and the economic environment in which they operate are similar. Therefore, the Manager concluded that each of the properties or operating segments are aggregated into a single reportable segment and no further analysis for segment information is presented.

6 PROPERTY OPERATING EXPENSES

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
		(Restated)
Building management expenses	**108,593**	106,760
Utilities	**19,200**	20,420
Government rents and rates	**6,495**	6,845
Property manager fee	**23,938**	23,380
Carpark operating expenses	**14,737**	13,890
Advertising and promotion	**8,898**	9,262
Legal and other professional fees	**3,156**	5,011
Leasing commission and marketing services fee	**13,790**	14,529
Others	**7,395**	7,052
	206,202	207,149

7 TRUST EXPENSES

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Trustee's fee	**6,699**	6,345
Other charges	**2,160**	1,800
	8,859	8,145

8 FINANCE COSTS

	Six months ended 30 June		
	2018	2017	
	HK$'000	HK$'000	
	(Unaudited)	(Unaudited)	(Restated)
Interest expenses on bank borrowings	**105,176**	89,387	
Front end fees	**13,666**	16,976	
Commitment fee	**874**	1,885	
Interest rate swaps and caps expenses realised	**12,140**	24,397	
	131,856	132,645	
Change in fair value of derivative financial instruments	**(42,348)**	84,280	
	89,508	216,925	

9 PROFIT BEFORE TAXATION AND TRANSACTIONS WITH UNITHOLDERS

Profit before taxation and transactions with unitholders is arrived at after charging:

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Fees to external auditor	**1,384**	1,644
Fees to internal auditor	**161**	170
Valuation fees (paid to principal valuer)	**315**	198

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

10 INCOME TAX EXPENSE

	Six months ended 30 June	
	2018	2017
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Current tax:		
– Hong Kong	**100,983**	95,834
Deferred taxation	**12,432**	14,615
	113,415	110,449

Fortune REIT's subsidiaries in Hong Kong are subject to Hong Kong Profits Tax at 16.5% (six months ended 30 June 2017: 16.5%) for the period. Fortune REIT, which is established in Singapore, is subject to Singapore income tax at 17% (six months ended 30 June 2017: 17%) for the period. No provision for Singapore income tax has been made as Fortune REIT had no assessable profit for the period.

Deferred tax is provided on temporary differences in relation to accelerated tax depreciation and tax losses using the applicable rate of 16.5%. The investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time and hence the presumption that the carrying amounts are recovered entirely through sale is not rebutted.

11 EARNINGS PER UNIT

Basic earnings per unit is calculated by dividing the profit for the period, before transactions with unitholders of HK$4,435.0 million (six months ended 30 June 2017: HK$1,433.9 million) by the weighted average of 1,911,191,135 units (six months ended 30 June 2017: 1,905,692,529 units) outstanding during the period.

No diluted earnings per unit is presented as there are no potential units in issue during the financial period nor outstanding at the end of the financial period.

12 INVESTMENT PROPERTIES

	For the six months ended 30 June 2018 HK$'000 (Unaudited)	For the year ended 31 December 2017 HK$'000 (Audited)
Fair Value		
At beginning of the period/year	**37,751,000**	36,368,000
During the period/year:		
Capital expenditure incurred in upgrading investment properties	**15,489**	52,451
Transfer to assets of a disposal company classified as held for sale (Note (i))	**–**	(1,061,000)
Change in fair value of investment properties	**3,011,511**	2,391,549
At end of the period/year	**40,778,000**	37,751,000

Notes:

(i) On 28 February 2018, Fortune REIT completed the disposal of Provident Square to an independent third party through disposal of the entire equity interest in Maulden Investments Limited for a consideration of HK$2,000.0 million minus adjustment on the net liabilities of HK$12.4 million as at completion date of disposal.

The sales proceeds, net of expenses, have been used to repay part of the banking facilities as disclosed in Note 15(i). The disposal results in a gain of approximately HK$941.1 million.

Analysis of assets and liabilities over which control was lost:

	HK$'000 (Unaudited)
Investment properties	1,061,000
Trade and other receivables	4,048
Bank balances and cash	2,603
Trade and other payables	(19,043)
Provision for taxation	(274)
Deferred tax liabilities	(13,886)
Net assets disposed of	1,034,448

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

12 INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

Gain on disposal of a property company is determined as follows:

	HK$'000 (Unaudited)
Consideration received	1,987,608
Less: Transaction cost incurred	(2,100)
Less: Divestment fee	(10,000)
Less: Net assets disposed of	(1,034,448)
	941,060

Net cash inflow arising on disposal is as follows:

	HK$'000 (Unaudited)
Consideration received	1,987,608
Less: Cash and cash equivalents disposed of	(2,603)
	1,985,005

(ii) In estimating the fair value of investment properties, it is the Group's policy to engage an independent qualified external valuer to perform the valuation. The Manager works closely with the valuer to establish appropriate inputs to the valuation model.

*On 30 June 2018 and 31 December 2017, independent valuations were undertaken by Knight Frank Petty Limited ("**Knight Frank**"). This firm is an independent qualified external valuer not related to the Group and has appropriate professional qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation of the properties was principally arrived at using income capitalisation approach which is a method of valuation whereby the existing net rental incomes (i.e. exclusive of rates, government rent and management fees) of all lettable units of each property are capitalised for the respective unexpired terms of contractual tenancies whilst vacant units are assumed to be let at their respective market rents as at the valuation date. In the valuation, the market rentals of all lettable units of the properties are assessed and capitalised at market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The market yield which is the capitalisation rate adopted is made by reference to the yields derived from analysing the sales transactions of similar properties in Hong Kong and adjusted to take account of the valuer's knowledge of the market expectation from property investors to reflect factors specific to the Group's investment properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use.*

The adopted capitalisation rates in the valuation range from 4.0% – 4.8% (31 December 2017: 4.3% – 5.0%). The capitalisation rate is one of the key parameters in the valuation method of income capitalisation and they involve professional judgment in relation to the adjustments made by the valuer. A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.

(iii) As at 30 June 2018, properties with total fair value of HK$5,917 million (31 December 2017: HK$10,283 million) have been mortgaged as collaterals for credit facilities granted by the banks.

13 DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Derivative financial instruments are analysed as:		
Derivatives not under hedge accounting:		
Interest rate swaps and caps	**56,505**	14,157
Reflected on condensed consolidated statement of financial position based on remaining contractual maturity as:		
Current assets	**–**	668
Non-current assets	**56,734**	19,279
Non-current liabilities	**–**	(5,790)
Current liabilities	**(229)**	–
	56,505	14,157

The Group uses interest rate swaps and caps as hedging instruments in order to manage its exposure to interest rate movements on its bank borrowings by swapping a proportion of these borrowings from floating rates to fixed rates.

DERIVATIVES NOT UNDER HEDGE ACCOUNTING:

Contracts not under hedge accounting with total notional amount of HK$5,048.2 million (31 December 2017: HK$6,463.2 million) as at 30 June 2018 will mature from March 2019 to April 2021 (31 December 2017: April 2018 to April 2021). These contracts have fixed interest payments at rates ranging from 0.665% to 1.85% (31 December 2017: 0.665% to 1.85%) per annum and have floating interest receipts at one or three months Hong Kong Inter-bank Offered Rate ("**HIBOR**") or at three months HIBOR minus 1.50% if HIBOR is within a pre-determined range (if applicable) with HIBOR being repriced every three months.

The change in fair value of the derivative financial instruments not under hedge accounting amounting to a gain of HK$42.3 million (six months ended 30 June 2017: a loss of HK$84.3 million), is recognised in the profit or loss for the six months ended 30 June 2018.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

13 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

DERIVATIVES NOT UNDER HEDGE ACCOUNTING: (Continued)

The derivative financial instruments are measured at fair value at the end of the reporting period. Their fair values are determined based on the discounted future cash flows using the applicable yield curve for the remaining duration of the instruments.

The fair value of derivative financial instruments falls under Level 2 of the fair value hierarchy and is based on valuation of the instruments provided by the counterparty banks, which are determined using interest rates implied from observable market inputs such as market interest rates yield curves and contracted interest rates discounted at a rate that reflects the credit risk of various counterparties.

14 TRADE AND OTHER RECEIVABLES

		30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
(a)	Trade receivables:		
	Outside parties	**31,811**	29,849
	Related parties (Note 22)	**2,151**	4,880
		33,962	34,729
(b)	Other receivables and prepayments:		
	Security deposits	**25,669**	25,669
	Other receivables	**3,899**	204,431
	Prepayments	**1,618**	2,129
		31,186	232,229
		65,148	266,958

14 TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis of the Group's trade receivables presented based on the invoice date at the end of the reporting period is as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
0–30 days	**33,635**	34,548
31–90 days	**317**	170
Over 90 days	**10**	11
	33,962	34,729

15 BORROWINGS

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Secured term loans	**2,000,000**	3,100,000
Unsecured term loans	**7,355,060**	7,355,060
Unsecured revolving loans	**–**	400,000
	9,355,060	10,855,060
Less: unamortised front end fees	**(58,183)**	(71,849)
	9,296,877	10,783,211
Carrying amount repayable:		
On demand or within one year	**–**	1,496,788
More than one year, but not more than two years	**1,150,729**	–
More than two years, but not more than five years	**8,146,148**	9,286,423
	9,296,877	10,783,211
Less: Amount due within one year shown under current liabilities	**–**	(1,496,788)
	9,296,877	9,286,423

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

15 BORROWINGS (Continued)

(i) On 28 February 2018, an existing secured loan facilities amounting HK$1,100 million was early repaid due to the disposal of Provident Square as disclosed in Note 12(i).

(ii) As at 30 June 2018, total committed loan facilities amounted to HK$10,055.1 million (31 December 2017: HK$11,155.1 million), bear interest at HIBOR plus a margins ranging from 0.98% to 1.30% (31 December 2017: 0.98% to 1.40%).

In addition, the Trustee (in its capacity as Trustee of Fortune REIT) has provided guarantee for all the loan facilities.

(iii) The front end fees are amortised over the respective loan periods. The movements in the front end fees and accumulated amortisation are as follows:

	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
At beginning of the period/year	**116,088**	130,000
Addition	**–**	12,000
Reversal during the period/year	**(12,650)**	(25,912)
At end of the period/year	**103,438**	116,088
Movement in accumulated amortisation:		
At beginning of the period/year	**(44,239)**	(38,607)
Amortised during the period/year	**(10,876)**	(24,940)
Reversal during the period/year	**9,860**	19,308
At end of the period/year	**(45,255)**	(44,239)
Net book values	**58,183**	71,849

16 TRADE AND OTHER PAYABLES

		30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
(a)	Trade payables:		
	Tenants' deposits		
	– Outside parties	**494,465**	495,950
	– Related parties (Note 22)	**21,708**	15,184
	Rental received in advance		
	– Outside parties	**30,636**	27,247
		546,809	538,381
(b)	Other payables:		
	Trustee's fee	**2,295**	2,232
	Deposits receivable for assets of a disposal company classified as held for sale		
	Other expenses	**–**	200,000
	– Outside parties	**118,887**	120,053
	– Related parties (Note 22)	**56,411**	55,719
	– Manager (Note 22)	**53,776**	45,076
	Interest payable	**433**	3,875
	Others	**2,684**	2,390
		234,486	429,345
		781,295	967,726

Trade and other payables comprise deposits refundable to tenants upon termination or cancellation of operating lease arrangements and amounts outstanding for ongoing costs. The tenants' deposits are refundable to tenants within 30 days upon the termination of the tenancy agreement.

The tenants' deposits to be settled after twelve months from the end of the reporting period based on lease term amounted to HK$323.8 million (31 December 2017: HK$308.7 million) as at 30 June 2018.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

17 UNITS IN ISSUE AND TO BE ISSUED

	Number of units '000	HK$'000
Balance as at 1 January 2017	1,902,128	7,879,828
Issue of new units during the period:		
As payment of Manager's base fee for the period from 1 January to 30 September 2017	9,148	83,306
Balance in issue as at 31 December 2017	1,911,276	7,963,134
Issue of new units during the period:		
As payment of Manager's base fee for the period from 1 October to 31 December 2017 (Note (i))	3,072	29,348
Balance as at 31 December 2017	1,914,348	7,992,482
Issue of new units during the period:		
As payment of Manager's base fee for the period from 1 January to 31 March 2018	2,947	27,925
Balance in issue as at 30 June 2018	1,917,295	8,020,407

Note:

(i) Manager's base fee payable to the Manager is in the form of units. On 2 January 2018, Fortune REIT issued 3,072,278 units at an issue price of HK$9.553 per unit to the Manager as base fee for the period from 1 October 2017 to 31 December 2017.

18 NET ASSET VALUE PER UNIT ATTRIBUTABLE TO UNITHOLDERS

Net asset value per unit as at 30 June 2018 is calculated based on the net assets attributable to unitholders of the Group of HK$30,845.5 million and the total number of 1,917,295,034 units in issue as at 30 June 2018.

Net asset value per unit as at 31 December 2017 was calculated based on the net assets attributable to unitholders of the Group of HK$26,887.8 million and the total number of 1,914,348,385 units in issue and to be issued as at 31 December 2017, including the new units issued as payment of Manager's base fee in January 2018.

19 NET CURRENT LIABILITIES

As at 30 June 2018, the Group's net current liabilities, defined as current liabilities less current assets, amounted to HK$236.2 million (31 December 2017: HK$1,146.2 million).

20 TOTAL ASSETS LESS CURRENT LIABILITIES

As at 30 June 2018, the Group's total assets less current liabilities amounted to HK$40,598.5 million (31 December 2017: HK$36,624.1 million).

21 CAPITAL COMMITMENTS

As at 30 June 2018, the Group had capital commitments in respect of investment properties which were authorised but not contracted for of HK$77.5 million (31 December 2017: HK$261.9 million) and contracted but not provided for of HK$218.4 million (31 December 2017: HK$67.2 million).

22 CONNECTED AND RELATED PARTY TRANSACTIONS

During the period, the Group entered into the following transactions with connected and related parties:

	Notes	Six months ended 30 June 2018 HK$'000 (Unaudited)	2017 HK$'000 (Unaudited)
Rent and rental related income from			
ARA Asset Management (Fortune) Limited	(e)	**443**	409
A.S. Watson Retail (HK) Limited	(c)	**18,943**	17,823
BIGBOXX.com Limited	(c)	**1,225**	1,206
Cheung Kong Property Development Limited	(b)	**17,636**	21,329
Citybase Property Management Limited	(b)	**1,044**	1,314
Hang Seng Bank Limited	(d)	**9,846**	9,674
Hutchison Global Communications Limited	(c)	**–**	767
Hutchison International Limited	(c)	**1,495**	1,475
Hutchison Telephone Company Limited	(c)	**4,700**	4,591
Hutchison Telecommunication Services Limited	(c)	**42**	–
PARKnSHOP (HK) Limited	(c)	**74,723**	76,605
Sino China Enterprises Limited	(b)	**9**	8
The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**")	(d)	**4,933**	4,931
Towerich Limited	(b)	**34**	33

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

22 CONNECTED AND RELATED PARTY TRANSACTIONS (Continued)

	Notes	Six months ended 30 June 2018 HK$'000 (Unaudited)	2017 HK$'000 (Unaudited)
Carpark lease agency fee for the operations of the Group's carpark			
E-Park Parking Management Limited	(b)	**4,609**	4,344
Property management fee			
Citybase Property Management Limited	(b)	**504**	496
Goodwell-Fortune Property Services Limited	(b)	**23,829**	23,045
Goodwell Property Management Limited	(b)	**88**	79
Whampoa Property Management Limited	(b)	**108**	335
Leasing commission and marketing services fee			
Goodwell-Fortune Property Services Limited	(b)	**13,221**	14,283
Advertising and promotion expenses			
Metro Broadcast Corporation Limited	(c)	**–**	258
Trustee's fee			
HSBC Institutional Trust Services (Singapore) Limited		**6,699**	6,345
Manager's divestment fee			
ARA Asset Management (Fortune) Limited	(e)	**10,000**	–
Manager's base fee			
ARA Asset Management (Fortune) Limited	(e)	**58,425**	54,950
Manager's performance fee			
ARA Asset Management (Fortune) Limited	(e)	**23,276**	22,496
Valuation and other fees			
Knight Frank	(f)	**315**	198

22 CONNECTED AND RELATED PARTY TRANSACTIONS (Continued)

The following are the balances with connected and related parties at the end of the reporting period:

	Notes	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Trade receivables with connected and related companies are as follows:			
A.S. Watson Retail (HK) Limited	(c)	**1**	1
Cheung Kong Property Development Limited	(b)	**1,914**	4,619
Hang Seng Bank Limited	(d)	**1**	–
Hutchison Telephone Company Limited	(c)	**1**	50
PARKnSHOP (HK) Limited	(c)	**234**	210
		2,151	4,880
Other payables with connected and related companies are as follows:			
ARA Asset Management (Fortune) Limited	(e)	**53,776**	45,076
Citybase Property Management Limited	(b)	**27,763**	26,261
E-Park Parking Management Limited	(b)	**787**	765
Goodwell-Fortune Property Services Limited	(b)	**7,426**	10,249
Goodwell Property Management Limited	(b)	**20,435**	18,444
		56,411	55,719
		110,187	100,795

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

22 CONNECTED AND RELATED PARTY TRANSACTIONS (Continued)

	Notes	30 June 2018 HK$'000 (Unaudited)	31 December 2017 HK$'000 (Audited)
Deposits placed with the Group for the lease of the Group's properties			
ARA Asset Management (Fortune) Limited	(e)	**241**	240
A.S. Watson Retail (HK) Limited	(c)	**1,601**	2,472
Citybase Property Management Limited	(b)	**621**	599
Hang Seng Bank Limited	(d)	**5,398**	5,138
HSBC	(d)	**2,138**	2,132
Hutchison Telecommunication Services Limited	(c)	**5**	36
Hutchison Telephone Company Limited	(c)	**1,592**	1,531
PARKnSHOP (HK) Limited	(c)	**10,089**	3,013
Sino China Enterprises Limited	(b)	**5**	5
Towerich Limited	(b)	**18**	18
		21,708	15,184

Notes:

*(a) Significant holder of Fortune REIT (as defined in the REIT Code) being Focus Eagle Investments Limited (the "**Significant Holder**"), which holds approximately 21% of the units of Fortune REIT as at 30 June 2018.*

*(b) These companies are subsidiaries of CK Asset Holdings Limited ("**CK Asset**") and CK Asset is the holding company of the Significant Holder.*

(c) These companies are associated companies (as defined in the REIT code) of the Significant Holder.

(d) These companies are fellow subsidiaries of the Trustee.

(e) This company is the Manager of Fortune REIT.

(f) Knight Frank was the principal valuer of investment properties.

In addition, the Trustee (in its capacity as trustee of Fortune REIT) has provided guarantees for all loan facilities granted to the Group.

23 COMPARATIVE FIGURES

Certain comparative figures have been reclassified in these condensed consolidated financial statements, which have no material effect on previously reported profit, to conform with the current period's presentation.

For the six months ended 30 June 2018, (i) the Manager reviewed and reassessed the nature of the revenue and considered that income amounting to HK$45.6 million (for the six months ended 30 June 2017: HK$46.6 million) relates to the reimbursement of expenditure of the Group rather than an output of the Group's ordinary activities in exchange for consideration and therefore this amount is netted off against relevant expenditures and; (ii) change in fair value of derivative financial instruments has been grouped under finance costs as per note 8 instead of being presented as a line item in the condensed consolidated statement of profit or loss and other comprehensive income.

PERFORMANCE TABLE

	30 June 2018 (Unaudited)	31 December 2017 (Audited)
Net assets attributable to unitholders (HK$'000)	**30,845,519**	26,887,767
Net asset value per unit (HK$)	**16.09**	14.05
The highest traded price during the period/year (HK$)	**9.87**	9.82
The highest premium of the trade price to net asset value[1]	**N.A.**	N.A.
The lowest traded price during the period/year (HK$)	**9.01**	8.52
The highest discount of the trade price to net asset value	**44.0%**	39.4%
The net yield per unit[2]	**5.8%**	5.3%

Notes:

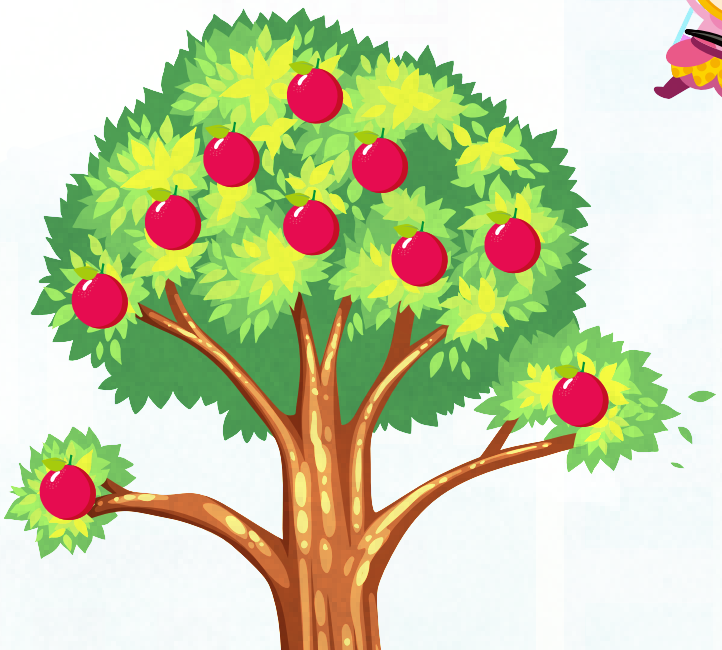
1. *The highest traded price is lower than the net asset value per unit as at the end of the period. Accordingly, premium of the traded price to net asset value per unit had not been recorded.*

2. *The net yield per unit for the six months ended 30 June 2018 is an annualised yield based on the distribution per unit for the six months ended 30 June 2018 over the last traded price for the period.*

   The net yield per unit for the year ended 31 December 2017 is based on the distribution per unit for the year ended 31 December 2017 over the last traded price for the period.

PORTFOLIO MAP & SUMMARY

物業組合分佈及總覽





PORTFOLIO SUMMARY 物業總覽

As at 30 June 2018, Fortune REIT owns a geographically diverse portfolio of 16 retail malls and properties in Hong Kong, comprising approximately 3.0 million Sq.ft. of retail space and 2,713 car parking lots.

於2018年6月30日，置富產業信託的物業組合由16個分佈於香港多個區域的零售商場及物業組成，其中包括約300萬平方呎的零售樓面及2,713個車位。

	Property	物業	Gross Rentable Area 可出租總面積 (Sq.ft.) （平方呎）	Valuation 估值 (HK$ million) （百萬港元）	Occupancy 出租率	No. of car parking lots 車位數目
1	Fortune City One	置富第一城	414,469	8,580	98.6%	653
2	Fortune Kingswood	置富嘉湖	665,244	8,069	94.0%	622
3	Ma On Shan Plaza	馬鞍山廣場	310,084	5,917	99.6%	290
4	Metro Town	都會駅	180,822	3,816	100.0%	74
5	Fortune Metropolis	置富都會	332,168	2,779	83.1%	179
6	Laguna Plaza	麗港城商場	163,203	2,624	98.1%	150
7	Belvedere Square	麗城薈	276,862	2,534	99.5%	329
8	Waldorf Avenue	華都大道	80,842	1,795	100.0%	73
9	Caribbean Square	映灣薈	63,018	1,231	100.0%	117
10	Jubilee Square	銀禧薈	170,616	952	96.2%	97
11	Smartland	荃薈	123,544	773	95.6%	67
12	Tsing Yi Square	青怡薈	78,836	748	100.0%	27
13	Centre de Laguna	城中薈	43,000	322	100.0%	N.A
14	Hampton Loft	凱帆薈	74,734	305	100.0%	35
15	Lido Avenue	麗都大道	9,836	205	100.0%	N.A
16	Rhine Avenue	海韻大道	14,604	128	100.0%	N.A
	Total/Overall Average	**合計/總平均值**	**3,001,882**	**40,778**	**96.0%**	**2,713**


新界
NEW TERRITORIES
九龍
KOWLOON
大嶼山
LANTAU ISLAND
香港島
HONG KONG
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16



有關置富產業信託

置富產業信託是一家房地產投資信託基金，由置富資產管理有限公司（作為置富產業信託的管理人（「**管理人**」））與HSBC Institutional Trust Services (Singapore) Limited（作為置富產業信託的受託人（「**受託人**」））於2003年7月4日訂立的信託契約（經修訂）（「**信託契約**」）組成。

置富產業信託於香港聯合交易所有限公司（「**香港聯交所**」）作第一上市，及在新加坡證券交易所有限公司（「**新交所**」）作第二上市。置富產業信託是亞洲首家跨境房地產投資信託基金，以及首家持有香港資產的房地產投資信託基金。置富產業信託目前在香港持有16個私人住宅屋苑零售物業。物業組合包括約300萬平方呎零售空間及2,713個車位。

有關管理人

置富產業信託由置富資產管理有限公司（其為亞騰資產管理有限公司的全資附屬公司）管理。亞騰資產管理有限公司為首屈一指的環球綜合資產基金管理人，矢志成為最佳的資產基金管理公司。

我們的使命

管理人的主要目標是通過積極管理置富產業信託旗下的資產組合及收購可為置富產業信託的基金單位持有人(「**基金單位持有人**」)帶來長遠利益的物業，為基金單位持有人提供定期及穩定的回報。



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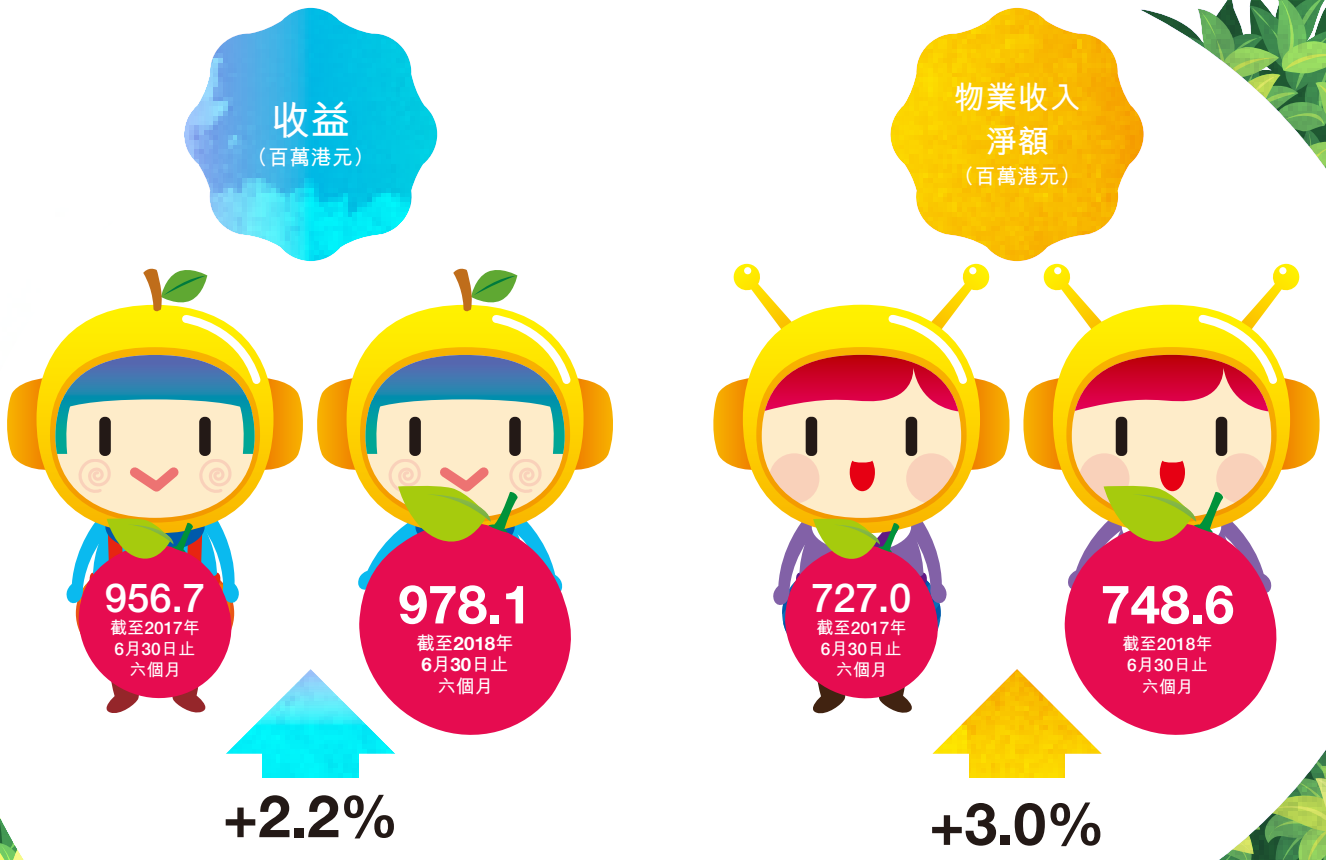
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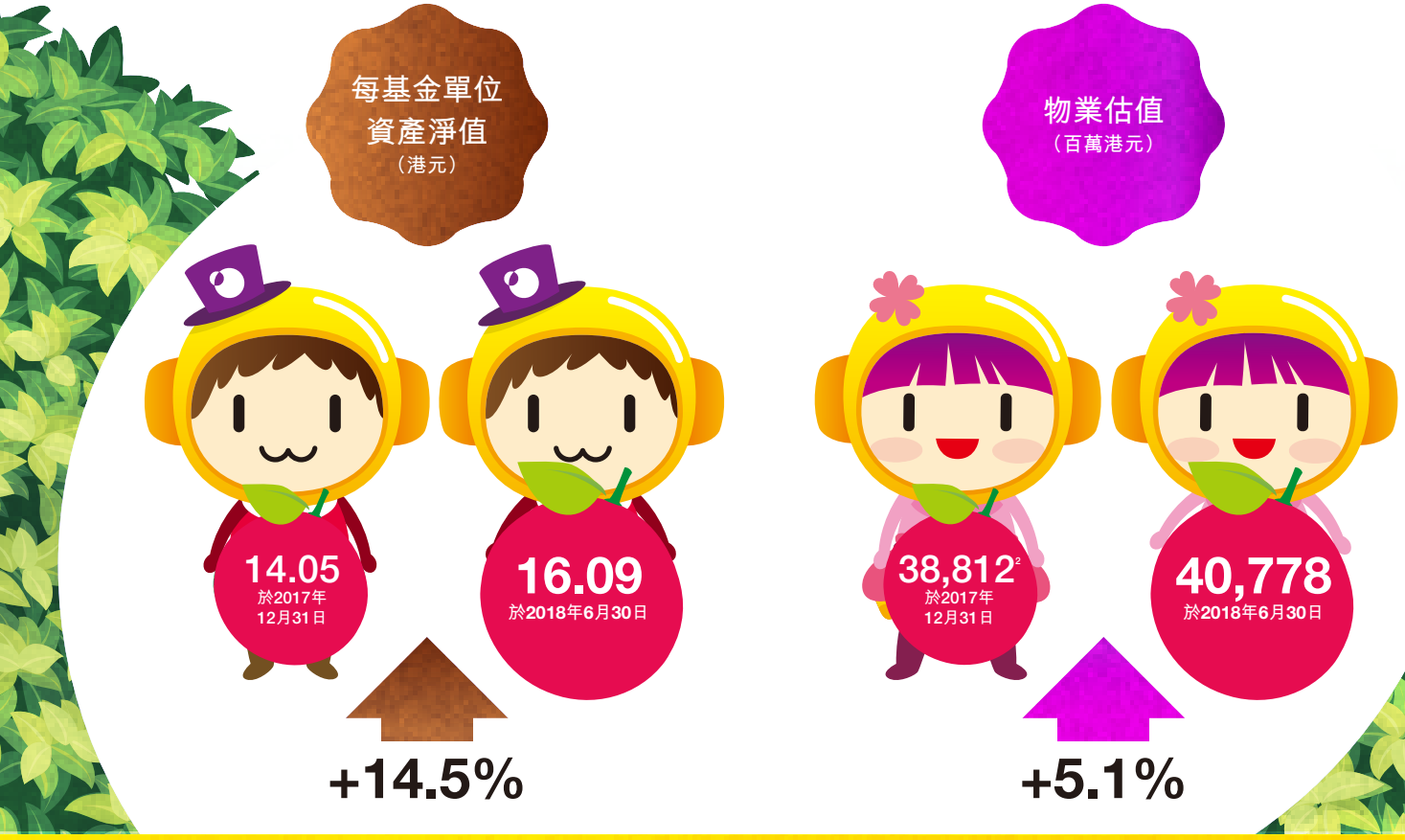
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財務摘要



	截至2018年6月30日止六個月	截至2017年6月30日止六個月	百分比變動
收益(百萬港元)	**978.1**	956.7[1]	+2.2%
物業收入淨額(百萬港元)	**748.6**	727.0	+3.0%
成本對收益比率	**21.1%**	21.7%[1]	-0.6%
可供分派之收益(百萬港元)	**505.2**	487.3	+3.7%
每基金單位分派(港仙)	**26.34**	25.53	+3.2%



	於2018年6月30日	於2017年12月31日	百分比變動
每基金單位資產淨值(港元)	**16.09**	14.05	+14.5%
物業估值(百萬港元)	**40,778**	38,812[2]	+5.1%
資產負債比率／總槓桿比率[3]	**22.3%**	27.4%	–5.1%

附註：

1. *「收益」及「物業營運開支」已經重新分類以符合本期間的呈列方式。*
2. *金額包括已轉撥至待出售之公司資產的和富薈為1,061百萬港元的物業估值。*
3. *資產負債比率按總借貸佔總資產的百分比計算。總槓桿比率按總借貸及遞延付款的價值佔總資產的百分比計算。於2018年6月30日，概無遞延付款。*

三大增長策略





提升回報的收購

置富產業信託作為香港規模增長最迅速的房地產投資信託基金之一，不時積極物色可提升回報的資產。自2003年上市以來，物業組合已由5項增加至16項物業，資產估值已增長逾11倍至408億港元。

積極的租賃管理

透過致力保留優質的零售租戶，並提早於租期屆滿前與租戶續租，置富產業信託於報告期間的續租租金調升率達13.6%。於2018年6月30日，平均租金達到每平方呎45.9港元。



資產增值措施

於2018年6月，置富產業信託已於旗下物業組合中規模最大的置富嘉湖展開耗資150百萬港元的資產增值措施。憑藉其在執行資產增值措施上的成功經驗，我們有信心置富嘉湖將可進一步推動置富產業信託的增長。



管理層討論及分析

財務回顧

截至2018年6月30日止六個月(「**報告期間**」),置富產業信託的財務表現繼續穩步上揚。總收益及物業收入淨額分別按年增長2.2%及3.0%至978.1百萬港元及748.6百萬港元。增長主要來自穩健的續租租金調升率,惟部分增幅因出售和富薈而被抵銷。剔除出售和富薈的影響,16個物業的總收益及物業收入淨額則分別按年增長4.2%及4.6%。物業營運開支總額(不包括管理人表現費用)按年減少0.5%至206.2百萬港元。在我們持續推行節能措施的成效下,即使電費自2018年起上調,報告期間內電費開支反而有所下降。在嚴謹的成本控制下,報告期間的成本對收益比率進一步改善至21.1%(2017年上半年:21.7%)。

儘管報告期間的香港銀行同業拆息率較去年同期為高,惟其升幅大部分影響因償還若干貸款所節省的利息支出而被抵銷。因此,融資成本(不包括衍生金融工具公平值變動)按年減少0.6%至131.9百萬港元。在債務總額基數減少下,報告期間的實際借貸成本為2.72%(2017年上半年:2.41%)。

於報告期間,可供分派收益達505.2百萬港元,按年增長3.7%。報告期間的每基金單位分派為26.34港仙,按年增長3.2%(2017年上半年:25.53港仙)。按每基金單位於2018年6月29日在香港之收市價9.22港元計算,該分派相當於5.8%的年度化分派收益率。



截至2018年6月30日止六個月之中期每基金單位分派為26.34港仙，將於2018年8月29日派付予於2018年8月14日已在置富產業信託的基金單位持有人登記冊上登記的基金單位持有人。

資本管理

於2018年2月28日，置富產業信託成功完成以20億港元出售和富薈。出售所得款項中的11億港元已用於提前償還一筆於2019年到期的銀行貸款，置富產業信託的資產負債比率因而有所下降，並且於2020年前無再融資需要。

於2018年6月30日，置富產業信託的已承諾貸款融資總額為10,055.1百萬港元(2017年12月31日：11,155.1百萬港元)。由於物業估值上升而借貸水平有所下降，資產負債比率及總槓桿比率因而下降至22.3%(2017年12月31日：27.4%)。於2018年6月30日，置富產業信託的總負債佔其總資產的百分比下降至26.6%(2017年12月31日：32.1%)。

置富產業信託已獲得有抵押及無抵押貸款融資。在提前償還一筆有抵押貸款融資後，置富產業信託旗下16項投資物業中15項不帶產權負擔，其財務靈活性得以顯著提升。於2018年6月30日，已承諾債務總額當中約80%為無抵押貸款。有抵押貸款融資以馬鞍山廣場作抵押，其於2018年6月30日的總公平值為5,917百萬港元。受託人已就所有貸款融資提供擔保。



管理層討論及分析

置富產業信託目前擁有充裕的財務能力，足以履行其財務承擔及應付營運資金需求。於2018年6月30日，可動用流動資金維持於1,797.3百萬港元(2017年12月31日：1,216.0百萬港元)，包括已承諾而未提取的融資700.0百萬港元(2017年12月31日：700.0百萬港元)以及現金及存款1,097.3百萬港元(2017年12月31日：516.0百萬港元)。期末現金及存款結餘的增加主要來自出售所得款項的餘額。

於2018年6月30日，置富產業信託以利率掉期及上限對沖約54%(2017年12月31日：60%)未償還債務的利率成本。

於2018年6月30日，每基金單位的資產淨值為16.09港元，較2017年底的14.05港元增長14.5%。

物業組合估值

儘管置富產業信託完成出售和富薈，惟其物業組合估值依然上升，由2017年12月31日的38,812百萬港元增長5.1%至2018年6月30日的40,778百萬港元。按相同基準，並剔除於報告期間出售的和富薈作計算，估值於該六個月期間增加8.0%。主要估值師萊坊測計師行有限公司採納了收入資本化法評估物業的價值，並以直接比較法進行對照引證。平均資本化率下調約25個基點至4.3%，以反映近期同類型物業成交的回報。隨著估值上升，報告期間錄得重估收益3,011.5百萬港元。



物業組合摘要

於2018年6月30日，置富產業信託的物業組合由16個分佈於香港多個區域的零售商場及物業組成，其中包括約300萬平方呎的零售樓面及2,713個車位。

物業	可出租總面積（平方呎）	估值（百萬港元）	出租率	車位數目
置富第一城	414,469	8,580	98.6%	653
置富嘉湖	665,244	8,069	94.0%	622
馬鞍山廣場	310,084	5,917	99.6%	290
都會駅	180,822	3,816	100.0%	74
置富都會	332,168	2,779	83.1%	179
麗港城商場	163,203	2,624	98.1%	150
麗城薈	276,862	2,534	99.5%	329
華都大道	80,842	1,795	100.0%	73
映灣薈	63,018	1,231	100.0%	117
銀禧薈	170,616	952	96.2%	97
荃薈	123,544	773	95.6%	67
青怡薈	78,836	748	100.0%	27
城中薈	43,000	322	100.0%	不適用
凱帆薈	74,734	305	100.0%	35
麗都大道	9,836	205	100.0%	不適用
海韻大道	14,604	128	100.0%	不適用
合計／總平均值	**3,001,882**	**40,778**	**96.0%**	**2,713**



管理層討論及分析

業務回顧

香港零售市場於2018年首五個月期間以雙位數的幅度增長。增長所涉及的零售類別廣泛，當中以珠寶首飾及手錶以及電器等高價消費類別的增幅尤為顯著，而日常必需品類別則錄得溫和增長。總體而言，零售商營商環境持續有所改善。

置富嘉湖的資產增值措施已於2018年6月展開，並於報告期內對其營運有輕微影響。惟物業組合的出租率維持穩健，於2018年6月30日為96.0%（2017年12月31日：98.1%），續租率則受置富嘉湖的租戶調配所影響而略為回落至60.7%。報告期間所錄得的續租租金調升率為13.6%，而於2018年6月30日平均租金為每平方呎45.9港元。

置富Malls擁有多元化的商戶組合，並以為大眾提供日常所需為先。其物業組合內從事日常所需之零售租戶類別，例如餐飲、超級市場以及服務及教育，合共佔可出租總面積約70%。以該等行業作為核心租戶有助維持置富產業信託長期的抗跌力。

展開置富嘉湖之大型資產增值措施

置富產業信託旗下規模最大的資產－置富嘉湖現正進行一項大型資產增值措施，以轉型為區域性購物商場。首階段工程已於2018年6月在西座展開。西座的翻新工程預期將分階段於2019年底前竣工，資本開支預算為150百萬港元。西座將以耳目一新的現代化商場呈現，為購物人士提供更豐富的零售和餐飲選擇及更稱心滿意的設施配套。



展望

香港經濟於2018年第一季度按年顯著增長4.7%；而私人消費在勞工市場偏緊及資產價格不斷攀升的帶動下，按年以8.6%強勁增長。而於2018年首五個月，香港零售銷售總額按年增長13.7%。鑒於港珠澳大橋及廣深港高速鐵路(香港段)即將於2018年年底通車，屆時將帶來穩定增長的訪港旅客量，預期香港零售銷售於短期內前景仍然看俏。在零售銷售全面復甦的勢頭下，租賃市場回暖亦有望緊接而來。

美國聯邦儲備局於報告期間兩次加息，息率合共上漲0.5%。由於美國就業及通脹率持續攀升，金融市場普遍預期在2018年內將再有兩次加息。作為審慎資本管理的一環，置富產業信託已備有相關對沖措施，以減輕因利率波動對其構成的潛在財務沖擊。

置富產業信託將繼續在物業組合穩健的基礎下，致力為基金單位持有人帶來收益增長及可持續的回報。我們亦將持續專注於積極的租賃管理及優化租戶組合、透過資產增值措施為旗下商場增值、審慎物色可提升回報的投資機會，並維持穩健的資本結構。



企業管治

為建立及維持高水準企業管治的目標，置富產業信託已制定若干政策及程序，以促使置富產業信託以具透明度的方式營運，並輔以內部監察及制衡。管理人已採用一套合規手冊(「**合規手冊**」)，當中載列主要程序、制度、措施及若干企業管治政策及程序，以監管置富產業信託之管理及營運以及遵守適用的香港法規及法律。

置富產業信託是一家在香港聯交所作第一上市及在新交所作第二上市的房地產投資信託基金。置富產業信託及／或管理人須遵守於香港及新加坡適用的法律、法規及規例，包括香港聯交所證券上市規則(「**香港上市規則**」)所載之企業管治守則(「**企業管治守則**」)的守則條文(如適用)及新加坡2012年企業管治守則(「**新加坡守則**」)。

管理人確認，其於整個報告期間一直遵守合規手冊的重要規定，亦已接納適用於置富產業信託及／或管理人的企業管治守則及新加坡守則所載的原則及指引。



於報告期間，已對合規手冊及信託契約作出修訂，以反映置富產業信託的投資政策範圍在地理範圍、物業發展以及有關活動及相關投資方面的變動，從而提高透明度及一致性。有關置富產業信託投資政策範圍擴展的詳情，請參閱於置富產業信託網站(www.fortunereit.com)及香港聯交所網站(www.hkexnews.hk)刊發日期為2018年3月21日的通函及日期為2018年4月27日的投票表決結果公告。

管理人的董事會

管理人的董事會(「**董事會**」)負責管理人的企業管治及整體管理，包括訂立管理目標，以及在達到此等目標的過程中進行監察。董事會的全體成員共同處理與企業管治、業務營運與風險、財務表現，以及管理人的董事(「**董事**」)的提名和績效評審有關的事宜。董事會已建立一個置富產業信託和管理人的管治框架，包括內部監控制度及業務風險管理程序。



企業管治

董事會定期舉行會議以審閱管理人的主要活動。董事會會議每季召開一次(或如有需要，則更頻密地召開會議)，以討論及檢討置富產業信託的策略和政策，包括任何重大收購及出售、年度預算及置富產業信託的財務表現，以及審批財務業績之公佈。董事會亦審閱置富產業信託的資產所涉及的風險，並根據置富產業信託的核數師(「**核數師**」)提出的意見採取行動。如有需要，董事會將召開不定期會議以處理定期會議中間發生的重大交易或事務。書面決議案亦可提交董事會傳閱批准，以代替舉行現場會議。

於2018年6月30日，董事會由九名成員組成，其中八名為非執行董事。非執行董事中，四名為獨立非執行董事。主席及行政總裁的職位分別由兩名不同人士擔任，以維持有效的職權分立。

董事會已成立審核委員會、披露委員會及專責委員會，以負責協助董事會履行職務。各委員會均訂有清晰的職權範圍。

- 審核委員會的職責為(其中包括)保障管理人及置富產業信託的資產、協助董事會履行其職責，以維持足夠的會計記錄、建立、維持及審閱財政報告系統、內部監控及風險管理系統以及內部審核職能的效率、確保財務報表的完整性及作出相關安排以調查「舉報者」就財務失當或其他事宜提出的關注及採取適當的跟進措施。審核委員會的職責亦為(其中包括)監察就「關連人士」(定義見房地產投資信託基金守則)交易而制訂的程序。

- 披露委員會的職責為協助董事會審閱向基金單位持有人披露資料及向公眾發表公佈的相關事宜。

- 專責委員會的職責為協助董事會審閱與對沖策略、融資及再融資安排的相關事宜，以及為對沖用途而涉及衍生工具的交易。

董事、管理人或重大基金單位持有人於基金單位之權益及交易

管理人就董事、管理人及管理人的高級行政人員、高級職員或其他僱員(統稱為「**管理人士**」)買賣置富產業信託證券，已採納條款不比香港上市規則附錄10所載上市公司董事進行證券交易的標準守則所規定準則寬鬆之董事或管理人基金單位買賣守則(「**基金單位買賣守則**」)。經向管理人士作出特定查詢後，彼等確認於報告期間內一直遵守基金單位買賣守則所載的規定標準。

置富產業信託的香港和新加坡辦事處之間的溝通

由於置富產業信託的管理和營運是由管理人分別位於香港和新加坡的管理層團隊及員工負責監察和進行，管理人將確保兩個辦事處的團隊完全整合，並定期溝通和緊密合作，以達到置富產業信託的投資目標。

董事資料的變更

在置富產業信託的2017年年報刊發後，管理人收到有關下列董事於報告期間內資料變更的通知：

- 趙國雄博士在任期屆滿後不再擔任中國人民政治協商會議上海市第十二屆委員會常務委員。
- 趙國雄博士已獲委任為香港浸會大學基金董事局副主席。
- 趙國雄博士已獲委任為皇家特許測量師學會資深會員。
- 楊逸芝小姐於2018年6月，在六年任期屆滿後，不再擔任香港聯合交易所有限公司主板及創業板上市委員會成員。
- 鄭愛萍女士於2018年1月1日後並無重續其英國特許公認會計師公會的資深特許公認會計師會籍。
- 高寶華女士自2018年5月2日起，獲委任為置富產業信託審核委員會成員。

審閱中期報告

置富產業信託就報告期間的中期報告已由管理人之審核委員會及披露委員會審閱。中期財務報表亦已由核數師根據國際審計與鑒證準則理事會頒佈之國際審閱委聘準則第2410號「由實體的獨立核數師審閱中期財務資料」進行審閱。

關連人士交易

以下載列涉及置富產業信託與其關連人士(定義見房地產投資信託基金守則第8.1段)進行的關連人士交易的資料：

關連人士交易－收入

除「與受託人關連人士進行的關連人士交易」一節所披露者外，下表載列於報告期間內有關置富產業信託產生收入的所有關連人士交易的資料：

關連人士名稱	與置富產業信託的關係	關連人士交易性質	截至2018年6月30日止六個月的收入 千港元	於2018年6月30日已收的租金按金 千港元
置富資產管理有限公司	管理人	租賃交易	443	241
屈臣氏零售(香港)有限公司	重大持有人的有聯繫公司[1]	租賃及許用合約交易	18,943	1,601
BIGBOXX.com Limited	重大持有人的有聯繫公司[1]	租賃交易	1,225	–
長江實業地產發展有限公司	重大持有人的有聯繫者[1]	租賃及許用合約交易	17,636	–
港基物業管理有限公司	重大持有人的有聯繫者[1]	租賃交易	1,044	621
和記企業有限公司	重大持有人的有聯繫公司[1]	租賃交易	1,495	–
和記電話有限公司	重大持有人的有聯繫公司[1]	許用合約交易	4,700	1,592
和記電訊服務有限公司	重大持有人的有聯繫公司[1]	許用合約交易	42	5
百佳超級市場(香港)有限公司	重大持有人的有聯繫公司[1]	租賃及許用合約交易	74,723	10,089
信澤企業有限公司	重大持有人的有聯繫者[1]	許用合約交易	9	5
Towerich Limited	重大持有人的有聯繫者[1]	許用合約交易	34	18
合計			**120,294**	**14,172**

附註：

*1. 重大持有人為Focus Eagle Investments Limited(「**Focus Eagle**」)。*

關連人士交易－開支

下表載列於報告期間內有關由關連人士為置富產業信託物業提供的物業管理安排、第三方服務及其他營運交易的資料：

關連人士名稱	與置富產業信託的關係	關連人士交易性質	截至2018年6月30日止六個月的開支 千港元
港基物業管理有限公司	重大持有人的有聯繫者[1]	物業管理及營運	504
進達車場管理有限公司	重大持有人的有聯繫者[1]	停車場租賃代理費用	4,609
Goodwell-Fortune Property Services Limited	重大持有人的有聯繫者[1]	物業和租賃管理費用及市場推廣服務費用	37,050
高衞物業管理有限公司	重大持有人的有聯繫者[1]	物業管理及營運	88
黃埔物業管理有限公司	重大持有人的有聯繫者[1]	物業管理及營運	108
合計			**42,359**

附註：

1. 重大持有人為Focus Eagle。

關連人士交易－其他

下表載列於報告期間內有關由關連人士為置富產業信託提供其他服務的資料：

關連人士名稱	與置富產業信託的關係	關連人士交易性質	截至2018年6月30日止六個月的開支 千港元
置富資產管理有限公司	管理人	管理人費用	91,701
HSBC Institutional Trust Services (Singapore) Limited	受託人	受託人費用	6,699
萊坊測計師行有限公司	主要估值師	估值費用	315
合計			**98,715**

關連人士交易

與受託人關連人士進行的關連人士交易

租賃／許用合約交易

下表載列於報告期間內有關置富產業信託和受託人(及其董事、高級行政人員、高級人員、控權實體、控股公司、附屬公司及聯營公司(各定義均見房地產投資信託基金守則))與滙豐集團[1](統稱為「**受託人關連人士**」)之間所進行租賃／許用合約交易的資料：

關連人士名稱	置富產業信託的關係	關連人士交易性質	截至2018年6月30日止六個月的收入 千港元	於2018年6月30日已收的租金按金 千港元
恒生銀行有限公司	受託人關連人士	租賃及許用合約交易	9,846	5,398
香港上海滙豐銀行有限公司(「**滙豐**」)	受託人關連人士	租賃及許用合約交易	4,933	2,138
合計			**14,779**	**7,536**

附註：

1. *滙豐集團指滙豐及其附屬公司，及除本報告內另有指明外，不包括受託人及其專有附屬公司(即受託人的附屬公司，但不包括其作為置富產業信託受託人身份所成立的附屬公司)。具體而言，滙豐集團包括恒生銀行有限公司及其附屬公司。*

提供一般銀行及金融服務

置富產業信託於報告期間內委託滙豐集團提供一般銀行及金融服務(即銀行存款及據此賺取的利息以及貸款融資，包括就此支付的利息及費用)。

權益披露

基金單位本金

於2018年6月30日，已發行基金單位總數為1,917,295,034個。

重大及其他基金單位持有人的持有量

於2018年6月30日，就房地產投資信託基金守則而言，以下各人士被視為「重大基金單位持有人」，並因此為置富產業信託的「關連人士」：

	直接權益		被視為擁有權益	
名稱	所持有基金單位數目好倉	基金單位持有量所佔百分比	所持有基金單位數目好倉	基金單位持有量所佔百分比
Focus Eagle[1]	413,074,684	21.54%	–	–
長江實業集團有限公司（「**長江實業**」）[1]	–	–	525,630,684	27.41%
Schroders Plc[2]	–	–	221,637,879	11.56%

除上文所披露的重大基金單位持有人外，於2018年6月30日，以下各人士持有或被視為持有已發行基金單位的5%或以上：

	直接權益		被視為擁有權益	
名稱	所持有基金單位數目好倉	基金單位持有量所佔百分比	所持有基金單位數目好倉	基金單位持有量所佔百分比
Ballston Profits Limited [1]	112,556,000	5.87%	–	–

附註：

1. *Focus Eagle及Ballston Profits Limited為長江實業的間接全資附屬公司。因此，長江實業被視為持有525,630,684個基金單位，其中：(i) 413,074,684個基金單位由Focus Eagle持有；及(ii) 112,556,000個基金單位由Ballston Profits Limited持有。*

2. *Schroders Plc被視為擁有221,637,879個基金單位的權益，其中：*

   (a) 77,996,400個基金單位由Schroder Investment Management Limited持有；

   (b) 66,081,000個基金單位由Schroder Investment Management (Singapore) Limited持有；

   (c) 76,702,000個基金單位由施羅德投資管理(香港)有限公司持有；及

   (d) 858,479個基金單位由Schroder & Co (Asia) Limited持有。

權益披露

管理人的權益

於2018年6月30日，管理人持有置富產業信託2,946,738個基金單位，或已發行基金單位約0.15%。

董事及高級行政人員的權益

於2018年6月30日，董事及高級行政人員於置富產業信託的基金單位持有權益詳情如下：

	直接權益		被視為擁有權益	
名稱	所持有基金單位數目好倉	基金單位持有量所佔百分比	所持有基金單位數目好倉	基金單位持有量所佔百分比
董事				
林惠璋[1]	1,000,000	0.05%	2,100,000	0.11%

附註：

1. *林惠璋先生被視為於Citibank Nominees Singapore Pte. Ltd.(作為JL Philanthropy Ltd.的代理人)所持有的2,100,000個基金單位中擁有權益。林先生是JL Charitable Settlement的財產授予人，而JL Charitable Settlement是JL Philanthropy Ltd.的受益人。*

其他關連人士的持有量

於2018年6月30日，滙豐集團(即置富產業信託的受託人關連人士)並無於任何置富產業信託基金單位持有任何實益權益。

除上文所披露者外，管理人並不知悉有任何置富產業信託的關連人士(定義見房地產投資信託基金守則)於2018年6月30日持有任何置富產業信託的基金單位。

據管理人所知及除已披露者外，下文載列置富產業信託若干關連人士實益權益的變動情況，有關變動乃在參考彼等各自於2018年6月30日及2017年12月31日的實益權益的比較後，根據房地產投資信託基金守則8.2(a)而作出：

(a) Schroders Plc於2018年6月30日實益擁有221,637,879個基金單位的權益及於2017年12月31日實益擁有227,613,698個基金單位的權益；

(b) 管理人於2018年6月30日實益擁有2,946,738個基金單位的權益及於2017年12月31日實益擁有3,488,811個基金單位的權益；

(c) 滙豐集團於2018年6月30日並無實益擁有任何基金單位的任何權益及於2017年12月31日實益擁有5,159,000個基金單位的權益；及

(d) Focus Eagle的一名董事陳維志先生及其聯繫人於2018年6月30日及2017年12月31日實益擁有100,000個基金單位的權益。

其他資料

僱員

置富產業信託由管理人管理而並無直接僱用任何員工。

發行新基金單位

於2018年6月30日，置富產業信託已發行基金單位的總數為1,917,295,034個。與2017年12月31日的基金單位狀況相比較，於報告期間內，合共6,018,927個新基金單位已經按照以下方式發行：

- 於2018年1月2日，3,072,278個新基金單位已按每基金單位9.5526港元的價格（即信託契約中規定的價格）發行予管理人，作為置富產業信託於2017年10月1日至2017年12月31日期間內應付予管理人的全數基本費用約29.3百萬港元。

- 於2018年4月6日，2,946,649個新基金單位已按每基金單位9.4770港元的價格（即信託契約中規定的價格）發行予管理人，作為置富產業信託於2018年1月1日至2018年3月31日期間內應付予管理人的全數基本費用約27.9百萬港元。

回購、出售或贖回基金單位

於報告期間內，除管理人出售6,561,000個基金單位外，置富產業信託或其附屬公司並無回購、出售或贖回其基金單位。

公眾持有量

據管理人所悉，於2018年6月30日，置富產業信託的已發行基金單位中有超過25%乃由公眾人士持有。

公司資料

管理人

置富資產管理有限公司

香港
皇后大道中99號
中環中心
55樓5508–5510室
電話：+852 2169 0928
傳真：+852 2169 0968

新加坡(郵區038986)
淡馬錫林蔭道6號
新達第四大廈#16–02
電話：+65 6835 9232
傳真：+65 6835 9672

管理人的董事

徐勝來(主席兼獨立非執行董事)
趙國雄(非執行董事)
林惠璋(非執行董事)
楊逸芝(非執行董事)
馬勵志(非執行董事)
趙宇(行政總裁兼執行董事)
鄭愛萍(獨立非執行董事)
楊美安(獨立非執行董事)
高寶華(獨立非執行董事)

管理人的公司秘書

楊嘉珠

受託人

HSBC Institutional Trust Services (Singapore) Limited

有關香港法例的法律顧問

胡關李羅律師行

有關新加坡法例的法律顧問

艾倫格禧有限責任合夥律師事務所

香港基金單位過戶登記處

香港中央證券登記有限公司

香港灣仔
皇后大道東183號
合和中心
17樓1712–1716號舖

新加坡基金單位登記處

寶德隆有限公司

新加坡(郵區048623)
萊佛士坊50號
新置地大廈#32-01

核數師

德勤 • 關黃陳方會計師行
德勤會計師事務所

股份代號

香港：778
新加坡：F25U

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簡明綜合財務報表的審閱報告

Deloitte. 德勤

致置富資產管理有限公司董事會

緒言

本核數師已審閱置富產業信託刊載於第86頁至第115頁的簡明綜合財務報表，包括於2018年6月30日的簡明綜合財務狀況表及截至該日止六個月期間的相關簡明綜合損益及其他全面收入表、簡明綜合基金單位持有人應佔資產淨值變動表、簡明綜合現金流量表及分派表，以及若干附註資料。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製的報告必須符合上市規則的有關條文及國際會計準則委員會頒佈的國際會計準則第34號「中期財務報告」(「**國際會計準則第34號**」)。置富資產管理有限公司(置富產業信託的管理人)須負責根據國際會計準則第34號編製及呈列該等簡明綜合財務報表。本核數師的責任是根據審閱的結果，對該等簡明綜合財務報表作出結論，並根據本核數師的協定委聘條款僅向貴董事會(作為全體)報告，除此之外本報告別無其他目的。本核數師不會就本報告的內容向任何其他人士負上或承擔任何責任。

簡明綜合財務報表的審閱報告

審閱範圍

本核數師乃根據國際審計及簽證準則委員會頒佈的國際審閱委聘準則第2410號「由實體的獨立核數師執行的中期財務資料審閱」進行審閱工作。審閱該等簡明綜合財務報表包括向主要負責財務及會計事務的人員作出查詢，並應用分析性及其他審閱程序。審閱範圍遠小於根據國際核數準則進行審核的範圍，故本核數師無法保證本核數師會知悉在審核中可能發現的所有重大事項。因此，本核數師不會發表審核意見。

結論

根據本核數師審閱的結果，本核數師並無發現任何事項，令本核數師相信簡明綜合財務報表在各重大方面未有根據國際會計準則第34號編製。

德勤 • 關黃陳方會計師行
執業會計師
香港
2018年7月27日

財務報告

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簡明綜合損益及其他全面收入表

截至2018年6月30日止六個月

	附註	截至6月30日止六個月 2018年 千港元 （未經審核）	2017年 千港元 （未經審核）（經重列）
收益	4	**978,062**	956,669
物業營運開支	6	**(206,202)**	(207,149)
物業收入淨額（扣除管理人表現費用前）		**771,860**	749,520
管理人表現費用		**(23,276)**	(22,496)
物業收入淨額		**748,584**	727,024
管理人基本費用		**(58,425)**	(54,950)
外幣兑換收益		**56**	70
利息收入		**4,004**	342
信託開支	7	**(8,859)**	(8,145)
出售一間物業公司所得收益	12	**941,060**	–
投資物業公平值變動	12	**3,011,511**	1,096,953
融資成本	8	**(89,508)**	(216,925)
除税前及與基金單位持有人交易前之溢利	9	**4,548,423**	1,544,369
所得税開支	10	**(113,415)**	(110,449)
期間溢利（未計與基金單位持有人之交易）		**4,435,008**	1,433,920
向基金單位持有人分派		**(505,181)**	(487,324)
期間全面收入總額		**3,929,827**	946,596
可供分派予基金單位持有人之收益		**505,181**	487,324
每基金單位基本盈利（港仙）	11	**232.05**	75.24

分派表

截至2018年6月30日止六個月

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核）
期間溢利（未計與基金單位持有人之交易）	**4,435,008**	1,433,920
調整：		
管理人基本費用	**58,425**	54,950
出售一間物業公司所得收益	**(941,060)**	–
投資物業公平值變動	**(3,011,511)**	(1,096,953)
衍生金融工具公平值變動	**(42,348)**	84,280
不可扣稅之借貸手續費用	**–**	4,852
外幣兑換收益	**(56)**	(70)
其他不可扣稅信託開支	**6,723**	6,345
可供分派收入（附註(i)）	**505,181**	487,324
每基金單位分派（港仙）（附註(ii)）	**26.34**	25.53

附註：

*(i) 置富產業信託的分派政策已根據為令置富產業信託遵守有關香港監管規定（包括香港證券及期貨事務監察委員會（「**證監會**」）頒佈的房地產投資信託基金守則（「**房地產投資信託基金守則**」））於2010年3月26日通過的特別決議案而修訂。當前的分派政策（經修訂）是規定置富產業信託每半年向基金單位持有人分派下列兩項金額中較高的一項：(a)扣除適用費用後的100%免稅收入（不包括以利息收入及收益分派的股息，如有，有關分派由置富資產管理有限公司（「**管理人**」）酌情決定）（「**免稅收入淨額**」）；及(b)有關財政期間90%的已調整綜合除稅後純利（未計與基金單位持有人的交易）（以剔除因應房地產投資信託基金守則而作出若干調整後的影響）（「**除稅後純利**」）。*

截至2018年6月30日止六個月的免稅收入淨額及除稅後純利分別為505.2百萬港元（截至2017年6月30日止六個月：487.3百萬港元）及465.9百萬港元（截至2017年6月30日止六個月：451.7百萬港元）。因此，可供分派收入為根據免稅收入淨額505.2百萬港元（截至2017年6月30日止六個月：487.3百萬港元）計算得出，將就截至2018年6月30日止六個月分派予基金單位持有人。

(ii) 截至2018年6月30日止六個月，每基金單位分派26.34港仙乃根據期間可供分派收入505.2百萬港元除以1,917,295,034個基金單位計算得出。截至2018年6月30日止六個月的分派505.2百萬港元將於2018年8月29日支付。

截至2017年6月30日止六個月，每基金單位分派25.53港仙乃根據期間可供分派收入487.3百萬港元除以1,908,173,581個基金單位計算得出，即於2017年6月30日之1,905,208,839個已發行基金單位，另加於分派期間後作為管理人於2017年第二季度所提供服務之基本費用而向其發行之2,964,742個基金單位。截至2017年6月30日止六個月的分派487.3百萬港元已於2017年8月29日支付。

簡明綜合財務狀況表

於2018年6月30日

	附註	2018年 6月30日 千港元 （未經審核）	2017年 12月31日 千港元 （經審核）
資產及負債			
非流動資產			
投資物業	12	**40,778,000**	37,751,000
衍生金融工具	13	**56,734**	19,279
非流動資產總值		**40,834,734**	37,770,279
流動資產			
貿易及其他應收款項	14	**65,148**	266,958
銀行結餘及現金		**1,097,328**	516,036
衍生金融工具	13	**–**	668
		1,162,476	783,662
分類為待出售之公司資產	12	**–**	1,068,187
流動資產總值		**1,162,476**	1,851,849
資產總值		**41,997,210**	39,622,128
非流動負債			
衍生金融工具	13	**–**	5,790
借貸	15	**9,296,877**	9,286,423
遞延稅項負債		**456,090**	444,146
非流動負債總額		**9,752,967**	9,736,359
流動負債			
貿易及其他應付款項	16	**781,295**	967,726
借貸	15	**–**	1,496,788
衍生金融工具	13	**229**	–
應付分派		**505,181**	483,436
稅項撥備		**112,019**	11,324
		1,398,724	2,959,274
與分類為待出售之公司資產直接相關之負債	12	**–**	38,728
流動負債總額		**1,398,724**	2,998,002
負債總額（未計基金單位持有人應佔資產淨值）		**11,151,691**	12,734,361
基金單位持有人應佔資產淨值		**30,845,519**	26,887,767
已發行及將發行基金單位（千個）	17	**1,917,295**	1,914,348
基金單位持有人應佔每基金單位資產淨值（港元）	18	**16.09**	14.05

簡明綜合基金單位持有人應佔資產淨值變動表

截至2018年6月30日止六個月

	已發行及將發行基金單位 千港元	基金單位發行成本 千港元	保留溢利 千港元	總計 千港元
於2018年1月1日基金單位持有人應佔資產淨值(經審核)	7,992,482	(286,279)	19,181,564	26,887,767
營運				
期間溢利(未計與基金單位持有人之交易)	–	–	4,435,008	4,435,008
截至2018年6月30日止六個月已付及應付的分派每基金單位26.34港仙	–	–	(505,181)	(505,181)
期間全面收入總額	–	–	3,929,827	3,929,827
基金單位持有人交易				
發行基金單位				
－以基金單位計算已付管理人基本費用	27,925	–	–	27,925
因基金單位持有人交易而導致資產淨值增加	27,925	–	–	27,925
於2018年6月30日基金單位持有人應佔資產淨值(未經審核)	8,020,407	(286,279)	23,111,391	30,845,519

	已發行及將發行基金單位 千港元	基金單位發行成本 千港元	保留溢利 千港元	總計 千港元
於2017年1月1日基金單位持有人應佔資產淨值(經審核)	7,879,828	(286,279)	16,951,334	24,544,883
營運				
期間溢利(未計與基金單位持有人之交易)	–	–	1,433,920	1,433,920
截至2017年6月30日止六個月已付及應付的分派每基金單位25.53港仙	–	–	(487,324)	(487,324)
期間全面收入總額	–	–	946,596	946,596
基金單位持有人交易				
發行基金單位				
－以基金單位計算已付／應付管理人基本費用	54,950	–	–	54,950
因基金單位持有人交易而導致資產淨值增加	54,950	–	–	54,950
於2017年6月30日基金單位持有人應佔資產淨值(未經審核)	7,934,778	(286,279)	17,897,930	25,546,429

簡明綜合現金流量表

截至2018年6月30日止六個月

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核）
經營活動所得現金淨額	**713,394**	710,318
投資活動所得／(所用)現金淨額：		
投資物業的提升	**(15,489)**	(35,047)
出售一間物業公司所得款項	**1,985,005**	–
其他投資現金流	**3,303**	344
	1,972,819	(34,703)
融資活動所用現金淨額：		
新增借貸	**–**	1,570,000
償還借貸	**(1,500,000)**	(1,696,300)
已付分派	**(483,731)**	(465,070)
支付借貸手續費用	**–**	(12,000)
已付融資成本	**(121,190)**	(115,790)
	(2,104,921)	(719,160)
現金及現金等值物增加／(減少)淨額	**581,292**	(43,545)
期初現金及現金等值物	**516,036**	585,217
期末現金及現金等值物，指銀行結餘及現金	**1,097,328**	541,672

簡明綜合財務報表附註

截至2018年6月30日止六個月

1 一般資料

置富產業信託(「**置富產業信託**」)是一家房地產投資信託基金，由置富資產管理有限公司(作為置富產業信託的管理人(「**管理人**」))與HSBC Institutional Trust Services (Singapore) Limited(作為置富產業信託的受託人(「**受託人**」))於2003年7月4日訂立的信託契約(經修訂)(「**信託契約**」)組成。置富產業信託於香港聯合交易所有限公司(「**香港聯交所**」)作第一上市及在新加坡證券交易所有限公司(「**新交所**」)作第二上市。

置富產業信託的主要活動為投資控股，而其附屬公司(連同置富產業信託統稱為「**本集團**」)的主要活動則包括擁有及投資位於香港的一系列零售商場，主要目的是為基金單位持有人提供穩定分派，及達致每基金單位資產淨值的長遠增長。

2 編製基準

簡明綜合財務報表乃以置富產業信託的功能貨幣港元呈列。

簡明綜合財務報表乃根據香港聯交所證券上市規則附錄16的適用披露規定及國際會計準則第34號「中期財務報告」以及香港證券及期貨事務監察委員會頒佈的房地產投資信託基金守則附錄C所載的相關披露規定編製。

管理人認為，考慮到投資物業公平值、現時可動用之未提取銀行融資及本集團之內部財務資源，本集團擁有足夠營運資金應付由報告期間完結起計一年內之資金需要。因此，簡明綜合財務報表已按持續經營之基準編製。

簡明綜合財務報表附註

截至2018年6月30日止六個月

3 主要會計政策

除投資物業及若干金融工具按公平值計量外，簡明綜合財務報表乃按歷史成本基準編製。

除因應用國際會計準則委員會(「**國際會計準則委員會**」)頒佈之新訂國際財務報告準則(「**國際財務報告準則**」)及國際財務報告準則(修訂本)引致之會計政策變動外，此等截至2018年6月30日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與本集團編製截至2017年12月31日止年度的年度財務報表所依循者貫徹一致。

應用新訂國際財務報告準則及國際財務報告準則(修訂本)

於本中期期間，本集團首次應用新訂國際財務報告準則及國際財務報告準則(修訂本)，並將於2018年1月1日或之後開始之年度期間強制生效，以供本集團編製簡明綜合財務報表。採納此等國際財務報告準則並無對本集團的業績及財務狀況產生任何重大影響。

新訂國際財務報告準則及國際財務報告準則(修訂本)已根據相關過渡條文應用於導致下文所述會計政策、呈報金額及／或披露變動的各項準則及修訂本。

3.1 應用國際財務報告準則第15號客戶合約收益的影響及會計政策變動

本集團已於本中期期間首次應用國際財務報告準則第15號。國際財務報告準則第15號取代國際會計準則第18號*收益*、國際會計準則第11號*建築合約*及相關詮釋。本集團已追溯採納國際財務報告準則第15號，而初始採納該準則的累計影響於初始採納日期(即2018年1月1日)確認。根據國際財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯用於在2018年1月1日尚未完成的合約。國際財務報告準則第15號適用於所有與客戶訂立的合約，惟國際會計準則第17號*租賃*範圍內的租賃除外。

3.1.1 應用國際財務報告準則第15號引致的會計政策的主要變動

國際財務報告準則第15號於確認收益時引入五步法：

- 第1步：識別與客戶訂立的合約
- 第2步：識別合約內的履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分配至合約內的履約責任
- 第5步：於本集團達成履約責任時確認收益。

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.1 應用國際財務報告準則第15號客戶合約收益的影響及會計政策變動(續)

3.1.1 應用國際財務報告準則第15號引致的會計政策的主要變動(續)

根據國際財務報告準則第15號，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)確認收益。

履約責任指一項明確貨品及服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下條件之一，控制權按時間轉移，而收益經參考完全達成相關履約責任的進度按時間確認

- 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；
- 本集團的履約創建及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貨品或服務控制權時確認。

按時間確認收益：計量完全達成履約責任的進度

完全達成代收費用履約責任的進度按輸出法計量，該輸出法根據直接計量至今已轉移予客戶的貨品或服務價值與該合約項下承諾的餘下貨品或服務相比較確認收益，可以最佳方式描述本集團轉移貨品或服務控制權的履約情況。

簡明綜合財務報表附註

截至2018年6月30日止六個月

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.1 應用國際財務報告準則第15號客戶合約收益的影響及會計政策變動(續)

3.1.2 初次應用國際財務報告準則第15號所產生影響的概要

本集團投資位於香港的一系列零售商場以賺取經營租賃項下的穩定租金收入。本集團收取租賃租金收入、代收費用及來自租戶的其他收入。國際財務報告準則第15號不適用於國際會計準則第17號*租賃*範圍內的基本租金及其他租金的租賃部分。代收費用(如管理費收入及空調費收入)屬國際財務報告準則第15號範圍內的非租賃部分。該等各項收入按租賃合約項下可觀察服務的獨立售價計算，其僅於履約責任獲履行時方確認為收益。

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動

於本期間，本集團已應用國際財務報告準則第9號*金融工具*及其他國際財務報告準則的相應修訂。國際財務報告準則第9號就1)金融資產及金融負債的分類及計量、2)金融資產及其他項目(如租賃應收款項)的預期信貸虧損(「**預期信貸虧損**」)及3)一般對沖會計法引入新要求。

本集團已根據國際財務報告準則第9號所載過渡條文應用國際財務報告準則第9號，即將分類及計量規定(包括減值)追溯應用於在2018年1月1日(初始採納日期)並無取消確認的工具，且並無將有關規定應用於已在2018年1月1日取消確認的工具。

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動

金融資產及金融負債的分類及計量

客戶合約產生的貿易應收款項初步根據國際財務報告準則第15號計量。

於國際財務報告準則第9號範圍內的所有已確認金融資產，包括根據國際會計準則第39號*金融工具：確認及計量*按成本減減值計量的未報價股權投資，其後按攤銷成本或公平值計量。

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動(續)

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動(續)

金融資產及金融負債的分類及計量(續)

符合以下條件的債務工具其後按攤銷成本計量：

- 目的為持有金融資產以收回合約現金流的業務模式中持有的金融資產；及
- 金融資產之合約條款於特定日期產生純粹為支付本金及未償還本金利息的現金流。

按公平值計入損益(「**按公平值計入損益**」)的金融資產

金融資產如不符合按攤銷成本計量或按公平值計入其他全面收益(「**按公平值計入其他全面收益**」)的方式計量或指定為按公平值計入其他全面收益的條件，則按公平值計入損益的方式計量。

於各報告期末，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於損益確認。於損益確認的收益或虧損淨額不包括就金融資產所賺取的任何股息或利息，並計入「其他收益及虧損」項目內。

對於金融負債作出不會導致終止確認的非重大修改，相關金融負債的賬面值將按照經修改合約現金流的現值計算，並按金融負債的原實際利率貼現。所產生的交易成本或費用根據經修改金融負債的賬面值作出調整並於餘下期間內攤銷。就金融負債賬面值作出的任何調整於修改當日的損益中確認。

管理人根據當日存在的事實及情況審閱及評估本集團於2018年1月1日的金融資產及負債。由於所有其他金融資產及金融負債將繼續按照現時根據國際會計準則第39號計量所採用的相同基準進行計量，故初次應用國際財務報告準則第9號將不會有任何影響。

簡明綜合財務報表附註

截至2018年6月30日止六個月

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動(續)

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動(續)

預期信貸虧損模式項下的減值

本集團就根據國際財務報告準則第9號面臨減值的金融資產(包括貿易及其他應收款項、銀行結餘及現金)的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指於相關工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「**12個月預期信貸虧損**」)則指預期於報告日期後12個月內可能發生的違約事件而導致的部分全期預期信貸虧損。預期信貸虧損根據本集團過往信貸虧損經驗進行評估，並根據應收賬款特定因素、一般經濟狀況及於報告日期對當前狀況及未來狀況預測的評估而作出調整。

本集團就貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損將對擁有大量結餘的應收賬款單獨評估及／或使用適宜組別的撥備矩陣進行集體評估。

就所有其他工具而言，本集團計量與12個月預期信貸虧損等額的虧損撥備，除非信貸風險自初始確認以來已大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損，乃根據自初始確認起出現違約的可能性或風險是否大幅增加而定。倘金融工具被視為具有較低信貸風險，則本集團假設金融工具的信貸風險自初始確認起並無大幅增加。

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動(續)

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動(續)

信貸風險大幅增加

於評估信貸風險是否自初始確認以來已大幅增加時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團均會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外界(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

簡明綜合財務報表附註

截至2018年6月30日止六個月

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動(續)

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動(續)

信貸風險大幅增加(續)

不論上述評估結果，本集團推定，倘合約付款逾期超過30天，則信貸風險自初始確認起已大幅增加，除非本集團擁有合理有據資料證明並非如此。

本集團認為，倘工具逾期超過90天，則違約已經發生，惟本集團擁有合理有據資料顯示一項更滯後的違約標準更為合適，則另作別論。

計量及確認預期信貸虧損

計量預期信貸虧損乃違約概率、違約損失率程度(即倘發生違約的損失程度)及違約風險的函數。違約概率及違約損失率程度的評估根據經前瞻性資料調整的歷史數據作出。

一般而言，預期信貸虧損估計為根據合約應付本集團的所有合約現金流與本集團預期將收取的所有現金流量間的差額，並按初始確認時釐定的實際利率貼現。就租賃應收款項而言，用於釐定預期信貸虧損的現金流量與按照國際會計準則第17號*租賃*計量租賃應收款項時使用的現金流量一致。

本集團透過調整所有金融工具的賬面值於損益表確認其減值收益或虧損，惟貿易應收款項透過虧損撥備賬確認相應調整。

3 主要會計政策(續)

應用新訂國際財務報告準則及國際財務報告準則(修訂本)(續)

3.2 應用國際財務報告準則第9號金融工具的影響及會計政策變動(續)

3.2.1 應用國際財務報告準則第9號引起會計政策的主要變動(續)

計量及確認預期信貸虧損(續)

於2018年1月1日，管理人按照國際財務報告準則第9號的規定使用毋須花費不必要成本或精力獲取的合理有據資料審閱及評估本集團現有金融資產的減值。於初次應用日期(2018年1月1日)，毋須確認減值。

除上述者外，於本中期期間應用國際財務報告準則的其他修訂本並無對此等簡明綜合財務報表所載呈報金額及／或披露造成任何重大影響。

4 收益

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	(未經審核)	(未經審核)
		(經重列)
基本租金	**757,353**	730,644
其他租金	**95,442**	97,666
其他收入	**526**	1,867
租金收入總額	**853,321**	830,177
代收費用(附註)	**124,741**	126,492
	978,062	956,669

附註： 代收費用包括租戶及許用合約持有人應付有關於香港營運物業的款項，乃於提供服務及設施時隨時間過去確認為收入。本集團根據相關租賃期間按月收取定額費用。

簡明綜合財務報表附註

截至2018年6月30日止六個月

5 分部報告

確認經營分部必須依從本集團個別實體的內部報告作為基準；該等內部報告乃定期由主要營運決策者(管理人的管理層)審議，以對各分部進行資源分配及業績評估。

於2018年6月30日，本集團擁有16項(2017年12月31日：17項)位於香港的物業。管理人乃根據每項物業(組成一個經營分部)的收益及物業收入淨額來分配資源及評估表現。管理人認為所有本集團現時持有的物業，包括零售商場，在向類似零售租戶出租以收取租金收入的租賃服務上有相似的經濟特質。此外，它們經營的成本架構及經濟環境亦相似。因此，管理人總結認為每個物業或經營分部可集合至一個報告分部，因此並無進一步呈列分部資料的分析。

6 物業營運開支

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	(未經審核)	(未經審核)
		(經重列)
物業管理開支	**108,593**	106,760
水電費	**19,200**	20,420
政府地租及差餉	**6,495**	6,845
物業管理費	**23,938**	23,380
停車場營運開支	**14,737**	13,890
市場推廣及宣傳	**8,898**	9,262
法律及其他專業費用	**3,156**	5,011
租賃佣金及市場推廣服務費用	**13,790**	14,529
其他	**7,395**	7,052
	206,202	207,149

7 信託開支

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核）
受託人費用	**6,699**	6,345
其他收費	**2,160**	1,800
	8,859	8,145

8 融資成本

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核） （經重列）
銀行借貸的利息開支	**105,176**	89,387
借貸手續費用	**13,666**	16,976
承諾費用	**874**	1,885
已變現利率掉期及上限開支	**12,140**	24,397
	131,856	132,645
衍生金融工具公平值變動	**(42,348)**	84,280
	89,508	216,925

9 除税前及與基金單位持有人交易前溢利

除税前及與基金單位持有人交易前溢利乃經扣除以下項目後列賬：

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核）
外部核數師費用	**1,384**	1,644
內部核數師費用	**161**	170
估值費用(支付予主要估值師)	**315**	198

簡明綜合財務報表附註

截至2018年6月30日止六個月

10 所得稅開支

	截至6月30日止六個月	
	2018年	2017年
	千港元	千港元
	（未經審核）	（未經審核）
當期稅項：		
一香港	**100,983**	95,834
遞延稅項	**12,432**	14,615
	113,415	110,449

於本期間，置富產業信託於香港的附屬公司須按16.5%（截至2017年6月30日止六個月：16.5%）的稅率繳交香港利得稅。新加坡成立的置富產業信託須按17%（截至2017年6月30日止六個月：17%）的稅率繳交新加坡所得稅。由於置富產業信託於本期間並無須繳納新加坡所得稅的應課稅溢利，故並無就新加坡所得稅作出撥備。

就加速稅項折舊及稅務虧損之遞延稅項乃採用適用稅率16.5%作暫時性差額作出撥備。由於投資物業不是以隨時間耗用大部分經濟效益的商業模式的目的持有，因此他們被假定為完全通過銷售收回投資物業的賬面值不被駁回。

11 每基金單位盈利

每基金單位之基本盈利乃以期間溢利（未計與基金單位持有人的交易）4,435.0百萬港元（截至2017年6月30日止六個月：1,433.9百萬港元）除以期間已發行1,911,191,135個（截至2017年6月30日止六個月：1,905,692,529個）基金單位的加權平均數目計算。

由於於財政期間內或期末並無已發行或未贖回的潛在基金單位，故並無呈列每基金單位之攤薄盈利。

12 投資物業

	截至2018年6月30日止六個月 千港元 (未經審核)	截至2017年12月31日止年度 千港元 (經審核)
公平值		
期／年初	**37,751,000**	36,368,000
期／年內：		
提升投資物業所產生的資本開支	**15,489**	52,451
轉撥至分類為待出售之公司資產(附註(i))	**–**	(1,061,000)
投資物業公平值變動	**3,011,511**	2,391,549
期／年末	**40,778,000**	37,751,000

附註：

(i) 於2018年2月28日，置富產業信託完成透過以代價2,000.0百萬港元(減於出售完成日期的負債淨額調整12.4百萬港元)出售Maulden Investments Limited的全部股權，向一名獨立第三方出售和富薈。

銷售所得款項(減開支)已如附註15(i)所披露用作為償還部分銀行融資。出售產生約941.1百萬港元的收益。

失去控制權的資產及負債分析：

	千港元 (未經審核)
投資物業	1,061,000
貿易及其他應收款項	4,048
銀行結餘及現金	2,603
貿易及其他應付款項	(19,043)
稅項撥備	(274)
遞延稅項負債	(13,886)
所出售的資產淨值	1,034,448

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12 投資物業(續)

附註:(續)

出售一間物業公司的收益按以下項目釐定:

	千港元 (未經審核)
已收代價	1,987,608
減:所產生的交易成本	(2,100)
減:出售費用	(10,000)
減:所出售的資產淨值	(1,034,448)
	941,060

出售產生的現金流入淨額如下:

	千港元 (未經審核)
已收代價	1,987,608
減:出售現金及現金等值物	(2,603)
	1,985,005

(ii) 於估算投資物業的公平值時,本集團的政策為委聘獨立合資格外部估值師進行估值。管理人會與估值師緊密合作,以制定合適的估值數據輸入模式。

*於2018年6月30日及2017年12月31日,萊坊測計師行有限公司(「**萊坊**」)進行獨立估值。該公司為與本集團並無關連的獨立合資格外聘估值師,對在相關地點相似物業進行估值擁有適當的專業資格及最新經驗。物業的估值主要通過收益資本化進行,該估值方法以各物業所有可供租用單位的現有租金收益淨額(即不包括差餉、地租及管理費)就各自的未到期租約期資本化進行,並假設空置單位於估值日期以各自的市值租金出租。在估值時,已評估物業所有可出租單位的市場租金,並按投資者對該類型物業的預期市場收益進行資本化。評估市場租金時已考慮物業的可出租單位可得租金以及該區其他類似物業的出租情況。所採納的市場收益(即資本化利率)乃經參考分析香港同類商用物業銷售交易所得收益並根據估值師對物業投資者市場預期的認知作出調整後得出,以反映本集團投資物業的特定因素。於估算物業的公平值時,物業的最高及最佳用途為彼等當前的使用情況。*

估值採納的資本化利率介乎4.0%至4.8%(2017年12月31日:4.3%至5.0%)。資本化利率為收入資本化估值方法中的主要參數之一,彼等涉及有關估值師的所作調整的專業判斷。所用資本化利率輕微上升可導致公平值大幅下跌,反之亦然。

(iii) 於2018年6月30日,總公平值為5,917百萬港元(2017年12月31日:10,283百萬港元)的物業已抵押作抵押品,以取得銀行的融資貸款。

13 衍生金融工具

	2018年 6月30日 千港元 （未經審核）	2017年 12月31日 千港元 （經審核）
衍生金融工具分析如下：		
並未按對沖會計法處理的衍生工具：		
利率掉期及上限	**56,505**	14,157
根據剩餘合約年期於簡明綜合財務狀況表中呈列為：		
流動資產	**–**	668
非流動資產	**56,734**	19,279
非流動負債	**–**	(5,790)
流動負債	**(229)**	–
	56,505	14,157

本集團利用利率掉期及上限作為對沖工具，藉將銀行借貸的一部分由浮動利率掉期至固定利率，以管理該等借貸的利率變動風險。

並未按對沖會計法處理的衍生工具：

於2018年6月30日並未按對沖會計法處理總面值為5,048.2百萬港元(2017年12月31日：6,463.2百萬港元)的合約將於2019年3月至2021年4月到期(2017年12月31日：2018年4月至2021年4月)。該等合約具固定利息支出，年利率介乎0.665%至1.85%(2017年12月31日：0.665%至1.85%)，及可按香港銀行同業一個月或三個月拆息率收取浮動利息或倘香港銀行同業拆息率在預先確定的範圍內(如適用)每三個月重訂，則按香港銀行同業三個月拆息率減1.50%收取。

並未按對沖會計法處理的衍生金融工具公平值變動為收益總額42.3百萬港元(截至2017年6月30日止六個月：虧損84.3百萬港元)，已於截至2018年6月30日止六個月的損益表確認。

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13 衍生金融工具(續)

並未按對沖會計法處理的衍生工具：(續)

衍生金融工具於報告期末乃按公平值計量。其公平值乃按工具剩餘年期內利用適用的回報曲線貼現未來現金流量決定。

衍生金融工具的公平值屬於公平值等級的第二級，此乃根據對應銀行提供的工具估值計算，相關估值使用市場利率收益曲線及合約利率(經反映各對手信貸風險的利率貼現)等可觀察市場數據得出的利率釐定。

14 貿易及其他應收款項

		2018年 6月30日 千港元 (未經審核)	2017年 12月31日 千港元 (經審核)
(a)	貿易應收款項：		
	外方	**31,811**	29,849
	相關人士(附註22)	**2,151**	4,880
		33,962	34,729
(b)	其他應收款項及預付款項：		
	抵押按金	**25,669**	25,669
	其他應收款項	**3,899**	204,431
	預付款項	**1,618**	2,129
		31,186	232,229
		65,148	266,958

14 貿易及其他應收款項(續)

本集團於報告期末按發票日期呈報的貿易應收款項的賬齡分析如下：

	2018年6月30日 千港元 (未經審核)	2017年12月31日 千港元 (經審核)
0–30日	**33,635**	34,548
31–90日	**317**	170
超過90日	**10**	11
	33,962	34,729

15 借貸

	2018年6月30日 千港元 (未經審核)	2017年12月31日 千港元 (經審核)
有抵押有期貸款	**2,000,000**	3,100,000
無抵押有期貸款	**7,355,060**	7,355,060
無抵押循環貸款	**–**	400,000
	9,355,060	10,855,060
減：未攤銷借貸手續費	**(58,183)**	(71,849)
	9,296,877	10,783,211
應償還賬面值：		
按要求或一年內	**–**	1,496,788
超過一年，但少於兩年	**1,150,729**	–
超過兩年，但少於五年	**8,146,148**	9,286,423
	9,296,877	10,783,211
減：呈列於流動負債下於一年內到期款項	**–**	(1,496,788)
	9,296,877	9,286,423

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15 借貸(續)

(i) 於2018年2月28日，由於附註12(i)所披露出售和富薈，現有有抵押貸款融資1,100百萬港元已獲提早償還。

(ii) 於2018年6月30日，已承諾貸款融資合共10,055.1百萬港元(2017年12月31日：11,155.1百萬港元)，按香港銀行同業拆息率加介乎0.98%至1.30%的範圍計息(2017年12月31日：0.98%至1.40%)。

此外，受託人(作為置富產業信託的受託人身份)已就所有融資提供擔保。

(iii) 借貸手續費用在相關貸款期內攤銷。借貸手續費用及累計攤銷變動如下：

	2018年6月30日千港元(未經審核)	2017年12月31日千港元(經審核)
於期／年初	**116,088**	130,000
增加	**–**	12,000
期／年內撥回	**(12,650)**	(25,912)
於期／年末	**103,438**	116,088
累計攤銷變動：		
於期／年初	**(44,239)**	(38,607)
期／年內攤銷	**(10,876)**	(24,940)
期／年內撥回	**9,860**	19,308
於期／年末	**(45,255)**	(44,239)
賬面淨值	**58,183**	71,849

16 貿易及其他應付款項

		2018年6月30日 千港元 (未經審核)	2017年12月31日 千港元 (經審核)
(a)	貿易應付款項：		
	租戶按金		
	－外方	**494,465**	495,950
	－相關人士(附註22)	**21,708**	15,184
	預收租金		
	－外方	**30,636**	27,247
		546,809	538,381
(b)	其他應付款項：		
	受託人費用	**2,295**	2,232
	就待出售之公司資產應收按金		
	其他開支	**–**	200,000
	－外方	**118,887**	120,053
	－相關人士(附註22)	**56,411**	55,719
	－管理人(附註22)	**53,776**	45,076
	應付利息	**433**	3,875
	其他	**2,684**	2,390
		234,486	429,345
		781,295	967,726

貿易及其他應付款項包括於終止或取消經營租賃安排時向租戶退回的按金及持續成本的剩餘金額。租戶按金在終止租賃協議後30日內退回給租戶。

按租期，於2018年6月30日，租戶按金323.8百萬港元(2017年12月31日：308.7百萬港元)將於報告期末起計12個月後結算。

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17 已發行及將發行基金單位

	基金單位數目 千個	 千港元
於2017年1月1日餘額	1,902,128	7,879,828
期間發行新基金單位：		
作為支付管理人於2017年1月1日至9月30日期間的基本費用	9,148	83,306
於2017年12月31日已發行餘額	1,911,276	7,963,134
期間發行新基金單位：		
作為支付管理人於2017年10月1日至12月31日期間的基本費用(附註(i))	3,072	29,348
於2017年12月31日餘額	1,914,348	7,992,482
期間發行新基金單位：		
作為支付管理人於2018年1月1日至3月31日期間的基本費用	2,947	27,925
於2018年6月30日已發行餘額	1,917,295	8,020,407

附註：

(i) 支付予管理人的管理人基本費用以基金單位方式支付。於2018年1月2日，置富產業信託以每基金單位9.553港元發行價發行3,072,278個基金單位予管理人，作為由2017年10月1日至2017年12月31日期間的基本費用。

18 基金單位持有人應佔每基金單位資產淨值

於2018年6月30日，每基金單位資產淨值乃根據本集團基金單位持有人應佔資產淨值30,845.5百萬港元及於2018年6月30日已發行基金單位總數1,917,295,034個計算。

於2017年12月31日，每基金單位資產淨值乃根據本集團基金單位持有人應佔資產淨值26,887.8百萬港元及於2017年12月31日已發行及將發行基金單位總數1,914,348,385個計算，包括於2018年1月發行作為支付管理人的基本費用之新基金單位。

19 流動負債淨值

於2018年6月30日，本集團的流動負債淨值(按流動負債減流動資產計算)為236.2百萬港元(2017年12月31日：1,146.2百萬港元)。

20 資產總值減流動負債

於2018年6月30日，本集團的資產總值減流動負債為40,598.5百萬港元(2017年12月31日：36,624.1百萬港元)。

21 資本承擔

於2018年6月30日，本集團就投資物業擁有已批准但未訂約的資本承擔為77.5百萬港元(2017年12月31日：261.9百萬港元)及已訂約但未作出撥備的資本承擔為218.4百萬港元(2017年12月31日：67.2百萬港元)。

22 關連人士及相關人士交易

於期內，本集團與關連人士及相關人士進行以下交易：

	附註	截至6月30日止六個月 2018年 千港元 (未經審核)	 2017年 千港元 (未經審核)
來自以下公司的租金及與租金相關收入			
置富資產管理有限公司	(e)	**443**	409
屈臣氏零售(香港)有限公司	(c)	**18,943**	17,823
BIGBOXX.com Limited	(c)	**1,225**	1,206
長江實業地產發展有限公司	(b)	**17,636**	21,329
港基物業管理有限公司	(b)	**1,044**	1,314
恒生銀行有限公司	(d)	**9,846**	9,674
和記環球電訊有限公司	(c)	**–**	767
和記企業有限公司	(c)	**1,495**	1,475
和記電話有限公司	(c)	**4,700**	4,591
和記電訊服務有限公司	(c)	**42**	–
百佳超級市場(香港)有限公司	(c)	**74,723**	76,605
信澤企業有限公司	(b)	**9**	8
香港上海滙豐銀行有限公司(「**滙豐**」)	(d)	**4,933**	4,931
Towerich Limited	(b)	**34**	33

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22 關連人士及相關人士交易(續)

	附註	截至6月30日止六個月 2018年 千港元 (未經審核)	 2017年 千港元 (未經審核)
就經營本集團停車場的停車場租賃代理費用			
進達車場管理有限公司	(b)	**4,609**	4,344
物業管理費用			
港基物業管理有限公司	(b)	**504**	496
Goodwell-Fortune Property Services Limited	(b)	**23,829**	23,045
高衛物業管理有限公司	(b)	**88**	79
黃埔物業管理有限公司	(b)	**108**	335
租賃佣金及市場推廣服務費用			
Goodwell-Fortune Property Services Limited	(b)	**13,221**	14,283
廣告及宣傳開支			
新城廣播有限公司	(c)	**–**	258
受託人費用			
HSBC Institutional Trust Services (Singapore) Limited		**6,699**	6,345
管理人出售費用			
置富資產管理有限公司	(e)	**10,000**	–
管理人基本費用			
置富資產管理有限公司	(e)	**58,425**	54,950
管理人表現費用			
置富資產管理有限公司	(e)	**23,276**	22,496
估值及其他費用			
萊坊	(f)	**315**	198

22 關連人士及相關人士交易(續)

以下為於報告期末與關連人士及相關人士的結餘：

	附註	2018年 6月30日 千港元 (未經審核)	2017年 12月31日 千港元 (經審核)
與關連人士及相關人士的貿易應收款項如下：			
屈臣氏零售(香港)有限公司	(c)	**1**	1
長江實業地產發展有限公司	(b)	**1,914**	4,619
恒生銀行有限公司	(d)	**1**	–
和記電話有限公司	(c)	**1**	50
百佳超級市場(香港)有限公司	(c)	**234**	210
		2,151	4,880
與關連人士及相關人士的其他應付款項如下：			
置富資產管理有限公司	(e)	**53,776**	45,076
港基物業管理有限公司	(b)	**27,763**	26,261
進達車場管理有限公司	(b)	**787**	765
Goodwell-Fortune Property Services Limited	(b)	**7,426**	10,249
高衛物業管理有限公司	(b)	**20,435**	18,444
		56,411	55,719
		110,187	100,795

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22 關連人士及相關人士交易(續)

	附註	2018年 6月30日 千港元 (未經審核)	2017年 12月31日 千港元 (經審核)
租賃本集團物業而繳付予本集團的按金			
置富資產管理有限公司	(e)	**241**	240
屈臣氏零售(香港)有限公司	(c)	**1,601**	2,472
港基物業管理有限公司	(b)	**621**	599
恒生銀行有限公司	(d)	**5,398**	5,138
滙豐	(d)	**2,138**	2,132
和記電訊服務有限公司	(c)	**5**	36
和記電話有限公司	(c)	**1,592**	1,531
百佳超級市場(香港)有限公司	(c)	**10,089**	3,013
信澤企業有限公司	(b)	**5**	5
Towerich Limited	(b)	**18**	18
		21,708	15,184

附註：

*(a) 置富產業信託的重大持有人(定義見房地產投資信託基金守則)為Focus Eagle Investments Limited(「**重大持有人**」)，於2018年6月30日，該公司持有置富產業信託基金單位約21%。*

*(b) 該等公司為長江實業集團有限公司(「**長江實業**」)的附屬公司，而長江實業為重大持有人的控股公司。*

(c) 該等公司為重大持有人的有聯繫公司(定義見房地產投資信託基金守則)。

(d) 該等公司為受託人的同系附屬公司。

(e) 該公司為置富產業信託的管理人。

(f) 萊坊為投資物業的主要估值師。

此外，受託人(作為置富產業信託受託人的身份)已就本集團的所有貸款融資提供擔保。

23 比較數字

為符合本期間的呈列方式，若干比較數字已於該等簡明綜合財務報表中重新分類，有關重新分類對以往已報告溢利並無重大影響。

於截至2018年6月30日止六個月，(i)管理人審閱及重新評估收益性質，並認為45.6百萬港元(截至2017年6月30日止六個月：46.6百萬港元)的收入與本集團報銷的開支有關，且與本集團進行一般業務活動換取代價的結果並無關連，因此，該金額與相關開支所抵銷；及(ii)衍生金融工具公平值變動根據附註8於簡明綜合損益及其他全面收入表中合併分類為融資成本，而非作為細列項目呈列。

表現概覽

	2018年6月30日（未經審核）	2017年12月31日（經審核）
基金單位持有人應佔資產淨值（千港元）	**30,845,519**	26,887,767
每基金單位資產淨值（港元）	**16.09**	14.05
期／年內最高成交價（港元）	**9.87**	9.82
成交價相對資產淨值的最高溢價[1]	**不適用**	不適用
期／年內最低成交價（港元）	**9.01**	8.52
成交價相對資產淨值的最高折讓	**44.0%**	39.4%
每基金單位淨收益率[2]	**5.8%**	5.3%

附註：

1. *於各期內之最高成交價均低於該期末每基金單位資產淨值。因此，並無錄得成交價較每基金單位資產淨值之溢價。*

2. *截至2018年6月30日止六個月，每基金單位淨收益率乃根據截至2018年6月30日止六個月的每基金單位分派以及基金單位於該期間的最後成交價計算之年度化收益率。*

   截至2017年12月31日止年度，每基金單位淨收益率乃根據截至2017年12月31日止年度的每基金單位分派以及基金單位於該期間的最後成交價計算。

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